

# *Waitaki* District Council 2021-2031 LONG TERM PLAN





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## MESSAGE FROM THE MAYOR

Hello again,

We have been living in a COVID-19 affected world for over a year now, and although we are very well off here in comparison to many countries, it has still had an impact on how we go about everyday life. In the Waitaki district, we have been lucky in that our economy overall has been barely impacted. Some individuals and some businesses have been affected of course, but we haven't had the dip in activity that had been expected when we decided to have a zero percent average change in rates last year.

The impact of that decision has been significant though, as the inflationary and increased workload pressures have built up. That sees us with much higher-than-average increases in rates proposed for a number of the years over the ten-year period covered by our Long Term Plan. None of us like to pay more rates, and the rating system is not always fair, but in general, the services provided in return for most people's rates are appreciable and important.

This is not a business as usual plan though, with some of the greatest investments ever proposed for our roading network and our water infrastructure. These key services require that increased investment to deal with more, and heavier vehicle numbers on our roads, and higher standards for drinking water and wastewater treatment than have been demanded previously.

Councillors have also responded well to the submissions made by the public. With one of the highest per-capita number of submissions from our ratepayers, we have agreed on key projects such as the proposed indoor sports & events centre, support for the Vanished World Centre in Duntroon and a community walkway in Dunback, and the fencing of the skatepark and kids' bike park in Palmerston, to mention just some of the projects.

These are all projects that will improve our district and help deliver on our goal to make Waitaki the best place to be, and they have been made possible whilst still lowering the required rate increase below what it was first proposed at.

Thank you to all of you who put pen to paper or fingers to keyboard to make a submission this year. It has helped to shape this LTP and helped to shape our future.

Best wishes,



Gary Kircher  
Mayor for Waitaki





# PART 1

## INTRODUCTION

*Kupu whakataki*

The 2021–31 Long Term Plan (LTP) sets Council's strategic direction and work programme for the 10 years ahead. It outlines the services we will provide, the projects we will undertake, the cost of doing this work, how it will be paid for and how we will measure quality and our effectiveness. The issues we face and the context within which we work are continuously evolving and for this reason we produce a long term plan every three years.



## Council's role, responsibilities and goals

### Purpose of Council

The purpose of local government is—

- (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

In 2019, central government reinstated the four well-beings back into the Local Government Act 2002 (LGA02). The purpose of the LGA02 changed back to its 2002 version to provide for local authorities to play a broad role in promoting the **social, economic, environmental, and cultural well-being of their communities**, taking a sustainable development approach. What this means is that we need to consider the well-being of our community in our planning and operations.

The financial management obligations of the LGA02 have also been amended and require the overall impact of any funding demands on the community to take into account the future social, economic, environmental and cultural well-being of the community.



## Well-being

All of the well-beings; social, economic, environmental, and cultural well-being, are interconnected in that improving one well-being can help to improve other well-beings.

**Economic well-being** - Looks at whether the economy can generate the employment and wealth necessary to provide many of the requirements that make for social well-being, such as health, financial security, and equity of opportunity. It is important because economic well-being relates to the basics of what we need for a good quality of life.

**Social well-being** - Involves individuals, their families, whanau, hapu, iwi, and a range of communities being able to set goals and achieve them, such as education, health, the strength of community networks, financial and personal security, equity of opportunity, and rights and freedoms. Social well-being relates to those aspects of life that society collectively agrees are important for a person's happiness, quality of life and welfare. Social wellbeing also relates to the relationships in our lives. Healthy relationships can impact us mentally and physically. They can help us live longer, manage stress, and become healthier.

**Cultural well-being** - Looks at the shared beliefs, values, customs, behaviours, identities reflected through language, stories, visual and performing arts, ceremonies and heritage that make up our communities. It is important because a healthy and distinctive District can recognise and celebrate its own heritage and identity, while at the same time growing by embracing the diversity of new cultures. Having a strong cultural identity is important for one's sense of self and overall wellbeing. For example, cultural identity influences the extent to which people feel a sense of belonging and therefore self-worth.

**Environmental well-being** - Considers whether the natural environment can sustainably support the activities that constitute healthy community life, such as air quality, fresh water, uncontaminated land, and control of pollution. It is important because we need safe, healthy and supportive environments for good health. The environment in which we live is a

major determinant of our health and wellbeing. We depend on the environment for energy and the materials needed to sustain life, such as clean air, safe drinking water, nutritious food, and safe places to live.



## COUNCILS STRATEGIC PRIORITIES

### Our Planning Cycle

As part of Council's planning cycle Council developed a new Strategic Framework document in 2020. The framework includes the four well-beings (economic, social, cultural and environmental) that have been reinstated back into the LGA02 since the last LTP.

Council must now consider its broader role in fostering liveable communities, as well as providing core infrastructure and services, and ensuring that principles relating to decisions take into account the aspect of well-being. What this means is that we need to consider the well-being of our community in our planning and operations. In order to promote social, economic, environmental and cultural well-being, Council is focussed on achieving our community outcomes.

### Community outcomes

Community outcomes describe how Waitaki District Council aims to meet the current and future needs of our communities with good-quality local infrastructure, providing local public services and performance of regulatory functions. Community outcomes set the direction for our LTP and all activities included in the LTP that the Council undertakes contribute towards achieving these outcomes.

### *What is our planning cycle?*

We start with a Strategic Framework that sets the Council's vision, community outcomes and our strategic priorities and we review this before we start our planning for the LTP. Focussing on our strategic priorities will enable us to achieve what we want for our community – our community outcomes.

The LTP sets Council's strategic direction and work programme for a 10 year period although we do review this every three years. It outlines the services we will provide, the projects we plan to undertake, the cost of

doing the work, and how it will be paid for. It also sets the rates for year one of the LTP.

The annual plan is Council's work programme over a one year period (July to June) and details how it will be paid for. We produce an annual plan in years two and three of the LTP cycle. The annual plan also sets the rates for years two and three of the LTP.

The annual report is produced every year; this is where we report back to the community on what we said we would do in the LTP.



## Council's Planning Cycle





## Council's Strategic Framework





## Community outcomes

The LGA02 defines community outcomes as the outcomes that a local authority aims to achieve in order to promote the social, economic, environmental, and cultural well-being of its district or region in the present and for the future.

The community outcomes describe how we want our community to be for the activities and services that Council can influence. The activities of Council contribute to a variety of community outcomes. In order to promote social, economic, environmental and cultural wellbeing, Council is focused on achieving our community outcomes.

Each of our community outcomes relates to one or more community well-being:

Table 1: Community outcome and well-being

Community outcome	Community well-being
Prosperous district	Economic well-being
Strong Communities	Social and/or Cultural well-being
Quality services	Social and/or Cultural well-being
Valued environment	Environmental well-being

Each of our activities has a number of key performance measures and targets which we use to track our performance on this activity. Each of our performance measures relate to a community outcome and well-being. These are detailed in this LTP.

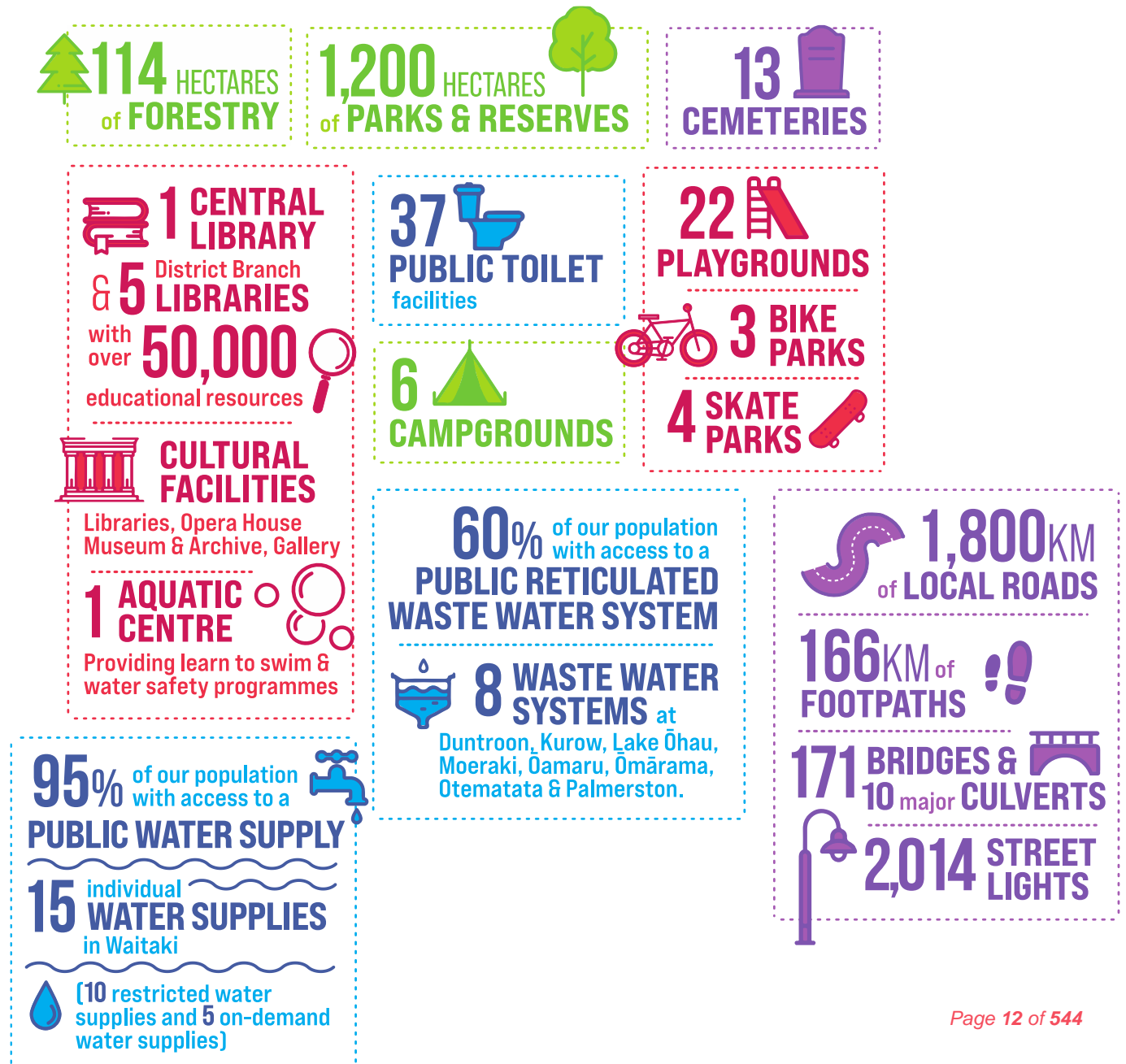
## Strategic priorities

Council has identified six (6) strategic priority areas it believes are essential to enable it to work towards its vision and community outcomes:

- Providing high quality core infrastructure and services
- Determining the best way to deliver 3-waters for the community
- Working with the community to respond to COVID-19 challenges
- Creating a District Plan that is fit for Waitaki's future
- Striving towards better Council performance; and
- Driving best value for rates.



This is a snapshot of what we do





## Engaging with our community

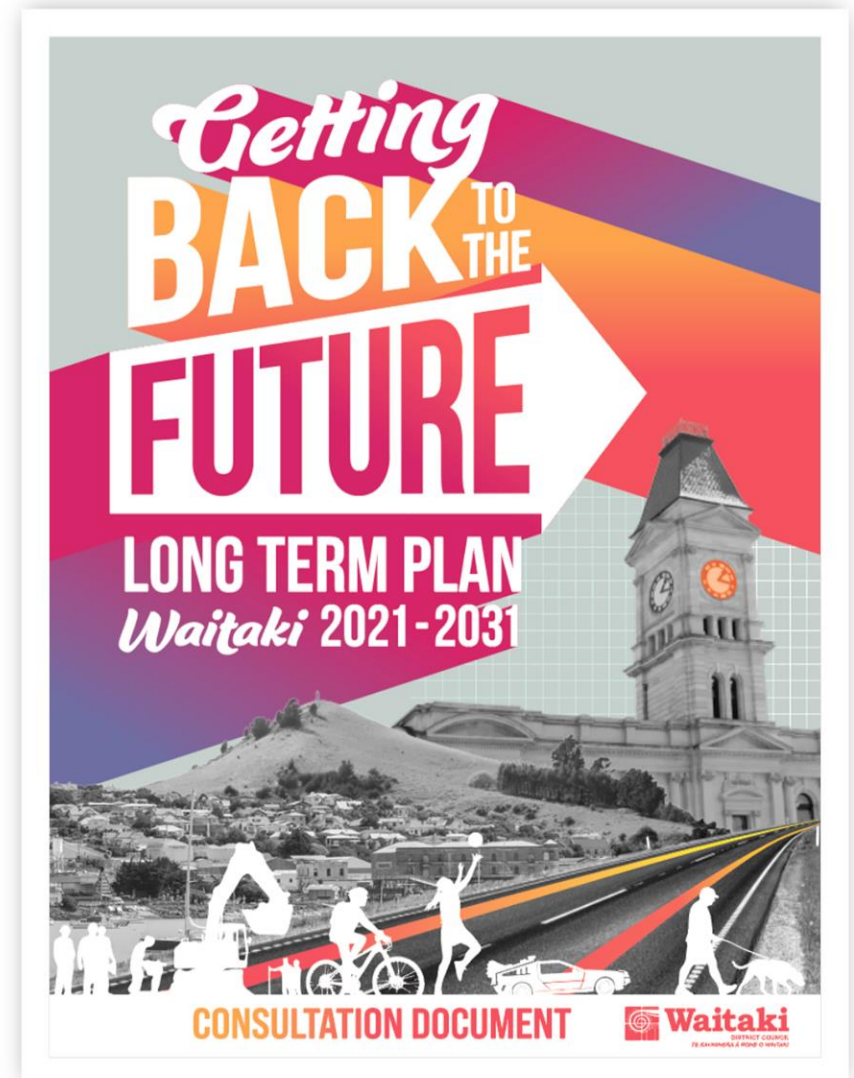
Council has engaged with the community to develop the LTP in a variety of ways including:

- The production of a consultation document that was distributed to services centres, libraries and with a publication of the Ōamaru Mail
- A six week community consultation period in April and May 2021
- A targeted social media campaign
- Drop-in sessions at a number of locations across the district
- Live streaming sessions on specific topics

The 2021-31 Long Term Plan Consultation Document sought community feedback on six key issues and one question asking for any other thoughts and ideas. The six issues were:

1. Council's strategic direction – What do you think we should be doing to achieve our community outcomes and strategic priorities?
2. COVID-19 recovery – what else can we do to support our community?
3. Climate change – what should we be focussing on?
4. Waste management – what waste minimisation and education activities would you like to see Council doing?
5. Indoor Sports and Events Centre – should we proceed and what should Council's contribution be capped at?
6. Rates affordability – should we smooth rates?

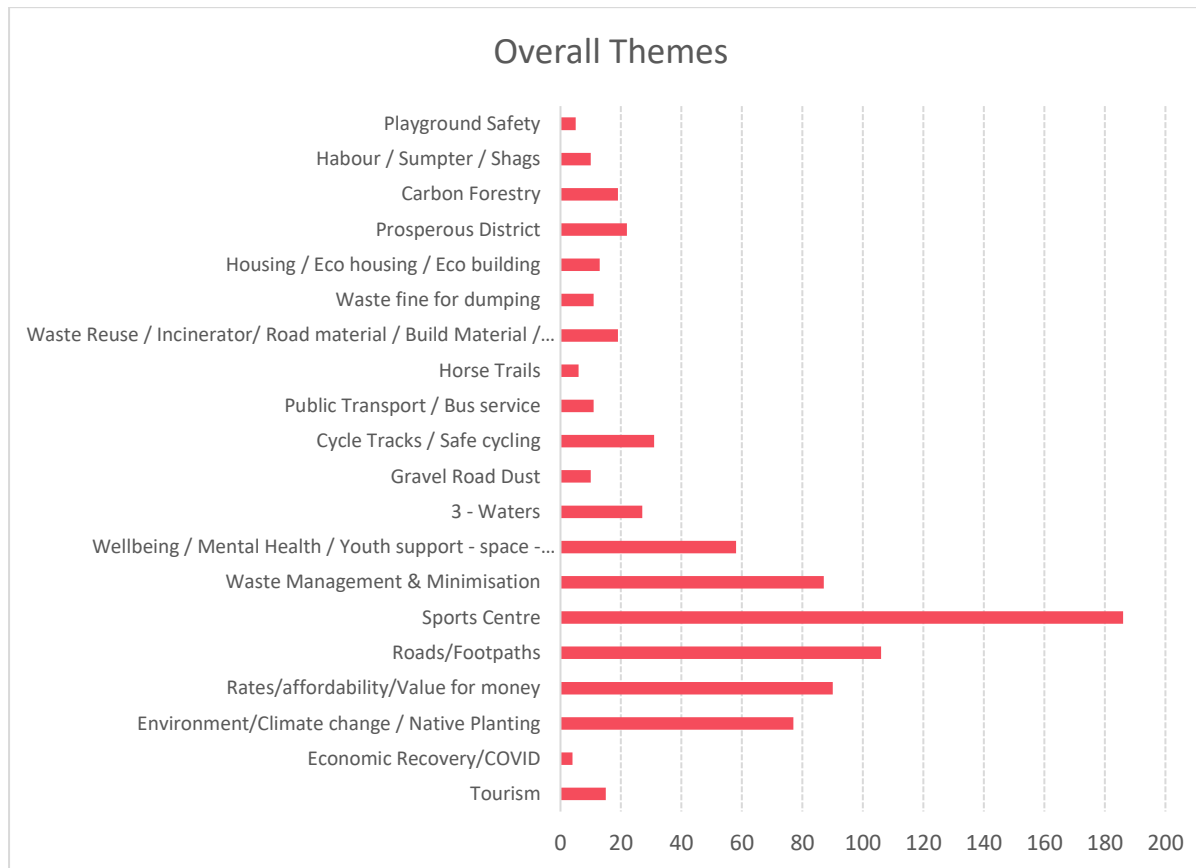
Council received 416 submissions on the 2021-31 Long Term Plan, 18 submissions on the draft Revenue and Financing Policy and one on the draft Development Contributions and Financial Contributions Policy.





## Overall themes from the submissions

The chart below presents the overall themes from the submissions.



*Note: Some submissions covered more than one theme so the figures in the chart above add to greater than the total number of submissions.*

The main themes appearing in the submissions were the proposed indoor sports and events centre, roads and footpaths, rates affordability, and waste management.

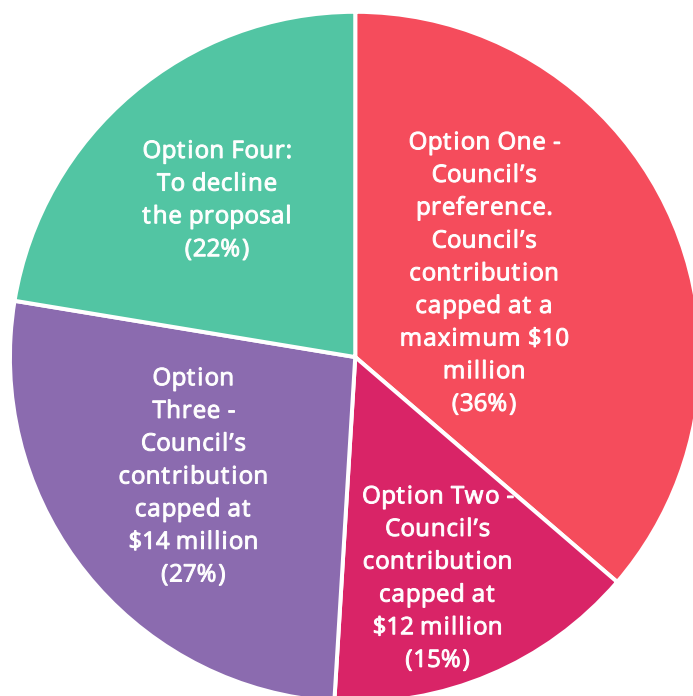


The questions relating to the proposed indoor sports and events centre and rates affordability sought feedback on a number of options. The following charts show the preferences of the submitters who answered these questions.

#### *Proposed Indoor Sports and Events centre*

Of the 259 submitters who responded to the question about the Indoor Sports and Events Centre, and how much Council should contribute to the proposed centre, 78% were in support of the proposal and 22% were against.

### **Proposed Indoor Sports and Events Centre**

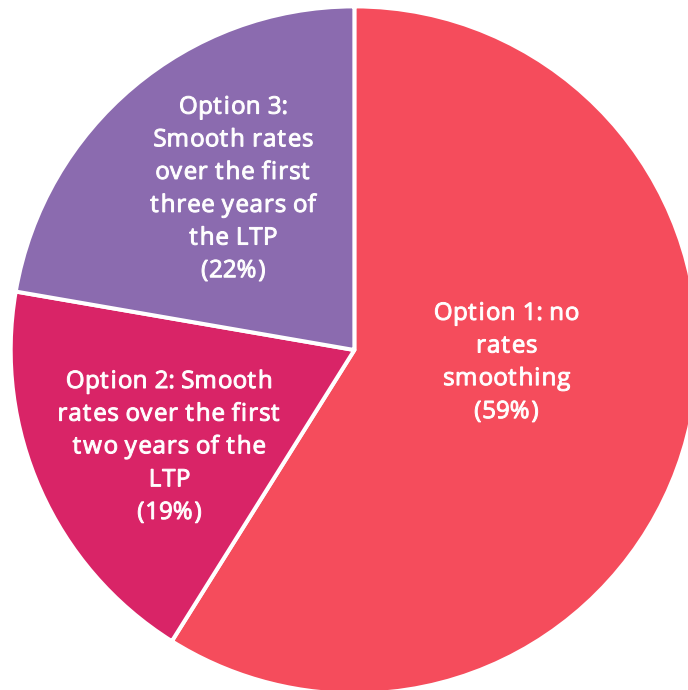




### *Rates affordability*

Of the 202 submitters who responded to the question about rates smoothing, 41% were in support of rates smoothing and 59% were against rates smoothing.

#### **Rates affordability**





## COUNCIL DECISION MAKING

Council considered community feedback on the draft 2021-31 Long Term Plan at Council deliberations in June 2021. The following table highlights some of the decisions made. Details of the decisions (made by Council on 15 June and 29 June 2021) can be found in the meeting minutes on the Waitaki District Council website.

Topic	Decision
<b>Indoor Sports and Events Centre</b>	Include a budget of up to \$10 million for an indoor sports and events centre with construction beginning in 2022 and completed in 2024.
<b>Rates smoothing</b>	Confirmed the Council's preference for no rates smoothing.
<b>Footpaths in Palmerston</b>	\$200,000 allocated in year 2.
<b>Waihemo Town Signs</b>	Allocate \$20,000 each year from year 1 through to year 5.
<b>Tutu Hill Road Seal</b>	Include a budget of \$376,000 in year 2 to seal a portion of Tutu Hill Road.
<b>Wastewater Hampden</b>	Allocate \$30,000 in year 1 for a scoping project.
<b>Tourism Waitaki Support</b>	Allocate an additional \$50,000 in years 1 and 2 to support Tourism Waitaki. Allocate \$50,000 in years 1 and 2 to support the i-site.
<b>Mountain Biking North Otago</b>	Increase support from \$15,000 to \$17,500 per annum from year 1 for track maintenance.
<b>Vanished World</b>	Allocate \$50,000 for the refurbishment of the Vanished World centre in Duntroon from year 1. Allocate a total of \$270,000 for the employment of a centre coordinator from years 2 to 10.
<b>Geopark</b>	Allocate an additional \$50,000 in years 1 and 2.
<b>Kauru Hill Hall Rate</b>	Introduce a Hall Rate for Kauru Hill hall ratepayers of \$50 per annum.
<b>Otematata Hall Rate</b>	Increase the Hall rate by \$10 per annum.
<b>Maheno Hall Rate</b>	Increase the Hall rate by \$10 per annum.
<b>Pacifika and Iwi Engagement</b>	Allocate \$50,000 in year 1 and \$75,000 from years 2 - 10.
<b>Community Development</b>	Allocate an additional \$150,000 in year 1 to Safer Waitaki.



## Infrastructure projects

Much of Council's work relates to maintaining and renewing our infrastructure to enable us to provide drinking water, wastewater disposal, our transport network and sport and recreation opportunities. The majority of our spending (approximately 70%) is related to our \$831 million asset base.

The following table highlights some of the infrastructure projects that will be carried out over the next ten years. The table shows Council's contribution and the costs included are uninflated.

Project	Cost (uninflated)	Start date (financial year)
<b>Water supply upgrades to meet New Zealand Drinking Water Standards:</b>		
• Waihemo water main upgrade	\$8 million	2021/2022
• Otematata drinking water standard upgrade	\$1 million	2022/2023
• Ōamaru water main upgrade	\$11 million	2021/2022
• Stoneburn	\$2 million	2022/2023
• Tokorahi	\$3.2 million	2022/2023
• Awamoko	\$2.1 million	2022/2023
• Windsor	\$2.2 million	2022/2023
• Kauru Hill	\$2.2 million	2022/2023
• Bushy Creek	\$1.62 million	2022/2023
• Lake Ohau	\$1.5 million	2022/2023
Ōamaru water capacity upgrades	\$26 million	2021/2022
Ōamaru wastewater facilities and mains upgrade	\$12.3 million	2021/2022
Palmerston wastewater main upgrade	\$927,000	2021/2022
District wide unsealed road metalling	\$700,000 each year	2021/2022
District wide sealed road resurfacing	\$1.8 million each year	2021/2022
Ōamaru Airport lighting upgrade	\$612,000	2022/2023



Project	Cost (uninflated)	Start date (financial year)
Hampden beach landfill removal	\$1.8 million	2021/2022
Indoor Sports and Events Centre	\$10 million	2021/2022
District wide toilet renewals and replacements	\$3.2 million	2021/2022
Footpath renewals	\$6 million	2021/2022
Kakanui Bridge replacement construction	\$7.7 million	2024/2025
Roading improvements – new work and renewals	\$18 million	2021/2022
Sumpter Wharf Ōamaru - maintenance	\$830,000	2024/2025



## PART 2

# OUR PLAN

*ta tatou mahere*



## Significant Forecasting Assumptions

Under the LGA02, Council is required to identify the significant forecasting assumptions and risks underlying the financial estimates in its 10-year plan. These are important in that they provide the community with a level of transparency about decisions Council makes about service priorities, projects and funding.

Assumptions are necessary to allow Council to plan for expenditure and costs over the next ten years. They form the best reasonable basis of currently available information. Any assumptions that apply only to specific activities will be included in the discussion on that activity.

Council has made a number of assumptions about the future. These assumptions are predictions that Council will use as a basis for planning, budgeting and decision-making across the ten years of this plan.

The significant forecasting assumptions we have used reflect uncertainties, risk and assumptions that influence our key strategies and policy being:

- Waitaki District Council Infrastructure Strategy 2021-2051
- Financial Strategy
- Revenue and Financing Policy.

The full list of significant forecasting assumptions is in Appendix 1 (page 481)



## Summary of Council's approach to managing infrastructure

This section provides a summary of how Council will manage its assets over the next 30 years. The Waitaki District Council Infrastructure Strategy 2021-2051 is included in Part 4 of this plan.

### Principles of the Infrastructure Strategy

Under the LGA02 Council must, as part of its long-term plan, prepare and adopt an infrastructure strategy for a period of at least 30 consecutive financial years. The purpose of the infrastructure strategy is to identify significant infrastructure issues for the local authority over the period covered by the strategy; and identify the principal options for managing those issues and the implications of those options

The Infrastructure Strategy for Waitaki District Council 2021 – 2051 sets out Council's strategic direction for infrastructure assets and service delivery for the next 30 years. Infrastructure plays an important part in our everyday lives, providing a platform for our vision: **Waitaki – the best place to be** and our collective purpose of **empowering our people and place to thrive**.

Our infrastructure decisions underpin our ability to achieve our community outcomes: **prosperous district, strong communities, quality services, and valued environment**.

Our Strategy is also future focussed and developed in response to ten key challenges, namely:

- 3 Waters reform
- Safety
- Environment
- Asset condition
- Resourcing
- Climate change and natural hazards
- Demographic change
- Land use change
- Technology
- Continuous improvement

Our strategic responses to these challenges include investment in infrastructure, people and systems.



### Where we want to be

Council's priorities for managing infrastructure are:

- Further improve water supply quality, capacity and resilience
- Upgrade wastewater capacity and storage, improve wastewater quality and reduce stormwater impact
- Improve the condition of our footpaths and urban roads
- Strengthen key bridges for high productivity motor vehicle use
- Deliver road safety improvements and manage speeds
- Improve drainage and unsealed road maintenance
- Multi use sports fields, not investing in assets for narrow interests
- Ōamaru airport and harbour upgrades.

### Where we have come from

This is Council's third Infrastructure Strategy, with a continued focus on maintaining core services and infrastructure for roads and footpaths, 3 Waters, recreation, solid waste, and property. The 2021-2051 strategy continues the theme of the 2018-2048 Strategy focusing on high quality core infrastructure services that meets the needs of the community. This aligns well with the direction of the Financial Strategy which is to concentrate on delivering good quality services that meet the changing needs of the community while ensuring rates affordability and financial flexibility through efficiency and effectiveness, maximising value and repaying debt.



## Where we are now

Table 2 provides a summary of Councils core assets and their value at the most recent revaluation date.

Table 2: Council assets and value

Asset	Description	Replacement value (\$ million)	% of total	Annual Dep. (\$ million)
<b>Water (1 July 2018 valuation)</b>	Water extraction, treatment and distribution.	\$122.1	10%	\$2.1
<b>Sewerage (1 July 2018 valuation)</b>	Wastewater collection, treatment and discharge.	\$89.3	7%	\$1.3
<b>Stormwater (1 July 2018 valuation)</b>	Stormwater collection and discharge.	\$32.0	3%	\$0.3
<b>Roads and footpaths (30 June 2020 valuation)</b>	Roads (arterial, collectors, local; curbs and gutters), bridges, footpaths.	\$806.5	64%	\$7.4
<b>Recreation (1 July 2019 valuation)</b>	Parks, reserves, playgrounds, recreational facilities (including A2O) and solid waste.	\$33.9	3%	\$1.0
<b>Property (1 July 2019 valuation)</b>	WDC owned properties and buildings. Also land packages.	\$179.4	14%	\$2.5
<b>TOTAL</b>		\$1,263.20	100%	\$14.60



### What we plan to do

Over the life of our plan we aim to:

- Invest in high quality core infrastructure
- Tailor our services to the needs of our community
- Empower our people to deliver our strategy
- Plan our future and face our challenges

### The Strategy reflects our decision hierarchy:

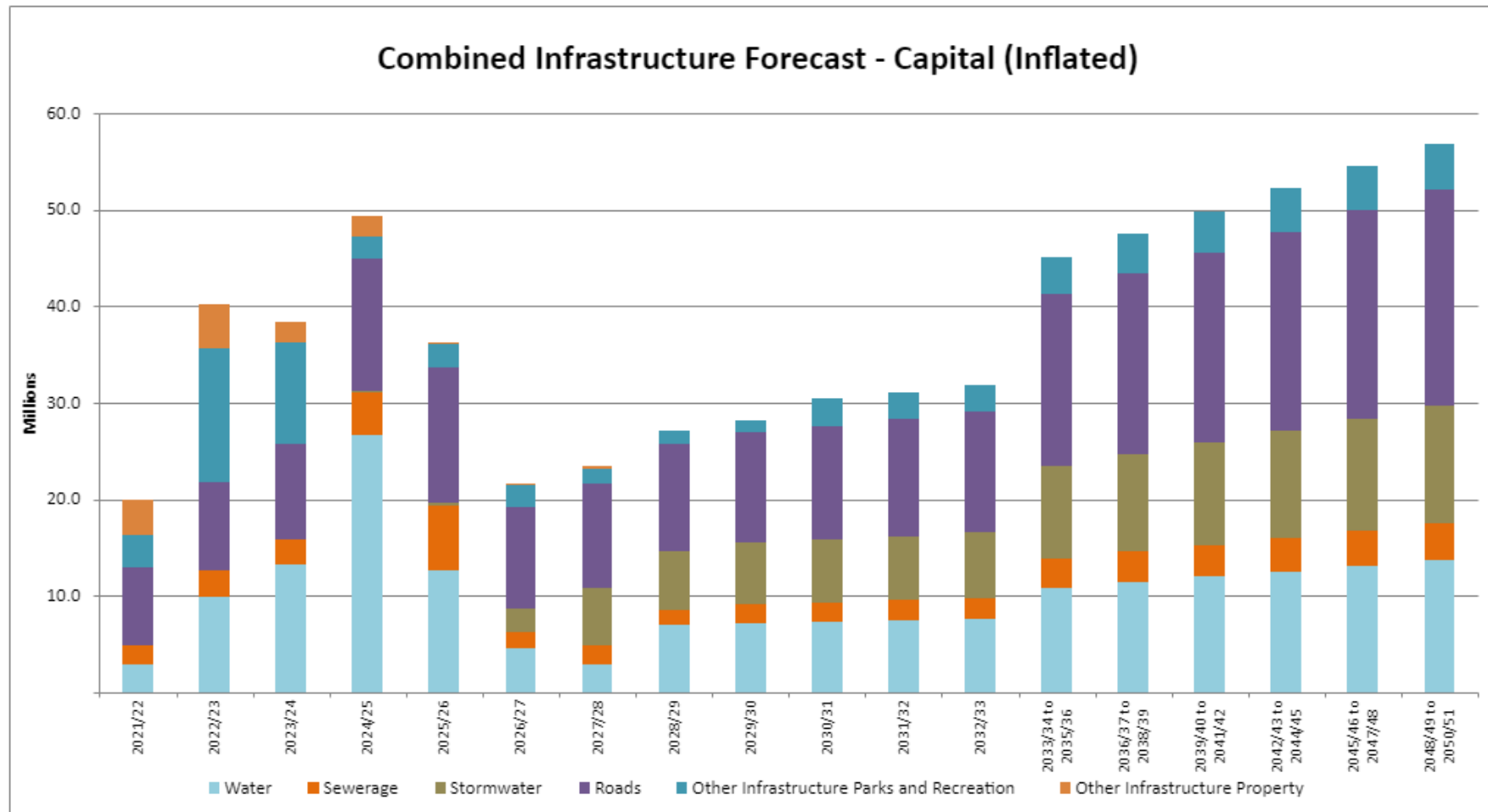
1. Safety – address dangerous situations as a priority
2. Resilience - address immediate and core threats
3. Look after existing assets (provided they are still needed)
4. Make better use of existing assets
5. Build new assets or augment existing ones





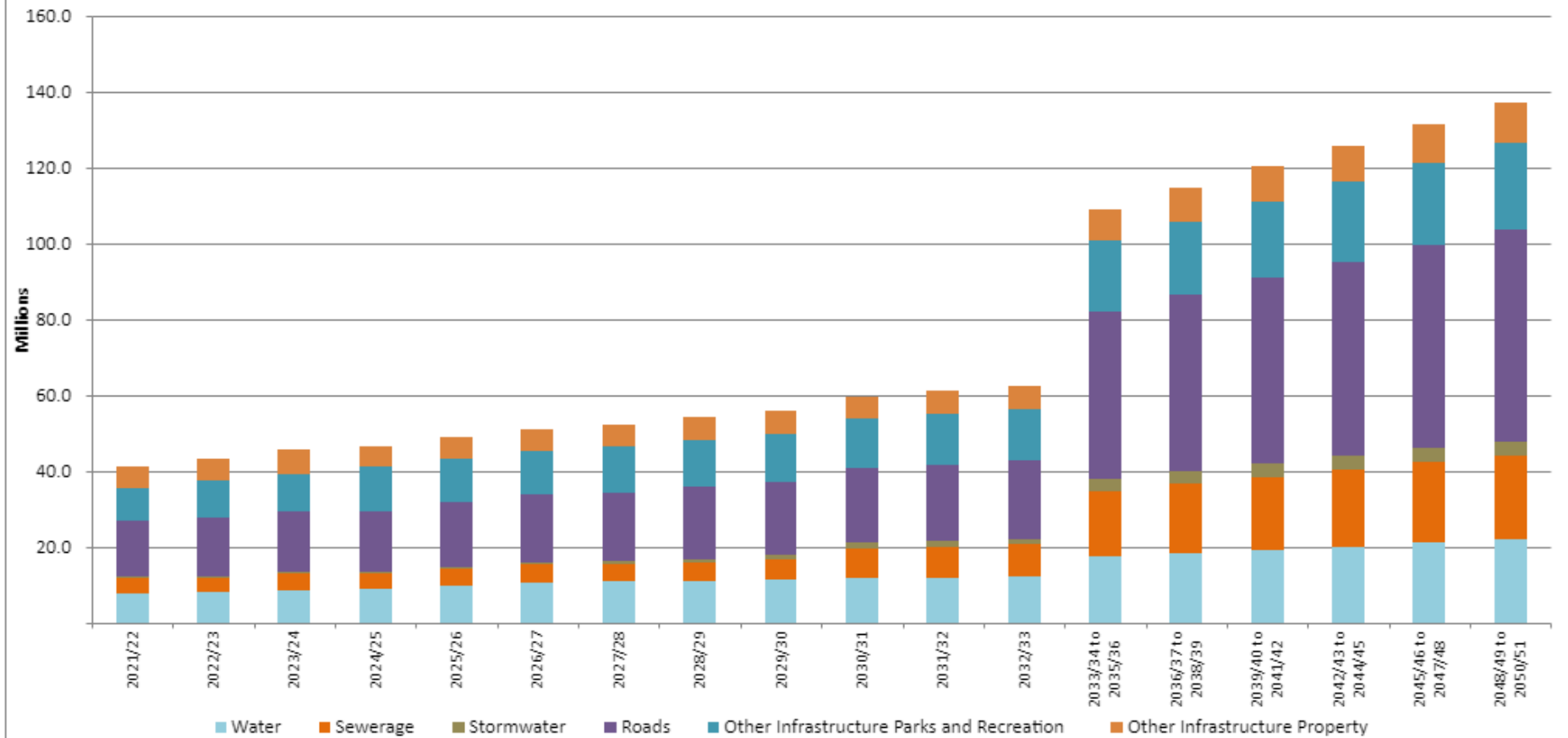
## Summary of spend over 30 years

The following graphs provide a summary of indicative infrastructure spend for Council over the next 30 years.





## Combined Infrastructure Forecast - Operations & Maintenance (Inflated)





## Summary of Council's financial approach

This section provides a summary of Council's financial approach. The full Financial Strategy and other relevant financial policies can be found in Part 4 of the plan.

### Purpose

Having a financial strategy is a required component of any long term plan. The primary purpose in the Local Government Act 2002 (LGA02) is to promote prudent financial management. Our Financial Strategy (the Strategy) needs to take into account all relevant aspects of the LGA02 including the need to balance current and future needs of the community. This is particularly relevant to the Strategy as it sets out Council's approach to how it intends to allocate levels of spending over the short and medium term and how it will use the funding options available to it to share the funding between the current and future residents and ratepayers. The second focus of the Strategy is to provide context for consultation on Council proposals and the overall effect on Council services, rates, debt and investments

### Where we are now?

Overall, Council continues to be in a sound financial position. This has allowed Council to make decisions that have limited rate increases and kept money in the pockets of ratepayers. However, due to the factors set out below, this must change over the term of this plan if Council is going to meet its obligations under the law and to the community.

### Where do we want to go?

This is the fourth iteration of the Waitaki District Council Financial Strategy. Since the development of the last strategy there have been a number of significant issues that need to be recognised and reflected in this update. The three most significant were the re-introduction of the four well-beings as the focus of local government, the impact of COVID-19 and Council response to it, and Council updating its strategic priorities.



The strategic priorities have a direct impact on the Strategy. The Strategy has recognised and allowed for these priorities in the following ways:

Strategic Priority	Response in the Financial Strategy
<b>Providing high-quality core infrastructure and services</b>	Identification of a greater need to increase the level of reinvestment in infrastructure.
<b>Determining the best way to deliver three waters for the community</b>	Strategy prepared on the basis of retained ownership and increased expectations on the services and standards to be achieved in Water, Wastewater and Stormwater
<b>Working with the community to respond to COVID-19 challenges</b>	Further development of Council's ability to respond quickly to any change in circumstance and to rebuild financial capacity in an affordable way.
<b>Creating a District Plan that is fit for Waitaki's future</b>	Limited impact.
<b>Striving towards better Council performance</b>	Will be a key consideration in setting financial targets and measures.
<b>Driving best value for rates</b>	A point of emphasis that Council is focused on value rather than minimising increases in rates.

### Our Financial Strategy

The Financial Strategy describes how we plan to finance our services in a way that is sustainable over the long term. If our expenditure and funding plans are not sustainable, we may not have the capacity or resources to deliver affordable services to residents and ratepayers in the medium and long term.

**Strategy in a sentence:** To focus on delivering good quality service that meets the changing needs of the community while ensuring rates affordability and financial flexibility by focusing on efficiency and effectiveness, which maximises value and limits the use of debt.

This will be achieved by a variety of measures with the heart of the strategy being:

- Deciding on new or increased services in a very selective way
- Reviewing what is required to deliver existing services with the aim of achieving better value, particularly from the assets involved
- Using assets for their maximum possible life but also appreciating that community needs and stakeholder requirements are not compromised.



## Operating and capital spend

The funding sources for operating costs include:

- User charges
- Grants, sponsorship, subsidies and other income
- Investment income
- Financial contributions
- Development contributions
- Proceeds from the sale of assets
- Lump sum contributions
- Reserve funds
- Borrowing
- Rates.

The funding sources for capital costs include:

- User charges
- Grants, subsidies, and other income
- Development contributions
- Financial contributions
- Proceeds from the sale of assets
- Reserve funds
- Borrowing
- Lump sum contributions
- Rates.

## Funding principles

Council has determined the following basic principles to guide the appropriate use of funding sources:

- User charges are preferred when a private benefit can be identified, and it is efficient to collect the revenue
- Subsidies, grants and other income options are fully explored prior to rates being used
- Each generation of ratepayers should pay for the services they receive, and borrowing can assist to achieve this outcome
- Capital expenditure to replace assets that reach their projected economic life is firstly funded from rates, which accumulate in asset renewal reserves until needed - borrowing is then used if there is a shortfall in the total funding required
- Capital expenditure to upgrade or build new assets is funded firstly from other sources (e.g. subsidies, grants, fundraising, financial contributions) and then borrowing
- Growth related capital expenditure is funded by development contributions. Borrowing will be used if the expenditure is required in advance of the contributions being received.

## Investments and targets

Council undertakes borrowing, investment and risk management activities. Council's philosophy on the management of investments is to optimise returns in the long term while balancing risk and return considerations. Council recognises that as a responsible public authority any investments that it does hold should be low risk. It also recognises that lower risk generally means lower returns.



### Debt and limit on debt

In setting limits on debt, Council aims to strike a balance between affordability of rates, prudent financial management, providing quality essential services over the long term and providing for unforeseen events. Council sets a target that all debt (external) will not exceed 175% of total revenue.

### Rates and limit on rates increases

In setting limits on rates, Council aims to strike a balance between affordability of rates, prudent financial management, providing quality essential services over the long term and providing for unforeseen events. Council must determine the funding sources for each activity including whether an activity is to be funded from a general rate or a targeted rate, or combination thereof.

Key indicators of Council's policy around rate limits include:

- Annual projected rates increase does not exceed the projected change in the Local Government Cost Index (LGCI) plus 2.0%
- Rates fund 70% or less of total operating costs
- The average rate charged on an average residential home in Ōamaru does not exceed 10% of projected national superannuation for a married couple.

The Liability Management and Investment Policy provides the policy framework for all of Council's borrowing and investment activities. See the Waitaki District Council website: [www.waitaki.govt.nz](http://www.waitaki.govt.nz) for the full policy.



## PART 3 COUNCIL'S WORK IN DETAIL

*nga mahi a te kaunihere*



## Groups of activities

This section of the plan identifies and provides information on the groups of activities that Council undertakes in order to achieve its vision of:

“Waitaki – the best place to be.”



Council activities fall into ten activity groups.:

**DISTRICT LEADERSHIP,  
ECONOMIC DEVELOPMENT AND  
COMMUNICATIONS**

**PROPERTY**

**HERITAGE, ENVIRONMENT AND REGULATION**

**ROADS AND FOOTPATHS**

**RECREATION SERVICES**

**WATER**

**STORMWATER**

**WASTEWATER**

**WASTE MANAGEMENT AND MINIMISATION**

**ARTS, CULTURE AND COMMUNITY**

Each of the activity groups contribute to community outcomes as identified in Table 1 (page 11) of this document.



## Guide to activity groups

Each of the activity groups have been set out using the following headings:

- The activities that make up the activity group, and the community outcomes and well-beings that are affected by the activity
- The significant negative effects of the activity and what Council will do in response to these issues can be found in Appendix 2 (page 533)
- **Activity group funding impact statement** – Summary of the budget to fund the activity group (funding impact statement) and how they will be funded for each of the next ten years.

Each sub-activity has been set out using the following headings:

- **What we do** - Information about the levels of service Council provides, and in some instances an outline of the assets involved
- **Why we do it** - The rationale for why Council is involved with this group of activities
- **Progress over the last 3 years** - Key projects that Council has undertaken or key achievements that have been made within the activity group since the previous Long Term Plan was adopted in 2018
- **Maintaining current service levels** – What Council intends to do to continue providing the current level of service, including the maintenance and renewal/replacement programmes for major Council assets
- **Improvements and proposed changes** – What capital projects are planned (including decreases in levels of service)
- **Key performance measures and targets** (Years 1-3 (2021-23), Years 4-10 (2024-31)) - The key measurements that Council uses to evaluate how well the service levels are being met.



## DISTRICT LEADERSHIP

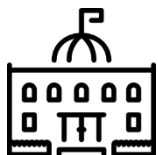
This activity group covers democracy and accountability, customer service, support services, communications and economic development.

This activity group contributes to the following community outcomes and well-beings:

Community outcome	Well-being	How does this activity affect the well-being of our community?
<b>Strong Communities:</b> <ul style="list-style-type: none"> <li>• Promoting a greater voice for Waitaki</li> <li>• Connected, inclusive communities</li> </ul>	Social	<ul style="list-style-type: none"> <li>• By providing opportunities to participate in democratic local decision making through representation on Community Boards, Council and by consultation</li> <li>• By providing advice and encouraging initiatives to support existing and new economic activity and diversification across the District</li> </ul>
<b>Quality services:</b> <ul style="list-style-type: none"> <li>• Robust core infrastructure and services</li> <li>• Community facilities and services we are proud of</li> </ul>	Social	<ul style="list-style-type: none"> <li>• By providing governance structures, planning and reporting to provide cost effective, good quality infrastructure, public services and regulatory functions</li> </ul>
<b>A prosperous District:</b> <ul style="list-style-type: none"> <li>• Attractive to new opportunities</li> <li>• Support local businesses</li> <li>• Foster a diverse and resilient economy</li> </ul>	Economic	<ul style="list-style-type: none"> <li>• By providing advice and encouraging initiatives to support existing economic activity and diversification across the District</li> </ul>



## Democracy and Accountability



### What we do

The Mayor and Councillors are elected to represent the Waitaki community to set the vision and outcomes, and to make decisions that serve the best interests of the community now and in the future. This includes reviewing and developing local policies, making regulatory decisions and reviewing council performance. As part of meeting Council's obligations around fostering Māori contribution to the decision-making process, Council representatives also meet with Te Rūnanga o Moeraki and Waitaha Taiwhenua o Waitaki Trust Board.

In addition to Council, two Community Boards (Ahuriri and Waihemo) provide representation and advocacy for their local communities.

The Waitaki District Youth Council is a voice for young people in the Waitaki District. This group meets regularly and ensures the voice of Waitaki's young people is heard and well represented.

Key activities within this group include:

- Setting direction and policy (through the Annual and Long-term planning processes, and the review and development of other Council policy and bylaws)
- Non-financial reporting
- Making significant decisions
- Testing and challenging advice to ensure that it is sound
- Monitoring risks
- Conducting elections every three years, by-elections as required, and representation reviews every six years.

To support the elected representatives, Council governance staff provide governance information and support including the preparation and coordination of meetings, the provision of meeting agendas and minutes, and other elected member support including remuneration, expenses, technology, and advice.

### Why we do it

In undertaking its role, Council must consider the diverse range of 'communities of interest' within the district as it plans and responds to issues.

Council staff are involved in this activity to safeguard the overall quality of the relationship between Council and its communities, to facilitate effective, open, and transparent decision-making, and to assist with our district and its communities to progress and move forward. Council staff are also involved in order to ensure that Council decisions are made in the interests of the whole of the district, with current and future generations in mind.



### Progress over last 3 years

Key achievements over the last three years include:

- In collaboration with the community boards, developed 10 year plans which will provide a vision for the Ahuriri and Waihemo Community Boards over the next ten years. The plans are helping to guide Community Board decisions, action and future engagement with the community and Council.
- The Pre-Election report was adopted 30 July 2019
- Strategic Framework was approved 2019
- Coordinated the Council's assessment for the CouncilMARK performance assessment framework resulting in BBB rating in our first CouncilMARK assessment
- The Roding Procurement Strategy was adopted 18 March 2020
- Waitaki Alcohol Ban Bylaw 2018 was adopted 4 December 2018
- Class 4 Gambling Venues Policy was adopted 10 December 2018
- TAB Venues Policy 2018 was adopted 10 December 2018.

### Maintaining current service levels

We propose to maintain current service levels over the lifetime of this plan. However, any changes would be addressed as part of the Annual Plan process.

### Improvements and proposed changes

We propose to:

- Continue to ensure that local policies are developed and reviewed in line with statutory requirements
- Use the findings from the CouncilMARK assessment to help improve council performance. .



Key performance measures and targets– Democracy and Accountability

ACTIVITY	Community Outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
<b>Making significant decisions</b>	Strong communities: <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Promoting a greater voice for Waitaki</li> </ul>	Social	Residents satisfied or very satisfied with the leadership and direction provided by the Mayor and Councillors.	70% of residents are satisfied or very satisfied with the leadership and direction provided by the Mayor and Councillors.
<b>Making significant decisions</b>	Strong communities: <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Promoting a greater voice for Waitaki</li> </ul>	Social	Residents satisfied or very satisfied that the Ahuriri Community Board is making a positive difference.	Years 1-3: 60% of residents are satisfied or very satisfied that the Community Board is making a positive difference.  Years 4-10: 5% increase per year in satisfaction that the Community Board is making a positive difference.
<b>Making significant decisions</b>	Strong communities: <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Promoting a greater voice for Waitaki</li> </ul>	Social	Residents satisfied or very satisfied that the Waihemo Community Board is making a positive difference.	Years 1-3: 60% of residents are satisfied or very satisfied that the Community Board is making a positive difference.  Years 4-10: 5% increase per year in satisfaction that the Community Board is making a positive difference.
<b>Making significant decisions</b>	Strong communities: <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Promoting a greater voice for Waitaki</li> </ul>	Social	Residents satisfied or very satisfied with the information provided about Council's current actions and its plans.	Years 1-3: 60% of residents satisfied or very satisfied with Council's consultation with the community.  Years 4-10: 5% increase per year in satisfaction (to 80%).



ACTIVITY	Community Outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Making significant decisions	Strong communities: <ul style="list-style-type: none"> <li>• Connected, inclusive communities</li> <li>• Promoting a greater voice for Waitaki</li> </ul>	Social	Residents satisfied or very satisfied with communication from Council	Years 1-3: 60% of residents satisfied or very satisfied with communication from Council.  Years 4-10: 5% increase per year in satisfaction (to 80%).



## Customer service



### What we do

Council staff are committed to providing high quality customer service and information while ensuring the privacy and confidentiality of customers is respected.

Key activities within this group include:

- Providing customer service centres at Ōamaru and Palmerston
- Being the initial point of contact for customer enquires via telephone and email and in person
- Administering and reporting of Council's customer relationship management (CRM) system.

### Why we do it

This activity group provides the main interface between the public and key stakeholders and the activities of Council.

### Maintaining current service levels

We propose to maintain current service levels over the lifetime of this plan. However, any changes would be addressed as part of the Annual Plan process.

### Improvements and proposed changes

Our ongoing aim is to deliver an excellent level of service to our customers, whether internal or external.

In return, customers are expected to ensure their conduct meets acceptable standards and does not impinge on the rights of staff to have a safe work environment.



## Council support services



### What we do

Council support services include information services, health and safety, finance, human resources, communication and administration.

Key activities within this group include:

- Administering and developing Council's ICT (Information and Communication Technology) systems
- Administering and developing Council's Geographic Information Systems (GIS) and asset management systems
- Implementing and developing Council's digital workplace systems
- Integrating Council's systems and automating processes
- Cybersecurity and data protection
- Business continuity and disaster recovery
- Business intelligence and reporting
- Digital transforming Council and the district
- Human resource management
- Health and safety management
- Payroll management.

### Why we do it

By undertaking this activity, Council provides support services to ensure the effective and efficient functioning of Council, enables the delivery of core Council services and activities, and provides customer-focused digital services to Council and the community.

### Progress over last 3 years

Key achievements over the past three years include:

- Introduced phase 1 of citizen online services which includes enabling online payments to be made
- Introduced an online building consenting system - building consent processing and building inspections became fully digital, fundamentally changing the way consumers engage with Council for these services
- Introduced free public WiFi in a number of locations across the District including Palmerston, Ōmārama and Ōamaru
- The "Pay my Park" app was introduced to Waitaki as an easy way to pay for parking
- Venue and events online booking system (currently in progress)
- Records and property files are currently being digitised to enable more online services



- Multiple Council's systems were developed and implemented
- A centralised data warehouse and reporting system was introduced
- Enhanced our cyber defence capability
- Enhanced our business continuity and disaster recovery.

### Maintaining current service levels

We propose to maintain current service levels, meet the demand for better systems and processes, and improve delivery in a number of areas in the Information Services space as discussed below.

### Improvements and proposed changes

Council proposes over the lifetime of this plan to continue to invest in improved systems and processes to maintain and improve the effective and efficient functioning of Council. This includes introducing more online services, greater use of online communications, upgrades to the Council core systems, improvements to the IT network and cyber security and commissioning systems integration which will reduce manual processes.



## Economic development



### What we do

Part of Council's leadership involves supporting the economy and communities through economic and community development functions. Council provides advice and encourages initiatives to support existing economic activity and diversification across the District. This includes encouraging sustainable development of our local economy through partnerships, innovation, quality infrastructure, and planning. Key activities include:

- Applying for Government and other funding
- Developing projects to increase business resilience
- Business attraction and retention

### Why we do it

Waitaki businesses need the right economic environment to flourish. Council undertakes this activity to promote and guide economic development in the District which benefits everyone living in and visiting the district. Council also fosters economic development through Tourism Waitaki Ltd, the tourism arm of Council (A Council Controlled Organisation).

### Progress over last 3 years

Key achievements over the last three years include:

- Council supported the establishment of the NZ Airline Academy at Ōamaru Airport which has won international contracts to train private and airline cadet pilots
- We have assisted local companies to submit funding applications to the Provincial Growth Fund, resulting in \$411,000 being granted to local engineering firms
- Council played a central role in responding to the COVID-19 pandemic. For example, by ensuring that the district had a central place to go to for information, modelling the impacts on the district, running focus groups with industry sectors to see how we could help, and developing the operating procedures for Council's Support & Stimulus Fund.
- Continued to help the Waitaki Whitestone Geopark Trust advance the district's application to become a UNESCO Global Geopark, which has resulted in a new positioning statement focused on community-led preservation projects and a closer relationship with local iwi.

### Maintaining current service levels

We propose to maintain current service levels over the lifetime of this plan. However, any changes would be addressed as part of the Annual Plan process.



### Improvements and proposed changes

Over the last years the economic development team has built networks and established reference groups in the key sectors which generate the district's prosperity. These groups provide real time feedback on issues and opportunities for sustainable economic development and the development of business friendly practices within Council. They will contribute to the articulation of the district's aspirations through the publishing of a wellbeing framework and economic development strategy for the district.

In 2021 the economic development team has strengthened its links with Tourism Waitaki through its involvement in the Destination Management Strategy project. This project is providing a lot of baseline evidence and engagement to inform other Council strategies and plans.

All economic development projects will take into consideration the impact on community wellbeing.



## Key performance measures and targets– Economic Development

ACTIVITY	Community Outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Applying for Government and other funding	A prosperous District: <ul style="list-style-type: none"> <li>• Attractive to new opportunities</li> <li>• Support local businesses</li> <li>• Foster a diverse and resilient economy</li> </ul>	Economic	Level of central government business support funding accessed by the District.	Year 1. - WDC works with businesses, Trusts and other organisations to secure \$150,000 of central Government funding into Waitaki-based projects.  Years 2 and 3: WDC works with businesses, Trusts and other organisations to secure \$250,000 of central Government funding into Waitaki-based projects.  Years 4-10: WDC works with businesses, Trusts and other organisations to secure \$300,000 of central Government funding into Waitaki-based projects.
Developing projects to increase business resilience	A prosperous District: <ul style="list-style-type: none"> <li>• Attractive to new opportunities</li> <li>• Support local businesses</li> <li>• Foster a diverse and resilient economy</li> </ul>	Economic	Number of collaborative projects undertaken with local businesses, organisations and iwi.	Year 1 - 2 or more projects Years 2 & 3 - 3 or more projects Years 4-10 - 4 or more projects



## Communications



### What we do

The role of Communications is to project the public face of Council, ensuring that the public and stakeholders are kept informed and engaged in the development of and reporting on Council's plans. This includes meeting statutory obligations and best practice in respect of community engagement and communication.

Council has a dedicated Communications Portfolio made up of the Mayor, Deputy Mayor and one Councillor. This group provides oversight to Council Communications.

Key activities within this group include:

- Providing external communications support including press liaison; managing public engagement, supporting special consultative procedures, and managing Council's presence on social media
- Managing the Council brand including public engagement, creating brochures, flags, posters and advertising
- Providing advice on engagement processes
- Maintaining an up-to-date Council website.

### Why we do it

The goal of this activity is to support Council in communicating its activities, plans and performance. Communications provides an interface between the public and key stakeholders and the activities of Council which encourages active and equitable participation in Council decision-making. Council communications personnel also perform Civil Defence Emergency Management's Public Information management function during local emergencies.

### Progress over last 3 years

- Purchased a caravan to use as a mobile platform to increase the community's access to Council around the district
- Promoted and assisted with community events, including the Friendly Bay Family Fun Day, New Year's Eve on the Harbour, and the Waitaki Arts Festival. We took Wanda the Consultation Caravan to multiple community events and helped to get the public engaged with the District Plan Review and the Ōmārama and Otematata Masterplans. We ran a successful engagement campaign which helped with an increase in voter turn-out compared to the last elections in Waitaki – bucking the national trend.
- Increased the quality of and engagement levels of Council's social media channels
- Arranged district profile opportunities and campaigns to promote domestic visitors to come to Waitaki.

### Maintaining current service levels

We propose to maintain current service levels over the lifetime of this plan. However, any changes would be addressed as part of the Annual Plan process.



### Improvements and proposed changes

The Council website will be upgraded in mid-2021 to create a high-quality user experience, removing barriers to entry and access for users by better meeting accessibility standards.

In 2022 we will roll out better, interactive online forms so that people can get things done faster from wherever they are, enhancing the ability of people to better interact with Council services.



## Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the District Leadership activity

Table 3 shows what it will cost and how the Council activity group is funded.

District Leadership	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties	1,611	2,145	2,407	2,449	2,663	2,745	3,152	3,512	3,729	3,962	4,411
Targeted Rates	1,047	1,921	2,223	2,479	2,760	3,068	3,371	3,651	3,826	4,013	4,346
<b>Rates Revenue</b>	<b>2,658</b>	<b>4,066</b>	<b>4,629</b>	<b>4,928</b>	<b>5,423</b>	<b>5,813</b>	<b>6,524</b>	<b>7,163</b>	<b>7,554</b>	<b>7,976</b>	<b>8,757</b>
Subsidies and Grants for Operating Purposes	-	230	-	-	-	-	-	-	-	-	-
Fees and Charges	7	7	7	7	7	8	8	8	8	8	8
Interest and Dividends from Investments	1,544	1,205	1,237	1,191	1,204	1,160	1,006	944	898	859	740
Internal Charges and Overheads Recovered	22,188	24,326	27,014	28,967	30,389	32,108	33,365	34,488	35,924	36,908	38,164
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	465	485	568	488	490	577	493	495	587	498	500
<b>Operating Revenue</b>	<b>24,204</b>	<b>26,253</b>	<b>28,826</b>	<b>30,653</b>	<b>32,090</b>	<b>33,853</b>	<b>34,872</b>	<b>35,934</b>	<b>37,417</b>	<b>38,274</b>	<b>39,413</b>
<b>Total Sources of Operating Funding</b>	<b>26,862</b>	<b>30,318</b>	<b>33,455</b>	<b>35,582</b>	<b>37,512</b>	<b>39,666</b>	<b>41,395</b>	<b>43,097</b>	<b>44,972</b>	<b>46,249</b>	<b>48,170</b>
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	16,040	17,860	19,198	19,594	20,237	21,043	21,538	21,980	22,915	23,631	24,237
Finance Costs	245	182	265	360	646	913	1,024	1,090	1,183	1,323	1,414
Internal Charges and Overheads Applied	9,251	11,475	12,533	13,590	13,796	14,522	15,251	15,814	16,636	17,041	17,551
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	<b>25,536</b>	<b>29,517</b>	<b>31,996</b>	<b>33,544</b>	<b>34,679</b>	<b>36,478</b>	<b>37,814</b>	<b>38,884</b>	<b>40,733</b>	<b>41,995</b>	<b>43,203</b>
<b>Surplus / (Deficit) of Operating Funding</b>	<b>1,326</b>	<b>801</b>	<b>1,459</b>	<b>2,038</b>	<b>2,833</b>	<b>3,189</b>	<b>3,582</b>	<b>4,213</b>	<b>4,238</b>	<b>4,254</b>	<b>4,967</b>
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	17	1,735	1,020	-	-	-	-	-	-	-	-
Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-	-
Increase / (Decrease) in Debt	-	17,032	8	15,010	21,010	6,005	(4,990)	(3,995)	(1,995)	(1,995)	(2,000)
Gross Proceeds from Sale of Assets	42	62	63	64	66	67	68	69	70	71	72
<b>Total Sources of Capital Funding</b>	<b>59</b>	<b>18,829</b>	<b>1,091</b>	<b>15,074</b>	<b>21,076</b>	<b>6,072</b>	<b>(4,922)</b>	<b>(3,926)</b>	<b>(1,925)</b>	<b>(1,924)</b>	<b>(1,928)</b>
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	1,338	1,952	3,985	1,366	1,497	165	168	59	60	61	62
Replace Existing Assets	530	1,526	1,501	1,896	2,012	1,340	1,359	1,209	933	945	957
Increase / (Decrease) in Reserve	(483)	4,219	10,479	14,849	24,199	11,968	(163)	704	4,258	3,222	6,075
Increase / (Decrease) in Investments	-	11,934	(13,414)	(999)	(3,799)	(4,213)	(2,704)	(1,685)	(2,937)	(1,897)	(4,054)
<b>Total Applications for Capital Funding</b>	<b>1,385</b>	<b>19,630</b>	<b>2,551</b>	<b>17,112</b>	<b>23,909</b>	<b>9,260</b>	<b>(1,340)</b>	<b>287</b>	<b>2,314</b>	<b>2,330</b>	<b>3,040</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,326)</b>	<b>(801)</b>	<b>(1,459)</b>	<b>(2,038)</b>	<b>(2,833)</b>	<b>(3,189)</b>	<b>(3,582)</b>	<b>(4,213)</b>	<b>(4,238)</b>	<b>(4,254)</b>	<b>(4,967)</b>
<b>Funding Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## PROPERTY

This activity group covers property management and investment.

This activity group contributes to the following community outcomes and well-beings:

Community outcome	Well-being	How does this activity affect the well-being of our community?
<b>Strong Communities:</b> <ul style="list-style-type: none"> <li>• Enable safe and healthy communities</li> <li>• Connected, inclusive communities</li> </ul>	Social	<ul style="list-style-type: none"> <li>• By providing quality Community Housing to elderly and vulnerable people in our community</li> </ul>
<b>Quality services:</b> <ul style="list-style-type: none"> <li>• Community facilities and services we are proud of</li> </ul>	Social	<ul style="list-style-type: none"> <li>• By providing properties that meet the needs of the community, meaning that people are more likely to want to stay and they will encourage others to move here</li> </ul>
<b>A prosperous District:</b> <ul style="list-style-type: none"> <li>• Attractive to new opportunities</li> <li>• Support local businesses</li> </ul>	Economic	<ul style="list-style-type: none"> <li>• By contributing to the economy of the district</li> <li>• By effectively managing the property portfolio, meaning returns are maximised and rates input is minimised</li> </ul>
<b>Valued Environment</b> <ul style="list-style-type: none"> <li>• Protecting our diverse landscapes and water bodies</li> <li>• Meeting environmental and climate change challenges</li> </ul>	Environment	<ul style="list-style-type: none"> <li>• By enhancing development in keeping with the town's heritage, creating a unique experience that residents are proud of, attracting visitors</li> <li>• By maintaining the breakwater to protect structures, property and activities in the Harbour</li> <li>• By managing the Ōamaru Harbour channel entrance by dredging to a safe depth. This also creates opportunities for visiting boats</li> <li>• By rock armouring the harbour area to protect property and activities in the Harbour</li> <li>• By protecting wildlife and improving environmental outcomes, helping people enjoy and understand both</li> </ul>



## Property Management and Investment



### What we do

Council's property unit provides a property advisory service for the Council organisation, and oversees the use, development, investment, and disposal of land and buildings owned by the Waitaki District Council on behalf of the community.

Key activities within this group include:

- Managing and maintaining Council operational buildings (including Council administration and Civil Defence buildings)
- Managing and maintaining community properties including Libraries, North Otago Museum, Ōamaru Opera House, Forrester Art Gallery, Community House, Otematata and Palmerston Community Centres
- Providing fit for purpose, safe and affordable community housing (91 housing units primarily for residents over 60 with limited income, assets or an identifiable need)
- Providing liaison and advice on the 33 community halls owned or supported by Council
- Managing Ōamaru harbour assets
- Managing Ōamaru Airport operations
- Maintaining, negotiating and renewing property assets, leases and overseeing property transactions
- Managing commercial property portfolio (current holdings largely derived from endowments)
- Managing endowment property (Crown Land granted by the Colonial Government to former local authorities which now make up the Waitaki District and are held in order to produce income)
- Overseeing investment property providing a vehicle for Council's contribution to the economic development of the district
- Managing surplus property holdings (property which is no longer required for Council activities or services)
- Providing advice on land status and progressing land development and sales of Council owned land
- Manage development on Council owned land.

### Why we do it

The activities of the property unit support the administration of Council, facilitates opportunities for new and existing businesses and economic development initiatives, manages Council property investment, and supports the lifestyle and experience of the district's residents and visitors.

### Progress over last 3 years

Key achievements over the last three years include:

- Ōamaru Harbour - Maintenance was carried out on a range of Harbour Infrastructure including:
  - Holmes Wharf piles were replaced as necessary and upgraded and worked commend on re-decking
  - 15,000 tonnes of rock and concrete repairs were carried out on the breakwater



- Rock armouring work was undertaken to protect against coastal erosion
- Dredging was carried out to ensure safe depth of the Harbour entrance channel
- The slipway load capacity was increased from 7 tonne to 12 tonnes
- Sale of Harbour land to enable the development of visitor accommodation in the Harbour.
- Forrester Gallery - work was undertaken to remediate the building from mould and asbestos. The building has undergone a comprehensive interior and exterior refurbishment including improvements to the fire systems and heating, ventilation, and air conditioning.
- Waitaki Archive & Museum Te Whare Taoka o Waitaki – Stage 1 of the redevelopment included the upgrade of the front of the Museum display which also included new accessible toilets for the Waitaki Museum and Archive and Ōamaru Public Library. Stage 2 planning is underway and physical works commence in 2021.
- Community housing - A number of units were renovated following the departure of tenants to improve our assets and to continue to work towards compliance with the healthy homes' legislation
- Ōamaru Airport –Council built a 576m<sup>2</sup> hangar which is commercially leased. Further private development is underway with a new privately owned classroom site, new hangar site in the rotary precinct and a new fuel facility is operational, offering diesel and 95 petrol.
- Council headquarters building – the generator and associated infrastructure were replaced, a number of areas were refurbished, including the main foyer and other office spaces
- Aquatic Centre – changing rooms and pool areas were refurbished
- Ōamaru Dog Pound – A significant upgrade was undertaken to make the facilities fit for purpose.

### Maintaining current service levels

We propose to maintain current service levels over the lifetime of this plan. However, any changes would be addressed as part of the Annual Plan process.

### Improvements and proposed changes

Focus areas to progress over the lifetime of this plan include:

- Ōamaru Harbour redevelopment in accordance with the Ōamaru Harbour Plan 2020 and Beyond.



## Key performance measures and targets- Property Management and Investment

ACTIVITY	COMMUNITY OUTCOME	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Providing fit for purpose, safe and affordable community housing	<p>Strong communities:</p> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> </ul> <p>Quality services:</p> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	<p>Tenants are satisfied or very satisfied with their tenancy as a percentage of all tenancies by annual user survey:</p> <p>a) Community housing tenants.</p>	a) 90% of community housing tenants satisfied with their tenancy.
Managing commercial property portfolio	<p>A prosperous District:</p> <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul> <p>Quality services:</p> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Economic	<p>Tenants are satisfied or very satisfied with their tenancy as a percentage of all tenancies by annual user survey:</p> <p>b) Commercial tenants.</p>	b) 90% of commercial tenants are satisfied with their tenancy.
Providing fit for purpose, safe and affordable community housing	<p>Strong communities:</p> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> </ul> <p>Quality services:</p> <ul style="list-style-type: none"> <li>Community facilities and</li> </ul>	Social	<p>Individual tenancies are occupied as a percentage of available units/tenancies:</p> <p>a) Community housing units.</p>	a) 90% of community housing units occupied.



ACTIVITY	COMMUNITY OUTCOME	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
	services we are proud of			
Managing commercial property portfolio	<p>A prosperous District:</p> <ul style="list-style-type: none"> <li>• Attractive to new opportunities</li> <li>• Support local businesses</li> </ul> <p>Quality services:</p> <ul style="list-style-type: none"> <li>• Community facilities and services we are proud of</li> </ul>	Economic	<p>Individual tenancies are occupied as a percentage of available units/tenancies:</p> <p>b) Commercial tenants.</p>	b) 90% of commercial tenancies occupied.



## Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the Property Management and Investment activity

Table 4 shows what it will cost and how the Council activity group is funded.

Property Management and Investment	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2030 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties	544	196	266	290	339	396	375	389	401	407	420
Targeted Rates	1,852	792	1,236	1,539	1,985	2,415	2,517	2,635	2,727	2,791	2,921
<b>Rates Revenue</b>	2,396	988	1,502	1,829	2,324	2,810	2,892	3,024	3,128	3,198	3,342
Subsidies and Grants for Operating Purposes	-	45	-	-	-	-	-	-	-	-	-
Fees and Charges	2,308	2,422	2,468	2,517	2,531	2,576	2,622	2,666	2,711	2,757	2,801
Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	10	11	11	12	12	12	13	13	14	14	15
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	49	30	31	31	32	32	33	34	34	35	35
<b>Operating Revenue</b>	2,367	2,507	2,510	2,560	2,575	2,621	2,668	2,713	2,759	2,806	2,851
<b>Total Sources of Operating Funding</b>	4,763	3,495	4,013	4,388	4,899	5,431	5,560	5,737	5,887	6,003	6,192
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	2,118	2,078	2,147	2,301	2,288	2,355	2,424	2,490	2,558	2,627	2,696
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Applied	1,048	1,221	1,340	1,426	1,443	1,616	1,630	1,654	1,726	1,751	1,776
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	3,166	3,299	3,487	3,728	3,731	3,971	4,054	4,144	4,284	4,377	4,471
<b>Surplus / (Deficit) of Operating Funding</b>	1,597	196	526	661	1,168	1,460	1,506	1,593	1,603	1,626	1,721
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	447	-	-	-	138	86	-	-	-	-	-
Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-	-
Increase / (Decrease) in Debt	-	-	-	-	-	-	-	-	-	-	-
Gross Proceeds from Sale of Assets	25	117	128	139	144	165	171	175	185	190	195
<b>Total Sources of Capital Funding</b>	473	117	128	139	282	251	171	175	185	190	195
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	2,474	1,769	260	-	610	394	258	536	267	272	276
Replace Existing Assets	2,187	25	638	494	935	89	90	92	29	29	30
Increase / (Decrease) in Reserve	(2,591)	(1,480)	(244)	305	(95)	1,229	1,328	1,140	1,492	1,516	1,611
Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications for Capital Funding</b>	2,070	314	654	800	1,449	1,711	1,677	1,768	1,788	1,817	1,916
<b>Surplus / (Deficit) of Capital Funding</b>	(1,597)	(196)	(526)	(661)	(1,168)	(1,460)	(1,506)	(1,593)	(1,603)	(1,626)	(1,721)
<b>Funding Balance</b>	-	-	-	-	-	-	-	-	-	-	-



## HERITAGE, ENVIRONMENT AND REGULATION

This activity group covers heritage and planning, regulatory and environmental, and community development and engagement.

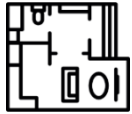
This activity group contributes to the following community outcomes and well-beings:

Community outcome	Well-being	How does this activity affect the well-being of our community?
<b>Quality services:</b> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	<ul style="list-style-type: none"> <li>By having a fully functional Emergency Operations Centre and trained and competent emergency management personnel to ensure we play an active role in supporting and co-ordinating emergency responses in the district</li> </ul>
<b>Strong Communities:</b> <ul style="list-style-type: none"> <li>Enable safe and healthy communities</li> <li>Connected, inclusive communities</li> <li>Promoting a greater voice for Waitaki</li> <li>Celebration of our community identity</li> </ul>	Social	<ul style="list-style-type: none"> <li>By ensuring buildings are safe and do not pose a risk to the public</li> <li>By ensuring that food for sale to the public is prepared in safe premises that meet food hygiene regulation</li> <li>By ensuring the threat to the community from nuisance or dangerous dogs or wandering stock is minimised</li> <li>By playing an active role in the Safer Waitaki Coalition</li> </ul>
<b>A prosperous District:</b> <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic	<ul style="list-style-type: none"> <li>By managing the activity efficiently and effectively</li> <li>By providing regulatory services in a professional and efficient manner</li> <li>By ensuring consents and licences are processed accurately, efficiently and within statutory timeframes</li> <li>By ensuring sufficient land is zoned for business, commercial and rural activities</li> </ul>
<b>Valued environment:</b> <ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> </ul>	Environmental	<ul style="list-style-type: none"> <li>By resolving commercial and domestic environmental impacts</li> <li>By monitoring approved resource consents and conditions to minimise environmental impact and promote sustainable land management</li> <li>A new District Plan will incorporate better provisions for the protection of the environment</li> </ul>

Information on the significant negative effects for the Heritage, Environment and Regulation group of activities can be found in Appendix 2 (page 533).



## Heritage and Planning



### What we do

The Planning unit of Council undertakes activities, mainly through land use and subdivision planning. The activity also provides policy advice on planning and development, conservation, design, heritage, and environmental issues that affect the Waitaki District.

### Key activities within this group include:

- Processing resource consents for land use and subdivision approvals under the Resource Management Act 1991 (RMA91)
- Reviewing, developing and providing ongoing administration and monitoring of the Waitaki District Plan including conducting a review of the District Plan every 10 years
- Processing private plan change requests and notices of requirements for designations
- Responding to planning enquiries and providing advice on planning matters
- Providing input into the approval of liquor licenses, and Land Information Memorandums (LIMs)
- Process PIMS under the Building Act
- Assessing all building consents to ensure they meet the provisions of the Waitaki District Plan
- Promoting the sustainable management of natural and physical resources in the Waitaki District via the Waitaki District Plan
- Protecting the District's biodiversity through implementing the Waitaki Indigenous Biodiversity Strategy
- Promote and protect the historic heritage of our district
- Undertaking State of the Environment monitoring and reporting every five years
- Providing advocacy and input into regional planning processes
- Engaging with business, non-government organisations, interest groups and forums on planning matters relating to the district
- Participation in regional planning forums and the eight agency Te Mokihi Mackenzie Alignment Programme
- Responding to new and amended national legislation, policy and standards
- Ensuring information about the resource consent application process, planning and monitoring, and the RMA91 are up to date and easily accessible via Council's website.

### Why we do it

Planning services are provided to ensure that development by people and businesses does not adversely affect the environment. The Council has a responsibility under the RMA91 via the provisions of the Waitaki District Plan to manage the effects of development on the natural and physical resources of the district and protect the environment's life supporting capacity. Planning decisions made by Council influence the nature of the Waitaki District communities and how the district will develop in the future.



### Progress over last 3 years

Key achievements over the last three years include:

- Engagement around the District Plan Review through the Discussion Document 2019. Review of feedback, evidence gathering and drafting continued through 2020.
- Masterplans for Ōmārama and Otematata
- Growth in district - Resource consent volumes continued at historically high levels prior to COVID-19. Across the lower South Island it is difficult to recruit experienced planning officers and this has resulted in a substantially greater use of external contractors to assist us in meeting statutory timeframes than previous years. Since COVID-19, consent volumes have reduced marginally and additional staff have been recruited.
- There have been some large developments consented including Kurow-Duntroon Irrigation Company, Observatory Village Retirement Home, Wansbeck Holmes Hill subdivision, Macraes Mine notified and non-notified consents, Mitre10 Mega (Ōamaru) and Natural Chicken Company (Moeraki).

### Maintaining current service levels

We propose to maintain existing service levels – also see improvements below for additional projects.

### Improvements and proposed changes

Planning focus areas to progress over the lifetime of this plan include:

- Progress and develop a new Waitaki District Plan, which includes an overhaul of existing financial contribution arrangements
- Website refresh and “behind the scenes” rationalisation of work processes
- Maintain and/or increase staff resourcing to meet demand including additional workloads as a result of the RMA91 reforms and National and Regional Policy
- Increase education around key planning issues – aligned with key Waitaki District Plan issues and heritage
- Develop an Environmental Monitoring Strategy in conjunction with the Regulatory unit
- Document planning processes (incorporating recent changes to the RMA91)
- Update and criteria and increase the funding associated with the Heritage Fund
- Review and refresh the Waitaki District Indigenous Biodiversity Strategy.

The major project in the life of this plan is the District Plan review. Council is required to review the Waitaki District Plan under the RMA91 every ten years. The outcomes of this review will shape future development and use of the land in the District. The review will involve consultation with the community and stakeholders, and the outcome aims to find the right balance between community, business and environmental needs within the legislative requirements. The draft and Proposed District Plans are about to commence in 2021.



Key performance measures and targets- Heritage and Planning

ACTIVITY	COMMUNITY OUTCOME	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Processing resource consents for land use and subdivision approvals under the RMA91	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic and Social	Compliance with legislative requirement timeframes for the processing of resource consents.	95% of resource consents are processed within statutory timeframes.
Processing resource consents for land use and subdivision approvals under the RMA91	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic and Social	Customer level of satisfaction with the resource consent process.	80%.
Processing resource consents for land use and subdivision approvals under the RMA91	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic and Social	Total number of individual resource consents monitored for compliance and were in non-compliance with at least one condition.	Increasing trends of compliance with resource consent conditions.
Promote and protect the historic heritage of our district	A valued environment: <ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> </ul>	Social and Environmental	Level of protection of heritage items and features in the Waitaki District Plan.	Maintain or increase.
Reviewing, developing and providing ongoing administration and monitoring of the Waitaki District Plan	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul> A valued environment:	Social and Environmental	Review the operative Waitaki District Plan and replace with new District Plan in compliance with statutory process and timeframes.	2 years from date of notification of Proposed District Plan.



ACTIVITY	COMMUNITY OUTCOME	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
	<ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> </ul>			
Processing private plan change requests and notices of requirements for designations	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Social	Compliance with legislative requirements for the processing of Council and private plan changes.	Greater than 95% of plan changes are processed within statutory timeframes.
Protecting the District's biodiversity through implementing the Waitaki Indigenous Biodiversity Strategy	<ul style="list-style-type: none"> <li>A valued environment:</li> <li>Protecting our diverse landscapes and water bodies</li> </ul>	Social and Environmental	Increase in private land area under management for the protection of indigenous biodiversity values (QEII / SNA / other covenant).	Maintain or increase.



## Regulatory and environmental

### What we do

The regulatory and environmental unit covers a broad range of activities. This group is concerned with monitoring and enforcement functions across a wide cross-section of statutes, focusing on the protection of community health, safety, and amenity. Another major function of the group is the processing and monitoring of building consents. Key activities within this group include:



**Building services** - issuing building consents, inspect building consents, issue Code Compliance Certificates, building warrant of fitness renewal and audits, undertaking non-compliance investigations, swimming pools fence compliance, outstanding code of compliance checks, and earthquake prone building identification.



**Environmental health** – managing applications for new and existing food, alcohol and other registered premises; monitoring water, sewer ponds and landfills; managing environmental health enquiries; responding to noise complaints and investigating complaints.



**Enforcement** – monitoring parking; investigating and resolving Freedom Camping, and other Council bylaw complaints; investigating District plan complaints and RMA91 and resource consent breaches.



**Animal control** – responding to animal related complaints and enquiries including management of the Dog pound; investigating complaints; owner education and animal welfare, and responding to wandering stock complaints.



**Regulatory services** – responding to new and amended legislation, and reviewing relevant Council policy and bylaws.



**Emergency management and civil defence** – planning and response; maintaining effective systems and processes to help the community prepare; respond to and recover from natural disasters.



### Why we do it

We must undertake this activity group to meet statutory obligations and best practice in respect of regulatory and environmental services across the District. This includes ensuring that people, communities, and the environment are kept safe and nuisances are mitigated under a number of statutes such as the Building Act 2004, Health Act 1956, Food Act 2014 and local bylaws. Building Control services are provided to ensure a safe residential, and commercial built environment exists for people to use in accordance with the provisions of the Building Act 2004.

Emergency management and civil defence is provided as required by the Civil Defence Emergency Management Act 2002.

### Progress over last 3 years

Key achievements over the last three years include:

- The “Pay my Park” app was introduced to Waitaki as an easy way to pay for parking. This has produced excellent results.
- Introduction of e-services - In March 2019 building consent processing and building inspections became fully digital, fundamentally changing the way consumers engage with Council for these services. Our digital platform proved invaluable during the COVID-19 lockdown as staff were able to maintain consent processing seamlessly from home.
- 100% of food premises have transitioned to registration under the Food Act 2014
- The refurbished Dog pound in Ōamaru became operational from November 2019 providing a much warmer and noise reducing environment for the dogs and resulting in a quieter neighbourhood for nearby residents.

### Maintaining current service levels

We propose to maintain existing services levels, and to remain accredited as a Building Consent Authority. See improvements section for additional focus areas.

### Improvements and proposed changes

We propose to focus on the following areas over the life of the plan:

- Develop and implement a Regulatory Compliance Strategy
- Implement the Waitaki District General Bylaws 2018 (from 1 July 2018)
- Review Class 4 Gambling Venues Policy 2018; and TAB Venues Policy 2018
- Review the Liquor Ban Bylaw 2018
- Review the Dangerous and Insanitary Buildings Policy
- Implement new Legislative requirements regarding Building on land prone to liquefaction
- Prepare for legislative change regarding embodied Carbon, Building Products and Modular Construction.



Key performance measures and targets- Regulatory and environmental

ACTIVITY	COMMUNITY OUTCOME	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Building Services	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic	Building consents processed within 20 working days.	100% of building consents processed within 20 working days. The average processing time for all Building Consents equal to 15 working days.
Building Services	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic	Maintain Building Consent Authority status.	Maintain
Building Services	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic	Public buildings with specified systems audited annually against building compliance standards. High risk buildings (such as hotels) checked more than once every five years.	All public buildings with specified systems are audited once every 5 years.  All high risk buildings audited once every 3 years.
Environmental Health	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic	To transition to the Food Act 2014 requirements with premises verified in accordance with the new Act.	100%



ACTIVITY	COMMUNITY OUTCOME	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Environmental Health	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic	Licenced premises identified as having a high risk or identified as a high risk are inspected once every 6 months.	100%
Animal Control	Strong communities <ul style="list-style-type: none"> <li>Enable safe and healthy communities</li> </ul>	Social and Cultural	Number of dog owners in the district with a selected owner status.	Year 1: 31% Year 2: 33% Year 3: 35% Years 4-10: Maintain year 3 levels
Emergency Management and Civil Defence	Strong communities <ul style="list-style-type: none"> <li>Enable safe and healthy communities</li> </ul>	Social	Residents satisfied or very satisfied with emergency services.	80% of residents are satisfied or very satisfied with emergency services.



## Community development and engagement



### What we do

Community development and engagement activities are coordinated and managed in collaboration with key stakeholders from across the community. These include Government agencies, non-Government organisations, community groups, and other relevant partners to build wellbeing, address issues and create opportunities to build connected and safe communities across the Waitaki District.

Key activities within this group include:

- Facilitating a safe community for residents and visitors
- Co-ordinating the Safer Waitaki Community Wellbeing project
- Managing, implementing and monitoring the Waitaki Community Well Being Strategy and the Waitaki Housing Strategy
- Initiating, developing and maintaining key relationships across all stakeholder groups
- Community liaison, facilitation and support of community projects / activities
- Youth development
- Identification and securement of external funding opportunities
- Data collection and analysis
- Acting as a conduit for information dissemination and connectivity
- Partnering with community to coordinate events promoting wellbeing.

### Why we do it

To provide an effective collective impact mechanism for the community to work together, maximising resources and expertise. Through Safer Waitaki, we have created an opportunity for the community to align and coordinate their efforts. Working in partnership in this way, we aim to build a vibrant culture, recognising and understanding diversity, maintaining a safe and welcoming environment for our residents and visitors to the Waitaki District and contributing to economic development.

### Progress over last 3 years

Key achievements over the last three years include:

- Maintained and developed the Safer Waitaki Management Group and nine working groups across key priority areas
- Reviewed and updated the Community Safety Strategy 2013 – 2018, with key stakeholders, it is now the Safer Waitaki Community Wellbeing Strategy 2021 – 2026
- Increased Safer Waitaki membership to include over 160 organisations
- Delivered two Family Harm Mini Conferences with a combined total of 261 attendees



- Regional Promotion of the Safer Communities Model
- Presented the Waitaki perspective to the Mental Health Enquiry
- Coordinated community response to the SDHB Whole of Systems, Continuum of Care Review Mental Health & Addictions
- Presented at the Safer Communities Foundation of New Zealand National Hui
- Undertaken Wellbeing data collection and identification
- Developed a funding data base, web page and funding distribution list providing a conduit to wider community to enable timely and targeted access to funding opportunities
- Facilitated the Housing Taskforce and coordinated housing and wellbeing research
- Progressed Age Friendly initiative
- Enhanced the CCTV Network.

### Maintaining current service levels

We propose to maintain current service levels over the lifetime of this plan. However, any changes would be addressed as part of the Annual Plan process.

### Improvements and proposed changes

Over the life of this plan we propose to continue current service levels, with a focus on the following, utilising existing resources:

- Continuing to investigate opportunities for Council/community collaboration across a range of projects and services
- Supporting and encouraging other Councils and communities to work within the Safer Communities model
- Undertaking evidence based, new activities, subject to external funding availability
- Utilising new and existing networks and relationships to secure accurate local data
- Maintaining and developing online and social media mechanisms for communication with stakeholders
- Improving reach and visibility.



Key performance measures and targets- Community development and engagement

ACTIVITY	COMMUNITY OUTCOME	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Facilitating a safe community for residents and visitors	Strong communities <ul style="list-style-type: none"> <li>• Enable safe and healthy communities</li> </ul>	Social	Residents satisfied or very satisfied that Waitaki is a safe place to live.	80% of residents are satisfied or very satisfied that the Waitaki district is a safe place to live.
Co-ordinating the Safer Waitaki Community Wellbeing project	Strong communities <ul style="list-style-type: none"> <li>• Connected, inclusive communities</li> <li>• Promoting a greater voice for Waitaki</li> <li>• Celebration of our community identity</li> </ul>	Social and Cultural	Level of satisfaction that partner organisations have with Safer Waitaki initiatives.	80%
Community liaison, facilitation and support of community projects / activities	Strong communities <ul style="list-style-type: none"> <li>• Connected, inclusive communities</li> <li>• Promoting a greater voice for Waitaki</li> </ul> Celebration of our community identity	Social and Cultural	Level of engagement with Migrant Communities	Target years 1 and 2: <ul style="list-style-type: none"> <li>- 12- ethnic communities meetings/forums attended by Community Development team</li> <li>- 20 - number of engagements (meetings or events) Safer Waitaki has with ethnic/migrant communities</li> </ul> Target years 3-10 - increase by 5% per annum



## Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the Heritage, Environment and Regulation activity

Table 5 shows what it will cost and how the Council activity group is funded.

<b>Heritage, Environment and Regulation</b>	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties Targeted Rates	1,584 5	2,782 (51)	3,001 (51)	3,166 (51)	3,293 (49)	3,461 (49)	3,601 (48)	3,756 (44)	3,941 (43)	4,072 (42)	4,255 (37)
<b>Rates Revenue</b>	1,589	2,731	2,950	3,115	3,244	3,413	3,553	3,711	3,898	4,031	4,218
Subsidies and Grants for Operating Purposes	177	365	371	378	384	390	397	403	409	415	421
Fees and Charges	2,133	2,340	2,396	2,449	2,502	2,555	2,609	2,664	2,720	2,777	2,835
Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	60	60	62	64	66	69	71	74	77	80	83
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	164	513	578	591	605	619	634	649	665	682	699
<b>Operating Revenue</b>	2,534	3,278	3,407	3,483	3,557	3,633	3,711	3,790	3,870	3,953	4,038
<b>Total Sources of Operating Funding</b>	4,123	6,008	6,357	6,598	6,801	7,046	7,264	7,501	7,768	7,984	8,256
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	3,373	3,457	3,645	3,742	3,830	3,938	4,053	4,173	4,299	4,435	4,577
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Applied	3,410	3,369	3,567	3,740	3,884	4,058	4,202	4,359	4,546	4,688	4,869
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	6,783	6,826	7,212	7,481	7,714	7,995	8,254	8,532	8,845	9,122	9,446
<b>Surplus / (Deficit) of Operating Funding</b>	(2,660)	(818)	(855)	(884)	(913)	(950)	(990)	(1,031)	(1,077)	(1,138)	(1,191)
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and Financial Contributions	210	210	210	210	210	210	210	210	210	210	210
Increase / (Decrease) in Debt	-	-	-	-	-	-	-	-	-	-	-
Gross Proceeds from Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding</b>	210	210	210	210	210	210	210	210	210	210	210
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	-	-	-	-	-	-	-	-	-	-	-
Replace Existing Assets	-	-	-	-	-	-	-	-	-	-	-
Increase / (Decrease) in Reserve	(2,450)	(608)	(645)	(674)	(703)	(740)	(780)	(821)	(867)	(928)	(981)
Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications for Capital Funding</b>	(2,450)	(608)	(645)	(674)	(703)	(740)	(780)	(821)	(867)	(928)	(981)
<b>Surplus / (Deficit) of Capital Funding</b>	2,660	818	855	884	913	950	990	1,031	1,077	1,138	1,191
<b>Funding Balance</b>	-	-	-	-	-	-	-	-	-	-	-



## INFRASTRUCTURE AND SERVICES

Infrastructure and services cover the core assets of roading and footpaths, water supply, stormwater and wastewater, recreation services, and waste management and minimisation.

Infrastructure and services contribute to the following community outcomes and well-beings:

Community outcome	Well-being	How does this activity affect the well-being of our community?
<b>Quality services:</b> <ul style="list-style-type: none"> <li>• <b>Robust core infrastructure and services</b></li> <li>• <b>Community facilities and services we are proud of</b></li> </ul> <b>Strong Communities:</b> <ul style="list-style-type: none"> <li>• <b>Enable safe and healthy communities</b></li> </ul>	Social	<ul style="list-style-type: none"> <li>• By providing roads and footpaths that are safe, effective, efficient, accessible and fit for purpose for people and goods</li> <li>• By providing transport networks and services that are safe</li> <li>• By providing safe drinking water to agreed areas which meets the New Zealand Drinking Water Standards</li> <li>• Stormwater - By providing infrastructure which protects people and property from flooding events</li> <li>• By providing a timely response to service requests and system failures</li> <li>• Wastewater - By providing community reticulated systems in agreed areas</li> <li>• By providing parks, gardens and greenspaces, sports and recreation facilities that contribute to the district's physical, mental and environmental wellbeing, enhancing quality of life, and making Waitaki attractive to existing and prospective residents and businesses</li> <li>• By providing opportunities at a cost that is affordable to users and managing the activity efficiently and effectively</li> <li>• By providing recreational spaces that meet the needs of the wider community and cultural and recreation/sport groups</li> <li>• By meeting industry standards and providing opportunities for people to feel safe while being active and to connect the community through sport and recreation</li> <li>• By providing access to affordable, reliable, accessible and efficient waste disposal systems and facilities</li> <li>• By encouraging the provision of different waste disposal options by the private sector</li> </ul>
<b>A prosperous District:</b> <ul style="list-style-type: none"> <li>• <b>Attractive to new opportunities</b></li> <li>• <b>Support local businesses</b></li> </ul>	Economic	<ul style="list-style-type: none"> <li>• By managing the activity efficiently and effectively</li> <li>• By planning for and building 3 Waters infrastructure which has capacity for growth</li> </ul>



Community outcome	Well-being	How does this activity affect the well-being of our community?
		<ul style="list-style-type: none"> <li>By providing facilities that contribute to the attractiveness of the district and create opportunities for new businesses, for example, tour operators, sports events, accommodation</li> </ul>
<b>Valued environment:</b> <ul style="list-style-type: none"> <li><b>Protecting our diverse landscapes and water bodies</b></li> <li><b>Meeting environmental and climate change challenges</b></li> </ul>	Environmental	<ul style="list-style-type: none"> <li>By meeting obligations of 3 Waters consents</li> <li>By providing infrastructure that treats and disposes of wastewater and stormwater in an environmentally sensitive and sustainable way</li> <li>By acknowledging and incorporating the natural environment in design, construction, operation and maintenance of infrastructure</li> <li>By ensuring activities are consistent with environmental standards, guidelines, and best practice</li> <li>By providing natural environment and green spaces that are attractive to the community and provide habitat for biodiversity</li> <li>By providing opportunities for people to enjoy the district's distinctive environment</li> <li>By investigating options to mitigate the effects of landfills on the environment</li> <li>By encouraging reduction, reuse and recycling of waste</li> </ul>

Information on the significant negative effects for the Infrastructure and Services group of activities can be found in Appendix 2 (page 533).



### Activity group funding impact statement

Council's infrastructure and services comprises the roading and footpaths, water supply, stormwater, wastewater, waste management and minimisation and parks and recreation groups of activities. Costs and funding for each of these groups of activities are outlined in tables 6 to 11.



## Roads and footpaths group of activities



### What we do

Council maintains and develops a safe, effective, efficient, accessible, affordable and fit for purpose roading network (including footpaths). The movement of heavy goods and tourism are key to the district's economic activity.

The Waitaki District covers 7,152 km<sup>2</sup> and is sparsely populated with approximately 23,000 residents. The district's roading network is rural, low volume, and comprised of more unsealed roads than sealed roads. Our roads provide access to properties and people.

- 90% of roads are rural (have a speed limit of more than 70 km/h)
- 57% of roads are unsealed
- Over 94% of roads have traffic volumes of less than 500 vehicles per day.

We have:

- 1,800km of local roads
- 166km of footpaths
- 171 bridges and 10 major culverts
- 2,014 streetlights.

Over 85% of the roads within the Waitaki District are owned and operated by Council, with the Waka Kotahi NZ Transport Agency (NZTA) operating the remaining 15% on state highways. Active modes (Walking and cycling) have been a relatively small mode of transport demand but is growing increasingly important today. As our aged population increases, awareness of the benefit of healthy lifestyle choices, cleaner transport choices for environmental benefit, and changing cultural community expectations, are changing how we use the transport network.

The majority of investment in roading is for the annual maintenance, operation and renewal of our transport infrastructure. Other investments include transport planning, demand management and developing new and improved infrastructure for local roads.

Key roading activities include:

- Road maintenance and renewals
- Road safety
- Footpaths
- Bridges
- Road improvements



- Township amenity, parking, litter bins, street cleaning
- Street lighting
- Corridor management
- Permitting and regulatory.

### Why we do it

Our roads connect people with destinations, to places of work, and are lines of communication. Our roads also link goods and freight from our farms and high country stations to far away markets. Without a reliable roading network, much of the economic activity within our district and country would not be possible. Our road corridors have essential community services, Electricity, Telecommunications and Data, 3 Waters, both under and above the surface.

### Progress over last 3 years

Key achievements over the last three years include:

- Improvements and road maintenance including seal widening, resurfacing, safety improvements, and road safety programmes
- Bridge strengthening to carry more freight with longer and heavier commercial vehicles
- Maintained a focus on resilience of the road network in times of heavy storms
- Collaboration with stakeholder groups to better understand their needs within the roading network
- Memorandum of Agreement with Department of Conservation for shared maintenance of Department of Conservation roads
- Upgrade of Tenby Street to provide an improved and more resilient route through Moeraki township
- New road constructed to connect Tyne street with the Esplanade
- New footpath connecting Solway Street with Saleyards Road
- Installation of roundabouts at the Eden and Reed Street intersection, and Wansbeck Street and Tyne Street have improved traffic flows and safety
- LED upgrade of streetlights throughout the district completed
- New footpaths to Weston town.

### Maintaining current service levels

We propose to maintain our current levels of service. This includes:

Financially assisted works:

- Resilience improvements (river training, small bridge replacements, improving the unsealed roading network, sourcing aggregate)
- Efficiency improvements. Minimising damage from environmental events and the costs of emergency reinstatement.
- Reviewing in-house asset management capability and knowledge
- Collaboration with other Councils, and Government agencies, Waka Kotahi NZ Transport Agency (NZTA), Department of Conservation, and all transport industry groups



- Reviewing aggregate supply opportunities/types more suited to works being undertaken and commissioning of Council quarries
- Traffic count programme, vegetation maintenance, dust mitigation, optimising asset renewals programming – targeted works and timing, bridge maintenance, road marking
- Accessible improvements for walking and cycling modes
- Improvements to key primary and secondary collection roads for movement of people and freight, including coastal improvements
- Safety improvements (community road safety education activities, risk management assessments)
- Amenity improvements (local projects)
- Footpath renewal and maintenance
- Travel time reliability improvement (customer communication on travel times and delays).

#### Non-financially assisted works:

- Council carpark maintenance
- Retaining structures maintenance
- Pest plant weed control on local roads
- General rural works
- Township amenity works
- Meeting legal requirements for new and existing roads
- Targeted maintenance
- Coastal erosion (implementing Council's Coastal Erosion Strategy)
- Recoverables (private works completed in conjunction with Council works).

### Improvements and proposed changes

Council's Roading Asset Management Plan identifies that 70% of traffic travels on 20% of roads. The standard of footpaths is below the standard to meet the growing usage demands. The maintenance, renewals and improvement programmes will be directed with additional investment over the life of this plan to improve the condition of the key 20% of roads carrying 80% of traffic. Address response levels and times, undertake improvements to safety, resilience, efficiency, accessibility, amenity, and travel time.

The high risk status of intersections in the district and the number of serious and fatal crashes will be addressed with safety improvements, demand management, and road safety education programmes.

#### Other key areas to progress over the lifetime of the plan include:

- Kakanui Point bridge replacement
- Addressing network deficiencies
- Target high risk crash areas



- Invest to create genuine mode choice
- Maintenance, operations and renewals – widening of high risk sealed roads, smoothing Primary and Secondary collector roads, pavement rehabilitation and seal replacement
- Road safety programmes – expand the programmes and reverse the increasing trend of fatalities on all roads
- Walking and cycling projects – to support the health, safety and environmental benefits of active modes. Enable cyclists and mobility assisted persons, to safely commute in the urban spaces. Connect commuting activity with recreational activities and journey destinations such as Rest-homes, supermarkets, schools, Penguin Colony, in Ōamaru CBD to the north end of Ōamaru; Ōamaru north and south end to Weston.
- Transport planning – Network Operating Framework, Roding, Walking and Cycling Strategy
- Renewals – Optimising the asset renewal programmes where small increases give effect to efficiency, safety and supporting mode neutrality.



Key performance measures and targets- Roads and footpaths group of activities

ACTIVITY	COMMUNITY OUTCOME	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Road Safety	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Strong communities <ul style="list-style-type: none"> <li>Enable safe and healthy communities</li> </ul>	Social	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 (excludes State Highways).	Reduce the number of serious injuries and fatalities when compared to the previous year.
Road maintenance and renewals	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Prosperous District <ul style="list-style-type: none"> <li>Support local businesses</li> </ul>	Social and Economic	Residents satisfied or very satisfied with the condition of Waitaki's sealed roads (excludes State Highways).	Years 1-3: 60% Years 4-10: 70%
Road maintenance and renewals	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Prosperous District <ul style="list-style-type: none"> <li>Support local businesses</li> </ul>	Social	Residents satisfied or very satisfied with the condition of Waitaki's unsealed roads (excludes State Highways).	Years 1-3: 50% Years 4-10: 60%



ACTIVITY	COMMUNITY OUTCOME	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Road maintenance and renewals	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Prosperous District <ul style="list-style-type: none"> <li>Support local businesses</li> </ul>	Social and Economic	The average quality of ride on a sealed local road network, measured by smooth travel exposure (excluding state highways). <ul style="list-style-type: none"> <li>Combined</li> <li>Primary</li> <li>Secondary</li> </ul>	Greater than 90%
Road maintenance and renewals	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Prosperous District <ul style="list-style-type: none"> <li>Support local businesses</li> </ul>	Social and Economic	The percentage of the sealed local road network that is resurfaced: <ul style="list-style-type: none"> <li>Combined</li> <li>Rural</li> <li>Urban</li> </ul>	Greater than 5% of sealed roads are resurfaced each year.
Road maintenance and renewals	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Prosperous District <ul style="list-style-type: none"> <li>Support local businesses</li> </ul>	Social and Economic	The percentage of footpaths within the district that fall within the specified level of service (fit for purpose) set within the Roding Asset Management Plan.	96%
Road maintenance and renewals	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social	The percentage of requests for service relating to roads and footpaths responded to within two working days.	At least 90% of public enquiries responded to within two working days.



## Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the Roads and footpaths group of activities

Table 6 shows what it will cost and how the Council activity group is funded.

<b>Roads and Footpaths</b>	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties Targeted Rates	41 7,221	46 7,062	47 7,421	48 8,017	50 8,287	51 8,836	53 9,238	54 8,925	56 9,675	57 10,147	59 10,213
<b>Rates Revenue</b>	7,262	7,107	7,468	8,066	8,337	8,887	9,291	8,980	9,731	10,205	10,272
Subsidies and Grants for Operating Purposes	3,746	2,981	3,127	3,230	3,325	3,427	3,548	3,668	3,749	3,886	4,005
Fees and Charges	-	-	-	-	-	-	-	-	-	-	-
Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	9	7	6	6	6	7	7	7	7	7	7
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	506	622	644	661	678	696	716	736	755	773	793
<b>Operating Revenue</b>	4,261	3,610	3,778	3,898	4,010	4,129	4,270	4,411	4,511	4,666	4,805
<b>Total Sources of Operating Funding</b>	11,523	10,717	11,246	11,964	12,346	13,016	13,561	13,390	14,242	14,871	15,076
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	5,750	5,488	5,635	5,907	5,994	6,165	6,474	6,539	6,725	7,043	7,114
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Applied	1,425	1,475	1,775	1,857	1,935	2,016	2,184	2,329	2,460	2,487	2,586
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	7,175	6,963	7,410	7,764	7,930	8,182	8,657	8,868	9,186	9,530	9,700
<b>Surplus / (Deficit) of Operating Funding</b>	4,348	3,755	3,836	4,200	4,417	4,835	4,904	4,522	5,056	5,341	5,376
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	4,645	3,699	3,797	4,362	6,191	6,370	4,412	4,403	4,525	4,796	4,935
Development and Financial Contributions	280	280	280	280	280	280	280	280	280	280	280
Increase / (Decrease) in Debt	-	-	-	-	-	-	-	-	-	-	-
Gross Proceeds from Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding</b>	4,925	3,979	4,077	4,642	6,471	6,650	4,692	4,683	4,805	5,076	5,215
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	3,423	901	1,499	1,581	1,722	1,916	1,495	1,305	1,540	1,594	1,635
Replace Existing Assets	6,802	5,714	5,912	6,249	9,603	9,827	6,351	6,535	6,725	6,920	7,121
Increase / (Decrease) in Reserve	(952)	1,118	502	1,012	(437)	(258)	1,750	1,364	1,597	1,902	1,835
Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications for Capital Funding</b>	9,272	7,734	7,913	8,841	10,887	11,485	9,596	9,205	9,861	10,416	10,591
<b>Surplus / (Deficit) of Capital Funding</b>	(4,348)	(3,755)	(3,836)	(4,200)	(4,417)	(4,835)	(4,904)	(4,522)	(5,056)	(5,341)	(5,376)
<b>Funding Balance</b>	-	-	-	-	-	-	-	-	-	-	-



## Water, stormwater and wastewater

During 2019/20, a new portfolio structure was developed for the 3 Waters team to help optimise the delivery of our 3 Waters activities to address current and emerging risks, challenges and opportunities. The structure also aligns with Council's strategic objectives and the Government's 3 Waters reform programme priorities.

The five portfolios – Policy and Service Levels, Planning and Systems, Design and Construction, Operations and Maintenance, and Compliance and Regulation - address key aspects of the asset management cycle for 3 Waters and provide a sound basis for effective collaboration and building capability within the team.



## Water Supply group of activities



### What we do

Council supplies water to over 95% of the district's population through the operation of fifteen (15) individual water supplies consisting of Ōamaru and Waihemo (with on demand and restricted zones), five urban areas (including Ōamaru and Waihemo), and ten (10) rural water supplies. The urban supplies in most areas provide an "on demand" service to consumers and have provision for some firefighting from water supply mains. The rural supplies are intended to supply water for stock and domestic use on a continuous but restricted supply basis. The management and operation of the urban and rural water supplies are via a mixture of Council organisation or operational liaison groups. This activity is funded by targeted rates from properties that have access to water supply systems.

Council supports this service by:

- Providing, operating, and maintaining water infrastructure in compliance with New Zealand legislation and standards
- Responding to call outs and service disruptions quickly and efficiently
- Planning for future development and needs.

### Why we do it

Council has a legal obligation under the Health Act 1956 to improve, promote, and protect public health across the district. The Health (Drinking Water) Amendment Act 2007 places further obligation on Council to comply with the Drinking Water Standards for New Zealand. Under the LGA02, the continued operation of water supplies is required unless approval has been obtained by Council to cease some or all of the activity. The Havelock North water incident and subsequent Government inquiry has renewed the focus on the very high standard of care and diligence required to supply drinking water. Government is working through a programme of legislative change and sector reform to support provision of safe drinking water.

Water is the single most significant underlying resource supporting business growth and environmental health. The Council considers that the provision of reliable and safe drinking water to the community is a major contribution to the district's economy and to resident's well-being. The water supplies contribute to improving, promoting and protecting public health and provide fire-fighting capabilities in urban areas. In rural areas, water is also used by stock, thus contributing to the rural economy.

### Progress over last 3 years

- Engineers were able to successfully manage three significant events which impacted the district's water supplies during the year – most notably in December 2019 when treatment and supply capacity at the Ōamaru Treatment Plant was reduced following a prolonged period of rain events. This affected all consumers on the Ōamaru supply south to Moeraki, highlighting the need to increase storage capacity at the plant and resulting in the project to build an additional reservoir for Ōamaru water being brought forward to the 2019/20 financial year.



- In tandem with the project to upgrade the water supplies south of Ōamaru to Moeraki, the Hampden township water mains were upgraded to improve supply capacity to the Moeraki township and enable population and business growth in the area. Additional work to support this included replacing various water assets at Moeraki to improve the supply's resilience.
- Ōamaru to Hampden pipeline project (HAMNAK water supply upgrade): Completion of the new water supply pipeline from Ōamaru to Herbert, Waianakarua, Hampden and Moeraki in August 2018 was a major milestone. Since then, the pipeline has been supplying safe, high quality water from the Ōamaru Water Treatment Plant to more than 1,200 residents in those areas. This complex and challenging project received a Highly Commended award at the Local Government New Zealand Excellence Awards in June for its contribution to economic well-being. Council now supplies water that is compliant with the NZ Drinking Water Standards to 91% of the District's population.

### Maintaining current service levels

We propose to maintain our current levels of service including:

- Maintaining community access to clean water
- Undertaking renewal works (upgrades, refurbishment, or replacement of existing facilities and pipes to maintain capacity or performance) funded by the annual depreciation provision where funds are available
- Continuing to investigate options to ensure the on-going affordability of the water; supply through innovation in governing, operating and maintaining the water supplies
- Planning for the future development, maintenance and renewal of the water network to meet the needs of current and future consumers.

### Improvements and proposed changes

Operation and maintenance costs of the upgraded water treatment plants are expected to be significantly higher than present due to the more sophisticated treatment plants and increased monitoring of water supplies necessary to comply with the Health (Drinking Water) Amendment Act 2007. Achieving compliance with the Act and any new legislative requirements will continue into the lifetime of this plan.

Over the lifetime of this plan, Council plans to:

- Upgrade water treatment plants at Awamoko, Kauru Hill, Bushy Creek, Stoneburn, Tokarahi and Windsor and undertake improvements on other supplies to meet the requirements of the Health (Drinking Water) Amendment Act 2007
- Water reticulation networks renewals – across the district
- Improve the quality of asset information of the water network to ensure effective and efficient maintenance and development of the water network to meet future demand
- Develop an improved renewal plan to better consolidate the asset set
- Investigate and implement improved efficiencies
- Develop and document risk management procedures
- Respond to changing regulatory requirements.



Key performance measures and targets- Water Supply group of activities

ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Providing, operating, and maintaining water infrastructure in compliance with New Zealand legislation and standards	<p>Strong communities</p> <ul style="list-style-type: none"> <li>• Enable safe and healthy communities</li> </ul> <p>Quality services</p> <ul style="list-style-type: none"> <li>• Robust core infrastructure and services</li> </ul> <p>Valued environment</p> <ul style="list-style-type: none"> <li>• Protecting our diverse landscapes and water bodies</li> </ul>	Social and Environmental	The extent to which Council's water supply complies with: a) Part 4 of the drinking water standards (bacteria compliance criteria); b) Part 5 of the drinking water standards (protozoa compliance criteria).	<p>Compliant:</p> <p>Ōamaru (including Hampden-Moeraki and Herbert-Waianakarua), Waihemo, Kurow, Ōmārama, Otematata, Lake Ohau, Lower Waitaki, Tokarahi, Kauru Hill and Windsor.</p> <p>No compliance required (classified Rural agricultural water supplies): Stoneburn, Bushey Creek.</p> <p>No compliance required (Council has elected to comply with Section 10): Duntroon.</p>
Providing, operating, and maintaining water infrastructure in compliance with New Zealand legislation and standards	<p>Quality services</p> <ul style="list-style-type: none"> <li>• Robust core infrastructure and services</li> </ul> <p>Valued environment</p> <ul style="list-style-type: none"> <li>• Protecting our diverse landscapes and water bodies</li> </ul>	Social and Environmental	The percentage of real water loss from our networked reticulation system. This is calculated in accordance with Water New Zealand's Water Loss Guidelines- Minimum Night Flow Analysis.	Maintain or reduce.
Responding to call outs and service	Quality services	Social	Where Council attends a call-out in response to a fault or unplanned interruption to its networked	One hour median attendance time for urgent call outs.



ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
disruptions quickly and efficiently.	<ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>		<p>reticulated system, the following median response times are measured:</p> <ul style="list-style-type: none"> <li>Attendance for urgent call outs: from the time that Council receives notification to the time that service personnel reach the site.</li> </ul>	
Responding to call outs and service disruptions quickly and efficiently.	<p>Quality services</p> <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social	Resolution of urgent call outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	24 hours median time for resolution of urgent call outs.
Responding to call outs and service disruptions quickly and efficiently.	<p>Quality services</p> <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social	Attendance of non-urgent call outs: from the time that Council receives notification to the time that service personnel reach the site.	2 working day* median attendance time for non-urgent call outs.
Responding to call outs and service disruptions quickly and efficiently.	<p>Quality services</p> <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social	Resolution of non-urgent call outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	5 working day* median attendance time for non-urgent call outs.



ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
<b>Responding to call outs and service disruptions quickly and efficiently.</b>	Strong communities <ul style="list-style-type: none"> <li>• Enable safe and healthy communities</li> </ul> Quality services <ul style="list-style-type: none"> <li>• Robust core infrastructure and services</li> </ul>	Social	Total number of complaints received by Council about: (a) drinking water clarity; (b) drinking water taste; (c) drinking water odour; (d) drinking water pressure or flow; (e) continuity of supply; (f) Council's response to any of these issues.	Fewer than 25 complaints per 1,000 connections to Council's networked reticulation system.
<b>Planning for future development and needs</b>	Valued environment <ul style="list-style-type: none"> <li>• Protecting our diverse landscapes and water bodies</li> <li>• Meeting environmental and climate change challenges</li> </ul>	Environmental	The average consumption of drinking water per day per resident within the Waitaki District.	Fewer than 500 litres per day average consumption of drinking water per resident within the Waitaki District.

\* A working day is any calendar day, between the hours of 8am and 5pm, other than Saturday, Sunday or a public holiday. For routine fault notifications received outside of working hours, the target response and resolution timeframes apply from 8am of the next working day.



## Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the Water Supply group of activities

Table 7 shows what it will cost and how the Council activity group is funded.

<b>Water Supply</b>	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties Targeted Rates	1 6,658	1 7,826	2 8,100	3 8,864	5 8,990	6 9,990	7 9,889	9 10,085	14 10,240	16 10,677	17 11,009
<b>Rates Revenue</b>	6,659	7,827	8,102	8,867	8,994	9,996	9,896	10,094	10,255	10,692	11,027
Subsidies and Grants for Operating Purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	781	705	728	744	761	781	799	823	850	878	901
Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	56	50	51	52	53	54	55	56	58	59	61
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	24	0	30	31	31	32	33	34	35	36	37
<b>Operating Revenue</b>	861	755	809	826	845	867	887	913	942	973	999
<b>Total Sources of Operating Funding</b>	7,520	8,582	8,912	9,694	9,840	10,863	10,783	11,007	11,197	11,665	12,026
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	3,708	3,784	3,902	3,988	4,081	4,220	4,276	4,391	4,518	4,648	4,763
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Applied	1,855	1,694	1,814	2,140	1,981	2,470	2,921	2,967	2,992	3,019	3,175
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	5,563	5,479	5,716	6,128	6,062	6,690	7,197	7,358	7,510	7,667	7,938
<b>Surplus / (Deficit) of Operating Funding</b>	1,956	3,103	3,196	3,565	3,777	4,173	3,586	3,649	3,687	3,998	4,088
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	110	4,112	116	118	121	124	127	131	135	140	143
Development and Financial Contributions	331	401	401	401	401	401	401	401	401	401	401
Increase / (Decrease) in Debt	-	-	-	-	-	-	-	-	-	-	-
Gross Proceeds from Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding</b>	441	4,513	517	519	522	525	528	532	536	540	544
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	244	4,370	6,369	9,670	4,730	598	238	304	253	262	269
Replace Existing Assets	1,193	2,613	3,589	3,748	22,059	12,229	4,465	2,763	6,846	7,091	7,174
Increase / (Decrease) in Reserve	960	633	(6,246)	(9,334)	(22,491)	(8,130)	(589)	1,114	(2,877)	(2,814)	(2,810)
Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications for Capital Funding</b>	2,397	7,616	3,713	4,084	4,299	4,697	4,114	4,180	4,223	4,539	4,632
<b>Surplus / (Deficit) of Capital Funding</b>	(1,956)	(3,103)	(3,196)	(3,565)	(3,777)	(4,173)	(3,586)	(3,649)	(3,687)	(3,998)	(4,088)
<b>Funding Balance</b>	-	-	-	-	-	-	-	-	-	-	-



## Stormwater group of activities



### What we do

Council operates stormwater systems in Kurow, Ōamaru, Ōmārama, Otematata, Lake Ohau, Moeraki, Palmerston and Weston. The stormwater systems are designed to collect, divert and control moderate intensity rainfall, and protect property from damage safely and effectively. It is estimated that 65% of the district's population have access to a public reticulated stormwater system, with the remainder being served by individual soak pits and associated disposal systems.

Council supports this service by:

- Providing, operating, and maintaining the stormwater infrastructure
- Responding to call outs and service disruptions quickly and efficiently
- Planning for future development and needs
- Maintaining and renewing reticulation networks.

### Why we do it

Council's stormwater assets contribute to protecting public health and therefore enhancing the quality of life of residents in urban areas of the District. Council is legally obliged under the Health Act to improve, promote, and protect public health within the district. This includes identifying the need for stormwater services and either providing these directly, or to oversee the service if it is provided by others.

Like water supply, the LGA02 requires ongoing stormwater services unless Council has gained approval to withdraw from such services. Council-issued building consents require that plans comply with the building regulations for drainage, which specify standards for protection of buildings against flood inundation. Council owned stormwater assets in urban areas must also comply with building regulations.

### Progress over last 3 years

Key achievements over the last three years include:

- A stormwater main adjacent to Scott's Brewery was realigned to allow for future development in the area. A stormwater main along Tyne Street was also realigned to improve network performance.
- Receiving a stormwater discharge consent from Environment Canterbury for Waitaki Valley townships. This was considered under the new Canterbury Land and Water Regional Plan, which includes stricter environmental requirements.



### Maintaining current service levels

Demands for greater controls on improving the quality of urban stormwater runoff are being driven by regulation through agencies such as the Ministry for the Environment and Regional Councils. Development of a Stormwater Management Plan in compliance with the Canterbury Land and Water Plan will require water quality monitoring and improving water quality runoff.

Council plans to maintain current levels of service, unless legislation, consent conditions, or community expectations change. This includes continuing to collect, treat, and dispose of stormwater and plan for future development and needs.

It is expected that current legislation affecting stormwater will remain in force, and that Council's legal responsibilities will largely remain unchanged. There will be a focus on maintaining the existing stormwater network. If the stormwater systems are maintained and renewed regularly at appropriate times, the service can be expected to last indefinitely without significant costs.

### Improvements and proposed changes

Council proposes to:

- Reinststate capacity within the Ōamaru stormwater network
- Continue to gather information on the state of the network, as there is some uncertainty regarding the expected life of the pipes
- Develop an improved renewal plan to better consolidate the asset set
- Take all practicable steps to comply with the New Zealand legislation and standards
- Plan for climate change and investigate system adaption
- Consult with the community on issues such as health and legislative compliance issues.



Key performance measures and targets- Stormwater group of activities

ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Providing, operating, and maintaining the stormwater infrastructure Maintaining and renewing reticulation networks	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social	The number of flooding events that occur in the Waitaki District	Nil
Providing, operating, and maintaining the stormwater infrastructure Maintaining and renewing reticulation networks	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social	For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to Council's stormwater system).	Nil
Providing, operating, and maintaining the stormwater infrastructure Maintaining and renewing reticulation networks	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Valued environment <ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> </ul>	Social and Environmental	Compliance with Council's resource consent for discharge from its stormwater system measured by the number of: (a) abatement notices; and (b) infringement notices; and (c) enforcement orders; and (d) successful prosecutions received by Council in relation to those resource consents.	Nil
Responding to call outs and service disruptions quickly and efficiently	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social	The median response time to attend a flooding event, measured from the time that Council receive notification to the time that service personnel reach the site.	2 hours



ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Responding to call outs and service disruptions quickly and efficiently	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social	The total number of complaints received by Council about the performance of the stormwater system, expressed per 1,000 properties connected to our stormwater system.	Fewer than eight (8) complaints per 1,000 connections.



## Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the Stormwater group of activities

Table 8 shows what it will cost and how the Council activity group is funded.

<b>Stormwater Drainage</b>	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
	491	511	530	603	582	614	686	781	996	1,254	1,506
<b>Rates Revenue</b>	491	511	530	603	582	614	686	781	996	1,254	1,506
Subsidies and Grants for Operating Purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	-	-	-	-	-	-	-	-	-	-	-
Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	-	-	-	-	-	-	-	-	-	-	-
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Operating Revenue</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Operating Funding</b>	491	511	530	603	582	614	686	781	996	1,254	1,506
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	260	50	52	55	57	59	61	64	66	68	71
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Applied	193	169	186	218	195	223	267	312	419	532	669
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	453	219	238	273	252	282	328	376	485	600	740
<b>Surplus / (Deficit) of Operating Funding</b>	38	292	292	330	330	332	358	405	511	654	766
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-	-
Increase / (Decrease) in Debt	-	-	-	-	-	-	-	-	-	-	-
Gross Proceeds from Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	-	-	-	-	-	-	-	-	-	-	-
Replace Existing Assets	76	-	-	-	108	277	2,437	5,896	6,091	6,292	6,462
Increase / (Decrease) in Reserve	(38)	292	292	330	222	55	(2,079)	(5,491)	(5,580)	(5,638)	(5,696)
Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications for Capital Funding</b>	38	292	292	330	330	332	358	405	511	654	766
<b>Surplus / (Deficit) of Capital Funding</b>	(38)	(292)	(292)	(330)	(330)	(332)	(358)	(405)	(511)	(654)	(766)
<b>Funding Balance</b>	-	-	-	-	-	-	-	-	-	-	-



## Wastewater group of activities



### What we do

Council provides 70% of our population with access to a public reticulated wastewater system through eight (8) wastewater systems at Duntroon (limited service area), Kurow, Lake Ohau, Moeraki, Ōamaru (including Kakanui and Weston), Ōmārama, Otematata and Palmerston. The aim of reticulated wastewater systems is to ensure the health of the community where urban housing exists, thereby eliminating the need for individuals to provide their own wastewater system (which carry a much higher health risk).

The wastewater systems collect, treat and dispose of liquid waste to acceptable environmental standards. The wastewater network is operated under resource consent framework (meeting regional council requirements). This requires Council to ensure that adverse environmental effects associated with the discharges are mitigated. The quality of treated effluent is continually monitored and must be compliant with resource consent conditions.

### Why we do it

Council has a legal obligation under the Health Act to improve, promote, and protect public health within the District. This includes identifying the need for wastewater services and either providing these directly or overseeing the service if it is provided by others. The Council sees the provision of reliable wastewater collection and treatment services to the community as a major contribution to the District's economy and to resident's well-being. The LGA02 requires ongoing wastewater services unless Council has obtained approval to withdraw these services. The wastewater assets are fundamental to Council's statutory responsibilities and strategies for conserving public health in pursuit of its mission to enhance the quality of life of residents in the district.

### Progress over last 3 years

- Ōamaru Wastewater Capacity Study - The first part of a comprehensive multi-stage study commenced into future demand on the wastewater network in the Ōamaru area and the effect this may have on current wastewater infrastructure capacity. Significant floods in July 2017 resulting in reticulation network overflows when the systems in Ōamaru failed to cope, and the number of aging wastewater infrastructure throughout the town, highlighted the need for this study. Flood events are anticipated to increase in frequency and intensity as a result of climate change. The study is utilising a range of Council data along with information provided by various stakeholders and will provide a sound basis for risk assessment and asset management and development into the future.
- The ten-year review of Council's Trade Waste Bylaw commenced. Consideration will be given to the capacity of Council's wastewater treatment plants and the impacts and effects of commercial, industrial and tankered wastes now and in the future. The national issue of blockages and failures caused by wet wipes being flushed into the network will also be considered.
- We have continued to collaborate and consult with key stakeholders - including landowners, Otago Regional Council, Environment Canterbury and Te Rūnanga o Moeraki – to ensure the natural environment is considered in our operation, maintenance and development of wastewater infrastructure.
- Completing the Moeraki wastewater disposal upgrade. This has ensured disposal of treated wastewater now meets Otago Regional Council consent requirements and is improving environmental and cultural outcomes for the community as the wastewater is no longer discharging to waterways.



- Completing the Ōmārama wastewater disposal upgrade. This has ensured disposal of treated wastewater meets Environment Canterbury resource consent requirements and like Moeraki, is also achieving better environmental and cultural outcomes for the community by no longer discharging to a waterway.

### Maintaining current service levels

Council plans to maintain current levels of service, unless legislation, consent conditions, or community expectations change. This includes continuing to collect, treat, and dispose of wastewater, and plan for future development and needs. It is expected that the current legislation affecting wastewater will remain in force, and that Council's legal responsibilities will increase due to reform proposals by Central Government. There will be a focus on maintaining the existing wastewater network. If the wastewater systems are maintained and renewed regularly at appropriate times, the service can be expected to last indefinitely without significant costs.

### Improvements and proposed changes

Improvements to the wastewater activity group over the lifetime of this plan are likely to include:

- Identifying and implementing methods to make wastewater collection and treatment services more efficient and sustainable
- Investigating overflow mitigation and overall network capacity (particularly during storm events) and implementing appropriate measures
- Upgrading treatment facilities to comply with resource consent conditions
- Continuing maintenance works and works to improve the capacity and operation of the wastewater systems
- Reviewing implications of Council taking ownership of sewer laterals to improve control over works in the road corridor (currently owned by private individual properties)
- Developing an improved renewal plan to better consolidate the asset set
- Planning for climate change and investigating system adaption
- Consulting with the community on issues such as health and legislative compliance issues.



Key performance measures and targets- Wastewater group of activities

ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
<b>Wastewater systems which collect, treat and dispose of liquid waste to acceptable environmental standards</b> A wastewater network which is operated under resource consent framework (meeting regional council requirements).	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social	The number of dry weather overflows from the sewerage system, expressed per 1,000 sewerage connections to the system.	Fewer than 4 sewerage overflows per 1,000 connections (<20 total).
<b>Wastewater systems which collect, treat and dispose of liquid waste to acceptable environmental standards</b> A wastewater network which is operated under resource consent framework (meeting regional council requirements).	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Valued environment <ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> </ul>	Social and environmental	Compliance with resource consents for discharge from the sewerage system measured by the number of: <ul style="list-style-type: none"> <li>a) abatement notices;</li> <li>b) infringement notices;</li> <li>c) enforcement orders; and</li> <li>(d) convictions received by Council in relation to those resource consents.</li> </ul>	Nil for all
<b>Responding to call outs and service disruptions quickly and efficiently</b>	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Valued environment <ul style="list-style-type: none"> <li>Protecting our diverse</li> </ul>	Social and environmental	Where Council attends sewerage overflows resulting from a blockage or other fault in the sewerage system, the following median response times measured: <ul style="list-style-type: none"> <li>a) attendance time: from the time that Council receives notification to the time that service personnel reach the site;</li> </ul>	a) 1 hour attendance time for sewerage overflows;  b) 24 hours resolution time for sewerage overflows.



ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
	landscapes and water bodies		b) resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.	
Responding to call outs and service disruptions quickly and efficiently	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul> Valued environment <ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> </ul>	Social and environmental	The total number of complaints received by Council about any of the following: <ul style="list-style-type: none"> <li>a) sewage odour.</li> <li>b) sewerage system faults.</li> <li>c) sewerage system blockages; and</li> <li>d) Council's response to issues with the sewerage system expressed per 1,000 properties connected to the system.</li> </ul>	Fewer than 12 complaints per 1,000 connections.



## Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the Wastewater group of activities

Table 9 shows what it will cost and how the Council activity group is funded.

<b>Wastewater</b>	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted Rates	2,103	2,932	3,070	3,495	3,361	3,662	3,952	4,054	4,142	4,348	4,492
<b>Rates Revenue</b>	2,103	2,932	3,070	3,495	3,361	3,662	3,952	4,054	4,142	4,348	4,492
Subsidies and Grants for Operating Purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and Charges	370	316	326	333	340	348	356	366	377	388	397
Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	296	278	285	291	298	306	314	323	332	342	352
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	-	-	-	-	-	-	-	-	-	-	-
<b>Operating Revenue</b>	665	594	610	624	638	654	670	688	708	729	750
<b>Total Sources of Operating Funding</b>	2,768	3,526	3,680	4,119	3,999	4,316	4,623	4,742	4,850	5,077	5,242
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	3,874	1,810	1,560	1,660	1,636	1,779	1,719	1,768	1,823	1,879	1,966
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Applied	821	873	917	1,061	938	1,066	1,300	1,329	1,365	1,380	1,467
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	4,695	2,683	2,477	2,722	2,574	2,844	3,019	3,097	3,187	3,259	3,433
<b>Surplus / (Deficit) of Operating Funding</b>	(1,926)	843	1,203	1,397	1,425	1,472	1,604	1,645	1,663	1,819	1,809
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	-	15	15	15	16	16	16	17	17	18	19
Development and Financial Contributions	133	153	153	153	153	153	153	153	153	153	153
Increase / (Decrease) in Debt	-	-	-	-	-	-	-	-	-	-	-
Gross Proceeds from Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding</b>	133	168	168	168	169	169	169	170	170	171	172
<b>Applications of Capital funding</b>											
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	15	365	119	544	2,716	2,842	17	485	18	330	339
Replace Existing Assets	426	1,700	2,637	2,032	1,633	3,729	1,559	1,454	1,502	1,613	1,683
Increase / (Decrease) in Reserve	(2,235)	(1,054)	(1,385)	(1,010)	(2,756)	(4,930)	197	(123)	313	46	(41)
Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications for Capital Funding</b>	(1,793)	1,011	1,371	1,566	1,594	1,641	1,773	1,815	1,833	1,990	1,981
<b>Surplus / (Deficit) of Capital Funding</b>	1,926	(843)	(1,203)	(1,397)	(1,425)	(1,472)	(1,604)	(1,645)	(1,663)	(1,819)	(1,809)
<b>Funding Balance</b>	-	-	-	-	-	-	-	-	-	-	-



## Recreation Services group of activities

### What we do

Council manages approximately 1,200 hectares of parks and reserves across the Waitaki District (equating to around 17.7 hectares per 1,000 residents of publicly accessible park and reserves). This includes sports fields, public open spaces, neighbourhood parks, gardens and reserves, and a network of walking and cycling tracks. The following recreation services and opportunities are provided across the district:



**Playgrounds** - Council provides twenty-three (23) playgrounds with four additional school playgrounds in Ōamaru being available to the public outside school hours in return for grounds maintenance. Council also provides 4 skate parks and 3 bike parks.



**Cemeteries and burial service** - Council operates thirteen (13) cemeteries (eleven (11) currently open), with a total land area of 38.44 hectares (26.27 hectares actively in use with the remaining area grazed for future expansion). The majority of interment activity occurs at the Ōamaru Cemetery. The provision of cemeteries is managed as part of the recreation activity and meets Council's obligations under the Burial and Cremation Act 1964 to make provision for burials within the district.



**Camping opportunities** - Council provides six (6) "kiwi-experience" style campgrounds. Five (5) campgrounds are leased to commercial entities.



**Public toilets** – Council provides 37 public toilet facilities and maintains 3 other toilet facilities owned by others which are located at parks, sports fields, campgrounds and at roadside stopping points throughout the district with the aim of providing convenient, safe and healthy toilet facilities and to protect from impacts on the environment. Dump stations are provided in Ōamaru, Palmerston, Ōmārama townships and at Falstone, Wildlife, Boat Harbour and Parsons Rock campgrounds.



**Waitaki Aquatic Centre and pools** - Located in Ōamaru providing a safe environment for aquatic based recreation and sport activities, and opportunities for learn to swim and water safety programmes. Council grants are also provided to assist with community access to school pools at Kurow and Palmerston.



**Maintaining monuments and heritage items** - Council manages heritage features and items located in recreation areas on behalf of the community.



**Town and street beautification / streetscapes** - Council provides street beautification in townships to enhance the amenity values of urban areas. This includes trees and shrubs, landscaped areas and hanging flower baskets.



**Forestry** - Council manages approximately 114 hectares of commercial farming forestry (reserve or endowment land) from which income is generated.



### Why we do it

Our Parks, reserves and recreational infrastructure are provided by local government to deliver a range of benefits. They make a significant contribution to the mental and physical health of our community and community social connection. Due to limited commercial opportunity and benefit, the private sector will not provide a comprehensive range of parks and recreation activities. Therefore, provision by local government, as a public good, is required. The community expects parks, recreation facilities, public toilets and interment facilities to be managed in such a way that costs are minimised, while providing the levels of service that the community desires. This is a balancing act.

Council provides and manages affordable, safe and attractive sports and recreational facilities, amenities, and services responsive to a variety of community needs. These assets and services help contribute to the quality of life of the district's visitors and residents.

Parks and reserves are highly valued by the community and many of those in the Waitaki District have significant history associated with them. Many of the parks and reserves are protected and managed through legislation, and their underlying ownership history as crown derived or vested land. Through protecting, enlarging, and enhancing this network we will, over time, create significant ecological, amenity, recreation, and economic value.

### Progress over last 3 years

Key achievements over the last three years include:

- Two new bike parks were designed and constructed in Kurow and Palmerston with support from local communities and with community funding from the Otago Community Trust, Oceania Gold, and Meridian
- New toilet blocks were installed at Moeraki, Campbells Bay, Weston, Katiki Straight (x2), All Day Bay and Otematata along with a Dump Station in Palmerston, with support from central government funding
- Investigation of a new toilet facility at Duntroon
- COVID-19 resulted in a hiatus to our maintenance programmes and projects during level 4. Fortunately, recreation maintenance was on track prior to lockdown and we lost little ground during lockdown, and that which was lost was quickly dealt with by our contractor. The contribution that 'open space' makes to community physical and mental health and well-being became very evident during lockdown. These spaces were one of the few things communities were able to utilise and the importance of having these in close proximity to residential properties was apparent.
- In 2020, we retendered our Parks maintenance contract with our incumbent contractor successfully submitting a winning bid with a number of changes being made to improve their service delivery to the community
- Alps to Ocean - The long awaited trail sections from Sailors Cutting to Benmore and Aviemore to Kurow were completed. The new section along Lake Benmore is spectacular and has been enjoyed by many over the Summer of 2020/21.
- Installed new containment tanks for Wastewater at Sailors Cutting to minimise impact on the local environment
- Engaged freedom camping ambassadors to help educate campers and enforce our bylaws resulting in few issues or complaints
- Achieved a 5 Star rating for the Ōamaru Public Gardens recognising the work done to establish and maintain this wonderful asset for our community
- We consulted with the community over a redeveloped waterplay feature to replace the paddling pools in the Public Gardens. We are currently seeking sponsorship and support to progress this project.



- Construction of a new Reserve and playground in Waiareka Place is underway and scheduled for completion by June 2021
- A walking connection from District Road to Ronaldsay Street in Palmerston is under development and should be completed by July 2021
- An advisory Group was established to determine the scope and support planning for a new Sports and Events Centre for Waitaki. A business case is currently being prepared.
- Waitaki Aquatic Centre continues to receive above average patronage with the competitive swimmers of the Ōamaru Swim Club punching above their weight
- Continued to develop the Alps to Ocean cycle trail with new sections opened along Lakes Benmore and Waitaki.

### Maintaining current service levels

We do not propose any changes to current recreation core business. However, a review of the parks and reserves network is planned.

### Improvements and proposed changes

We propose to undertake the following activities over the lifetime of this plan:

- Indoor sports and events centre facility development – planning and delivery
- Facility replacements and toilet upgrades
- Completing Alps to Ocean cycle trail
- Management of freedom camping and tourism facilities
- Ōamaru harbour and Cape Wanbrow developments
- Treatment of Council managed camps water supply (Havelock North implications).



Key performance measures and targets- Recreation Services group of activities

ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Waitaki Aquatic Centre and pools	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Increase in visitors to the Waitaki Aquatic Centre.	1% increase in number of visits per annum.
Waitaki Aquatic Centre and pools	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Customers satisfied or very satisfied with the Waitaki Aquatic Centre.	80% of customers satisfied or very satisfied with the Waitaki Aquatic Centre.
Parks and Reserves	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Residents satisfied or very satisfied with Waitaki's parks and reserves.	80% of residents are satisfied or very satisfied with Waitaki's parks and reserves.
Camping opportunities	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Residents who have used the district's campgrounds and are satisfied or highly satisfied with the quality of the greenspace provided.	70% of users are satisfied or very satisfied.
Parks and Reserves	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Residents satisfied or very satisfied with Waitaki's sports fields and facilities.	80% of residents are satisfied or very satisfied with Waitaki's sports fields and facilities.



ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Cemeteries and burial service	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Residents who have visited a cemetery in Waitaki who are satisfied or very satisfied with the maintenance of the greenspace.	80% satisfaction with the district's cemeteries.
Public toilets	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Residents who have recently used public toilets in the district who are satisfied or very satisfied with the facility(s).	70% of residents are satisfied with public toilets.



## Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the Recreation Services group of activities

Table 10 shows what it will cost and how the Council activity group is funded.

<b>Recreation Services</b>	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties Targeted Rates	1,390 2,838	1,364 2,656	1,450 2,969	1,627 3,280	2,305 3,618	2,404 3,975	2,507 4,191	2,589 4,498	2,658 4,650	2,708 4,786	2,776 4,932
<b>Rates Revenue</b>	<b>4,227</b>	<b>4,021</b>	<b>4,419</b>	<b>4,908</b>	<b>5,923</b>	<b>6,379</b>	<b>6,698</b>	<b>7,087</b>	<b>7,308</b>	<b>7,494</b>	<b>7,707</b>
Subsidies and Grants for Operating Purposes	88	88	90	91	93	95	97	98	100	102	103
Fees and Charges	891	854	871	888	905	922	938	954	970	987	1,003
Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	-	-	-	-	-	-	-	-	-	-	-
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	14	41	42	43	568	579	589	599	609	620	630
<b>Operating Revenue</b>	<b>993</b>	<b>983</b>	<b>1,003</b>	<b>1,023</b>	<b>1,567</b>	<b>1,595</b>	<b>1,624</b>	<b>1,651</b>	<b>1,679</b>	<b>1,708</b>	<b>1,735</b>
<b>Total Sources of Operating Funding</b>	<b>5,220</b>	<b>5,004</b>	<b>5,421</b>	<b>5,930</b>	<b>7,490</b>	<b>7,974</b>	<b>8,322</b>	<b>8,738</b>	<b>8,988</b>	<b>9,202</b>	<b>9,442</b>
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	3,916	4,040	4,283	4,262	4,726	4,825	4,955	5,100	5,231	5,357	5,478
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Applied	968	1,232	1,362	1,513	2,171	2,290	2,337	2,473	2,576	2,633	2,733
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	<b>4,884</b>	<b>5,272</b>	<b>5,645</b>	<b>5,775</b>	<b>6,897</b>	<b>7,115</b>	<b>7,292</b>	<b>7,573</b>	<b>7,807</b>	<b>7,990</b>	<b>8,211</b>
<b>Surplus / (Deficit) of Operating Funding</b>	<b>337</b>	<b>(268)</b>	<b>(224)</b>	<b>155</b>	<b>592</b>	<b>859</b>	<b>1,030</b>	<b>1,165</b>	<b>1,180</b>	<b>1,212</b>	<b>1,232</b>
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	428	2,534	9,248	2,804	32	-	181	447	341	191	587
Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-	-
Increase / (Decrease) in Debt	-	-	-	-	-	-	-	-	-	-	-
Gross Proceeds from Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding</b>	<b>428</b>	<b>2,534</b>	<b>9,248</b>	<b>2,804</b>	<b>32</b>	<b>-</b>	<b>181</b>	<b>447</b>	<b>341</b>	<b>191</b>	<b>587</b>
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	1,050	2,590	12,944	9,584	594	966	511	139	141	143	146
Replace Existing Assets	339	1,124	728	981	1,603	1,005	1,732	1,073	1,023	837	2,418
Increase / (Decrease) in Reserve	(625)	(1,448)	(4,648)	(7,606)	(1,573)	(1,112)	(1,031)	400	357	422	(744)
Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications for Capital Funding</b>	<b>764</b>	<b>2,265</b>	<b>9,024</b>	<b>2,959</b>	<b>624</b>	<b>859</b>	<b>1,211</b>	<b>1,612</b>	<b>1,521</b>	<b>1,403</b>	<b>1,819</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(337)</b>	<b>268</b>	<b>224</b>	<b>(155)</b>	<b>(592)</b>	<b>(859)</b>	<b>(1,030)</b>	<b>(1,165)</b>	<b>(1,180)</b>	<b>(1,212)</b>	<b>(1,232)</b>
<b>Funding Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Waste Management and Minimisation group of activities



### What we do

Council works collaboratively with both the private sector and community organisations to ensure households and businesses have convenient access to affordable, effective and efficient solid waste disposal and waste minimisation services and facilities and can choose what best suits their needs and budgets.

While Council no longer provides kerbside collection services and encourages the private market to provide services and facilities wherever possible, we continue to provide the following:

- A network of four rural recovery parks (transfer stations) located at Otematata, Ōmārama, Kurow and Hampden
- A landfill in Palmerston
- Financial assistance to the Waitaki Resource Recovery Trust to operate the Resource Recovery Park in order to provide recovery, recycling and education services
- Financial assistance to other community organisations, such as Waihemo Wastebusters, to provide recycling and waste minimisation services
- Recycling drop-off facilities in Papakaio, Enfield, and Herbert
- Educational material about reducing, reusing and recycling waste
- Management of fourteen closed landfills throughout the district (including the closed Ōamaru landfill).

### Why we do it

Council has a statutory responsibility to promote effective and efficient waste management and minimisation within the Waitaki District. The provision of good quality waste management services is essential in supporting the health and economic well-being of our community. Council is supported by a grant from the Ministry for the Environment (MfE) to assist in Waste Minimisation activities and education.

Convenient access to waste minimisation services reduces the volume of residual waste going to landfill and provides opportunities for our community and businesses to save money through reducing their waste. Waste management and minimisation services need to be sufficiently robust and yet flexible enough to meet the reasonable needs of all sectors of our community. Inadequate services can place substantial cost burdens on businesses, residents and visitors alike, reducing affordability and discouraging development.

Council must have regard to the following statutes in managing and overseeing waste:

- New Zealand Waste Strategy
- Local Government Act 2002
- Resource Management Act 1991
- Litter Act 1979
- Health Act 1956



- Hazardous Substances and New Organisms Act 1996
- Health and Safety at Work Act 2015.

### Progress over the last 3 years

Key achievements over the last three years include:

- In 2020 we undertook a community survey about Solid waste services in the Waitaki district to ascertain the number of residents using private contractors for kerbside collection, how much they spend, and whether the services are meeting their needs. The survey found that the majority of residents (81%) are using private contractors (there are three companies providing kerbside services) for kerbside waste collection and that levels of satisfaction are relatively high (80% of residents are satisfied with the service provided). Feedback on whether residents would prefer to pay for a kerbside service via their rates rather than choosing their own private provider was split evenly with no mandate to change the current system.
- In 2020 we moved Solid Waste from 3 Waters to Parks and Recreation as this was felt to be a better fit with the aim of waste minimisation.
- Monitoring and assessing the effectiveness of the new cap on the Ōamaru Closed Landfill. This resulted in some additional capping and ancillary works (stormwater control) being completed during January and February to ensure ongoing compliance with aftercare consents.
- Continuing to provide annual financial assistance to the Waitaki Resource Recovery Trust (WRRT) to support them in running the Chelmer Street recovery park. A grant was made to WRRT to assist with their site redevelopment. We also provided a grant to Waihero Wastebusters.
- Funding two free composting workshops held at the Waitaki Community Gardens in December, and then a series of waste minimisation workshops facilitated by Kate Meads in Kurow, Ōamaru and Palmerston during June. These events were all well-attended.
- Surveying waste received at the Ōamaru Refuse Transfer Station (using a SWAP – solid waste analysis protocol) to determine the volume and type of materials included in the waste stream that could have been diverted. This information will be used to inform planning for waste minimisation initiatives and services.
- Helping the Waitaki Resource Recovery Park communicate changes to contractors and the community regarding changes to recycling services following the collapse of global recycling markets for numbers 3 to 7 plastics.
- Council continued to leave the provision of waste management services to the private market in accordance with the Waste Management and Minimisation Plan, which became operational in July.
- Implemented the Enviroschools programme engaging with 15 Schools and Early Childhood Centres.

### Maintaining current service levels

Council proposes to maintain the current service levels including:

- Working collaboratively with community providers, the private sector and other local authorities, wherever possible and appropriate, to deliver cost-effective solid waste services and facilities.
- Financially assisting the Waitaki Resource Recovery Trust and other community organisations to provide opportunities for waste minimisation.
- Providing funding to the Waitaki Resource Recovery Trust for the transfer of residual waste dropped off at the Recovery Park to the Ōamaru Refuse Transfer Station.
- Upholding the provisions of the Memorandum of Understanding with the Waitaki Resource Recovery Trust and Waste Management NZ Ltd.
- Ensuring the ongoing provision of the Ōamaru Refuse Transfer Station for disposal and transfer of waste to an out-of-district landfill.



- Providing resource recovery parks (transfer stations) in Otematata, Ōmārama, Kurow and Hampden.
- Continuing to operate Palmerston Landfill until its consent expires in 2027.
- Planning for the provision of suitable services and facilities for the Waihemo area once the Palmerston landfill closes.
- Continuing to manage 14 closed landfills in the District (including Ōamaru).

### Improvements and proposed changes

Council proposes the following changes to waste minimisation service delivery over the period of this plan:

- Developing a plan on the best use of the remaining life in Palmerston landfill and developing a closure plan for Palmerston landfill, including plans for an alternative service or facility to cater for the community's waste management needs.
- Working more closely with the Waitaki Resource Recovery Trust and other providers to implement more comprehensive waste minimisation education and initiatives.
- Reviewing and amending the Solid Waste Bylaw 2010 in order align the bylaw with Council's 2018-24 Waste Management and Minimisation Plan.
- Further development of Waste Minimisation activities through a dedicated role to work with community and envirogroups.



Key performance measures and targets- Waste Management and Minimisation group of activities

ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Access to solid waste disposal and waste minimisation services and facilities	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Waitaki residents reside within 25km of a refuse transfer station, rural recovery park or landfill or recycling drop-off station.	Greater than 90% of residents are within 25km of a transfer station, landfill or recycling drop-off station.
Promote effective and efficient waste management and minimisation within the Waitaki District	Valued environment <ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> <li>Meeting environmental and climate change challenges</li> </ul>	Environmental	Volume of waste generated per person in Waitaki and received at the Ōamaru Refuse Transfer Station and Palmerston landfill over the lifetime of this plan.	Years 1 – 3 decrease of 2.5% year on year Years 4 - 10 5% decrease year on year (2020/21 set as baseline)
Promote effective and efficient waste management and minimisation within the Waitaki District	Valued environment <ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> <li>Meeting environmental and climate change challenges</li> </ul>	Environmental	Volume of Recycling and Diversion per capita received by the Waitaki Resource Recovery Park	Year 1 Baseline Years 2– 3 increase of 5% year on year Years 4-10 decrease of 2.5% year on year



Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the Waste Management and Minimisation group of activities

Table 11 shows what it will cost and how the Council activity group is funded.

Waste Management and Minimisation	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties Targeted Rates	989	985	1,032	1,121	1,146	1,223	1,263	1,285	1,308	1,332	1,364
<b>Rates Revenue</b>	989	985	1,032	1,121	1,146	1,223	1,263	1,285	1,308	1,332	1,364
Subsidies and Grants for Operating Purposes	87	87	89	91	92	94	96	97	99	101	102
Fees and Charges	85	115	117	120	122	124	126	128	131	133	135
Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	-	-	-	-	-	-	-	-	-	-	-
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	10	-	-	-	-	-	-	-	-	-	-
<b>Operating Revenue</b>	182	202	206	210	214	218	222	226	230	233	237
<b>Total Sources of Operating Funding</b>	1,171	1,187	1,238	1,332	1,360	1,441	1,485	1,510	1,537	1,565	1,601
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	1,135	1,265	1,779	1,291	1,585	1,072	1,087	1,105	1,125	1,145	1,163
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Applied	266	237	227	271	264	303	335	343	347	353	370
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	1,401	1,502	2,006	1,563	1,849	1,375	1,422	1,448	1,473	1,498	1,533
<b>Surplus / (Deficit) of Operating Funding</b>	(230)	(314)	(768)	(231)	(489)	66	64	62	64	67	69
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-	-
Increase / (Decrease) in Debt	-	-	-	-	-	-	-	-	-	-	-
Gross Proceeds from Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	-	-	-	-	-	-	-	-	-	-	-
Replace Existing Assets	-	-	-	-	-	-	-	-	-	-	-
Increase / (Decrease) in Reserve	(230)	(314)	(768)	(231)	(489)	66	64	62	64	67	69
Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications for Capital Funding</b>	(230)	(314)	(768)	(231)	(489)	66	64	62	64	67	69
<b>Surplus / (Deficit) of Capital Funding</b>	230	314	768	231	489	(66)	(64)	(62)	(64)	(67)	(69)
<b>Funding Balance</b>	-	-	-	-	-	-	-	-	-	-	-



## ARTS, CULTURE AND COMMUNITY

This activity group covers the Waitaki District Libraries, Forrester Gallery, Waitaki Archive & Museum Te Whare Taoka o Waitaki, and the Ōamaru Opera House.

This activity group contributes to the following community outcomes and well-beings:

Community outcome	Well-being	How does this activity affect the well-being of our community?
<b>Strong Communities:</b> <ul style="list-style-type: none"> <li>• Enable safe and healthy communities</li> <li>• Connected, inclusive communities</li> <li>• Promoting a greater voice for Waitaki</li> <li>• Celebration of our community identity</li> </ul> <b>Quality services</b> <ul style="list-style-type: none"> <li>• Community facilities and services we are proud of</li> </ul>	Cultural and Social	<ul style="list-style-type: none"> <li>• By providing facilities and services that contribute to the quality of life of the district and make it attractive for people to live here</li> <li>• The library reflects the bi-cultural and multi-cultural diversity of the community through appointment practices, training, ongoing learning and development and provision of inclusive services to the community. The library collaborates with all service sector organisations in Waitaki.</li> </ul>
<b>A prosperous District:</b> <ul style="list-style-type: none"> <li>• Attractive to new opportunities</li> <li>• Support local businesses</li> </ul>	Economic	<ul style="list-style-type: none"> <li>• By growing the use of the Opera House for commercial events, providing work for contractors, hospitality and accommodation providers</li> <li>• The library is the only space where all people, regardless of their background or ethnicity have access to information, technology, resources, support, educational opportunities and connection with others. Access to services and community. connection facilitates economic wellbeing.</li> <li>• To support business development, the library provides space, information and advice to local businesses</li> </ul>
<b>Value environment:</b> <ul style="list-style-type: none"> <li>• Protecting our diverse landscapes and water bodies</li> <li>• Meeting environmental and climate change challenges</li> </ul>	Environment	<ul style="list-style-type: none"> <li>• The library supplies resources, invites environmental specialists and arranges displays around environmental issues and milestones</li> </ul>



## Waitaki District Libraries



### What we do

The district's libraries provide collections, resources and services to groups and individuals that promote life-long learning to the community.

Key District library activities include:

- The provision of a Central library (Ōamaru)
- Providing five (5) branch libraries
- Fostering reading and support information and digital literacy
- Encouraging lifelong learning, research and innovation
- Acting as a community hub
- Community engagement

### Why we do it

Libraries are inclusive spaces for all people; regardless of their social, economic, religious, political or ethnic status all people can access information, technology, resources, support, and educational opportunities to facilitate the achievement of the Public Libraries of NZ vision 'literacy for life all, for life' – people connected to knowledge and each other. In order to achieve this goal, professional Library staff assist learners to navigate the complexity of information, as an integral part of community well-being to achieve a better and more sustainable future for themselves and their whānau.

### Progress over last 3 years

Key achievements over the last three years include:

- The Community Space is one of the success stories of the reconfiguration and is being used for community activities and lifelong learning as well as being used for meetings, interviews, events, eGovernment sessions, JP sessions, quiet study or reading, business support, Puzzle, Scrabble clubs and genealogy group, to name a few.
- Working collaboratively with government and community agencies in particular Confidence Can, The Newcomers Network, and WorkBridge to address the challenges of access to technology. This will ensure the upskilling of residents to engage with e-Government sites as part of Council's commitment to Lifelong Learning.
- Developing Digital Literacy modules to train staff and the public.
- Reducing newspaper and magazine subscriptions and subscribed to PressReader and other electronic subscriptions, e.g. Story Box Library and Ancestry.



- Continuing to support the SkinnyJump initiative that provides cheap internet to eligible people. During the COVID-19 lockdown dozens of heavily subsidised modems were deployed to jobseekers, rural families, Māori and Pasifika, low socio-economic families, people with disabilities, migrants, refugees, and seniors. Feedback after lockdown from people working in these communities was that these modems “turned out to be lifesavers”.
- A strong focus on biculturalism to respond to changing societal needs for example, recruitment to reflect community diversity, teaching Te Reo Māori and embedding of Tikanga as part of staff development; and
- Developing a multi-cultural awareness which has been achieved by staff being actively involved in supporting the Pasifika and migrant community, including multi-cultural events.

### Maintaining current service levels

We propose to maintain current service levels over the lifetime of this plan. However, any changes would be addressed as part of the Annual Plan process.

### Improvements and proposed changes

Over the life of this plan we propose the following:

- Continue to build on and identify the needs of our community for library services.



Key performance measures and targets- Waitaki District Libraries

ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
<b>Provision of a Central library and five branch libraries</b>	<p>Strong communities</p> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Celebration of our community identity</li> </ul> <p>Quality services</p> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	Residents who have visited the library who are satisfied or very satisfied with library services.	85% of visitors to the Library are satisfied or very satisfied with library services.
<b>Encouraging lifelong learning, research and innovation</b> <b>Acting as a community hub</b>	<p>Strong communities</p> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Celebration of our community identity</li> </ul> <p>Quality services</p> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	Average number of attendees per event held at the libraries.	Maintain or grow average number of people attending each event.
<b>Encouraging lifelong learning, research and innovation</b>  <b>Fostering reading and support information and digital literacy</b>	<p>Strong communities</p> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Celebration of our community identity</li> </ul> <p>Quality services</p> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	Increase in the number of enquiries handled by librarians, which include, for example, readers' advisory, assistance with mobile devices, research enquiries.	Maintain or grow numbers.



ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
<b>Encouraging lifelong learning, research and innovation</b>  <b>Fostering reading and support information and digital literacy</b>	<b>Strong communities</b> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Celebration of our community identity</li> </ul> <b>Quality services</b> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	Number of library visitors: 1) Electronic visits to the library website; 2) Physical visits.	Maintain or grow numbers.
<b>Provision of a Central library and five branch libraries</b>	<b>Strong communities</b> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Celebration of our community identity</li> </ul> <b>Quality services</b> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	% of library members of resident population.	60%



## Forrester Gallery, Waitaki Archive & Museum Te Whare Taoka o Waitaki



### What we do

The Forrester Gallery, Waitaki Museum & Archive Te Whare Taoka o Waitaki preserves, promotes, and provides access to the social, natural, and visual culture of our district. We look after, grow and develop our collections as important repositories of knowledge about the culture and heritage of our community which are preserved and made publicly accessible in perpetuity. We provide and enable activities, researching and telling the stories of our collections and the art, culture and natural heritage of our community.

Provide and enable activities which explore our collections of art, culture and natural heritage for our community through the delivery of exhibitions, events, education, and outreach programmes.

Provide support for visiting and local researchers and historians and for other museums and cultural facilities in our district including the Waihemo Heritage Trust and the Kurow Heritage Centre.

We collect and protect valuable documentation based on assessment criteria in accordance with the Public Records Act 2005.

### Why we do it

- We are a museum, gallery and archive and as such we are a permanent, not for profit institution in the service of society and its development
- We are a community service which contributes to the district's quality of life so that people want to stay and move here
- We serve our community by acquiring, caring for, creating and sharing new knowledge and ideas about our collections in order to tell the stories of our district as a community in the world
- We are valuable because we enable cultural activities exploring our collections, the art, culture and natural heritage of our district which leads to the development of a connected, culturally inclusive, vibrant and safe community.

### Progress over last 3 years

Key achievements over the last three years include:

- Work on the long term plan approved Cultural Facilities Development Project (CFDP) has been a key achievement. In February 2020 after over a year of review and deliberation, the Council approved the continuation of this projected as CFDP2020 with additional capital works on both sites. Stage two of the Waitaki Museum & Archive (WMA) will include refurbishment of the remainder of the building and will provide access to two new exhibition spaces on level one. This project will be substantially supported by a grant from the Lottery Significant Projects Fund.



- The successful reopening the Forrester Gallery after it was closed to the public from December 2018 until June 2020. Exhibitions and education programmes have now resumed. The Gallery has completed its stage one upgrade. The stage two extension of the Forrester Gallery has been approved subject to obtaining additional external funding.
- The successful reopening of Waitaki Museum & Archive (WMA) following the completion of stage one work on the refurbished main display space. Supporting this work the museum has carried out research and audits of our collections as well as working on improved collection storage;
- To reflect Council's renewed commitment to continue with separate facilities on separate sites and also progress on redevelopments across the facilities, staff launched new branding for the facilities. The museum, and archive have been renamed Waitaki Museum & Archive Te Whare Taoka o Waitaki.
- The collection online website (<https://collection.culturewaitaki.org.nz/explore>) for the museum, archive and gallery was launched in 2019. This website now provides online access to over 7,000 collections items including historic photographs, artworks and objects.

### Maintaining current service levels

We propose to maintain current service levels over the lifetime of this plan. However, any changes would be addressed as part of the Annual Plan process.

### Improvements and proposed changes

- Continue to deliver a well-rounded programme of exhibition, event, education and outreach deliveries which engage with community
- Continue to work collaboratively with other Council Services and Council initiatives such as the UNESCO Geopark
- Share more of our collections digitally through Vernon collections online
- Continue to work innovatively and flexibly with staffing and volunteers to deliver our services efficiently and effectively
- Deliver stage 2 of the Cultural Facility Development Project at the Forrester Gallery and Waitaki Museum & Archive.



Key performance measures and targets- Forrester Gallery, Waitaki Archive & Museum Te Whare Taoka o Waitaki

ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Preserving, promoting, and providing access to the social, natural, and visual culture of our district	<p>Strong communities</p> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Celebration of our community identity</li> </ul> <p>Quality services</p> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	Number of visitors to the Gallery.	Maintain or grow visitor numbers to the Gallery year on year.
Preserving, promoting, and providing access to the social, natural, and visual culture of our district	<p>Strong communities</p> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Celebration of our community identity</li> </ul> <p>Quality services</p> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	Number of visitors to the Museum and Archive.	Maintain or grow visitor numbers to the Museum and Archive year on year (baseline set at year 1).
Provide and enable activities which explore our collections of art, culture and natural heritage for our community through the delivery of	<p>Strong communities</p> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Celebration of our community identity</li> </ul> <p>Quality services</p>	Social and Cultural	Schools in the Waitaki District who are satisfied or very satisfied with the Gallery and Museum's educational activities and/or engagement.	80% of the district's schools are satisfied or very satisfied with the Gallery's and Museum's educational activities and/or engagement.



ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
exhibitions, events, education, and outreach programmes.	<ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>			
Collect and protect valuable documentation based on assessment criteria in accordance with the Public Records Act 2005	<p>Strong communities</p> <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> <li>Celebration of our community identity</li> </ul> <p>Quality services</p> <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	Archive users satisfied with the Archive services.	80% of Archive users are satisfied with the Archive services.



## Ōamaru Opera House



### What we do

The Ōamaru Opera House is one of the most significant heritage places in Ōamaru, important to the town and nationally to New Zealand for its historic, social and aesthetic values. This is recognised by its registration under the Heritage New Zealand Pouhere Taonga Act 2014 (Category I) and its listing in the Waitaki District Plan.

Key activities within this group include:

- Venue for performing arts and other cultural and community activities
- Rentable space for private and community events, functions and conference activities.

### Why we do it

The Ōamaru Opera House helps to enhance the commercial, community and cultural growth of the Waitaki District. Council provides and maintains through the Opera House facility, a high quality venue for performing arts, functions and conference activities to enhance the commercial, community and cultural growth of the district.

### Progress over last 3 years

Key achievements over the last three years include:

- In April 2019 we hosted the production of Still Life with Chickens. At the same time the Pacifika Treasures Exhibition ran at the Ink Box. The exhibition was a significant collaborative project between the Pacifika community, Ōamaru Opera House, Forrester Gallery and the Waitaki District Library, and was created to support the Still Life with Chickens production. The Pacifika community played an integral role in the organisation of the exhibition. This collaboration was very successful with 160 members of the Pacific Island Community attending the show and exhibition. This engagement has been continued through the presentation of the Samoan production Wild Dogs Under My Skirt, in conjunction with the Dunedin Arts Festival in April 2021.
- The foyer area furniture was replaced with commercial grade furniture and the number of seating areas increased, which has resulted in the café being fully utilised and used as a casual meeting space
- As part of the Waitaki Arts Festival the Opera House had the Red Leap Theatre Company in residence for the week leading up to the world premiere of Owl's Do Cry in October 2019, derived from the book by Ōamaru author Janet Frame – this production went on to have a sell-out season in Auckland and was programmed for the Auckland Arts Festival and international touring – all cancelled due to the COVID- 19 crises
- Installed a full concert sound system in the Auditorium which is hired to venue users
- Installation and training on a house ticketing system, PatronBase.



### Maintaining current service levels

We propose to maintain current service levels over the lifetime of this plan. However, any changes would be addressed as part of the Annual Plan process.

### Improvements and proposed changes

Over the life of this plan we propose the following:

- Continued promotion of conferences, functions and business events
- Restoration of the dome in the Opera House
- Accessibility for our diverse community for performing arts.



Key performance measures and targets- Ōamaru Opera House

ACTIVITY	Community outcome	Well-being	PERFORMANCE MEASURE 2021-31	TARGETs Yr1-Yr3 + Yr4 -Yr10 Change
Venue for performing arts and other cultural and community activities	Strong communities <ul style="list-style-type: none"> <li>Celebration of our community identity</li> </ul> Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	Residents who have visited the Opera House who are satisfied or very satisfied with the Opera House.	90% of residents are satisfied or very satisfied with the Opera House.
Venue for performing arts and other cultural and community activities	Strong communities <ul style="list-style-type: none"> <li>Connected, inclusive communities</li> </ul>	Cultural	Number of community meetings and events held at the Opera House.	Maintain or grow the number of community meetings and events year on year.
Venue for performing arts and other cultural and community activities	Strong communities <ul style="list-style-type: none"> <li>Celebration of our community identity</li> </ul> Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social and Cultural	Number of tickets sold for performances.	Baseline set at Year 1 Increasing by 2.5% per annum
Rentable space for private and community events, functions and conference activities	A prosperous District           Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul> Prosperous District <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic	Growth in use of the Opera House for commercial meetings, events, functions and conferences.	Average 2.5% increase in contracted hires over the previous year.



## Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 for the Arts, Culture and Community activity

Table 12 shows what it will cost and how the Council activity group is funded.

<b>Arts, Culture and Community</b>	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties Targeted Rates	279 3,598	326 3,238	337 3,655	346 3,921	355 4,104	364 4,317	373 4,440	381 4,574	390 4,734	399 4,872	408 5,043
<b>Rates Revenue</b>	<b>3,877</b>	<b>3,564</b>	<b>3,992</b>	<b>4,267</b>	<b>4,459</b>	<b>4,681</b>	<b>4,813</b>	<b>4,955</b>	<b>5,125</b>	<b>5,271</b>	<b>5,451</b>
Subsidies and Grants for Operating Purposes	199	391	196	202	207	212	217	223	230	237	244
Fees and Charges	318	284	310	320	326	332	338	344	349	355	361
Interest and Dividends from Investments	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Recovered	-	-	-	-	-	-	-	-	-	-	-
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	131	67	78	89	91	95	97	99	100	102	104
<b>Operating Revenue</b>	<b>648</b>	<b>742</b>	<b>584</b>	<b>611</b>	<b>624</b>	<b>639</b>	<b>652</b>	<b>666</b>	<b>680</b>	<b>694</b>	<b>709</b>
<b>Total Sources of Operating Funding</b>	<b>4,525</b>	<b>4,306</b>	<b>4,577</b>	<b>4,878</b>	<b>5,083</b>	<b>5,320</b>	<b>5,465</b>	<b>5,621</b>	<b>5,804</b>	<b>5,965</b>	<b>6,160</b>
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	2,717	2,859	2,986	3,136	3,223	3,316	3,417	3,521	3,630	3,747	3,869
Finance Costs	-	-	-	-	-	-	-	-	-	-	-
Internal Charges and Overheads Applied	1,622	1,217	1,351	1,474	1,584	1,720	1,759	1,819	1,887	1,925	1,992
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	<b>4,338</b>	<b>4,076</b>	<b>4,337</b>	<b>4,610</b>	<b>4,807</b>	<b>5,037</b>	<b>5,175</b>	<b>5,340</b>	<b>5,517</b>	<b>5,672</b>	<b>5,861</b>
<b>Surplus / (Deficit) of Operating Funding</b>	<b>187</b>	<b>231</b>	<b>239</b>	<b>268</b>	<b>276</b>	<b>284</b>	<b>290</b>	<b>281</b>	<b>287</b>	<b>293</b>	<b>299</b>
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	3,826	9	9	-	-	-	-	-	-	-	-
Development and Financial Contributions	-	-	-	-	-	-	-	-	-	-	-
Increase / (Decrease) in Debt	-	-	-	-	-	-	-	-	-	-	-
Gross Proceeds from Sale of Assets	2	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding</b>	<b>3,828</b>	<b>9</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	4,808	32	32	15	15	15	16	16	16	16	17
Replace Existing Assets	168	165	168	172	175	178	181	184	187	191	194
Increase / (Decrease) in Reserve	(961)	43	48	82	86	90	93	81	84	86	89
Increase / (Decrease) in Investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications for Capital Funding</b>	<b>4,015</b>	<b>240</b>	<b>248</b>	<b>268</b>	<b>276</b>	<b>284</b>	<b>290</b>	<b>281</b>	<b>287</b>	<b>293</b>	<b>299</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(187)</b>	<b>(231)</b>	<b>(239)</b>	<b>(268)</b>	<b>(276)</b>	<b>(284)</b>	<b>(290)</b>	<b>(281)</b>	<b>(287)</b>	<b>(293)</b>	<b>(299)</b>
<b>Funding Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## COUNCIL CONTROLLED ORGANISATIONS

Council currently has four subsidiaries operating in the Waitaki District, namely Tourism Waitaki Limited (100% owned), Waitaki District Health Services Limited Group (100% owned), Whitestone Contracting Limited (100% owned) and Ōmārama Airfield Limited (50% owned and treated as a joint venture).

Council-controlled organisations (CCOs) give Council the opportunity to engage people with the right skills and experience to focus on operating a business or other undertaking on its behalf. CCOs must meet the expectations of both its shareholders and its community. They operate in a political environment and are accountable to the community for their use of community assets or ratepayer funds. Council must carry out statutory functions well to provide the foundations for an effective relationship. Council must:

- Be clear about the purpose of its CCO's
- Appoint the right people to govern each CCO
- Meet the requirements for monitoring and accountability.



## Tourism Waitaki Limited

Tourism Waitaki works to enable operators and our communities to deliver original and engaging experiences in the Waitaki.

Council is associated with, and supports, the Waitaki Whitestone Geopark Trust which is working towards the establishment of the geopark concept within the Waitaki District, and Tourism Waitaki works closely with the Trust in the development of tourism and other opportunities in the area.

The vision of Tourism Waitaki is that visitors are drawn to explore the People and Place of Waitaki as defined by its rich natural heritage, unique geology, biodiversity and geo-gastronomy.

Council's primary objective for continued ownership and control of Tourism Waitaki, is to advance tourism within the district by fostering a positive, diverse, and sustainable tourism sector.

Tourism Waitaki contributes to the following Council community outcomes and well-beings:

Community outcome	Well-being	How does this activity affect the well-being of our community?
<b>A prosperous District</b> <ul style="list-style-type: none"><li>• <b>Attractive to new opportunities</b></li><li>• <b>Support local businesses</b></li><li>• <b>Foster a diverse and resilient economy</b></li></ul>	Economic	<ul style="list-style-type: none"><li>• By creating a domestic campaign to draw visitors to the district</li><li>• By being a resource for local operators and aspiring tourism businesses to obtain knowledge, data, and insights</li></ul>
<b>Strong communities</b> <ul style="list-style-type: none"><li>• <b>Connected, inclusive communities</b></li><li>• <b>Promoting a greater voice for Waitaki</b></li></ul>	Social and Cultural	<ul style="list-style-type: none"><li>• By welcoming diverse viewpoints, cultures, stories, and experiences, and incorporating these into the tourist offering in the Waitaki.</li></ul>

Within three months after the end of the financial year, the directors are required to deliver to shareholders an annual report and audited financial statements in respect of the financial year, containing as a minimum:

- Performance against identified focus areas, methods and measurements in the Statement of Intent
- Performance against the Corporate Governance Statement
- Audited financial statements as required under the Financial reporting Act 2013
- A report on compliance with the company's Tendering Policy
- Any grants awarded by Tourism Waitaki to another party, including information measuring the effectiveness of the grant.



## Key Performance Measures and Targets\* - Tourism Waitaki Ltd

Focus	Community outcome	Well-being	Performance measurement	Targets Year 1
To strengthen the Waitaki destination and brand awareness	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> <li>Foster a diverse and resilient economy</li> </ul>	Economic	Marketing and Promotion	Create a domestic campaign/marketing plan to draw visitors to the district. Measure: Visitor numbers are measured against COVID-19 lockdown tourist numbers to Ōamaru Blue Penguin Colony (OBPC). Target: Over 12 months visitor numbers increase by 20%.
			Digital Media	Enhance Waitaki's digital media presence and exposure to visitors to boost awareness. Measure: Run two digital campaigns. Target: During campaigns visits to digital platforms used increases by 10%.
			Visitor Surveys	Carry out Visitor Surveys at OBPC to gain visitor insights into the experience. Measure: Sample 100 people/survey per six months from OBPC. Target: Grow the rating of Meeting Expectation to Surpassing expectations by 5% over 12 months.
Be a trusted leader in tourism	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> </ul>	Economic	Manage TWL businesses in a financially sustainable manner	Business Unit has a budget and enhancement plan. Measure: Operations are kept within planned budgets.



Focus	Community outcome	Well-being	Performance measurement	Targets Year 1
	<ul style="list-style-type: none"> <li>Support local businesses</li> </ul>			Target: End of year financial outcomes are kept within budgeted expectations.
	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic	Continue to improve customer experiences at the OBPC	The annual Qualmark Assessment is maintained at OBPC as a Silver rating or, exceeds to Gold. Measure: Qualmark is maintained at Silver or exceeds to Gold. Target: To reach a Gold award.
	A prosperous District: <ul style="list-style-type: none"> <li>Support local businesses</li> </ul>	Economic	Be a resource for local operators and aspiring tourism businesses to obtain knowledge, data, and insights	Hold operator workshops twice a year. Issue bi-monthly newsletters to operators. Measure: Hold two workshops and issue six newsletters to operators over 12 months.
<b>Tourism elevates community pride</b>	A prosperous District: <ul style="list-style-type: none"> <li>Attractive to new opportunities</li> <li>Support local businesses</li> </ul>	Economic	Create robust and trusted relationships with operators and communities.	Membership to Tourism Waitaki grows by 4%  Target: To continue to increase membership YoY at 4% growth.







## Waitaki District Health Services Limited Group

The principal objective of the Company is to operate a successful healthcare business by providing services to meet the healthcare needs of the Waitaki District community.

The Company is the parent company of, and has supported, the Observatory Village Charitable Trust Group which has developed and operates a significant retirement village complex in Ōamaru.

Waitaki District Health Services also works to ensure services are clinically excellent, financially sustainable and delivered by staff working in safe working environments.

Council's primary objective for continued ownership and control is to ensure the healthcare needs and interests of the district are met through the provision of quality, locally based, healthcare services.

Waitaki District Health Services Ltd contributes to the following Council community outcomes and well-beings:

Community outcome	Well-being	How does this activity affect the well-being of our community?
<b>Quality services</b> <ul style="list-style-type: none"><li>• <b>Community facilities and services we are proud of</b></li></ul>	Social	<ul style="list-style-type: none"><li>• By maintaining and improving the range and quality of health care services in the District</li></ul>
<b>Strong communities</b> <ul style="list-style-type: none"><li>• <b>Enable safe and healthy communities</b></li></ul>	Social	<ul style="list-style-type: none"><li>• By providing adequate standards of care and services to patients</li><li>• By providing services within budgets</li><li>• By employing qualified health professionals</li></ul>

The company's performance targets are aligned with the Statement of Intent.



Within three months after the end of the financial year, the directors are required to deliver to the shareholder an annual report and audited financial statements in respect of the financial year, containing as a minimum:

- A report on the operations of the company to enable an informed assessment of the company's performance, including variations from the business plan and achievements against performance targets
- Performance against the Corporate Governance Statement
- Audited financial statements as required under the Financial reporting Act 2013
- A report on compliance with the company's Tendering Policy
- Activity statistics with comparable figures for previous year
- A report on service delivery issues and achievements.



Key Performance Measures and Targets\* Waitaki District Health Services Limited Group

Focus	Community outcome	Well-being	Performance measurement	Targets Year 1
<b>Our local hospital provides a high standard of service</b>	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul> Strong communities <ul style="list-style-type: none"> <li>Enable safe and healthy communities</li> </ul>	Social	Fulfilment of all professional and technical standards	100% employed regulated health professionals hold current Annual Practicing Certificates.
	Strong communities <ul style="list-style-type: none"> <li>Enable safe and healthy communities</li> </ul>	Social	Ensure adequate standards of care and services are maintained to the Company's patients	Maintain a Quality Assurance Programme.
	Strong communities <ul style="list-style-type: none"> <li>Enable safe and healthy communities</li> </ul>	Social	Percentage compliance with all performance targets and service standards required by the Ministry of Health contractual arrangements within the company	100% compliance.
<b>Our local hospital works with stakeholders</b>	Strong communities <ul style="list-style-type: none"> <li>Enable safe and healthy communities</li> </ul>	Social	Communicate to staff and the wider community as and when necessary	A minimum of two health forums annually.
	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Maintain and improve the range and quality of health care services in the District	Leverage Safer Waitaki to improve the health & well-being of our community.



Focus	Community outcome	Well-being	Performance measurement	Targets Year 1
	Strong communities <ul style="list-style-type: none"> <li>• Enable safe and healthy communities</li> </ul>			Ensure all health & disability certifications are current and at required standards. Patient survey results are positive, as is thematic analysis of social media.
<b>Our local hospital is well managed</b>	Quality services <ul style="list-style-type: none"> <li>• Community facilities and services we are proud of</li> </ul> Strong communities <ul style="list-style-type: none"> <li>• Enable safe and healthy communities</li> </ul>	Social	Percentage of planned services provided within budget	Operate and provide 100% of planned services within budgeted income including services contract with the District Health Board and income from other contracted sources.

\* The performance measures are taken from the Statement of Intent which is updated annually.



## Whitestone Contracting Limited

The purpose of Whitestone Contracting Limited is to be a reputable and trusted contractor, supporting local employment, the environment, and community while maximising profit and performance.

Council's objectives for continued ownership and control include:

- Stimulating a competitive contracting sector in our district
- Supporting local opportunities for a diverse labour market
- Obtaining a good return on investment commensurate with the business risks of Whitestone Contracting Limited and the risk appetite of Council.

Whitestone Contracting Limited contributes to the following Council community outcomes:

Community outcome	Well-being	How does this activity affect the well-being of our community?
<b>Quality services</b> <ul style="list-style-type: none"><li>• Robust core infrastructure and services</li><li>• Community facilities and services we are proud of</li></ul>	Social	<ul style="list-style-type: none"><li>• By operating the business efficiently and effectively providing a financial benefit to Council</li><li>• By maintaining a high standard of health and safety</li></ul>
<b>Strong communities</b>	Social	<ul style="list-style-type: none"><li>• By supporting community initiatives</li></ul>
<b>A valued environment</b>	Environmental	<ul style="list-style-type: none"><li>• By complying with the Resource Management Act</li><li>• By maintaining the ISO 14001 standard</li></ul>

The company's performance targets are aligned with the Statement of Intent.



Within two months after the end of the financial year, the directors are required to deliver to the shareholder an annual report and audited financial statements in respect of the financial year, containing as a minimum:

- Performance against targets in the Statement of Intent
- Performance against the Corporate Governance Statement
- Audited financial statements as required under the Financial reporting Act 2013
- A report on compliance with the company's Tendering Policy.



## Key Performance Measures and Targets\*

Focus	Community outcome	Well-being	Performance measurement	Targets Year 1
Operate efficiently and effectively providing a financial benefit to Council	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> <li>Community facilities and services we are proud of</li> </ul>	Social	Before income tax return on opening shareholders' funds	Achieve a before income tax return (prior to donations, sponsorships and subvention payments) on opening shareholders funds that exceeds 8%.
Community	Strong communities	Social	Support community initiatives	Over \$50,000 of sponsorship per annum.
All environmental, legislative and regulatory requirements met	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> <li>Community facilities and services we are proud of</li> </ul> Valued environment <ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> </ul>	Social and Environmental	Maintenance of the relevant quality standards.	Maintain ISO 9001 registration and related quality assurance programmes.  Maintain ISO 14001 standard to ensure systems are in place to meet environmental legislative and regulatory requirements.
	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> </ul>	Social and Environmental	Compliance with Resource Management Act	Full compliance with Resource Management Act – no breaches.



Focus	Community outcome	Well-being	Performance measurement	Targets Year 1
	<ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul> Valued environment <ul style="list-style-type: none"> <li>Protecting our diverse landscapes and water bodies</li> </ul>			
Health and Safety	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> <li>Community facilities and services we are proud of</li> </ul>	Social	Maintain a high standard of health and safety in relation to WCL's employees, customers, suppliers, subcontractors and the public	Maintain ISO45001 safety management systems accreditation.  Maintain a total injury frequency rate of no greater than 2 per 200,000 hours worked or 10 per million hours worked.
The company seeks ways to maximise profit and performance in a way that is sustainable	Quality services <ul style="list-style-type: none"> <li>Robust core infrastructure and services</li> <li>Community facilities and services we are proud of</li> </ul>	Social	Rate of shareholder funds to total assets.	Rate of shareholder's funds to total assets > 40%.

\* The performance measures are taken from the Statement of Intent which is updated annually.



## Ōmārama Airfield Limited

The principal objective of Ōmārama Airfield Limited is to provide airfield facilities to support flying activities and opportunities in the Ōmārama area. This includes:

- Public access to airfield facilities
- Recreational flying activities
- Commercial operations
- Competitions and events.

Council's primary objective for continued involvement in the ownership and operation of the airfield is to maintain public access to the transport and recreational facilities of the airfield whilst encouraging the gliding activities which use the world class soaring environment of the Ōmārama area.

Ōmārama Airfield Limited contributes to the following Council community outcomes and well-beings:

Community outcome	Well-being	How does this activity affect the well-being of our community?
<b>Quality services</b>	Quality services <ul style="list-style-type: none"><li>• Community facilities and services we are proud of</li></ul>	<ul style="list-style-type: none"><li>• By maintaining, operating and providing planned services within budgeted income</li><li>• By enhancing the economic benefits of the Ōmārama and Ahuriri community arising from the operation and development of the airfield</li></ul>

The company's performance targets are aligned with the Statement of Intent.

Within three months after the end of the financial year, the directors are required to deliver to shareholders an annual report that will include:

- A report on the operations of the company to enable an informed assessment of the company's performance, including variations from the business plan and achievements against performance targets
- Audited financial statements as required under the Financial reporting Act 2013
- A report on performance against the Corporate Governance Standard.



## Key Performance Measures and Targets\*

Goal	Community Outcome	Well-being	Performance measurement	Targets Year 1
The financial performance of the airfield shall be sufficient to support its activities	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Maintain, operate and provide planned services within budgeted income.	Maintain, operate and provide planned services within budgeted income.  Achieve a break-even or better result after prudent provision for assets depreciation and replacement, and for future trading requirements.
The airfield will provide positive social and community impacts	Quality services <ul style="list-style-type: none"> <li>Community facilities and services we are proud of</li> </ul>	Social	Enhance the economic benefits to the Ōmārama and Ahuriri community arising from the operation and development of the airfield	Increased patronage of facilities and participation in events.  The recent changes to airfield operators and the impact of the COVID-19 lockdown have made the previous performance baseline irrelevant. The baseline will be re-established when the current year ends in June 2021.

\* The performance measures are taken from the Statement of Intent which is updated annually.



## DETAILED FINANCIAL STATEMENTS

### Prospective Statement of Comprehensive Revenue and Expense

Projected for the ten years ending 30 June, 2022 - 2031

	Notes	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Revenue</b>													
Rates Revenue	1	32,833	33,106	35,585	38,571	42,091	44,699	48,406	50,514	52,101	54,439	56,821	59,181
User Charges		2,230	5,207	3,162	3,408	3,407	4,170	4,345	4,351	4,445	4,631	4,638	4,733
Property Rental		2,058	-	2,368	2,414	2,462	2,475	2,519	2,564	2,607	2,651	2,696	2,739
Regulatory Charges		1,746	1,831	2,030	2,080	2,128	2,174	2,221	2,269	2,319	2,368	2,419	2,472
Development and RMA Contributions		1,028	954	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044
Government Grants and Subsidies	2	8,114	11,426	13,365	9,519	8,937	9,925	10,210	8,377	8,492	8,698	9,110	9,370
Other Grants and Donations	3	425	2,187	2,808	8,437	2,231	382	306	407	679	581	439	843
Finance Revenue	4	976	1,044	855	887	843	856	813	659	597	551	512	393
Petrol Tax		200	205	215	221	226	231	237	243	248	254	260	267
Infringements and Fines		45	60	67	68	69	71	72	73	74	76	77	78
Dividend and Subvention Payments		1,004	500	350	350	350	350	350	350	350	350	350	350
Assets vested in Council		120	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>		<b>50,779</b>	<b>56,520</b>	<b>61,849</b>	<b>66,999</b>	<b>63,788</b>	<b>66,377</b>	<b>70,523</b>	<b>70,851</b>	<b>72,956</b>	<b>75,643</b>	<b>78,366</b>	<b>81,470</b>
<b>Expenses</b>													
Personnel costs	5	12,062	13,099	14,057	14,806	15,685	15,934	16,982	18,304	19,119	20,005	20,715	21,737
Depreciation and amortisation	6	15,177	16,255	16,413	17,115	18,096	18,676	19,945	20,649	20,992	21,912	22,581	22,963
Finance Costs	4	148	245	182	265	360	646	913	1,024	1,090	1,183	1,323	1,414
Other expenses	7	26,153	27,805	26,608	27,768	27,896	28,836	29,262	29,804	30,197	31,174	32,008	32,448
Other gains and Losses		1,359	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>		<b>54,899</b>	<b>57,404</b>	<b>57,260</b>	<b>59,954</b>	<b>62,037</b>	<b>64,092</b>	<b>67,102</b>	<b>69,781</b>	<b>71,398</b>	<b>74,274</b>	<b>76,627</b>	<b>78,562</b>
<b>Surplus / (Deficit) before Tax</b>		<b>(4,120)</b>	<b>(884)</b>	<b>4,589</b>	<b>7,045</b>	<b>1,751</b>	<b>2,285</b>	<b>3,421</b>	<b>1,070</b>	<b>1,558</b>	<b>1,369</b>	<b>1,739</b>	<b>2,908</b>
Share of Joint Venture's surplus / (deficit)		996	-	-	-	-	-	-	-	-	-	-	-
Interest on LGFA borrower notes		-	-	1	1	2	2	3	3	3	3	3	3
<b>Surplus / (Deficit) before Tax</b>		<b>(3,124)</b>	<b>(884)</b>	<b>4,590</b>	<b>7,046</b>	<b>1,753</b>	<b>2,287</b>	<b>3,424</b>	<b>1,073</b>	<b>1,561</b>	<b>1,372</b>	<b>1,742</b>	<b>2,911</b>
<b>Other Comprehensive Revenue and Expense</b>													
Gain/(Loss) on revaluation of Infrastructural Assets		45,785	56,500	-	42,326	20,681	-	55,982	13,102	-	60,341	18,907	-
Gain/(Loss) on revaluation of Properties		38,711	-	6,959	-	-	8,036	-	-	7,638	-	-	7,586
Other Comprehensive Revenue		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Comprehensive Revenue and Expense</b>		<b>84,496</b>	<b>56,500</b>	<b>6,959</b>	<b>42,326</b>	<b>20,681</b>	<b>8,036</b>	<b>55,982</b>	<b>13,102</b>	<b>7,638</b>	<b>60,341</b>	<b>18,907</b>	<b>7,586</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>\$81,372</b>	<b>\$55,616</b>	<b>\$11,549</b>	<b>\$49,372</b>	<b>\$22,434</b>	<b>\$10,323</b>	<b>\$59,406</b>	<b>\$14,175</b>	<b>\$9,199</b>	<b>\$61,713</b>	<b>\$20,649</b>	<b>\$10,497</b>



## Prospective Statement of Changes in Equity

Projected for the ten years ending 30 June, 2022 - 2031

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Public Equity at 1 July</b>	831,179	869,750	919,738	931,287	980,659	1,003,093	1,013,416	1,072,822	1,086,997	1,096,196	1,157,909	1,178,558
Total Comprehensive Revenue and Expense	81,372	55,616	11,549	49,372	22,434	10,323	59,406	14,175	9,199	61,713	20,649	10,497
<b>Public Equity at 30 June</b>	<b>\$912,551</b>	<b>\$925,366</b>	<b>\$931,287</b>	<b>\$980,659</b>	<b>\$1,003,093</b>	<b>\$1,013,416</b>	<b>\$1,072,822</b>	<b>\$1,086,997</b>	<b>\$1,096,196</b>	<b>\$1,157,909</b>	<b>\$1,178,558</b>	<b>\$1,189,055</b>



## Prospective Statement of Financial Position

Projected for the ten years ending 30 June, 2022 - 2031

	Notes	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Public Equity</b>													
Ratepayers' Equity		310,208	310,208	310,208	310,208	310,208	310,208	310,208	310,208	310,208	310,208	310,208	310,208
Revaluation Reserve		564,372	576,287	590,433	632,759	653,440	661,476	717,458	730,560	738,198	798,539	817,446	825,032
Operating Reserve		22,615	22,996	14,342	23,829	27,204	31,113	36,136	36,355	37,808	39,076	40,727	45,087
Other Reserves		15,356	15,875	16,304	13,863	12,241	10,619	9,020	9,874	9,982	10,086	10,177	8,728
<b>Total Public Equity</b>		<b>912,551</b>	<b>925,366</b>	<b>931,287</b>	<b>980,659</b>	<b>1,003,093</b>	<b>1,013,416</b>	<b>1,072,822</b>	<b>1,086,997</b>	<b>1,096,196</b>	<b>1,157,909</b>	<b>1,178,558</b>	<b>1,189,055</b>
<b>Non-Current Assets</b>													
Property Plant and Equipment	8	881,049	896,272	908,711	972,609	1,011,616	1,047,979	1,116,812	1,128,476	1,135,521	1,197,910	1,219,178	1,230,821
Intangible Assets	9	785	833	760	770	995	1,220	1,210	1,190	1,155	1,140	1,110	1,115
Forestry		286	394	340	340	340	340	340	340	340	340	340	340
Assets held for Sale		1,150	1,150	1,150	1,150	-	-	-	-	-	-	-	-
Other Financial Assets													
- Investments in CCO's	10	4,703	4,912	4,703	4,703	4,703	4,703	4,703	4,703	4,703	4,703	4,703	4,703
- Investment in Joint Venture	10	1,675	-	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675
- Investments in other entities	10	145	145	708	708	1,083	1,608	1,883	1,808	1,758	1,783	1,770	1,758
- Loans to other entities	11	28,534	25,859	25,030	22,152	20,336	16,351	12,717	10,584	8,622	6,742	700	341
		918,327	929,565	943,077	1,004,107	1,040,748	1,073,876	1,139,340	1,148,776	1,153,774	1,214,293	1,229,476	1,240,753
<b>Current Assets</b>													
Cash and Cash Equivalents		560	1,049	1,761	1,763	1,971	1,748	1,646	1,918	1,933	2,424	1,958	3,034
Receivables	12	5,153	6,365	5,348	5,546	5,765	5,953	6,185	6,354	6,505	6,688	6,879	7,067
Prepayments		642	663	700	714	728	742	755	769	782	795	809	822
Inventory		140	12	150	153	156	159	162	165	168	171	174	177
Other Financial Assets													
- Term deposits		-	1,250	13,030	2,005	3,510	1,002	500	1,504	2,005	1,003	1,003	3,008
- Loans to other entities	11	4,507	3,447	2,401	2,890	1,827	3,996	3,644	2,144	1,970	1,890	6,048	360
Assets held for Sale		386	-	-	-	1,150	-	-	-	-	-	-	-
		11,388	12,786	23,390	13,071	15,107	13,600	12,892	12,854	13,363	12,971	16,871	14,468
<b>Total Assets</b>		<b>929,715</b>	<b>942,351</b>	<b>966,467</b>	<b>1,017,178</b>	<b>1,055,855</b>	<b>1,087,476</b>	<b>1,152,232</b>	<b>1,161,630</b>	<b>1,167,137</b>	<b>1,227,264</b>	<b>1,246,347</b>	<b>1,255,221</b>
<b>Non-Current Liabilities</b>													
Provisions		413	505	370	364	362	366	291	218	203	188	168	153
Borrowings	13	-	5,000	20,500	18,500	35,000	55,000	60,000	56,000	51,000	48,000	45,000	43,000
		413	5,505	20,870	18,864	35,362	55,366	60,291	56,218	51,203	48,188	45,168	43,153
<b>Current Liabilities</b>													
Trade and Other Payables	14	7,565	6,985	8,025	9,290	10,475	10,706	9,979	10,199	10,500	10,842	11,195	11,497
Employee Entitlement Liabilities	15	1,632	1,430	1,733	1,801	1,855	1,914	1,981	2,054	2,132	2,215	2,306	2,403
Provisions		154	65	20	24	20	14	94	87	26	25	30	23
Borrowings	13	7,400	3,000	4,532	6,540	5,050	6,060	7,065	6,075	7,080	8,085	9,090	9,090
		16,751	11,480	14,310	17,655	17,400	18,694	19,119	18,415	19,738	21,167	22,621	23,013
<b>Total Liabilities</b>		<b>17,164</b>	<b>16,985</b>	<b>35,180</b>	<b>36,519</b>	<b>52,762</b>	<b>74,060</b>	<b>79,410</b>	<b>74,633</b>	<b>70,941</b>	<b>69,355</b>	<b>67,789</b>	<b>66,166</b>
<b>Net Assets</b>		<b>912,551</b>	<b>925,366</b>	<b>931,287</b>	<b>980,659</b>	<b>1,003,093</b>	<b>1,013,416</b>	<b>1,072,822</b>	<b>1,086,997</b>	<b>1,096,196</b>	<b>1,157,909</b>	<b>1,178,558</b>	<b>1,189,055</b>



## Prospective Statement of Cash Flows

Projected for the ten years ending 30 June, 2022 - 2031

Notes	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Cash Flows from Operating Activities</b>												
Receipts from Rates Revenue	33,101	32,327	35,541	38,456	41,955	44,599	48,263	50,433	52,040	54,350	56,730	59,090
Interest received	899	968	855	887	843	856	813	659	597	551	512	393
Dividends/subvention payments received	1,004	500	350	350	350	350	350	350	350	350	350	350
Receipts from other revenues	17,027	23,634	26,120	27,108	20,421	20,384	20,865	19,240	19,818	20,209	20,583	21,449
Payments to suppliers and employees	(38,320)	(40,213)	(40,036)	(41,039)	(42,143)	(44,277)	(46,692)	(47,689)	(48,806)	(50,563)	(52,088)	(53,601)
Interest paid	(148)	(245)	(182)	(265)	(360)	(646)	(913)	(1,024)	(1,090)	(1,183)	(1,323)	(1,414)
Net GST	513	(165)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)
Net Cash from Operating Activities	14,076	16,806	22,428	25,277	20,846	21,046	22,466	21,749	22,689	23,494	24,544	26,047
<b>Cash Flows from Investing Activities</b>												
Proceeds from sale of Property, Plant & Equipment	1,021	68	179	191	203	210	231	238	244	255	262	268
Proceeds from sale of Investments	3,033	15,557	3,399	34,916	20,991	28,534	29,772	27,161	29,131	32,372	33,325	37,541
Purchase of Property, Plant & Equipment	(19,230)	(20,307)	(24,845)	(40,382)	(38,332)	(50,013)	(35,571)	(20,876)	(22,049)	(25,630)	(26,597)	(28,780)
Acquisition of Investments	(6,105)	(15,000)	(13,000)	(20,000)	(18,500)	(21,000)	(23,000)	(23,000)	(26,000)	(28,000)	(30,000)	(32,000)
Net Cash from Investing Activities	(21,281)	(19,682)	(34,267)	(25,275)	(35,638)	(42,269)	(28,568)	(16,477)	(18,674)	(21,003)	(23,010)	(22,971)
<b>Cash Flows from Financing Activities</b>												
Proceeds from Borrowing	15,525	13,750	14,500	6,500	20,000	27,000	13,000	1,000	3,000	6,000	7,000	7,000
Repayment of Borrowing	(8,125)	(10,450)	(4,500)	(6,500)	(5,000)	(6,000)	(7,000)	(6,000)	(7,000)	(8,000)	(9,000)	(9,000)
Net Cash from Financing Activities	7,400	3,300	10,000	-	15,000	21,000	6,000	(5,000)	(4,000)	(2,000)	(2,000)	(2,000)
Net Increase / (Decrease) in Cash	195	424	(1,839)	2	208	(223)	(102)	272	15	491	(466)	1,076
Total Cash Resources at 1 July	365	625	3,600	1,761	1,763	1,971	1,748	1,646	1,918	1,933	2,424	1,958
Total Cash resources at 30 June	560	1,049	1,761	1,763	1,971	1,748	1,646	1,918	1,933	2,424	1,958	3,034



## Prospective Reconciliation of Net Operating Surplus to Cash Flows from Operating Activities

Projected for the ten years ending 30 June, 2022 - 2031

Notes	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Net Operating Surplus	(3,124)	(884)	4,590	7,046	1,753	2,287	3,424	1,073	1,561	1,372	1,742	2,911
<b>Add/Less non-cash items</b>												
Depreciation/Amortisation	15,177	16,255	16,413	17,115	18,096	18,676	19,945	20,649	20,992	21,912	22,581	22,963
Interest compounded	(77)	(71)	-	-	-	-	-	-	-	-	-	-
Increase/(Decrease) in Provision for Doubtful Debts	(146)	-	-	-	-	-	-	-	-	-	-	-
Increase/(Decrease) in Provision for Closed Landfill	(89)	77	(180)	(2)	(6)	(2)	5	(80)	(76)	(16)	(15)	(22)
Net Loss/(Profit) on sale of Assets	1,377	-	-	-	-	-	-	-	-	-	-	-
Loss/(Gain) on forestry revaluation	(18)	(54)	-	-	-	-	-	-	-	-	-	-
Vested Assets	(120)	-	-	-	-	-	-	-	-	-	-	-
Share of Joint Venture Deficit / Surplus)	(996)	-	-	-	-	-	-	-	-	-	-	-
Surrender of carbon credits	1	2	-	-	-	-	-	-	-	-	-	-
	15,109	16,209	16,233	17,113	18,090	18,674	19,950	20,569	20,916	21,896	22,566	22,941
<b>Add/(Less) movements in Other Working Capital items</b>												
Decrease/(Increase) in Trade & Other Receivables	1,402	596	1,017	(198)	(219)	(188)	(232)	(169)	(151)	(183)	(191)	(188)
Decrease/(Increase) in Prepayments	(199)	(50)	(37)	(14)	(14)	(14)	(13)	(14)	(13)	(13)	(14)	(13)
Decrease/(Increase) in Inventory	(126)	-	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Increase/(Decrease) in Trade & Other Payables	631	850	325	1,265	1,185	231	(727)	220	301	342	353	302
Increase/(Decrease) in Employee Entitlements	383	85	303	68	54	59	67	73	78	83	91	97
	2,091	1,481	1,605	1,118	1,003	85	(908)	107	212	226	236	195
Net Cash Flow from Operating Activities	<b>14,076</b>	<b>16,806</b>	<b>22,428</b>	<b>25,277</b>	<b>20,846</b>	<b>21,046</b>	<b>22,466</b>	<b>21,749</b>	<b>22,689</b>	<b>23,494</b>	<b>24,544</b>	<b>26,047</b>



Waitaki District Council: Funding Impact Statement for the ten years 2021-2031 (whole of Council)

	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Sources of Operating Funding</b>											
General Rates, Uniform Annual General Charge, Rates Penalties Targeted Rates	6,438 25,814	7,846 26,886	8,542 29,153	9,053 32,147	10,155 33,635	10,651 36,828	11,333 38,236	11,974 39,159	12,497 40,947	12,953 42,846	13,711 44,425
<b>Rates Revenue</b>	32,252	34,732	37,695	41,200	43,791	47,479	49,569	51,133	53,444	55,799	58,136
Subsidies and Grants for Operating Purposes	4,261	4,187	3,873	3,992	4,101	4,217	4,354	4,490	4,586	4,740	4,875
Fees and Charges	6,929	7,042	7,224	7,378	7,494	7,645	7,796	7,953	8,116	8,283	8,442
Interest and Dividends from Investments	1,544	1,205	1,237	1,191	1,204	1,160	1,006	944	898	859	740
Local Authorities' Fuel Tax, Fines, Infringement Fees and Other Receipts	1,363	1,758	1,971	1,934	2,496	2,631	2,595	2,645	2,786	2,746	2,798
<b>Operating Revenue</b>	14,097	14,191	14,305	14,495	15,295	15,653	15,751	16,031	16,386	16,628	16,855
<b>Total Sources of Operating Funding</b>	46,349	48,923	52,000	55,695	59,086	63,132	65,320	67,164	69,830	72,427	74,991
<b>Applications of Operating Funding</b>											
Payments to Staff and Suppliers	41,159	40,920	42,829	43,836	45,025	46,500	48,363	49,570	51,434	52,979	54,440
Finance Costs	245	182	265	360	646	913	1,024	1,090	1,183	1,323	1,414
Other Operating Funding Applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding</b>	41,404	41,102	43,094	44,196	45,671	47,413	49,387	50,660	52,617	54,302	55,854
<b>Surplus / (Deficit) of Operating Funding</b>	4,945	7,821	8,906	11,499	13,415	15,719	15,933	16,504	17,213	18,125	19,137
<b>Sources of Capital funding</b>											
Subsidies and Grants for Capital Expenditure	9,473	12,103	14,204	7,299	6,497	6,597	4,736	4,997	5,019	5,144	5,684
Development and Financial Contributions	954	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044	1,044
Increase / (Decrease) in Debt	-	17,032	8	15,010	21,010	6,005	(4,990)	(3,995)	(1,995)	(1,995)	(2,000)
Proceeds from Sale of Assets	68	179	191	203	210	231	238	244	255	262	268
<b>Total Sources of Capital Funding</b>	10,495	30,358	15,447	23,556	28,760	13,877	1,029	2,290	4,322	4,455	4,995
<b>Applications of Capital funding</b>											
Capital Expenditure											
Meet Additional Demand	-	-	-	-	-	-	-	-	-	-	-
Improve Levels of Service	13,350	11,978	25,209	22,759	11,884	6,896	2,702	2,843	2,295	2,678	2,743
Replace Existing Assets	11,721	12,867	15,173	15,573	38,129	28,674	18,174	19,207	23,336	23,918	26,037
Increase / (Decrease) in Reserve	(9,632)	1,400	(2,615)	(2,277)	(4,039)	(1,762)	(1,210)	(1,570)	(1,159)	(2,119)	(594)
Increase / (Decrease) in Investments	-	11,934	(13,414)	(999)	(3,799)	(4,213)	(2,704)	(1,685)	(2,937)	(1,897)	(4,054)
<b>Total Applications for Capital Funding</b>	15,439	38,179	24,353	35,055	42,175	29,596	16,961	18,794	21,535	22,580	24,132
<b>Surplus / (Deficit) of Capital Funding</b>	(4,945)	(7,821)	(8,906)	(11,499)	(13,415)	(15,719)	(15,933)	(16,504)	(17,213)	(18,125)	(19,137)
<b>Funding Balance</b>	-	-	-	-	-	-	-	-	-	-	-



Waitaki District Council: Reconciliation of Funding Impact Statements by Group of Activities for the ten years 2021 – 2031

	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Operating Revenue</b>											
Roads & Footpaths	4,261	3,610	3,778	3,898	4,010	4,129	4,270	4,411	4,511	4,666	4,805
Wastewater (Treatment & Disposal)	665	594	610	624	638	654	670	688	708	729	750
Stormwater Drainage	-	-	-	-	-	-	-	-	-	-	-
Water Supply	861	755	809	826	845	867	887	913	942	973	999
Waste Management & Minimisation	182	202	206	210	214	218	222	226	230	233	237
Arts, Culture & Community	648	742	584	611	624	639	652	666	680	694	709
Parks & Recreation	993	983	1,003	1,023	1,567	1,595	1,624	1,651	1,679	1,708	1,735
Democracy & Accountability	24,204	26,253	28,826	30,653	32,090	33,853	34,872	35,934	37,417	38,274	39,413
Economic Development & Property	2,367	2,507	2,510	2,560	2,575	2,621	2,668	2,713	2,759	2,806	2,851
Heritage, Environment & Regulation	2,534	3,278	3,407	3,483	3,557	3,633	3,711	3,790	3,870	3,953	4,038
<b>Operational Revenue per Activity FIS</b>	36,715	38,923	41,734	43,887	46,120	48,209	49,576	50,991	52,797	54,037	55,536
<b>Total Sources of Capital Funding</b>											
Roads & Footpaths	4,925	3,979	4,077	4,642	6,471	6,650	4,692	4,683	4,805	5,076	5,215
Wastewater (Treatment & Disposal)	133	168	168	168	169	169	169	170	170	171	172
Stormwater Drainage	-	-	-	-	-	-	-	-	-	-	-
Water Supply	441	4,513	517	519	522	525	528	532	536	540	544
Waste Management & Minimisation	-	-	-	-	-	-	-	-	-	-	-
Arts, Culture & Community	3,828	9	9	-	-	-	-	-	-	-	-
Parks & Recreation	428	2,534	9,248	2,804	32	-	181	447	341	191	587
Democracy & Accountability	58	18,829	1,091	15,074	21,076	6,072	(4,922)	(3,926)	(1,925)	(1,924)	(1,928)
Economic Development & Property	473	117	128	139	282	251	171	175	185	190	195
Heritage, Environment & Regulation	210	210	210	210	210	210	210	210	210	210	210
<b>Capital Revenue per Activity FIS</b>	10,495	30,358	15,447	23,556	28,760	13,877	1,029	2,290	4,322	4,455	4,995
Add total Rates	32,252	34,477	37,440	40,945	43,536	47,224	49,314	50,878	53,189	55,544	57,881
Less Internal recoveries included	(22,618)	(24,698)	(27,423)	(29,387)	(30,820)	(32,551)	(33,819)	(34,954)	(36,405)	(37,403)	(38,675)
<b>Revenue per Total Activities FIS</b>	56,844	79,060	67,198	79,001	87,596	76,759	66,099	69,205	73,903	76,633	79,738
Remove increase/decrease in debt	-	(17,032)	(8)	(15,010)	(21,010)	(6,005)	4,990	3,995	1,995	1,995	2,000
Proceeds from sale of assets	(68)	(179)	(191)	(203)	(210)	(231)	(238)	(244)	(255)	(262)	(268)
Adjust Rate remissions against revenue	(255)	-	-	-	-	-	-	-	-	-	-
<b>Revenue per prospective Statement of Comprehensive Revenue and Expenditure</b>	56,521	61,849	66,999	63,788	66,377	70,523	70,851	72,956	75,643	78,366	81,470



Waitaki District Council: Reconciliation of Funding Impact Statements by Group of Activities for the ten years 2021-2031 (continued)

	2021 Annual Plan \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Total Applications of Operating Funding</b>											
Roads & Footpaths	7,175	6,963	7,410	7,764	7,930	8,182	8,657	8,868	9,186	9,530	9,700
Wastewater (Treatment & Disposal)	4,695	2,683	2,477	2,722	2,574	2,844	3,019	3,097	3,187	3,259	3,433
Stormwater Drainage	453	219	238	273	252	282	328	376	485	600	740
Water Supply	5,563	5,479	5,716	6,128	6,062	6,690	7,197	7,358	7,510	7,667	7,938
Waste Management & Minimisation	1,401	1,502	2,006	1,563	1,849	1,375	1,422	1,448	1,473	1,498	1,533
Arts, Culture & Community	4,338	4,076	4,337	4,610	4,807	5,037	5,175	5,340	5,517	5,672	5,861
Parks & Recreation	4,884	5,272	5,645	5,775	6,897	7,115	7,292	7,573	7,807	7,990	8,211
Democracy & Accountability	25,564	29,517	31,996	33,544	34,679	36,478	37,814	38,884	40,733	41,995	43,203
Economic Development & Property	3,166	3,299	3,487	3,728	3,731	3,971	4,054	4,144	4,284	4,377	4,471
Heritage, Environment & Regulation	6,783	6,826	7,212	7,481	7,714	7,995	8,254	8,532	8,845	9,122	9,446
<b>Total Operational expenditure per FIS</b>	64,022	65,835	70,524	73,588	76,495	79,969	83,212	85,620	89,028	91,711	94,536
Less internal recoveries	(20,854)	(22,961)	(25,072)	(27,291)	(28,192)	(30,285)	(32,185)	(33,400)	(34,955)	(35,809)	(37,188)
<b>Expenditure per Total Activities FIS</b>	43,168	42,873	45,451	46,297	48,304	49,684	51,027	52,221	54,072	55,902	57,347
Less internal charges included in capital	(1,765)	(1,771)	(2,357)	(2,101)	(2,633)	(2,272)	(1,640)	(1,560)	(1,456)	(1,601)	(1,493)
Adjust Rate remissions against revenue	(255)	(255)	(255)	(255)	(255)	(255)	(255)	(255)	(255)	(255)	(255)
Add Depreciation and Amortisation	16,255	16,413	17,115	18,096	18,676	19,945	20,649	20,992	21,912	22,581	22,963
<b>Expenditure per prospective Statement of Comprehensive Revenue and Expenditure</b>	57,404	57,260	59,954	62,037	64,092	67,102	69,781	71,398	74,274	76,627	78,562



## Statement of Accounting Policies

### REPORTING ENTITY

The Waitaki District Council (Council) is a territorial local authority established under the LGA02 and is domiciled and operates exclusively in New Zealand. Relevant legislation governing Council's operations include the LGA02 and the Local Government (Rating) Act 2002.

Council's consolidated group consists of the ultimate parent, Waitaki District Council, and its subsidiaries: Whitestone Contracting Limited (100% owned), Waitaki District Health Services Limited Group (100% owned) and Tourism Waitaki Limited (100% owned). The investment in Ōmārama Airfield Limited (50% owned) is treated as a joint venture.

Council's consolidated group includes Waitaki Whitestone Geopark Trust, while Waitaki District Health Services Limited Group includes within its group the activities of the Observatory Village Charitable Trust group.

All companies are incorporated and domiciled in New Zealand.

The primary objective of Council is to provide local infrastructure and public services, and to perform regulatory functions in the community for social benefit rather than making a financial return. Accordingly, Council has designated itself and the group as public benefit entities (PBEs) for the purposes of complying with generally accepted accounting practice.

The prospective financial statements presented here are for the ten years ended 30 June 2021 to 30 June 2031. The prospective financial statements were authorised for issue by the Council on 29 June 2021. Council does not have the power to amend the prospective financial statements after issue. Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

### BASIS OF PREPARATION

The prospective financial statements have been prepared on the going concern basis, on the basis of best-estimate assumption as to future events in accordance with Tier 1 Public Benefit Entity Financial Reporting Standard 42 and are for Council itself.

## Statement of Compliance

The prospective financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and the requirements of the Act, particularly section 93 and part 1 of Schedule 10 of the Act, and comply with NZ IFRS PBE, and other applicable Financial Reporting



Standards as appropriate for Public Benefit Entities. All requirements of the LGA02 and the Local Government (Financial Reporting and Prudence) Regulations 2014, which include the requirement to comply with (NZ GAAP), have been complied with.

The prospective financial statements have been prepared on an historical cost basis, modified by the revaluation of certain property, plant and equipment: land and buildings, infrastructural and biological assets, in accordance with Tier 1 PBE accounting standards, and are fully compliant with those accounting standards.

#### Presentation currency and rounding

The prospective financial statements are presented in New Zealand dollars and all values, unless otherwise stated, are rounded to the nearest thousand dollars (\$000). The functional currency of Council and the group is New Zealand dollars.



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting policies affecting the measurement of operating results, cash flows and financial position may be found in the notes to the financial statements. All accounting policies have been applied consistently throughout the ten years of the plan.

### Comparative and Budget Figures

- Figures presented for the 2019/20 financial year are sourced directly from the audited Annual Report for the year ended 30 June 2020.
- Budget figures for 2020/21 are those approved by Council in its unaudited 2020/21 Annual Plan, and have been prepared in accordance with NZ GAAP, using accounting policies consistent with those adopted by Council for the preparation of these prospective financial statements.
- Council has determined that greater transparency can be provided by adding additional classifications of income and expenditure, and assets and liabilities. In these cases, no budget figures can be reported, as the 2020-21 Annual Plan did not allow for these new classifications.

### Groups of Activities

The Groups of Activities report the net cost of services for each significant activity of Council and are represented by the costs of providing the service less all revenue that can be allocated to these activities. The net cost of service for each significant Council activity is derived using the cost allocation system outlined below.

- Direct costs are directly attributable to a significant activity and are charged accordingly.
- Indirect costs cannot be attributed in an economically feasible manner to a specific significant activity, and are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers, floor area occupied, etc.

### Foreign Currency Transactions

Council does not undertake significant transactions in foreign currencies. Foreign currency transactions are translated into New Zealand dollars upon receipt or payment at the prevailing spot rate. Council does not recognise gains or losses on such transactions, and holds no assets or liabilities denominated in foreign currencies.

### Goods and Services Tax

The prospective financial statements have been prepared on a GST exclusive basis and any net GST due or owing at balance date is included in Trade and Other Payables or Trade and Other Receivables as appropriate. Trade and Other Receivables and Trade and Other Payables are stated inclusive of GST. Any GST that is not recoverable as an input tax is recognised as part of the related asset or expense.



## General Revenue Recognition - Policy

Revenue is measured at the fair value of consideration received or receivable and is reported gross. Specific accounting policies for significant revenue items not otherwise outlined in Notes 1 to 4 are detailed below:

- User and Regulatory charges, sales of goods and revenue from commercial activities, fees and charges, and proceeds of sales of goods, are recognised when invoiced or when a product is sold or a service is provided to the customer
- Rental income is recognised as revenue over the course of individual lease terms
- Gross revenue from other commercial operations undertaken in the normal course of business, and Petrol Tax, is recognised when earned
- Development and financial contributions are recognised at the later of invoicing or the event that gives rise to a requirement for a development or financial contribution under relevant legislation
- Infringements and Fines are recognised when an infringement notice is issued, but the degree to which the income is recognised takes into account the likelihood that the fee or fine will be collected
- Dividends and subvention payments from subsidiaries are recognised when the right to receive payment is established
- Vested or donated physical assets - assets received for no or nominal consideration are recognised at their fair value when Council takes control of the asset. Fair value may be determined by reference to the cost of constructing the asset which may be based either on information provided by the property developer or on certified engineers' certificates.

Notes 1 to 4 provide more analysis in relation to specific types of Revenue and include detail of relevant accounting policies.

## Revenue from non-exchange transactions

Council derives revenue from non-exchange transactions, where monies are received in relation to services which may not be provided specifically to the payer, or which may not be provided for some time, or which may not reflect a value equivalent to the revenue earned. Examples:

- Rates, which fund services that may not be accessed equally, or at all, by all ratepayers, or may not be expended in the year in which they are received
- Development Contributions, which are held for future infrastructure requirements
- Infringements and fines, which are charged by Council, but for which no service is provided.

## Revenue from exchange transactions

Council derives revenue from exchange transactions, where a measurable service is provided in exchange for the revenue earned by Council. Examples:

- User charges for use of the Aquatic Centre, landfill and similar charges
- Regulatory charges for building consents, liquor licenses, dog registration and similar charges
- Interest received in relation to funds deposited, invested or lent externally.



While all revenues are recognised in accordance with the principles outlined above or detailed in Notes 1 to 4, Council has policies requiring certain revenues arising from non-exchange transactions to be held in special reserves until the funds are required.

### Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred and are not capitalised.

### Leases

- Finance Leases:  
The lease transfers substantially all the risks and rewards of ownership to the lessee. Leased assets and corresponding liabilities are recognised and the leased assets are depreciated over the period benefit is expected from their use.
- Operating Leases:  
The lease does not transfer substantially all the risks and rewards of ownership. These are charged on a straight-line basis over the term of the lease.

### Trade and Other Receivables

Receivables from both Non-exchange and from Exchange Transactions are recorded at the amount due less an allowance for expected credit losses (ECL).

The Council applies a simplified ECL model for recognising lifetime ECL for receivables. In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates receivables are “written off”:

- When remitted in accordance with Council’s rate remission policy, and
- In accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Maori freehold land) of the Local government (Rating Act) 2002.

Other receivables are written off when there is no reasonable expectation of recovery.

### Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. The carrying value of cash at bank and term deposits with maturities less than three months approximates fair value.



## Financial Liabilities

Interest bearing borrowings are classified as other non-derivative financial instruments and are initially recognised at the amount borrowed. Any interest due on the borrowings but unpaid at balance date is subsequently accrued and added to the outstanding balance as a current liability.

Borrowings are classified as current liabilities when their settlement is contractually due within 12 months after balance date. In all other circumstances, borrowings are classified as term liabilities.

## Trade and Other Payables

Trade and other payables are recorded at the amount payable.

## Financial Assets

Financial assets, other than shares in subsidiaries, are initially recognised at fair value plus transaction costs, if any, unless they are carried at fair value through surplus or deficit, in which case transaction costs are expensed when incurred.

They are then classified as, and subsequently measured under, the following categories:

- Amortised cost  
Financial assets are classified and subsequently measured at amortised cost if they give rise to cash flows that are solely payments of principal and interest on the principal outstanding, and are held within a management model whose objective is to collect the contractual cash flows of the asset
- Fair value through other comprehensive revenue and expense  
Financial assets are classified and subsequently measured at fair value through other comprehensive revenue and expense if they give rise to cash flows that are solely payments of principal and interest and are held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets. Council currently holds no assets with this classification.
- Fair value through surplus and deficit  
Financial assets that do not meet the criteria to be measured at amortised cost or at fair value through other comprehensive revenue and expense are subsequently measured at fair value through surplus and deficit. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at fair value through other comprehensive revenue and expense.

Subsequent to initial recognition, financial assets in this category are measured at fair value with fair value gains or losses recognised in surplus or deficit. Interest revenue recognised from such financial assets are separately presented within revenue. Instruments in this category include shares in unlisted companies, Local Government Funding Agency borrower notes and Council's joint venture investment.

The classification of a financial asset depends on its cash flow characteristics and the Council's management model for managing these.



### Term deposits, community and other loans (Amortised Cost)

- These assets are held for the purposes of receiving cash flows that are solely payments of principal and interest, and are reported as current assets except for those with maturities greater than twelve months after balance date, which are included in non-current assets
- Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flow, discounted at the current market rate of return for a similar financial instrument. For loans to community organisations, the difference between loan balance and the present value of future cash flows for the loan is recognised in the surplus or deficit as a grant expense.
- Where applicable, interest accrued at balance date is added to the investment balance
- After initial recognition, term deposits, community and other loans are measured at amortised cost using the effective interest method. Where applicable, interest accrued is added to the outstanding balance of the investment
- At year end, all assets are assessed for indicators of impairment. Impairment is established when Council and the group will not be able to collect amounts due according to the original terms of the investment. Indicators of impairment include significant financial difficulties of the debtor, the probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments due
- If assets are considered impaired, the amount of the impairment is recognised in the surplus or deficit.

### Listed and unlisted shares, LGFA borrower notes (Fair value through surplus and deficit)

- Council may hold shares in businesses, whether listed or unlisted, for strategic or other reasons. The intention at the time of acquisition is normally to hold long term, but the assets may be realised prior to maturity.
- Shares held at year end are classified as Non-Current Assets unless disposal is contemplated within the following twelve month period
- After initial recognition, unlisted shares (other than those in subsidiaries) 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. When sold, any cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to the surplus or deficit.
- For shares, a significant or prolonged decline in fair value provides objective evidence of impairment. If such evidence exists, the cumulative loss recognised in other comprehensive revenue and expense is transferred to the surplus or deficit. Impairment losses on shares recognised in the surplus or deficit are not reversed through the surplus or deficit.
- LGFA borrower notes are held by Council as a condition of its borrowing arrangements with the Local Government Funding Agency.

### Interest in Joint Venture (Fair value through surplus and deficit)

- Council retains 50% ownership of Ōmārama Airfield Ltd for strategic reasons and adjusts the value of its holdings by its share of the company's surplus or deficit at each balance date.



### Shares in subsidiaries

Council consolidates in the group financial statements all entities where Council can control financing and operating policies so as to obtain benefits from the activities of the subsidiaries. This right exists through the exercise of majority voting power on the governing body, where such policies have been irreversibly determined by Council, or where the determination of such policies would not materially affect the potential ownership benefits arising from the subsidiary. The investment in subsidiaries is carried at cost in Council's parent entity financial statements.

### Expected credit loss allowance (ECL)

Council recognises an allowance for ECLs for all debt instruments not classified as fair value through surplus and deficit. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council and group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and group's historical experience and informed credit assessment and including forward-looking information.

The Council and group consider a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

### Non-current Assets Held for Sale

- Non-current assets held for sale are recognised as a current asset when the sale is highly probable, there is commitment to a plan to sell, and that sale is expected to occur within one year.
- Non-current assets held for sale are valued at the lower of the carrying value and fair value less disposal costs.
- 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 are not depreciated while they are classified as held for sale.



## Property, Plant and Equipment

Property, Plant and Equipment is shown at cost or valuation, less accumulated depreciation and impairment losses, and consists of:

*Operational assets* – including land, buildings, landfill (post closure), library books, plant and equipment, furniture and fittings, and motor vehicles.

*Restricted assets* – including parks and reserves which provide benefit or service to the community and which cannot be disposed of because of legal or other restrictions.

*Infrastructure assets* – fixed utility systems owned by Council. Each class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

## Statement of Accounting Policies

### Additions

- The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.
- In most instances, an item of property, plant and equipment is recognised at its cost.
- Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### Disposals

- Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset and 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 retained earnings.

### Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only if it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

### Infrastructural Assets – Work in Progress

Capital projects that are incomplete at balance date are regarded as Work in Progress and included in Fixed Assets.

These items are not depreciated until fully commissioned.

Movements into Work in Progress represent the value of work done on incomplete capital projects, while movements out of Work in Progress represent the final capitalisation of the completed project.



### Harbour Assets

Harbour Wharves and structures and the Ōamaru harbour Breakwater were valued at June 1992.

This value represents deemed cost, with subsequent additions recorded at cost. These assets are not revalued.

### Library Collection

Library collections are carried at depreciated replacement cost.

Valuations are performed annually by the Head Librarian and are not subject to independent review because they are based on readily available market prices.

### Cultural and Heritage Assets

These assets provide a cultural or heritage service to the community, and include North Otago Museum artefacts, the Forrester Gallery art collection and the Libraries' resources. They are recorded at valuation, based on net current value, with subsequent additions recorded at cost.

### Revaluations

The classes of assets below are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from fair value.

- Land and Buildings

Property holdings are valued every three years – the results of the next such revaluation will be recognised in the 2022 financial year.

- Infrastructural Assets

Infrastructural assets are utility assets that provide a continuing service to the community, and are recorded at valuation, based on optimised depreciated replacement cost, with subsequent additions recorded at cost until the next revaluation. Valuations are performed every three years.

The next revaluation of Roading infrastructure will be recognised in the 2023 financial year

Water infrastructure will be revalued in the 2021 financial year, and the next revaluation will be recognised in the 2024 financial year.



## Depreciation

Other than Land and certain elements of cultural and heritage collections, and unless otherwise stated in the table below, Council fixed assets are depreciated on a straight-line basis at rates that will write off the cost, or valuation, of the assets to their estimated residual values over their useful lives. Useful lives and related depreciation rates of major classes of assets have been estimated as follows:

Asset type	Economic Life	Depreciation
Buildings	15 – 100 years	1% - 6.67%
Improvements	4 – 100 years	1% - 25%
Infrastructure Assets		
Roading		
Formation, sub-base course	Not depreciated	N/A
Pavement structure	20 – 70 years	1.43% - 5%
Surfacing	2 – 30 years	3.33% - 50%
Drainage, Footpaths	10 – 100 years	1% - 10%
Bridges, retaining structures	25 – 100 years	1% - 4%
Streetlights, railings and markers	4 – 35 years	2.85% - 25%
Signage and parking meters	5 – 15 years	6.67% - 20%
Water Schemes		
Headworks	5 – 140 years	0.71% - 20%
Reservoirs	10 – 80 years	1.25% - 10%
Pumping stations	15 – 100 years	1% - 6.67%
Reticulation	15 – 150 years	0.67% - 6.67%



## Depreciation (continued)

Asset type	Economic Life	Depreciation
Sewerage Schemes		
Reticulation	15 – 150 years	0.67% - 6.67%
Pumping stations	15 – 100 years	1% - 6.67%
Treatment works	2 – 100 years	1% - 50%
Stormwater - reticulation	45 – 150 years	0.67% - 2.22%
Transfer stations, landfill development	3 – 60 years	1.67% - 33.33%
Harbour – wharves and breakwater	8 – 100 years	1% - 12.5%
Alps2Ocean Cycle Trail		
Track formation, sub-base course	Not depreciated	N/A
Track surface	10 years	10%
Bridges, retaining structures	50 – 60 years	1.67% - 2%
Facilities – signage	12 years	8.33%
Facilities – livestock proofing	35 years	2.85%
Motor vehicles	3 – 10 years	10% - 33.33%
Other Plant	2 – 40 years	2.5% - 50%
Office equipment	2 – 20 years	5% - 50%
Office furniture & fittings	2 – 30 years	3.33% - 50%
Cultural and heritage assets – library books	5 – 7 years	14.29% - 20%



## Accounting for Revaluations

Results of revaluations of property, plant and equipment are reflected in other comprehensive income and are held in an asset revaluation reserve for that class of asset.

Where a revaluation causes a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit.

Any subsequent increase on revaluation that off-sets 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 in other comprehensive income.

## Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substance. The main categories of intangible assets are:

- Software

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and implement. Costs related to maintaining computer software are expensed as incurred. The useful life of software is 3 to 10 years and the cost is amortised on a straight-line basis.

- Other Intangible Assets, including:

Emissions Trading Scheme (ETS) - Carbon credits

Carbon credits are not amortised, as they represent current expenditure relating to a known future event, and market pricing is generally trending upwards. Carbon credits surrendered to meet Council's obligations relating to assessed landfill emissions are treated as disposals.

Other –

Not otherwise categorised intangible assets with an identifiable useful life of 25 years, which are amortised on a straight-line basis.

## Impairment of Property, Plant and Equipment, and Intangible Assets

- Intangible assets with finite useful lives are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.
- Assets having a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indication of impairment the asset's recoverable amount is estimated and an impairment loss is recognised for the amount by which the carrying value exceeds the likely recoverable amount (the higher of an asset's fair value less costs to sell, and value in use).
- Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets' ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service.



- For revalued assets the impairment loss is recognised against other comprehensive income and the revaluation reserve for that class of asset. If that would result in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

### Employee Entitlements

- Short-term benefits  
Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken, at balance date, and long service leave entitlements expected to be settled within 12 months.  
Council recognises a liability and expense for bonuses if contractually obliged or where a past practice has created a constructive obligation.
- Long-term benefits  
Entitlements payable beyond 12 months, such as long service leave, are calculated on an actuarial basis based on:
  - Likely future entitlements accruing to staff, based on years of service, years to entitlement.
  - The likelihood that staff will reach the point of entitlement and contractual entitlements information and
  - The present value of the estimated future cash flows, using an appropriate discount rate and inflation factor.

### Superannuation Schemes

- Defined contribution schemes  
Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.
- Multi-employer defined benefit schemes  
Council belongs to a Defined Benefit Plan Contributors Scheme (the scheme), managed by the Board of Trustees of the National Provident Fund, which is a multi-employer defined benefit scheme.  
Insufficient information is available to use defined benefit accounting, as it is not possible to determine, from the terms of the scheme, the extent to which the surplus or deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

### Financial Instruments

Council is party to financial instrument arrangements as part of everyday operations, including bank overdraft and draw-down facilities, short-term deposits, investments, debtors and creditors.

All financial instruments are recognised in the Balance Sheet, while related income and expenditure is recognised in the surplus or deficit.



## Equity

Equity is the Community's interest in the Council, measured as the difference between total assets and total liabilities.

Public Equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that Council makes of its accumulated surpluses.

The components of equity are Ratepayers Equity, Restricted Reserves (Special Funds), Operating Reserves and Asset Revaluation Reserves

## Reserves

- Reserves generally represent a particular purpose to which elements of equity have been assigned. These may be legally restricted or created by Council.
- Restricted reserves are subject to specific conditions accepted as binding by the Council which may only be revised by the Courts or third parties. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.
- Operating reserves are established by Council and may be altered without reference to any other parties. Transfers to and from these reserves are at the discretion of the Council.
- Asset revaluation reserves represent unrealised gains on assets owned by Council, which are held until the gain is realised and a transfer can be made to operating reserves.

## Capital Management

Council's capital is its equity (or ratepayers' funds), comprising retained earnings and reserves. Net Equity is represented by net assets. The Act requires Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently so as to promote the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets but does not expect them to meet the full cost of long term assets that will benefit ratepayers in future generations. Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the full costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Plan to meet the expenditure needs identified in those plans, and sets out factors that the Council must consider when determining the most appropriate sources of funding for each activity. The sources and levels of funding are set out in the funding and financial policies in this Long Term Plan.



## Critical Accounting Estimates and Assumptions

In preparing these prospective financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities over the term of the Long Term Plan are discussed below:

- **Infrastructural Assets**

Certain assumptions and estimates are made when performing depreciated replacement cost valuations of infrastructural assets. These include assessing the physical condition of assets - for example Council may carry an asset at a value that does not reflect its actual condition, especially where the asset may not be visible, such as stormwater, wastewater and water supply pipes that are underground.

Council minimises this risk by:

- Performing a combination of physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimating the remaining useful lives over which assets will be depreciated.

Such estimates can be affected by local conditions like weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could over- or under-state the annual depreciation charge recognised as an expense in arriving at the surplus or deficit. To minimise this risk, infrastructural assets' useful lives are determined with reference to the NZ Infrastructural Asset Valuation and Depreciation.

Guidelines published by the National Asset Management Steering Group, adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are carried out regularly as part of Council's asset management planning activities to give further assurance over the estimates of useful life.

## Classification of Property

- Community housing - Council owns and maintains properties for community housing. Receipt of market-based rental is incidental to holding these properties, which are held for service delivery objectives as part of Council's social housing policy, and are accounted for as property, plant and equipment.
- Unoccupied land - Council owns unoccupied land. Given the uncertainty over the future intended use of the land, Council has not classified these holdings as investment property.
- Forestry - Reliance has been placed on the advice of external forestry managers in determining the likely timing of harvesting operations related to forestry. The proceeds of forestry harvesting do not have an impact on the determination of rates requirements, and so have not been allowed for in this Long Term Plan.



### Changes in Accounting Policies

These prospective financial statements have been prepared in accordance with the PBE standards, implying compliance with NZ GAAP. Council has previously reported in accordance with NZ IFRS (PBE).

### Implementation of new or amended financial reporting standards

PBE IPSAS 41 Financial Instruments was issued in March 2019, replacing both PBE IFRS 9 Financial Instruments (an interim standard which was not adopted by Council) and PBE IPSAS 29: Financial Instruments; Recognition and Measurement. The new standard is effective for reporting periods beginning on or after 1 January 2022, but may be early adopted, and introduces a new classification and measurement model for financial instruments that considers characteristics of the asset's cash flows and the objectives for which the asset is held. It applies a forward-looking expected credit loss model applicable to financial instruments that are subject to impairment testing and introduces a broader hedge accounting model.

Council has early adopted the new standard to ensure alignment between this LTP and future Annual Reports. Consequences of the change are:

- Interest accrued on external Borrowings is now regarded as part of that liability rather than being recorded as an element of Trade Payables
- Interest accrued on Council's loans to external parties is now regarded as part of the loans concerned rather than being an element of Receivables.
- LGFA Borrower Notes, a new investment category in 2021, will be measured at fair value through surplus and deficit.

### PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2022 following consultation that has been initiated by the XRB. Council does not believe the application of the new standard will have a significant impact on its statement of performance as Council already has well established service reporting processes.

### Future changes

It should be noted that there is potential for any of the PBE Standards to be reviewed and changed during the ten year period covered by this LTP, and it is likely that some of these future revisions may impact Council's financial reporting in future periods. The effect of any such changes arising as a result of the adoption of future revisions to the current suite of PBE Standards cannot be foreseen and so has not been allowed for.



## Notes to the Prospective Financial Statements

### Note 1: Operating Revenue - Rates

#### Rates revenue - Policy

- General rates, targeted rates (excluding water by meter) and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates at the amounts due.
- Late payment penalties applied to unpaid rates are recognised as revenue when rates become overdue.
- Revenue from rates for water supplied by meter is recognised on an accrual basis, based on usage. Unbilled usage, as a result of unread meters at year-end, is accrued based on actual meter readings
- Rate remissions are recognised as a reduction in rates revenue when Council has received an application that satisfies its rates remission policy.

#### Analysis of revenue from Rates:

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
General Rates	2,302	2,118	2,860	3,309	3,643	4,132	4,375	4,871	5,355	5,667	5,963	6,499
District Services Rates	2,065	2,012	1,531	2,066	2,579	3,137	3,727	4,195	4,545	4,739	4,936	5,336
Uniform Annual General Charge	4,725	4,162	4,860	5,084	5,241	5,816	6,048	6,215	6,363	6,567	6,723	6,934
Ward Rates	6,755	6,623	6,090	6,798	7,367	7,885	8,454	8,827	9,271	9,585	9,861	10,179
Separate Rates	10,454	10,679	11,565	12,338	13,506	13,831	14,885	15,572	15,514	16,646	17,639	18,179
Targeted Rates for water supply	5,907	6,658	7,826	8,100	8,864	8,990	9,990	9,889	10,085	10,240	10,677	11,009
User charges for water supply by meter	485	719	688	711	726	743	762	780	803	830	857	880
Rates Penalties charged	392	390	420	420	420	420	420	420	420	420	420	420
Less Rates Remitted	(252)	(255)	(255)	(255)	(255)	(255)	(255)	(255)	(255)	(255)	(255)	(255)
	32,833	33,106	35,585	38,571	42,091	44,699	48,406	50,514	52,101	54,439	56,821	59,181



## Notes to the Prospective Financial Statements

### Note 2: Operating Revenue – Government Grants and Subsidies

#### Government grants and subsidies - Policy

- In general, revenue from Government Grants and Subsidies is recognised when eligibility has been established, unless there is an obligation in substance to return the funds should conditions of the grant not be met, in which case the grants are initially recorded as revenue in advance, and only recognised as revenue when all conditions are satisfied.
- Waka Kotahi NZ Transport Agency provides funding assistance towards the costs of roading maintenance and capital expenditure which is recognised as revenue upon entitlement when conditions pertaining to eligibility have been met.
- The Ministry of Business, Innovation and Employment (MBIE), through the New Zealand Cycletrails fund, may provide funding for the construction of the Alps2Ocean Cycle trail. MBIE also provides funding to support numerous other Council projects and initiatives. Such revenue is recognised as work is completed towards meeting contractual milestones.

#### Analysis of revenue from Government Grants:

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Waka Kotahi NZ Transport Agency subsidies	7,015	8,338	6,680	6,924	7,592	9,352	9,629	7,786	7,892	8,129	8,493	8,745
Ministry of Business, Innovation and Employment	762	765	45	-	-	-	-	-	-	-	-	-
Ministry for the Environment	79	87	87	89	91	92	94	96	97	99	101	102
Oranga Tamariki	68	68	-	-	-	-	-	-	-	-	-	-
Ministry for Social Development	102	-	315	321	328	334	340	346	352	358	364	370
Department of Internal Affairs - Library Partnership	-	-	200	-	-	-	-	-	-	-	-	-
Grants for the proposed Indoor Events Centre	-	-	750	1,530	780	-	-	-	-	-	-	-
Grants for the Cultural Facilities development	-	2,064	915	510	-	-	-	-	-	-	-	-
Other Government Grants and Subsidies	88	104	4,373	145	146	147	147	149	151	151	152	153
	8,114	11,426	13,365	9,519	8,937	9,925	10,210	8,377	8,492	8,737	9,110	9,370



## Notes to the Prospective Financial Statements

### Note 3: Operating Revenue – Other Grants and Donations

#### Other Grants and donations - Policy

Revenue is recognised when eligibility has been established, unless there is an obligation in substance to return the funds should conditions of the grant not be met, in which case the grants are initially recorded as revenue in advance, and only recognised as revenue when all conditions are satisfied.

#### Analysis of revenue from Other Grants and Donations:

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Donations for the Cultural Facility redevelopment	15	1,762	821	510	-	-	-	-	-	-	-	-
Donations for the proposed Indoor Events Centre	-	-	1,684	7,718	1,821	-	-	-	-	-	-	-
Donations for the Alps2Ocean Cycletrail Construction	30	80	-	-	-	-	-	-	-	-	-	-
North Otago Rugby Club	33	34	34	34	35	36	36	37	37	38	39	39
Other Grants and Subsidies	347	311	269	175	375	346	270	370	642	543	400	804
	425	2,187	2,808	8,437	2,231	382	306	407	679	581	439	843



## Notes to the Prospective Financial Statements

### Note 4: Finance Revenue and Finance Expense

#### Finance Revenue and Finance Expense - Policy

- Interest revenue is recognised when earned
- Borrowing costs are recognised as an expense in the year in which they are incurred

#### Analysis of Finance revenue and Finance expense:

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Bank Deposits	5	30	25	31	28	62	89	97	108	120	134	152
North Otago Irrigation Co Ltd	467	518	465	451	435	454	413	366	364	309	254	119
Observatory Village Charitable Trust Group	396	357	278	310	275	227	192	76	5	-	-	-
Kurow-Duntroon Irrigation Co Ltd	77	101	73	81	90	98	103	104	105	107	110	108
Other loans and advances	31	38	14	14	15	15	16	16	15	15	14	14
<b>Total Finance Revenue</b>	<b>976</b>	<b>1,044</b>	<b>855</b>	<b>887</b>	<b>843</b>	<b>856</b>	<b>813</b>	<b>659</b>	<b>597</b>	<b>551</b>	<b>512</b>	<b>393</b>
<b>Finance costs</b>												
Interest on bank overdraft	3	5	-	-	-	-	-	-	-	-	-	-
Interest on borrowings	145	240	182	265	360	646	913	1,024	1,090	1,183	1,323	1,414
<b>Total Finance Costs</b>	<b>148</b>	<b>245</b>	<b>182</b>	<b>265</b>	<b>360</b>	<b>646</b>	<b>913</b>	<b>1,024</b>	<b>1,090</b>	<b>1,183</b>	<b>1,323</b>	<b>1,414</b>



## Notes to the Prospective Financial Statements

### Note 5: Personnel Costs

#### Personnel costs - Policy

Defined contribution plan employer contributions – contributions to KiwiSaver and other similar schemes are accounted for as defined benefit superannuation schemes and expensed as incurred.

#### Analysis of Personnel Costs:

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Salaries and Wages	12,862	14,413	15,332	16,628	17,245	18,057	18,673	19,344	20,060	20,823	21,657	22,546
Defined Contribution Plan - employer contribution	363	410	453	492	498	522	541	561	582	605	629	656
Fringe Benefit Taxes	39	41	43	43	43	43	43	43	43	43	43	43
Redundancy and Severance payments	7	-	-	-	-	-	-	-	-	-	-	-
	13,271	14,864	15,828	17,163	17,786	18,622	19,257	19,948	20,685	21,471	22,329	23,245
Less recoveries from capital works	(1,209)	(1,765)	(1,771)	(2,357)	(2,101)	(2,688)	(2,275)	(1,644)	(1,566)	(1,466)	(1,614)	(1,508)
	12,062	13,099	14,057	14,806	15,685	15,934	16,982	18,304	19,119	20,005	20,715	21,737



## Notes to the Prospective Financial Statements

### Note 6: Depreciation Expense

Council's policies regarding Depreciation and Amortisation are outlined in detail in the Accounting Policies

#### Analysis of Depreciation charges by Activity

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Roads and Footpaths	6,794	7,841	7,449	8,022	8,050	8,091	8,913	9,028	9,054	9,864	9,900	9,928
Sewerage (Treatment & Disposal)	1,183	1,203	1,370	1,382	1,563	1,570	1,604	1,781	1,781	1,787	1,952	1,956
Stormwater Drainage	272	273	286	286	324	324	324	348	376	449	559	637
Water Supply	2,097	2,145	2,300	2,315	2,668	2,773	3,076	3,400	3,434	3,445	3,775	3,841
Waste Management and Minimisation	60	59	59	59	59	59	59	59	59	59	59	59
Arts, Heritage and Community	171	164	182	185	301	303	306	306	306	306	306	306
Recreation Services	915	917	983	1,053	1,317	1,590	1,637	1,692	1,794	1,794	1,812	1,867
District Leadership	1,708	1,674	1,792	1,790	1,791	1,852	1,879	1,877	1,938	1,938	1,936	1,994
Property Management and Development	1,918	1,920	1,930	1,961	1,961	2,050	2,083	2,094	2,184	2,204	2,216	2,306
Heritage, Environment and Regulation	59	59	62	62	62	64	64	64	66	66	66	69
	15,177	16,255	16,413	17,115	18,096	18,676	19,945	20,649	20,992	21,912	22,581	22,963



## Notes to the Prospective Financial Statements

### Note 7: Other Expenses

#### Operating costs - Policy

#### Grant Expenditure

- Non-discretionary grants are awarded when grant applications meet specified criteria and are recognised as expenditure when such applications are approved, and payment is made.
- Discretionary grants are those which Council has no obligation to award and are recognised as expenditure when approved by Council and when that approval is communicated to the applicant.
- In all cases, grants, or portions of grants, which are not applied to the purpose for which they were provided, must be returned, thus reducing grants expense for the period in which the funds are received.

#### Leases

- *Operating Leases* do not transfer substantially all the risks and rewards of ownership of an asset. These are charged on a straight-line basis over the term of the lease.

#### Analysis of Other Operating Costs

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Audit Fees - Annual Report	168	161	190	201	213	224	234	245	253	261	269	277
Audit Fees - Long Term Plan	-	112	-	-	125	-	-	150	-	-	173	-
Community Grants and Donations	878	1,071	955	967	979	985	996	1,007	1,017	1,028	1,039	1,049
Consultants	2,041	-	1,345	1,382	1,611	1,562	1,694	1,797	1,716	1,789	1,916	1,810
Contractors	14,090	-	14,820	15,344	14,957	15,560	15,695	15,861	16,292	16,840	17,108	17,572
Elected Members' Remuneration	493	-	566	588	605	624	647	670	695	723	753	784
Electricity Supply	1,814	-	1,824	1,861	1,919	2,014	2,050	2,087	2,122	2,158	2,195	2,230
Impairment of Receivables	327	150	150	150	150	150	150	150	150	150	150	150
Insurance	702	767	793	841	902	971	1,015	1,060	1,097	1,132	1,166	1,201
Legal Fees	260	-	223	228	233	238	242	247	252	257	262	266
Operating Lease expense	106	136	255	260	270	275	280	285	290	295	300	304
Provision for Closed Landfill	(90)	(63)	(1)	(6)	(2)	4	(79)	(76)	(16)	(16)	(22)	(176)
Other Expenditure	5,364	25,471	5,488	5,952	5,934	6,229	6,338	6,321	6,329	6,557	6,699	6,981
	26,153	27,805	26,608	27,768	27,896	28,836	29,262	29,804	30,197	31,174	32,008	32,448

Note that the 2020-21 Annual Plan did not provide an analysis of Other Operating Costs to the same extent as Council intends doing in future years



## Notes to the Prospective Financial Statements

### Note 8: Property, Plant and Equipment

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Opening Balance</b>												
Land	46,852	62,032	61,782	64,316	64,066	63,816	66,780	66,530	66,280	69,085	68,835	68,585
Buildings and Improvements	40,390	63,562	68,459	76,253	90,952	98,889	102,701	100,252	98,025	98,788	95,141	91,299
Roads & Bridges	529,541	575,373	577,272	576,438	618,153	617,932	621,166	679,978	678,796	677,582	736,324	734,938
Water Supply	77,434	78,846	80,307	84,090	90,833	111,617	133,634	141,386	148,716	147,449	150,204	162,877
Sewerage (Treatment & Disposal)	47,374	49,702	50,968	51,513	52,737	60,713	63,343	68,160	72,311	72,318	71,901	78,246
Stormwater Drainage	17,858	17,582	19,295	18,979	18,663	20,944	20,698	20,621	24,349	29,839	35,451	43,563
Solid Waste	150	127	86	218	175	132	277	229	181	350	299	248
Oamaru Harbour	26,416	26,104	27,896	27,453	27,036	26,957	27,814	27,583	27,213	27,113	26,667	26,221
Alps2Ocean	4,174	4,291	4,768	4,628	4,540	4,350	4,372	4,388	4,397	4,398	4,392	4,378
Plant, Equipment & Vehicles	1,042	888	917	869	825	785	749	717	689	664	643	626
Office Equipment & Fittings	1,030	1,038	1,742	2,399	3,047	3,871	4,807	5,302	5,822	6,204	6,286	6,391
Collections	1,507	1,504	1,528	1,555	1,582	1,610	1,638	1,666	1,697	1,731	1,767	1,806
	793,768	881,049	895,020	908,711	972,609	1,011,616	1,047,979	1,116,812	1,128,476	1,135,521	1,197,910	1,219,178
<b>Capital Expenditure</b>												
Land	17	-	-	-	-	-	-	-	-	-	-	-
Buildings and Improvements	3,513	8,252	7,479	18,483	12,100	3,759	2,203	2,478	1,340	1,293	1,114	2,698
Roads & Bridges	7,097	9,225	6,615	7,411	7,829	11,325	11,743	7,846	7,840	8,265	8,514	8,756
Water Supply	4,287	1,437	6,983	9,958	13,419	26,790	12,828	4,703	3,067	7,100	7,353	7,442
Sewerage (Treatment & Disposal)	3,650	441	2,065	2,756	2,576	4,350	6,571	1,576	1,938	1,520	1,944	2,022
Stormwater Drainage	35	76	-	-	-	108	277	2,437	5,896	6,091	6,292	6,462
Oamaru Harbour	27	2,228	-	26	364	1,306	240	101	377	40	40	41
Alps2Ocean	300	672	50	102	-	212	216	220	223	227	231	235
Plant, Equipment & Vehicles	(218)	278	200	204	208	212	216	220	223	227	231	235
Office Equipment & Fittings	453	1,287	1,021	1,012	1,188	1,300	859	884	746	446	469	442
Collections	107	131	142	145	148	151	153	156	159	161	164	167
	19,268	24,027	24,555	40,097	37,832	49,513	35,306	20,621	21,809	25,370	26,352	28,500



## Notes to the Prospective Financial Statements

### Note 8: Property, Plant and Equipment (continued)

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Revaluations</b>												
Land	15,620	-	2,784	-	-	3,214	-	-	3,055	-	-	3,034
Buildings and Improvements	23,091	-	4,000	-	-	4,632	-	-	4,363	-	-	4,312
Roads & Bridges	45,786	-	-	42,326	-	-	55,982	-	-	60,341	-	-
Water Supply	-	3,069	-	-	10,933	-	-	6,927	-	-	9,995	-
Sewerage (Treatment & Disposal)	-	2,178	-	-	7,113	-	-	4,506	-	-	6,503	-
Stormwater Drainage	-	1,940	-	-	2,635	-	-	1,669	-	-	2,409	-
Solid Waste	-	-	175	-	-	190	-	-	220	-	-	240
	84,497	7,187	6,959	42,326	20,681	8,036	55,982	13,102	7,638	60,341	18,907	7,586
<b>Disposals</b>												
Land	(457)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)	(250)
Buildings and Improvements	(135)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Roads & Bridges	(268)	-	-	-	-	-	-	-	-	-	-	-
Water Supply	(780)	(900)	(900)	(900)	(900)	(2,000)	(2,000)	(900)	(900)	(900)	(900)	(900)
Sewerage (Treatment & Disposal)	(151)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)
Stormwater Drainage	(38)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(100)
Plant, Equipment & Vehicles	256	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(140)	(140)
Office Equipment & Fittings	(4)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Collections	(8)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
	(1,585)	(1,685)	(1,685)	(1,685)	(1,685)	(2,785)	(2,785)	(1,685)	(1,685)	(1,685)	(1,685)	(1,755)



## Notes to the Prospective Financial Statements

### Note 8: Property, Plant and Equipment (continued)

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Depreciation</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Buildings and Improvements	(3,297)	(3,155)	(3,485)	(3,584)	(3,963)	(4,379)	(4,452)	(4,505)	(4,740)	(4,740)	(4,756)	(4,944)
Roads & Bridges	(6,783)	(7,326)	(7,449)	(8,022)	(8,050)	(8,091)	(8,913)	(9,028)	(9,054)	(9,864)	(9,900)	(9,928)
Water Supply	(2,095)	(2,145)	(2,300)	(2,315)	(2,668)	(2,773)	(3,076)	(3,400)	(3,434)	(3,445)	(3,775)	(3,841)
Sewerage (Treatment & Disposal)	(1,171)	(1,203)	(1,370)	(1,382)	(1,563)	(1,570)	(1,604)	(1,781)	(1,781)	(1,787)	(1,952)	(1,956)
Stormwater Drainage	(273)	(273)	(286)	(286)	(324)	(324)	(324)	(348)	(376)	(449)	(559)	(637)
Solid Waste	(23)	(41)	(43)	(43)	(43)	(45)	(48)	(48)	(51)	(51)	(51)	(53)
Oamaru Harbour	(339)	(436)	(443)	(443)	(443)	(449)	(471)	(471)	(477)	(486)	(486)	(491)
Alps2Ocean	(183)	(195)	(190)	(190)	(190)	(190)	(200)	(211)	(222)	(233)	(245)	(256)
Plant, Equipment & Vehicles	(192)	(109)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)
Office Equipment & Fittings	(441)	(578)	(359)	(359)	(359)	(359)	(359)	(359)	(359)	(359)	(359)	(359)
Collections	(102)	(97)	(105)	(108)	(110)	(113)	(115)	(115)	(115)	(115)	(115)	(115)
	(14,899)	(15,558)	(16,138)	(16,840)	(17,821)	(18,401)	(19,670)	(20,374)	(20,717)	(21,637)	(22,306)	(22,688)
Amortisation of Intangible Assets			(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)
			(16,413)	(17,115)	(18,096)	(18,676)	(19,945)	(20,649)	(20,992)	(21,912)	(22,581)	(22,963)
<b>Closing Book Value</b>												
Land	62,032	61,782	64,316	64,066	63,816	66,780	66,530	66,280	69,085	68,835	68,585	71,369
Buildings and Improvements	63,562	68,459	76,253	90,952	98,889	102,701	100,252	98,025	98,788	95,141	91,299	93,165
Roads & Bridges	575,373	577,272	576,438	618,153	617,932	621,166	679,978	678,796	677,582	736,324	734,938	733,766
Water Supply	78,846	80,307	84,090	90,833	111,617	133,634	141,386	148,716	147,449	150,204	162,877	165,578
Sewerage (Treatment & Disposal)	49,702	50,968	51,513	52,737	60,713	63,343	68,160	72,311	72,318	71,901	78,246	78,162
Stormwater Drainage	17,582	19,295	18,979	18,663	20,944	20,698	20,621	24,349	29,839	35,451	43,563	49,288
Solid Waste	127	86	218	175	132	277	229	181	350	299	248	435
Oamaru Harbour	26,104	27,896	27,453	27,036	26,957	27,814	27,583	27,213	27,113	26,667	26,221	25,771
Alps2Ocean	4,291	4,768	4,628	4,540	4,350	4,372	4,388	4,397	4,398	4,392	4,378	4,357
Plant, Equipment & Vehicles	888	917	869	825	785	749	717	689	664	643	626	613
Office Equipment & Fittings	1,038	1,742	2,399	3,047	3,871	4,807	5,302	5,822	6,204	6,286	6,391	6,469
Collections	1,504	1,528	1,555	1,582	1,610	1,638	1,666	1,697	1,731	1,767	1,806	1,848
	881,049	895,020	908,711	972,609	1,011,616	1,047,979	1,116,812	1,128,476	1,135,521	1,197,910	1,219,178	1,230,821



## Notes to the Prospective Financial Statements

### Note 9: Intangible Assets

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Opening balance	908	N/A	745	760	770	995	1,220	1,210	1,190	1,155	1,140	1,110
Additions	155	N/A	290	285	500	500	265	255	240	260	245	280
Amortisation	(278)	N/A	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)	(275)
Closing balance	785	833	760	770	995	1,220	1,210	1,190	1,155	1,140	1,110	1,115

### Note 10: Investments

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Council Controlled Organisations</b>												
Whitestone Contracting Ltd	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
Tourism Waitaki Ltd	103	103	103	103	103	103	103	103	103	103	103	103
Waitaki District Health Services Ltd	-	-	-	-	-	-	-	-	-	-	-	-
Omarama Airfield Ltd	-	209	-	-	-	-	-	-	-	-	-	-
	4,703	4,912	4,703	4,703	4,703	4,703	4,703	4,703	4,703	4,703	4,703	4,703
<b>Joint Venture</b>												
<b>Omarama Airfield Ltd</b>												
Opening balance	679	-	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675
Share of reports Surplus / (Deficit)	996	-	-	-	-	-	-	-	-	-	-	-
	1,675	-	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675
<b>Investments in Other Entities</b>												
Local Government Funding Agency Deposits	-	-	563	563	938	1,463	1,738	1,663	1,613	1,638	1,625	1,613
Civic Financial Services Ltd	114	114	114	114	114	114	114	114	114	114	114	114
Lower Waitaki Irrigation Co Ltd	31	31	31	31	31	31	31	31	31	31	31	31
	145	145	708	708	1,083	1,608	1,883	1,808	1,758	1,783	1,770	1,758



## Notes to the Prospective Financial Statements

### Note 11: Loans to Other Entities

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
<b>Non-current portion</b>												
North Otago Irrigation Co Ltd	14,000	13,000	14,125	13,514	12,465	11,147	9,780	8,414	7,047	5,683	-	-
Observatory Village Charitable Trust Group	10,949	9,241	7,333	5,425	5,017	2,709	801	393	157	-	-	-
Kurow-Duntroon Irrigation Co Ltd	3,076	3,151	3,112	2,792	2,472	2,152	1,832	1,512	1,192	872	552	232
Oamaru Whitestone Civic Trust	494	457	445	406	367	328	289	250	211	172	133	94
Corriedale Water Management Ltd	15	10	15	15	15	15	15	15	15	15	15	15
	28,534	25,859	25,030	22,152	20,336	16,351	12,717	10,584	8,622	6,742	700	341
<b>Current portion</b>												
North Otago Irrigation Company Ltd	3,000	1,000	380	611	1,049	1,318	1,367	1,367	1,367	1,367	5,683	-
Observatory Village Charitable Trust Group	708	1,708	1,908	1,908	408	2,308	1,908	408	236	157	-	-
Kurow-Duntroon Irrigation Co Ltd	-	-	-	320	320	320	320	320	320	320	320	320
Oamaru Whitestone Civic Trust	39	39	39	39	39	39	39	39	39	39	39	39
NZ Airline Academy Ltd	60	-	60	-	-	-	-	-	-	-	-	-
Waitaki District Health Services	700	700	-	-	-	-	-	-	-	-	-	-
Interest accrued on balances at year end	-	-	14	12	11	11	10	10	8	7	6	1
	4,507	3,447	2,401	2,890	1,827	3,996	3,644	2,144	1,970	1,890	6,048	360

The loan to the North Otago Irrigation Company Limited was amended to vary the repayment terms from 1 July 2020 and will be cleared by 30 June 2030. Loans to Observatory Village Charitable Trust group have also been subject to amended repayment terms, but with no effect on the final maturity date. The advance to NZ Airline Academy Ltd has been extended by 12 months in light of unforeseeable impacts on the company's operations arising from the COVID-19 pandemic and ongoing border closures.



## Notes to the Prospective Financial Statements

### Note 12: Receivables

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Rates	1,248	0	1,344	1,459	1,595	1,695	1,838	1,919	1,980	2,069	2,160	2,251
Sundry Debtors	2,189	0	2,277	2,323	2,367	2,410	2,453	2,495	2,537	2,580	2,621	2,621
Accrued I revenue	1,824	0	1,832	1,869	1,908	1,953	1,999	2,045	2,093	2,144	2,203	2,300
Infringements	55	0	55	55	55	55	55	55	55	55	55	55
Inter-company	67	0	70	70	70	70	70	70	70	70	70	70
	5,383	0	5,578	5,776	5,995	6,183	6,415	6,584	6,735	6,918	7,109	7,297
Provision for Impairment	(230)	0	(230)	(230)	(230)	(230)	(230)	(230)	(230)	(230)	(230)	(230)
Closing balance	10,536	6,365	5,348	5,546	5,765	5,953	6,185	6,354	6,505	6,688	6,879	7,067

### Note 13: Borrowings

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Opening balance	-	-	15,000	25,032	25,040	40,050	61,060	67,065	62,075	58,080	56,085	54,090
New borrowings	7,400	8,000	10,032	4,540	21,550	26,060	12,065	2,075	2,080	5,085	6,090	7,090
Borrowings repaid	-	-	-	(4,532)	(6,540)	(5,050)	(6,060)	(7,065)	(6,075)	(7,080)	(8,085)	(9,090)
Closing balance	7,400	8,000	25,032	25,040	40,050	61,060	67,065	62,075	58,080	56,085	54,090	52,090
<u>Analysed as</u>												
- Non-current portion	-	5,000	20,500	18,500	35,000	55,000	60,000	56,000	51,000	48,000	45,000	43,000
- Current portion	7,400	3,000	4,532	6,540	5,050	6,060	7,065	6,075	7,080	8,085	9,090	9,090
	7,400	8,000	25,032	25,040	40,050	61,060	67,065	62,075	58,080	56,085	54,090	52,090



## Notes to the Prospective Financial Statements

### Note 14: Trade and Other Payables

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Sundry Creditors	4,592	6985	4,891	5,994	7,132	7,317	6,485	6,680	6,900	7,128	7,320	7,320
Accruals	655	-	1,335	1,470	1,488	1,510	1,590	1,589	1,643	1,729	1,861	2,163
Owing to Subsidiaries	508	-	549	576	605	629	654	680	707	735	764	764
Revenue charged or received in advance	1,672	-	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Deposits	138	-	150	150	150	150	150	150	150	150	150	150
Closing balance	7,565	6,985	8,025	9,290	10,475	10,706	9,979	10,199	10,500	10,842	11,195	11,497

### Note 15: Employee Entitlements

	2020 Actual \$000	2021 Budget \$000	2022 LTP \$000	2023 LTP \$000	2024 LTP \$000	2025 LTP \$000	2026 LTP \$000	2027 LTP \$000	2028 LTP \$000	2029 LTP \$000	2030 LTP \$000	2031 LTP \$000
Accrued Salary and Wages	579	1430	620	639	659	682	707	734	763	794	827	827
Annual Leave	1,053	N/A	1,063	1,110	1,142	1,176	1,216	1,260	1,307	1,356	1,411	1,508
Long Service Leave	-	N/A	50	52	54	56	58	60	62	65	68	68
Closing balance	1,632	1,430	1,733	1,801	1,855	1,914	1,981	2,054	2,132	2,215	2,306	2,403



## Reserve Fund schedule

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and that any surplus created is managed in accordance with the reason for which the reserve was originally established. Surpluses held in reserves are credited with interest.

Council has established five types of reserves, three of which are restricted, being reserves with rules set by legal obligation restricting the use to which the funds may be put. These are Trust Reserves, Development Reserves and Special Reserves. The remaining Council-created reserves are discretionary reserves, established for the fair and transparent use of monies. These are Operating Reserves and Renewal (Depreciation) Reserves.

Reserves are not held separately in cash and funds are managed as part of treasury management. Details of reserves, their general purposes, projected opening balances, movements over ten years, and closing balances are presented in the following tables, and are also available on Council's website, [www.waitaki.govt.nz](http://www.waitaki.govt.nz)

Restricted Reserves	Projected opening balance 1 July 2021 \$000	Projected deposits & transfers to Reserves \$000	Projected withdrawals and transfers from Reserves \$000	Projected closing balance 30 June 2031 \$000
Trust Reserves				
Funded from sources external to Council, subject to binding conditions regarding their use. The largest relates to Resource Management Act financial contributions. Many of the funds are to support cultural facilities	2,758	3,923	(3,886)	2,795
Development Reserves				
Reserves to record and allocate funds received under Council's Development Contributions policy	3,978	8,578	(9,000)	3,556
Special Reserves				
Similar to Trust Reserves, as they have a specific purpose, but as they are Council-created, Council has more discretion over their use. The largest are the Disaster Fund and the Community Housing Reserve	9,014	4,251	(10,000)	3,265



Reserve Fund schedule (continued)

Discretionary Reserves	Projected opening balance 1 July 2021 \$000	Projected deposits and transfers to Reserves \$000	Projected withdrawals and transfers from Reserves \$000	Projected closing balance 30 June 2031 \$000
Separate Rate Operating Reserves				
Separate rates are described in the Funding Impact section of this LTP and are set to match funding required so there is no budgeted movement in these reserves. Movements arise when actual revenue or expenditure differs from budget. If Council considers the level of accumulated surplus or deficit in a reserve is too large, it can, at its discretion, either reduce the surplus or fund the reserve. Such movements are difficult to forecast, and have been estimated based on previous history, and form part of overall Operating Reserves	7,775	1,000	(2,000)	6,775
Renewal (Depreciation) Reserves				
Funded depreciation reserves are maintained to fund the renewal of existing assets when these reach the end of their economic lives. Amounts credited to these reserves represent the annual depreciation charge, less any element that Council has decided not to fund. Assets for which depreciation is either fully or partially unfunded are detailed in the Financial Strategy contained in this LTP. Expenditure from these reserves is the use of the reserves to fund replacement assets or to maintain the economic lives and service potential of existing assets	37,500	199,257	(152,268)	84,489



## AUDITOR'S REPORT



## To the reader:

### Independent Auditor's report on Waitaki District Council's 2021-2031 long-term plan

I am the Auditor-General's appointed auditor for Waitaki District Council (the Council). The Local Government Act 2002 (the Act) requires the Council's long-term plan (LTP) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's LTP. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 29 June 2021.

#### Opinion

In our opinion:

- the LTP provides a reasonable basis for:
  - long-term, integrated decision-making and co-ordination of the Council's resources; and
  - accountability of the Council to the community; and
- the information and assumptions underlying the forecast information in the LTP are reasonable; and
- the disclosures on pages 431 to 441 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the LTP.

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

#### Emphasis of matters

Without modifying our opinion, we draw attention to the following disclosures.

#### Uncertainty over three waters reforms

Pages 487 to 488 outline the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The LTP was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the LTP has been based.

#### Uncertainty over external funding of capital projects

Page 530 outlines the Council's assumption that external funding contributions will be obtained to build an indoor sports and events centre. The external funding contributions are currently uncertain because funding agreements are not in place. A decision to build the facility will not be



made until there is certainty about what could be delivered within the funding constraints. If the level of external funding is not achieved the Council notes that it will either change the scope of the project or abandon the project.

### **Uncertainty over three waters infrastructure assets forecast**

Pages 341 and 342 outline that the Council's forecasting for three waters infrastructure asset renewals is based on age and asset failure rates. Planning on this basis increases the risk of disruption in services.

### **Uncertainty over the delivery of the capital programme**

Page 140 outlines that the Council is proposing to spend \$313 million on capital projects over the next 10 years. Although the Council is taking steps to deliver its planned capital programme, as outlined on page 496, there is uncertainty over the delivery of the programme due to a number of factors, including the significant constraints in the construction market. If the Council is unable to deliver on a planned project, it could affect levels to service.

### **Basis of opinion**

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the LTP and the application of its policies and strategies to

the forecast information in the LTP. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the LTP.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the approach taken by the Council to maintain its assets is reasonable, given the types of asset infrastructure owned by the Council;
- the information in the LTP is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the LTP 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 LTP;



- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the LTP.

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

### **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 LTP;
- 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 an LTP that is free from material misstatement.

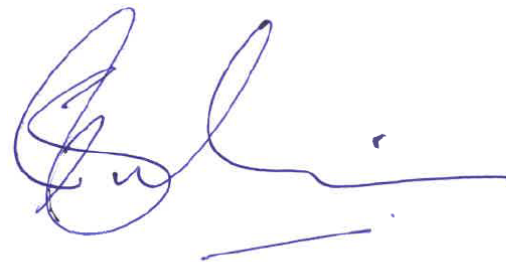
We are responsible for expressing an independent opinion on the LTP and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. We do not express an opinion on the merits of the LTP's policy content.

### **Independence and quality control**

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

Other than our work in carrying out all legally required external audits, and an engagement to audit the Council's Debenture Trust deed which is compatible with these independence requirements we have no relationship with or interests in the Council or any of its subsidiaries.



Rudie Tomlinson  
Audit New Zealand  
On behalf of the Auditor-General, Dunedin, New Zealand



## PART 4

# OUR POLICIES AND STRATEGIES

*a tatou kaupapa here me o  
rautaki*



## REVENUE AND FINANCING POLICY

### Introduction

This policy outlines the choices Council has made to determine the appropriate funding of operational and capital expenditure from the sources<sup>1</sup> of funds listed in the Local Government Act 2002 (LGA). The policy also shows how Council has complied with section 101(3)<sup>2</sup>. The comprehensive section 101(3) analysis is separately documented in the Funding Needs Analysis.

Determining the appropriate way to fund Council activities is complex. It is a process that takes into account many variables including, but not limited to, the following matters:

- Legal
- Social
- Competition
- Affordability
- Impact of change
- Efficiency
- Equity
- Cost
- Intergenerational equity
- Transparency
- Accountability
- Business
- Strategic Alignment
- Benefit

In determining the appropriate Revenue and Financing Policy (RFP), Council plans 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.

### Funding Principles

Council has determined the following basic principles to guide the appropriate use of funding sources:

- User charges are preferred when a private benefit can be identified and it is efficient to collect the revenue.
- Subsidies, grants and other income options are fully explored prior to rates being used.
- Each generation of ratepayers should pay for the services they receive and borrowing can assist to achieve this outcome.
- Capital expenditure to replace assets that reach their projected economic life is firstly funded from rates, which accumulate in asset renewal reserves until needed. Borrowing is then used if there is a shortfall in the total funding required.
- Capital expenditure to upgrade or build new assets is funded firstly from other sources (e.g. subsidies, grants, fundraising, financial contributions) and then borrowing.
- Growth related capital expenditure is funded by development contributions. Borrowing will be used if the expenditure is required in advance of the contributions being received.

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<sup>1</sup> The sources of funds are listed in section 103(2).

<sup>2</sup> All legislative references are to the Local Government Act 2002 unless otherwise stated.



Complying with these principles can at times be challenging. The Council must apply judgment in assessing many options to determine appropriateness in its development of budgets or acquisition of assets and the choice of funding sources to implement these.

### Related Policies

The Policy on Development Contributions and Financial Contributions provides further analysis, as required by section 106(2)(c). This explains why Council has chosen to use development and financial contributions to fund the capital expenditure needed to meet increased demand for community infrastructure.

The Liability Management and Investment Policy places restrictions on the use of borrowing as a funding source.

The Rating Policy further clarifies the funding requirements of Council by documenting matters not included in the Rating Funding Impact Statement, rates resolution or this policy.

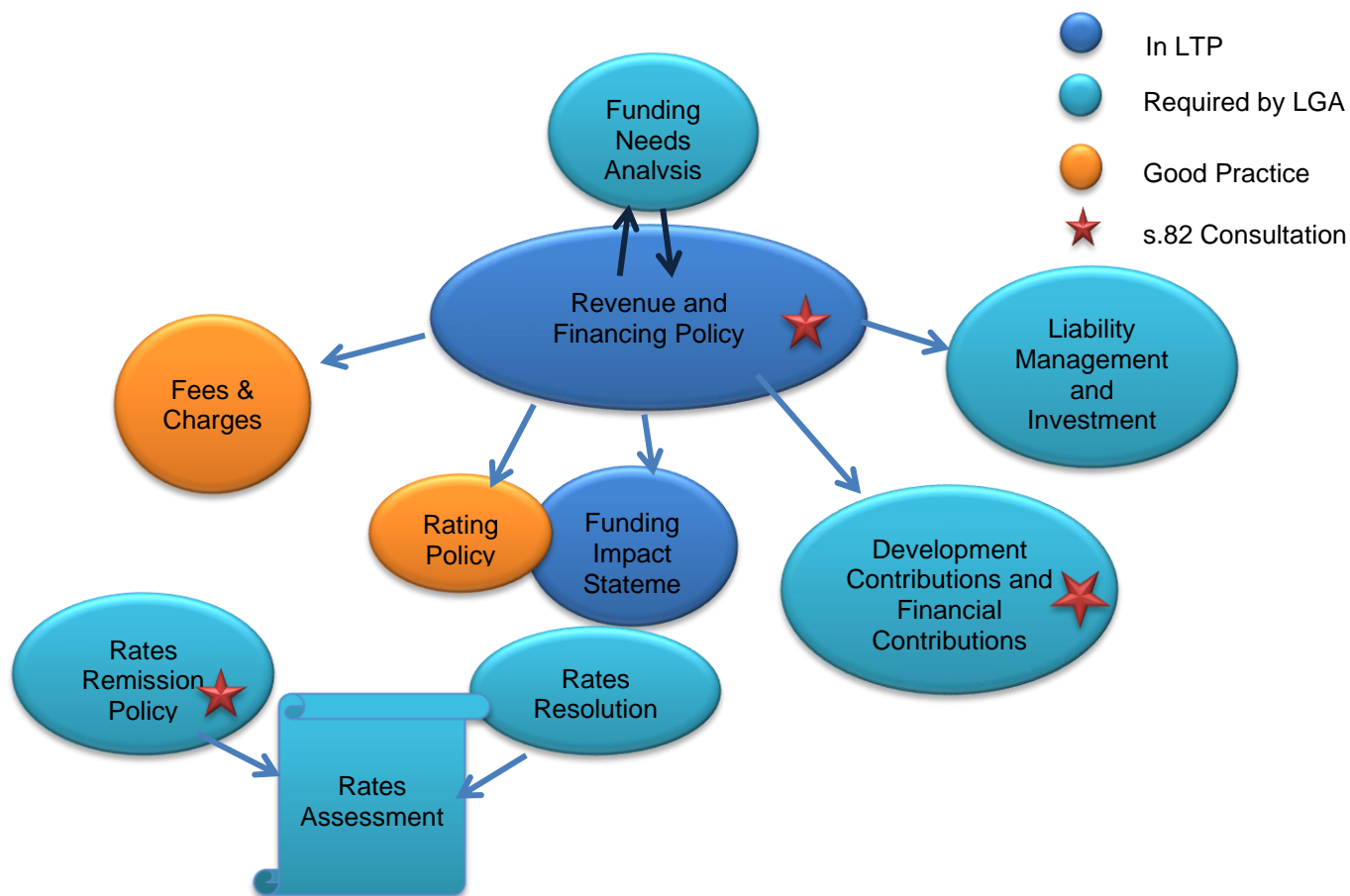
It includes the allocation of activity rates requirements to different rate types, detailed definitions and maps for rating areas.

The Rating Funding Impact Statement is included in each Long-Term Plan and Annual Plan as required by clauses 15 or 20 of schedule 10 of the LGA. This statement shows the results of the detailed rates calculation for the coming year.

Together the following documents form the necessary components to lawfully charge under the LGA02 for the revenue requirements of Council. Council must also comply with other legislation in regards to the setting of some fees and charges and the Local Government (Rating) Act 2002 for the setting of rates.



## Revenue and Financing Policy Relationships



1. The Funding Needs Analysis (s.101(3)) is informed by the high level policies of the RFP, but the RFP must demonstrate how council has complied with s.101(3).
2. The Investment Policy informs the RFP of investment income sources.



3. The Liability Management Policy, having been informed by the RFP of what borrowing will be needed for, determines how council manages its borrowings.
4. The Policy on Development Contributions and Financial Contributions is informed by the RFP as to when Council needs to use these as a funding source.
5. The Rating Policy contains matters not required to be in the RFP but which support the decisions needed for rate setting under the RFP and Rating Policy into numbers.
6. The Rate Remission Policy amends the Funding Impact Statement for some ratepayers prior to the issue of the Rates Assessment.
7. The fees and charges schedule is handy to them all in one place.

### Previous reviews

Council undertook a major first principles review of its Funding Policy in 2002/03. This review fundamentally altered the allocation of rates liabilities in the district. It saw a move to the current area of a benefit targeted rate system away from the traditional differentiated land value rating system previously in place.

In 2004 Council prepared its first Long Term Council Community Plan (later to be named the Long Term Plan). A requirement of the plan was to every three years include the RFP and thus review and consult on it. The Funding Needs Analysis was incorporated in its entirety in these previous RFPs.

At each review Council has considered particular activities that may need re-analysis. Council does not reconsider all of the options for funding each activity at each review; this would be impractical and inefficient.

Although the policy has been redrafted a number of times to more clearly articulate its purpose there have been only minor amendments to some of the allocations since the policy was first adopted in 2003.



## Funding Sources for Operating Costs

Operating costs are the day to day spending that maintains the services delivered by Council. This includes contributions to the wear and tear on assets used (depreciation), interest charged on borrowing and corporate overheads.

Council must consider the funding of each activity in a way that relates exclusively to that activity. Some activities may be best funded by user charges, such as swimming pool admission fees, others with targeted rates such as a water rate, and others from a general rate such as the cost of Council including all of its planning and decision making processes. Distinct funding enables ratepayers or payers of other charges to assess more readily whether or not the cost of the service provided to them, either directly or indirectly, represents good value. They can also more easily determine how much money is being raised for the service and spent on the service, which promotes transparency and accountability.



The funding sources for operating costs include:

### User charges

User charges are used for services where there is a benefit to an individual or group. User charges is a broad group of revenue charged directly to an individual or entity. It includes:

- Entry fees
- Service charges
- Hire
- Rent, lease, licenses for land and buildings
- Permits
- Regulatory charges
- Fines and penalties
- Connection fees
- Disposal fees
- Deposits
- Private works
- Memberships
- Planning and consent fees
- Statutory charges
- Retail sales

The price of the service is based on a number of factors, including:

- The cost of providing the service.
- The estimate of the users' private benefit from using the service.
- The impact of cost to encourage/discourage behaviours.
- The impact of cost on demand for the service.
- Market pricing, including comparability with other councils.
- The impact of rates subsidies if competing with local businesses.
- Cost and efficiency of collection mechanisms.
- The impact of affordability on users.
- Statutory limits.
- Other matters as determined by Council.

Council's ability to impose user charges is limited by the powers conferred to it by many statutes and regulations. As a general rule, fees for statutory functions should be set at no more than the cost of providing the service. In some cases legislation sets the fees at a level that is below cost. In other cases, where provided by legislation (e.g. Waste Minimisation Act 2008) Council may set fees at greater than the cost of providing the service. Council considers it appropriate to incorporate overhead charges in the determination of the cost of providing a service.

Where Council is charging for the sale of goods or services not required by statute, Council's preference is to charge a market price, having regard to the powers conferred by section 12 and the policy on competing with local businesses. This includes leases, rents and licenses for land and buildings.

Actual fees and charges may be set by Council at any time and are reviewed by Council annually. A list of regular fees and charges is maintained on Council's website.



User charges revenue is allocated to the activity which generates the revenue.

### Policy of competing with local business

Certain activities earn revenue from retail sales that compete with other businesses in the local community. Where Council is in competition with local business for discretionary retail activities, the policy is that for Council retail operations rates should not be used to subsidise unfair competition and considers that it is appropriate for Council activities to sell goods and services associated with their operations at market value.

### Grants, sponsorship, subsidies and other income

Grants, sponsorship and subsidies are used where they are available. Many of these items are regular and predictable and therefore can be budgeted for. Some items of other income are unexpected or unpredictable and may not be able to be prudently budgeted (e.g. reparation payments, Civil defence and other reimbursements, legal settlements and insurance payouts)

Council expects to continue receiving substantial subsidies for road maintenance from government or its agencies.

### Investment income

Council Investment Policy is documented in its Liability Management and Investment Policy. These investments generate income such as dividends, interest, forestry returns and rents.

Each source of income is receipted to the activity that owns the asset.

Council maintains reserve funds and much of the income received by Council is allocated to reserve balances and is not used to reduce rates requirements for operating costs.

### Financial contributions

Council collects financial contributions under the Resource Management Act 2001. The purpose of these contributions is outlined in the Waitaki District Plan. Most contributions are made by vesting assets in Council. Some contributions are paid in cash and the Waitaki District Plan allows for some of these contributions to be used for operating expenses.



Council's approach is to deposit receipts into a reserve fund and to withdraw from that fund for specific projects. These projects are in addition to the normal operating budgets but may not meet the accounting definition of capital expenditure (e.g. the establishment of a garden).

#### Development contributions and proceeds from the sale of assets

Council does not collect revenue from these funding sources to fund operating costs.

#### Reserve funds

Council maintains reserve funds. These cash reserves have generally come about from unspent rates, investment income or other revenue sourced in a previous year. Many of these reserve funds are for capital expenditure, however some of may be available to meet operating costs.

Council generally uses these funds for the purposes for which the reserve was created and usually for new projects additional to normal operating expenditure. Council at times may use these funds to minimise or smooth changes in rates.



## Borrowing

Council does not borrow to fund operating costs. This is not allowed under Council's policies on borrowing, documented in the Liability Management and Investment Policy, nor is it allowed by the rules governing Council's ability to access funds through the Local Government Funding Agency

## Rates

Council funds its remaining operating expenses from rates by being prudent and appropriately exhausting all other funding sources. For many activities this is the main funding source.

Council must determine whether the portion of an activity to be funded from rates is to be funded from the general rate or a targeted rate.

In doing this, while considering all matters of section 101(3), Council placed emphasis on "the area of benefit". By this, Council means that it reviewed each activity and determined where the benefits from the provision of the service is, then chose a rating option that most closely charges that group. Matters which Council has considered are:

**Table 1: Council's rating preferences**

Type of Benefit	Preferred rating solution
To an area of the district (e.g. town or ward)	Establish targeted rates based on areas defined by map.
To the value of the land	General rate – land value
To the property improvements	Targeted rate – capital value
To people	Uniform annual general charge (where everyone in the district receives a similar level of benefit). Targeted rate – uniform basis

Council has, when considering the requirements of section 101(3)(a), allocated the rate portion of an activity based on whether the activity contributes more to the value of the land, rather than the value of improvements or for the benefit people.



### Summary of sources of funding for operating expenditure by activity

Council has applied the above preferences for the use of the funding sources to each activity in its Funding Needs Analysis. The table describes the extent to which each funding source is used, which is expressed in ranges. These ranges are expressed as a percentage of the cost of the activity. A key to interpret the graphics follows the table.

**Table 2: Summary of funding sources by activity**

Activity	User charges	Grants, subsidies & other	Invest. Income	Fin. Cont.	Dev. Cont.	Reserve Funds	Borrowing	General Rates	Targeted rates
Animal Control	✓	x	x	x	x	x	x	x	x
Parking Enforcement	✓	x	x	x	x	x	x	x	x
Oamaru Harbour - Port Operations	✓	x	x	x	x	✓	x	✓	✓
Community Housing	✓	x	x	x	x	x	x	x	✓
Building Control	✓	x	x	x	x	x	x	✓	x
Residual Waste disposal, closed landfills and waste minimisation	✓		x	x	x	✓	x	✓	x
Waitaki Aquatic Centre	✓	x	x	x	x	x	x	x	✓
Cemeteries	✓	✓	x	x	x	✓	x	✓	x
Waitaki Lakes Camping Grounds	✓	x	x	x	x	x	x	x	✓
Environmental Health	✓	x	x	x	x	x	x	✓	x
Liquor Licensing	✓	x	x	x	x	x	x	✓	x



Activity	User charges	Grants, subsidies & other	Invest. Income	Fin. Cont.	Dev. Cont.	Reserve Funds	Borrowing	General Rates	Targeted rates
Oamaru Opera House	✓	✓	x	x	x	x	x	x	✓
Resource Consent Processing and District Planning	✓	x	x	x	x	x	x	✓	x
Roads and Bridges	✓	✓	x	x	x	x	x	x	✓
Commercial Property	x	x	✓	x	x	x	x	x	✓
Forestry	x	x	✓	x	x	x	x	✓	x
Operational Property	x	x	✓	x	x	x	x	x	x
Treasury	✓	✓	✓	x	x	✓	x	x	x
Oamaru Airport	✓	x	✓	x	x	✓	x	x	x
Otago Museum Grant	x	x	x	x	x	x	x	✓	x
Sports Grounds	✓	x	x	x	x	✓	x	✓	x
Noxious Plants	x	✓	x	x	x	x	x	✓	x
Environmental Monitoring and Enforcement	✓	x	x	x	x	x	x	✓	x
Public Toilets	x	✓	x	x	x	x	x	✓	x
Community Safety, Development and Grants	✓	✓	x	x	x	✓	x	✓	x
Tourism Development and Visitor Services	x	x	x	x	x	✓	x	✓	✓
Council	✓	✓	x	x	x	✓	x	✓	✓
Economic Development	✓	✓	x	x	x	✓	x	x	✓



Activity	User charges	Grants, subsidies & other	Invest. Income	Fin. Cont.	Dev. Cont.	Reserve Funds	Borrowing	General Rates	Targeted rates
Civil Defence	x	x	x	x	x	x	x	✓	x
Community Planning and Accountability	x	x	x	x	x	x	x	✓	✓
Waitaki Community Recreation Centre	✓	x	x	x	x	x	x	✓	✓
Community Boards	x	x	x	x	x	x	x	✓	✓
Oamaru Harbour - Coastal Protection	x	x	x	x	x	x	x	x	✓
Stormwater	x	x	x	x	x	x	x	x	✓
Town Centre Services - Township Works	x	x	x	x	x	x	x	x	✓
Christmas Decorations	x	✓	x	x	x	x	x	x	✓
Waihemo Service Centre	x	x	x	x	x	x	x	x	✓
Waitaki District Libraries (including Archives)	✓	✓	x	x	x	✓	x	x	✓
Water Supplies	✓	x	✓	x	x	x	x	x	✓
Oamaru Public Gardens	✓	x	x	x	x	✓	x	x	✓
Reserves, and Open Spaces	✓	x	x	x	x	✓	x	x	✓
Forrester Gallery and North Otago Museum	✓	✓	x	x	x	x	x	x	✓
Public Halls and Community Centres	✓	x	✓	x	x	✓	x	x	✓
Waste Water	✓	✓	✓	x	x	x	x	x	✓



## Key

Range Name	Range	Key
Unlikely	0	x
Minimal	0% -20%	✓
Low	20% -40%	✓
Moderate	40% - 60%	✓
High	60% - 80%	✓
Most	80% - 100%	✓
All	100%	✓

Council budgets will normally be set within these ranges. As these ranges are expressed as a percentage of the costs of the activity, they may change over time because of changes in expenditure rather than changes in revenue. If budgets were marginally outside these ranges, it is unlikely that Council will consider that matter to have a high degree of significance and therefore warrant a consultation to change the RFP. It is also likely that actual funding sources will be different from the budgeted funding sources.

## Funding Sources for Capital Costs

Capital costs are those costs associated with the purchase and improvement of assets and for the repayment of debt. The funding sources for capital costs include:

### User charges

User charges are generally not available for funding capital costs as individual user contributions are generally too large to be affordable. Borrowing and charging users annually for financing costs (interest and principal) via rates is often a more affordable method of charging user contributions.

Council does charge for capital works that are solely for private benefit (e.g. a network extension to a single dwelling) or where capital works are done outside of asset management plans at the request of individuals (e.g. a rural seal extension for dust suppression).

### Grants, subsidies, and other income

Council relies on a significant subsidy for capital works for its roads and bridges activity. Other activities are able to access grants and subsidies from time to time. Other income can be from many and varied sources and is unlikely to be predictable enough to budget for in advance. Other income used to fund



capital expenditure could include bequests, insurance payouts, and legal settlements. Grants, subsidies and other income are used wherever they are available.

### Development contributions

Council collects development contributions to fund capital expenditure, necessary to service growth over the long-term.

Council has a Policy on Development Contributions and Financial Contributions, where contributions receipted are transferred to reserve accounts, and may then be allocated to fund capital projects, repay loans associated with capital projects<sup>3</sup>, or held for future use. The funds collected under this policy will be applied to the projects identified by the policy. Projects identified in the policy may be either completed projects (with debt yet to be repaid from future development contributions), or future projects planned to be undertaken.

Note that, in addition to the requirements of sections 101(3) and 103 the Policy on Development Contributions and Financial Contributions additionally describes funding matters further as stipulated by section 106(2)(c).

### Financial contributions

Council collects financial contributions under the Resource Management Act 2001. The purpose of these contributions is outlined in the Waitaki District Plan. Most contributions are received as revenue by the vesting of assets in Council; some contributions (reserve contributions) are paid to Council.

Council's approach is to deposit receipts into a reserve fund and to draw funds from that account for specific projects that meet the purpose for which the funds were collected.

### Proceeds from the sale of assets

From time to time Council disposes of assets. Many of these are low value items and the revenue is received by the activity that owns the assets.

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<sup>3</sup> Many growth developments are undertaken in anticipation of growth. The growth portion of the project is funded from borrowing. When this occurs development contribution receipts are used to repay the debt.



Council's property activity holds some higher value assets that are intended for sale. Unrestricted proceeds from the sale of these assets will be used to repay debt held by the property activity, unless resolved otherwise by Council. Restricted revenues will be placed in a reserve fund and used for the purpose required by the document that imposes the restriction (e.g. endowments).

### Reserve funds

Council maintains various reserve funds for capital projects and will approve the use of the funds when a project meets the specific criteria of the reserve. These reserve funds may include bequests, depreciation or asset renewal reserves, financial contribution reserves, and development contribution reserves.

### Borrowing

For larger capital projects that provide a long-term benefit to the community, Council may determine that borrowing the funds is an appropriate method of allocating the costs of a project over time to users.

Borrowing, both the capital (principal) and interest components, is generally repaid by future rates. Council may resolve to capitalise interest repayments on some debt, where it considers it most likely (prudent) that another funding source (e.g. property sales or development contributions) will be able to repay the accumulating debt.

Where it is not practical to obtain third party revenue and where reserve funds haven't previously been set aside, Council prefers borrowing as a funding source. Borrowing spreads the cost of the project over a longer period, smoothing changes in rates and contributing to help achieve intergenerational equity.

### Rates

Rates are used firstly to fund day to day expenses, including depreciation and borrowing interest costs. A portion of rates funds the capital (principal) repayments of debt, generally using table loan calculations. Rates will be used to fund some small items of capital expenditure. Rates are not a practicable method to fund large projects in the year of expenditure.

Council will fund in advance some capital projects that will maintain service levels by collecting rates for depreciation (an operating expense). These funds are placed in depreciation or asset renewal reserve funds until they are required.



### Analysis for capital expenditure by activity

Council has applied the above preferences for the use of the funding sources for capital to each activity in its Funding Needs Analysis. Council will fund capital costs on the same basis as determined for operating costs unless Council resolves otherwise. It is not practicable to determine a funding policy for an unknown future project at this time.

Council uses the following guidelines when considering the funding of capital projects:

- All projects are first funded from grants, subsidy or other income.
- Renewal projects that maintain service levels are then funded from reserves set aside for this purpose.
- Growth projects for network infrastructure that are required to meet increased demand are funded from development contributions.
- Other reserve funds (e.g. financial contributions) are considered.
- Lump sum rating options are considered.
- Capital projects that have exhausted previous funding sources or are for new or increased service levels or for growth in non-network infrastructure are then funded from borrowing.

A single project may have a mix of each of these funding options.

Generally, it is not practical to create separate funding policies for each and every capital project. Council will only do this when a project is particularly large, affects a particular group or does not fit with an existing funding policy or activity. Whenever Council resolves to consider a separate funding policy it will consider the sources of funds above, the RFP and complete a section 101(3) assessment to determine an appropriate funding policy for the project. Generally, Council will resolve the funding policy at the time the project is proposed in an Annual Plan or Long-Term Plan.

## RATES

### General rates

The general rate is allocated to properties based on the value of that property. Council has chosen to use land value as the basis by which to calculate the amount of rates to allocate to each property. Subsequently, Council has chosen to have an undifferentiated general rate (i.e. every fully rateable property pays the same rate in the dollar). In considering the area of benefit approach, Council has allocated the cost of activities to the general rate where Council has determined there is a primary benefit to the use or value of the land.

Council has determined in its Funding Needs Analysis that all or part of the following activities should be funded from the General Rate:



- |   |                             |                                       |
|---|-----------------------------|---------------------------------------|
| • Council                               | Resource consent processing | • Oamaru harbour - port operations    |
| • Community Boards                      | and district planning       | • Waitaki Community Recreation Centre |
| • Community planning and accountability | • Forestry                  |                                       |
| • Noxious plants                        | • Sports grounds            |                                       |

The uniform annual general charge is allocated to each separately used or uninhabited part of a rating unit<sup>4</sup>. The uniform annual general charge is used to fund activities where Council has determined that the primary benefit is to people and that all people in the district receive a similar benefit.

Council has determined in its Funding Needs Analysis that all or part of the following activities should be funded from the uniform annual general rate:

- |                        |   |  |
|------------------------|---|--|
| • Building control     | • Tourism development and visitor services                          | • Sports grounds                           |
| • Environmental health | • Cemeteries  | • Public toilets                           |
| • Liquor licensing     | • Environmental monitoring and enforcement                          | • Civil defence                            |
| • Otago museum grant   | • Residual waste disposal, closed landfills, and waste minimisation | • Community safety, development and grants |

### Targeted rates

Owing to the widespread nature of the district, distance from services and variability of services, Council has developed a rating system with a strong emphasis on the use of targeted rates.

Council views the use of targeted rates as creating a much more transparent and equitable allocation of the cost of services.

Council has determined in its Funding Needs Analysis that all or part of the following activities should be funded from the targeted rates:

- |                    |                                      |                            |
|--------------------|--------------------------------------|----------------------------|
| • Council          | • Public halls and community centres | • Reserves and open spaces |
| • Community Boards |                                      | • Waitaki aquatic centre   |

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<sup>4</sup> Separately used or inhabited part of a rating unit – is a factor listed in the Local Government (Rating) Act 2002 - Schedule 2, which Council may use for the charging of rates. Each council is required to define this term in the Funding Impact Statement in each Long-term Plan and Annual Plan.



- Roads and bridges
- Town centre services - township works
- Town centre services – Christmas decorations
- Economic development
- Oamaru harbour - coastal protection
- Oamaru harbour - port operations
- Water supplies
- Wastewater
- Stormwater
- Waitaki Museum & Archive
- Forrester gallery
- Waitaki district libraries
- Oamaru public gardens
- Community housing
- Waitaki lakes camping
- Waitaki Community Recreation Centre
- Oamaru Opera House
- Community planning and accountability
- Waihemo Service Centre
- Tourism development and visitor services
- Commercial property
- Parking enforcement

In funding the above activities, Council uses the following types of targeted rates. More information on the calculation of each rate, including the percentage of the rate requirement of an activity to be collected for each rate, and the rating area maps can be found in the Rating Policy.

**Table 3: Targeted rate types**

Name	Activities funded	Basis for Rate
<b>District services rate</b>	Activities that Council considers to benefit every property in the district.	Capital value across whole district.
<b>Ward services rate</b>	Activities that Council considers to benefit a ward.	Capital value across each ward.
<b>Ward Services charge</b>	Activities that Council considers to benefit a ward.	Uniform charge across each ward to every separately used or inhabited part of a rating unit.
<b>Community Board rate</b>	Activities that Council considers are directed by the community within a ward's choice to have a community board.	Land value across each ward with a community board.
<b>Oamaru business rate</b>	Activities that Council considers benefit the business area.	Capital value set differentially based on use and location of the rating unit.



Name	Activities funded	Basis for Rate
<b>Oamaru urban area rate</b>	Activities that Council considers benefit the Oamaru urban area.	Capital value of each rating unit based on location
<b>Loan rates</b>	For reasons of public safety or due to private benefit Council may agree to fund the private benefit of works by specific local rates on targeted properties.	Uniform charge to each identified rating unit.
<b>Roading Rate</b>	To fund roads, bridges and related activities.	Capital value rate across the district set differentially. There are 4 differentials based on use; hydroelectric power generation, mining and mineral extraction, forestry and other uses.
<b>Local amenity rate</b>	To fund those activities that provide local amenity to townships.	Each rating unit in defined areas based on land value or fixed charge differentiated by land area in some locations
<b>Public hall rates</b>	To fund public halls and community centres.	Uniform charge to each separately used or inhabited part of a rating unit within a hall area.
<b>Sewerage rates</b>	To fund sewerage treatment and disposal.	Uniform charge to each water closet set differentially to connected water closets and serviceable rating units.
<b>Water rates</b>	To fund water supply.	Uniform charge for each connected property based on location, the nature of connections, volume of water supplied, the number of connections, or serviceability.
<b>Construction loan rates</b>	To fund significant capital upgrades to sewerage and water schemes per serviced rating unit within a defined boundary.	Uniform charge for each connected or serviceable property.



## Overall funding consideration

Council is required by section 101(3)(b) to consider the overall impact of the allocation of liability for revenue needs on the community. It allows Council, as a final measure, to modify the overall mix of funding in response to these considerations.

1. Council is required to adjust the total amount collected from the 'uniform annual general charge' portion of the general rate to be within the 30% rule.<sup>5</sup> If the sum of the activities to be funded from the uniform annual general charge is more than the 30% cap, Council will adjust the rate down to the cap and the balance will be funded from the general rate.
2. Council may use accounting provisions and reserve funds to spread the costs of activities over multiple years for the purpose of smoothing the cost to users and ratepayers.
3. Council may waive or discount fees and charges where it considers it appropriate to do so. Some matters Council may consider when deciding whether it is appropriate to waive fees are:
  - a. for social reasons,
  - b. for the promotion of events and facilities
  - c. for commercial reasons
  - d. due to poor or interrupted service provision
  - e. to minimise risk.

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<sup>5</sup> Local Government Rating Act 2002 - s.21



## Rating base information

### Rating Funding Impact Statement

#### Background

Council have worked through the requirements of the Revenue and Financing Policy under the Local Government Act 2002. The Local Government Act 2002 and Local Government (Rating) Act 2002 require Council to disclose some funding and rating information and policies in the Long Term Plan, while other information is disclosed by other means, primarily by being available at [www.waitaki.govt.nz](http://www.waitaki.govt.nz).

#### Introduction

Section 95 of the Local Government Act 2002 requires the inclusion of a Funding Impact Statement, the document that supports the setting of the rates for any year. The Funding Impact Statement shows what rates Council will charge, what the basis of the rate is, what activities the rate funds, and the amount of the rate. This section also includes a number of other policies required by the Local Government Act 2002, which relate to rates collection, remissions, relief and postponement.

The Funding Impact Statement includes the following matters, with the Local Government (Rating) Act 2002 section references:

- The basis of setting the general rate i.e. land value, annual value or capital value (Section 13)
- Any category or categories that will be used for differentiating the general rate (Section 14)
- The function or functions for which a targeted rate will be set (Section 16)
- Any category or categories of land that will be used to set a targeted rate on a differential basis or determine whether a property will be liable for a targeted rate (Section 16)
- Any factor or factors that will be used to calculate liability for a targeted rate (Section 18)
- An indication that we wish to set a charge for water supply by volume of water consumed if we are intending to do so (Section 19)

Within this document there is further information on Council policies relating to rate remissions, postponements and relief for Maori land that may be in effect.

Maps showing boundaries of targeted rates based on locality are available on request.



## General Rates

### General Rate

Council set a general rate based on the land value of each rating unit in the district. The general rate will be set at a uniform rate in the dollar. The General Rate will contribute to the funding for:

- Council
- Community Boards
- Resource Consents Processing
- Noxious Plants
- Forestry
- Community Planning and Accountability
- Sports Grounds
- District Planning
- Waitaki Community Recreation Centre Grant
- Oamaru Harbour – Port Operations

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

### Uniform Annual General Charge

Council will charge a Uniform Annual General Charge on each Separately Used or Inhabited Part (SUIP) of a rating unit in the district. The Uniform Annual General Charge will contribute to the funding for:

- Community Safety, Development and Grants
- Cemeteries
- Public Toilets
- Liquor Licensing
- Tourism Development and Visitor Services
- Civil Defence
- Otago Museum Grant
- Sports Grounds
- Building Control
- Environmental Health
- Residual waste disposal, closed landfills and waste minimisation
- Environmental Monitoring and enforcement

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.



### Targeted Rates – District Services

Council set a targeted rate for district services, based on the capital value of each rating unit in the district. The targeted rate will be set at a uniform rate in the dollar.

- Council
- Community Boards
- Waitaki Community Recreation Centre
- Commercial Property
- Town Centres – Christmas Decorations
- Community Planning and Accountability
- Economic Development
- Community Housing
- Waitaki Lakes Camping
- Oamaru Harbour – Coastal Protection

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

### Targeted Rates by Ward

Targeted rates by ward are charged on rating units within the ward boundaries.

#### *Ahuriri Ward Services Rate*

Council set a targeted rate for Ahuriri Ward Services, based on the capital value of each rating unit in the Ahuriri Ward. The targeted rate will be set at a uniform rate in the dollar.

The Ahuriri Ward Services Rate will contribute to the funding for:

- Reserves and Open Spaces

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.



#### *Ahuriri Ward Community Board Rate*

Council set a targeted rate for Ahuriri Community Board, based on the land value of each rating unit in the Ahuriri Ward. The targeted rate will be set at a uniform rate in the dollar.

The Ahuriri Ward Community Board Rate will be used to fund 60% of the costs of the Ahuriri Community Board.

#### *Ahuriri Ward Services Charge*

Council set a charge on each Separately Used or Inhabited Part (SUIP) of a rating unit in the district differentiated by ward.

The Ahuriri Ward Services Charge will contribute to the funding for:

- Forrester Gallery, Waitaki Museum and Archive
- District Libraries
- Oamaru Public Gardens
- Oamaru Opera House
- Streetscapes and Town Centres
- Waitaki Aquatic Centre
- Parking Enforcement

#### *Corriedale Ward Services Rate*

Council set a targeted rate for Corriedale Ward Services, based on the capital value of each rating unit in the Corriedale Ward. The targeted rate will be set at a uniform rate in the dollar.

The Corriedale Ward Services Rate will contribute to the funding for:

- Reserves and Open Spaces

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.



#### *Corriedale Ward Services Charge*

Council set a charge on each Separately Used or Inhabited Part (SUIP) of a rating unit in the District differentiated by ward.

The Corriedale Ward Services Charge will contribute to the funding for:

- Forrester Gallery, Waitaki Museum and Archive
- District Libraries
- Oamaru Public Gardens
- Oamaru Opera House
- Streetscapes and Town Centres
- Waitaki Aquatic Centre
- Parking Enforcement

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

#### *Oamaru Ward Services Rate*

Council set a targeted rate for Oamaru Ward Services, based on the capital value of each rating unit in the Oamaru Ward. The targeted rate will be set at a uniform rate in the dollar.

The Oamaru Ward Services Rate will contribute to the funding for:

- Reserves and Open Spaces

#### *Oamaru Ward Services Charge*

Council set a charge on each Separately Used or Inhabited Part (SUIP) of a rating unit in the district differentiated by ward.

The Oamaru Ward Services Charge will contribute to the funding for:

- Forrester Gallery, Waitaki Museum and Archive
- District Libraries
- Oamaru Public Gardens
- Waitaki Aquatic Centre
- Oamaru Opera House
- Streetscapes and Town Centres
- Parking Enforcement



These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

#### *Waihemo Ward Services Rate*

Council set a targeted rate for Waihemo Ward Services, based on the capital value of each rating unit in the Waihemo Ward. The targeted rate will be set at a uniform rate in the dollar.

The Waihemo Ward Services Rate will contribute to the funding for:

- Waihemo Service Centre
- Parking Enforcement
- Reserves and Open Spaces

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.

#### *Waihemo Ward Community Board Rate*

Council set a targeted rate for Waihemo Community Board, based on the land value of each rating unit in the Waihemo Ward. The targeted rate will be set at a uniform rate in the dollar.

The Waihemo Ward Community Board Rate will be used to fund 60% of the Waihemo Community Board and Waihemo Service Centre.

#### *Waihemo Ward Services Charge*

We set a charge on each Separately Used or Inhabited Part (SUIP) of a rating unit in the district differentiated by ward.

The Waihemo Ward Services Charge will contribute to the funding for:

- Forrester Gallery, Waitaki Museum and Archive
- District Libraries
- Oamaru Public Gardens
- Oamaru Opera House
- Streetscapes and Town Centres
- Waitaki Aquatic Centre



These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy and Funding Needs Analysis.

### Targeted Rates by Locality

The defined areas for all targeted rates by locality are specified on maps available from Council

### *Oamaru Business Area Rate*

We set a targeted rate for services to the Oamaru Business Areas, based on the capital value of each rating unit in the Oamaru Business Areas that is not used exclusively for residential purposes. Council have established two Oamaru Business Areas, 'A' and 'B'.

The targeted rates will be set at a uniform rate in the dollar. The rate in dollars for area 'B' will be set at 50% of the rate for area 'A'.

The Oamaru Business Area Rates will contribute to the funding for:

- Tourism Development and Visitor Services
- Forrester Gallery, Waitaki Museum and Archive
- Waitaki Aquatic Centre
- Christmas Decorations
- Parking Enforcement
- District Libraries
- Oamaru Public Gardens
- Oamaru Opera House

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy.



### *Oamaru Urban Area*

Council set a targeted rate for coastal protection and port operations to the Oamaru urban area, based on the capital value of each rating unit in the Oamaru urban area. The targeted rate will be set at a uniform rate in the dollar.

The Oamaru Urban Area Rate will be used to fund 80% of the cost of coastal protection works at the Oamaru Harbour.

### *Loan Rates*

For reasons of public safety or due to private benefit, Council may agree to fund the private benefit of works by specific local rates on targeted properties.

### *Local Amenity Rates*

Council set targeted rates for local amenity. Local Amenity Rates are primarily used for roading works specific to the locality. They also include, as a separate component, stormwater costs where the township has a stormwater system.

Oamaru and Weston use a combination of land value and fixed charge differentiated by land area. All other amenity rates are based on the land value of each rating unit in the defined area. The rates will be set as separate targeted rates for each township that has agreed to establish a local amenity rate. The targeted rates will be set at a uniform rate in the dollar or fixed charge.

The separate targeted rates are:

Duntroon	Lake Ohau	Otematata
Herbert	Maheno	Palmerston
Hampden	Moeraki	Shag Point
Kakanui	Oamaru	Weston
Kurow	Omarama	

The targeted rates will contribute to the funding of new footpaths, kerb and channel, off-street car parks, street lighting, stormwater and other improvements, within these boundaries. The Oamaru Amenity Rate also provides funding for the Oamaru Drill Hall.

These activities are funded from a variety of funding sources. For detailed information on this refer to the Revenue and Financing Policy and Funding Needs Analysis.



### Public Hall and Community Centre Rates

Council, in consultation with the Public Hall and Community Centre Committees, has set uniform charges for public halls and community centres charged on each Separately Used or Inhabited Part (SUIP) of a rating unit in the defined areas.

The separate uniform targeted rates for public halls:

Airedale	Kurow	Palmerston
Ardgowan	Macraes	Lower Waitaki
Awamoko	Maheno	Pukeuri
Dunback	Moeraki	Tokarahi
Duntroon	Ngapara	Totara
Enfield	Omarama	Waianakarua
Five Forks	Otekaieke	Waitaki Bridge
Hampden	Otematata	Weston
Kakanui	Otepopo	Windsor
Kauru Hill		

The targeted rates will be used to fund public halls and community centres.

### Targeted Rates by Activity

#### Roading Rate

Council set a targeted rate for roads and bridges based on the capital value of each rating unit in the district.

The Roothing Rate is set on a differential basis based on land use (the categories are Hydro-Electric Power Generation Installations, Mining and Mineral Extraction, Forestry, and General Purposes).

Part of the rate is used to fund a reserve to help fund forestry related roading issues.



The differential categories are defined thus:

Differential Category	Description of Category	Differential basis
Hydroelectric Power General Installations	All rating units used primarily or predominantly for the generation of hydroelectric power from Lakes Aviemore, Benmore, Ohau or Waitaki	8% of activity funded from this differential
Mining and Mineral Extraction	All rating units with an area greater than 30 hectares used primarily or predominantly for the purposes of mining or mineral extraction	5% of activity funded from this differential
General Purposes	All rating units not either used primarily or predominantly for the generation of hydro-electric power from Lakes Aviemore, Benmore, Ohau or Waitaki or with an area greater than 30 hectares used primarily or predominantly for the purposes of mining or mineral extraction, or primarily used for forestry activities	87% of activity funded from this differential
Forestry	All rating units used primarily or predominantly for the commercial forestry purposes	4x "General Purposes" base rate



### Sewerage (Waste Water) Rates and charges

Council set targeted rates for sewerage treatment and disposal based on a fixed amount per water closet. A rating unit used primarily as a residence for one household is not treated as having more than one water closet or urinal.

Some uniform targeted rates will be differentiated based on the following differential categories:

- Connected – all urinals or water closets connected to the sewerage reticulation, provided that the maximum number of charges made for rating units comprising a household used exclusively for residential purposes shall be one
- Serviceable – all rating units within 30 metres of the sewerage reticulation and all rating units with buildings within 60 metres of the sewerage reticulation. No rating units at Duntroon are considered serviceable. Serviceable charges are 50% of the connected charge.

The uniform targeted sewerage rates are charged in the following areas. The charging of a serviceable rate does not require us to make a connection available to the rating unit. The charge confirms the rating unit is within 30 meters of the public sewer. The rating maps are indicative only. Any information regarding a particular rating unit may require a site inspection.

Duntroon	Kakanui	Kurow
Lake Ohau Village	Moeraki	Oamaru
Omarama	Otematata	Palmerston

### Water Rates – Urban

Council will use several different rating tools to charge the targeted rates for water supply. These tools are:

- A targeted rate for water supply that will be charged based on the number of connections the rating unit has to the system
- A targeted rate for treatment and supply of water to an appropriate standard, based on the number of connections the rating unit has to the system
- A targeted rate to fund the cost of the reticulation network. This will be charged to each connected rating unit
- A uniform targeted rate based on the type of connection that allows a specified volume to be supplied to a rating unit (a unit) or the total volume supplied recorded by a meter.



Some rates will be set on a differentiated basis:

- Geographic supply zone. This is a specific area with a larger rating area
- Connected – all rating units connected to the water reticulation
- Serviceable – all rating units within 100 metres of the water reticulation. Serviceable charges are 50% of the connected charge.

Individual urban water rates are based on the following:

Urban Town/Township	Basis for charge
Oamaru Supply	Connections per rating unit
Oamaru Reticulation	Per connected rating unit
Kurow	Connections per rating unit
Omarama	Connections per rating unit
Otematata	Connections per rating unit
Palmerston zone – Waihemo Water	Connections per rating unit

Urban Town/ Township	Activity and basis for charge	Unit Volume (litres/day)
Weston zone – Oamaru Water	Supply per unit	1,818
Kakanui zone – Oamaru Water	Supply per unit Crib supply per unit	1,818 909
Hampden/Moeraki zone – Oamaru Water	Domestic supply per unit Rural Supply per unit	909 1,818



The Hampden/Moeraki zone of the Oamaru Water Supply is differentiated by the nature of the connection that allows the supply of a volume using the following definitions:

- Domestic Unit – rating units supplied to the original townships of Hampden and Moeraki
- Rural Unit – rating units supplied outside the original townships of Hampden and Moeraki.

The Kakanui zone of the Oamaru Water Supply rate is differentiated by the nature of the connection that allows the supply of a volume using the following definitions:

- Unit – uniform volume of water supplied to a connected rating unit.
- Crib Unit – uniform volume of water supplied to a connected rating unit to properties identified as cribs in the rating information database. There are presently no new crib units available.

### Water Rates – Rural

Council set targeted rates for water supply to rural water supplies based on the type of connection that allows a specified volume of water (a unit) to be supplied to the rating unit. Multiple units can be supplied to a single connected property.

The specified base unit volume of water for connected properties are:

Township/locality	Activity and basis for charge	Unit Volume (litres/day)
Awamoko	Supply per unit	1,818
Dunback zone – Waihemo Water	Supply per unit	1,818
Duntroon	Supply per unit	1,818
Enfield zone – Oamaru Water	Supply per unit	1,818
Goodwood zone – Waihemo Water	Supply per unit	1,818



Township/locality	Activity and basis for charge	Unit Volume (litres/day)
Herbert/Waianakarua zone – Oamaru Water	Supply per unit	1,818
Kauru Hill	Supply per unit	1,818
Lake Ohau Village	Supply per unit	600
Lake Ohau Village availability	Per rating unit located within 100m of water reticulation	
Lower Waitaki	Supply per unit	1,818
Bushy Creek	Supply per unit	1,818
Stoneburn	Supply per unit	1,000
Tokarahi	Supply per unit	1,818
Windsor	Supply per unit	1,818

The metered water rates will be set on all rating units serviced by meter. The targeted rates will be used to fund water supply.

### Construction Loan Rates

Council set targeted rates for significant capital upgrades to sewerage and water schemes per serviced rating unit within a defined boundary.

The targeted rates for the Oamaru Water Treatment Upgrade Loan Rate are charged to all non-commercial non-metered rating units connected to the water reticulation system, but are only levied on properties that have not contributed to a lump sum option for the particular scheme.

These rates fund the cost of financing the capital works and are reviewed annually.



The uniform targeted rates are:

- Oamaru Water Treatment Loan Rate

#### Definition of Separately Used or Inhabited Parts of a rating unit

Separately used or inhabited parts of a rating unit shall be such parts of a property that can be separately used or occupied in addition to the principal habitation or use, except where the use is an accessory one or is ancillary to principal use. In the situation where a rating unit contains both commercial or industrial uses, and a residential or agricultural use, they will be treated as two or more separate uses except where the ratepayer resides on the rating unit.

For example:

- Not separately used parts of a rating unit:
  - o A residential sleep-out or 'granny flat' without independent cooking facilities
  - o A hotel room with or without independent cooking facilities
  - o A motel room with or without independent cooking facilities
  - o Rooms in a residential dwelling or hostel with common cooking facilities
  - o Separately leased commercial areas with shared access, reception or other facilities
- These are separately used parts of a rating unit:
  - o Flats, apartments and other residential units with independent cooking facilities
  - o Separately leased commercial areas with separate access, sanitary or other facilities.

The definition of SUIP has been revised to change the use of "kitchen facilities" to "cooking facilities" as this captures a broader market which addresses some of the administrative issues that have been identified since the last LTP.

The SUIP for commercial properties/businesses captures some quite small spaces which imposes a significant extra cost on those affected. To make the application fairer across all businesses, Council has developed a measure based on gross floor area.



## 2021/22 Rates Schedule

This table specifies, with reference to the revenue and financing mechanism used to meet the estimated expenses of Council, the total amount of revenue to be collected from the rate, and the rate to be charged. All rates and revenues shown are GST inclusive and all value based factors are shown per \$100 of value.

Abbreviations used in this table					
<b>LV</b>	=	Land Value		<b>CRU</b>	= Connected Rating Unit
<b>CV</b>	=	Capital Value		<b>Unit</b>	= Type of connection
<b>RU</b>	=	Rating Unit		<b>M3</b>	= Cubic Metres
<b>SRU</b>	=	Serviceable Rating Unit		<b>SUIP</b>	= Separately used or inhabited Part of a Rating Unit
<b>WC</b>	=	Water Closet			



Rate Name	2021-22 Rate		
	Proposed Rate	Basis for Rate	Budgeted Revenue
General Rate	\$0.0690	LV	\$3,289,520
Uniform Annual General Charge	\$406.00	SUIP	\$5,589,486
District Services Rate	\$0.0182	CV	\$1,760,861
Ward Services Charges			
• Ahuriri Ward Services Charge	\$111.00	SUIP	\$225,910
• Corriedale Ward Services Charge	\$309.00	SUIP	\$800,457
• Oamaru Ward Services Charge	\$497.00	SUIP	\$3,580,632
• Waihemo Ward Services Charge	\$111.00	SUIP	\$219,688
Ward Services Rates			
• Ahuriri Ward Services Rate	\$0.0138	CV	\$340,277
• Corriedale Ward Services Rate	\$0.0077	CV	\$219,120
• Oamaru Ward Services Rate	\$0.0328	CV	\$1,001,750
• Waihemo Ward Services Rate	\$0.0378	CV	\$455,634
Community Board Rates			
• Ahuriri Community Board Rate	\$0.0050	LV	\$39,877
• Waihemo Community Board Rate	\$0.0158	LV	\$120,482
Targeted Rates by Locality			
• Oamaru Business Area Rate A	\$0.2809	CV	\$504,061
• Oamaru Business Area Rate B	\$0.1405	CV	\$92,371
• Oamaru Urban Area	\$0.0247	CV	\$595,372



Rate Name	2021-22 Rate		
	Proposed Rate	Basis for Rate	Budgeted Revenue
Township Amenity Rates			
• Duntroon	\$0.0000	LV	\$0
• Hampden	\$0.0493	LV	\$23,000
• Herbert	\$0.0000	LV	\$0
• Kakanui	\$0.0069	LV	\$5,750
• Kurow	\$0.0019	LV	\$643
• Lake Ohau	\$0.0013	LV	\$485
• Maheno	\$0.0000	LV	\$0
• Moeraki	\$0.0005	LV	\$185
• Oamaru (2 ha in area and under)	\$0.0388	LV	\$280,967
• Oamaru charge (over 2 ha in area)	\$990.00	RU	\$243,617
• Omarama	\$0.0153	LV	\$9,738
• Otematata	\$0.0478	LV	\$51,222
• Palmerston	\$0.0358	LV	\$16,529
• Shag Point	\$0.0000	LV	\$0
• Weston (2 ha in area and under)	\$0.1077	LV	\$63,993
• Weston charge (over 2 ha in area)	\$515.00	RU	\$15,453



Rate Name	2021-22 Rate		
	Proposed Rate	Basis for Rate	Budgeted Revenue
Roading Rate			
• <b>Electrical Generation</b>	\$0.0776	CV	\$624,876
• <b>Mineral Extraction</b>	\$1.3665	CV	\$390,552
• <b>Forestry</b>	\$0.3016	CV	\$208,095
• <b>General</b>	\$0.0754	CV	\$6,587,525
Public Hall Rates			
• <b>Airedale Public Hall Rate</b>	\$40.00	SUIP	\$1,080
• <b>Ardgowan Public Hall Rate</b>	\$20.00	SUIP	\$2,800
• <b>Awamoko Public Hall Rate</b>	\$30.00	SUIP	\$2,550
• <b>Dunback Public Hall Rate</b>	\$30.00	SUIP	\$3,930
• <b>Duntroon Public Hall Rate</b>	\$20.00	SUIP	\$3,040
• <b>Enfield Public Hall Rate</b>	\$20.00	SUIP	\$2,680
• <b>Five Forks Public Hall Rate</b>	\$20.00	SUIP	\$1,600
• <b>Hampden Public Hall Rate</b>	\$30.00	SUIP	\$8,400
• <b>Kakanui Public Hall Rate</b>	\$20.00	SUIP	\$7,540
• <b>Kauru Hill Public Hall Rate</b>	\$50.00	SUIP	\$2,500
• <b>Kurow Public Hall Rate</b>	\$50.00	SUIP	\$15,900
• <b>Lower Waitaki Public Hall Rate</b>	\$80.00	SUIP	\$15,600
• <b>Macraes Public Hall Rate</b>	\$60.00	SUIP	\$3,180
• <b>Maheno Public Hall Rate</b>	\$40.00	SUIP	\$8,000



Rate Name	2021-22 Rate		
	Proposed Rate	Basis for Rate	Budgeted Revenue
Public Hall Rates (continued)			
• <b>Moeraki Public Hall Rate</b>	\$40.00	SUIP	\$9,120
• <b>Ngapara Public Hall Rate</b>	\$20.00	SUIP	\$1,740
• <b>Omarama Public Hall Rate</b>	\$50.00	SUIP	\$18,800
• <b>Otekaieke Public Hall Rate</b>	\$20.00	SUIP	\$1,700
• <b>Otematata Public Hall Rate</b>	\$50.00	SUIP	\$25,950
• <b>Otepopo Public Hall Rate</b>	\$30.00	SUIP	\$5,400
• <b>Palmerston Public Hall Rate</b>	\$40.00	SUIP	\$27,880
• <b>Pukeuri Public Hall Rate</b>	\$20.00	SUIP	\$2,080
• <b>Tokarahi Public Hall Rate</b>	\$30.00	SUIP	\$3,270
• <b>Totara Public Hall Rate</b>	\$40.00	SUIP	\$8,800
• <b>Waianakarua Public Hall Rate</b>	\$30.00	SUIP	\$1,800
• <b>Waitaki Bridge Public Hall Rate</b>	\$20.00	SUIP	\$3,100
• <b>Weston Public Hall Rate</b>	\$40.00	SUIP	\$23,960
• <b>Windsor Public Hall Rate</b>	\$50.00	SUIP	\$3,300



Rate Name	2021-22 Rate		
	Proposed Rate	Basis for Rate	Budgeted Revenue
Water Rates - Urban			
<b>Oamaru</b>			
• Oamaru Water – Supply	\$304.00	CRU	\$2,029,878
• Oamaru Water – Reticulation	\$264.00	CRU	\$1,662,195
• Oamaru Water Treatment Loan Rate (excludes businesses with water meters)	\$105.00	CRU	\$585,412
• Enfield Zone	\$673.00	Unit	\$180,610
• Weston Zone	\$673.00	Unit	\$680,061
• Kakanui Zone – ordinary supply	\$673.00	Unit	\$300,418
• Kakanui Zone – crib unit supply	\$520.00	Unit	\$24,983
• Hampden/Moeraki Zone – domestic supply	\$520.00	Unit	\$258,942
• Hampden/Moeraki Zone – rural supply	\$673.00	Unit	\$93,998
• Herbert/Waianakarua Zone	\$673.00	Unit	\$406,395
<b>Waihemo</b>			
• Palmerston Zone	\$905.00	CRU	\$487,342
• Dunback Zone	\$905.00	Unit	\$190,973
• Goodwood Zone	\$905.00	Unit	\$218,593



Rate Name	2021-22 Rate		
	Proposed Rate	Basis for Rate	Budgeted Revenue
Other Urban Water			
• <b>Kurow Water Supply</b>	\$754.00	CRU	\$228,948
• <b>Omarama</b>	\$641.00	CRU	\$210,222
• <b>Otematata</b>	\$584.00	CRU	\$309,485
Rural Water			
• <b>Awamoko</b>	\$542.00	Unit	\$137,172
• <b>Bushy Creek</b>	\$176.00	Unit	\$17,244
• <b>Duntroon</b>	\$866.00	Unit	\$67,538
• <b>Kauru Hill</b>	\$454.00	Unit	\$89,170
• <b>Lake Ohau Village</b>	\$364.00	CRU	\$14,925
• <b>Lake Ohau Village - connection availability</b>	\$182.00	SRU	\$16,199
• <b>Lower Waitaki</b>	\$655.00	Unit	\$272,474
• <b>Stoneburn</b>	\$402.00	Unit	\$132,137
• <b>Tokarahi</b>	\$434.00	Unit	\$301,178
• <b>Windsor</b>	\$439.00	Unit	\$83,449
Metered Water Rates			
• <b>Oamaru – all Zones</b>	\$1.19	m3	N/A
• <b>Waihemo – all Zones</b>	\$1.19	m3	N/A
• <b>Kurow</b>	\$0.52	m3	N/A
• <b>Omarama</b>	\$0.96	m3	N/A
• <b>Otematata</b>	\$0.52	m3	N/A



Rate Name	2021-22 Rate		
	Proposed Rate	Basis for Rate	Budgeted Revenue
Sewerage Rates and Charges			
• Oamaru	\$273.00	WC	\$2,192,982
• Kakanui	\$273.00	WC	\$90,931
• Duntroon	\$102.00	WC	\$1,117
• Kurow	\$354.00	WC	\$106,266
• Lake Ohau Village	\$328.00	WC	\$12,149
• Lake Ohau Village – connection availability	\$164.00	WC	\$14,940
• Moeraki	\$1,097.00	WC	\$212,781
• Moeraki – connection availability	\$550.00	WC	\$24,733
• Omarama	\$490.00	WC	\$268,471
• Otematata	\$314.00	WC	\$169,515
• Palmerston	\$450.00	WC	\$277,862



## RATES EXAMPLES

Examples of indicative rate changes for the 2021-22 financial year

	Land Value	Capital Value	Rates charged 2021	Rates projected 2022	% change
<b>Residential</b>					
Oamaru	75000	250000	2,209	2,308	4.48%
Oamaru	110000	320000	2,401	2,451	2.08%
Oamaru	270000	570000	3,147	3,001	-4.64%
Oamaru	195000	760000	3,362	3,208	-4.58%
Kakanui	100000	390000	1,990	2,152	8.14%
Weston	90000	355000	2,372	2,497	5.27%
Goodwood	32000	140000	1,580	1,673	5.89%
Hampden	60000	255000	1,476	1,482	0.41%
Herbert	35000	265000	1,623	1,711	5.42%
Kurow	61000	230000	1,772	1,968	11.06%
Lake Ohau	205000	415000	1,815	1,809	-0.33%
Maheno	30000	215000	1,000	993	-0.70%
Moeraki	170000	480000	2,790	2,950	5.73%
Omarama	122000	310000	2,039	2,140	4.95%
Otematata	90000	320000	1,879	1,918	2.08%
Palmerston	40000	255000	2,229	2,295	2.96%
<b>Commercial</b>					
Oamaru	1210000	5150000	33,649	27,238	-19.05%
Oamaru	185000	440000	4,390	3,949	-10.05%
Omarama	410000	1450000	8,574	10,481	22.24%
Otematata	460000	740000	4,174	3,982	-4.60%
Palmerston	170000	640000	7,631	8,358	9.53%
<b>Agricultural</b>					
Ahuriri	6650000	7780000	15,744	14,411	-8.47%
Papakaio	13400000	16900000	33,129	31,136	-6.02%
Waitaki Bridge	6200000	7700000	15,169	14,283	-5.84%
Awamoko	1980000	2380000	6,259	6,258	-0.02%
Waihemo	1230000	1540000	5,579	5,433	-2.62%



## FUNDING NEEDS ANALYSIS

The purpose of this document is to set out, in accordance with section 101 (3) of the Local Government Act 2002 how each activity of Council will be funded.

### Introduction

The Funding Needs Analysis provides background and analysis to explain the funding decisions made by Council. It is guided by the funding principles documented in the Revenue and Financing Policy.

Council must comply with section 101(3)<sup>6</sup>. For each activity, Council must, in the first instance, determine the appropriate sources of funding<sup>7</sup> that will meet the funding needs of each activity. In determining this Council will take into consideration:

- The community outcomes to which the activity primarily contributes.
- 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.
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

Having completed the above analysis Council must then consider the overall impact of any allocation of liability for revenue needs on the community.

The application of these requirements is very subjective. The legislation places no more or less weight or priority on any one of the factors listed in section 101(3)(a). It also provides Council with considerable latitude for judgement in the consideration of the section 101(3)(b) requirement.

The following sections document the matters and approaches Council has taken to determine the funding needs of an activity and how that translates into Council's decision on the appropriate funding sources to be used.

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<sup>6</sup> All references to legislation are to the Local Government Act 2002, unless otherwise stated.

<sup>7</sup> The funding sources are listed in s103 LGA.



### Previous reviews

Council undertook a major first principles review of its funding policy in 2002/3. This review fundamentally altered the allocation of rates liabilities in the district. It saw a move to the current area of benefit targeted rate system away from the traditional differentiated land value rating system previously in place. In 2004/14 Council prepared its first Long Term Council Community Plan (later to be named the Long Term Plan). A requirement of the plan was to review and consult on the Revenue and Financing Policy every three years. The Funding Needs Analysis was incorporated in its entirety in these previous Revenue and Financing Policies.

At each review Council has considered particular activities that may need re-analysis. Council does not reconsider all of the options for funding each activity at each review; this would be impractical and inefficient.

Although the policy has been redrafted a number of times to more clearly articulate its purpose, there have been only minor amendments to some of the allocations since the policy was first adopted in 2003.

### Funding Sources for Operating Costs

Operating costs are the day to day spending that maintains services that are delivered by Council. This includes contributions to the wear and tear on assets used (depreciation), interest charged on borrowing for capital projects and corporate overheads.

Council must consider the funding of each activity in a way that relates exclusively to that activity. Some activities may be best funded using user charges such as swimming pool admission fees, others with targeted rates such as a water rate, and others from the general rate such as Council and elected members. Distinct funding enables ratepayers or payers of user charges to assess more readily whether or not the cost of the service provided to them either directly or indirectly, represents good value. They can also more easily determine how much money is being raised for, and spent on the service, which promotes transparency and accountability.

The available funding sources for operating costs include:

- User charges
- Subsidies, grants, sponsorship, and other income
- Investment income
- Financial contributions
- Reserve funds
- Rates



- General rate
- Targeted rates

Each funding source and how Council prefers to use that funding source for operating expenses is described in detail in the Revenue and Financing Policy and is applied in this analysis.



**Table 1: Consideration of legal requirements for operating expenses**

Headings -s.101(a) reference	Matters Council might consider
<b>Community outcomes - s.101(3)(a)(i)</b>	<p>Council determines which of its six community outcomes an activity contributes to. Council has not established strong links between community outcomes and the funding requirement decisions for an activity.</p>
<b>Distribution benefits - s.101(3)(a)(ii)</b>	<p>Council is required to consider the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.</p> <p>The distribution of benefits is considered by Council, reflecting its area of benefit preference to funding sources for an activity.</p> <p>Determining benefits is not scientific, is very subjective, and is for Council to determine.</p> <p>Council looks at many options before it determines the appropriate funding sources for each activity.</p> <p>Council may choose to target those people or organisations which Council has concluded get a greater benefit. This may be done through user charges or targeted rates on parts of the community.</p>
<b>Period of benefit- s.101(3)(a)(iii)</b>	<p>For most operational expenses the benefit is received in the year the expense is made.</p> <p>For most activities Council cash funds depreciation (an operating expense) from revenue sources and places those funds into a reserve fund for the future renewal of assets.</p> <p>Some operational expenses may have a benefit over multiple years and so Council may choose to fund the activity over that period. Elections are an example of this where Council has determined that, although the elections</p>



Headings -s.101(a) reference	Matters Council might consider
	occur in one financial year, the benefit exists for 3 years. Reserve funds are used to achieve this.
<b>Who creates the need- s.101(3)(a)(iv)</b>	Sometimes Council is required to undertake the activity due to the actions or inactions of individuals or groups.  Council may choose to target these people or organisations through fines, charges or rates.
<b>Separate funding- s.101(3)(a)(v)</b>	Council must consider the practicalities of separate funding along with transparency and accountability.  In some cases while it may be desirable to charge individuals there may be no practical way of doing so. Alternatively Council's financial systems limit the number of rates Council can charge and so it is not practical to have more rates than the system allows.  For all activities Council is able to easily identify what proportion of operational expenses is recovered from each funding sources. In the case of rates, Council is able to inform individual ratepayers of their rates contribution to each activity.

### Analysis for operating expenditure by activity

Appendix One analyses each activity against the requirements of section 101(3)(a). These views are subjective and have been formed by successive councils, having reviewed the policy at least every three years.



## Funding Sources for Capital Costs

Capital costs are those costs associated with the purchase and improvement of assets and for the repayment of debt. The funding sources for capital costs include:

- User charges
- Subsidies, grants, sponsorship, and other income
- Investment income
- Financial contributions
- Reserve funds
- Development contributions, proceeds from the sale of assets and lump sum contributions
- Borrowing
- Rates
  - General rate
  - Targeted rates

Each funding source and how Council prefers to use that funding source for capital expenses is described in detail in the Revenue and Financing Policy and is applied in this analysis.

## Analysis for capital expenditure by activity

Council will fund capital costs on the same basis as determined for operating costs unless Council resolves otherwise. It is not practicable to determine a funding policy for an unknown future project at this time.

Council uses the following guidelines when considering the funding of capital projects:

- All projects are first funded from grants, subsidy or other income.
- Renewal projects that maintain service levels are then funded from reserves set aside for this purpose.
- Growth projects for network infrastructure that are required to meet increased demand are funded from development contributions.
- Reserve funds for other purposes (e.g. financial contributions) are considered.
- Lump sum rating options are considered.
- Capital projects that have exhausted previous funding sources, are for new or increased service levels, or for growth in non-network infrastructure, are then funded from borrowing.

A single project may have a mix of each of these funding options.



Generally, it is not practical to create separate funding policies for each and every capital project. Council will only do this when a project is particularly large, affects a particular group or does not fit with an existing funding policy or activity. Whenever Council resolves to consider a separate funding policy it will consider the sources of funds above, the Revenue and Financing Policy and complete a section 101(3) assessment to determine an appropriate funding policy for the project. Generally, Council will resolve the funding policy at the time the project is proposed in an Annual Plan or Long-Term Plan. In undertaking this assessment it shall have regard to the matters in Table 2.

**Table 2: Consideration of legal requirements for capital expenses**

Headings -s.101 reference	Matters Council might consider
<b>Community outcomes - s.101(3)(a)(i)</b>	A capital project is expected to contribute to the community outcomes in the activity in which it is funded unless Council resolves otherwise.
<b>Distribution benefits - s.101(3)(a)(ii)</b>	<p>The distribution of benefits is expected to be the same as that for the operating costs of the activity in which it is funded unless Council resolves otherwise.</p> <p>Council may choose to target these people or organisations through financial and development contributions, lump sum options or targeted rates.</p>
<b>Period of benefit- s.101(3)(a)(iii)</b>	For most capital projects the benefit is received over the life of the asset. Council will have regard to the equitable distribution of costs to each generation for the building and renewal of the asset. For example, this may result in Council not funding asset renewal while still funding debt.
<b>Who creates the need- s.101(3)(a)(iv)</b>	<p>Sometimes Council is required to undertake the activity due to the actions or inactions of individuals or groups.</p> <p>Council may choose to target these people or organisations through financial and development contributions or targeted rates.</p>
<b>Separate funding- s.101(3)(a)(v)</b>	Council must consider the practicalities of separate funding along with transparency and accountability.



Headings -s.101 reference	Matters Council might consider
	<p>In some cases, while it may be desirable to charge individuals there may be no practical way of doing so. Alternatively, Council's financial systems limit the number of rates Council can charge and so it is not practical to have more rates than the system allows.</p> <p>For many smaller capital projects it is not practical to have a separate funding policy. Where Council does not resolve otherwise, a capital project will be funded in accordance with the funding mechanism available for the operating costs in activity in which it is funded.</p>



## Overall funding consideration

Council is required by section 101(3)(b) of the LGA02 to consider the overall impact of the allocation of liability for revenue needs on the community. It allows Council, as a final measure, to modify the overall mix of funding in response to these considerations.

- Council is required to adjust the total amount collected from the certain rate, primarily the 'uniform annual general charge' portion of the general rate to be within the 30% rule.<sup>8</sup> Therefore, if the sum of the activities to be funded from the uniform annual general charge is more than the 30% cap, Council will adjust the rate down to the cap and the balance will be funded from the general rate.
- Council may use accounting provisions and reserve funds to spread the costs of activities over multiple years for the purpose of smoothing the cost to users and ratepayers.
- Council may waive or discount fees and charges where it considers it appropriate to do so. Some matters Council may consider when deciding whether it is appropriate to waive fees are:
  - for social reasons,
  - for the promotion of events and facilities
  - for commercial reasons
  - due to poor or interrupted service provision
  - to minimise risk.

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<sup>8</sup> Local Government Rating Act 2002 - s.21



## Activity Funding Needs Analysis – Operating Costs

Appendix One lists each activity<sup>9</sup>, and documents Council's assessment of the components of section 101(3)(a) LGA02 as it applies to that activity. Table two lists the matters Council might consider under each part of the section.

## Funding Bands

After considering the section 101(3)(a) of the LGA02 components, Council considers to what extent each of the funding sources is able to fund the activity. This policy is intended to be in place for the next three years however, as activities change over time, it is not possible to determine the precise percentage accurately. For this reason, Council has decided to band the percentages into the categories listed in Table 3.

The assessment in Appendix One identifies the most likely sources of income an activity is budgeted to earn. Council will also try to secure additional funding if it becomes available on an ongoing or one-off basis. In all cases, rates fund the balance of the activity after all other sources have been considered.

Council budgets will normally be set within these ranges. As these ranges are expressed as a percentage of the cost of the activity, they may change over time because of changes in expenditure rather than changes in revenue. If budgets were marginally outside these ranges, it is unlikely that Council will consider that matter to have a high degree of significance and therefore warrant a consultation to change the Revenue and Financing Policy. It is also likely that actual funding sources will be different from budgeted funding sources.

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<sup>9</sup> For a description of each activity see Part 3.



**Table 3: Funding Bands**

Name	Percentage Range
<b>Unlikely</b>	0%
<b>Minimal</b>	0% - 20%
<b>Low</b>	20% - 40%
<b>Moderate</b>	40% - 60%
<b>High</b>	60% - 80%
<b>Most</b>	80% -100%
<b>All</b>	100%

### Funding Sources and Rationale

The “Funding Sources and Rationale” column of Appendix One identifies which of the funding sources Council plans to use in budgeting to fund the operating costs of each activity. It is determined by Council after consideration of each clause of section 101(3)(a).

As the assessment of the funding sources is a complex matter of weighing up the requirements of section 101(3)(a) with the available sources and Council’s preferences for using these sources, the final choice of funding sources is subjective. Therefore, Council has documented its rationale for choosing the funding source.

The funding source for an activity may be modified by Council when it considers the requirements of section 101(3)(b). If this has occurred it is considered as part of the overall funding considerations section of this policy.



## Rating Policy

The requirements of section 101(3)(a) and section 103 only require Council to consider the rating funding sources at the level of:

- “(a) *general rates, including—*
  - (i) choice of valuation system; and*
  - (ii) differential rating; and*
  - (iii) uniform annual general charges:*
- (b) targeted rates”*

This is consistent with the purpose of the Revenue and Financing Policy to “describe the policies” of funding.

The Revenue and Financing Policy is intended to provide policy direction for, but not intended to replace, the decision making requirements for calculation of the rates as described for in the Funding Impact Statement in clause 15 or clause 20 of schedule 10. Nor is it intended that the Revenue and Financing Policy replace the requirements of the Local Government (Rating) Act 2002.

Council has a preference that its decisions on the allocation of the rates provide predictability and certainty. For this reason, Council has developed its rating policies to provide information that further assists the understanding of the rates calculation processes used by Council.

## CHANGES MADE TO THE PRIOR POLICY

As part of the 2018-2028 Long Term Plan there were a number of changes to the funding source for a number of activities including Public Toilets, Civil Defence, Lakes Camping and Economic Development. Rural Fire was removed as it is no longer a Council function, and a forestry differential was added to the Roding rate to help fund a reserve to address forestry generated roading issues.

There are a number of minor changes that have resulted from the 2021 review. These are set out below:

- 1 The definition of Separately Used and Inhabited Part (SUIP) has been broadened. Where “kitchen facilities” has been used in the definition, this has been replaced with “cooking facilities”.
- 2 A declaration form to allow exclusions for a second SUIP that is used exclusively by family has been developed. This will require an annual declaration.
- 3 For Commercial properties and businesses, we have developed a measure for the SUIP to ensure greater fairness based on gross floor area.
- 4 The level that the Oamaru Business Rate contributes to each activity it funds has been reviewed.
- 5 The Ward Services Charge now contributes to Parking Enforcement, along with the Oamaru Business Rate.



- 6 The Oamaru and Weston Amenity Rates Boundary has been moved to align with the Oamaru Ward boundary, and the boundary between Oamaru and Weston has been adjusted to reflect the areas of benefit.
- 7 All properties in the Oamaru and Weston Amenity Rate area under 2ha will contribute as per the current model, and properties over 2ha will contribute a flat rate.
- 8 The Omarama Amenity Rate boundary has been reviewed to include new development areas.
- 9 A Hall Rate for Kauru Hill has been introduced.
- 10 The remission on the Forestry Roothing Rate that was introduced in 2018 has been removed.



## Appendix ONE: Activity Funding Needs Analysis – Operating Costs

Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
<b>Oamaru Harbour</b>							
<b>Coastal Protection</b>	<p>Council's investment in coastal protection to the north and around the harbour, primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Quality Services</li> <li>• Strong Communities</li> <li>• Valued Environment</li> </ul>	<p>The primary benefit from the breakwater is the protection of the coastline, especially in the area of the Oamaru Harbour.</p> <p>The residents of Oamaru as a group enjoy greater benefit because of their proximity to the coastline, especially those in the environs of the central business area.</p> <p>There are benefits to the district as a whole from the protection of the harbour, which contains structures, and fauna of regional significance, and its contribution to the regional visitor economy.</p>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from the rating for maintenance that is likely to be spent partially in the current year and partially in future years. This is managed using reserve funds.</p>	Very limited impact from the actions or inactions of others. Council owns all of the land immediately protected by Council maintained breakwaters.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>ALL</b></p> <p>Targeted rates.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>Rates are the only funding source as there are no practical means to obtaining funding from other sources.</p> <p>This is a property-based benefit since it protects properties from erosion, specifically those in the Oamaru area.</p> <p>As the primary benefit accrues to the Oamaru urban area this is funded from a targeted rate on the capital values of Oamaru properties.</p> <p>The use of the district services rate based on capital value recognises that there are cultural, recreational, and economic development benefits to the whole district.</p>
<b>Port Operations (including harbour endowment and non-endowment land)</b>	<p>Council's port operation at Oamaru Harbour primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Strong Communities</li> <li>• Valued Environment</li> </ul>	<p>There are primarily private benefits from the port operations including the harbour channel, wharves, moorings and slipways. These benefits are both to commercial and recreational users.</p> <p>There is also a benefit in having an accessible safe haven for small coastal traffic.</p> <p>The use of the harbour environs for passive recreation, and the</p>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is</p>	Very limited impact from the actions or inactions of others.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>HIGH</b></p> <p>User charges (including leases, rents and fees).</p> <p>Rates.</p> <p><b>MINIMAL</b></p> <p>Targeted rates.</p> <p>General rates.</p> <p>Reserves.</p> <p><b>UNLIKELY</b></p>	<p>Property and land rentals from harbour endowments are funding most of the revenue requirements of this activity.</p> <p>Council seeks to maximise revenues from those commercial and recreational users that have exclusive or near exclusive use of parts of the facilities.</p> <p>The use of the general rate based on land value recognises that there is amenity and economic benefits</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		<p>landscape amenity of the area benefits the residents of Oamaru as a group because of their proximity to the harbour. However, there are some benefits to other wards whose residents can use the harbour.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Primarily to individual port users.</li> <li>• Partly to Oamaru area property owners.</li> <li>• Partly to the district as a whole.</li> </ul>	managed using reserve funds.			All other funding sources.	<p>to the whole district which are property based. The choice of land value also has links to the historic use of the port to get agricultural products to market.</p> <p>A targeted rate in Oamaru recognises that most of the benefit is to Oamaru and that it is property based.</p>
<b>Roading</b>							
<b>Roads, Footpaths and Bridges</b>	<p>The Roads, Footpaths and Bridges activity primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Quality services</li> </ul>	<p>The roading network serves the whole district and everyone benefits directly in their personal use and indirectly through the supply of goods and services to businesses.</p> <p>Roading costs in the Waihemo ward are impacted by mining activities in the Macraes area.</p> <p>The benefits are expected to occur primarily to individual users and the district as a whole.</p>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding for the local share of asset renewal is sourced from the rating for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed using reserve funds.</p>	<p>There is an impact from the actions or inactions of others.</p> <p>Costs are driven by traffic volumes and size. Large vehicles wear roads out more quickly than motorcars.</p> <p>Forestry harvesting activities have been identified as having a disproportionate impact on roading maintenance.</p>	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>HIGH</b></p> <p>Targeted rates.</p> <p><b>LOW</b></p> <p>Grants and subsidies.</p> <p><b>MINIMAL</b></p> <p>User charges.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>While there is an individual benefit to using the roading network there is no practical means available to charge for this. Subsidies sourced from New Zealand Transport Agency (NZTA) are funded from licensing revenue representing an element of user pays, especially in the case of Road User Charges, which are based on road kilometres travelled. Council also receives a minimal amount of regional petrol tax.</p> <p>Council maximises the amount of subsidy for the level of spending it approves.</p> <p>A targeted roading rate based on capital value funds Council's share of expenditure. Capital value is</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
							<p>selected as it is considered it has the best available relationship to benefit received.</p> <p>This is modified through a differential system to recognise the very different relationship between capital value and benefit for three sectors being large scale electricity generation, mineral extraction and forestry.</p>
<b>Noxious Plants</b>	<p>The noxious plants activity primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Strong Communities</li> <li>• Valued Environment.</li> </ul>	<p>The control of pest plants minimises the risk of uncontrolled spread within the road corridor and to adjoining landowners. This is particularly required within rural areas.</p> <p>The benefits are expected to occur primarily to the district as a whole.</p>	The benefit of most operating expenditure is expected to occur in the year the funding is sourced.	Very limited impact from the actions or inactions of others.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b> General rate.</p> <p><b>MINIMAL</b> Subsidy.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>Rates are the only funding source as there are no practical means to obtaining funding from other sources.</p> <p>The use of general rates recognises that the benefits are to the whole district and are property-based.</p> <p>Land value is chosen to reflect the benefits to the agricultural sector and because it is considered a better match to the primary cost driver which is road frontage.</p>
<b>Waste Management &amp; Minimisation</b>							
<b>Residual Waste and Disposal</b>	<p>Residual waste disposal primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Quality Services</li> </ul>	This activity primarily benefits the individuals and business that through their actions create the residual waste. They receive the	The benefit of most operating expenditure is expected to occur in the year the funding is sourced.	This activity is only required due to the act of creating residual waste.	Identifying separate funding assists in the accountability and transparency of	<p><b>MOST</b> General rate.</p> <p><b>MINIMAL</b> User charges.</p>	The actions of individuals or groups (largely business) create the need to have this activity.



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	<ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Strong Communities</li> <li>• Valued Environment</li> </ul>	<p>primary benefit of having a means to dispose of this waste.</p> <p>There are some benefits to the whole community in having service available.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Primarily to individual users</li> <li>• The actions of individuals or groups create the need</li> <li>• Partly to the district as a whole</li> </ul>	.	Those who create the waste are individuals and business.	Council's expenditure on this activity.	<p>Reserve funds.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>The user charges at landfills and transfer stations fund this activity in the short term.</p> <p>The user charge recognises the very direct relationship between the cost of providing this service and the amount of residual waste created.</p> <p>This approach may help those who create the waste recognise the true cost of their actions and encourage waste reduction.</p> <p>The uniform annual general charge recognises benefit to the whole community of this activity and that full cost recovery in some locations is impractical and would lead to adverse behaviour that would be expensive to mitigate or resolve.</p>
<b>Closed Landfills</b>	<p>Managing Closed Landfills primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Strong Communities</li> <li>• Valued Environment</li> </ul>	<p>Given the historic nature of most of the sites it is not practical to recover costs through disposal charges.</p> <p>The whole community benefits from the responsible management and monitoring of these sites.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Primarily to the district as a whole.</li> </ul>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced by ensuring the closed landfill is safe.</p> <p>Annual funding for landfill aftercare is sourced from revenue that may be spent partially in the current year and partially in future years. This is managed using reserve funds.</p>	The actions of individuals or groups have a minor impact	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b> General rates.</p> <p><b>MINIMAL</b> Reserve funds.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>The whole community share will be recovered through a uniform annual general charge across the district as it is considered that this best reflects the historic relationship between the use of the landfill and ratepayers.</p> <p>Reserve funds collected from annual funding for aftercare may be available for some closed landfills that have operated more recently.</p> <p>The timing of some expenditure may be uneven and unable to be funded from aftercare reserve funds, particularly when physical</p>



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							works are required to meet consent requirements. When this occurs borrowing will be used to spread out the impact.
<b>Waste Minimisation</b>	<p>Waste minimisation primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Quality Services</li> <li>• Prosperous District</li> <li>• Strong Communities</li> <li>• Valued Environment.</li> </ul>	<p>The whole community benefits from action in this area to minimise the negative impacts of waste.</p> <p>The benefits are expected to occur primarily to the district as a whole.</p>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p>	<p>This activity is only required due to the act of creating residual waste.</p> <p>Those who create the waste are individuals and business.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>MODERATE</b> General rates. Subsidies.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>The whole community share will be recovered through a uniform annual general charge across the district as it is considered this best reflects the relationship between ratepayers and the activities undertaken in this area.</p> <p>Central government provides funding for some qualifying waste minimisation activities, which will be applied for annually.</p>
<b>Waste Water</b>							
<b>Waste Water</b>	<p>Waste water services primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Quality Services</li> <li>• Strong Communities</li> <li>• Valued Environment</li> </ul>	<p>The collection, treatment, and disposal of wastewater is primarily a private benefit for people whose properties are connected to the schemes.</p> <p>The protection of the environment is a benefit to the serviced communities.</p> <p>The benefits are expected to occur primarily to individual users and businesses.</p>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	<p>A small number of heavy commercial producers have an adverse impact greater than most users.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>HIGH</b> Targeted rates.</p> <p><b>MINIMAL</b> Grants, subsidy and other. User charges. Investment income.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>In most cases it is not practicable to measure the quantity of each individual's contribution to the waste water system.</p> <p>Those who (either directly or indirectly) benefit should pay. A uniform targeted rate per pan approximates this in a practical way.</p> <p>There are some large producers or producers of abnormal waste water where direct charging is required by the Trade Waste Bylaw in addition to the targeted rate. Their share of costs is recovered by way of trade waste user charges.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
							<p>Each community bears the cost of treating and disposal of its own waste water.</p> <p>Each community therefore contributes to the protection of the environment in proportion to the cost of its scheme.</p>
<b>Stormwater</b>							
<b>Stormwater</b>	<p>Stormwater and drainage services primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Quality Services</li> <li>• Strong Communities</li> <li>• Valued Environment</li> </ul>	<p>The collection, treatment, and disposal of stormwater is primarily a community benefit in serviced communities.</p> <p>This benefit extends to the wider community as it includes protection of the environment and an accessible roading network.</p> <p>Some individual properties or groups of properties benefit from not being flooded.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• To individual properties</li> <li>• As whole community benefits</li> </ul>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	The actions of most individuals or groups have a minor impact	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>ALL</b></p> <p>Targeted rates.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>There is no practical way to charge individuals or groups for their private benefit.</p> <p>Those who (either directly or indirectly) benefit should pay. Stormwater networks are funded from local amenity rates in the serviced townships.</p> <p>Open drain systems on roads are part of the roads and bridges activity.</p>
<b>Water Supplies</b>							
<b>Water Supplies</b>	<p>Water supplies primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Strong Communities</li> <li>• Valued Environment.</li> </ul>	<p>The primary benefit from water supply is to consumers in the supply area. The consumption of water is a private good.</p> <p>Good quality water improves health and minimises disease for both human and stock</p>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue</p>	Those who create the demand are individuals, businesses and other consumers.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b></p> <p>Targeted rates.</p> <p><b>MINIMAL</b></p> <p>User charges.</p> <p>Investment income.</p>	<p>Those who (either directly or indirectly) benefit should pay.</p> <p>The cost of introducing a user pays system across all connected users is impractical due to cost, at this time.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		<p>consumption for the benefit of the whole community.</p> <p>Users of bulk water for non-consumption (e.g. irrigation, heating and cooling) receive minimal benefit from the treating of water. They often do benefit from the size of the reticulation.</p> <p>The use of water for firefighting purposes may benefit properties that are not connected to a scheme, and, in the event of a fire, this benefit is principally a private good.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Primarily to individual users</li> <li>• Partly the whole community gets a benefit in terms of health protection.</li> </ul>	for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.	Bulk water users require larger infrastructure.		<p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>Most users are homogenous in their consumption and a targeted rate per connection or nature of connection approximates this in a practical way.</p> <p>In schemes where there are very significant differences in use, some water users will be charged based on actual quantities where it is practical due to the location, size or the use of the property. Their share of costs is recovered by way of targeted water meter rates. Where this situation applies separate targeted rates will be considered to fund the cost of reticulation and of water supply.</p> <p>Each community bears the cost of treating and supplying its own water.</p> <p>The percentage of revenue from metered use varies from scheme to scheme.</p>
<b>Commercial and Development Activities</b>							
<b>Economic Development Services</b>	<p>Economic development primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services.</li> </ul>	Benefits accrue to the district as a whole from efforts to grow the economy. The benefits accrue to all sectors of the economy. A direct contribution may be required from any entity that receives a direct or specific benefit from a project or specific initiative.	Economic development benefits could accrue over a number of years as a result of some expenditure. However, the benefit of most operating expenditure is expected to occur in the year the funding is sourced.	The actions of many individuals and groups have a minor impact.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b></p> <p>Targeted rates.</p> <p><b>MINIMAL</b></p> <p>Reserves</p> <p>User charges</p> <p>Grants and subsidies.</p> <p><b>UNLIKELY</b></p>	<p>There is an expectation that some projects and services may attract external fees or funding. However, rates are likely to be the main funding source as there will be limited practical means for obtaining alternate funding for most of the services provided or the grants made. As these services will have a benefit to all ratepayers the capital value District Services</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
						All other funding sources.	Rate has been selected as the appropriate rate.
<b>Tourism Development and Visitor Services</b>	<p>Tourism primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services.</li> </ul>	<p>The majority of the benefit from these services is to the district as a whole.</p> <p>It benefits businesses involved in tourism and the wider economy with increased foot traffic entering the district - buying goods and services. Thriving business also ensures employment.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Primarily to the district as a whole.</li> <li>• Tourism-based businesses as a group receive some benefits however these have a wide flow-on effect in the community.</li> </ul>	<p>Tourism benefits could accrue over a number of years as a result of some expenditure. However, the benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p>	<p>The actions of many individuals and groups have an impact on tourism.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>HIGH</b> General rates.</p> <p><b>LOW</b> Targeted rates.</p> <p><b>MINIMAL</b> Reserve funds.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>The services provided by Tourism Waitaki are partially funded from I-site, Oamaru Blue Penguin Colony, and other revenue. This revenue does not belong to Council but to the Tourism Waitaki Limited. Therefore Council does not have any practical means to generate income for this activity.</p> <p>The benefits of tourism accrue mostly to the whole district accordingly tourism is to be funded from the uniform annual general charge.</p> <p>A UAGC recognises that the use of a general rate can disadvantage outlying communities.</p> <p>It is recognised that some businesses receive a greater benefit from this service than others. This is recognised with 10% of funding being recovered from the Oamaru Business area.</p> <p>Some funding will be available from reserves as defined by Council (i.e. for events).</p> <p>The Alps 2 Ocean cycleway is funded as a footpath.</p>
<b>Treasury</b>	<p>Treasury primarily contributes to the following community outcomes:</p>	<p>Benefits accrue to the district as a whole from efforts to earn a good return on investments.</p>	<p>Treasury benefits could accrue over a number of years as a result of some operating</p>	<p>The actions of most individuals and groups have a minor impact.</p>	<p>Identifying separate funding assists in the accountability and transparency of</p>	<p><b>MOST</b> Investment income.</p>	<p>This activity includes dividend income from CCO investments which is used to fund projects in other activities and offset rates.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
	<ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> </ul>	The benefits are expected to occur primarily to the district as a whole.	income being transferred to reserves for use by future projects in other activities. However, the benefit of most operating income is expected to occur in the year the funding is earned.		Council's expenditure on this activity.	<b>MINIMAL</b> Grants, subsidy and other. User charges. Reserves.  <b>UNLIKELY</b> All other funding sources.	This activity includes interest payments made by external entities Council has lent money to. These arrangements are determined by individual agreement.  The net interest and dividend income from this activity is used to reduce general and targeted rates.
<b>Commercial Property</b>	Commercial property investments primarily contribute to the following community outcomes: <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services.</li> </ul>	The primary benefit from commercial property is the use of the property by commercial tenants. This activity is a private good.  The benefits are expected to occur: <ul style="list-style-type: none"> <li>• Primarily to individual users</li> <li>• Partly to the district as a whole.</li> </ul>	Commercial property benefits could accrue over a number of years as a result of some expenditure. However, the benefit of most operating expenditure is expected to occur in the year the funding is sourced.	The actions of most individuals or groups have a minor impact.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<b>MOST</b> Investment income.  <b>MINIMAL</b> Targeted rates  <b>UNLIKELY</b> All other funding sources.	Benefits accrue primarily to users who pay for the service provided by way of rents, lease, licenses etc.  Assets sale income, unless otherwise resolved, is used to reduce debt in this activity.  Budgeted surpluses are used to reduce the district services targeted rate.
<b>Forestry</b>	Forest investments primarily contribute to the following community outcomes: <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Valued Environment.</li> </ul>	Most trees in Council's forestry portfolio were not planted or managed for the purpose of investment, although they are managed for best return.  The operational purpose of each site was generally in support of catchment protection, control of run-off, passive recreation amenity or visual amenity.  Most of the benefits relate to operational activities such as water supply, where the benefits accrue with property ownership.	Forest investment benefits accrue over a number of years as a result of some expenditure. However, the benefit of most operating expenditure is expected to occur in the year the funding is sourced.	The actions of most individuals or groups have a minor impact.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<b>MOST</b> Harvesting income.  <b>MINIMAL</b> General rates  <b>UNLIKELY</b> All other funding sources.	Periodically, Council harvests forests and receives investment income. This income is usually sufficient to pay for the harvesting and renewal of the trees. Surplus monies are placed in a reserve fund. The level of income from this source is expected to be higher in the medium term due to the maturing of some of the holdings.  If there is no harvest income or reserves available, the annual operating expenses will be funded from general rates.



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<b>Operational Property</b>	Operational properties primarily contribute to the following community outcomes: <ul style="list-style-type: none"> <li>• Quality Services.</li> </ul>	The primary benefit from operational property is the use of the property by tenants. In this case, the tenants are council operations.	The benefit of most operating expenditure is expected to occur in the year the funding is sourced.  Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.	The actions of most individuals or groups have a minor impact.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<b>ALL</b> Rental Income.  <b>UNLIKELY</b> All other funding sources.	Revenue is generated from activity rentals and surpluses are allocated against general rates based on land value. This reflects the use of operational properties for governance to serve the whole district.
<b>Oamaru Airport</b>	The airport investment primarily contributes to the following community outcomes: <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> </ul>	The primary benefit from the airport is the movement of aircraft for business and recreational purposes and the users of these. It also provides a broad economic benefit to the district.  The benefits are expected to occur: <ul style="list-style-type: none"> <li>• Primarily to individual users.</li> <li>• Partly to the district as a whole in support of the community outcomes.</li> </ul>	The benefit of most operating expenditure is expected to occur in the year the funding is sourced.  Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.	The actions of most individuals or groups have an impact on providing this service.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<b>MOST</b> Investment income.  <b>MINIMAL</b> User charges. Reserve funds.  <b>UNLIKELY</b> All other funding sources.	Costs will be recovered from investment income, including the lease of non-operational land. Leases on land will be reviewed based on market conditions at the time of renewal.  Charges for using the airport are set at a market price, but contribute minimally to annual operating costs.  An operational reserve fund is used to balance funding across years.
<b>Arts, heritage and community</b>							
<b>North Otago Museum</b>	The museum primarily contributes to the following community outcomes: <ul style="list-style-type: none"> <li>• Prosperous District</li> </ul>	The museum provides for exhibitions and use of the archives by visitors to the museum.	The benefit of most operating expenditure is expected to occur in the year the funding is sourced.	The actions of many individuals and groups have an impact on this activity.	Identifying separate funding assists in the accountability and transparency of	<b>MOST</b> Targeted rates.  <b>MINIMAL</b> User charges	High levels of user charging is contrary to the objective of providing access. Some costs are recovered through donations,



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
	<ul style="list-style-type: none"> <li>Quality Services.</li> </ul>	<p>The residents of Oamaru and Corriedale enjoy proximity to the museum, and other residents benefit from outreach activities and travel to use the museum.</p> <p>Businesses in the Oamaru business area benefit from more foot traffic in the town centre.</p> <p>The district as a whole has a collective sense of history due to preservation of collections of regional significance and the contribution of the museum to the regional visitor and tourism economy.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Partly to individual users.</li> <li>Partly to the district as a whole with recognition to proximity.</li> </ul>	<p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>		<p>Council's expenditure on this activity.</p>	<p>Grants and subsidies.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>retail sales, and other minor activities.</p> <p>The rates funding ratio is designed to reflect the varying levels of access that the different wards have to the facility.</p>
<b>Forrester Gallery</b>	<p>The gallery primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Prosperous District</li> <li>Quality Services.</li> </ul>	<p>The gallery provides for exhibitions and use of the archives by visitors to the Gallery.</p> <p>The residents of Oamaru and Corriedale enjoy proximity to the gallery, and other residents benefit from specific exhibitions and when they travel to use the gallery.</p> <p>Businesses in the Oamaru business area benefit from more foot traffic in the town centre.</p>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is</p>	<p>The actions of many individuals and groups have an impact on this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>MOST</b></p> <p>Targeted rates.</p> <p><b>MINIMAL</b></p> <p>User Charges.</p> <p>Grants and subsidies.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>High levels of user charging is contrary to the objective of providing access. Some costs are recovered through donations, commission on sales of exhibited works on behalf of artists, and retail sales.</p> <p>The rates funding ratio is designed to reflect the varying levels of access that the different wards have to the facility.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		<p>The district as a whole has a collective sense of pride and benefits from collections of regional and national significance and the contribution of the gallery to the regional visitor and tourism economy.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Partly to individual users.</li> <li>• Partly to the district as a whole with recognition to proximity.</li> </ul>	managed through reserve funds.				
<b>Waitaki District Libraries (includes Archives)</b>	<p>The libraries primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services.</li> </ul>	<p>The primary benefit from libraries is to those that borrow and use of library material and resources.</p> <p>The library attracts visitors to Oamaru which benefits local businesses.</p> <p>The residents of the Oamaru ward enjoy greater access to the main library, however, the network of branches means that the other wards enjoy ready access to the service at a lower level.</p> <p>The districts residents are enriched by the preservation of collections of regional significance and the contribution of the library to a well-informed and literate community.</p> <p>The benefits are expected to occur:</p>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	The actions of many individuals and groups have an impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b> Targeted rates.</p> <p><b>MINIMAL</b> User charges. Grants and subsidies. Reserves.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>High levels of user charging would be contrary to the objective of providing access. Some costs are recovered through user charges, and fines. User recovery is also constrained by s.142 of the Local Government Act 2002.</p> <p>The rates funding ratio is designed to reflect the varying levels of access that the different wards have to the facility.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		<ul style="list-style-type: none"> <li>Partly to individual users.</li> <li>Partly to the district as a whole with recognition to proximity.</li> </ul>					
<b>Oamaru Opera House</b>	<p>The opera house primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Prosperous District.</li> <li>Quality Services.</li> </ul>	<p>The primary benefit is to those that hire the facility for various entertainment business and other functions.</p> <p>The opera house provides an important leisure amenity and preservation and use of an important heritage building. It provides mostly for Oamaru and Corriedale wards because of their proximity to the opera house.</p> <p>The opera house attracts visitors to Oamaru, which supports business.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to individual users.</li> <li>Partly to the district as a whole with recognition for proximity.</li> </ul>	<p>The benefit of most operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	The actions of many individuals and groups have an impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>HIGH</b></p> <p>Targeted rates.</p> <p><b>LOW</b></p> <p>User charges.</p> <p><b>MINIMAL</b></p> <p>Grants and subsidies.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>Funding is mainly from hire and charges from users of the venue. Council seeks to maximise revenue from these sources, particularly from commercial users. Charges will be market driven.</p> <p>The opera house is iconic and association with the brand has value, which has enabled some sponsorship revenue.</p> <p>The rates funding ratio is designed to reflect the varying levels of access that the different wards have to the facility to recognise the whole district benefit.</p>
<b>Community Safety and Grants - Other</b>	<p>This activity primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Prosperous District</li> <li>Quality Services</li> <li>Strong Communities.</li> </ul>	All the people in the district enjoy access to services funded by Council grants. While some services are located in specific communities, generally the activities funded are spread across the district. Any person may make application for a grant. The grants are for services that are, in the main, non-excludable.	The benefit of most operating expenditure is expected to occur in the year the funding is sourced.	The actions of most individuals or groups have a minor impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>HIGH</b></p> <p>General rates.</p> <p><b>MINIMAL</b></p> <p>Grants and subsidies.</p> <p>Targeted rates.</p> <p>User charges.</p> <p>Reserves.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>Community Grants activity includes grants administration on behalf of others. This shows as an income and expense.</p> <p>This is a people-based activity which is funded evenly across the district by way of the uniform annual general charge.</p> <p>Community safety programmes primarily provide benefit to</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		<p>The benefits are expected to occur primarily to the district as a whole in support of the community outcomes.</p> <p>Community safety programmes and projects benefit the wider community</p>					Oamaru residents so are funded by targeted rates
<b>Community Safety and Grants - Otago Museum</b>	<p>The Otago Museum primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Quality Services.</li> </ul>	<p>Council is required to make this contribution. This cost will be spread across the district.</p> <p>The benefits are expected to occur primarily to the district as a whole in support of the community outcomes.</p>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p>	<p>The actions of most individuals or groups have a minor impact on this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>ALL</b> General rates.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>This is a people based activity which should be funded evenly across the district by way of the uniform annual general charge.</p>
<b>Parks and recreation</b>							
<b>Waitaki Aquatic Centre</b>	<p>The aquatic centre primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Prosperous District</li> <li>Quality Services</li> <li>Strong Communities.</li> </ul>	<p>The primary benefit from the aquatic centre is the use of the pools for recreation, sporting, educational, and water safety purposes with the greatest access enjoyed by Oamaru and Corriedale residents.</p> <p>The regional visitor uses the centre which benefits businesses in the area.</p> <p>The community enjoys access to a facility to improve fitness, health and water safety.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to individual users.</li> </ul>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	<p>The actions of most individuals or groups has an impact on this activity. There is a correlation between the numbers of people using the aquatic centre services and operating costs.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>MODERATE</b> Targeted rates.</p> <p>User charges.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>User charges are made for casual recreation use, fees for recreation programmes, swim school, and retail sales. User charges are also constrained by charges at neighbouring facilities.</p> <p>User charges do not fully recover the cost of the private benefit and rates funding is required to allow wide spread access to these services.</p> <p>The use of targeted rates recovers costs not recovered through user charges with a ward targeted rate ratio reflecting proximity for use.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		<ul style="list-style-type: none"> <li>Partly to the district as a whole in support of the community outcomes.</li> </ul>					
<b>Oamaru Public Gardens</b>	<p>The gardens primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Prosperous District</li> <li>Quality Services</li> <li>Valued Environment.</li> </ul>	<p>The gardens are for the recreational enjoyment of the amenity by visitors.</p> <p>The residents of Oamaru and Corriedale enjoy proximity to the gardens but residents of other wards may benefit from the facility if they choose to travel to Oamaru.</p> <p>District wide benefit includes the preservation of natural heritage of regional significance, and the contribution of the gardens to the regional visitor economy.</p> <p>The benefits are expected to occur primarily to the district as a whole with recognition to proximity.</p>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	The actions of most individuals or groups have little impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b></p> <p>Targeted rates.</p> <p><b>MINIMAL</b></p> <p>User charges.</p> <p>Reserve funds.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>A small amount of user charges is achievable for private use of the facility such as weddings and festivals.</p> <p>It is not practical to charge casual users as the collection costs would outweigh any benefit.</p> <p>The targeted rate ratio reflects proximity to the gardens.</p> <p>The Oamaru business rate recognises a visitor attraction benefit to Oamaru businesses.</p> <p>Council may use the financial contributions reserve funds for some operating expenses, generally of a project nature.</p>
<b>Reserves, Green Spaces and Playgrounds</b>	<p>These facilities primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Prosperous District</li> <li>Quality Services</li> <li>Valued Environment.</li> </ul>	<p>It provides a district wide landscape amenity created by maintaining green space and street beautification (including playgrounds).</p> <p>The benefits are expected to occur primarily to the district as a whole.</p>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	The actions of most individuals or groups have little impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b></p> <p>Targeted rates.</p> <p><b>MINIMAL</b></p> <p>Reserve funds.</p> <p>User charges.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>There is no practical way to collect revenues from private benefit across this activity.</p> <p>Rates funding recognises the provision of landscape amenity is across the district.</p> <p>Also local residents enjoy the benefits of landscape amenity in their locality. A ward rate enables local communities to exercise local choice.</p> <p>Council may use the financial contributions reserve funds for</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
							some operating expenses, generally of a project nature.
<b>Sports Grounds</b>	<p>These facilities primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Valued Environment</li> </ul>	<p>The primary benefit from sports grounds is their use for recreation; Use by groups for organised activities means that they may not always be available for all users.</p> <p>Some specialised grounds have no public access to them. However, in most cases they are usually available for casual use by the whole community.</p> <p>Major sporting events and tournaments assist the regional visitor economy.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Primarily to the district as a whole in support of the community outcomes.</li> <li>• Partially to groups and individuals involved in organised sports that require these facilities.</li> </ul>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	The actions of most individuals or groups have some impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b> General rates.</p> <p><b>MINIMAL</b> User charges. Reserve funds.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>A small contribution from private use is recovered through ground rentals for leased areas and fees for seasonal or one-off use. A 5% overall costs recovery is estimated.</p> <p>The use of the uniform annual general charge recognises the public good is people-based.</p> <p>The use of general rates recognises the economic benefit to the district.</p>
<b>Community Amenities</b>							
<b>Cemeteries</b>	<p>The cemeteries primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Quality Services</li> <li>• Strong Communities</li> </ul>	<p>The provision of burial facilities and services is for individuals.</p> <p>The district in turn has available green space, protecting public health by ensuring the safe disposal of human remains, and in maintaining cemeteries and</p>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue</p>	The actions of some individuals or groups have some impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MODERATE</b> General rates. User charges.</p> <p><b>MINIMAL</b> Grants and subsidies. Reserves.</p>	<p>Individuals pay user charges for the initial acquisition and use of a burial site (burial fees and plot charges).</p> <p>The community pays for the on-going maintenance of that site.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		<p>cemetery records for future generations to locate their ancestor's burial plot/site.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Partly to individual users.</li> <li>Partly to the district as a whole in support of the community outcomes.</li> </ul>	for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.			<p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	With the wider district elements collected from the uniform annual general charge as it is considered people based.
<b>Public Halls and Community Centres</b>	<p>Halls and community centres primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Quality Services</li> </ul>	<p>Public halls provide a venue for community activities for those in the hall rating area. Generally each hall can be used by only one group at a time.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to the immediate area supporting the community hall / centre.</li> </ul>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	The actions of some individuals or groups have some impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b></p> <p>Targeted rates.</p> <p><b>MINIMAL</b></p> <p>User charges.</p> <p>Investment income.</p> <p>Reserves.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>Most halls using council funds are operated by local committees under delegation. Not all halls are owned by Council. Local committees retain any small amounts of income they earn separate from Council.</p> <p>Targeted hall rates recognise the benefit from the activity is focussed mainly on the hall rating area.</p>
<b>Waitaki Lakes Camping</b>	<p>The camping grounds primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Prosperous District</li> <li>Quality Services</li> </ul>	<p>Campers enjoy most of the benefit from lakes camping.</p> <p>The facilities available are also used by casual users and visitors including users of the A2O cycle trail, that do not stay overnight. This is a public benefit.</p> <p>This can contribute to economic development for the district as a whole.</p>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is</p>	The actions of users have some impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MODERATE</b></p> <p>Targeted rate.</p> <p>User charges.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>Private use is funded by user charges (camping fees).</p> <p>Rating is targeted to recognise that the recreational and economic development benefits accrue to the whole district.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		<p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to individual users.</li> <li>Partly to the district as a whole.</li> </ul>	managed through reserve funds.				
<b>Waitaki Community Recreation Centre</b>	<p>The recreation centre primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Quality Services</li> </ul>	<p>This recreation benefit is a people-based benefit, and accrues mainly to people living in the Oamaru and Corriedale wards because of their proximity to the Centre.</p> <p>There is also a benefit to the community as a whole from the Centre to the district economy as a venue for community events. This economic development benefit is to the district as a whole and is not people-based.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to the people in Oamaru and Corriedale.</li> <li>Partly to the district as a whole in support of the community outcomes.</li> </ul>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p>	<p>The actions of most individuals or groups have some impact on this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>HIGH</b> Targeted rate.</p> <p><b>LOW</b> General rates.</p> <p><b>MINIMAL</b> User charges.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>This activity provides for a grant to the Waitaki Recreation Centre Trust for the operation and maintenance of the Waitaki Recreation Centre. The Council grant supplements income from user charges and other sources collected by the trust.</p> <p>The choice of the rating funding sources recognises that the recreation benefits are the main benefit and that this accrues to people in Corriedale and Oamaru. It also recognises that the economic development benefit is to the whole district.</p>
<b>Community Housing</b>	<p>Community housing primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Quality Services</li> </ul>	<p>Tenants primarily benefit from community housing</p> <p>Council's objective for the community housing activity is that it should be self-funding and not be subsidised by rates.</p>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue</p>	<p>The actions of most individuals or groups have a minor impact on this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>HIGH</b> User charges.</p> <p><b>LOW</b> Targeted rates.</p> <p><b>UNLIKELY</b></p>	<p>Rents are set in accord with the Community Housing Policy and are at or near market value.</p> <p>Council recognises that this activity may not always be fully self-funding. If no reserves are available then any short fall will be</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		<p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to individual users.</li> <li>Partly to the district as a whole in support of the community outcomes.</li> </ul>	<p>for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>			All other funding sources.	funded from rates. This funding will be recovered across the district as a whole on a capital value basis.
<b>Public Toilets</b>	<p>Public toilets primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Quality Services</li> </ul>	<p>Mainly visitors and those away from their home use public toilets generally in support of leisure pursuits, tourism and commercial businesses (in urban areas).</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to individual users.</li> <li>Partly to the district as a whole.</li> </ul>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	The actions of most individuals or groups have some impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MOST</b> General rates.</p> <p><b>MINIMAL</b> Subsidy and grants</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>There is no practical way of charging for the use of public toilets.</p> <p>Uniform annual general charges provide recognition of the mostly people-based benefit.</p>
<b>Town Centre Services - Township Works</b>	<p>The township works primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Prosperous District</li> <li>Quality Services</li> <li>Valued Environment</li> </ul>	<p>The benefits of township works are in visual amenity and safety for people in townships, the area serviced by the township and properties in business areas with higher levels of service.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to the township and ward they are located in.</li> <li>Partially to the district as a whole in support of the community outcomes.</li> </ul>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	The actions of others do contribute to the costs, particularly in relation to litter bin collection and disposal.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>ALL</b> Targeted rates.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>As townships and their surrounds have an impact on the level of service they receive, it is considered use of a capital value ward based charge is the best match to the benefit received.</p> <p>This recognises that all townships service an area greater than the township itself and the benefit relates to the size and use of properties.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
<b>Town Centre Services - Christmas Decorations</b>	<p>Christmas decorations primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Quality Services.</li> <li>• Valued Environment.</li> </ul>	<p>Decorations are provided in towns across the district. Most decorations are in the Oamaru business area.</p>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	<p>The actions of most individuals or groups have a minor impact on this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>ALL</b> Targeted rates.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>Christmas Decorations benefit the whole district. The targeted rate considers the business benefit from decorations installed in Oamaru town centre.</p>
<b>Environment, Regulation and Safety</b>							
<b>Animal Control</b>	<p>Animal control primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Strong Communities.</li> </ul>	<p>Dog registration benefits dog owners by allowing legal ownership of dogs and enabling impounded dogs to be traced to their owners.</p> <p>Dog ranging, pound keeping and response to animal complaints are activities that protect the public from the negative effects of the actions or inactions of dog owners.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Primarily to individual users.</li> <li>• Partly to the district as a whole.</li> </ul>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p> <p>Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.</p>	<p>The allocation of charges is modified on grounds of fairness and equity to recognise that the costs of controlling the negative effects of the actions or inactions of animal owners should be borne by those owners.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>ALL</b> User charges.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>Council budgets to break even on this activity. Any surplus will be held in reserve and used to offset future fees.</p> <p>User charges recognise that the benefits of registration activities are to dog owners and the costs of responding to complaints about dogs and wandering stock are driven by the actions or inactions of animal owners.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
<b>Building Control</b>	<p>Building control services primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Strong Communities</li> </ul>	<p>Individuals applying for consents and who use other services in this area directly drive the majority of the costs.</p> <p>Building control activities also benefit the public who may access the building and future owners and occupiers of the building</p> <p>Information is supplied to the public through enquiries.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to individual users.</li> <li>Partly to the district as a whole.</li> </ul>	The benefit of operating expenditure is expected to occur in the year the funding is sourced.	The actions of most individuals or groups have a minor impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>HIGH</b> User charges.</p> <p><b>LOW</b> General rates.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>User charges are favoured for those that apply for building consents, code compliance certificates, PIMs or LIMs.</p> <p>The use of a uniform annual general charge funds the public benefits element across the whole district.</p>
<b>Environmental Health</b>	<p>Environment health services primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Strong Communities</li> </ul>	<p>The benefits of inspection and licensing of premises (including food premises, camping grounds, hairdressers, offensive trades and funeral directors) accrue mostly to the business owner.</p> <p>The protection of public health by ensuring the premises meet requirements is a benefit to the public.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to individual users.</li> <li>Partly to the district as a whole.</li> </ul>	The benefit of operating expenditure is expected to occur in the year the funding is sourced.	The allocation of charges is modified on grounds of fairness and equity to recognise that the costs of controlling the negative effects of the actions or inactions of business owners should be borne by those owners.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MODERATE</b> General rates. User charges.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>User charges recognise the benefits to people who apply for licences.</p> <p>The use of uniform annual general charge recognises the public protection elements.</p>
<b>Environmental Monitoring</b>	This activity primarily contributes to the	Monitoring activities generate the costs which benefit the consumers of water supplies –	The benefit of operating expenditure is expected to occur in	The actions of most individuals or groups	Identifying separate funding assists in the accountability and	<b>MOST</b> General rates.	Charging of user charges is not practical for environmental monitoring and hazardous



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
<b>and Enforcement</b>	<p>following community outcomes:</p> <ul style="list-style-type: none"> <li>Strong Communities</li> </ul>	<p>which cover the whole district – and to the users of rivers and lakes that receive discharge from sewage facilities.</p> <p>Health education and notifiable infectious disease response benefit the community as a whole.</p> <p>Bylaws for Council activities, which are for the benefit of the wider community are actively enforced.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to individual users.</li> <li>Partly to the district as a whole.</li> </ul>	the year the funding is sourced.	have a minor impact on this activity.	transparency of Council's expenditure on this activity.	<p><b>MINIMAL</b> User charges.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>substances. There are minimal user charges in the form of fines for enforcement.</p> <p>The use of uniform annual general charge to recover the public good recognises that the benefits are to the whole district and are more people-based than property-based.</p>
<b>Liquor Licensing</b>	<p>Liquor licensing primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>Strong Communities</li> </ul>	<p>The issue of liquor licences is predominantly of benefit to the applicant as most applications are to allow for a commercial activity to take place.</p> <p>These activities also provide benefit to those affected by an application and people who generally benefit from mitigation of the adverse effects (such as protection of public safety).</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>Primarily to individual users.</li> <li>Partly to the district as a whole.</li> </ul>	The benefit of operating expenditure is expected to occur in the year the funding is sourced.	The allocation of charges is modified on grounds of fairness and equity to recognise that the costs of controlling the negative effects of the actions or inactions of alcohol should be borne by those selling alcohol.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MODERATE</b> General rates. User charges.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>The primary funding sources are user charges (licence fees).</p> <p>Liquor licensing fees are regulated by central government which limits council's opportunities to make any adjustments to meet the level of recovery it desires</p> <p>Uniform annual general charge funds the public benefit.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
<b>Parking Enforcement</b>	<p>Parking enforcement primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Strong Communities</li> </ul>	<p>Parking is of benefit to the individual and the business community that requires rotation of parking spaces.</p> <p>The enforcement activity also provides public safety benefit by protecting access to fire hydrants and compliance with regulations designed to protect pedestrians.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Primarily to individual users and Oamaru business.</li> <li>• Partly to the district as a whole.</li> </ul>	<p>The benefit of operating expenditure is expected to occur in the year the funding is sourced.</p>	<p>The actions of individual and groups help drive the need for parking enforcement</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>ALL</b> User charges.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>User charges are charged to people who use parking. Fees will be set at a level to try and achieve both good movement (so people do not park all day, which benefits businesses) and high levels of occupancy.</p> <p>Any carpark meters/permits surplus income 100% user pays</p> <ul style="list-style-type: none"> <li>- Part to reserve</li> <li>- Balance offsets parking enforcement</li> <li>- any further surplus offsets Oamaru Business Rate</li> </ul>
<b>Emergency management</b>							
<b>Civil Defence</b>	<p>Civil defence primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Strong Communities</li> </ul>	<p>Civil defence activities are provided for the benefit of all the people in the district as anyone can be affected by an emergency event.</p> <p>Civil defence emergency may be initiated in response to threats to life or property.</p> <p>The benefits are expected to occur primarily to the district as a whole.</p>	<p>The benefit of operating expenditure is in having plans in the event of an emergency at some time in the future.</p> <p>The annual operating costs ensure these are up to date and staff and volunteers are trained. This expenditure is incurred in the year the funding is sourced.</p>	<p>The actions of individual and groups have a significant impact in this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	<p><b>MOST</b> General rates.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>In the event of an activation Council may be entitled to subsidies for some related costs such as welfare. Council does not budget for this income or expense.</p> <p>Council has chosen to recognise that civil defence has a primary interest in the welfare of people and has chosen to rate for 100% using the uniform annual general charge.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
			Annual funding is sourced from revenue for depreciation that is likely to be spent partially in the current year and partially in future years. This is managed through reserve funds.				
<b>Planning Group</b>							
<b>Resource Consent Processing</b>	<p>Consents primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Valued Environment</li> </ul>	<p>Individuals that apply for consents and use the other services in this area are the predominant beneficiaries of this activity. Through their actions they directly drive the majority of the costs.</p> <p>These resource consent activities also provide benefit to persons other than the applicant such future owners and occupiers of the land (a property-based benefit). There is also a person based benefit in relation to the information that is supplied to the public through inquiries.</p> <p>The benefits are expected to occur:</p> <ul style="list-style-type: none"> <li>• Primarily to individual users.</li> <li>• Partly to the district as a whole in support of the community outcomes.</li> </ul>	The benefit of operating expenditure is expected to occur in the year the funding is sourced.	The actions of individuals and groups drive the costs in this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>HIGH</b> General rates.</p> <p><b>LOW</b> User charges.</p> <p><b>UNLIKELY</b> All other funding sources.</p>	<p>A user charge recognises the benefits to people who apply for resource consents.</p> <p>The use of general rate to recover the public good recognises that the benefits are to the whole district and are property-based.</p>



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
<b>District Planning</b>	District planning primarily contribute to the following community outcomes: <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Valued Environment</li> </ul>	<ul style="list-style-type: none"> <li>• The maintenance and development of the District Plan benefits the entire District as it sets out the rights and obligations in relation to all property uses.</li> </ul>	The benefit of operating expenditure is expected to occur in the year the funding is sourced.	The actions of most individuals or groups have a minor impact on this activity...	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<b>ALL</b> General rates.  <b>UNLIKELY</b> All other funding sources.	The use of general rate to recover the public good recognises that the benefits are to the whole district and are property-based.
<b>Democracy Accountability and Governance</b>							
<b>Council</b>	Council contributes to all community outcomes: <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Strong Communities</li> <li>• Valued Environment</li> </ul>	<p>All the people in the district enjoy the right to participate in democratic processes (i.e. a benefit that people can enjoy without owning property).</p> <p>All those with property in the district also benefit as infrastructure servicing properties and utility networks, and services (such as economic development) benefit businesses including utility businesses.</p> <p>The benefits are expected to occur primarily to the district as a whole.</p>	The benefit of operating expenditure is expected to occur in the year the funding is sourced.	The community gets what it asked for.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<b>MODERATE</b> General rates.  <b>LOW</b> Targeted rates.  <b>MINIMAL</b> User charges. Grants and subsidies. Reserves.  <b>UNLIKELY</b> All other funding sources.	<p>The benefits of this activity are available to the whole community and expenditure on council governance is largely independent of the number of residents.</p> <p>Council resolved that the balance not funded by non-rating income be 60% general rate – land value and 40% targeted district services rate – capital value.</p> <p>This may be modified if required to meet the requirements of the Local Government (Rating) Act limits on uniform charges.</p>
<b>Community Boards</b>	Community boards contribute to all community outcomes: <ul style="list-style-type: none"> <li>• Prosperous District.</li> <li>• Quality Services.</li> <li>• Strong Communities.</li> <li>• Valued Environment.</li> </ul>	The benefits of this activity are available to all members of the communities served by the community boards. Expenditure on council governance is largely independent of the number of residents.	The benefit of operating expenditure is expected to occur in the year the funding is sourced.	The actions of individuals and groups drive the costs in this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<b>MODERATE</b> Targeted rates. General rates.  <b>UNLIKELY</b> All other funding sources.	The choice of these funding sources recognises the mix of people and property benefits to the wards served by community boards.



Activity	Community Outcomes	Distribution of Benefits	Period of Benefit	Whose Act Creates a Need	Separate Funding	Funding Source and Bands	Rationale
		The benefits are expected to occur primarily to the serviced wards.					
<b>Waihemo Service Centre</b>	<p>The centre primarily contributes to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Strong Communities</li> <li>• Valued Environment.</li> </ul>	<p>The benefits of the centre fall primarily to the people in the Waihemo ward because of their proximity to the centre. The services provided from the centre are a mix of people-based services and services arising from property ownership.</p> <p>The benefits are expected to occur primarily to the serviced wards.</p>	The benefit of operating expenditure is expected to occur in the year the funding is sourced.	The actions of individuals and groups drive the costs in this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>ALL</b></p> <p>Targeted rates.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	The choice of these funding sources recognises that the benefits accrue to property and to the Waihemo ward rather than the whole district.
<b>Community Planning and Accountability</b>	<p>Planning and consultation primarily contribute to the following community outcomes:</p> <ul style="list-style-type: none"> <li>• Prosperous District</li> <li>• Quality Services</li> <li>• Strong Communities</li> <li>• Valued Environment.</li> </ul>	<p>These plans, reports and information are available to the community as a whole.</p> <p>The benefits are expected to occur primarily to the district as a whole.</p>	The benefit of operating expenditure is expected to occur in the year the funding is sourced.	The actions of individuals and groups drive the costs in this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	<p><b>MODERATE</b></p> <p>General rates.</p> <p>Targeted rates.</p> <p><b>UNLIKELY</b></p> <p>All other funding sources.</p>	<p>The use of general rates and district rates recognises that the benefits are to the whole district and are a mix of property-based and people-based benefits.</p> <p>This may be modified if required to meet the requirements of the Local Government (Rating) Act limits on uniform charges.</p>



## SUNDRY RATING POLICIES

### Postponement of Rates

Postponement policies have been prepared under Sections 108 to 110 of the Local Government Act 2002 and Sections 85 to 87 of the Local Government Rating Act 2002.

### Postponement of Rates for Extreme Financial Hardship

#### *Objective*

The objective of this policy is to assist ratepayers experiencing extreme financial hardship that affects their ability to pay rates.

The assistance will be by way of the postponement of rates arrears. The assistance will generally be only given to any ratepayer once. Properties that have a mortgage will not be considered for postponement.

#### *Conditions and Criteria*

Only rating units used primarily for the residence of the ratepayer(s) will be eligible for consideration for rates postponement for extreme financial circumstances.

Properties used for business, intensive agriculture, or properties greater than 8ha will not be considered to be used primarily for residence of the ratepayer(s).

Only the person(s) entered as the ratepayer, or their authorised agent, may make an application for rates postponement for extreme financial circumstances.

The ratepayer(s) must be the current owner(s) of, and have owned for not less than five years, the rating unit which is the subject of the application. The person(s) entered on our rating information database as the 'ratepayer(s)' must not own any other rating units (whether in the district or in another place).

The ratepayer(s) (or authorised agent) must make a written application to Council. Council will consider, on a case-by-case basis, all applications received that meet the criteria described in paragraphs 1 and 2 under this section.

Council will delegate authority to approve a first application for rates postponement to the Chief Executive.

When considering whether extreme financial circumstances exist, all of the ratepayer(s) personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness and family circumstances.

Before approving an application, Council must be satisfied that the ratepayer(s) is (are) unlikely to have sufficient funds left over after the payment of overdue rates and for normal health care, as well as making provision for normal day to day living expenses.

Where Council decides to postpone rates, the ratepayer(s) must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.



Any postponed rates will be postponed until:

- The death of the ratepayer(s); or
- Until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- Until the ratepayer(s) ceases to use the property as his/her residence; or
- Until a date specified by us.

Council will only postpone rates to a value up to the capital value of the property as recorded in the Rating Information Database.

Council will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs and may vary from year to year. The fee will be set annually in Council's Annual Plan.

The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.

Postponed rates will be registered as a statutory land charge on the rating unit title. This means that Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

### *Rights of Appeal*

The ratepayer(s) may appeal any decision by Council under this policy. The appeal must be in writing (verbal presentation of the written appeal will be accepted). Council will hear the appeal.

### *Postponement of Rates on Maori Freehold Land*

Maori freehold land is defined in the Local Government Rating Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Maori Land Court. Only land that is subject to such an order may qualify for a postponement of rates under this policy.

### *Objectives*

The objective of this policy is to facilitate the development and use of the land for economic use where Council consider utilisation would be uneconomic if full rates are required during the years of development or establishment of a crop.

### *Conditions and Criteria*

Council will consider postponement of rates where previously unoccupied land is subject to clearing, development or growing of crops.

Application should be made prior to 30 April of each year and will be applied from 1 July of that year.

Owners or Trustees making application should include the following information in their application:



- Details of the property
- The objectives that will be achieved by providing the postponement
- Details of the proposed development.

Council will consider postponement for each individual application according to the circumstances of that application.

No postponement will be granted on targeted rates for water supply, sewerage disposal or refuse collection.

Council may, at its discretion, partially remit rates that are otherwise subject to postponement.

### *Remission of Rates*

Remission Policies have been prepared under Sections 108 to 110 of the Local Government Act 2002 and Sections 85 to 87 of the Local Government Rating Act 2002.

#### *Remission of Rates – General*

Remission policies have been prepared under Sections 108 to 110 of the Local Government Act 2002 and Sections 85 to 87 of the Local Government Rating Act 2002.

#### *Remission of Rates on Bare Land*

##### *Objectives*

Council may cancel any separate targeted rate or uniform annual general charge in respect of one or more rating units occupied by the same ratepayer (as stated in the district valuation roll) if Council consider it reasonable in the circumstances to do so.

##### *Criteria and Conditions*

Council's policy is that where properties are occupied by the same ratepayer (as stated on the district valuation roll), it will not charge a uniform annual general charge or ward targeted rate on properties considered to be bare land, provided that the ratepayer pays at least one uniform annual general charge within the district. Bare land is defined as properties with no improvements other than fences and irrigation. For the purposes of this policy forestry blocks (without buildings or other constructions) are deemed to be bare land. To receive and retain this remission the property must be maintained and kept safe, and not present a hazard of any kind that may require Council's action or attention.



## Remission of Rates on Waitaki River Kaik, Waitaki Bridge Camp, Gemmell's Crossing Camp and Moeraki Kaik Camp

### *Objectives*

The objective of this policy is to recognise the limited opportunity to occupy the various parts of the rating units and other factors in relation to the impact of full charges.

### *Criteria and Conditions*

Council may remit, on application from the ratepayer, all or part of the Uniform Annual General Charges and Ward Charges on the rating units that make up the Waitaki River Kaik, Waitaki Bridge Camp, Gemmell's Crossing Camp and Moeraki Kaik Camp. The level of remission will be set annually.

## Remission of Rates on Rating Units with Multiple Single Bedroom Inhabitable Parts

### *Objectives*

The objective of this policy is to recognise potential inequity of charging properties that have multiple single bedroom inhabitable parts on the same basis as other residential inhabited parts.

### *Criteria and Conditions*

Council may remit, on application from the ratepayer, part of the Uniform Annual General Charges and Ward Charges on the rating units that have single bedroom inhabited parts. The level of remission will be set annually.

## Remission of Rates on Rating Units for Separately Used Inhabited Parts used exclusively by Family Members

### *Objectives*

The objective of this policy is to recognise the potential inequity of charging properties that are used exclusively by family members for residential purposes, on the same basis as other residential inhabited parts.

### *Criteria and Conditions*

Council may remit, on application from the ratepayer, part or all of the SUIP based on a method established by Council, in situations where the property is being used exclusively by family members.

The ratepayer will be required to complete an Annual Declaration form (found on Council website [www.waitaki.govt.nz](http://www.waitaki.govt.nz)) or from Waitaki District Council, 20 Thames Street, Oamaru) in order for a remission on the SUIP to be considered.



## Remission of Rates on Properties with Mixed Residential and Other Uses in the Oamaru Business Areas

### *Objectives*

The objective of this policy is to recognise the potential inequity of charging properties that are used for residential and another purpose in the Oamaru Business area on the same basis as a property used for business purposes.

### *Criteria and Conditions*

Council may remit, on application from the ratepayer, all or part of the Oamaru Business Area Rates where the majority of a property is used for residential purposes. The level of remission will be determined by a number of factors including but not limited to the floor area and value of the residential portion.

## Remission of Rates on Maori Freehold Land

Maori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a Freehold Order issued by the Maori Land Court. Only land that is subject to such an order may qualify for a remission under this policy.

This policy aims to:

- Ensure the fair and equitable collection of rates from all sectors of the community recognising that certain Maori owned lands have particular conditions, features, ownership structures, or other circumstances, which make it appropriate to provide relief from rates.
- Implement a policy for providing rate relief on Maori land pursuant to Section 108 of the Local Government Act 2002.

### *Objectives*

The objectives of the policy are to:

- Recognise situations where there is no occupier or person gaining an economic or financial benefit from the land
- Set aside land that is better set aside for non-use because of its natural features
- Recognise matters related to physical accessibility of the land
- Recognise and take into account of the presence of waahi tapu that may affect the use of the land for other purposes.

### *Conditions and criteria*

Council will consider a remission for property that comes within the following criteria:

- The land is unoccupied and no income is derived from the use or occupation of that land, or
- The land is better set aside for non-use because of its natural features or as unoccupied and no income is derived from the use or occupation of that land
- The land is inaccessible and is unoccupied.

The remission for land meeting the criteria will be 100% of any rates except for targeted rates made for the supply of water, sewerage or waste collection.

Applications for land to be considered for remission must be made by 30 April of each year for the rating year commencing on the following 1 July of that year.



Owners or Trustees making an application should include the following information in their applications:

- Details of the property
- The objectives that will be achieved by providing the remission
- Documentation that proves the land, which is the subject of the application, is Maori freehold land.

The extent of the relief is at the sole discretion of us and may be cancelled or reduced at any time.

Council will review the register annually and may require information on whether the circumstances relating to the property receiving the remission have changed, or no longer comply with the policy.

### Remission of Rates Penalties

Council will grant to the Chief Executive (or his/her nominee) delegated authority in the following circumstances to approve on receipt of an application the remission of such penalty charges which have been incurred by any ratepayer as a consequence of their payment being received after the due date:

- On a 'one-off' basis where the ratepayer has had a previous satisfactory payment history
- Where a property changes hands (sale or lease) and the new owner/lessee is responsible for an instalment when the original account was issued in the name of the previous owner/lessee
- On compassionate grounds, i.e. where a ratepayer has been ill or in hospital or suffered a family bereavement or tragedy of some type, and has been unable to attend to payment (elderly persons living on their own etc.)
- Rate account not received where it can be proved a genuine case exists
- In such instances where an error has been made on our part or arising through an error in the general processing or levying of same which has subsequently resulted in a penalty charge being imposed.

### Arrears – Penalty Remissions

In situations where there are arrears from previous years, negotiation may be entered into over the amount of accumulated arrears penalty that is ultimately to be paid on such accounts subject to the proviso that dispensations subsequently granted shall be conditional upon settlement being made of the total account due, and that in implementing this policy the circumstances of each case be taken into consideration on their individual merits and it be conditional upon the full amount of such rates due having been paid.

In considering the application of this policy the following matters shall be considered:

1. The remission does not go back for more than three years
2. That the rates are paid
3. That Council prefers those ratepayers who have communicated in advance and reached an agreement or an arrangement by which the base rates will be paid within a period of two years
4. Council's outgoings are always recovered
5. The ratepayer's entire relationship with Council will be reviewed. This is to ensure a benefit is not provided to a ratepayer when costs are being incurred because of the ratepayer's other interactions with Council.
6. The remission of the penalty will facilitate the sale of the property, on the basis Council are better off with a future revenue stream.



## Remission of Sewerage Charges on Schools

### *Objectives*

To provide for relief from sewerage charges for rating units used for educational establishments, so that educational establishments shall be required to pay no more for sewerage charges than previously determined under the Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001 ('the Donnelly Act').

### *Conditions and Criteria*

Rating units that meet the criteria under this policy shall receive a remission of sewerage charges so that the total sewerage charges payable shall be no more than that previously determined under the Donnelly Act.

To be eligible for remission, the rating units must be used for the purposes of an educational establishment as defined in the Donnelly Act.

## General Remission – Extraordinary Circumstances

### *Objectives*

The objective of this policy is to give Council an option to respond to extraordinary events that affect a ratepayer or group of ratepayers that could not be foreseen or mitigated against at the start of the rating year.

### *Conditions and Criteria*

Applications must be made in writing. The application should set out the circumstances and impact on the ratepayer(s). Council will consider all applications; there will be no right of appeal.

## General Matters

### *Council Discretion*

The extent of the relief is at Council's sole discretion and may be cancelled or reduced at any time.

### *Information to Be Supplied*

Council will review the level of remission annually and may require information to be provided by the ratepayer before the remission is granted.



### *Deadline for Application of Remissions*

In order for Council to correctly set the rates, written application for any remission must be received by 31 May of the year prior to the year that the rates are set for.

We may consider granting a remission in the year it is applied for if the remission policy was adopted as part of that year's Long Term Plan or Annual Plan process and the ratepayer would otherwise have been eligible for the remission.

### *Delegation to the Chief Executive Officer*

Unless otherwise stated, the Chief Executive Officer or other delegated officer, is delegated authority to determine if ratepayers meet the criteria of any remission applied for, request any further information required to make a decision and grant remission in accordance with the adopted policies.

### *Administration of Rates*

#### *Payment Methods and Places*

Rates will be collected by quarterly instalments due on the following due dates of each year or the first working day thereafter:

- 25 August
- 25 November
- 25 February
- 25 May

Rates may be paid by any of the following methods:

- Eftpos
- Automatic payment
- Internet banking
- Direct debit
- Cash
- Credit card

Rates may be paid at Council offices:

- Waitaki District Council Headquarters, 20 Thames Street, Oamaru between the hours of 8.00am to 5pm Monday to Friday except Thursday 8.00am to 4pm
- Waihemo Service Centre, 54 Tiverton Street, Palmerston between the hours of 8.30am to 5pm Monday to Friday except Thursday 8.30am to 5pm.



### Minimum Economic Rate

Council will exercise our powers under section 54 of the Local Government (Rating) Act 2002 and will not collect the rates payable on a rating unit if the sum of those rates is so small as to be uneconomic to collect. Council have determined that it is uneconomic to collect rates owing on any rating unit of less than \$10.00 (including GST) per annum.

### Rates Penalties

Under Section 58 of the Local Government (Rating) Act 2002, Council may impose penalties. Under Section 58(1)(a) a 10% penalty will be added on the next business day to so much of any instalment not paid by due date.

Under Section 58(1)(b) of the Local Government (Rating) Act 2002, a 10% penalty will be added to rates that remain unpaid from previous years. This will be added on 1 July of each year, or five working days after we have passed the rates resolution (whichever is the later).

Under Section 58(1)(c) of the Local Government (Rating) Act 2002, a further 10% penalty will be added to rates that remain unpaid from previous years. This will be added six months after the penalty made in accordance with Section 58(1) (b).

Payments are applied to the oldest debt first.

### Rates Refund Policy

Council will only make a refund in any of the following circumstances:

- Rates have been fully paid for the rating year and are in credit for the next rating year or
- Payment has been made into an incorrect account and the other party has consented to a refund or
- A property is sold and a rate refund is requested by both the buyer and seller or
- When in the view of the Chief Executive Officer or other delegated officer, extraordinary circumstances exist, particularly in relation to hardship, and the account is in credit on an instalment basis.

Only one refund per ratepayer per year will be made.

### Public Availability of Information

Council will charge a fee for supplying any person with a copy of information from the rating information database except when requested in person at one of its offices in Oamaru and Palmerston. For more information please go to [www.waitaki.govt.nz](http://www.waitaki.govt.nz).



## SIGNIFICANCE & ENGAGEMENT POLICY

### Purpose

1. To enable Council and its communities to identify the degree of significance attached to proposals relating to issues, assets, and other matters.
2. To provide clarity about how and when communities can expect to be engaged in decisions made by Council.
3. To inform Council from the beginning of a decision-making process about the appropriate extent, form and type of engagement that may be required.

### Definitions

<b>Community</b>	A group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders.
<b>Decisions</b>	Refers to all the decisions made by or on behalf of Council including those made by officers under delegation. (Management decisions made by officers under delegation during the implementation of Council decisions will not be deemed to be significant).
<b>Engagement</b>	Is a term used to describe the process of seeking information from the community to inform and assist decision making. There is a continuum of community involvement from lower to higher levels of engagement.
<b>Significance</b>	As defined in Section 5 of the Local Government Act 2002 (LGA02) “in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,— (a) the district or region: (b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter: (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so”



<b>Strategic asset</b>	<p>As defined in Section 5 of the LGA02 “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; and includes—</p> <ul style="list-style-type: none"> <li>(a) any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and</li> <li>(b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and</li> <li>(c) any equity securities held by the local authority in— <ul style="list-style-type: none"> <li>(i) a port company within the meaning of the Port Companies Act 1988</li> <li>(ii) an airport company within the meaning of the Airport Authorities Act 1966”</li> </ul> </li> </ul>
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### General approach to determining significance

4. Council will take into account the following matters when assessing the degree of significance of any proposals related to issues, assets or other matters, seven of which are reflected in the procedure for determining significance (**Schedule 2** of this policy):
  - Whether the proposal or decision is consistent with previous decisions or plans
  - The level of financial consequences of the proposal or decision
  - The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water
  - Whether the proposal or decision will affect a large portion of the community
  - Whether community interest is high
  - Whether the likely consequences are controversial
  - Whether community views are already known
  - The extent to which the decision or proposal is difficult to reverse
  - The level of uncertainty associated with the proposal or decision
  - Whether the proposal relates to a strategic asset listed in **Schedule 1** of this policy
5. In general, the more of the matters outlined in clause 4 that apply to a proposal, the more likely it is to have a higher degree of significance.
6. In assessing the degree of significance of any proposal relating to an issue, asset or other matter, Council will use the procedure outlined in **Schedule 2** of this policy.

### General approach to engagement

7. In general, the more significant an issue, the greater the need for community engagement.
8. Engaging with the community is often needed to understand the views and preferences of people likely to be affected by or interested in a proposal or decision.
9. The Community Engagement Guide (**Schedule 3** of this policy) identifies the form of engagement Council may use to respond to some specific issues. It also provides examples of types of issues and how and when communities could expect to be engaged in the decision making process.
10. Council will apply a consistent and transparent approach to engagement.
11. Council is required to undertake a special consultative procedure as set out in Section 83 of the Local Government Act 2002, or to carry out consultation in accordance with or giving effect to Section 82 of the Local Government Act 2002 on certain matters (regardless of whether they are considered significant as part of this policy).



12. Wherever practicable, Council will include major decisions within the Long Term Plan or Annual Plan.
13. For all other issues requiring a decision, Council will determine the appropriate level of engagement on a case-by-case basis.
14. For all proposals or decisions requiring community engagement under this policy (beyond 'Inform'), an engagement plan will be prepared using the template included in **Schedule 4** of this policy.
15. Council's policy on Fostering Maori Contribution to the Decision Making Process will guide Council's approach to engaging with Maori.
16. When Council makes a decision that is significantly inconsistent with this policy, the steps identified in Section 80 of the Local Government Act 2002 will be undertaken.



## SCHEDULE 1: STRATEGIC ASSETS

Section 5 of the Local Government Act 2002 requires the following to be listed in this Policy:

- a. any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and
- b. any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- c. any equity securities held by the local authority in—
  - (i) a port company within the meaning of the Port Companies Act 1988
  - (ii) an airport company within the meaning of the Airport Authorities Act 1966

The following is a list of assets or group of assets that the council needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community.

### *Strategic assets*

- The roading network
  - Water collection, treatment and distribution systems (including water rights and resource consents)
  - Wastewater collection, treatment and disposal systems (including resource consents)
  - Stormwater collection and disposal systems
  - Oamaru and Palmerston Landfills
  - Oamaru Airport
  - Oamaru Harbour Breakwater
  - Community housing
1. For the purpose of this policy, Council considers its roading network and other strategic assets as whole single assets. This is because the asset class as a whole delivers the service, thereby making it strategic.
  2. In line with this whole single asset approach, and in the interest of efficient management of resources, Council does not expect to undertake the special consultative procedure for decisions that relate to the transfer of ownership or control, or minor construction or replacement, of part of a strategic asset, unless that part substantially affects the level of service provided to the community.
  3. Any physical alterations to strategic assets that are required to either prevent an immediate hazardous situation arising, or to repair an asset to ensure public health and safety due to damage from an emergency or unforeseen situation, will also be undertaken without formal consultation. Discretionary engagement may be undertaken with affected communities where practicable and in accordance with Schedule 3 of this policy. Any actions taken will be reported in the relevant Annual Report.



## SCHEDULE 2: PROCEDURE FOR DETERMINING SIGNIFICANCE

1. Council will use the criteria and thresholds on the following page to help it decide whether specific proposals and decisions are significant. Note: significance does not necessarily trigger or require consultation along the engagement spectrum.
2. A sliding scale of 0-5 will be used to assess each criterion against its threshold (0 meaning the threshold has not been triggered, 5 meaning it is of high significance).
3. If the proposal relates to a strategic asset as listed in Schedule 1 of this policy, it will receive a score of 5 (taking into account that proposals or decisions must relate to strategic assets as whole single assets) – otherwise it will score 0 for that criterion.
4. Where a proposal or decision scores 5 on the scale of significance for a single criterion, but does not trigger any other criteria, it will generally be considered to be of low significance. It may, however, be deemed to be of higher significance depending on the issue and specific criterion under consideration.
5. Where a proposal or decision scores 5 on the scale of significance for a single criterion, and triggers the threshold of any other criterion, it is more likely to be of higher significance, depending on how many other criteria are triggered and the scores allocated to each of those criteria.
6. Where the total score for all criteria is greater than 10, the decision or proposal is more likely to be of significance. The likelihood and degree of significance will become greater as the score increases.
7. Where the Chief Executive or officers consider any proposal or decision to be potentially significant, the Chief Executive shall report to the Council or its relevant standing committee, providing a detailed assessment of the degree of significance of the proposal or decision (including an assessment against the following criteria and thresholds) and the appropriate level of community engagement in accordance with **Schedule 3** of this policy.



### Criteria and thresholds for determining significance

A score of 0 means the criterion threshold has not been triggered. 1 = low significance. 5 = high significance.

Criteria	Description	Threshold
<b>Consistency</b>	The extent to which the proposal or decision is consistent with, or a logical consequence of, a significant decision already made or from a decision made as part of a Long Term Plan or Annual Plan (including agreed service levels). Where the decision or proposal is fully described in a plan or significant decision, the significance for this criterion will be small or negligible. Where the proposal or decision has no precedent significant decision or is not included in a plan, or where it is not consistent with the significant decision or plan, it will be of greater significance.	A substantial proposal or decision that is materially inconsistent with a precedent significant decision or plan will trigger this threshold and be scored 1-5 depending on the degree of inconsistency.
<b>Financial consequences</b>	The level of impact the decision will have in terms of its cost to Council. Most major decisions will be made in the context of the Community Plan or the Annual Plan. Decisions involving unidentified or unbudgeted expenditure should be scrutinised carefully. Where the decision or proposal has no net cost or long term financial implications, the significance in terms of this criterion will be small. As the net cost or expected long term financial implications increase, it will be of greater significance.	<p>A decision or proposal will trigger this threshold when it involves:</p> <ul style="list-style-type: none"> <li>• New expenditure of \$100k would score 1 point on the sliding scale. Each additional \$100k would add 1 to the total and increase the significance of the financial consequences (i.e. expenditure of \$500k or greater would score 5); <b>or</b></li> <li>• Capital expenditure of 0.2% of gross asset value for that activity would score 1 point on the sliding scale. Each additional 0.2% would add 1 to the total and increase the significance of the financial consequences (e.g. expenditure of 0.8% would score 4); <b>or</b></li> <li>• An increase in operating expenditure of 2% of annual budgeted operating expenditure would score 1 point on the sliding scale. Each additional 2% would add 1 point to the total and increase the significance of the financial consequences (e.g. 6% would score 3)</li> </ul>



Criteria	Description	Threshold
<b>Community impact</b>	The extent to which the proposal or decision will impact on the current or future interests of the community, and whether it will create radically different effects from the status quo in terms of costs, benefits on members of the community and which members of the community it impacts on. Where the differences from the status quo are small, the significance in terms of this criterion will be small. If the effects of this proposal or decision on the community vary more greatly from the status quo, or where it affects a larger portion of the community, it will be of greater significance.	A decision or proposal that will have an impact on the current or future interests of the community, or create radically different effects from the status quo will trigger this threshold and be scored 1-5 depending on the scope and degree of different effects.
<b>Controversy</b>	The extent to which the decision or proposal is controversial within the community. Where community views are known to be uniform, the matter generates little interest or is likely to generate little interest based on the best information available, the significance in terms of this criterion will be small. A higher level of controversy will be of greater significance.	A decision or proposal on a matter where community views generate considerable interest or the community is deeply divided will trigger this threshold and be scored 1-5 depending on the degree of interest or controversy.
<b>Reversibility</b>	The extent to which the decision or proposal is difficult to reverse or the likely impact of not being able to reverse the decision. Where the outcome can be largely reversed, albeit in a different form, the significance in terms of this criterion will be small. Where the difficulty in reversing the decision is greater, or the decision is effectively irreversible, the impact the decision will be of greater significance.	A substantial decision or proposal that is difficult to reverse or completely irreversible will trigger this threshold and will be scored 1-5 depending on the degree of difficulty in reversing the decision or the likely impact of not being able to reverse the decision.
<b>Uncertainty</b>	The extent to which lack of information or conflicting information regarding the effects of a decision or proposal on the matters in clause 4 of this policy and/or its costs, benefits, impact, controversy or reversibility make its significance unclear. Where full and clear information is available, the significance in terms of this criterion will be small. Where there is a higher level of uncertainty regarding any of the matters in the proposal, affecting many of the criteria, the decision will be of greater significance.	A substantial decision or proposal will trigger this threshold if there is a high level of uncertainty concerning any of the major matters in the proposal.



Criteria	Description	Threshold
<b>Strategic asset</b>	Whether or not the proposal or decision directly relates to a strategic asset listed in Schedule 1 of this policy. Because Council considers its roading network and other strategic assets as whole single assets, this criterion will not apply to decisions or proposals that relate to parts of those strategic assets.	A substantial decision or proposal will trigger this threshold if it is in relation to a strategic asset listed in schedule two of this policy. A strategic asset it will score 5, otherwise a score of 0 will be given for this criterion.



## SCHEDULE 3: COMMUNITY ENGAGEMENT GUIDE

### *Approach to engagement*

Community engagement is a process which involves all or some of the public, and is focused on decision-making or problem-solving.

### *Public participation spectrum*

The International Association for Public Participation (IAP2) has developed a Public Participation Spectrum to demonstrate the possible types of engagement with the community. This model also shows the increasing level of public impact as you progress through the spectrum from left to right - 'inform' through to 'empower'. In simply 'informing' stakeholders there is no expectation of receiving feedback, and consequently there is a low level of public impact. At the other end of the spectrum, 'empowering' stakeholders to make decisions implies an increase in expectations and therefore an increased level of public impact. Differing levels of engagement may be required during the varying phases of decision-making on an issue, and for different stakeholders.

It will not always be appropriate or practicable to conduct processes at the 'collaborate' or 'empower' end of the spectrum. Many minor issues will not warrant such an involved approach. Time, legal constraints and money may also limit what is possible on some occasions.

In general, the more significant an issue, the greater the need for community engagement.



### *Legally mandated engagement*

#### *Special consultative procedure*

The Council will use the Special Consultative Procedure (as set out in section 83 of the LGA02) where required to do so by law, including for the following issues requiring decisions:

- The adoption or amendment of a Long Term Plan (in accordance with section 93A of the LGA02)
- The adoption, amendment, or revocation of bylaws if required under section 156(1)(a) of the LGA02
- The adoption, amendment or revocation of a Local Alcohol Policy
- The adoption or review of a Local Approved Products (Psychoactive Substances) Policy
- The adoption or review of a class 4 venue policy under the Gambling Act 2003
- The preparation, amendment or revocation of a waste management and minimisation plan



Unless already explicitly provided for in the Long Term Plan, the Council will seek to amend its Long Term Plan, and therefore use the Special Consultative Procedure, when it proposes to:

- Alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of Council, including commencing or ceasing such an activity; or
- Transfer the ownership or control of strategic assets, as listed in Schedule 1.

The Special Consultative Procedure requires Council to:

- Prepare and adopt a statement of proposal and in some cases a summary of the statement of proposal which must:
  - be a fair representation of the statement of proposal
  - be in a form determined by the council
  - indicate where it is available
  - state the period it is open for public submission
- Make publicly available:
  - the statement of proposal
  - a description of how people will be able to present their views
  - a statement of the period the proposal is open for comment/submission
- Make the summary of proposal widely available
- Allow people to present their views to the council ensuring that they have a reasonable opportunity to do so and know how and when this opportunity will be available to them
- Allow people to present their views by audio link or audio-visual link

Council may also request advice or comment from a council officer or any other person. Where Council is required to use the special consultative procedure in relation to making, amending or revoking bylaws the statement of proposal must include:

- A draft of the proposed bylaw, or the proposed amendment or a statement of revocation of the bylaw
- The reasons for the proposal
- A report on any determinations made under section 155 of the Act on whether a bylaw made under this Act is appropriate

#### *Consultation under section 82 of the LGA02*

Council will consult in accordance with, or using a process or a manner that gives effect to the requirements of, section 82 of the LGA02 where required to do so by law, including for the following specific issues requiring decisions:

- Adopting or amendment of the annual plan if required under section 95 of the LGA02
- Transferring responsibilities to another local authority under section 17 of the LGA02



- Establishing or becoming a shareholder in a council-controlled organisation
- Adopting or amending a revenue and financing policy, development contributions policy, financial contributions policy, rates remission policy, rates postponement policy, or a policy on the remission or postponement of rate on Maori freehold land

For such consultation, Council will develop information fulfilling the requirements of Section 82A of the LGA02 including the matters set out in S82A (2), namely:

- (a) The proposal and the reasons for the proposal; and
- (b) An analysis of the reasonably practicable options, including the proposal, identified under section 77(1); and
- (c) If a plan or policy or similar document is proposed to be adopted, a draft of the proposed plan, policy, or other document; and
- (d) If a plan or policy or similar document is proposed to be amended, details of the proposed changes to the plan, policy, or other document.

Council will make this information available to the public, allow submissions for a period of up to one month, and will consider all submissions prior to making decisions.

#### *Discretionary engagement*

For issues, decisions and proposals not requiring a Special Consultative Procedure (SCP) or mandatory under the LGA02, Council will consider using the different forms and methods of engagement outlined in the table on the following pages (based on the Public Participation Spectrum). Council may also use these forms or methods of engagement to precede or complement a SCP or other mandatory engagement process.



## Levels of engagement

Level	Inform	Consult	Involve	Collaborate	Empower
What does it involve	One-way communication providing balanced and objective information to assist understanding about something that is going to happen or has happened.	Two-way communications designed to obtain public feedback about ideas on rationale, alternatives and proposals to inform decision making.	Participatory process designed to help identify issues and views to ensure that concerns and aspirations are understood and considered prior to decision-making.	Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.	The final decision making is in the hands of the public.
Promise to stakeholders	We will keep you informed.	We will keep you informed, listen to and acknowledge your concerns and aspirations, and provide feedback on how community/stakeholder input influenced the outcome.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how stakeholder input influenced the outcome.	We will look to you for advice and information in formulating solutions and options and incorporate your advice and recommendations into the outcomes to the maximum extent possible.	We will implement what you decide. We will support and complement your actions.
Issues, decisions or proposals for which this might be used	For any issues or decisions expected to be of interest to the wider community or to a specific group within the community.	When Council has developed a proposal it wants to obtain feedback on, whether or not that proposal has been developed with the prior involvement and collaboration of the community (it may also be undertaken either preceding or following other engagement).	For more significant or complex issues and proposals where involving the community prior to confirming solutions, options or a proposal is considered likely to achieve better outcomes and contribute to more effective and efficient decision-making.	For more significant or complex issues and proposals where collaborating with the community prior to developing solutions, options and proposals is considered likely to achieve better outcomes and contribute to more effective and efficient decision-making.	For matters where Council determines, by way of a resolution, that this is the most appropriate form of determining a decision on an issue.
Examples of issues we might use this for	Roadworks Boil water notices Community events	Any proposal of moderate to high significance where community views are not known and feedback is	Water supply upgrades Some bylaws and policies Reserve Management Plans	Redevelopments or upgrades of facilities and services that are of high significance.	Dialogue with Government Shared projects.



Level	Inform	Consult	Involve	Collaborate	Empower
	Updates on projects underway	required to assist decision-making.	Upgrades or redevelopments of facilities and services which are of moderate to high significance		
Methods Council might use	Websites Information flyers Public notices	Formal submissions and hearings, focus groups, phone surveys, surveys, opinion polls.	Workshops Focus groups Citizens Panel	External working groups (involving community experts), participatory editing.	Binding referendum
Who might be involved	Generally all members of the public, but information may be targeted to specific groups within the community where the decision specifically affects them.	Generally all members of the public, but consultation may be targeted to specific groups within the community affected by the decision.	Sub-committees Community groups Community representatives Members from other organisations Business representatives	Sub-committees Community groups Community representatives Members from other organisations Business representatives	Generally all members of the public, but may be only for specific groups within the community to whom the decision relates.
When the community can expect to be involved	Council would generally advise the community once a decision is made.	Council would advise the community once a draft decision is made Council and would generally provide the community with up to 4 weeks to participate and respond.	Council would generally provide the community with a greater lead in time to allow them time to be involved in the process.	Council would generally involve the community at the start to scope the issue, after information has been collected and when options are being considered.	Council would generally provide the community with a greater lead in time to allow them time to be involved in the process - e.g. typically a month or more.



### General guidelines for discretionary engagement

Council should inform the community about all decisions. At a minimum this can be done through the Council minutes placed on the website. The more significant a decision is, particularly where the 'controversy' and 'community impact' criteria score highly in the assessment undertaken in Schedule 2 of this policy, the information provided should be more widely distributed.

For all issues requiring engagement beyond 'inform', an engagement plan must be prepared using the template provided in Schedule 4 of this policy prior to commencement of the engagement process. The time spent on the engagement plan and detail provided should be proportionate to the level of significance and extent of the engagement process i.e. a lighter level of detail for the 'inform' level of the spectrum but more detailed for 'consult' onwards.

The following steps should be undertaken in conjunction with preparing the engagement plan.

#### *Step One: Define the purpose of engagement*

- Identify why engagement is important for your policy, project or service – e.g. to create awareness of issues, greater understanding of on-the-ground issues, early identification of potential problems.
- Identify what outputs (tangible products you want to produce) or outcomes (desired end states) you want to achieve by undertaking stakeholder engagement.

#### *Step Two: Decide who to engage*

- Create a list of relevant stakeholders with consideration given to the following questions, where relevant:
  - What individuals have a stake or an interest in the issue? Who will potentially be impacted by the outcomes?
  - Who is influential in the project/policy arena? Who makes the decisions or can influence decisions?
  - Who is critical to delivery? Who will contribute resources?
  - Who can slow or stop the project?
  - Who has been excluded and may not have been considered?
  - What point in the process are stakeholders being engaged with?
  - Who are the silent, marginalised or harder to reach stakeholders?
- Determine the suitable level of engagement for each stakeholder based on:
  - Their level of interest and/or level of influence/representation
  - The overall significance of the issue, decision or proposal
  - Time and resources available for engagement
  - The extent to which community views are already known or can be gauged through previous consultation on similar issues, proposals and decisions



- How well the choice of engagement will achieve the best decision-making outcomes for the community and contribute to effective and efficient decision-making

### *Step Three: Decide how to engage*

- When a level of engagement has been selected, the significance of the issue, decision or proposal (as assessed under Schedule 2 of this policy) should be used to help determine the extent of:
  - Time and resources committed to the engagement process
  - The range of tools used for that level of engagement as outlined on the following table

### Community-initiated engagement

Sometimes representatives or groups from the community approach Council inviting us to engage on matters that are important to them.

Decisions on whether engagement should be undertaken should be made on a case-by-case basis.

In determining whether Council will commit time and resources to community-initiated engagement, officers should assess whether there is a potential decision or proposal associated with the matter, the significance of the matter and refer to the General Approach to Engagement outlined in this policy.

### SCHEDULE 4: COMMUNITY ENGAGEMENT PLAN TEMPLATE

[Project name] Engagement Plan

Project description and background

[Briefly describe the proposal or decision to be made, the circumstances that led to it, related council decisions already made, and any legislation applying]

#### Engagement purpose and objectives

[What is the overall purpose of the engagement?

What feedback or decisions are sought from communities and stakeholders?

What decisions will be made by council that are to be informed by community input?]



Objective of the proposal/decision	Reasons for engagement	Outputs	Outcomes
<b>Example:</b> <b>Cultural facilities redevelopment</b>	Example: To ensure stakeholders contribute to: <ul style="list-style-type: none"> <li>• Knowledge and understanding of the business needs</li> <li>• Assessment of business risks</li> <li>• Development of appropriate solutions</li> <li>• Achievement of the business objectives</li> </ul>	Example: To develop a business plan and redevelopment proposal for the LTP that incorporates and is consistent with the needs of the community and visitors.	Example: Redeveloped facilities meet the needs of the community and visitors.

#### Timeframe and completion date

[Describe the project stages and key decision points, include the likely dates of decisions to be made by council. If necessary, a more detailed timetable can be attached to this plan.]

Key project stages	Start date	Completion date



### Communities and stakeholders to be engaged with

[List the key communities and stakeholder representatives to be engaged]

### Level of engagement

[List the key communities and stakeholders to be engaged with, describe level of engagement to be used Refer to the Engagement Guide to determine the engagement level desired and why this level is considered appropriate].

Community group or stakeholder representative	Level of engagement	Rationale for level of engagement

### Engagement tools and techniques to be used

[List the key communities and stakeholders to be engaged with, describe the tools and techniques that will be used to engage and indicate when they can expect to be. Refer to the Engagement Guide to determine tools and techniques appropriate to the level of engagement identified above].

Community group or stakeholder representative	How this group will be engaged (methods and tools to be used)	When they will be engaged

### Resources needed to complete the engagement

[This schedule should include time allocations for council staff and councillors, and costs involved in delivering the selected tools and techniques. This should include costs of external service providers, special materials needed, data analysis, venue hire and so on.]



### Communication planning

[Outline any council reputation risks that may be associated with this project

Describe measures to be undertaken to mitigate those risks

Describe key messages to be publicly communicated

If necessary attach a separate communication plan]

### Basis of assessment and feedback to the communities and stakeholder representatives involved

[Having gathered and analysed community input, describe how this will be analysed and results communicated to council and to the participating communities. Indicate whether this feedback will occur before or after Council decisions are made.]

### Project team roles and responsibilities

Outline who will be contributing to this project, including external service providers, and who has oversight of it within Council.

Team member	Role and responsibilities





# WAITAKI DISTRICT COUNCIL INFRASTRUCTURE STRATEGY 2021 – 2051





1.0

## EXECUTIVE SUMMARY



The Infrastructure Strategy for Waitaki District Council 2021 – 2051 sets out Council's strategic direction for infrastructure assets and service delivery for the next 30 years. Infrastructure plays an important part in our everyday lives, providing a platform for our vision: **Waitaki – the best place to be** and our collective purpose of **empowering our people and place to thrive**.

Our infrastructure decisions underpin our ability to achieve our strategic outcomes: **prosperous district, strong communities, quality services, and valued environment**.

This is the third Infrastructure Strategy, with a continued focus on maintaining core services and infrastructure for roads and footpaths, 3 Waters, recreation, solid waste, and property. The 2021-2051 strategy continues the theme of the 2018 Strategy focusing on high quality core infrastructure services that meets the needs of the Community. This aligns well with the direction of the Financial Strategy which is to concentrate on delivering good quality services that meet the changing needs of the community while ensuring rates affordability and financial flexibility through efficiency and effectiveness, maximising value and repaying debt.

Our Strategy is also future focussed and developed in response to ten key challenges, namely:

- 3 Waters reform
- Safety
- Environment
- Asset condition
- Resourcing
- Climate change and natural hazards
- Demographic change
- Land use change
- Technology
- Continuous improvement

Our strategic responses to these challenges include investment in infrastructure, people and systems.



**Infrastructure responses**

- Further improve water supply quality, capacity and resilience.
- Upgrade wastewater capacity and storage, improve wastewater quality and reduce stormwater impact.
- Improve the condition of our footpaths and urban roads.
- Strengthen key bridges for high productivity motor vehicle use.
- Deliver road safety improvements and manage speeds.
- Improve drainage and unsealed road maintenance.
- Multi use sports fields, not investing in assets for narrow interests.
- Oamaru airport and harbour upgrades.

**People responses**

- Build capacity and capability of our people to delivery our strategy and other legislative or government driven initiatives such as the 3 Waters Reform.
- Communicating the resourcing needs and potential trade-offs to agreed levels of service.
- Responding to the 2020 customer survey to review waste management provision.

**Systems responses**

- Optimise condition assessment and renewal programmes. Include systematic risk assessment as part of all asset planning.
- Improve our transport planning and asset management.
- Set a new strategic direction for Recreation and Property activities.
- Develop forward plans for property asset types showing future changes and needs.



The Strategy reflects our decision hierarchy:

1. Safety – address dangerous situations as a priority
2. Resilience - address immediate and core threats
3. Look after existing assets (provided they are still needed)
4. Make better use of existing assets
5. Build new assets or augment existing ones



Our strategy is summarised as a “strategy on a page” following the executive summary.

The combined infrastructure capital and operational expenditure forecast is presented below:

**Figure 1-1: Combined Total CAPEX Forecast – Capital (Inflated)**

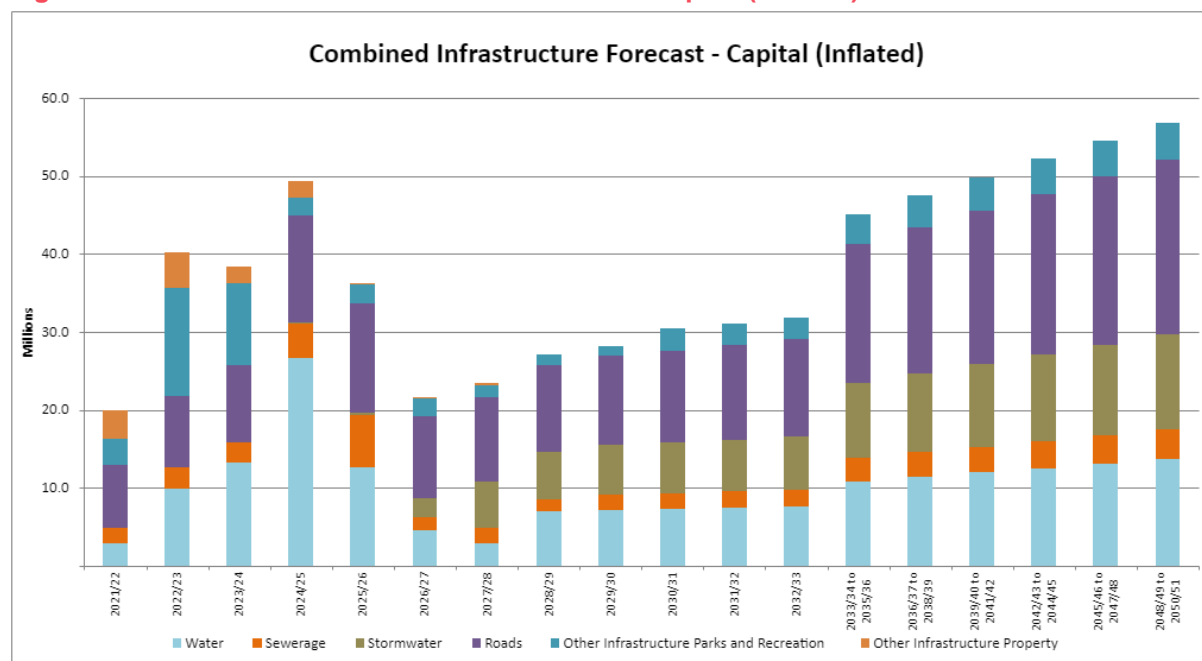
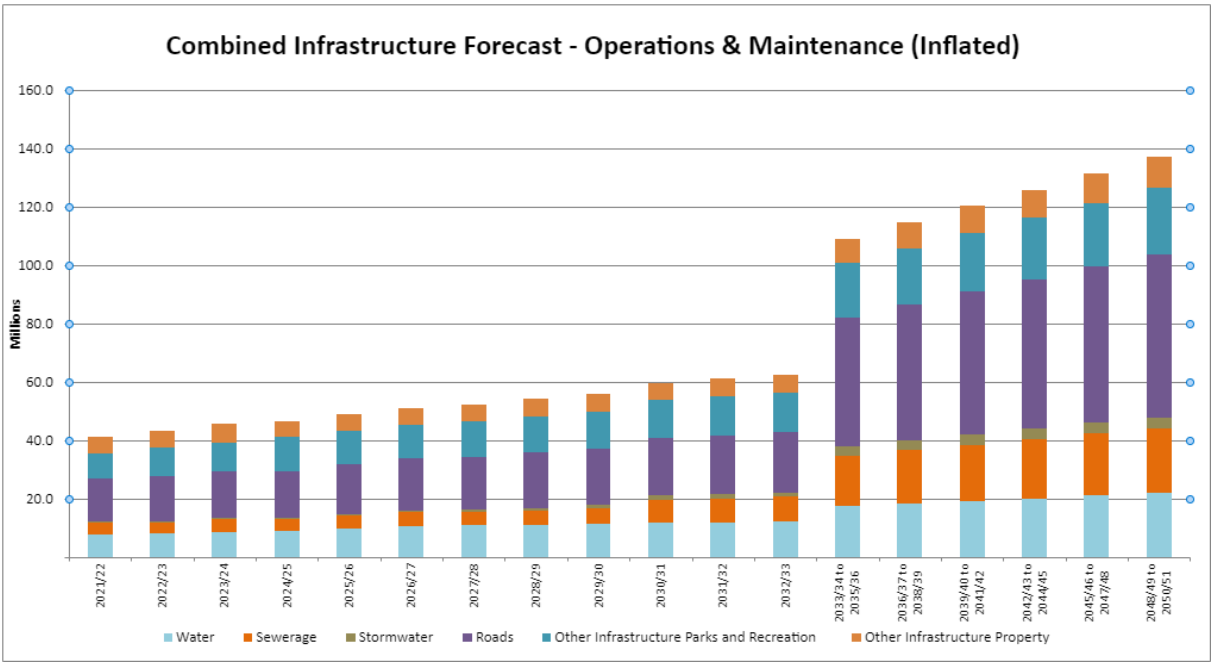




Figure 1-2: Combined Total OPEX Forecast – Operations and Maintenance (Inflated)













## Prosperous District

- Increase staff capacity and capability to manage delivery, support planning, and get ahead of our key challenges 
- Dedicate resources to our key compliance challenges 
- Communicate needs and potential trade-offs to agree levels of service 










### People

## Strong Communities

- Further increase water supply capacity and resilience 
- Upgrade wastewater capacity and storage, and reduce stormwater impact 
- Improve the condition of our footpaths & urban roads 
- Strengthen key bridges, deliver safety improvements 
- Multi use sports fields 
- Oamaru airport and harbour upgrades 





### Investment

## Quality Services

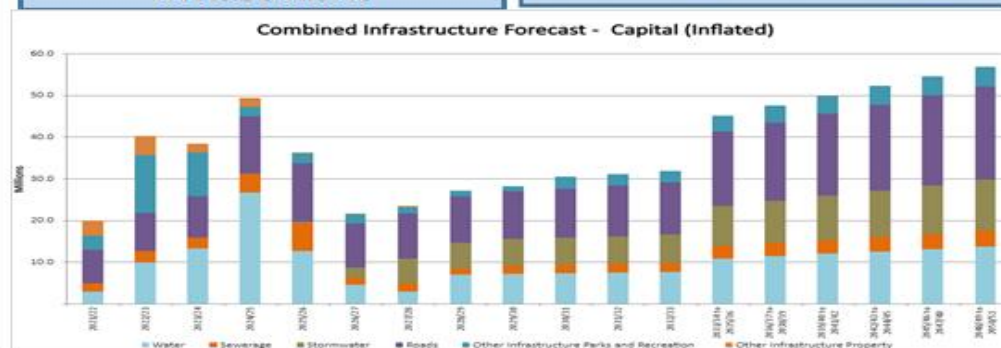
- Safety 
- Environment 
- Asset condition 
- Resourcing 
- Climate change and natural hazards 
- Demographic change 
- Land use change 
- Technology 
- Continuous improvement 

### Coming Challenges

## Valued Environment

- Optimise condition assessment and renewal programmes. Systematic risk assessment 
- Integrate our transport planning 
- Set strategic direction for recreation and property 
- Improving asset data quality and use 

### Systems



### Decision Hierarchy

1. Optimise condition assessment and renewal programmes. Systematic risk assessment
2. Integrate our transport planning
3. Set strategic direction for recreation and property
4. Improving asset data quality and use of existing assets
5. Build new assets

CONSIDER  
**FIRST**

↓

CONSIDER  
**LAST**



2.0

WAITAKI DISTRICT





## 2.1 WAITAKI DISTRICT

The Waitaki District reaches inland from the Waitaki River mouth, up the Waitaki River Valley, through Ohau to the top of the Ahuriri River Valley to Lindis Pass. It extends south down the east coast beyond Palmerston to Flag Swamp, across to Macraes and covers 714,805 hectares (7,148km<sup>2</sup>).

The main centre is Ōamaru located on the east coast of the district. Other urban centres in the district include Kurow, Ōmārama, Otematata and Palmerston. Popular holiday spots include Hampden, Kakanui, Moeraki, Lake Ohau and the Waitaki Valley. Waitaki District's population in 2018 was 22,300, of which 13,900 (63%) live in Ōamaru. The district's population is currently estimated to be ~23,500. Growth projections anticipate 8% population growth in the Waitaki District to 2043.

Traditionally a rural and farming district, Waitaki's tourism market continues to grow. There are many attractions and activities, including beautiful lakes ideal for all sorts of water activities, ski fields, tramping, fishing and hunting, and beaches with great surf and brilliant white sand. In 2014 Lonely Planet named Ōamaru NZ's Coolest Town and it is, offering some pretty special things – the historic Victorian precinct (including Victorian Heritage Week), little blue penguins and Steampunk HQ. Further afield we have award-winning restaurants, wineries, craft breweries and special archaeological sites.

The largest sectors of employment in the Waitaki District are manufacturing and retail trade. Manufacturing has declined since 2000 (by 4.2%) but retail has grown by 18.7% (to 2020).

Ethnicities in the Waitaki District as identified at the 2018 census were:

- 88.0% European / Pākehā
- 8.2% Māori
- 3.8% Pacific peoples
- 5.3% Asian
- 1.9% other ethnicities.

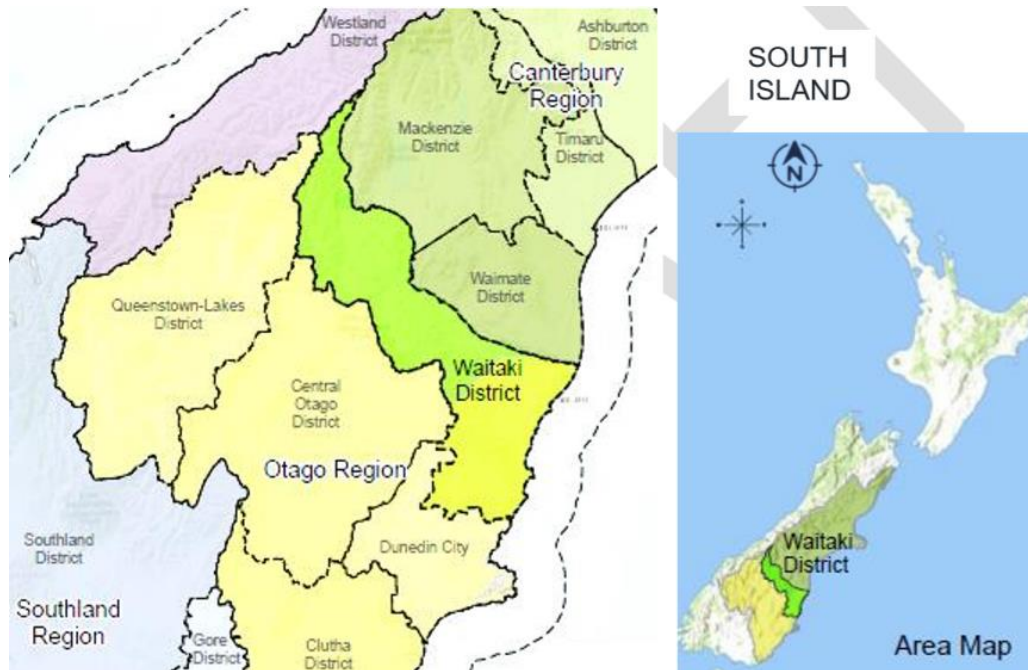
From the 2018 census:

- GDP per capita in the Waitaki District was \$57,379, compared to NZ \$58,271.
- Annual average household income in the Waitaki District was \$79,200 (2018) - lower than the NZ figure of \$104,400.
- Annual average house price in the Waitaki District was \$327,671 - lower than the Otago region which was \$550,340.

Waitaki is the only district in the South Island that lies within two regions. A major reason for this split was the governance of the Waitaki River, which forms a political boundary between Canterbury and Otago. Therefore, the district has two regional authorities – the Otago Regional Council (ORC) and the Canterbury Regional Council/Environment Canterbury (ECan).



**Figure 2-1: Waitaki District**





## 2.2 COMMUNITIES OF THE WAITAKI DISTRICT

Ōamaru is the home to 13,700 people (58.3% of the district's population). This includes Ardgowan and Weston. In the Corriedale Ward there are 53 settlements and localities with Kakanui being the largest township (population 372).

In the Waihemo Ward there are 29 settlements and localities with Palmerston being the largest township (population 795).

In the Ahuriri Ward there are 13 settlements and localities with Kurow being the largest township (population 312).

Council has engaged through the District Plan review process in 2019 with a number of communities across the District to determine preferences for future development and growth. Key themes are listed below:

Palmerston (population ~795)

- Support for the provision of low maintenance, affordable housing (especially to cater for mine workers).
- Support for a range of residential lot sizes to accommodate smaller houses including tiny housing, and larger (lifestyle) sections.
- A desire to make available more sub-dividable land opportunities on the flat land immediately west of the town.
- Support for Council to ensure the existing water supply infrastructure will meet future growth demands.

Kakanui (population ~372)

- A desire to retain the coastal village atmosphere.
- Some support for higher density housing (in appropriate locations) but not necessarily smaller section sizes.
- A desire for more effective storm water infrastructure in the southern part of the town.
- Support for some rural-residential zoned land on the edge of the town away from the coast.
- A desire to carefully manage development to ensure 'over development' does not occur.
- A desire for future growth to take place inland away from coastal hazard risks.

Hampden (population ~360)

- Concerns around the ability of existing infrastructure in the town to support future higher density development (especially wastewater).
- Given that SH1 splits the town, a desire to consider pedestrian footpaths on either side of the highway to encourage the safe movement of pedestrians through the town.

Kurow (population ~312)

- A desire to retain the compact size of the town.
- A desire to protect the historic buildings in the main street of the town.
- Support for the provision of more housing suitable for the elderly.
- Support to encourage affordable housing options suitable for workers.



#### Ōmārama (population ~291)

- A desire to retain the small community feel of the town.
- Support to encourage some growth while maintaining the town's identity.
- Some support for higher density housing in specific appropriate locations.
- Support for Council to recognise the need for on-site parking space for vehicles, boats and caravans.
- A recognition of the value and long-term protection of dark sky viewing in the town.
- Support to address traffic and congestion in conjunction with NZTA, including the provision of more car parking.
- Support for Council to encourage affordable housing options.
- Support for Council to facilitate mixed-use development on SH8.
- Support for more commercial zoned land (including negotiations with ECan on the future of the former Rabbit Board land).

#### Otematata (population ~183)

- A desire to retain the hydro town history and identity.
- Support to encourage some growth without losing Otematata's current sense of place and identity.
- Some support for higher density housing in specific and appropriate locations.
- Support for Council to recognise the need for on-site parking space for vehicles, boats and caravans.
- Consider restricting the height of buildings to a maximum of 2 storeys.
- Support to encourage use of business land behind the existing retail area for more retail activity.

#### Duntroon (population ~115)

- Ensure that sufficient infrastructure is in place to support future growth and development.

#### Moeraki (population ~110)

- A desire for Council to carefully manage development to ensure the town retains its identity as a sea village community.
- A recognition that there are significant infrastructure constraints to future development (sewer and storm water).
- Support for Council to appropriately manage known land instability constraints in the town.
- Limited support for higher density development.
- A desire for light spill controls to encourage dark sky viewing.



Lake Ohau village (permanent population ~18)

- A desire to retain the unique, remote and peaceful nature of village including the retention of its current scale.
- Support for larger section sizes (currently 300m<sup>2</sup>).
- No support for any future commercial zoning (currently none) e.g. for cafes / shops.
- A desire for Council to better manage the increasing pressures on the existing infrastructure (especially water).
- Support to manage threats from future development e.g. subdivision / development in the current Rural Scenic zones surrounding the village and lake.
- A desire for all development to blend into the natural environment.

## 2.3 WAITAKI DISTRICT COUNCIL

Waitaki District Council (WDC) was established in 1989 when it replaced the Ōamaru Borough, Waitaki County and Waihemo County Councils.

The purpose of Council is to enable democratic local decision-making and action; including meeting 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.

WDC's vision, collective purpose, community outcomes, and strategic priorities have been used to connect the Strategy to Waitaki's objectives.



## 2.4 INFRASTRUCTURE PROVISION

**Figure 2-2: Infrastructure Provision Charts**

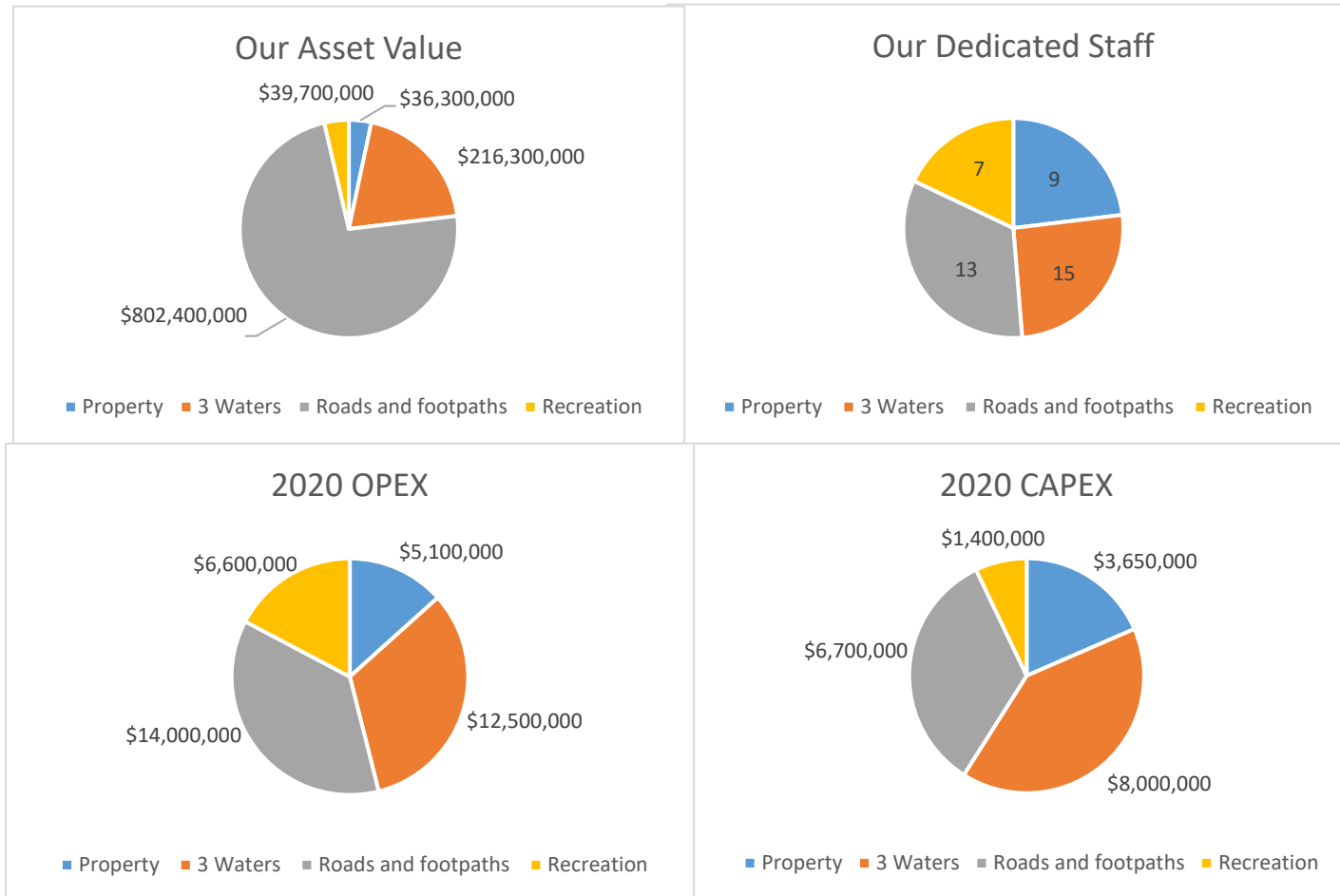




Figure 2-3: WDC Vision and Community Outcomes





# 3.0 STRATEGY





### 3.1 STRATEGY SCOPE

The scope of the Strategy is primarily defined by the LGA 2002.

Section 101B of the LGA 2002 notes:

- (1) *A local authority must prepare and adopt, as part of its LTP, an infrastructure strategy for a period of at least 30 consecutive financial years; and*
- (6) *Infrastructure assets include:*
  - a. Existing or proposed assets to be used to provide services by or on behalf of the local authority in relation to the following groups of activities:
    - i. Water supply:
    - ii. Sewerage and the treatment and disposal of sewage:
    - iii. Stormwater drainage:
    - iv. Flood protection and control works:
    - v. The provision of roads and footpaths:
    - vi. Parks, reserves and recreation facilities:
    - vii. Solid Waste and landfill facilities; and
    - viii. Property and community buildings.
  - b. Any other assets the local authority, in its discretion, wishes to include in the strategy.

The 2021 Strategy includes WDC's infrastructure activities under the following portfolio categories:

**Table 3-1: Portfolio Categories**

Portfolio	Activities
3 Waters	<ul style="list-style-type: none"><li>• Water supply</li><li>• Sewerage and the treatment and disposal of sewage</li><li>• Stormwater drainage</li></ul>
Roads and Footpaths	<ul style="list-style-type: none"><li>• The provision of roads and footpaths</li></ul>
Recreation (& Solid Waste)	<ul style="list-style-type: none"><li>• Parks, reserves and recreation facilities</li><li>• Solid Waste and landfill facilities</li></ul>
Property	<ul style="list-style-type: none"><li>• Property and community buildings</li><li>• Port and coastal protection</li><li>• Airport</li></ul>

Specific assets and activities within each portfolio are described in more detail in the Activity/Asset Management Plans (AMP).



While not included in the scope of this Strategy, the Waka Kotahi (NZTA) managed state highway, rail networks, power and communication utilities, private water supplies and sewer assets such as laterals are also important parts of the District's infrastructure provision and could be incorporated in future.

Where possible, this Strategy aligns with the requirements of ISO 55001 (2014) Asset Management — Management systems. This is part of WDC's longer-term pathway for asset management processes.

### 3.2 STRATEGY PURPOSE

This is WDC's third Infrastructure Strategy. The Strategy has been developed from the top down, and the bottom up. The top down development reflects WDC's vision, purpose, outcomes and priorities. The bottom up development is informed by WDC's AMPs and a series of forecasts and assumptions.

The Strategy is aligned to WDC's Financial Strategy that documents how the priorities and underlying requirements will be funded. The financial forecasts are estimates. Forecast reliability decreases beyond the first ten years.

While previous WDC Infrastructure Strategies only included the Water and Roding asset groups, the 2021 Strategy now includes all infrastructure asset groups and is informed by all existing and new activity AMPs.

The Strategy reflects the current legislative environment and identified community priorities across the District.

### 3.3 STRATEGY OVERVIEW

The "strategy on a page" in the executive summary outlines the key elements of the Strategy. This shows the Strategy response through people, investment, systems and facing the coming challenges.

Planned investment in infrastructure considers the affordability issue posed across the District.

Planned investment is spread across multiple years and uses loan funding where able to counter generational equity issues.

Depreciation is accumulated for most activities to alleviate funding shortfalls in the future.

Development contributions are sought from developers to assist with growth requirements of projects and to counter future inequity issues.

The following headers and bullets are an overview of the Strategy highlights.

#### **Outcomes sought (refer Section 2.2):**

- Prosperous district
- Strong communities
- Quality services
- Valued environment.



**Key challenges (refer Section 4.0):**

- 3 Waters reform
- Safety
- Environment
- Asset condition
- Resourcing
- Climate change and natural hazards
- Demographic change
- Land use change
- Technology
- Continuous improvement.

**Strategic actions (refer Section 5):**

- Further improve water supply quality, capacity and resilience.
- Optimise condition assessment and renewal programmes. Systematic risk assessment to be part of all asset planning.
- Building capacity and capability of our people and systems in the 3 Waters space.
- Upgrade wastewater capacity and storage, improve wastewater quality and reduce stormwater impact.
- Improve the condition of our footpaths & urban roads.
- Strengthen key bridges for High Productivity Motor Vehicles (HPMV) use.
- Deliver safety improvements & manage speeds.
- Improve our transport planning & asset management.
- Improve drainage & unsealed road maintenance.
- Set a new strategic direction for Property.
- Have multi use sports fields, no longer invest in assets for narrow interests.
- Respond to the 2020 customer survey to review waste management provision.
- Communicate resourcing needs and potential trade-offs to agree levels of service.
- Develop forward plans for property asset types showing future changes and needs.
- Implement a plan to improve core property asset data and update for future update activities.
- Developing and implementing a consistent framework for strategic decision-making.
- Reviewing service delivery of Recreation and Waste, resourcing and capacity.



- Undertaking a review of Alps to Ocean governance and management.
- Developing a Waste Activity/Asset Management Plan.
- Reviewing the delivery of camping at Waitaki Lakes.

### **Significant Forecasting Assumptions (refer Appendix 1 page 481)**

Council has made a number of assumptions about the future. These assumptions are predictions that Council will use as a basis for planning, budgeting and decision-making across the ten years of this plan (see Attachment 1). Assumptions are necessary to allow Council to plan for expenditure and costs over the next ten years. They form the best reasonable basis of currently available information. These are important in that they provide the community with a level of transparency about decisions Council makes about service priorities, projects and funding.

## **3.4 STRATEGIC STATEMENTS**

Under the LGA 2002, Section 10, WDC is required 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 four Strategic Statements below expand on the LGA 2002 requirements and guide the Infrastructure Strategy.

### **We will invest in high quality core infrastructure**

- Improve infrastructure resilience to ensure our infrastructure can deal with disruptions and changing circumstances.
- Use robust design and construction standards and operational practices to minimise the risk of service failure to our communities.
- Keeping our district affordable and ensure value for money, whilst meeting WDC's strategic priorities and regulatory obligations.

### **We will tailor our services to the needs of our community**

- Collaborate with stakeholders to target appropriate levels of response.
- Regularly review funding mechanisms (including user-pays, development contributions, metering, trade waste bylaw and charging).
- Monitor demographic and land use changes in our community to consider the impacts on service delivery.
- Protect our people, property and places, and respond to higher environmental standards.

### **We will empower our people to deliver our strategy**

- Do the right things right and enhance WDC's organisational capacity.
- Increase our people capacity and capability for infrastructure planning.
- Set limits and monitor in order to sustain, protect and support Waitaki's people, property and places.
- Develop systems and processes to better manage staff workloads.



- Provide better support services (IT, finance and project management).

## We will plan our future and face our challenges

- Consider the impacts of climate change and coastal erosion on demand and availability as it affects the district, plan and budget for impacts.
- Strive to ensure that core infrastructure services and land use are planned to cope with the expected changes over the 30-year period.
- Participate in Lifelines processes.

To measure the effectiveness of our strategy against these statements, we have identified the need for SMART (Specific, Measurable, Attainable, Relevant, and Time-Bound) goals in our Improvement Plan (Attachment 1). This includes a 3-year improvement action plan to help focus attention on implementing the strategy.

### 3.5 SYSTEMS & ASSET MANAGEMENT

WDC's goal is to provide safe, affordable, sustainable core infrastructure systems to residents and visitors that meet the environmental, economic and social needs of the District and wider region. The infrastructure strategy provides a long-term strategic view to help make prudent decisions regarding looking after what we have and funding new infrastructure.

WDC has a governance role in the management of asset infrastructure services, and as such, may need to alter an existing asset expenditure programme to meet changing community expectations outside the agreed Asset Management Plan. We recognise the need for this flexibility in our plans and programmes.

This strategy is partially aligned with the requirements of ISO 55001 and the guidance of the International Infrastructure Maintenance Manual (IIMM). Further alignment will assist the future development of both the Strategy and the associated AMPs.

#### 3.5.1 Asset Management System

The Asset Management System covers all elements of our asset management, decision making and operational activities. This Strategy is part of that system and provides a "Line of Sight" between asset policy and asset management plans.

Elements of the asset management system that support this strategy are:

- Roles and leadership
- Asset management data and data systems
- Lifecycle asset planning and processes and procurement
- Decision-making (confidence).

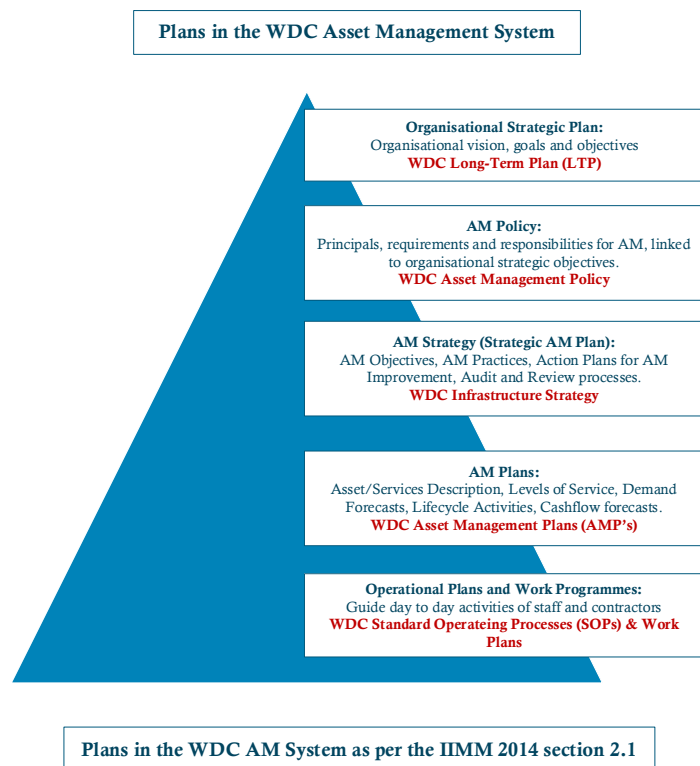


Other plans relevant to our asset management system are:

- WDC's Long-Term Plan (LTP)
- Waitaki District Plan
- Financial Strategy
- Asset Management Policy
- Infrastructure Strategy
- Activity/Asset Management Plans:
  1. Water AMP
  2. Wastewater AMP
  3. Stormwater AMP
  4. Land Transport AMP – Parts A, B & C
  5. Recreation AMP
  6. Property AMP
  7. Waste AMP (yet to be developed).



**Figure 3-1: WDC Plans**



### 3.5.2 Risk Management Framework for Asset Management

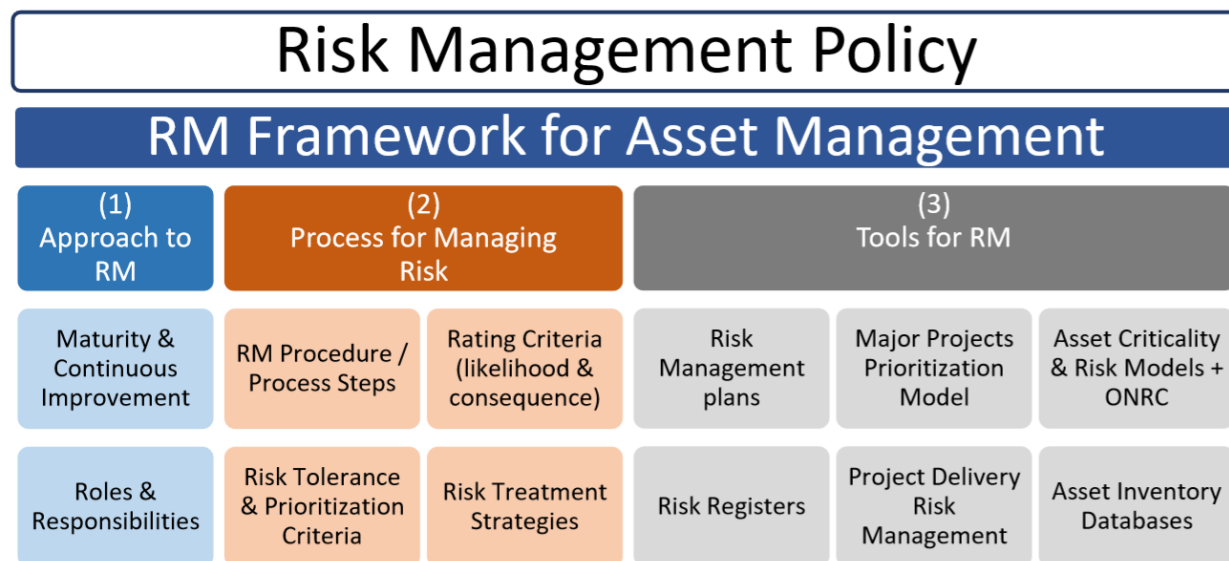
WDC uses asset information and level of service performance data from operational practices to assess the risks of not achieving the required levels of service. This risk-based approach is a means of assessing importance across all portfolios. The risk approach considers asset criticality, the likelihood and consequence of asset failure, and the impacts of potential decisions and scenarios.

Council has pre-determined that some of its assets are critical assets in its activity management plans and treats these with a higher priority than other assets. Critical assets are those assets whose failure would result in a major disruption in service and cause a significant reduction in service levels. Council's activity management plans provide further detail on which assets Council has identified as critical and how it treats these.



WDC's risk management policy and framework is summarised in Figure 3-2 below:

**Figure 3-2: WDC Asset Management Risk Management Policy and Framework**



### 3.5.3 Activity Management Plans

To demonstrate that the delivery of services is efficient, effective and appropriate, WDC has developed a suite of AMPs for its infrastructure portfolios as part of the 2021-31 Long Term Plan. The AMPs assist WDC to meet its obligations under Section 10 of the LGA 2002 and requirement to meet the current and future needs of the community. The Land Transport AMP is subject to regular audit by NZTA as part of measuring overall effectiveness and efficiency. The activity management plans also address how Council manages its critical assets and addresses risk of breakdown or failure through pro-active renewal of critical assets.



### 3.5.4 Addressing Resilience

Resilience to disruption is an important element in the Strategy. WDC's approach to resilience has three aspects:

#### **Enduring stress**

Infrastructure and services that don't break down in the face of disruption. Infrastructure cannot be 'bullet proof', but WDC can minimise losses.

#### **Restored quickly**

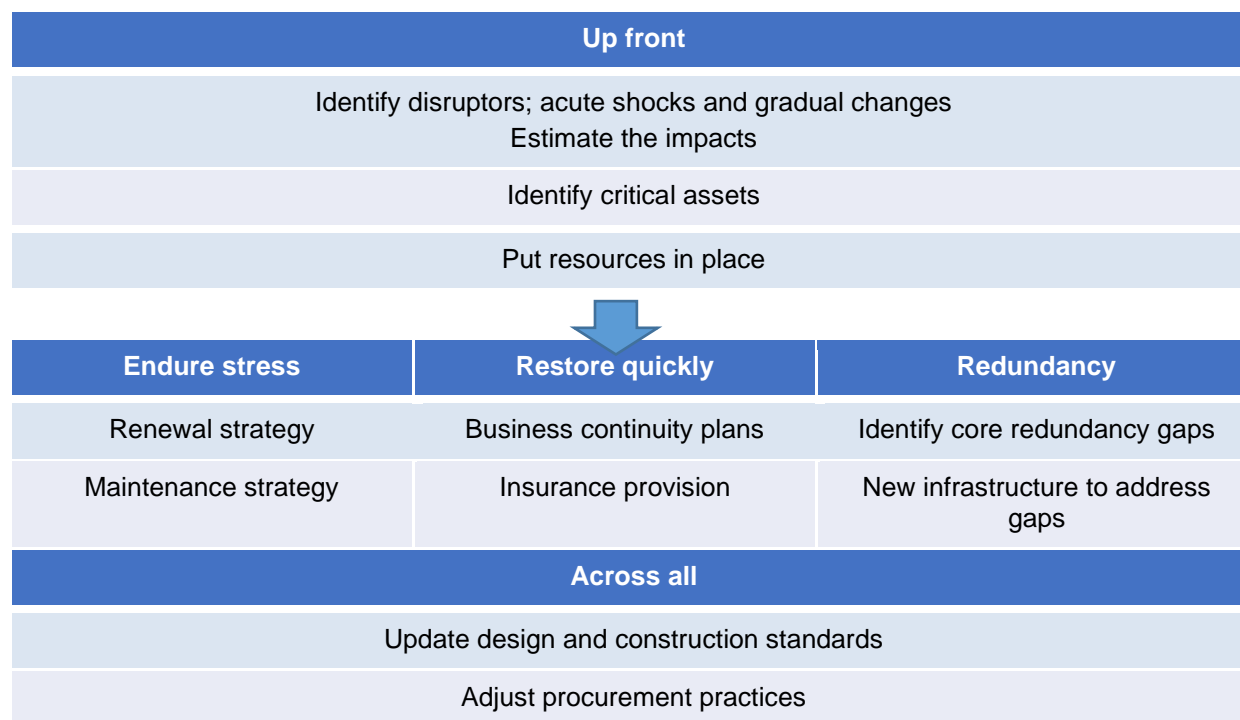
Some disruption is inevitable; however, our services can be quickly restored.

#### **Redundancy**

If we temporarily lose infrastructure functionality, alternatives are available to keep core services going.

Figure 3-3 below shows the planned resilience response:

**Figure 3-3: Planned Resilience Response**



WDC's approach to resilience decisions follows a hierarchy:



### Decision Hierarchy

1. Safety – address dangerous situations as priority
2. Resilience - address immediate and core threats
3. Look after existing assets provided they are still needed
4. Make better use of existing assets
5. Build new assets

The key challenges WDC must be resilient to are detailed in Section 4.0.



#### 3.5.5 Evidence Base

Part of the Strategy is to improve decision-making by addressing gaps in asset data. WDC is targeting collection, validation and analysis of the data used as primary evidence for infrastructure decisions.

More information on data reliability is available in the AMPs for the respective activities. The planned data improvements below will increase data reliability and therefore decision-making confidence.

**Figure 3-4: Planned Data Improvements**

Collection	Validation	Analysis
Condition data (all)	Asset register (3 Waters)	Renewal risk assessment
Asset register (property)	Customer satisfaction	Targeted maintenance strategy
Fault data	Data supporting investment priority	Resilience
Investigate “big data” technologies	Supervisory Control and Data Acquisition (SCADA) requirements	Accessibility
Stormwater (Waitaki Valley challenges)	Demand assumptions	Compliance monitoring

Part of the improvement programme is collection of better and more reliable data, and grading of data reliability for key infrastructure groups.



### 3.6 PEOPLE & ORGANISATION

Our strategy recognises that in order to make good infrastructure decisions we need the right people capacity and capability in place. Resourcing is one of the specific challenges we face and is described in more detail in Section 4.0. A focus on people is an intentional highlight for further investment and focus within our strategy.

A people-focussed initiative labelled “Navigating 3 Waters” has been adopted by WDC in 2020 to ensure that resourcing meets the burgeoning challenges across the 3 Waters activity. An assessment of the other infrastructure portfolios (Roads and footpaths, Recreation and Property) is yet to be completed to ensure the current day-to-day activity focus is paired with the necessary long-term focus.



# 4.0 CHALLENGES WE FACE





WDC faces challenges (as well as opportunities) over the next 30 years in achieving its vision of growing Waitaki and making it the best place to be. The 3 Waters reform is a three-year programme to reform local government three waters service delivery arrangements. The outcomes of these reforms will result in significant changes to the delivery of 3 Waters in the Waitaki District.

The following section discusses the main challenges for our infrastructure and service delivery. These are:

- 3 Waters reform
- Safety
- Environment
- Asset condition
- Resourcing
- Climate change and natural hazards
- Demographic change
- Land use change
- Technology
- Continuous improvement.



Figure 4-1 provides a summary of these challenges with respect to this strategy.

**Figure 4 -1: WDC Challenges**

	Impact	Timing	Uncertainty
<b>3 Waters reform</b>	High	Next 3 years	High
<b>Safety</b>	Moderate	Next 10 years	Low
<b>Environment</b>	Moderate	Next 10 years	Moderate
<b>Asset condition</b>	Moderate	Next 10 years	High
<b>Resourcing</b>	High	Next 3 years	Low
<b>Climate change and natural hazards</b>	Moderate	Next 10 years	High
<b>Demographic change</b>	Low	Next 30 years	Moderate
<b>Land use change</b>	Moderate	Next 10 years	Moderate
<b>Technology</b>	Moderate	Next 10 years	High
<b>Continuous improvement</b>	Low	Next 30 years	Low

Where challenges are immediate, the response will be delivered in the next 3 years as described in our AMPs and Long-Term Plan.

Where challenges are gradual or anticipated over a longer timeframe, the response within the Strategy is to focus on further investigation now so that more informed decisions can be made in the future. We will implement our approach and invest where benefits can be achieved with minimal cost or where the benefits provided cover multiple areas of our strategy.

There are several macro trends and drivers that link to these challenges in some way; including:

- 3 Waters reform: local Government service delivery changes, central and local government relationships more broadly, as well as public/private infrastructure funding and service delivery possibilities. This includes **Safety** and **Environment**.
- Persistent challenges facing local government through historic and current underinvestment and continuing affordability issues. This specifically relates to these WDC challenges: **Asset condition**, and **Resourcing**.
- Climate emergency and low carbon economies. This specifically relates to these WDC challenges: **Climate change and natural hazards**, as well as **Resourcing**.
- COVID-19 public health and economic impacts. This relates somewhat to these WDC challenges: **Resourcing**, and **Land use change**.



- Other broadly forecast disruptors; e.g. ageing population, technology disruption, future of work. This relates somewhat to these WDC challenges: **Demographic change, Land use change, and Technology.**

## 4.1 SAFETY

### 4.1.1 Road safety

Nationally there is a drive to increase road safety which is reflected in Waka Kotahi's Road to Zero strategy for 2020-2030 to support "A New Zealand where no one is killed or seriously injured in road crashes. This means that no death or serious injury while travelling on our roads is acceptable".

Otago's safety record is poor with issues on high-risk rural roads, at high-risk urban intersections, and in urban areas with high numbers of vulnerable users.

This holds true for Waitaki where WDC's safety level of service measures have shown deterioration on rural secondary collector and low volume roads. WDC's challenge is a combination of attitudes and behaviour together with inconsistent quality of routes in the region. The consequences of not addressing this challenge will be an increasingly poor safety record which affects personal and collective risk and increased social cost to the community.

There is also the related challenge of how the land transport network will perform with changing tourist volumes and their potential impact on travel safety.

### 4.1.2 Drinking water safety

The 2016 Havelock North water incident has led to a greater focus on drinking water safety across New Zealand. Central Government has conducted a 3 Waters Review, established a new water regulator (Taumata Arowai) and is progressing a Water Services Act, expected to be enacted and operational by mid-2021. These changes are part of the renewed focus on the very high standard of care and diligence required to supply drinking water. This level of focus and changing legislative environment will be a driver of investment in infrastructure, people and systems in the coming years.

WDC is going into this changing environment with a relatively strong baseline of drinking water safety. Since the Health Amendment Act 2007 and the Drinking Water Standards NZ 2005, the water treatment plants have been progressively upgraded to comply with current legislation, associated standards, and in anticipation of higher standards. Some smaller schemes in Waitaki currently have safety related upgrades planned or in progress.

The new drinking water regulatory framework is still to be confirmed but will likely require WDC to:

- Strengthen Water Safety Plans.
- Provide multi-barrier approaches to ensuring drinking water safety.
- Identify and manage risks, source protection, treatment and reticulation.
- Maintain effective disinfection residuals in the reticulation.
- Demonstrate qualification standards of operational staff.



- Increase monitoring and reporting.

The district also faces the challenge of ensuring private (non-WDC) supplied drinking water also meets the safety duty of care under new legislation.

## 4.2 ENVIRONMENT

WDC faces the challenge of lowering the environmental impact of its infrastructure and services. This challenge is primarily around compliance with the progressive requirements of national standards and regional/district plans. The key environmental impact areas are: water use, wastewater and stormwater discharge, reducing carbon, and waste minimisation.

The National Policy Statement for Freshwater Management – Te Mana o te Wai is a concept for fresh water, which when given effect, the water body will sustain the full range of environmental, social, cultural and economic values held by iwi and the community. The outworking of these environmental values will impact the amount of water available and the level of treatment required in wastewater and stormwater to improve water quality downstream of WDC's activities. This will require investment to improve treatment processes, system management, monitoring, and reporting.

The New Zealand Ministry for the Environment discussion document 'Action for Healthy Waterways' (released September 2019) signals the direction for urban development, rural land and water management including Risk Management Plans for wastewater systems and stormwater systems.

Reducing carbon is another environmental challenge that cuts across all WDC's infrastructure portfolios, with roading/footpaths and wastewater treatment being the largest carbon contributors. This is discussed further in Section 4.5 Climate Change.

Waste minimisation and reducing the environmental impact of waste will continue to be a challenge. Waitaki's waste management is provided by the private sector with WDC operating in a facilitative role. Responses to changing community expectations and central government environmental direction will have to be considered alongside the current private sector model and cost recovery.

## 4.3 ASSET CONDITION

WDC has assets across each portfolio that need to be renewed. Typically, these are older assets at the end of their useful lives. Without planned renewal or condition management strategies the services relating to the assets will degrade, for example potholes, leaking pipes, vulnerable buildings or loss of amenity.

In 3 Waters there are a large number of underground pipes that are coming up for renewal for the first time with significant investment needed to address this specific challenge. In Roads and Footpaths, asset renewal continues to be a focus. For Property and Recreation portfolios there is a need to focus on collecting the right condition related data so that more informed decisions can be made on renewal planning.

In the Recreation portfolio, there are a large number of "good" condition assets maintained indefinitely. This status will need to be reviewed and refined.

There may be limited choices regarding the replacement of certain assets, however the renewal process does present options for improving capacity, resilience or levels of service at the same time.



The asset condition challenge requires a response in new infrastructure investment, data collection, condition management and renewal decision making.

#### 4.4 RESOURCING

Part of the infrastructure challenge is WDC's ability to resource what needs to be done. Having the right people in place and funding the necessary improvements are key areas of focus.

Waitaki competes with other councils and companies for suitably skilled engineers and infrastructure professionals, many of which are on the New Zealand skills shortage list. WDC is particularly constrained in resourcing infrastructure planning, given that capable staff are regularly pulled towards day-to-day activity management.

With current staff stretched to capacity there is a large impact when staff are sick or on leave, and an even larger impact if they leave the organisation or retire. This can result in project burden and stretch. There is the opportunity for further upskilling in asset management, condition assessment and forecasting.

Council currently outsources a large part of its asset management services. The role of specialist professional service providers is typically to boost capacity or knowledge beyond what Council can achieve from its in-house resources. Using outsourced staff ensures Council benefits from the learnings of other entities and front-foot issues experienced by others before we need to experience them. It is also an important part of knowledge sharing with other TA's. While outsourcing a large component of asset management could result in a potential risk to Council, there has been continuity with this outsourcing over a number of years. Work is being done to expand Council's in-house professional services capability to reduce reliance on external professionals.

The level of investment Council intend to make over the next 10 years draws into question whether it is able to deliver the proposed programme, both from an internal resource and a contractor perspective. The waters unit has conducted an internal review of its staffing, with Council approving several new positions to assist with this resourcing. In recent years the Property and Recreation teams have also bolstered their ranks with additional project delivery staff.

The local range of contractor services required by Council is limited. Ōamaru is close to the Otago/Canterbury boundary and specialist services can be sourced from Timaru (85km), Dunedin (115km) or Christchurch (250km). Many of the large national/international organisations have bases in Ōamaru, Dunedin and Timaru, and there are numerous small-medium enterprises based in the District. Generally, there is a sufficient level of interest in tenders and competition between suppliers.

Council has historically never had a problem with attracting contractors to work in the area, both from a local contractor capability perspective and a national contractor capability perspective. If there are national skills shortages and unavailability at a national level, there may be issues in the future, but this needs to be dealt with at a national level and cannot be controlled by Council.



Currently WDC is focusing on maintaining agreed service levels within its resourcing constraints. This means providing the core services within each portfolio and achieving compliance levels. Inflation rates on construction and maintenance programmes [Consumer Price Index (CPI) and Local Government Cost Index (LGCI)] have been rising faster than rates increases and will continue to challenge our ability to deliver core maintenance and levels of service.

Funding the community's level of service expectations is a balancing act where customers want more but oppose rates rises. Customer expectations are increasing; people require more communication therefore a broader skillset is becoming more important, and more involved in decision-making, expect higher service resilience and responsiveness, and desire higher levels of service. Determining the willingness to pay for improvements and understanding the rates impact of level of service changes is a continuing challenge.

The central government's 3 Waters reform process poses a specific resourcing challenge. Under proposed 3 Waters reform models the water supply and wastewater infrastructure and service delivery will become separate from WDC under a new entity. If separated, this will directly impact the scale of WDC's remaining operations, affecting both people resources and rating revenue.

#### 4.5 CLIMATE CHANGE & NATURAL HAZARDS

Waitaki faces a range of effects from climate change. Sea level rise, a drier and hotter climate, increased frequency and intensity of severe events such as droughts and storms are predicted over the next 30 years. This is likely to produce cascading effects including increased slips and erosion, water scarcity, flooding, forest fire, changing lake levels, changing groundwater levels, biosecurity, and agricultural viability. We know change is occurring, but we are still in the process of understanding the full consequences.

Council's Strategic Framework has identified meeting environmental and climate change challenges as a key community outcome.

Council's ongoing response to climate change will be influenced by central and regional government leadership with respect to quantifying risks, collecting data, and integrating this into our long-term plan decision-making.

Using the best available information, climate change considerations are becoming a core part of our planning. The impacts of climate change are being considered in our work on strategies and plans, including this plan, the AMP's, our Financial Strategy, our Coastal Roads Strategy and our District Plan, and through design and construction standards, identification of hazards, and redundancy and mitigation (such as insurance) over the life of the Long-Term Plan.

A number of projects are currently being progressed primarily in response to indicative climate change impacts including:

1. Works to eliminate waste from the closed Beach Road and Hampden landfills to a non-erosion prone landfill because sea level rise is causing erosion;
2. Coastal protection at the Kakanui River mouth;
3. Investigating erosion near the mouth of Little Kuri creek in Hampden that in the long-term may threaten the Hampden Cemetery;
4. Works in the north-end of Ōamaru in response to increasingly high intensity rainfall events; and
5. Coastal roading resilience (erosion protection).



We are also anticipating increasing expectations to partner with the community and Iwi to develop more sustainable solutions and address how to respond to climate change mitigation and adaptation.

#### 4.5.1 Adaptation

In 2019 the Government introduced the Climate Change Response (Zero Carbon) Amendment Act that requires the Government to develop a national adaptation plan by August 2022. This will outline what New Zealand needs to do to respond to the risks from climate change. The flow on effect will be that we will also have to report on our progress on climate change adaption.

Emissions budgets arising from the Climate Change Response (Zero Carbon) Amendment Act will require significant changes. WDC is similar to other local authorities with substantial carbon tied up in transportation and wastewater treatment. WDC is in the early stages of carbon accounting and reduction planning. The initial challenge is identifying the first steps that need to be taken alongside the development of a longer-term action plan.

#### 4.5.2 Mitigation

Dealing with and mitigating the risks of climate change and the potential impacts of climate change events are considered in capital projects. We are reviewing rules in our District Plan and are now required to consider the effects of climate change in our resource consenting process.

Climate change resilience is being included in existing projects where we can design for changes in demand or consider future climate change impacts within the scope of the project. Larger scale policy and district-wide response to climate change adaption require more certainty to build the appropriate investment case. Further investigation of climate change risks and building the case for a change in infrastructure decision-making is one of our immediate challenges.

We introduced our Rural Resilience Project in response to the frequency and severity of storm events and that work has included improving drainage, installing more wash-over pads, strengthening water course embankments, culvert clean-outs and re-instating roadside swales. This work has now become part of our normal business.

Our Coastal Roads Strategy is in place to make sure that we maintain the connectivity of our coastal roads that are subject to coastal erosion. The work that we have undertaken to date on dealing with coastal erosion includes placement of rock protection in erosion prone areas, realigning a section of road (including land purchase) and increasing resilience by upgrading a bridge to enable an alternative route in case of road closure.

Council recognises the importance of reducing our greenhouse gas emissions. In 2019 we commissioned a greenhouse gas inventory report to provide some base data to help understand our organisation's emissions. This will be used to track and compare emissions over time.



#### 4.5.3 Natural hazards

The impacts of flood, storm surge, drought and fires are exacerbated by climate change and discussed above. Other key natural hazards WDC faces are earthquake and tsunami. Potential seismic events on the Alpine Fault will have widespread impacts on infrastructure services. This includes compliance with regulation for earthquake prone buildings within WDC's property portfolio. Direct examples of these impacts on Council infrastructure include the Alps to Ocean cycle trail and the Kakanui Coast.

### 4.6 DEMOGRAPHIC CHANGE

#### 4.6.1 Population

Waitaki has a growing elderly population with 22% of the population aged over 65 - higher than the national average of 14% (2018) - and this trend is projected to continue to over 35% by 2030. People are generally healthier, active and more likely to travel than 40 years ago, which may create further demand on and raise expectations of levels of service.

Over the period 2000-2019, the majority of areas in the District had an increase in population, with most of the population growth occurring in Ōamaru and some townships (Duntroon, Hampden, Kakanui, Kurow, Ōmārama, Palmerston) and the surrounding rural areas.

The largest increases in houses were in Ōamaru and the surrounding rural areas, specifically Lower Waitaki, Maheno and Ngapara. The townships predominately all had positive growth in houses, noticeably Hampden, Kurow, Moeraki, Ōmārama and Otematata.

Growth projections suggest the population is projected to grow moderately over the next 30 years (around 8% to 2043). Much of this growth is expected in rural areas (and areas surrounding Ōamaru). WDC has time to respond to these gradual changes and is opting to provide multifunctional facilities that can cater for a range of activities rather than facilities that cater for specialist requirements.

#### 4.6.2 Tourism growth

Tourism is an important industry and attractor for the district. Prior to COVID-19 the tourists coming into Waitaki were predominantly domestic tourists rather than international. The loss of international tourists in 2020 and post COVID-19 will have some impact however further growth in domestic tourism is predicted. A growing tourist population creates additional demand for infrastructure and services in specific areas (often outside of urban boundaries) which may need specific investment.

It is anticipated that there will be growing demand for lower cost camping, especially in the Waitaki Lakes. Ongoing use of the Alps to Ocean cycle trail is also anticipated to build as New Zealanders seek to explore their backyard instead of travelling overseas.



## 4.7 LANDUSE CHANGE

The NPS Urban Development (NPS UD) sets out the rationale to ensure that local authorities develop, maintain and monitor an evidence base about demand, supply and prices for housing and business land and the impact planning has on them.

Council commissioned reports in 2019/2020 as part of its District Plan review to establish the likely future demand for business space and land, and undertake a housing demand assessment for Ōamaru (Waitaki's largest urban area and one of 22 NZ medium urban areas (population range 10-30,000)). No assessments have been undertaken for the smaller settlements in the district as this is not a requirement of the NPS UD.

Population growth rates have varied across the district since 2013 as shown below.

### **Population growth across the Waitaki District – 2013 to 2019**

	2013	2018	2019	2013-19 Change	2013/19 Change %
Waitaki district	21,400	23,000	23,200	1,800	8.4
Weston	1,010	1,080	1,100	90	8.9
Ōamaru North Milner Park	2,370	2,610	2,570	200	8.4
Ōamaru North Orana Park	2,720	2,990	3,000	280	10.3
Ōamaru Gardens	1,110	1,210	1,250	140	12.6
Glen Warren	1,550	1,680	1,730	180	11.6
Holmes Hill	1,320	1,370	1,390	70	5.3
Ōamaru Central	280	310	290	10	3.6
South Hill	2,260	2,250	2,240	-20	-0.9
Lower Waitaki	1,300	1,430	1,460	160	12.3
Maheno	1,880	2,020	2,060	180	9.6
Ōamaru	14,790	15,870	15,990	1,200	8.1

Source: Robin Miller Understanding Data – July 2020

For the period 2017-2019 there was an average of 77 new dwelling consents a year in Ōamaru.

Household size in the wider Waitaki District is projected to drop from 2.3 persons to 2.2 persons across the District.

Estimates for future household growth have been made based on medium and high growth scenarios as shown in the table below.



### **Households/Dwellings Output estimates for Ōamaru**

	2020-23	2023-30	2030-50
Medium	34	68	192
High	147	373	893

Source: Robin Miller Understanding Data – July 2020

Estimates for future business land demand in Ōamaru have also been made (based on anticipated commercial, industrial and retail demand to 2050) as shown in the table below.

### **Additional Demand Requirements for Business land in Ōamaru**

		<u>2020-23</u>	<u>2023-30</u>	<u>2030-50</u>	<u>Total</u>
<u>Minimum</u>	<u>Office Sq M</u>	<u>525</u>	<u>1225</u>	<u>3500</u>	<u>5250</u>
<u>Up to</u>	<u>Office Sq M</u>	<u>1365</u>	<u>2065</u>	<u>11,148</u>	<u>14,578</u>
<u>Minimum</u>	<u>Industrial Sq M</u>	<u>10,800</u>	<u>27,000</u>	<u>81,000</u>	<u>118,800</u>
<u>Up to</u>	<u>Industrial Sq M</u>	<u>19,170</u>	<u>52,245</u>	<u>139,995</u>	<u>211,410</u>
<u>Minimum</u>	<u>Retail Sq M</u>	<u>3680</u>	<u>8840</u>	<u>20,100</u>	<u>32,620</u>
<u>Up to</u>	<u>Retail Sq M</u>	<u>5775</u>	<u>19,091</u>	<u>33,845</u>	<u>58,711</u>

Source: Robin Miller Understanding Data – July 2020

Development contributions are sought from developers to assist with growth requirements of projects and to counter future inequity issues.

#### **4.7.1 Agriculture**

Agriculture forms a significant part of the Waitaki economy. Over the last decade farming practices have increasingly shifted from traditional dryland sheep and beef to dairying through irrigation schemes like the North Otago Irrigation Company (NOIC) scheme. This development has resulted in significant benefits to the local and national economy through the creation of more jobs and increasing the number of younger people in the district. The roading network is fundamental to servicing this growth and transporting wealth requires more and larger heavy vehicles travelling into the hinterland.

Another challenge is greater stress on water sources from 'up stream' agriculture activities. It is likely that regulation will be a driver in changing water use behaviours and new restrictions may occur.



#### 4.7.2 Business

WDC faces several choices in the alignment of the District Plan and Infrastructure Strategy. Choices made as part of the District Plan (particularly in relation to residential and businesses) are likely to inform the location, affordability and performance of the infrastructure network. Hydroelectric generation and mineral extraction are also key activities within the district. However, indications are that mining may decrease in the early years of this strategy. Both sectors are major contributors to the rates which in turn help fund infrastructure across the District.

#### 4.7.3 Lifestyle

The demand for lifestyle/'hobby farms' development still exists but is less than historical demand. The preference now is for large executive housing set in expansive grounds around the fringes of the urban centres (mainly Ōamaru). The result is customers expect a level of service for roads, water, WDC buildings and recreational facilities equal to urban standards in a rural environment.

Increased options for mobility and recreation is driving demand for walking and biking facilities.

### 4.8 TECHNOLOGY

Technology is constantly changing and improving and is likely to have a significant effect especially in terms of providing and managing more efficient and effective infrastructure and services over the life of the strategy. For example, waterless toilets can decrease both water use and discharges to the wastewater system, thus impacting on water demand and wastewater treatment/discharge. Other changes could include on-farm removal of the water content in milk products, reducing the need for large trucks to cart large volumes of milk on our roads. The implications of future technological change need to be considered given the long term and ongoing nature of infrastructure investment.

### 4.9 CONTINUOUS IMPROVEMENT

This Strategy has given attention to the improvement areas identified in Audit NZ's review of the previous 2018 Strategy below:

- Condition, performance and lifecycle asset management of critical assets.
- Alignment with financial strategies.
- Levels of service agreements.
- Reliability of WDC underlying asset information.
- Identification of significant assumptions
- Effects of climate change.
- Alignment to current AMP's.



The improvements made since the 2018 Strategy are throughout the content of this Infrastructure Strategy, however some specifics are outlined below in Table 4-1.

**Table 4-1: Improvements incorporated into this Infrastructure Strategy**

Asset Group	Infrastructure Strategy Improvements / changes
Water	<ul style="list-style-type: none"> <li>• Specific Water team staff positions have been approved to manage the forecasted increase in water asset developments and workloads.</li> <li>• All three Water AMP's have been updated and aligned to this Infrastructure Strategy.</li> </ul>
Roading	<ul style="list-style-type: none"> <li>• The Land Transport AMP has been developed and aligned to this Infrastructure Strategy.</li> <li>• Staff resources have increased to give effect to improved road safety and road maintenance.</li> <li>• Strengthened transport planning, asset management capabilities.</li> </ul>
Recreation	<ul style="list-style-type: none"> <li>• Recreation group is now included as part of the Infrastructure Strategy.</li> <li>• The Recreation AMP has been updated and aligned to this Infrastructure Strategy.</li> <li>• The Solid Waste area is now managed within the Recreation group.</li> </ul>
Property	<ul style="list-style-type: none"> <li>• Property group is now included as part of the Infrastructure Strategy.</li> <li>• Property now has a new AMP which is aligned to this Infrastructure Strategy.</li> </ul>

We are continuously improving how we develop and execute our infrastructure strategy to help us face our key challenges. At a strategic level we have a challenge to:

- Make strategic decisions.
- Collect and analyse data relating to condition, performance and lifecycle asset management of critical assets.
- Develop our levels of service agreements that reflect increasing customer expectations and willingness to pay through rates.
- Align our strategies and processes internally (Infrastructure Strategy, Financial Strategy, Asset Management Plans), and externally (to ISO 55001 and IIMM – 2020).

To measure our improvement progress, we have developed a draft Infrastructure Strategy improvement plan (Appendix A). This includes an improvement register and a 3-year action plan to help focus attention on implementing the strategy. A summary of the improvement areas is shown below.



A draft WDC Infrastructure Strategy Improvement Register and 3 Year Action Plan has been provided separately for WDC to update and use further if desired (see Attachment 1). All of the Infrastructure groups have updated AMP's within their own specific Improvement Plans.

#### 4.10 PLANNING SCENARIOS

Over the 30-year planning horizon there are several different scenarios that may play out. We have made assumptions in order to plan in the face of uncertainty. The asset portfolio specific assumptions and limitations are listed in Section 5 under each portfolio heading. All Infrastructure Groups have their own specific Improvement Plans with updated AMP's.



# 5.0 INFRASTRUCTURE PORTFOLIOS





## 5.1 INFRASTRUCTURE PORTFOLIOS

The WDC infrastructure portfolios are tabled below by replacement value.

**Table 5-1: Waitaki District infrastructure portfolios**

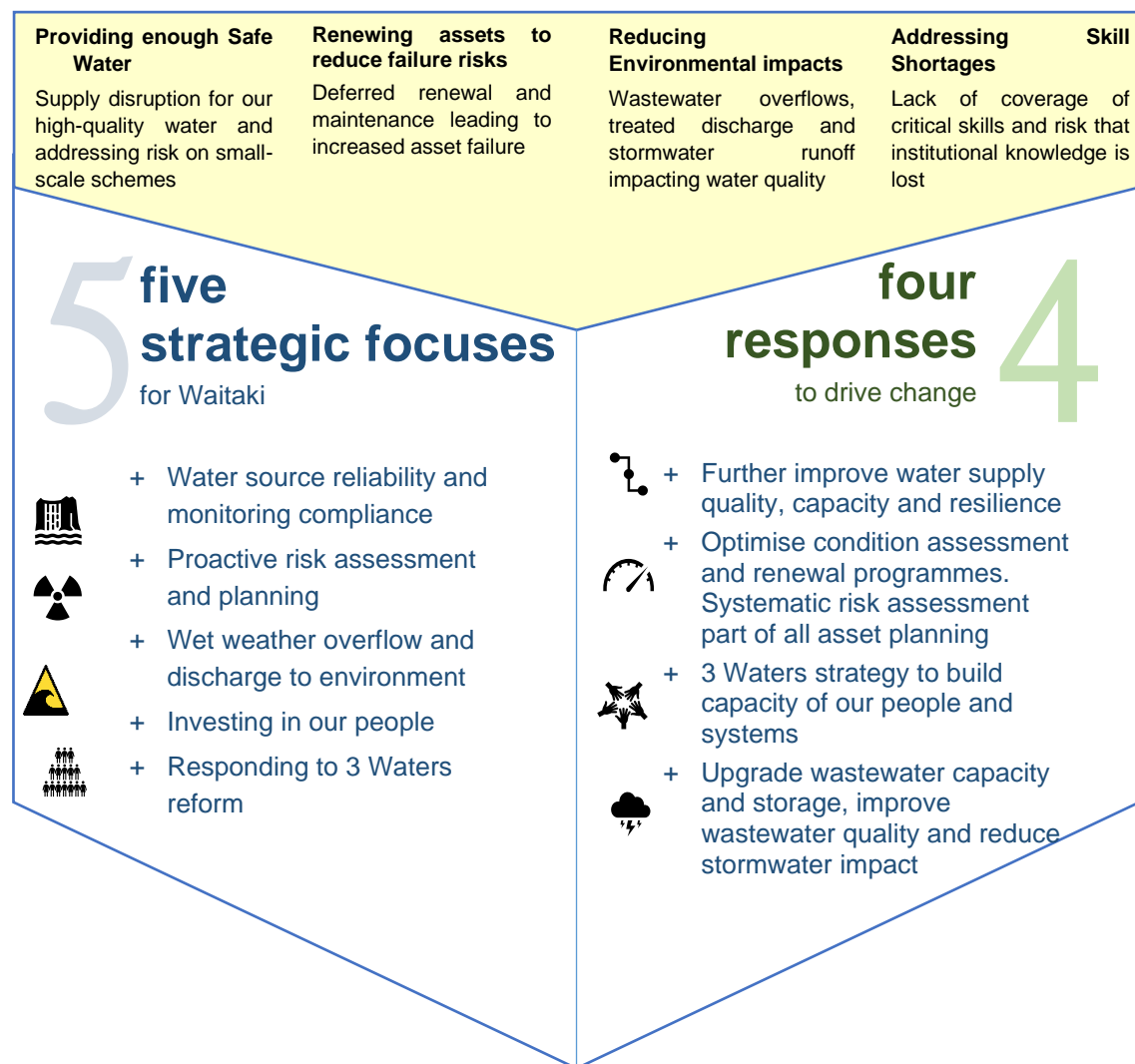
Asset	Description	Replacement value (\$ million)	% of total	Annual Dep. (\$ million)
Water (1 July 2018 valuation)	Water extraction, treatment and distribution.	\$122.1	10%	\$2.1
Sewerage (1 July 2018 valuation)	Wastewater collection, treatment and discharge.	\$89.3	7%	\$1.3
Stormwater (1 July 2018 valuation)	Stormwater collection and discharge.	\$32.0	3%	\$0.3
Roads and footpaths (30 June 2020 valuation)	Roads (arterial, collectors, local; curbs and gutters), bridges, footpaths.	\$806.5	64%	\$7.4
Recreation (1 July 2019 valuation)	Parks, reserves, playgrounds, recreational facilities (including A2O) and solid waste.	\$33.9	3%	\$1.0
Property (1 July 2019 valuation)	WDC owned properties and buildings. Also land packages.	\$179.4	14%	\$2.5
<b>TOTAL</b>		<b>\$1,263.20</b>	<b>100%</b>	<b>\$14.60</b>



## 5.2 3 WATERS

### 5.2.1 3 Waters strategic Challenges and responses

**Figure 5-1: 3 Waters Strategic Challenges and Responses**





### 5.2.2 3 Waters 30 Year Goals

Purpose statement and goals:

- Sustaining Waitaki's households, businesses and communities; The wellbeing and sustainability of Waitaki's households, businesses and communities is supported through the provision of affordable, fit-for-purpose, reliable and resilient water supply, wastewater and stormwater infrastructure.
- Protecting Waitaki's people and places; Waitaki's water supply, wastewater and stormwater infrastructure are designed, built, operated and maintained to ensure people, property and the environment is protected from harm.
- Supporting growth, prosperity and wellbeing; Waitaki's water, wastewater and stormwater infrastructure have the capability and capacity to cost-effectively and sustainably respond to, and support, population and business growth.

This includes:

- Being committed to existing services, while also being responsive to our customer's needs.
- Responding to higher environmental standards by setting limits and monitoring things in order to sustain, protect and support Waitaki's people, property and places.
- Sustaining services for current and future customers, recognising and providing for climate change implications.
- Improving economic sustainability and resilience through sustaining, protecting and supporting people, property and places.
- Doing the 'right things right' and enhancing WDC's organisational capacity.
- Keeping our district affordable and ensuring value for money, while also meeting WDC's strategic priorities and regulatory obligations.

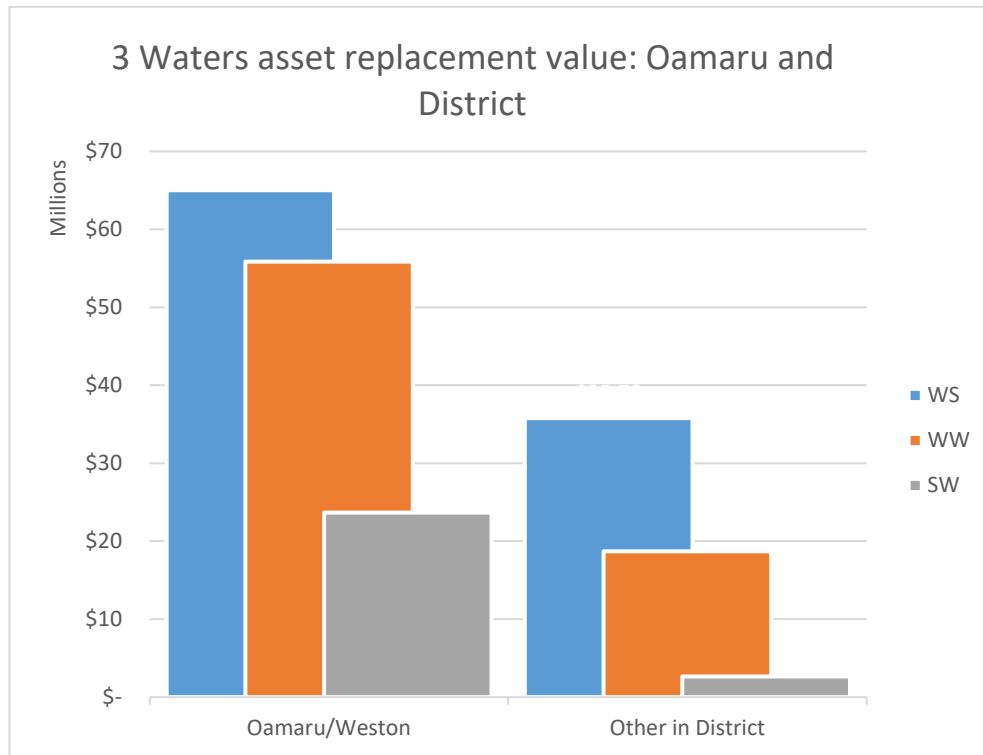
In response to the Three Waters reform programme, Council is not changing its existing approach of continuing to maintain the Three Waters Infrastructure programme at appropriate levels. We will continue to operate the services as a good steward of public assets. However, Council will take account of the separation of water services from the other Council operations.

While the budget has not been amended to reflect removal of either assets or income linked to Three Waters, Council have considered and taken a conservative position in order to plan for this in relation to debt planning for strategic projects. An opt-in or opt-out decision is expected to take place in late 2021. If a new body is formed to manage water, it is expected to begin operating in the 2023/2024 financial year.



### 5.2.3 3 Waters Assets

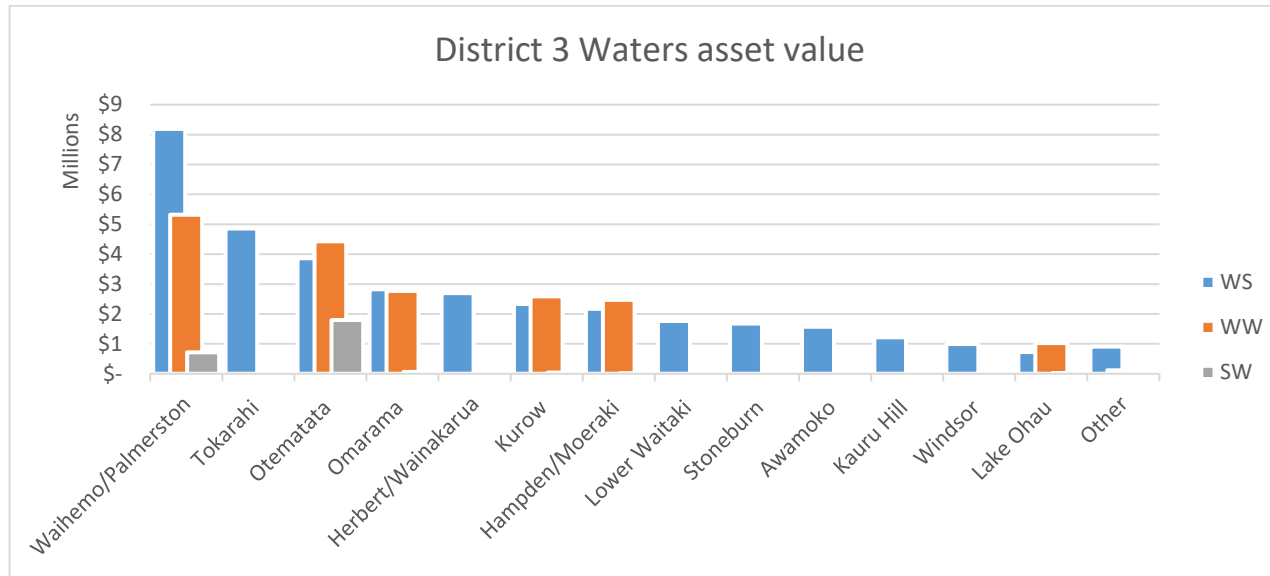
**Figure 5-2: 3 Waters Asset Replacement Value**



WS = Water Supply  
WW = Wastewater  
SW = Stormwater

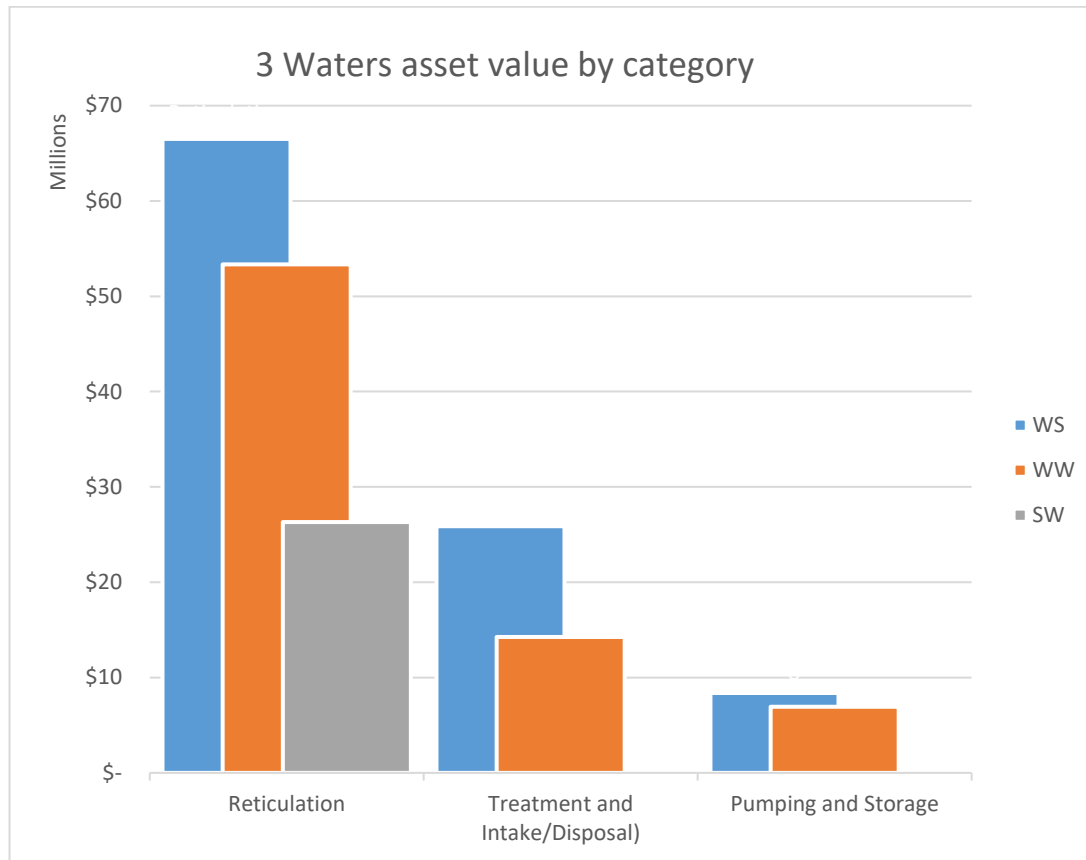


**Figure 5-3: District 3 Waters Asset Value**





**Figure 5-4: 3 Waters Asset Value by Category**





**Figure 5-5: Costs breakdown for 3 Waters in 2020/21 FY**





### 5.2.4 3 Waters infrastructure strategy highlights

#### 5.2.4.1 *Providing enough safe water*

Continued investment is required to meet compliance with the Health Act and the New Zealand Drinking Water Standards. This includes continuous improvement in water safety management at the large supplies, and specific infrastructure upgrades at smaller schemes: Awamoko, Tokarahi, Windsor, Kauru Hill, Stoneburn, Bushy Creek, Ōmārama, Lake Ohau, Otematata.

New drinking water regulation will be in place in the near future, which adds to WDC's existing focus on water safety. The extent of the regulation is still to be confirmed but wide-reaching impacts are anticipated. WDC's response will include new asset investment, operational and maintenance improvements, increased monitoring and accountability, risk management improvements, and adopting a new competency framework.

WDC will ensure that the community has enough water through a programme of capacity and resilience upgrades of major schemes: Ōamaru, Weston zone and Waihemo. The focus at Ōamaru is ensuring sufficient capacity and resilience of raw water so that treated water can be produced regardless of weather impacts.

WDC is developing a sustainable water use/demand management strategy to ensure water is being used appropriately and not wasted. This includes leakage reduction, increased metering, pressure management, customer education and incentives.

It is predicted that due to climate change the district will become warmer and dryer. This increases water scarcity at source and puts pressure on waterbody ecology. Irrigation and stock use consumption may increase to overcome soil moisture and feed moisture deficit. Even though these climate effects are not being felt immediately, WDC is continuing to gather data, assess the risks, and allocate resources to undertake deliberate planning action. The first three-year period of the strategy will provide this planning so that well considered infrastructure investments can be included in 2024 and beyond.

#### 5.2.4.2 *Renewing assets to reduce failure*

The deliberate investment focus for the 2010 – 2020 decade has been to meet compliance standards for drinking water across the district. In order to fund these necessary drinking water safety upgrades a “do minimum” approach was adopted for asset renewal over this period. With significant drinking water upgrades successfully completed, the investment strategy is now refocussed with a greater priority on asset renewal. The renewal focus increases from 2025 and beyond after some further compliance related projects are completed.

On an age-basis, a significant portion of the 3 Waters assets are operating at the end of their useful life. By value most of these assets are in the reticulation network. The reticulation asset cohorts at the end of their useful lives include cast iron, steel, galvanised steel and asbestos cement water pipes, and earthenware wastewater pipes. The metallic water supply pipes listed above are experiencing high rates of failure and are the priority for inclusion in the renewal programme. Some renewal projects directly correspond to assets with history of failure and will reduce the operation and maintenance burden.



The old asbestos cement water supply pipes and earthenware wastewater pipes are vulnerable to seismic disruption or any other ground movements given their brittle nature. Damaged wastewater pipes contribute to issues with infiltration overloading the network during wet weather. There is potential for rising sea level and groundwater level to increase this infiltration impact.

Part of the renewal response is further developing the rationale for identifying renewal needs and planning the appropriate intervention. This focus on risk and evidence-based decision-making is part of the strategy for addressing vulnerable assets in poor condition.

Stormwater assets will receive proportional investment to address condition related issues.

We are also targeting investment in wastewater treatment and pumping facility assets at the end of their useful life through a split of proactive and reactive renewals as we don't have any stormwater treatment and pumping facilities.

#### *5.2.4.3 Reducing Environmental impacts*

WDC is investing in infrastructure that will improve environmental outcomes, for example reducing wastewater overflows and upgrading wastewater treatment at Duntroon. These investments are aligned with new central government regulation, standards and oversight. In dealing with existing and new wastewater, WDC will engage with iwi so that options are aligned to Māori values.

The Duntroon communal septic tank is no longer a permitted activity. WDC applied for a short-term resource consent for the existing system to allow appropriate investigation, consideration of options in meeting regional rules and environmental standards and consultation. The preferred option will be constructed and will bring about improved environmental outcomes.

The strategy also focusses on mitigating wastewater overflows during wet weather events. This includes an increased organisational focus on managing this risk, separation of stormwater from the wastewater network, as well as new and upgraded infrastructure. Wastewater pipe renewal and rehabilitation investment under this strategy will also reduce risk of wastewater exfiltrating from damaged pipes into the environment.

The stormwater management paradigm has shifted from “to collect, convey, discharge” to an integrated approach of “slow it down, spread it out, and soak it in”. This introduces a range of new considerations to include in our stormwater service delivery through planning, design, operation and maintenance, construction, and financing.

Some of WDC's highest value wastewater assets are located on the coast and are vulnerable to erosion. WDC will do its part in response to climate change by investigating options for reducing carbon emissions associated with the 3 Waters activities. Further analysis will be conducted as part of the strategy to identify what next steps are needed such as material selection, procurement rules, operational and maintenance consideration and carbon friendly design.

Although Waitaki's climate is expected to become warmer and dryer, there will likely be an increase in high intensity rainfall events. This will exacerbate existing stormwater and wastewater overflow challenges. These impacts are considered when setting current design limits and are part of the wider climate change investment investigations needed to plan for the future.



With the new environmental water regulation WDC will need to significantly increase sampling, monitoring, operation and maintenance methodologies and regular reporting.

#### *5.2.4.4 Addressing skill shortages*

Part of this strategy is specifically focussed on people capacity and capability. There is a national shortage of water infrastructure professionals across planning, design, management and operational roles. Attracting and retaining the right people to deliver our response to 3 Waters challenges in the district is difficult. WDC is responding to this challenge through its internal “Navigating 3 Waters” initiative that provides the case for increased people resourcing.

This additional resourcing provides the capacity for more future orientated planning to ensure the ambitions of the strategy are delivered alongside improved long-term outcomes.

WDC is delivering on its strategy to meet future Government and Council direction for 3 Waters planning and delivery through the location of 3 Waters staff in a dedicated facility.

The priority areas for additional capacity and capability are:

- planning and best practice
- risk management and business continuity
- asset resilience and capacity
- public health and environmental responsibilities
- project management.

New government regulation will also require a high level of training and qualification for 3 Waters operations and maintenance staff.



The tables below highlight the significant costs and decisions in delivering the Strategy, with a focus on the actions required in the first 10-year period.

### 5.2.5 3 Waters Key Infrastructure Deliverables

**Table 5-2: 3 Waters Significant Costs and Decisions**

Key Infrastructure Deliverable	Indicative Cost/Funding	Indicative Timeframe	Key Challenges Reference
Water Supply: Capacity and resilience upgrades of major supplies: Ōamaru, Weston zone, Lower Waitaki and Waihemo	\$45M	2021 – 2030	Continuous improvement
Water Supply: Treatment and water safety improvements at smaller supplies: Awamoko, Tokarahi, Windsor, Kauru Hill, Stoneburn, Bushy Creek, Ōmārama, Lake Ohau, Otematata	\$20M	2021-2025	Safety
Water Supply: Asset renewals. Reticulation (\$17M), facilities (\$4M), and SCADA (\$4M).	\$26M	2021-2031	Asset condition
<i>Other options: Do more or less renewals. Adopt a more conservative approach. Do sooner.</i>			
Wastewater: Overflow mitigation	\$6M	2021 – 2028	Environment
Wastewater: Duntroon treatment upgrade	\$2M	2030 – 2031	Environment
Wastewater: Asset renewals. Reticulation (\$12M), facilities and ponds (\$3M), and inspection/cleaning (\$1M).	\$16M	2021-2031	Asset condition
<i>Other options: Do more or less renewals. Adopt a more conservative approach. Do sooner.</i>			
Stormwater: Capacity study, management plan and resource consent	\$0.4M	2024-2027	Environment
Stormwater: Asset renewal and capacity reinstatement	\$22M	2025 - 2031	Asset condition



The focus for 3 Waters delivery is ensuring enough high-quality drinking water, reducing wastewater discharge and overflow environmental impacts, and renewing assets to reduce failure risks. Water and wastewater are priority delivery areas with stormwater delivery increasing from 2025 onwards. In addition to the anticipated direct infrastructure investment, delivering the infrastructure strategy across 3 Waters requires the following decisions and non-asset actions:

**Table 5-3: 3 Waters Key Decisions and Non-Asset Actions**

Key Non-Asset Deliverable	Indicative Timeframe	Key Challenges Reference
Climate change (decision): WDC must decide its target carbon reductions, particularly for wastewater treatment, and set funding levels for expanding planning and design to account for climate change mitigation and adaption.	2023-2024	Climate change and natural hazards
Private water supplies (decision): WDC must decide whether to step in for small private water supply schemes in the district so that minimum safety standards are met.	2023-2025	Safety
Service levels consultation (non-asset deliverable): Consultation with community on the agreed levels of service provided by WDC for 3 Waters has not happened for a long time. New engagement is required in order to partner with community to discuss expectations, trade-offs, and values.	2023-2025	Continuous improvement
Sustainable water use (non-asset deliverable): WDC must develop a sustainable water use/demand management strategy to ensure water is being used appropriately and not wasted. This includes leakage reduction, increased metering, pressure management, customer education and incentives.	2025-2030	Environment
SCADA (decision): WDC must decide whether to continue with, upgrade or replace the SCADA system that is beyond its useful life and presents operational risk. A stocktake of monitoring requirements across the district is needed to inform the SCADA decision.	2022-2023	Asset condition, Technology



### 5.2.6 3 Waters Key Assumptions

**Table 5-4: 3 Waters Key Assumptions**

Key Assumption	Uncertainty	Impact	Our Response / Options	Key Challenges Reference
<b>Sustainability Agenda:</b> Central government will continue its increased focus on water quantity and the sustainable management, and waterway values.	Low	Achieving more with less resource consumption will become more important as well as protecting water sources from contamination.	Be responsive to changing environmental standards and water value perspectives.  Improving wastewater discharge, mitigating overflows reducing leakage and wasteful behaviour	Environment
<b>Climate Change (adaptation):</b> That more extreme weather patterns will impact on the District in ways similar to that noted in the Ministry for the Environment guidance.	Med	Hotter, dryer and more frequent high intensity rainfall. Sea level rise and coastal erosion. Uncertain the rate of climate change and the timing of impacts on 3 Waters services.	Consider the impact that climate change will have, and the investment required under different response approaches  Invest now in gathering data and evaluating risks	Climate change and natural hazards
<b>Climate Change (mitigation):</b> WDC will be required to cut carbon emissions in the delivery of 3 Waters services over the asset lifecycle	Low	Changes to design, procurement, construction and operation of assets with potential additional costs	Identify what next steps are needed ourselves or wait for industry guidance and leadership to determine what our approach will be.	Climate change and natural hazards
<b>Asset Information:</b> That our asset information is reliable and sufficient.	Low	Poor asset information impedes decision quality for maintenance, renewals and future planning	Invest in the asset information most useful for assessing risk and supporting decision making	Asset condition Technology
<b>Skills:</b> That there will be a shortage of technically skilled people to design, construct and manage 3 Waters assets.	High	Insufficient capacity and capability mean that we cannot deliver our strategy and end up with poor outcomes	Invest in the appropriate resource capacity and capability.  WDC builds a collaborative centre of excellence hub for 3 Waters.	Resourcing



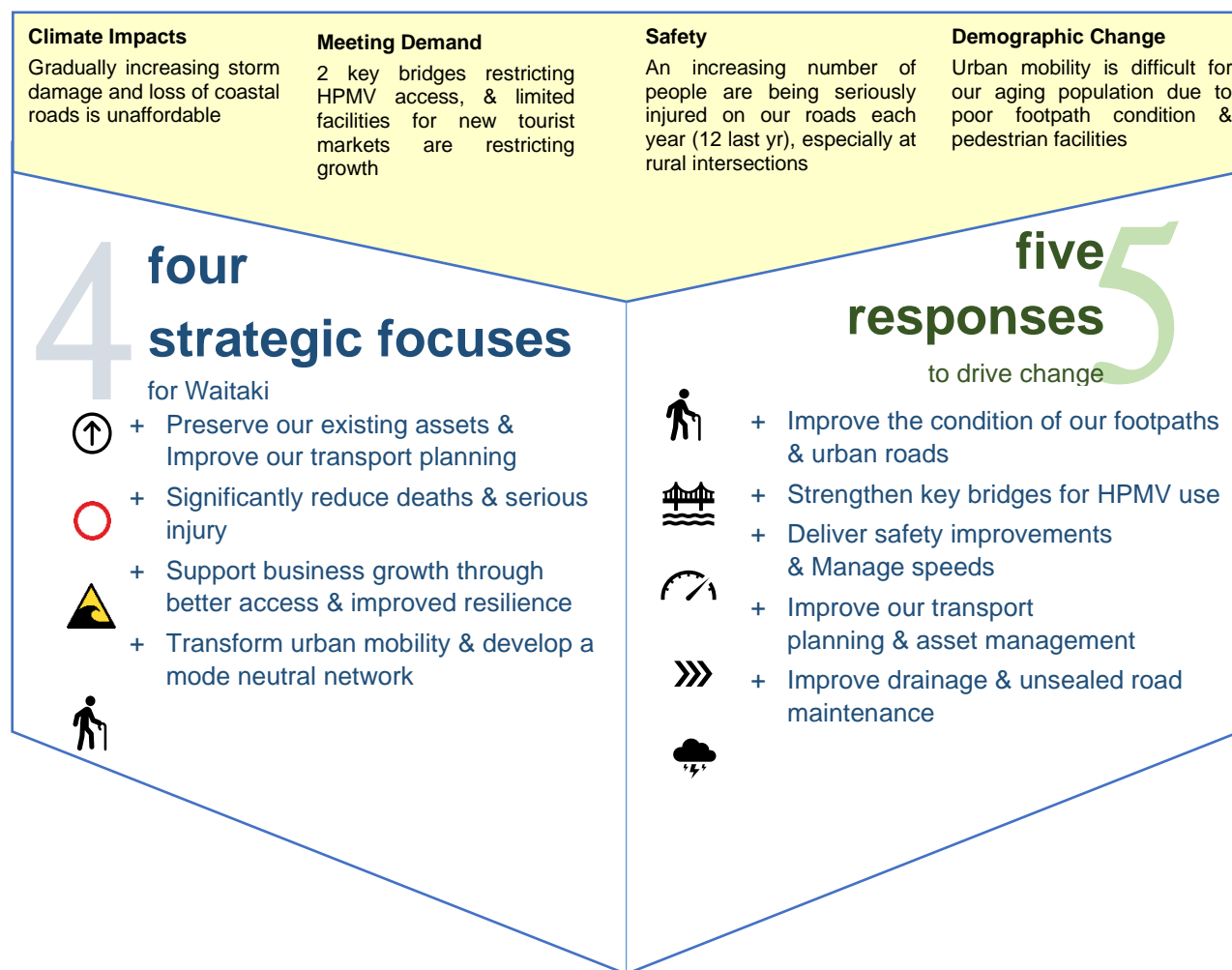
Key Assumption	Uncertainty	Impact	Our Response / Options	Key Challenges Reference
<b>Meeting legislative requirements:</b> That WDC continues to meet requirements for drinking water quality and environmental water quality	Med	Significant overhaul is needed in the way the 3-Waters service is delivered, managed, operated, maintained, monitored and reported on.	Plan to meet anticipated higher water quality standards that will come with future regulation	Safety Environment Continuous improvement
<b>Affordability:</b> That the community is prepared to pay for the levels of service provided from the 3 Waters activity	Med	The community may deem 3 Waters levels of service unaffordable. Insufficient WDC funding available to deliver the strategy and outcomes.	Better understand our assets and quantify the challenges we need to communicate.  Proactively engage with community and WDC to agree outcomes expected through 3 Waters investment	Asset condition Continuous improvement Demographic change Resourcing
<b>Managing growth and increased demand:</b> That growth and changes in demographic composition will occur faster or slower than expected.	Med	More demand for water connections may constrain development. Reduced population could put pressure on activity funding.	Ensure that we have infrastructure with growth forecast able to adapt to positive population changes.  Continue to monitor demographic changes.	Demographic change, Landuse change Resourcing



## 5.3 ROADS & FOOTPATHS

### 5.3.1 Roads & Footpaths Strategic Challenges and Responses

**Figure 5-6: Roads and Footpaths Strategic Challenges and Responses**





### 5.3.2 Roads & Footpaths 30 Year Goals

**Our Mission:** We are transport focussed, making lives better for our communities and visitors. We maintain and develop a safe, effective, efficient, accessible, affordable and fit for purpose transportation network.

### 5.3.3 Roads & Footpaths Assets

**Our Purpose:** Our road corridor networks connect people with destinations, are lines of communication and are used for vital, underground infrastructure reticulations. Our roads also link goods and freight from our farms and high-country stations to far away markets. Without a reliable roading network, much of the economic activity within our district and region would not be possible.

#### Key Network Statistics:

- The Waitaki District covers 7,152 km<sup>2</sup> with a network characterised as a rural, low volume network comprised predominantly of unsealed roads that provide effective access to properties and people.
- 90% of roads are rural (i.e. have a speed limit of more than 70 km/h).
- 59% of roads are unsealed.
- 94% of roads have traffic volumes of less than 500 vehicles per day.
- Over 85% of the roads within the District are owned and operated by WDC, with the NZTA operating the remaining 15% on state highways.
- Walking and cycling are comparatively low but are increasingly important parts of the urban transport network, especially as our population ages.

The level of investment in our Roding assets is an overall replacement cost of \$800m and annual depreciation of \$7.3m. The annual economic activity benefits generated by these physical assets, is more than 1 billion dollars per annum, while the social benefit is immense and immeasurable. These assets require ongoing annual maintenance and in some cases replacement, to sustain the benefits generated.



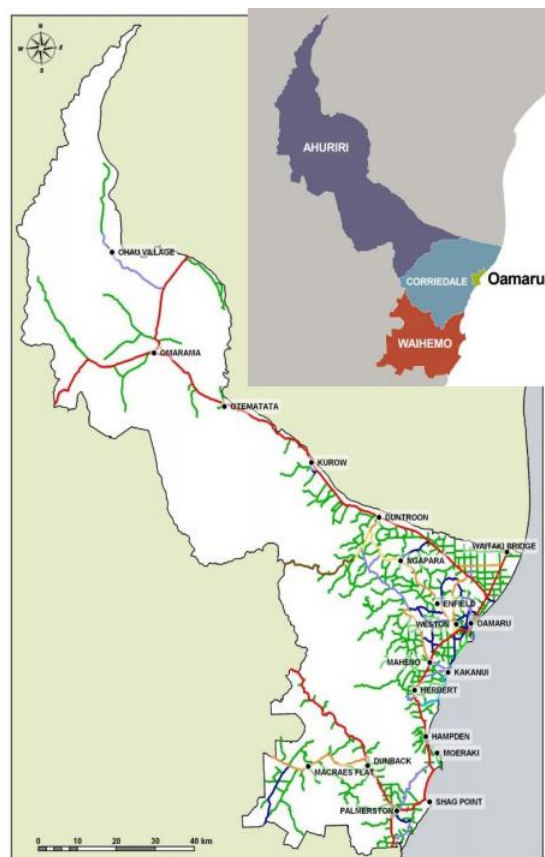
**Table 5-5: Waitaki Roding Assets**

Waitaki Roding Assets	
Length of local roads managed and maintained by WDC (km)	1,812
Length of state highway managed and maintained by NZ Transport Agency (km)	306
Length of footpath (km)	164
Kerb and Channel (km)	185
Retaining Structures (km)	13
Bridges and major culverts (number)	160
Streetlights (total number including State Highways)	2,505
Car parking areas (number)	11
Signs (number)	5045
Walking & Cycling Assets (number)	22



**Figure 5-7: Waitaki Roding Assets**

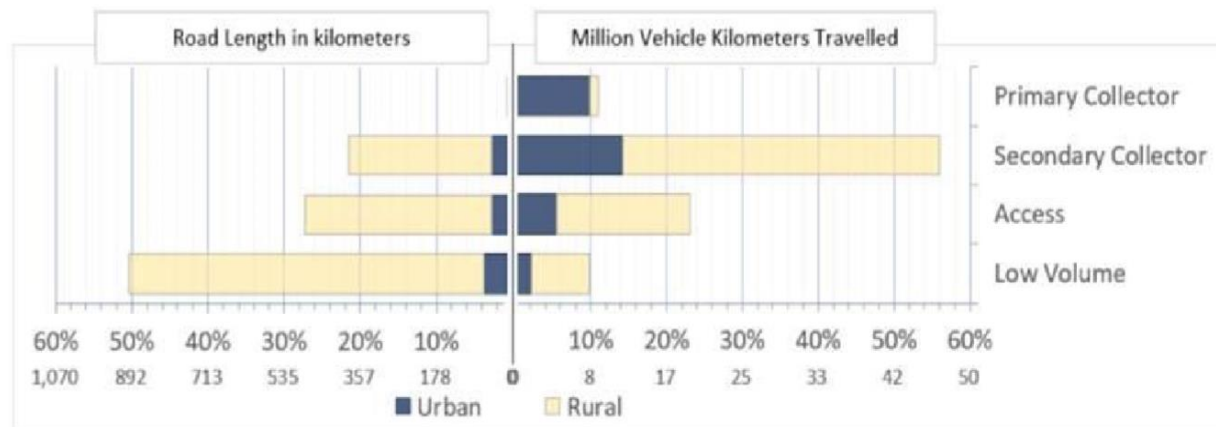
ASSET	ASSET COMPONENT	UNIT	QUANTITY
Road Pavements	Sealed Local Roads	km	777
	Unsealed Local Roads	km	1,023
Bridges & other structures	Bridges	ea	171
	Large Culverts	ea	10
	Fords	ea	8
	Railings	m	7,360
	Retaining Walls	ea	90
Drainage	Culverts	ea	7,950
	Subsoil Drains	ea	73
	Sumps & Catch Pits	ea	1,143 & 41
	Manholes	ea	12
	Drainage Flumes	ea	6
	Scour Protection	ea	7
	Soak Pits & Deep Well Shafts	ea	16 & 24
	Washover structure	ea	34
	Water Race	ea	77
	Vehicle crossing pipe	ea	113
Surface Water Channel	Dished Channel	km	10.47
	Kerb & Channel	km	184.09
	Roadside Drain	km	3,151.06
	Other	m	861
Traffic Services	Signs	ea	5,389
	Road Markings	km	2,772
	Sight Rails	m	3,756
Street Lighting	Street Lights	ea	2,014
Footpaths & cycleways	Footpaths	km	166
	Cycleways/Walkways	km	7.39
Car Parks	Off-Street Car parks	m2	21,000





## Waitaki District ONRC Road Classifications

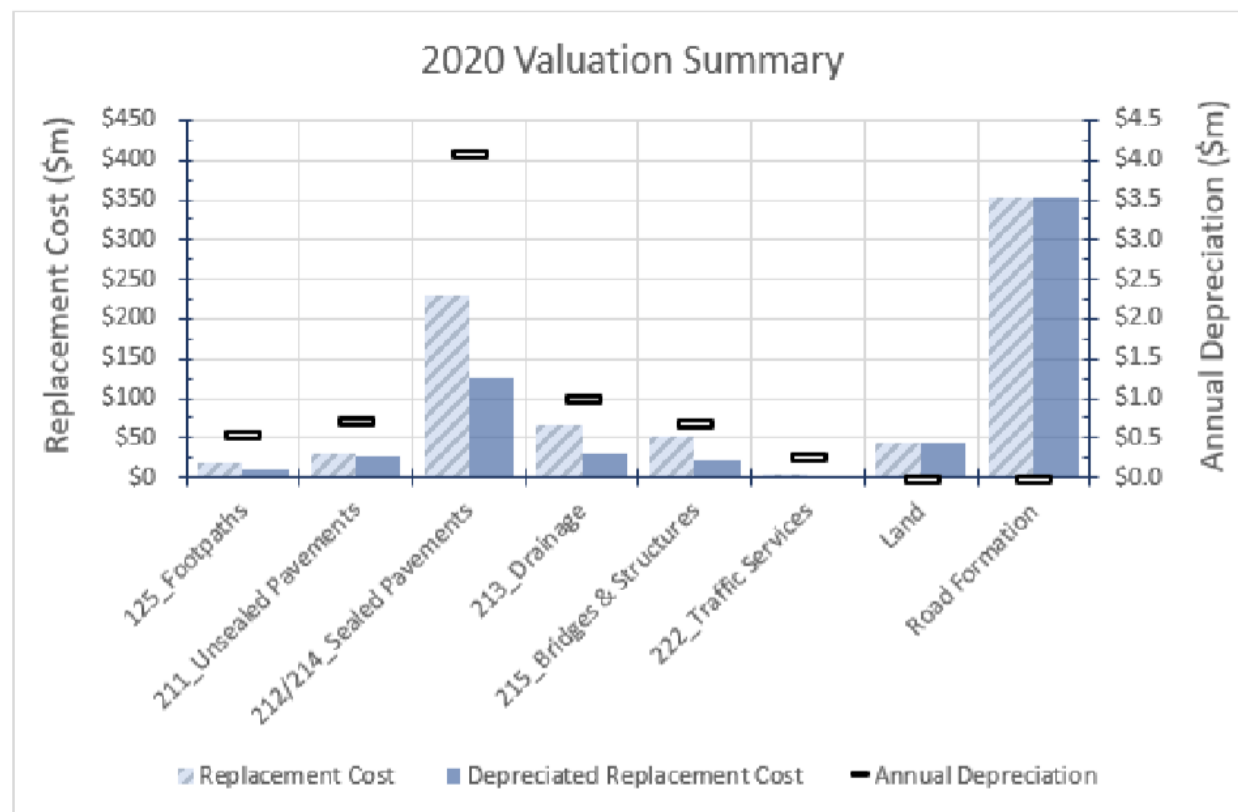
**Figure 5-8: WDC ONRC Road Classification**



- **Primary Collector:** locally important roads linking significant local economic areas or populations
- **Secondary Collector:** roads linking local areas of population and economic sites (may be the only route available)
- **Access:** all other roads but split further into the low volume subset below
- **Low Volume:** a further subset of access roads with less than 200 vehicles per day



Figure 5-9: Roothing 2020 Valuation Summary



<b>\$402.01m</b>	<b>\$193.9m</b>	<b>\$46.8m</b>	<b>\$23.8m</b>
Total network GCRC (excluding land & formation)	10-year expenditure forecast (21% change from 2018-28 forecast)	3-year budget (10% change from 2018-21 NLTP)	Subsidies (NZTA and others) for the 2021-24 NLTP (51% of total budget).



**Figure 5-10: Roding 10 Year Funding Forecast**

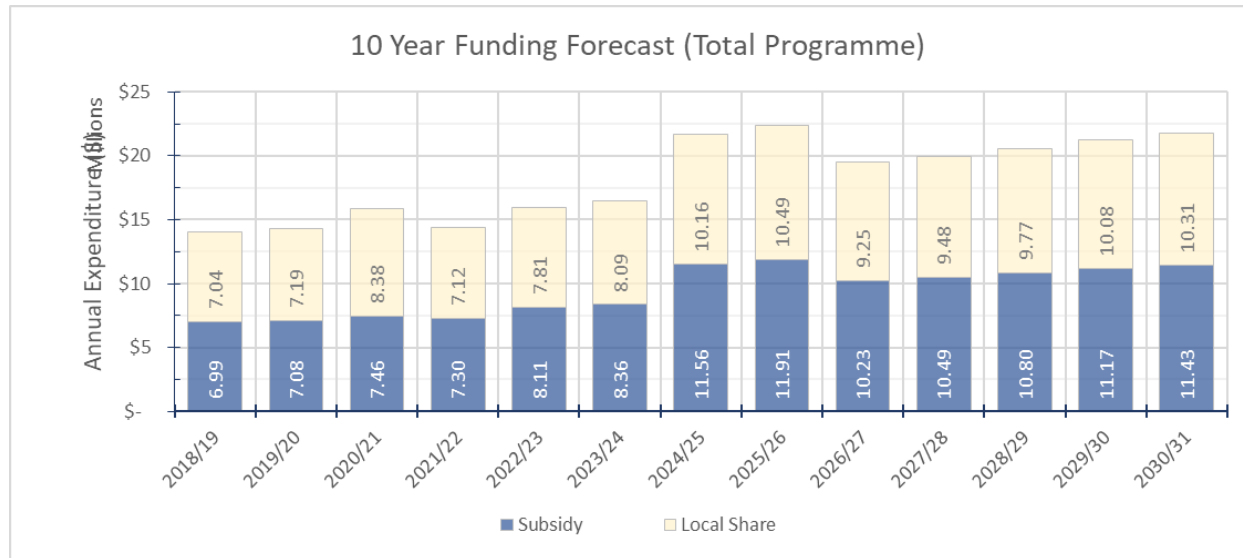
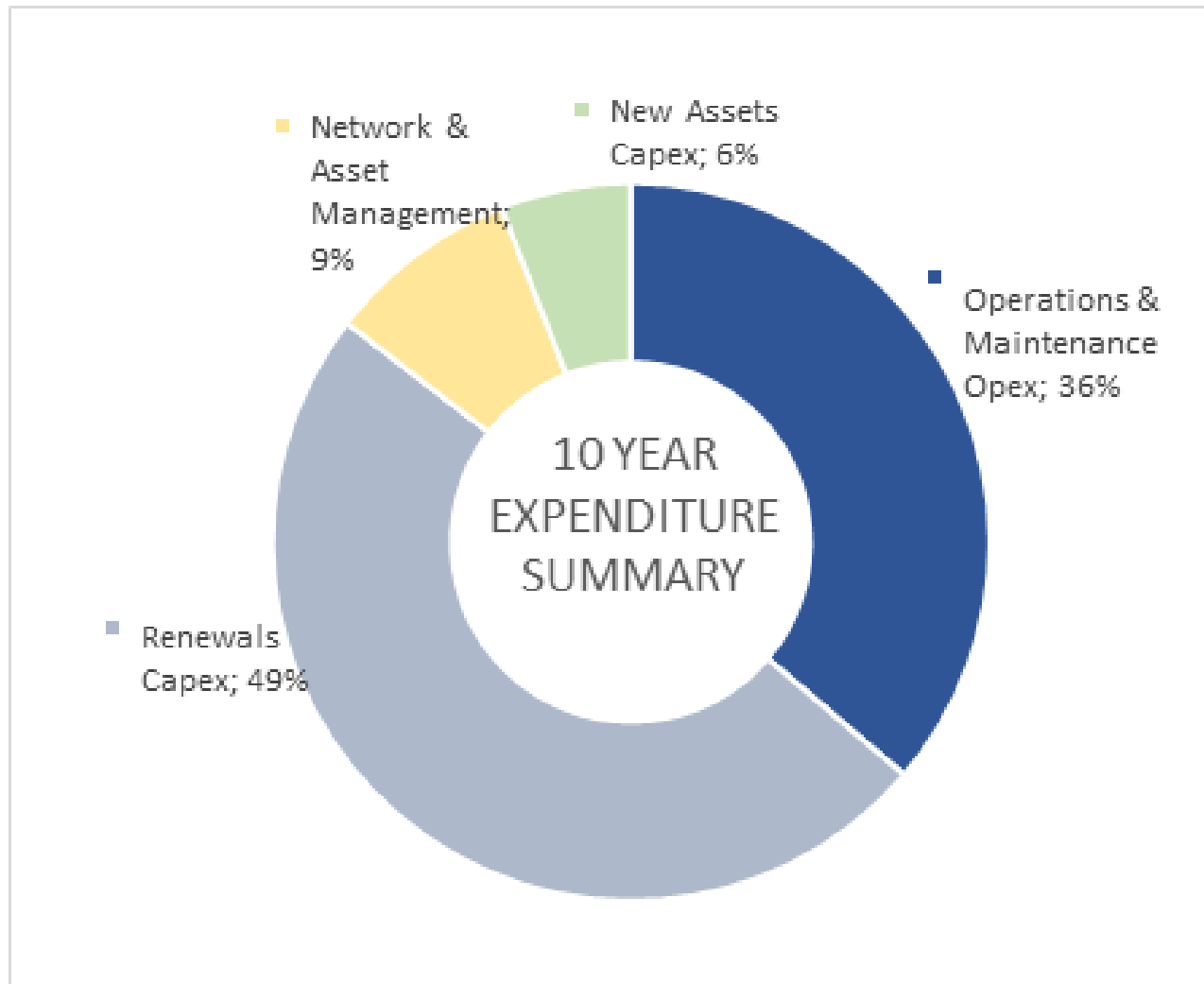




Figure 5-11: 10 Year Expenditure Summary





**Figure 5-12:    Roding Statistics**



#### 5.3.4    Roding and Footpath infrastructure strategy highlights:

##### **Climate Impacts:**

We anticipate accelerating changes because of climate change over the next 10-years. The biggest impact is expected to be from heavy rainfall events and sea level rise, with effects such as:

- Transport network exposed to regular and increasingly severe weather events.
- Coastal erosion affecting parts of the district through the loss of roads.
- Emergency reinstatement works moving from 1-in-10-year events to 1-in-40-year events or greater. Investment requirements are that the reinstated works be more than \$100,000 per event for financial assistance or greater than 10% of the annual programme for escalated financial assistance rate.

##### **Key strategic focus:**

- Continue to investigate where climate change impacts are likely and how best to mitigate these impacts.
- Improve resilience of the transport network.
- Improve condition of our footpaths and urban roads.
- Optimise the capacity of our existing bridges.
- Improve drainage maintenance.



### Meeting Demand:

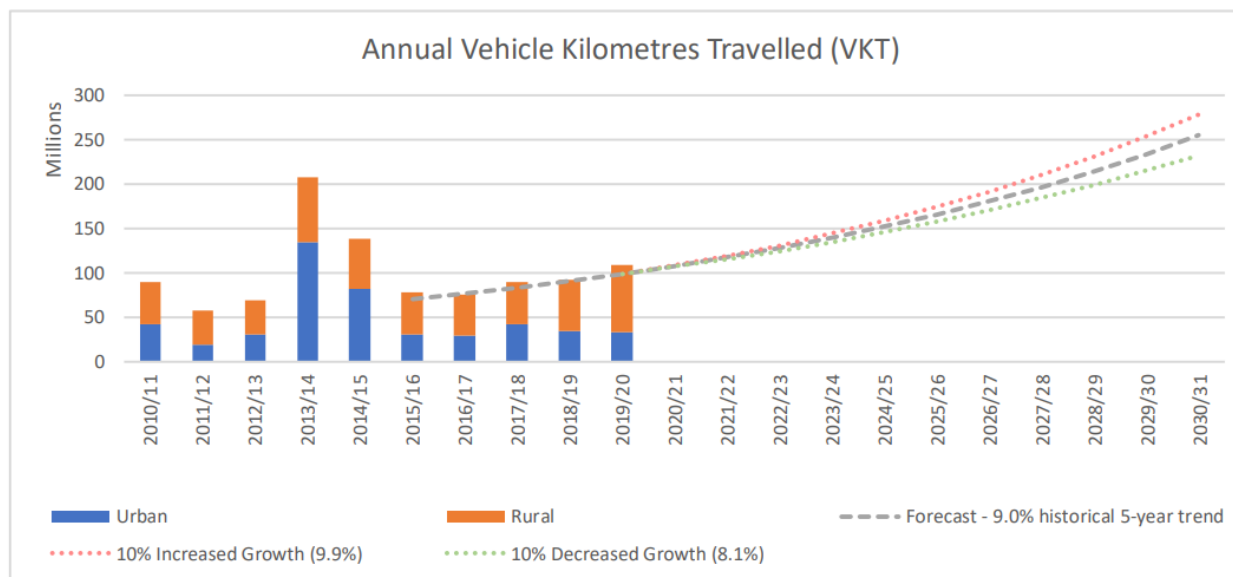
The difficulty in meeting HPMV demand combined with limited facilities for new tourist markets are challenges which will restrict growth in the District. Other challenges include:

- Commercial land use change altering the rural traffic composition.
- Heavier and wider vehicles on the network, which results in greater wear and tear on existing assets and road user safety concerns.
- Tourism within New Zealand has increased exponentially, including the Waitaki region.
- Forestry and logging activities are impacting the roading network.
- Mining activities in the Waihemo ward will continue for 10 plus years. Withdrawal from the district will significantly impact WDC's rates component revenue.
- Meridian Energy, as a result of roads inundated by man-made lakes within the Waitaki River catchment, also contributes significantly to WDC's rates component revenue; but offset by the vestment of 14km of sealed road.
- Examining network demands to provide a flexible environment to address change using the Roding Network Plan.

Key strategic focus:

- Improve our transport planning to ensure we manage the growth on the appropriate assets.

**Figure 5-13: Annual Vehicle Kilometres Travelled**





Over the last five years, an average traffic growth of 9.0% has been observed. Projected forward 10 years, this results in a forecast Annual Vehicle Kilometres Travelled (VKT) of approx. 255 million in 2030/31. Note: 2013/14 and 2014/15 there was a significant spike (understood to be a combination of urban demand from UFB activity and rural demand from the NOIC scheme development).

### **Safety:**

As the transport network continues to grow to meet expected demand increases, the safety of the network also needs to continue to improve.

- In the past, 50% of 2015/16 Survey respondents stated that WDC roads are not safe to travel on.
- Low customer satisfaction and raised expectations of stakeholders and customers.
- Continual safety improvements to Roading (e.g. speed, realignment, barriers).

Key strategic focus:

- Deliver safety improvements and manage speeds.

### **Demographic Change:**

As the demographics of the District continue to change (including an ageing population which is currently greater than the national average), the Roads and Footpaths assets must change to meet the needs of the District. Focus areas are likely to include: Providing good quality footpaths, cycleways and car parking in urban and peri-urban areas

- Improved transport planning, with a specific focus on this growth area.

### **Internal Asset Management Improvements:**

To enable highlighted asset management improvements within the Roads and Footpaths assets, several strategic improvement areas will be targeted including:

- Increased in internal planning resources to enable improved asset planning for future improvements.
- Management and planning of inground services installations (water, fibre, power etc.) along the road and footpath corridor.
- Improved management of resources, both internal and contracted resources.



### 5.3.5 Roads and Footpaths Key Deliverables

The tables below highlight the significant costs and decisions in delivering the Strategy, with a focus on the actions required in the first 10-year period.

**Table 5-6: Roading and Footpath Significant Costs and Decisions**

Key Deliverable	Indicative Cost/Funding	Indicative Timeframe	Key Challenges Reference
Total subsidised and unsubsidised operations, maintenance, renewal and improvement programmes (broken down further below)	\$15.5m to \$22.5m per annum	2021 - 2031	Asset condition Continuous improvement
<i>Other options: Not considered as this work is required to meet levels of service set by WDC.</i>			
Maintenance and Operations subtotal (subsidised and unsubsidised)	\$13.0m to \$16.6m per annum	2021 - 2031	Asset condition Continuous improvement
<i>Other options: Not considered as this work is required to meet levels of service set by WDC.</i>			
Capital Works subtotal (subsidised and unsubsidised)	\$8m to \$14m per annum	2021 - 2031	Asset condition Safety Climate change and natural hazards
<i>Other options: Not considered as this work is required to meet levels of service set by WDC.</i>			
Kakanui Point Bridge Replacement	\$7,700,000	2025 / 2026	Asset condition Safety
<i>Other options: Replace the bridge with a two-lane bridge. This would increase the cost to around \$14m and it is likely that NZTA co-investment is not be available for the increased level of service. WDC could choose not to replace the bridge meaning it would be left with weight restrictions and will eventually effectively separate the Kakanui community. Delayed 10 years</i>			
Widening of high risk sealed roads, smoothing of rural and urban roads. Improve response levels, undertake improvements to safety, resilience, efficiency, accessibility, amenity and travel time.	\$2.9M Over 3 years	2021 – 2024	Asset condition Safety



Key Deliverable	Indicative Cost/Funding	Indicative Timeframe	Key Challenges Reference
<i>Other options: Fund a lesser amount or do not fund this level of service increase. Increased expenditure is in response to Community dissatisfaction with WDC roads. Reducing or removing the project will save WDC's share of the cost (43%) but is unlikely to improve dissatisfaction levels.</i>			
Maintenance, operations and renewals: WDC's roading maintenance contract reflecting the current market value.	\$4,230,000 per Annum	2021 – 2051	Asset condition Resourcing
<i>Other options: Increase or reduce the levels of service provided for in the Contract. A reduced level of service is likely to increase community dissatisfaction with WDC roads.</i>			
Road Safety programme: Programmes to reverse the increasing trend of fatalities on all roads.	\$1 per Annum	2021 – 2051	Safety
<i>Other options: Reduce expenditure - This is likely to impact on road safety in Waitaki.</i>			
Walking and cycling projects: Enable cyclists to safely commute from the Penguin Colony in Ōamaru to the north end of Ōamaru and out to Pukeuri as well as out to Weston and on Ardgowan Road, Buckley's Hill and Reservoir Road	\$1,900,000 Over 3 years	2021 – 2024	Safety Demographic change
<i>Other options: Not fund the cycleway projects, saving WDC's share of the cost of the work (43%) however this would reduce the effectiveness of Council's cycle network.</i>			
Street Lights - Reduction in costs due to efficiencies of LED, allowing for renewals of infrastructure e.g. poles and brackets.	\$287,000 Over 3 years	2021 – 2024	Safety Technology
<i>Other options: Not considered, this renewal work is needed to maintain levels of service</i>			

In addition to the anticipated direct infrastructure investment, delivering the infrastructure strategy across Roads and Footpaths requires the following decisions and non-asset actions:



**Table 5-7:      Roothing and Footpath Decisions and Non-Asset Actions**

Key Non-Asset Deliverable	Indicative Timeframe	Key Challenges Reference
Continue to develop the Land Transport Asset Management Plan document (Parts A, B and C)	2021 - 2023	Resourcing Continuous improvement
Continue to develop and update the core asset management software tools (e.g. RAMM, dTIMS, OBIS)	2021 – 2023	Resourcing Technology Continuous improvement
Continue to improve transport planning activities and increase resourcing as appropriate	2021 – 2023	Resourcing Continuous improvement
Continue to develop the Road Safety Improvements & Community Focussed Activities and Low-Cost (LCLR) Improvement Programme	2021 – 2023	Safety Continuous improvement
Continue to investigate how climate change will impact on the assets and what practical solutions can be planned for.	2021 - 2031	Resourcing Climate change and natural hazards
Maintain physical works contract schedule (currently 9 focus areas)	2021 – 2023	Resourcing Asset condition Continuous improvement



### 5.3.6 Roothing and Footpath Key Assumptions

**Table 5-8: Roothing and Footpath Key Assumptions**

Key Assumption	Uncertainty	Impact	Our Response/Options	Key Challenges Reference
<b>Climate Change:</b> That the resilience of our transport network will be exposed to regular and increasingly severe weather events; that the effects of coastal erosion that are being seen in parts of the district through the loss of roads, will continue to worsen.	Med	That these effects may reduce resilience and accessibility of the network and an increase in travel time resulting in lost economic productivity and growth in the district.	Monitor the impact of climate change and be responsive to changes by building resilience required to WDC's assets (including mitigation and adaptation).  NIWA are currently mapping the 100-year coastline. WDC can then make more informed decisions regarding coastal erosion and investment, and the WDC's Coastal Erosion Strategy will be consistent with this new information.	Climate change and natural hazards
<b>Demographic Changes:</b> That the district will experience a change in land use - larger rural vehicles; larger tourist vehicles with drivers unused to the conditions; an ageing population greater than the national average requiring good quality footpaths for pedestrians and mobility scooters, walking and cycling tracks, footpaths and improved accessibility for the elderly, car parking in our town centres.	Low	That these factors will test the resilience of our roading network, and lead to deterioration of the district's roads.	Maintain a resilient roading network, including funding drainage maintenance, renewals and improvements, and responding to coastal erosion threats.  Ongoing monitoring around signs of deterioration of the district's roads.	Demographic change



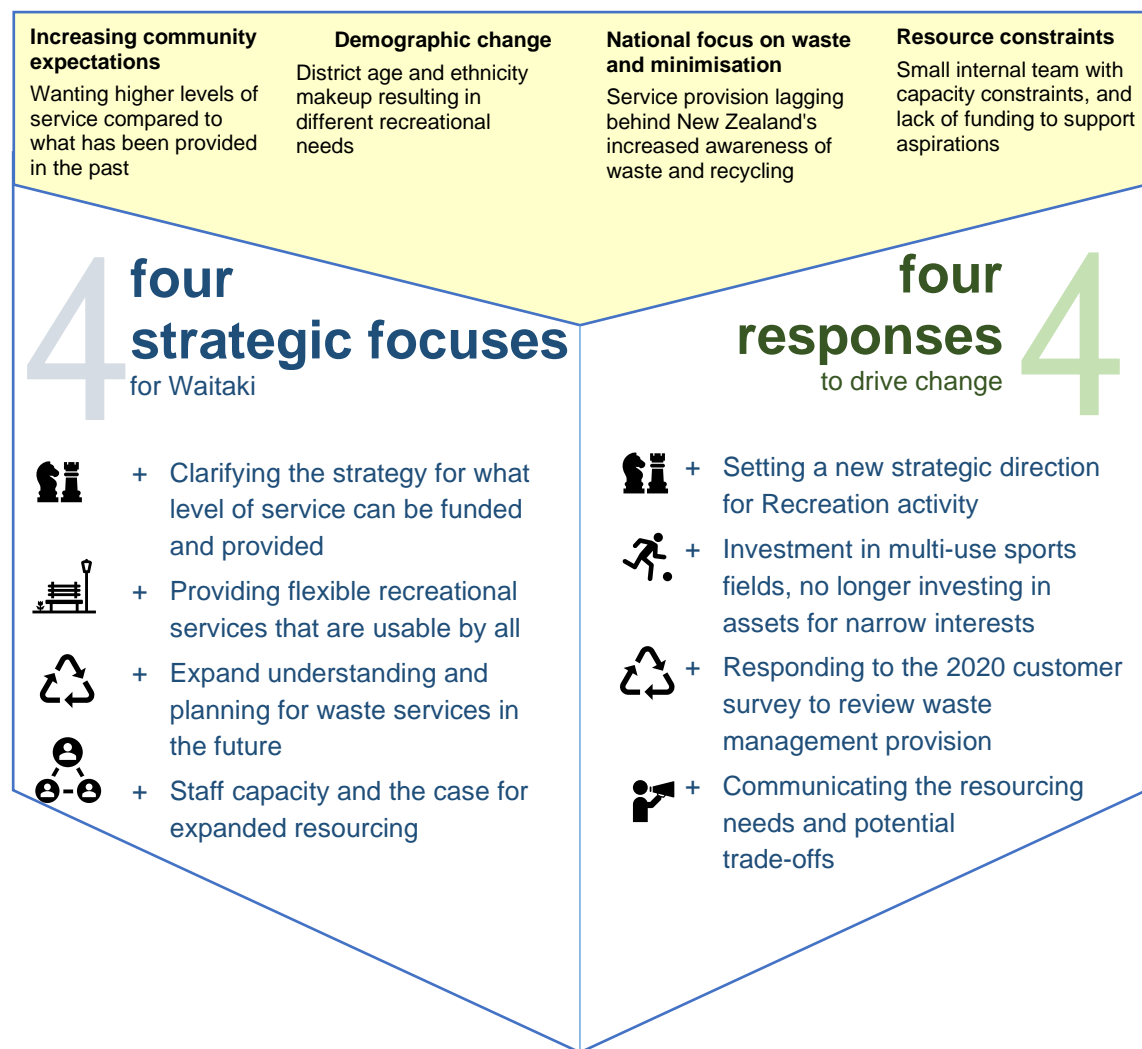
Key Assumption	Uncertainty	Impact	Our Response/Options	Key Challenges Reference
			Regular reviews of levels of service to ensure they are appropriate and achievable.	
<b>Asset Information:</b> That our asset information is reliable and sufficient.	Low	Poor asset information quality may impede effective and efficient maintenance, renewals and future development of the water network e.g. projections currently age based not on condition or performance.	Asset information has been assessed as reliable. WDC could increase asset information resourcing.	Asset condition Resourcing Continuous improvement Technology
<b>Under-investment in roads</b> – investments in local roading infrastructure compared to other peer councils is low (the focus of roading spend has been in the rural areas for a number of years - this is unsustainable).	Low	Roads cannot be maintained to the agreed Level of Service stated.	Plan for changing demands. Continue to monitor road condition	Asset condition Resourcing
<b>Skills:</b> That there will be a shortage of technically skilled people to design, construct and manage roading and footpath assets.	High	With less technically skilled resources available, projects and maintenance may not be able to be appropriately planned and managed.	WDC is considering the impact of this issue when planning. WDC could intervene sooner and divert resourcing to planning for a skill shortage.	Resourcing



## 5.4 RECREATION (& SOLID WASTE)

### 5.4.1 Recreation (& Solid Waste) Strategic Challenges and Responses

**Figure 5-14: Recreation (and Solid Waste) Strategic Challenges and Responses**





#### 5.4.2 RECREATION (& SOLID WASTE) 30-YEAR GOALS

- To provide safe, effective, efficient and affordable services and facilities to communities which are fit for purpose.
- Expand understanding and planning for waste services in the future
- Renewal funding of assets

#### 5.4.3 RECREATION (& SOLID WASTE) ASSETS

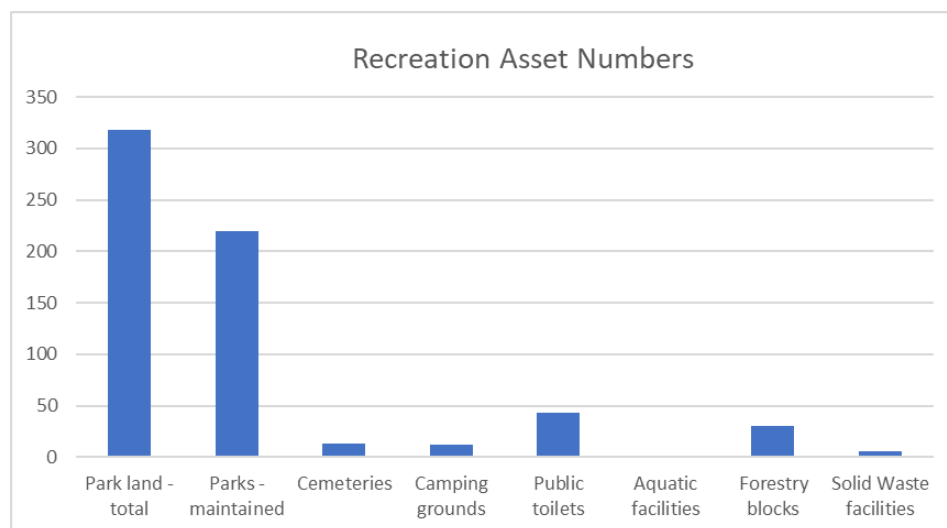
**Table 5-9: Recreation Assets**

Waitaki Recreation Assets		
Activities	Number	Area (ha)
Park land – total	318	1,164
Parks – actively maintained (excluding Cemeteries)	220	187
Cemeteries	13	26.3
Camping grounds	12	61
Public toilets	43	
Aquatic facilities	1	
Forestry blocks	30	127
Solid Waste	6	
Landfills	1	12
Closed landfills	13	29.28



## Numbers of Recreation Assets:

**Figure 5-15: Numbers of Recreation Assets**



## Recreation Assets by Value:

Currently the Recreation valuation information is limited to the following:

- Parks Asset Value Summary

**Figure 5-16: Parks Assets Value**

	Replacement cost	Optimised Depreciated Replacement Cost	Annual Depreciation
Valuation as at 30 June 2019	\$32,709,383	\$12,958,741	\$734,525



- Aquatic Asset Value Summary as at 30 June 2020.

**Figure 5-17: Aquatic Assets Value**

Building Name	Replacement Cost	Fair Value (DRC)	Annual Depreciation Requirement
Waitaki Aquatic Centre	\$7,080,000	\$4,283,800	\$139,800
<b>Components</b>			
Structure		\$1,865,200	
Roof		\$245,500	
Building services		\$1,577,000	
Fit out		\$592,000	
Site Improvements		\$4,100	

- Total Replacement Value = \$39,789,383 (not including Solid Waste).

**Figure 5-18: Recreation Statistics**



Recreation covers the following assets and services:

- parks, including sports & recreation parks, neighbourhood parks, nature parks, outdoor adventure parks, public gardens, cultural heritage parks, civic parks, playgrounds
- sports fields
- aquatic Facilities
- public Toilets and Dump Stations
- cemeteries
- streetscape and Trees
- camping Grounds



- forestry.

A total of 1,164 hectares of parks and reserves is managed by the WDC.

Of this, a total of 624 hectares of publicly accessible park land is provided at 26.1 hectares per 1,000 residents. The remaining area represents recreation land leased as campground or commercial farming enterprise where general public access is not available. These figures exclude commercial forestry areas where the public may have assumed recreational access rights. For comparison purposes the park land is split between:

- **A - Actively maintained/urban park** - 187 hectares of at 9.0 hectares per 1,000 residents compared to national median of 8.7 hectares per 1,000 residents.
- **B - Natural/conservation park** – 357 hectares at 17.1 hectares per 1,000 residents compared to Yardstick national median of 7 hectares per 1,000 residents.

A total of 22 playgrounds and 4 skate parks are provided. An additional 4 school playgrounds in Ōamaru are available to the public outside school hours in return for grounds maintenance. This equates to 5.8 playgrounds per 1,000 children under 15, which is above the national median of 3.9 playgrounds per 1,000 children under 15.

The WDC operates 13 cemeteries (11 open), with a total land area of 38.44 hectares (26.27 Ha actively in use with the remaining area grazed for future expansion). The main bulk of the interment activity occurs at the Oamaru Cemetery.

The WDC provides 11 campgrounds totalling 60.99 hectares. 4 of these campgrounds are leased to commercial entities, another is about to be leased and one is to be returned to crown management.

A total of 43 public toilet blocks are provided across the district. 14 are provided in WDC managed Campgrounds and are available for general public use, 20 on parks (many near the centre of towns) and 9 are located on other land in the centre of towns. 1 dump station is provided in Oamaru with a further one planned for Ōmārama.

One aquatic centre is provided at Ōamaru and grants are provided to assist with community access to school pools at Kurow and Palmerston.

WDC's provision of Solid Waste & Landfill facilities currently consists of:

- one open landfill (Palmerston)
- closed landfills
- four rural recovery parks/transfer stations (Hampden, Kurow, Otematata and Ōmārama)
- three rural recycling centres (Enfield, Papakaio and Herbert).



#### 5.4.4 RECREATION (& SOLID WASTE) INFRASTRUCTURE STRATEGIC HIGHLIGHTS

##### Recreation Strategic Direction

It is planned to review specific Recreation strategies to ensure alignment with WDC objectives. Areas such as the following will be reviewed:

- Location and number of parks.
- Demographic changes – investigate what this may require in the future.
- Completion of off-road section of A2O bike trail, plus how to best promote the A2O bike trail.
- Cycleway Ōamaru to Palmerston.
- Growth of Aquatic Centre.
- Camping grounds – potential extension for opportunities due to changing nature of holidaying in New Zealand.
- Review Playground Policy (proximity, quantity, Destination playgrounds etc.).
- Active Recreational Facilities developments, including proposed Sports and Events centre.
- Walkways, Cycleways and Passive Recreation developments and connections.
- Development of Cemeteries.

##### Aquatic Centre

Undertake a building and plant condition assessment of the Aquatic Centre by qualified personnel, to update the building maintenance plan and prepare a plant replacement plan. Due to these assets specific plant and equipment requirements, specific, specialist plant lifecycle planning is required.

##### Recreation asset management process improvements

The following improvement activities are planned:

- Asset data collection and condition assessment process improvements.
- Creation of Standard Operating Procedures (SOPs) as part of an overall Recreation procedures operating manual development program.
- Collect and record Recreation building major component asset information to provide effective base information for building asset renewal and maintenance planning.

##### Sports and Events Centre

- A significant piece of proposed Infrastructure is proposed to be built in the first three years of the LTP, the Sports and Events Centre. This centre will be a facility that provides improved opportunities for sport and physical activity for all age groups, as well as one that can hold cultural events. The make-up of the centre will be determined following community consultation through the LTP process.



## Waste Management Strategy

Continue to develop the Waste Management Strategy to ensure it aligns with WDC future direction. This will include a review of the following Solid Waste and Landfill area topics:

- Replacement of the Oamaru Landfill – now a private transfer station facility owned and operated by Waste Management NZ Limited.
- WDC's decision to encourage the private market to provide waste services wherever possible and appropriate.
- Encourage households and businesses to have access to a range of options for managing and minimising their waste.
- Townships in the Waitaki Valley and Waihemo area have growth challenges affecting waste management facilities.
- Closure of the Palmerston landfill – several years away.
- Removal of the Hampden Landfill.
- Managing the 14 closed landfills to meet consent conditions.
- Monitor and manage littering and illegal dumping throughout the District.
- Peak demands - Townships such as Otematata face some unique seasonal challenges due to their increasing popularity as holiday destinations.
- Waste Minimisation Act compliance – which will require updating of the current Waste Management & Minimisation Plan 2018-24.



#### 5.4.5 Recreation (& SOLID WASTE) Key Deliverables

The tables below highlight the significant costs and decisions in delivering the Strategy, with a focus on the actions required in the first 10-year period.

**Table 5-10: Recreation Significant Costs and Decisions**

Key Deliverable	Indicative Cost/Funding	Indicative Timeframe	Key Challenges Reference
Total Parks Direct Operations and Maintenance Expense (Excludes Depreciation, & Overheads)	\$3,273,000	Annually	Asset condition Continuous improvement
<i>Other options: Reduce expenditure - This is likely to impact on service delivery</i>			
Total Indirect Costs	\$1,485,000	Annually	Asset condition Continuous improvement
<i>Other options: Reduce expenditure - This is likely to impact on service delivery</i>			
Annual parks assets renewals	\$435,000	Annually	Asset condition
<i>Other options: Reduce expenditure - This is likely to impact on service delivery</i>			
Total Solid Waste Direct Operations and Maintenance Expense (Excludes Depreciation, & Overheads)	\$1,161,000	Annually	Asset condition Continuous improvement
Hampden Closed Landfill Remediation	\$1,500,000	One Off	Asset condition

Note: this does not include renewal budgets / replacement funding



In addition to the anticipated direct infrastructure investment, delivering the infrastructure strategy across Recreation requires the following decisions and non-asset actions:

**Table 5-11: Recreation Key Decisions and Non-Asset Actions**

Key Non-Asset Deliverable	Indicative Timeframe	Key Challenges Reference
Continue to maintain and update Aquatic Centre building maintenance plan and update on 3 yearly cycle	2021 - 2024	Asset condition Continuous improvement
Review Recreation Strategy 2012 – 2022	2022	Resourcing Continuous improvement
Review Waitaki Reserves Management Plan – 2014 (as required under the Reserves Act 1977)	By 2024	Environment Resourcing Continuous improvement
Review of Waitaki Policy for WDC Trees 2014	2024	Environment Continuous improvement
Review of Public Toilets and Dump Station Plan (2018 – 2028)	2026	Environment Continuous improvement
Aquatic Centre - undertake a building and plant condition assessment by qualified personnel, update building maintenance plan and prepare plant maintenance plan	2022	Asset condition Continuous improvement
Asset data collection/assessment and procedures operating manual development	2023	Asset condition



Key Non-Asset Deliverable	Indicative Timeframe	Key Challenges Reference
		Continuous improvement
Collect and record Recreation building major component asset information to provide effective base information for building asset renewal and maintenance planning.	2021 - 2022	Asset condition Continuous improvement
Review service delivery of Recreation and Waste, resourcing and capacity	2022	Resourcing
Develop a policy around the use of glyphosate for weed control	2022	Environment
Undertake a review of Alps to Ocean governance and management	2022	Resourcing Continuous improvement Asset condition Environment
Expand understanding and planning for waste services in the future	2023	Resourcing Continuous improvement Environment
Develop a Waste Activity/Asset Management Plan	2022-23	Asset condition Continuous improvement



#### 5.4.6 RECREATION (& SOLID WASTE) KEY ASSUMPTIONS

**Table 5-12 Recreation Key Assumptions**

Key Assumption	Uncertainty	Impact	Our Response/Options	Key Challenges Reference
<b>Climate Change:</b> That the resilience of our recreation assets will be exposed to regular and increasingly severe weather events	Med	That these effects may reduce resilience and accessibility of the recreation assets.	Monitor the impact of climate change and be responsive to changes by building resilience required to WDC's assets. Incorporate impacts into planning and budgeting.	Climate change, coastal erosion and natural hazards
<b>Demographic Changes:</b> That the district will experience a continued change in demographic makeup of its communities, both in ethnicity (increasing Pacifica) and age profile (ageing population)	Low	The ongoing appropriateness and effectiveness of our community recreational assets will need to be monitored.	Ongoing monitoring around signs of deterioration of the district's recreational assets. Regular reviews of levels of service to ensure they are appropriate and achievable.	Demographic change
<b>Asset Information:</b> That our asset information is reliable and sufficient.	Low	Poor asset information quality may impede effective and efficient maintenance, renewals and future development of the recreation assets	Asset information has been assessed as reliable. WDC could increase asset information resourcing.	Asset condition Continuous improvement
<b>Under-investment in recreation assets:</b> In previous years, funding restrictions have	Low	Recreational assets cannot be maintained to the	Plan for changing demands. Continue to monitor recreation asset condition and provide	Asset condition Resourcing



Key Assumption	Uncertainty	Impact	Our Response/Options	Key Challenges Reference
been required which have restricted some asset management activities.		agreed Levels of Service stated.	forward planning to ensure assets can meet agreed Levels of Service.	
<b>Skills:</b> That there will be a shortage of technically skilled people.	High	With less technically skilled resources available, projects and maintenance may not be able to be appropriately planned and managed.	WDC is considering the impact of this issue when planning. WDC could intervene sooner and divert resourcing to planning for a skill shortage.	Resourcing



## 5.5 PROPERTY

### 5.5.1 Property Strategic Challenges and Responses

**Figure 5-22: Property Strategic Challenges and Responses**





### 5.5.2 Property 30-year goals

The Property assets are spread across the spectrum of WDC's strategic goals and operations. Ownership of buildings is justified by the activity for which it is intended and/or the certainty that ownership provides.

Recreation, heritage protection, economic development and community support outcomes give rise to asset ownership. These assets provide for strong vibrant communities and contributes to WDC's 'Community Outcomes' as follows:

#### **Economic**

- Prosperous District
  - Attractive to new opportunities
  - Support local businesses
  - Foster a diverse economy.

#### **Social and Cultural**

- Strong Communities
  - Enable safe and healthy communities
  - Connected, inclusive communities
  - Celebration of our common identity.
- Quality Services
  - Community facilities and services, we are proud of.

#### **Goals:**

- To provide safe, effective, efficient and affordable services and facilities to communities which are fit for purpose.
- To build on the recently developed Property AMP, to ensure the following asset management processes are achieved:
  - Continue to develop the Property AMP with associated asset information on the assets, levels of service targets, lifecycle forecasts, ongoing condition assessments, service delivery plans and renewals/capital expenditure forecasts, to provide the following improved outcomes:
- Improved property asset management decision making.



- Ensure 'no surprises' with respect to assets.
- Future developments to cater for growth requirements.

### 5.5.3 Property assets

The following assets and services fall under the responsibility of the WDC Property Team:

**Table 5-3: Property Assets and Services**

Activity/Asset Owner	Property Manager	Landowner
Oamaru Airfield Community Housing Harbour Community Buildings Commercial <ul style="list-style-type: none"> <li>• Tier One – Land and Buildings</li> <li>• Tier Two – Land only (Endowment).</li> </ul> Council Land Holdings Abandoned Properties	Operational Buildings <ul style="list-style-type: none"> <li>• WDC Offices</li> <li>• Library</li> <li>• Art Gallery</li> <li>• Museum</li> <li>• Opera House</li> <li>• Aquatic Centre</li> <li>• Other service buildings.</li> </ul> Residential and Other Council Properties	Community Halls

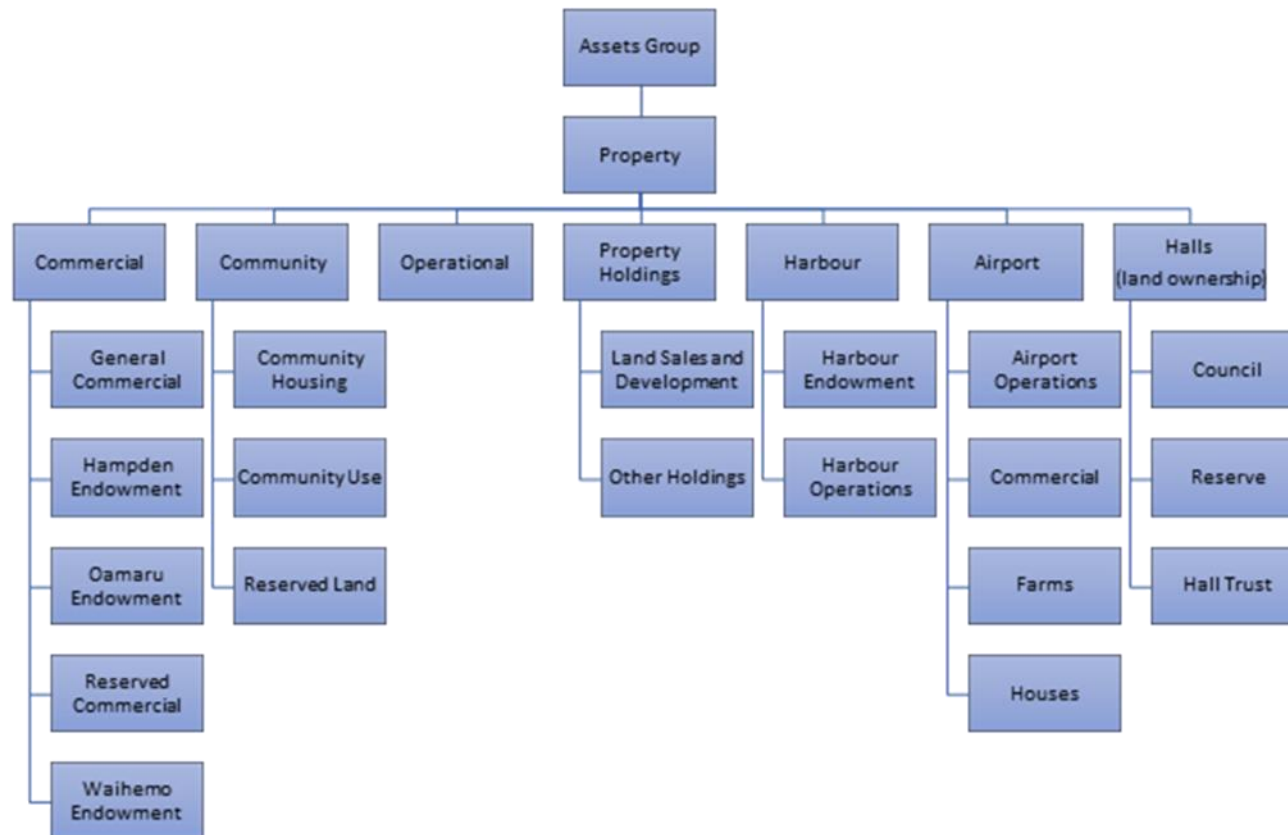
The Property Team has three distinct management roles:

1. **Activity/Asset Owner** – For this group of buildings and properties, the Property Team is fully responsible for the assets and delivery of services associated with these assets.
2. **Property Manager** – For this group of buildings the Property Team is primarily responsible for building maintenance and related services to support the activity teams responsible for the delivery of the services.
3. **Community Halls** – All community halls are currently managed independently by local community trusts and committees. Council has land ownership obligations for six of the 33 halls, meaning Council has responsibilities in respect of the land at these six sites.



## Property Asset Categories:

Figure 5-23: Property Categories





**Table 5-4: Property Assets Groups and Numbers of Assets**

<b>Waitaki Property Asset Groups and Numbers of Assets</b>	
Operational	9
Community Use	10
Community Housing	91
Commercial	7
Commercial – Ōamaru Endowment	28
Commercial – Waihemo Endowment	3
Hall	5
Harbour Endowment	48
Airport	7
Property Holdings	10
<b>Total Number of Property Assets</b>	<b>218</b>



A high-level summary of Council's Property unit portfolio is found below.

**Figure 5-24: Property Statistics**





## 5.5.4 PROPERTY INFRASTRUCTURE STRATEGY HIGHLIGHTS

### 5.5.4.1 Oamaru Harbour

The harbour and waterfront areas are used for a wide variety of activities, from commercial to recreational and industrial, as well as being the hub for many groups, clubs, and organisations. It is host to many popular community events and home to a range of marine wildlife, including shags, penguins, and seals. The variety of users and their interests, along with the heritage story and the wildlife in the harbour, creates an interesting space for a mixture of needs.

Maintaining structures and navigation facilities to safely access the coastal marine area is considered a critical infrastructure service.

The Oamaru Harbour asset management improvements include improvements to the following:

- buildings
- wharves
- ongoing dredging of channels
- slipway upgrade.

Currently the 'Oamaru Harbour Plan 2020 and Beyond, Property Strategy' exists and is to be reviewed in 2025.

### 5.5.4.2 Oamaru Airport

Currently the Oamaru Airport comprises a single sealed runway and two grass runways. It also provides for night flying with lighting and is currently a non-certificated airfield. There are a range of buildings including a WDC owned terminal building, control tower, various hangars and other aviation related buildings owned by lessees.

Airfield capability plays a critical role in emergency civil defence planning for the District.

The Oamaru Airport property developments are considered an asset area requiring improvement in the future. Improvement items such as the following will be considered:

- runway replacement
- lighting upgrades
- additional hangers.

These improvements are proposed to enable new business opportunities and to retain the level of service that we currently have.

### 5.5.4.3 Property asset information and systems improvements

Property asset information and systems improvements. Including improvements to the processes associated with:

- The current WDC asset management system (AMS) (Hansen) has not been used for property and building assets. A new AMS (Adapt) is being implemented, with the intention that this will be used for property asset information.



- Property asset condition assessments. Currently there is limited data which in the majority of cases has been classified as “Uncertain” data confidence. In future it is planned to undertake a building condition assessment by qualified personnel and prepare long term (30yr) Building Maintenance Plan.
- Compliance with BWOOF requirements.
- Compliance Earthquake Prone Buildings Regulations requirements.
- Asbestos identification and management plans – currently limited.
- Water tightness and structural integrity assessments of many historic buildings (especially local stone cladding buildings).

#### *5.5.4.4 Community Housing*

Currently the Property team manages 91 Community Housing units, across nine sites in the District. These are 1 bedroom or bedsit self-contained units.

The supply of housing is primarily for over 60's and also for people with limited incomes/assets or other identified needs.

It is planned to undertake an improvement process to look at the following:

- Review the Community Housing Policy.
- Identify the changing core requirements of Community Housing tenants in the existing assets (e.g. more vehicle/motorised scooter parking/garaging, reconfigure bedsit units to one-bedroom units).
- Determine the intent of Council's role in an expected increasing demand for Community Housing, not just in urban areas.

#### *5.5.4.5 Community Halls Strategy/Policy*

It is planned to undertake the preparation of a Community Halls Strategy/Policy to address the provision and management of Community Halls across the District during the period 2025-2030.



### 5.5.5 Property Key Deliverables

The tables below highlight the significant costs and decisions in delivering the Strategy, with a focus on the actions required in the first 10-year period.

**Table 5-5: Property Significant Costs and Decisions**

Key Deliverable	Indicative Cost/Funding	Indicative Timeframe	Key Challenges Reference
Maintain the desired functionality and compliance of WDC owned properties to meet LoS targets	Existing Budget	2020 - 2050	Asset condition Continuous improvement
<i>Other options: Some services could be outsourced. Level of services could be reviewed.</i>			
Oamaru Airport - Improvements to compete for business opportunities	\$2.2m	2021 - 2030	Asset condition Continuous improvement
<i>Other options: Airport masterplan review may provide other options.</i>			
Oamaru Harbour – Breakwater maintenance, slipway upgrade, repair of Sumpter Wharf	\$2.3m	2021 - 2031	Asset condition Safety Climate change and natural hazards
<i>Other options: Oamaru Harbour Plan 2020 outlines a potential work programme for future LTP consideration</i>			
WDC building developments – 24 Thames Street re-development, Cultural Facilities Development	\$8.5m	2021 – 2025	Asset condition Continuous improvement
<i>Other options: Consider alternative accommodation arrangements including lease or development of Council owned buildings</i>			



In addition to the anticipated direct infrastructure investment, delivering the infrastructure strategy across Property requires the following decisions and non-asset actions:

**Table 5-6: Property Decisions and Non-Asset Actions**

Key Non-Asset Deliverable	Indicative Timeframe	Key Challenges Reference
Continue to develop improved Property asset management processes to enable more effective decision making and long-term asset planning	2021-2025	Asset condition Resourcing Continuous improvement
Undertake the preparation of a Community Halls Strategy to address the provision and management of Community Halls across the District	2025-2030	Demographic change
Ongoing research and monitoring of demographic and social changes and funding opportunities for community housing initiatives	2024-2025	Demographic change
Ongoing monitoring of harbour marine assets in relation to impacts of sea level rise and storm impacts	2021-2025	Climate change and natural hazards Resourcing



### 5.5.6 Property key assumptions

**Table 5-7: Property Key Assumptions**

Key Assumption	Uncertainty	Impact	Our Response/Options	Key Challenges Reference
<b>Climate Change:</b> That the resilience of our property assets will be exposed to regular and increasingly severe weather events	Med	That these effects may reduce resilience, functionality and accessibility of the property assets (e.g. at the Harbour)	Monitor the impact of climate change and be responsive to changes in resilience required to WDC's property assets. Design future property developments with these impacts in mind.	Climate change and natural hazards
<b>Demographic Changes:</b> That the district will experience changes associated with an ageing population.	Low	That this will change the needs and property requirements of the community.	Regular reviews of levels of service to ensure they are appropriate and achievable.	Demographic change
<b>Asset Information:</b> That our asset information is reliable and of sufficient quality to allow effective decision making.	Low	Poor asset information quality may impede effective and efficient maintenance, renewals and future development of property assets	Property asset information requires development along with the Property AMP. WDC may need to increase asset information resourcing and process effectiveness.	Continuous improvement Asset condition
<b>Under-investment in property assets:</b> In previous years, funding restrictions have been required which have restricted some asset management activities.	Low	Property assets cannot be maintained to the agreed Levels of Service stated.	Plan for changing demands and agreed Levels of Service needs. Continue to monitor property assets condition and provide forward planning to ensure assets can meet agreed Levels of Service	Asset condition Resourcing
<b>Skills:</b> That there will be a shortage of technically skilled people.	High	With less technically skilled resources available, projects and maintenance may not be able to be appropriately planned and managed.	WDC is considering the impact of this issue when planning. WDC could intervene sooner and divert resourcing to planning for a skill shortage.	Resourcing



## 5.6 FINANCIAL IMPACTS

*The Local Government Act 2002 Amendment Act Section 101B – Infrastructure Strategy states:*

- (4) The infrastructure strategy must outline the most likely scenario for the management of the local authority's infrastructure assets over the period of the strategy and, in that context, must—*
- “(a) show indicative estimates of the projected capital and operating expenditure associated with the management of those assets—*
  - “(i) in each of the first 10 years covered by the strategy; and*
  - “(ii) in each subsequent period of 5 years covered by the strategy*

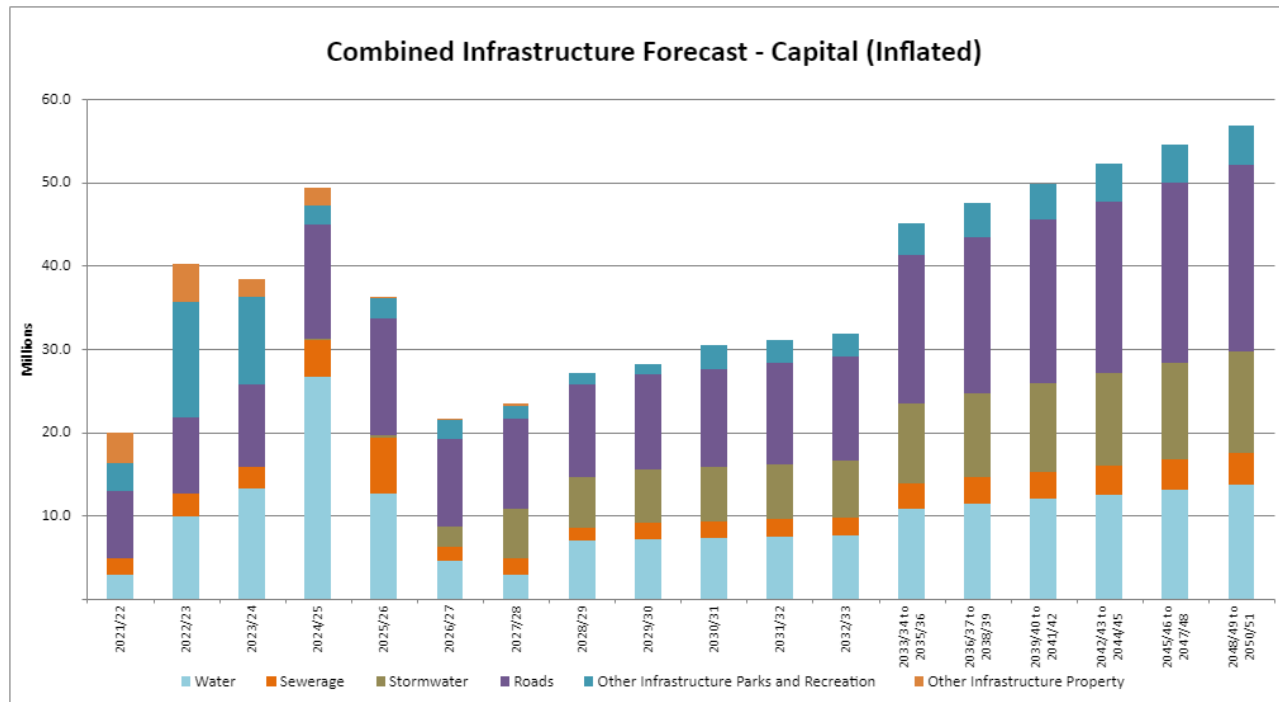
Therefore, it is important to note that each year is shown for the first ten years and then the average for each three-year period within the graphs below.



## 5.7 PROJECTED CAPITAL EXPENDITURE

The projected capital expenditure associated with the significant infrastructure assets are graphically represented as follows:

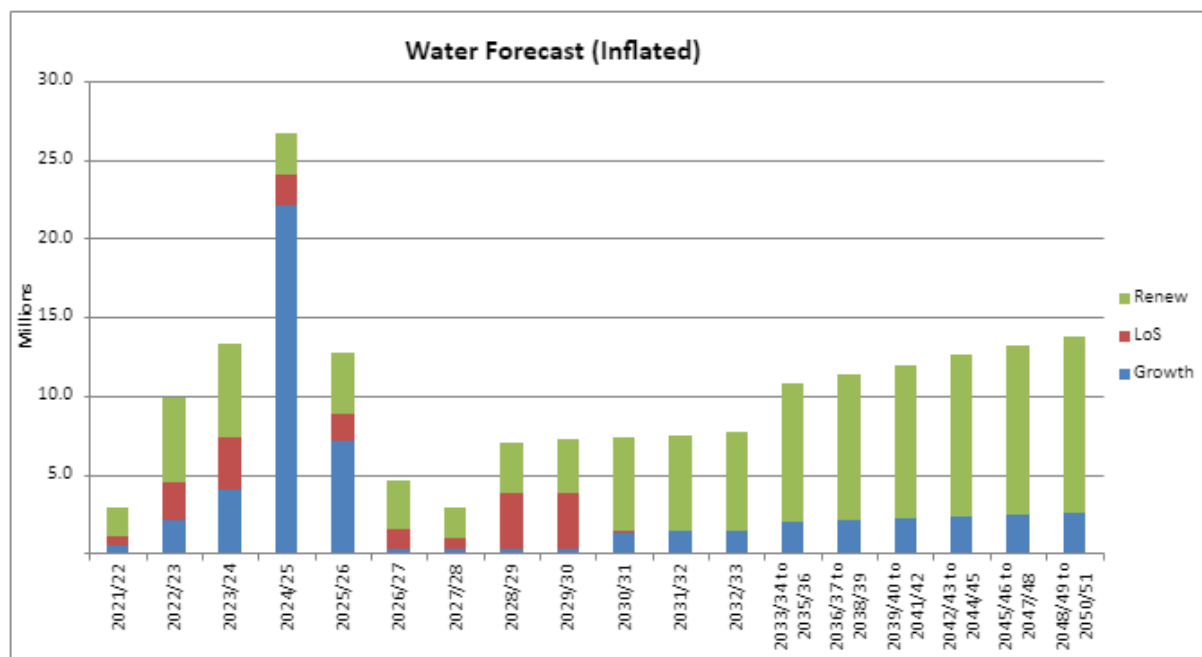
**Figure 5-25: Combined Infrastructure Forecast - Capital**





### 5.7.1 3 Waters

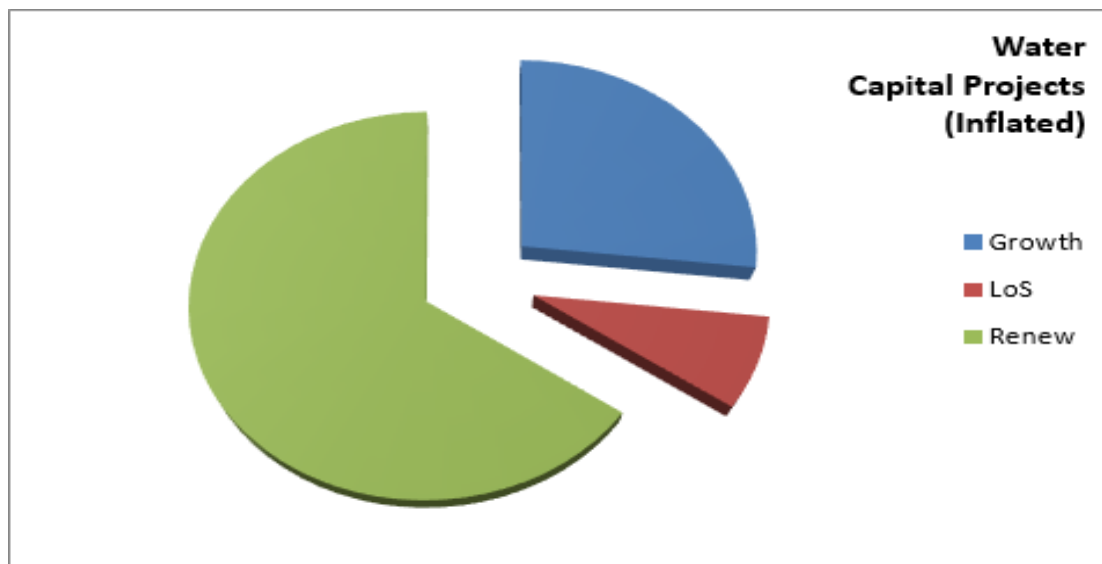
**Figure 5-26: Projected Forecast – Water (Inflated)**



Note: 2018/23 Level of Service (LoS) work includes the remaining drinking water upgrades on WDC's smaller water supplies. It is planned to increase the capacity of the Oamaru water treatment plant in 2024/25 by increasing the number of membrane cells at the plant, as well as making improvements to the Redcastle Raw Water Pumping Station and Ardgowan Dam.



**Figure 5-27: Projected Capital Expenditure – Water (Inflated)**



This figure (and similar ones for Sewerage and Stormwater) show the portion of overall capital expenditure on the three areas of growth, level of service and renewals. The bulk of capital expenditure is on renewal work for the assets already in place over the life of the plan with much of the level of service work impacts when treatment plants are being upgraded.



5.7.2 Sewerage

Figure 5-28: Projected Forecast – Sewerage (Inflated)

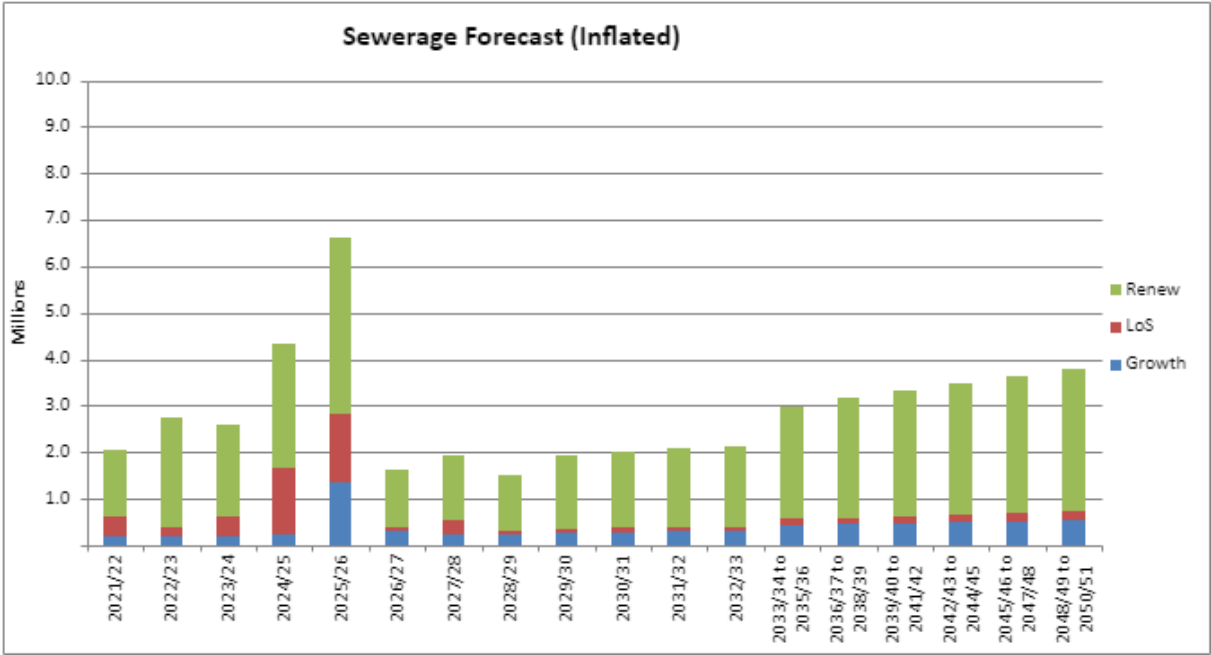
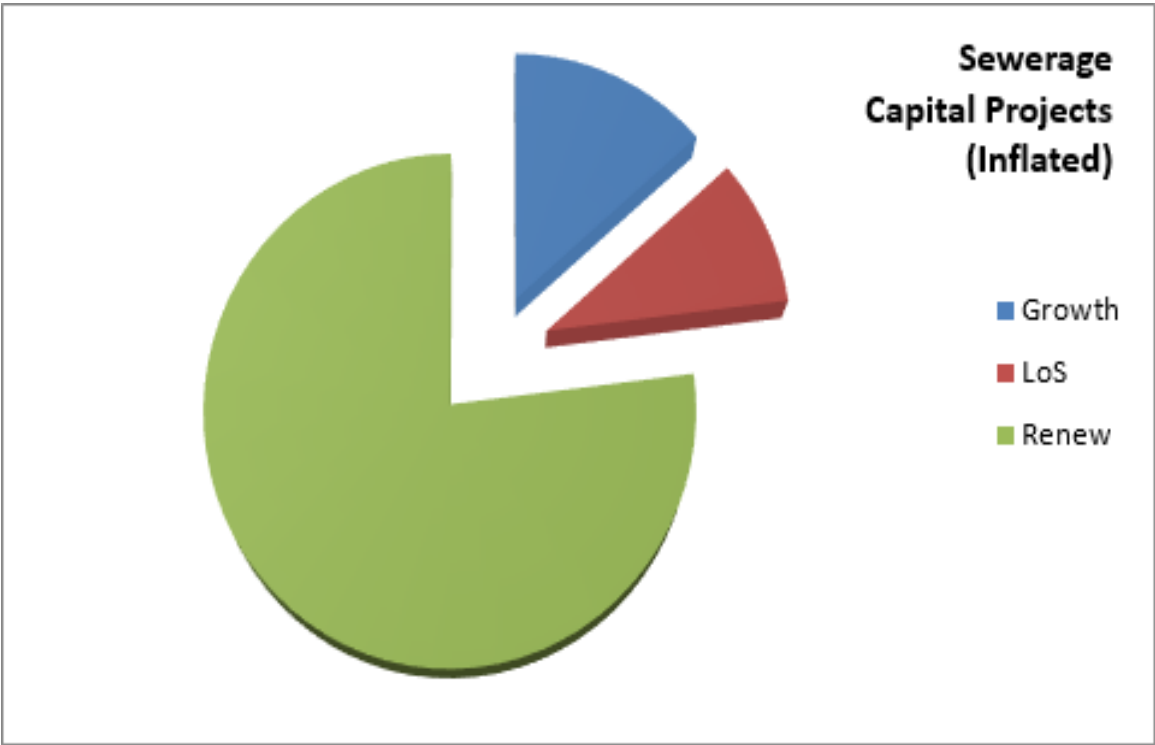




Figure 5-29: Projected Capital Expenditure – Sewerage (Inflated)





5.7.3 Stormwater

Figure 5-30: Projected Forecast– Stormwater (Inflated)

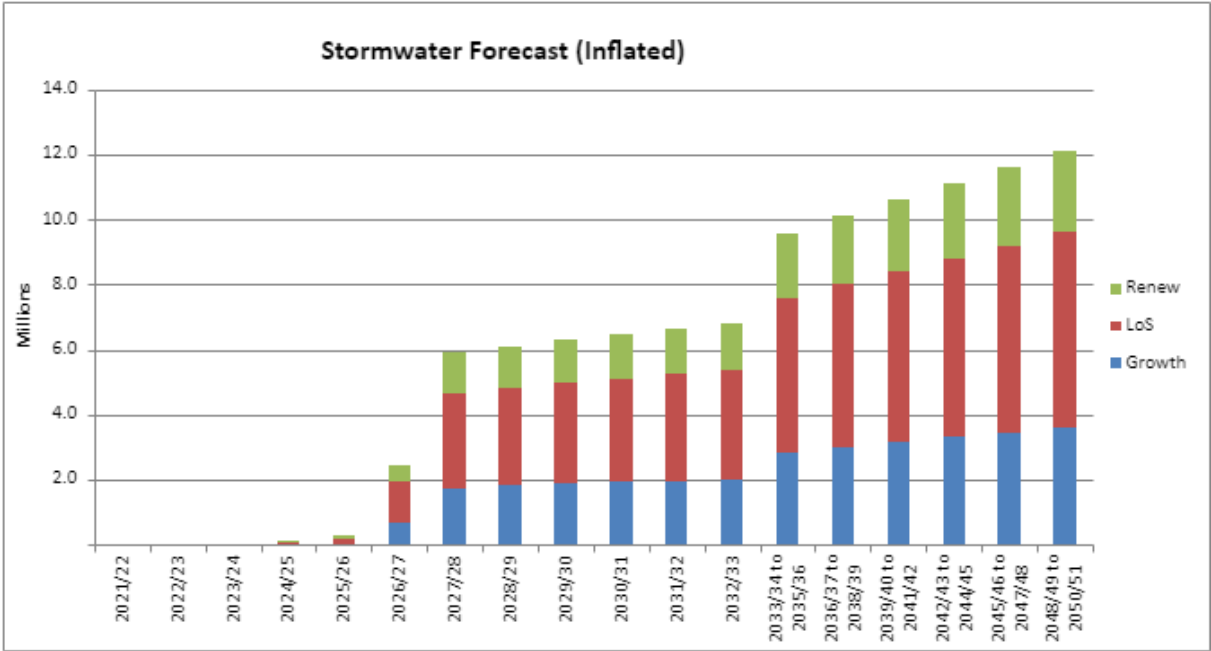
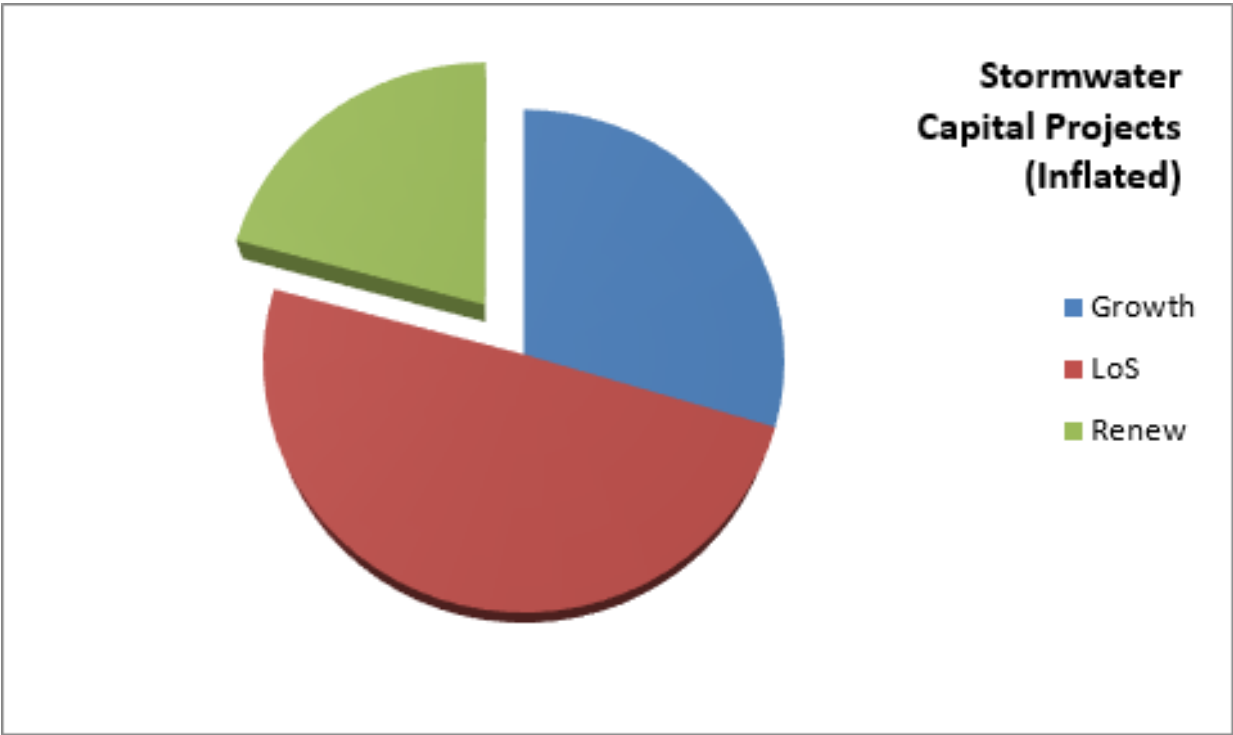




Figure 5-31: Projected Capital Expenditure – Stormwater (Inflated)





#### 5.7.4 Roads and Footpaths

**Figure 5-32: Projected Forecast – Roads and Footpaths (Inflated)**

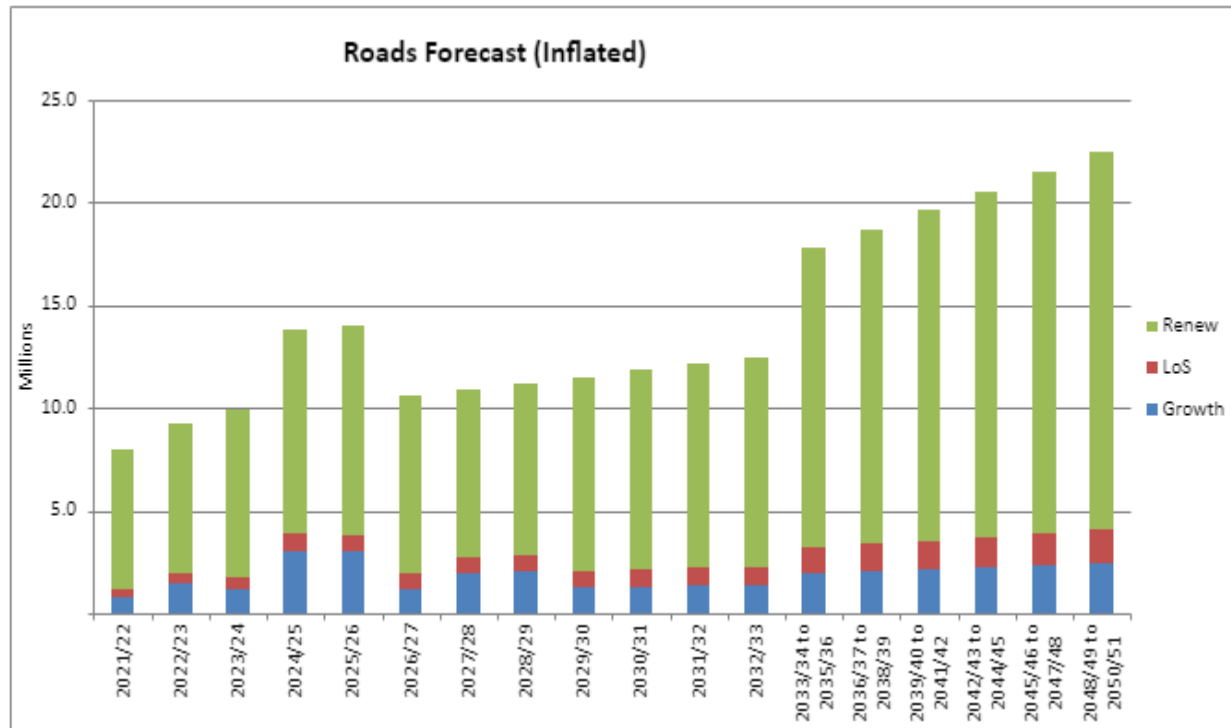
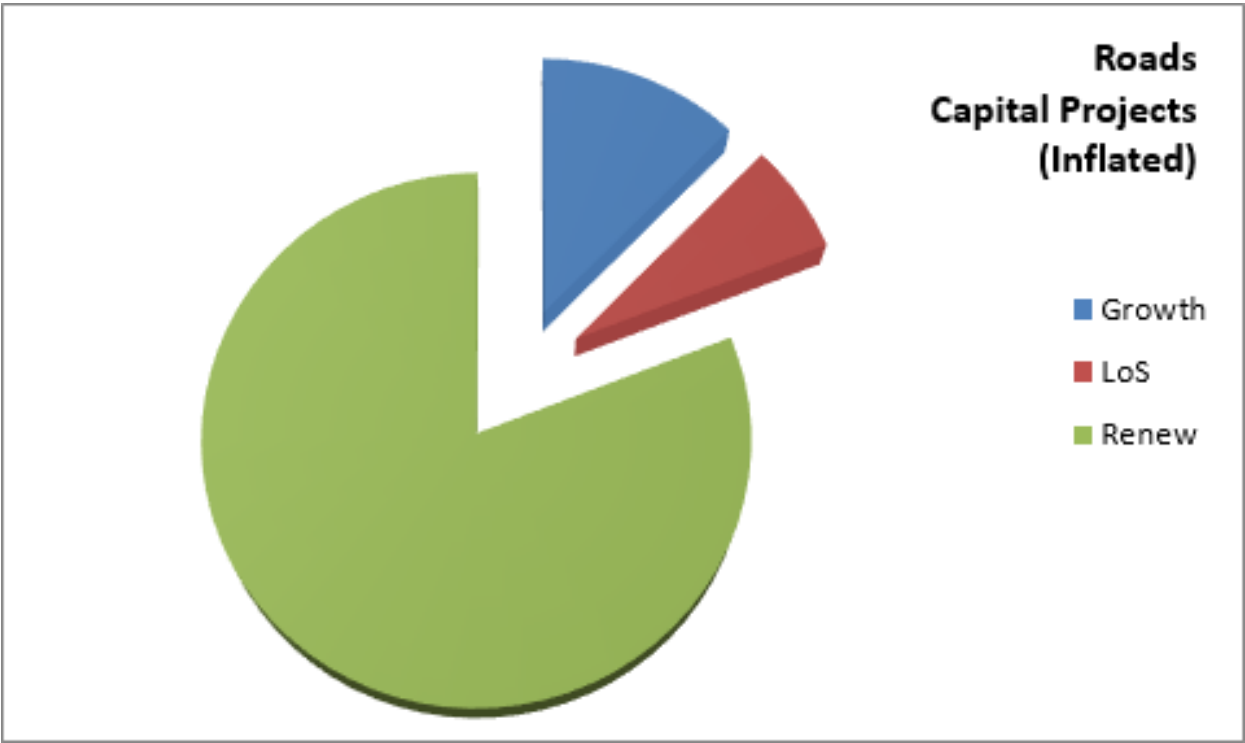




Figure 5-33: Projected Capital Expenditure – Roads and Footpaths (Inflated)





5.7.5 Recreation

Figure 5-34: Projected Forecast – Recreation

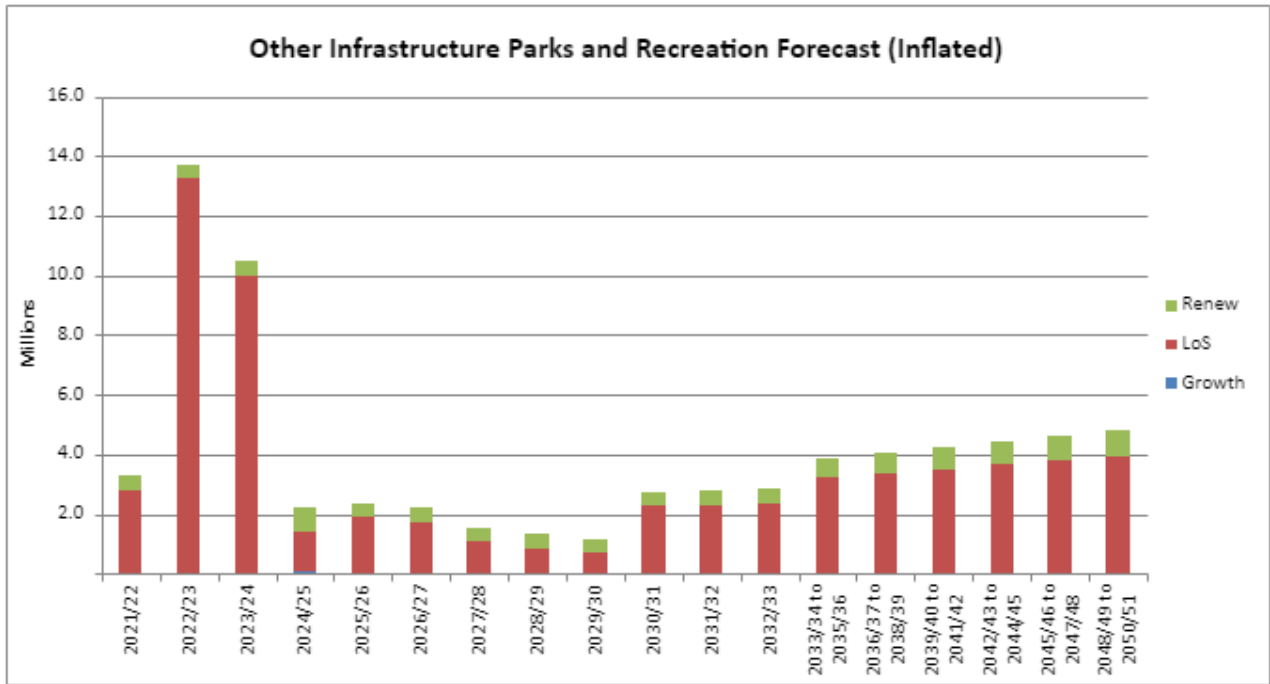
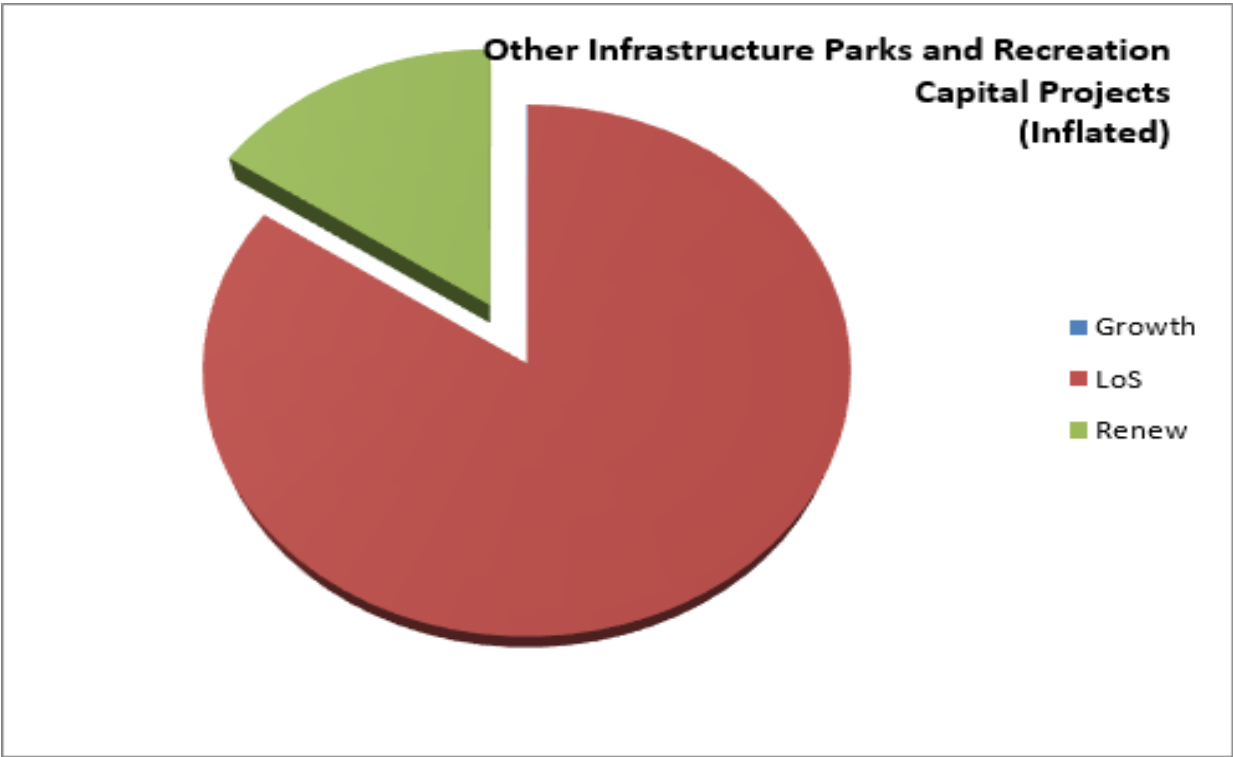




Figure 5-35: Projected Capital Expenditure – Recreation





### 5.7.6 Property

**Figure 5-36: Projected Forecast – Property**

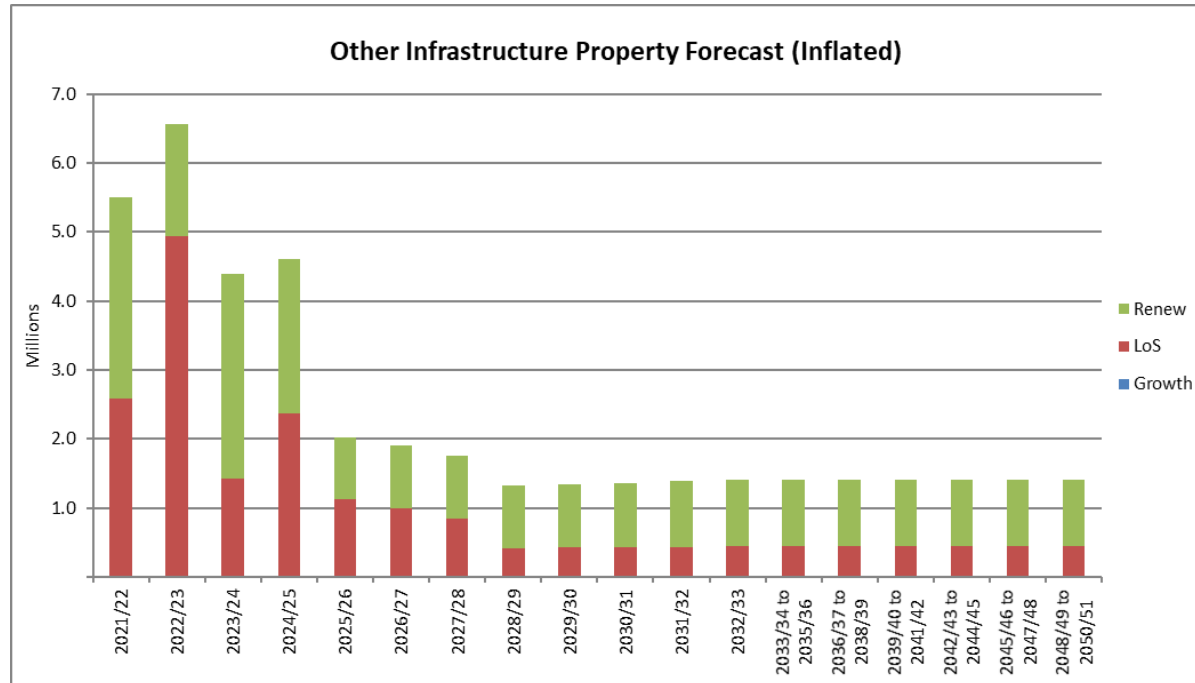
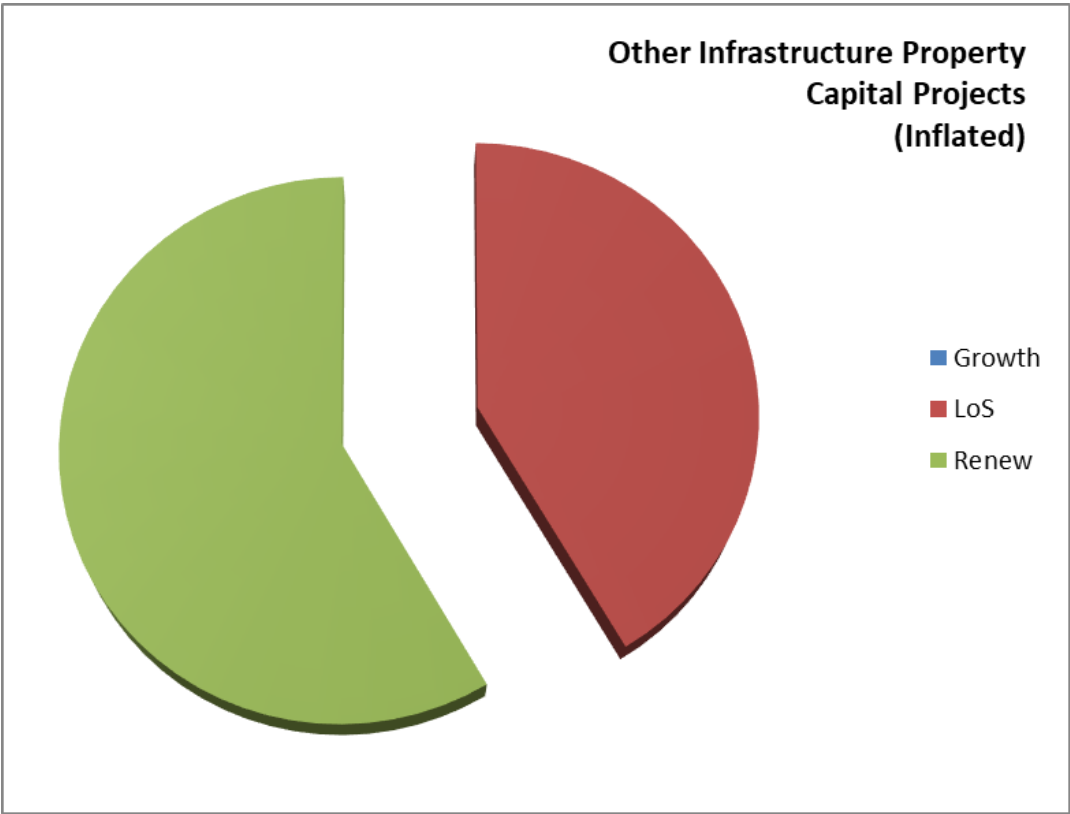




Figure 5-37: Projected Capital Expenditure – Property





### 5.7.7 Combined Infrastructure Expenditure

**Figure 5-38: Combined Infrastructure Forecast– Capital (Inflated)**

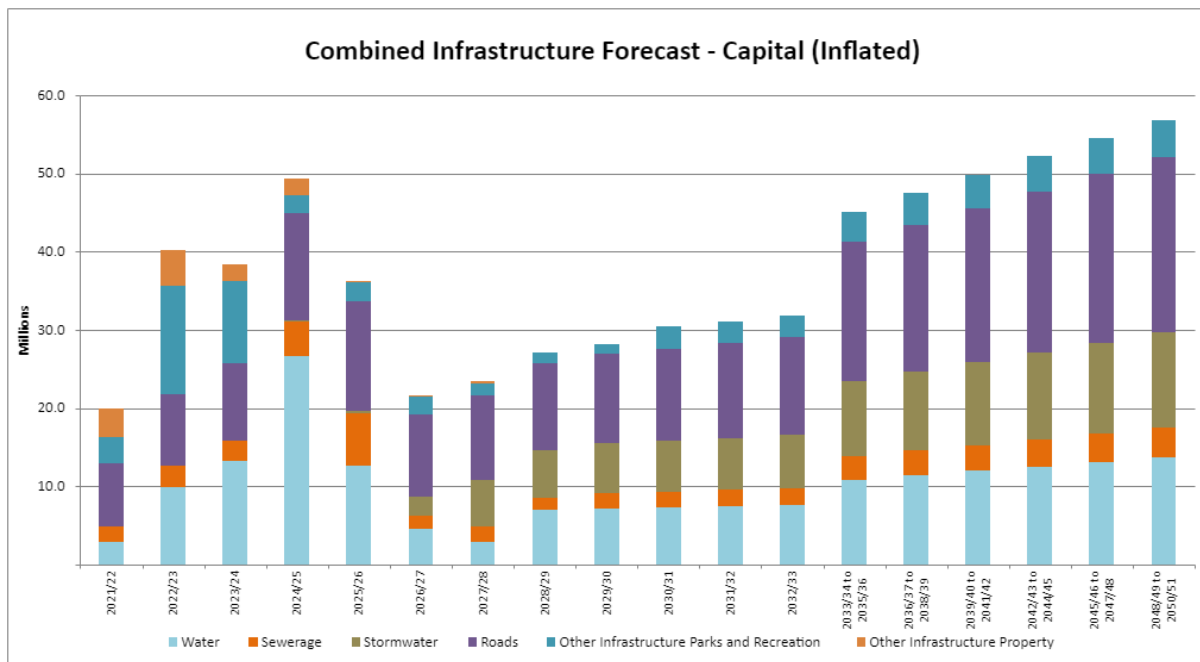
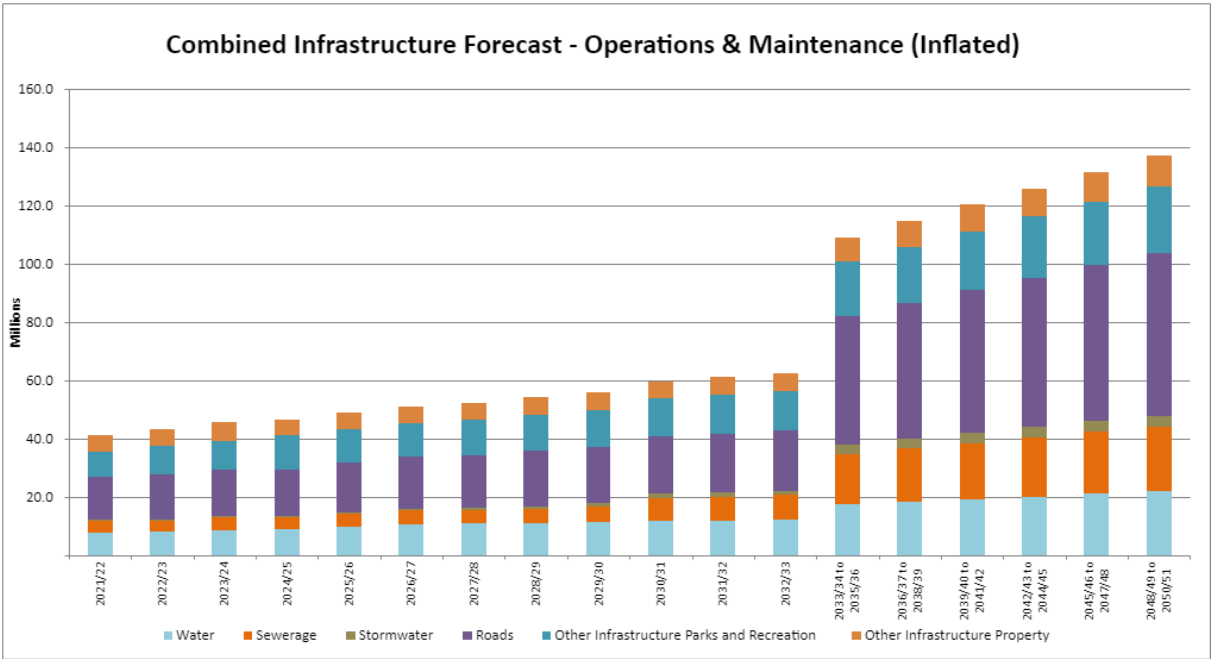




Figure 5-39: Combined Infrastructure Forecast – Operations and Maintenance (Inflated)





## Attachment 1 WDC Infrastructure Strategy Improvement Register

WDC Infrastructure Strategy Improvement Register and 3 YR Action Plan															
Theme 1: Infrastructure Strategy															
ID	PRIORITY	PROJECT				THEME	ASSET	BRIEF SCOPE	JUSTIFICATION / DRIVER (Growth, LoS, compliance etc.)	RAISED BY	RESPONSIBLE	EST COST	INTERNAL or EXTERNAL RESOUCED	LINKED ISSUE	DUE DATE
	Medium	Asset Responsibility Matrix				Asset mgmt.	All	Plan to update the Infrastructure Strategy document well in advance of the required deadline.	Asset Management Improvement	WSP	WDC		Internal, with external support		
		Plan	Do	Check	Act										
	High	SMART goal development				Asset Mgmt.		Develop SMART goals to measure effectiveness of strategy implementation	Asset Management Improvement	WSP	WDC		Internal		
		Plan	Do	Check	Act										
Theme 2: Asset Management System															
	Very High	Asset Management Policy				Asset Mgmt.	All	Update the current 2010 Asset Management policy document	Asset Management Improvement	WSP	WDC		Internal, with external support		
		Plan	Do	Check	Act										
	Medium	Create SAMP				Asset Mgmt.	All	Decide if it is desired to create a Strategic Asset Management Plan (SAMP)	Asset Management Improvement	WSP	WDC		Internal		
		Plan	Do	Check	Act										
	High	Capex projects extension				Asset Mgmt.	All	Capex projects extended to cover 30 year period of IS	Asset Management Improvement	WDC	WDC		Internal		
		Plan	Do	Check	Act										



	Medium	Project scoping				Asset Mgmt.	All	Develop scope for projects with options and detailed costings to enable modelling. Differentiate between Responsive Level of Service, Do Minimum Level of Service, Current Level of Service for each key infrastructure deliverables.	Asset Management Improvement	WDC	WDC		Internal		
		Plan	Do	Check	Act										
	High	Data reliability				Asset Mgmt.	All	Collection of better and more reliable data, and grading of data reliability for key infrastructure groups	Asset Management Improvement	WDC	WDC		Internal		
		Plan	Do	Check	Act										
	Low	FM Contract Improvements				Asset Mgmt.	All	Undertake an Infrastructure wide Asset Management Maturity Assessment (Gap Assessment) against IIMM 2015 guidelines. Once IS and AMP's have been updated.	Asset Management Improvement	WSP	WDC		Internal, with external support		
		Plan	Do	Check	Act										
Theme 3: 3 Waters															
	High	Skills shortage				Resources		Investigate the skills and resource numbers required to meet future demand	Staff Development / Improved Asset Management Capability	WSP	WDC		Internal		
		Plan	Do	Check	Act										
	Medium	Environmental outcomes				Asset Mgmt.		Invest in infrastructure that will improve environmental outcomes,	Continuous Improvement	WSP	WDC		Internal		
		Plan	Do	Check	Act										
	Medium	Vulnerable assets in poor condition				Asset Mgmt.		Continue to ensure Council can meet compliance	Continuous Improvement	WSP	WDC		Internal		



		Plan	Do	Check	Act			standards for drinking water across the district.							
Theme 4: Roading and Footpaths															
	High	Climate Impacts				Asset Mgmt.		Continue to investigate where climate impacts are likely and how best to mitigate these impacts	Continuous Improvement	WSP	WDC		Internal		
		Plan	Do	Check	Act										
	Medium	Meeting Demand:				Asset Mgmt.		The inability to meet High Productivity Motor Vehicles (HPMV) demand and limited facilities for new tourist markets are seen as challenges which will restrict growth in the District.	Continuous Improvement	WSP	WDC		Internal		
		Plan	Do	Check	Act										
	Low	Internal Asset Management Improvements				Resources		Internal planning resource increase required. Management and planning of inground services installations. Improve management of resources, both internal and contracted resources	Staff Development / Improved Asset Management Capability	WSP	WDC		Internal		
		Plan	Do	Check	Act										
Theme 5: Recreation															
	High	Review of structure, roles and capacity of Recreation/Waste team				Resources		Internal planning resource increase required. Management and planning of inground services installations. Improve management of resources, both internal and	Resource / Structure review	WDC	WDC		External, with internal support		
		Plan	Do	Check	Act										



							contracted resources								
	Medium	Recreation Strategic Direction				Asset Mgmt.		It is planned to review specific Recreation strategies (including environmental) to ensure alignment with Council objectives. This needs to be progressed.	Asset Reporting	WSP	WDC		Internal		
		Plan	Do	Check	Act										
	Medium	Aquatic Centre				Asset Mgmt.		Undertake a building and plant condition assessment of the Aquatic Centre	Asset Reporting	WSP	WDC		Internal, with external support		
		Plan	Do	Check	Act										
	Medium	Recreation asset management process improvements				Asset Mgmt.		The following improvement activities are planned: Asset data collection and assessment process improvements Creation of Standard Operating Procedures (SOPs) Collect and record Recreation building major component asset information	Continuous Improvement	WSP	WDC		Internal		
		Plan	Do	Check	Act										
	Low	Waste Management Strategy / Planning				Resources		Continue to develop the Waste Management Strategy to ensure it aligns with Council future direction	Continuous Improvement	WSP	WDC		Internal		
		Plan	Do	Check	Act										
Theme 6: Property															
	Medium	Property AMP				Asset Mgmt.		Continue to develop the content of the new Property AMP	Continuous Improvement	WSP	WDC		Internal, with external support		
		Plan	Do	Check	Act										



	Medium	Core Asset Information				Asset Mgmt.		Consider using the latest Insurance Valuation Report - Specific Building information as a reasonable source of basic property asset information. These reports show basic details, asset ID, year of construction and remaining life of main components.	Continuous Improvement		WSP	WDC		Internal		
	Medium	Plan	Do	Check	Act	Asset Mgmt.		A new AMS (Adapt) is being implemented, with the intention that this will be used for property asset information. This needs to be progressed.	Asset reporting		WSP	WDC		Internal, with external support		
	Medium	Community Housing Policy				Asset Mgmt.		Complete the Community Housing Policy	Continuous Improvement		WSP	WDC		Internal		
	Low	Community Halls Strategy/Policy				Asset Mgmt.		It is planned to undertake the preparation of a Community Halls Strategy/Policy to address the provision and management of Community Halls across the District. This needs to be progressed.	Continuous Improvement		WSP	WDC		Internal		



## LONG TERM PLAN 2021-31 - FINANCIAL STRATEGY

### Purpose

Having a financial strategy is a required component of any long term plan. The primary purpose in the Local Government Act 2002 (LGA) is to promote prudent financial management. Our Financial Strategy (the Strategy) needs to take into account all relevant aspects of the LGA including the need to balance current and future needs of the community. This is particularly relevant to the Strategy as it sets out Council's approach to how it intends to allocate levels of spending over the short and medium term and how it will use the funding options available to it to share the funding between the current and future residents and ratepayers.

The second focus of the Strategy is to provide context for consultation on Council proposals and the overall effect on Council services, rates, debt and investments.

### Where do we want to go?

This is the fourth iteration of the Waitaki District Council Financial Strategy. Since the development of the last strategy there have been a number of significant issues that need to be recognised and reflected in this update. The three most significant were the re-introduction of the four well-beings as the focus of local government, the impact of COVID-19 and Council response to it, and Council updating its strategic priorities.

The strategic priorities have a direct impact on the Strategy. The Strategy has recognised and allowed for these priorities in the following ways:

Strategic Priority	Response in the Financial Strategy
<b>Providing high-quality core infrastructure and services</b>	Identification of a greater need to increase the level of reinvestment in infrastructure.
<b>Determining the best way to deliver three waters for the community</b>	Strategy prepared on the basis of retained ownership and increased expectations on the services and standards to be achieved in Water, Wastewater and Stormwater
<b>Working with the community to respond to COVID-19 challenges</b>	Further development of Council's ability to respond quickly to any change in circumstance and to rebuild financial capacity in an affordable way.
<b>Creating a District Plan that is fit for Waitaki's future</b>	Limited impact.
<b>Striving towards better Council performance</b>	Will be a key consideration in setting financial targets and measures.
<b>Driving best value for rates</b>	A point of emphasis that Council is focused on value rather than minimising increases in rates.



In addition to these priorities there are a number of other changes to the environment that need to be recognised in the Strategy:

- Increased speed and demand for change from Central Government.
- General reduction to third party funding availability.
- Increased term for Council's key investments.
- Joined the Local Government Funding Agency.

These issues and priorities have all combined to make it a challenge to develop a strategy to accommodate all factors. The response developed by Council was to have a two part strategy, one for the first three years which focuses on COVID-19 recovery and affordability and a second part covering the balance of the Long Term Plan 2021-31 (LTP) which focuses on improvements. The focus of both parts is how the spending needed to meet required and desired goals can be funded in a sustainable way.

For the period from 2012 to 2018 Council focused on affordability after some significant rate increases were required to fund key infrastructure and community improvements, particularly an investment in improving the quality of drinking water. This focus moved in the last long term plan as Council wanted to create financial capacity to invest in improved levels of service and take advantage of any opportunities that presented themselves.

Council had made good progress in improving affordability and creating capacity and had begun to consider what would be the areas they wanted to make the biggest changes in as part of the LTP discussions. However, the COVID-19 outbreak changed this and much of the room created was used to allow an average zero percent rate increase and provide targeted support.

This created the starting point for this Financial Strategy.

### The Strategy – in a sentence

***To focus on delivering good quality service that meets the changing needs of the community while ensuring rates affordability and financial flexibility by focusing on efficiency and effectiveness, which maximises value and limits the use of debt.***

This will be achieved by a variety of measures with the heart of the Strategy being:

- Deciding on new or increased services in a very selective way.
- Reviewing what is required to deliver existing services with the aim of achieving better value, particularly from the assets involved.
- Using assets for their maximum possible life but also appreciating that community needs and stakeholder requirements are not compromised.

This is a continuation of the key features of the previous strategy. However, the focus will change so that Council can meet the changes set out above.

The financial strategy is one of the main ways Council can seek answers to fundamental questions such as:

- What services should it provide, who should pay for them, and how should they be paid for?
- What types of assets should it own and how well should it look after them? This will be set in conjunction with the Infrastructure Strategy.



- How much should it be paying for now, and how much debt should it have (to be considered along with the Revenue and Financing Policy, and Borrowing Management Policy)?
- What might change, and how would this change the things Council has decided above?

The purpose of the financial strategy is to put them all in one place in a cohesive manner, consider the alternatives, choose an answer and then discuss it with the community. At the end of the process this should produce something that helps make decisions over the life of the Plan.

### Where are we? – Financial Position

Overall, Council continues to be in a sound financial position. This has allowed Council to make decisions that have limited rate increases and kept money in the pockets of ratepayers. However, due to the factors set out below, this must change over the term of this plan if Council is going to meet its obligations under the law and to the community.

### Expenditure and Levels of Service

Expenditure levels reflect the decisions Council has made about the level and mix of services it needs and wants to provide. Once Council has made these decisions, it funds the necessary expenditure using the methods and mix of funding set out in the Revenue and Financing Policy.

Council has been able to limit the impact of cost increases for a number of years, but external changes mean this is no longer possible. The cost increases it is facing to maintain the current levels of service is reflected in the direct costs it faces, the cost from contractors engaged to deliver services and the amount of depreciation it must recognise. There are also many instances where changed government requirements require far more resources, especially people, to deliver the same service. This is particularly true in the regulatory area. As Council believes it must continue to deliver core services to at least the same level as in the past and in many cases deliver at a higher level, these costs must be funded. This has a direct impact on the rates needed over the next few years.

### Debt

Council uses debt to fund a limited range of expenditure restricted to:

- Purchasing new assets: used to fund the residual after all other appropriate funding sources have been used (term debt).
- Renewing assets if there are insufficient funds in a reserve or available from other sources.
- Funding operating deficits, but only on a short-term basis.

Traditionally Council has had no external term debt. Instead, Council used internal loans to fund approved expenditure. An internal loan is where Council uses reserves and savings collected for one purpose to temporarily provide funds for another. Council has also invested these reserve funds externally when all of its own needs have been met. This process is covered in the investment section.

Over the last three years Council made decisions to extend the term and alter the repayment plans of the loans it provided to the North Otago Irrigation Company (NOIC) and Observatory Retirement Village (ORV), provide a loan to Kurow Duntroon Irrigation Company (KDIC) and bring forward the planned major water and sewer asset improvements and renewals, including the construction of the additional reservoir for the greater Oamaru water scheme. All of



these decisions reduced the amount of funds available to Council. Council therefore decided to join the Local Government Funding Agency (LGFA) in late 2020 due to the low cost of funds provided by this organisation. Council made an initial drawdown of \$15m. Council will now open this LTP with external debt and is expected to have an external debt balance throughout the life of this plan.

## Investments

Council has four primary types of investment, all of which are described in the Liability Management and Investment Policy.

The largest investments are three loans to local organisations noted above NOIC, KDIC and ORV. These investments provide both a commercial rate of return and wider community benefits. All three have a mix of fixed and variable repayment terms so all three investments will reduce over time.

The next largest of these are the internal loans noted above. The amount invested in internal loans has reduced due to both scheduled repayments and repayments from asset sales.

The third class of investment, the investment in Council Controlled Organisations (CCO) also provides both financial and community returns.

The class where the most change has and will continue to occur is the level of “cash” investments. Due to the changes in terms noted above and the demands on depreciation and other reserves, this has reached a more stable position than in past plans.

## External Revenue, Rates and Reserves

Although rates are the largest source of income for Council, they are not the only way services are paid for. The other major types of income received include:

- Government grants (particularly New Zealand Transport Agency funding for roads)
- user charges; and
- interest.

The mix of funding sources, including rates, has not changed significantly over time. Council does try to maximise other sources of external funding, however this is challenging given the level of competition for these funds. Even with user charges, there are only a limited number of activities where these can be utilised. This means that Council will continue to rely on rates as a funding source to a similar extent going forward.

Rates are used to fund the difference between the expenditure to meet the required service levels and all other sources of funds. Council's Rating Policy is complex and uses many of the rating options that are available to all councils. This system was developed to recognise the different needs of sections of the community and to try to improve ratepayers' understanding of how much they contribute to each Council activity. However, it is very difficult to make simple statements about how much rates will move and it makes comparisons with other districts and cities challenging.



## Affordability

Council has improved rates affordability over the last six years, including an average 0% increase in 2020/21 as part of the response to the impact of COVID-19. This was primarily achieved through changes to the way in which goods and services were purchased and efficiencies. However, increasing cost pressures and increased service requirements mean that this approach will have a very limited impact into the future so alternative ways to address affordability measures need to be utilised.

Where do we want to be in ten years, what are the key issues and options that are available?

## Overview

As noted in previous LTPs, focusing on affordability has the twin aims of making financial life a little easier for the District's ratepayers and creates the capacity to have more choice and ability to respond to changes and unexpected events. This approach put Council in a very good position to respond to COVID-19 with an average 0% rates, targeted assistance and general relief measures. It also did this in an environment of facing some significant cost increases and external pressures to increase services.

However, it was recognised at the time the decisions were made around a response to COVID-19, along with other changes Council was facing which are set out in the first part of this strategy, that this approach was not sustainable and significant changes to funding and rates would be required over the coming three years.

The Government has proposed to transfer the ownership and management of three waters to a new entity. At this stage the form and function of this entity is unknown. Based on this level of uncertainty, this LTP and Strategy have been developed on the basis of including three waters as a going concern for the life of the plan. Council is working with Government and joined the "Tranche 1" stimulus package in late 2020. This provided \$7.6m in additional funding for three waters projects in the 2020/21 year. Further funding may become available if this proposal advances, however due to the high level of uncertainty regarding amounts and conditions no allowance has been made for this potential funding.

In addition to these quite specific factors there are a number of general matters that need to be considered in the LTP and Financial Strategy. Many of these are set out in the assumptions section but are repeated here to help put them in context.

Although not a perfect measure typical household rates are a useful general indicator. Waitaki was placed 38<sup>th</sup> of the 64 councils (with 64 being the lowest rate) included in the 2019 Tax Payers Union survey of residential rates.

The 2018 census showed the population was growing, becoming more diverse but also continuing to get older. It also showed the district had a relatively low medium household income.

The economy is still primarily based on agricultural production, processing and support. The visitor industry is 80% domestic. Both these factors limited the impact of COVID-19 on the district but make it potentially vulnerable to other events that have a different focus.



There is expected to be very limited land use change over the life of the plan with various changes driven by the crown meaning that increases in intensive farming and growth beyond existing urban boundaries will be limited.

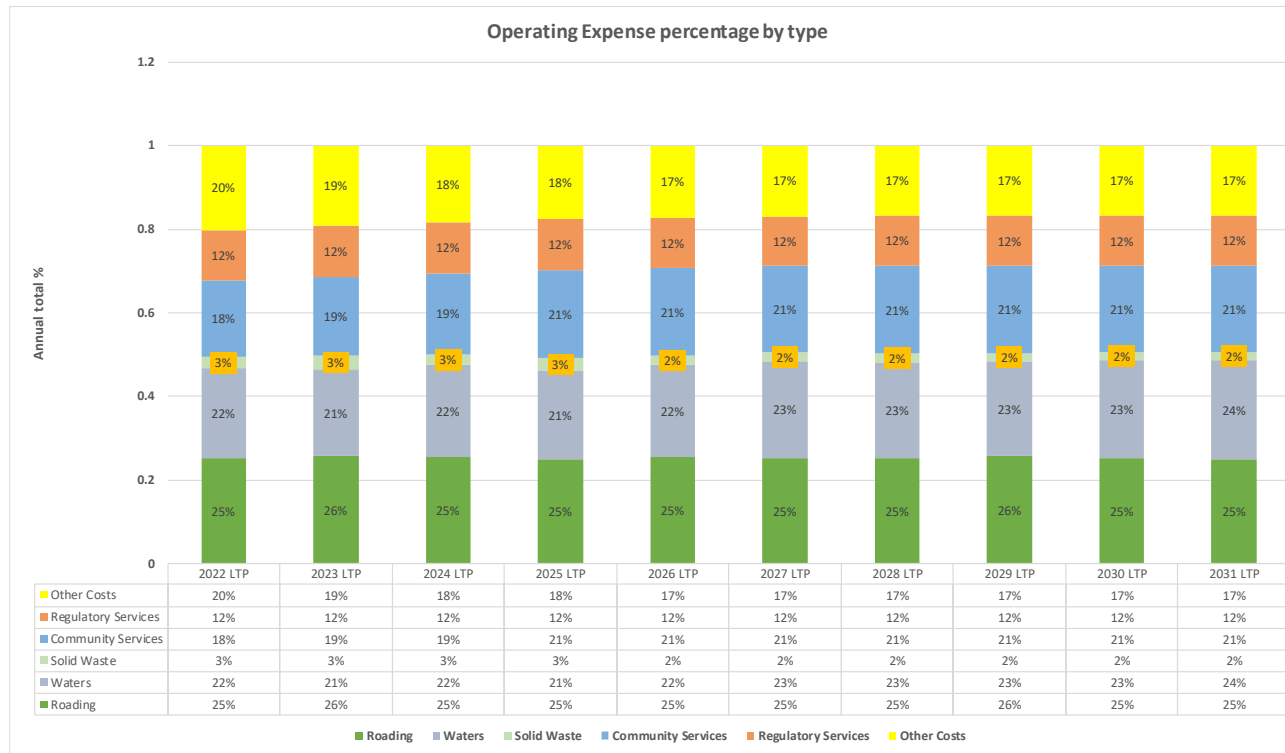
The demands from central government, the need to invest in current services and allow for the impact of COVID-19 mean that Council will have less choice over the life of the plan compared to previous LTPs. This is reflected in the very limited number of items Council will be consulting on. One of the key issues is how quickly the community wants to adapt to this new environment and whether it wants to use some of the capacity created in the past to smooth the transition to the future.

### Expenditure and Levels of Service

In terms of demand on Council services and infrastructure these factors will mean there will be limited expansion but more intense demand in existing areas. This, along with Council's strategic priorities of improved core infrastructure and better performance and value, mean that most spending will be targeted at increased investment in current systems and services rather than on expansion or growth. These factors, along with increasing cost pressures means that Council will have to spend more to maintain the same levels of service.



How the mix in spending has and is expected to change is illustrated below.



The above illustrates the re-emphasis on spending on key infrastructure to meet the known and expected changes in demand.



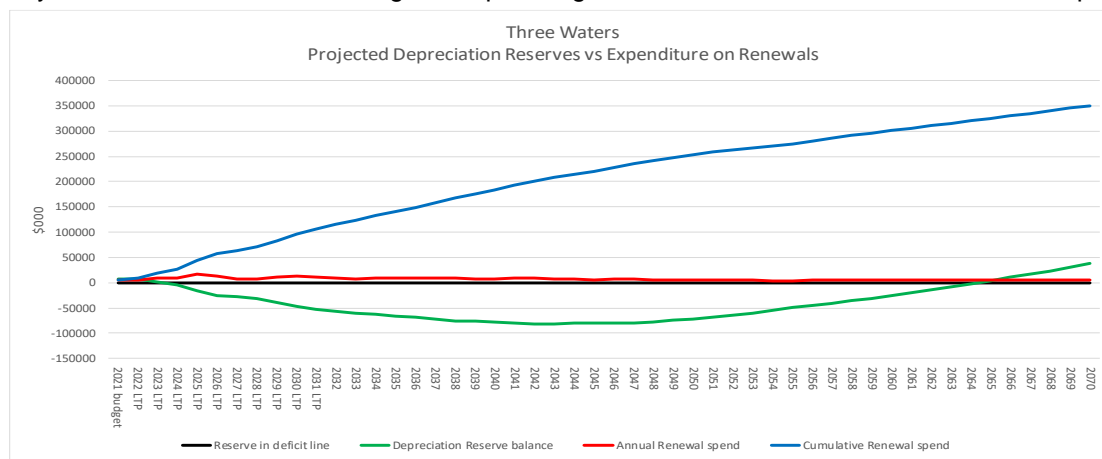
## Spending on Assets

There are three different reasons to invest in assets required to deliver services:

- Increase in capacity to improve how much can be delivered.
- Improve quality to improve what is delivered.
- Renew existing items to extend their economic life.

How these three different but related matters are paid for is driven by the principle of inter-generational equity which suggests that today's users should pay for the 'asset life' they are consuming and likewise, future generations should pay for their share of the asset's life. Council broadly follows this principle which means the default position is that debt is used to fund the first two matters and funded depreciation collected over time is used for the last item. As calculating the estimated cost in all these areas is based on estimates, differences between plans and actual will occur. How these and some key exceptions are dealt with are covered later in this Strategy.

Council already has the majority of assets needed to deliver levels of service in place, the approach to renewals is the most operationally and financially significant of the three types of spending. The growth in depreciation is driven by the requirement to revalue assets at least every three years and the need to reflect changes in the understanding of asset lives through improved knowledge and experience. This means that it is important for Council to monitor and update the relationship between the level of funding it is collecting and putting aside for renewals and the anticipated spend on assets into the future. This is a key consideration in asset management planning. The chart below sets out this relationship in the three waters area.



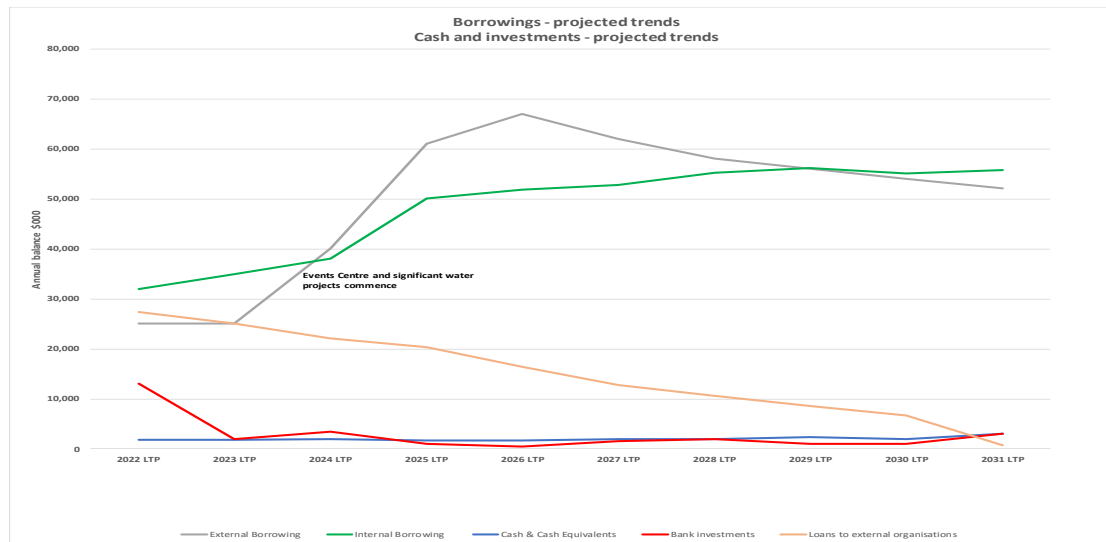
At all times Council looks to optimise the life and service potential of all key assets and to ensure that current and future ratepayers are contributing an equitable share. As part of this drive, water infrastructure is renewed on a performance basis rather than on an 'expected life' of 'condition' basis, where non-critical assets are only prioritised for renewal after they have failed at least three times in a five year period. This ensures assets realise their maximal service potential. This methodology reflects well in that Council has been able to extend the useful life of some of its assets that have not yet had records of poor performance, but were due to be replaced according to their age.



## Debt, Reserves and Other Funding

Council initially funds long life assets primarily from debt and reserves. Council's policies and approach to these funding decisions are set out in the Revenue and Financing Policies and Liability Management and Investment Policies. It also has an internal treasury function which creates a series of internal loans and investments.

Council collects funds prior to them being needed to meet its objective of achieving intergenerational equity. It holds these funds in reserves until they are required. This creates a pool of funds that Council has chosen to invest in other areas of Council rather than in third party investment products. When Council decides to fund a need by way of a loan, its first choice is to fund it from the above pool of funds and record this as an internal loan. If there are insufficient funds available at any time Council will then use external debt to meet any funding shortfall.



The above chart illustrates the movement between the sources of funds that are available to meet future funding needs. This shows that as the funds invested in third parties are returned, these are used to repay external debt and fund the increased demand for internal loan funding.



## Use of Reserves

All reserves have a specific purpose and can only be used to fund specific items. In previous plans Council has been conservative in the accumulation and use of these funds which means some have accumulated significant balances. The intent of these balances was to either fund something new or unexpected.

For the first three years of this plan Council is proposing to take quite a different approach to the use of reserves. It is proposing to use reserves created by savings to offset the rates required in those areas that created the savings. Although this will reduce the amount in the reserves it will allow funds to remain with the ratepayers that contributed to the build-up of the reserve in prior years.

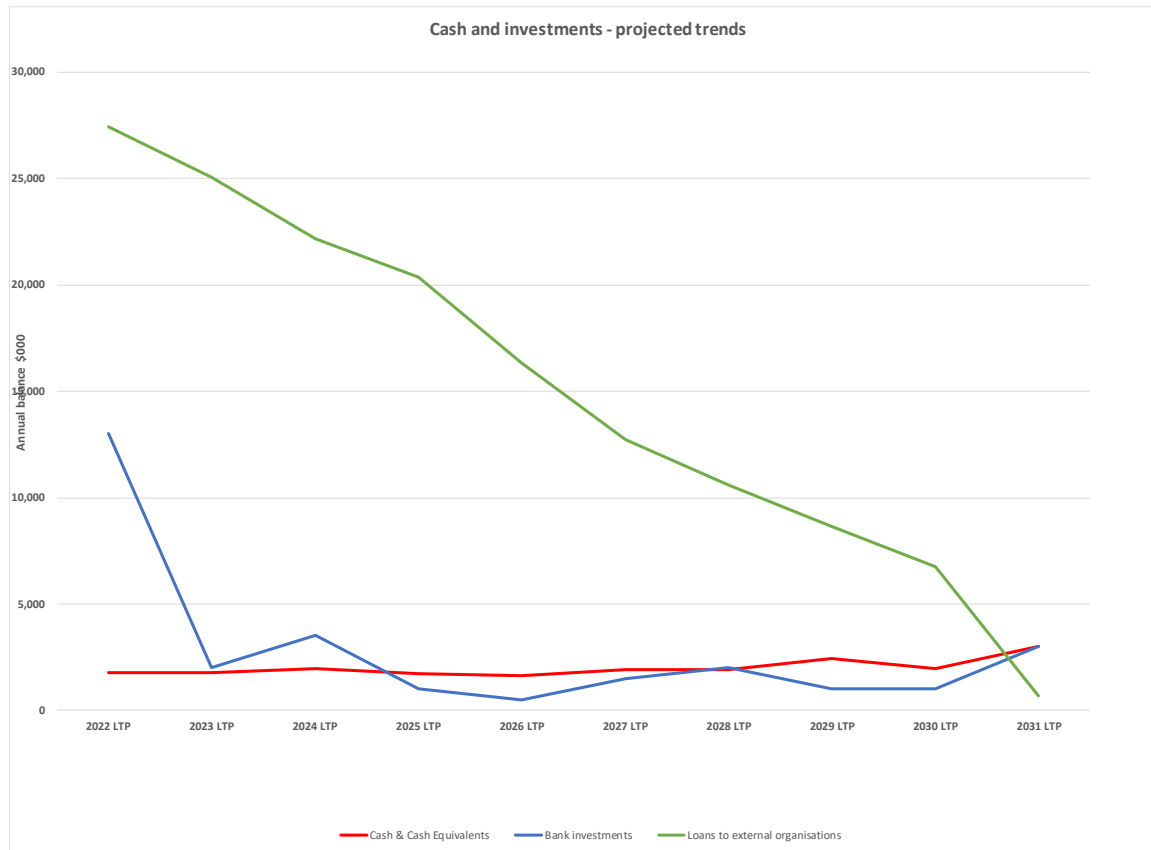
The other change is to reduce amounts being added to a reserve in any one year by reducing the amount of depreciation funded in any one year. This is something that Council has done in the past but not to the same extent. The implications and reasons for this are discussed in the balanced budget section.

## Investments

This section covers investments with banks and other entities that will be repaid when the agreed investment period ends. It also covers how internal investments occur. Given the source and nature of the funds it holds, Council will always act as a prudent, conservative and risk averse investor.

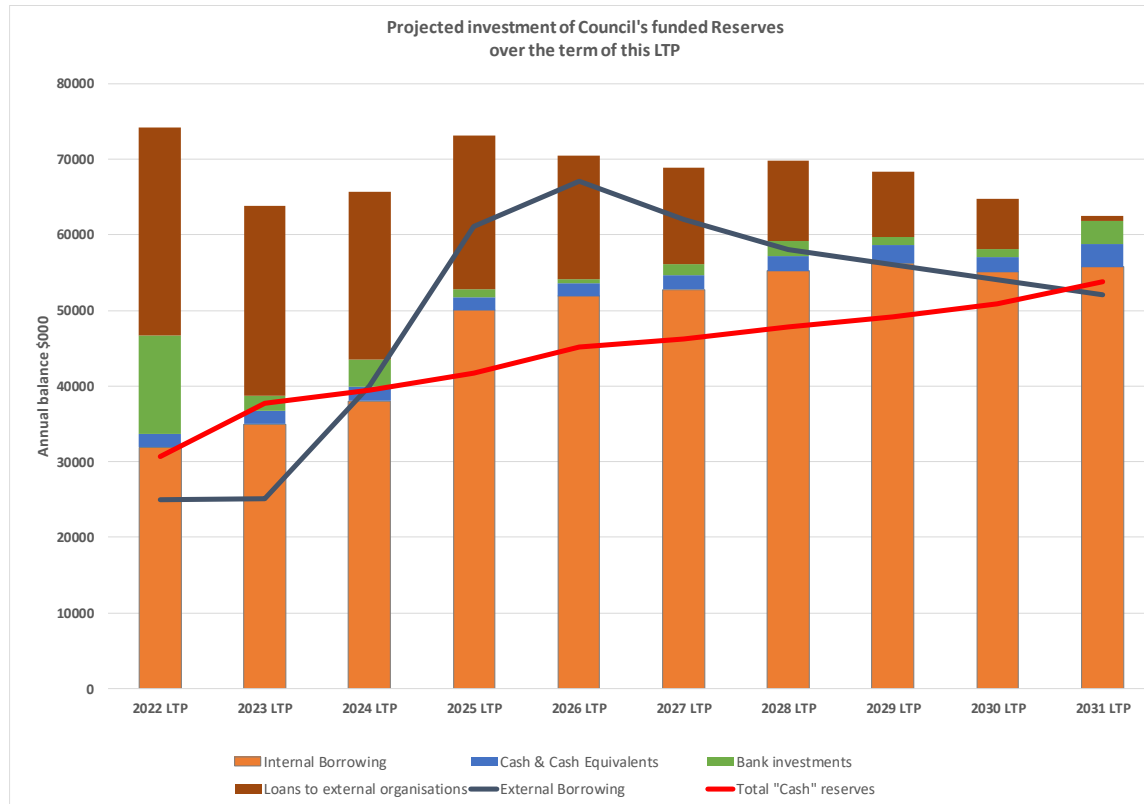
Council has always shown a very healthy investment position. However, decisions over the last three years in relation to the loans made to NOIC, KDIC and ORV plus the earlier and increased need to invest in asset renewals have changed this chart significantly compared to the prior plan. However, Council still has a healthy “cash” investment portfolio as illustrated by the chart below.







To get a true picture of all of Council's investments, the balance of net internal loans needs to be added to this to create a full portfolio of investments. The funds held for all of the accumulated reserves form part of this investment portfolio. The following shows the value of the funds held compared to the value of investments Council has.



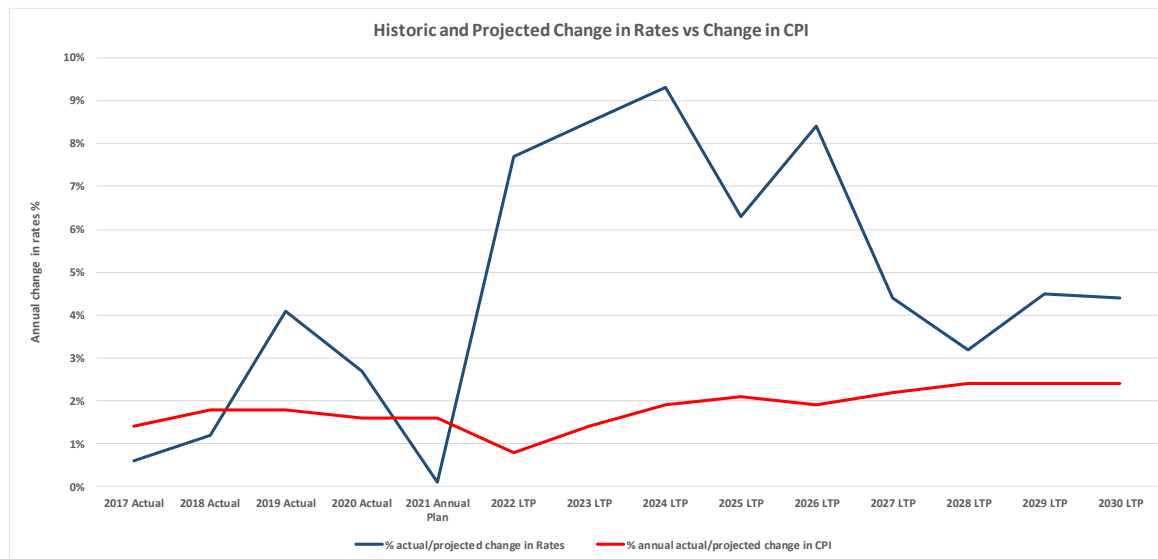


## Rate levels and Affordability

Prior to discussing rates, non-rates revenue needs to be considered. Council continues to have issues with New Zealand Transport Agency funding decisions and the government's decreasing support for rural roading networks. Council will continue to try and maximise other revenue where it can and when it meets the wider objectives of Council.

Council has reviewed its approach to funding and rating and is still happy with the overall approach developed in 2002/03. There were no proposals to significantly increase any group of user charges or make any major changes to the rates/user charge ratio. The changes to the rating system being considered are designed to address issues that have emerged over the last three years and address developments that have occurred.

As highlighted in the opening comments, after a period of very limited rate increases and improved affordability Council is now at a point where a period of sustained increases is required to continue to provide services, especially core services. Although it has considered proposals to lessen the impact in any one year, a far higher level of rate increases compared to the last 10 years is required in most of the next 10 years.





### Forecast Rating base

In completing its rating projections, Council has also projected the likely growth in the number of properties on which rates will be assessed. The Waitaki District is experiencing slower than average growth, and Council is projecting only minimal levels of growth over the life of this Long Term Plan.

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Projected number of properties in the rate base	13,901	13,950	13,999	14,048	14,097	14,146	14,196	14,246	14,296	14,346

### Forecast rates increases

Council sets a limit on planned rates increases because it wants to stress affordability issues and still respond to changes that have occurred in the environment. Council considers it prudent to maintain a degree of 'headroom' between the maximum rates increase limit we set and the planned rates increases reflecting the planned levels of service to be delivered.

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Planned increase in total rates	7.69%	8.53%	9.30%	6.29%	8.42%	4.40%	3.16%	4.52%	4.41%	4.19%
LGCI + 2%	5.7%	4.9%	4.5%	4.5%	4.6%	4.5%	4.6%	4.7%	4.7%	4.6%

Each year Council must show the proposed changes to the rates for a range of typical property types in the District, for example large pastoral farms, urban residential, rural lifestyle, commercial and industrial. The rate samples show that increases in rates depend both on the value of the property and whether the property receives water, wastewater and other fixed charges and rates.

### Council's ongoing ability to deliver services

Council's core role is to maintain and develop high quality, reliable infrastructure such as roading, water supply, stormwater and wastewater networks, reserves, recreation and community facilities. It is important that ratepayers can be confident that essential services can be delivered, both now and in the future. As noted earlier in the Strategy, Council is considering increasing the level of service and investment in some key areas to meet expected needs and demands, including increased regulatory demands and addressing the impact of climate change.



### *Capital expenditure required to maintain existing network infrastructure services*

Council's Asset Management Plans provide information on the condition of assets, and expenditure that will be required to maintain and renew the assets. They also include the cost of developing additional capacity to cater for increased demand and improved levels of services, particularly in terms of the quality of waste disposal and drinking water.

Council prioritises the renewal of its water reticulation infrastructure on a performance basis not a condition basis. An asset is considered for renewal after it was failed three times within a five year period. This is to ensure that the maximum life of the asset is realised, which reduces the write-off where water assets are replaced earlier than may have been required.

Shown below is the total expenditure projected on network infrastructure to maintain existing services, together with the total amount of capital expenditure included in this Plan.

Network infrastructure groups	Expenditure identified in Asset Management Plans to maintain existing assets in LTP 2021-31 \$000	Asset renewal capital planned in LTP 2021-31 \$000
<b>Roading</b>	84,189	70,957
<b>Stormwater</b>	3,794	27,563
<b>Water Supply</b>	67,745	72,577
<b>Wastewater</b>	29,295	19,541
<b>Total</b>	185,023	190,638

### *Strategies for coping with unexpected events*

The Canterbury earthquakes raised public awareness of the potential for the sudden destruction of infrastructure, for example water, stormwater and wastewater networks, roading, and buildings that are the foundations of economies and society. In putting together this Financial Strategy, Council has considered how it would respond if there were a failure in major infrastructure that demanded significant unplanned expenditure. This might occur as a result of natural disaster, unanticipated accident or other event.

Council has put in place four different sources of funds to assist with any situation like this: the Local Authority Protection Programme, the Disaster Fund, funded depreciation reserves and stand-by borrowing facilities. Council's approach would be:

- Utilise funded depreciation reserves where available and appropriate.
- Seek Central Government assistance.
- Utilise the \$2.5 million self-funding Disaster Contingency Fund.
- Use debt or sell assets which are the easiest to sell and not essential to operations.



### *Setting project priorities*

When setting funding priorities in this Plan, projects were ranked according to several criteria:

- Is the expenditure essential to deliver existing levels of service?
- Would postponing or cancelling the project result in increased risk of service interruption or infrastructure failure?
- How would not doing or deferring the project impact on achieving Council's vision and desired outcomes?

Council's highest priority is always to maintain existing assets and existing levels of service; projects to provide for future growth and to increase levels of service can then be considered.

### *Capital and operating costs of providing for future growth*

Council's Asset Management Plans allow for the maintenance and replacement of infrastructure assets, both for renewal and for improvement of the levels of services provided. Although increases in capacity are always a consideration, given the continued low projections of population growth over the term of the LTP, no projects have been included that are specifically related to growth in demand for services.

Network infrastructure groups	Capital identified to provide for growth \$000
Roading	0
Stormwater	0
Water Supply	0
Wastewater	0
Total	0

### *Providing higher levels of service*

Rates and debt limits also accommodate increased levels of service planned in the following areas:

- A new multi-purpose indoor sports and events centre for the District.
- Wastewater: planned extensions to existing wastewater schemes and investigations into meeting expected new disposal standards.
- Drinking Water Standards.
- Improved internal infrastructure to support service delivery and improve decision making.

### *Notes on financial policies and investment holdings*

Council must include in its Financial Strategy information about its objectives for holding financial investments and equity securities and provide quantified targets for returns on those investments. Council must also include its policy on the giving of securities for borrowing.



### Equity securities

Council does not currently hold equity securities (shares) for the sole purpose of earning a return on the investment and there are no plans to invest in equity securities for this purpose during the term of the Plan. This is the list of the companies in which Council currently holds shares, together with the objective for holding the equity securities and a target rate of return.

Company	Objective of holding equity	Shareholding	Target rate of return
Whitestone Contracting Limited	<ul style="list-style-type: none"> <li>Stimulate a competitive contracting sector.</li> <li>Support local employment opportunities.</li> <li>Provide a good return on investment.</li> </ul>	100%	>7% on shareholders' funds
Waitaki District Health Services Limited Group	<ul style="list-style-type: none"> <li>Support provision of healthcare facilities and services for the local community.</li> </ul>	100%	N/A
Tourism Waitaki Limited	<ul style="list-style-type: none"> <li>Facilitate the growth of tourism.</li> <li>Promote the district effectively.</li> </ul>	100%	N/A
Omarama Airfield Limited	<ul style="list-style-type: none"> <li>Facilitate the growth of tourism.</li> <li>Promote the district effectively.</li> </ul>	50% Joint Venture	N/A
Local Government Funding Agency	<ul style="list-style-type: none"> <li>Borrowing</li> </ul>	N/A%	N/A
Civic Assurance	<ul style="list-style-type: none"> <li>Insurance and risk management.</li> </ul>	1.07%	N/A

### Loans to Other Entities

Council has advanced funds under various loan agreements to local entities. The primary objective when investing is to provide a level of return and to support the achievement of community objectives.

Company	Objective of holding equity	Value	Target rate of return
North Otago Irrigation Company Limited	<ul style="list-style-type: none"> <li>Support local economic opportunities.</li> <li>Promote environment outcomes.</li> <li>Provide a good return on investment.</li> </ul>	\$15.0m	Market rate plus margin
Kurow Duntroon Irrigation Company Limited	<ul style="list-style-type: none"> <li>Support local economic opportunities.</li> <li>Promote environment outcomes.</li> <li>Provide a good return on investment.</li> </ul>	\$3.7m	Market rate plus margin
Observatory Retirement Village Trust	<ul style="list-style-type: none"> <li>Support a suitable accommodation option for older residents.</li> <li>Promote employment opportunities.</li> <li>Provide a good return on investment.</li> </ul>	\$10.5m	Market rate plus margin
Oamaru Whitestone Civic Trust	<ul style="list-style-type: none"> <li>Support local economic opportunities.</li> <li>Protect the Districts heritage.</li> </ul>	\$0.5m	0%



### *Financial instruments*

Council holds financial investments, for example term deposits, as part of efficiently managing cash flow to finance expenditure on operations. The primary objective when investing is the protection of the investment, so the credit-worthiness of the other party must always be considered.

Council also seeks to:

- Maximise return on its investment.
- Ensure investments are liquid.
- Ensure an effective spread of investments and maturity dates.
- Manage potential capital losses arising from interest rate movements if investments need to be liquidated before maturity.

### *Security for Council borrowing*

Council provides security on its external borrowings through a Debenture Trust Deed. Under the Debenture Trust Deed the Council borrowings are secured by a floating charge over all Council rates levied under the Local Government Rating Act. The security offered by Council ranks equally with other lenders.

Council provides limited securities and guarantees to other parties for economic or community development or works under the LGA. Requests are considered on a case by case basis by Council or the appropriate Council committee. More detail is included in the Liability Management and Investment Policy.

### *Cash Funding of Depreciation*

The balanced budget provisions of the LGA (s100) allow a council to not fully fund all expenditure (including depreciation) if it can demonstrate that it is financially prudent to do so. Council has previously decided not to fully cash fund the depreciation charge of various assets

Council has resolved that it will not cash-fund depreciation on certain assets for a variety of reasons, the most significant being where Council believes it will receive money from third parties to help fund asset replacement. The most important of these sources is New Zealand Transport Agency which co-invests in the roading network. This has also been assumed with some community assets where third party funding was received to help build or develop the facility. This group of assets includes the Aquatic Centre, Oamaru Opera House and some community centres.

The other major reason depreciation is not funded is if Council does not expect to renew or replace an asset at the end of its useful life. Council has also decided not to fully fund depreciation on assets where loans were raised to fund construction, and the loan is still being repaid, or when annual maintenance expenditure is sufficient to maintain the asset in perpetuity. A full schedule of assets whose depreciation is not fully funded and the underlying reason is shown at the end of the Strategy. This schedule will be subject to further review over the next two months to ensure the items in the schedule will still meet the criteria for inclusion over the life of the LTP.

In addition to these measures it has adopted in the past, Council is proposing to un-fund the depreciation on a number of items to help address the affordability issues it faces over the next three years. These are all assets where there is a combination of limited immediate demand, a sufficient balance or sufficient time to fund any shortfall prior to the funds being required. Council considers this a prudent decision for current and future ratepayers.



Over the life of the plan a total amount of \$72.6 million will not be directly funded by Council. However, Council believes that in most instances where an asset needs to be replaced there will be sufficient funds available to do this. It believes this approach is prudent, especially given the level of funds accumulated as discussed earlier in the Strategy. If there is any shortfall in the year funding is required, Council will borrow to cover this as allowed under the Liability Management and Investment Policy.

### Depreciation Schedule

Assets for which Council will not cash-fund depreciation.

Asset Name	Reason for Unfunding Depreciation	Date that Unfunding Stops
Roading	Council will un-fund that portion of asset replacement that is subsidised by New Zealand Transport Agency (or its successors).	No end date
Bridges	Council will un-fund that portion of asset replacement that is subsidised by New Zealand Transport Agency (or its successors).	No end date
Oamaru Water Treatment	Initial capital cost offset for assets with a life greater than 20 years that are part of the water treatment plant completed 2007.	2027
Drinking Water Standards – Upgrade – various schemes	Initial capital cost offset for assets with a life greater than 20 years that are part of the water treatment plant upgrades	2030-2035
Waitaki Aquatic Centre	To recognise those components, (structure, roof and services), with a life greater than 20 years. Council does not intend to replace the Waitaki Aquatic Centre at the end of its economic life.	No end date



Asset Name	Reason for Unfunding Depreciation	Date that Unfunding Stops
Oamaru Opera House	To recognise components with lives greater than 20 years where alternate funding is likely to be received for any minor work	No end date
Operational and Commercial Property assets	To recognise that the level of reserves currently available is sufficient for immediate and foreseeable needs. Level of un-funding will reduce by 20% annually over the period 2022-2026	2022-2026
Parks & Recreation assets, including the Oamaru Public Gardens, parks, sports fields and playgrounds	To recognise that the level of reserves currently available is sufficient for immediate and foreseeable needs. Level of un-funding will reduce by 20% annually over the period 2022-2026	2022-2026
Camping Grounds and associated assets	To recognise that the level of reserves currently available is sufficient for immediate and foreseeable needs. Level of un-funding will reduce by 20% annually over the period 2022-2026	2022-2026
Freezer Building	To recognise that Council will not replace these facilities at the end of their economic lives	No end date
Oamaru Gardens Depot and Workshop		
Chelmer Street Depot		
Otematata Depot		



Asset Name	Reason for Unfunding Depreciation	Date that Unfunding Stops
Oamaru Gardens House	To recognise that Council will not replace these residential dwellings or improvements at the end of their economic lives	No end date
Harbour House (2 Test Street)		
Oamaru Sewerage Plant Dwelling		
Awamoa Park Pavilion	To recognise that Council will not replace these recreational facilities at the end of their economic lives	No end date
Macraes Domain sports grounds		
Kurow sports ground		
Parks Assets – Local (Ward) Assets	Many of these assets will not be replaced at the end of their lives, or replacement will be funded by sources other than general revenues (reserve contributions or grants).	No end date
Oamaru Harbour Wharves and Improvements	Un-fund to the extent of annual expenditure required to maintain the asset in perpetuity	No end date
Oamaru Harbour Breakwater		
Duntroon Sewerage Scheme	To recognise that Council will not replace this scheme at the end of its economic life.	No end date



Asset Name	Reason for Unfunding Depreciation	Date that Unfunding Stops
Cemeteries	To recognise that many cemetery assets will not be replaced at the end of their lives.	No end date
Public Toilets – Severn Street and Last Post	Unfunded because Council has closed these facilities and will not replace them	No end date
Alps2Ocean Cycle trail	Un-fund depreciation of assets constructed prior to 30 June 2014 because of Council's annual funding of routine maintenance.	No end date
Information Services	Un-fund 50% of annual depreciation to recognise that the level of reserves currently available is sufficient for immediate and foreseeable needs. Level of un-funding will reduce by 20% annually over the period 2022-2026	2022-2026



### *Other Related Information*

- **Forecast financial statements**

These are Generally Accepted Accounting Practice (GAAP) financial statements (as required under s111 of the LGA) forecasting the ten-year financial performance of the Council, including prospective statements of comprehensive revenue and expense, changes in equity financial position and cash flow.

- **Statement of accounting policies**

This is a statement of GAAP accounting policies applied in the preparation of the Plan.

- **Funding impact statement**

These show what rates Council will charge, the basis of each rate, the activities the rate funds and the amount of the rate. It discloses financial information in a format required by the financial reporting regulations set under the LGA.

- **Rates, fees and charges**

Identifies the basis on which rates are set, and the fees and charges are approved.

- **Key Assumptions**

This sets out matters such as the price level adjustments that have been applied to all core budgets and projects. In order to take account of the impact of revaluation movement in asset values, adjustments have also been applied to depreciation.



## Long-term plan disclosure statement for the period commencing 1 July 2021

### What is the purpose of this statement?

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

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

For the ten years of this Plan, Council must monitor its performance against a series of measures and mandatory benchmarks relating to rates increase, debt levels, expenditure on network assets and overall financial prudence.

These limits are intended to provide users of the plan information about Council's financial position, and to guide short and long term decision-making over the next three years. They will be reviewed every three years, or sooner if necessary.

### *How these limits were set*

In setting limits on rates and debt, Council considered all the issues discussed in this financial strategy and tried to strike a balance between affordability of rates, prudent financial management, providing quality essential services over the long term and providing for unforeseen events.

### *Rates Affordability Benchmark*

Council meets the rates affordability benchmark if:

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

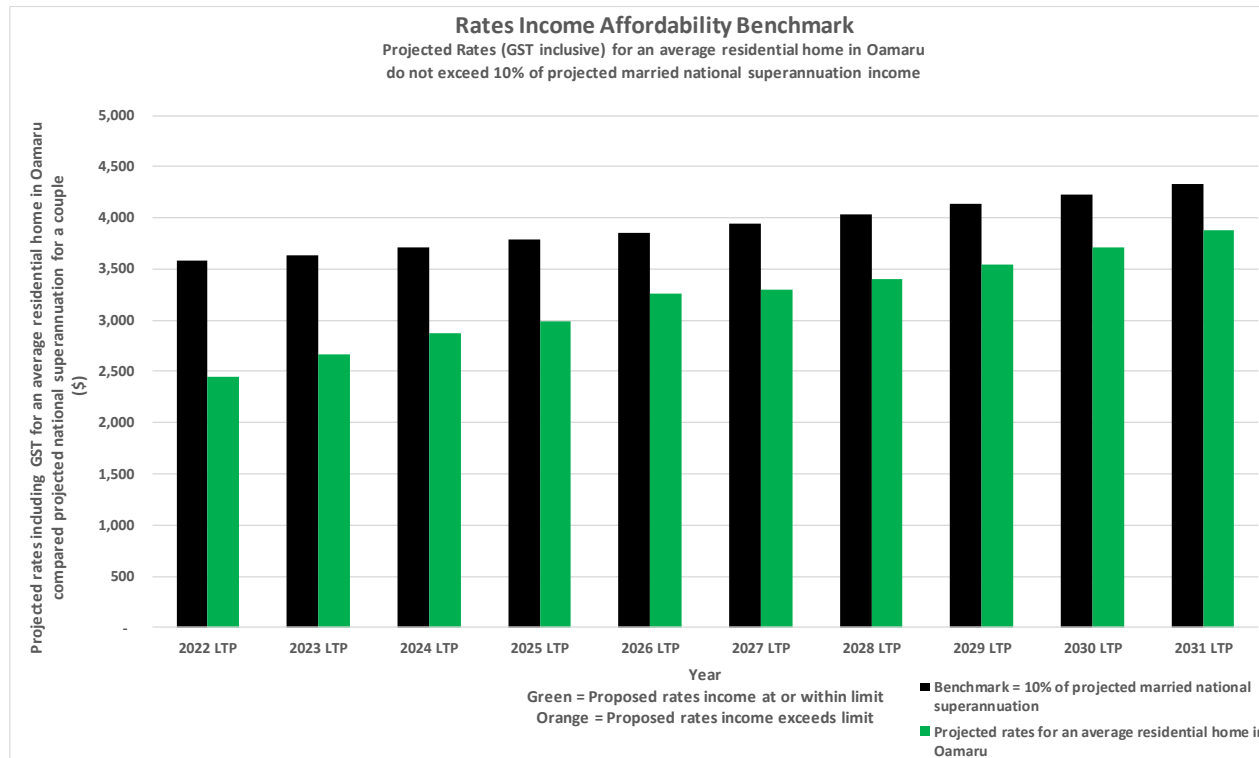


*Planned rates income equals or is less than each quantified limit of rates*

*Rates (income) affordability*

The following graph compares Council's planned rates with a quantified limit on rates contained in the financial strategy included in this Long Term Plan. The quantified limit is the average rate charged on an average residential home in Oamaru will not exceed 10% of projected national superannuation for a married couple.

Council tracks Oamaru Residential Rates on a median value property against married national super. Council considers this an appropriate measure for both households and small businesses. Affordability for large commercial and rural ratepayers will be considered more by reference to the rates increase measure.

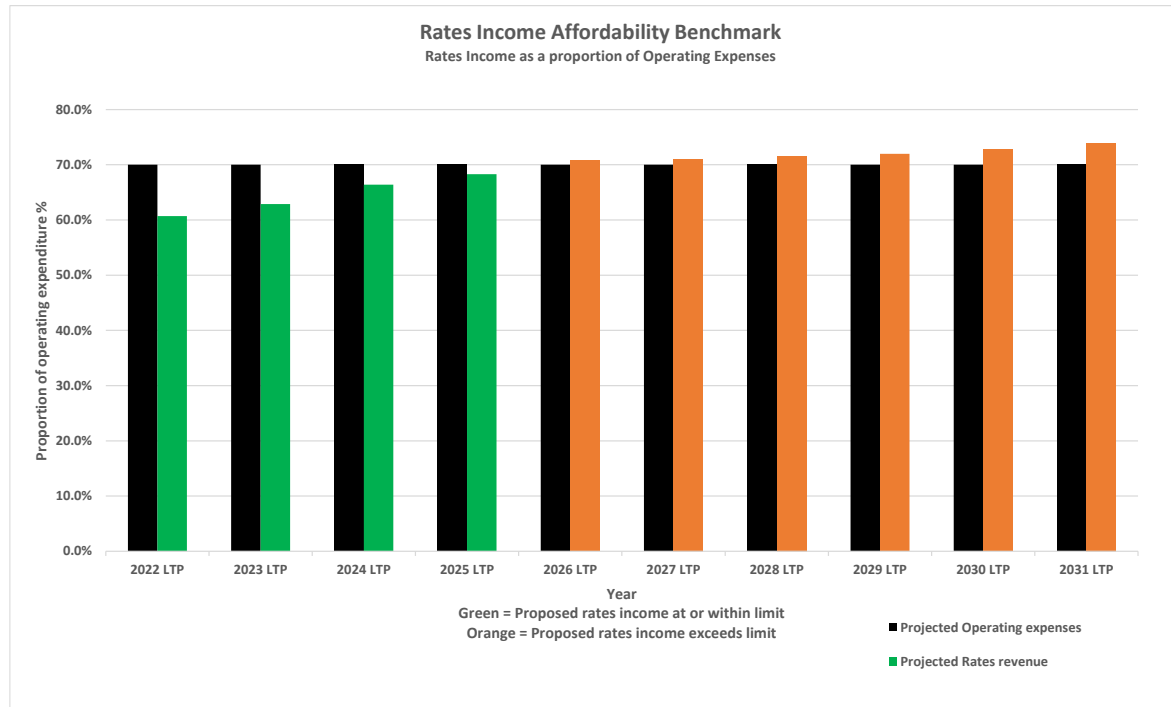




*Planned rates income equals or is less than each quantified limit of rates*

*Rates (income) affordability*

The following graph compares Council's planned rates with a quantified limit on rates contained in the financial strategy included in this Long Term Plan. The quantified limit is total revenue raised from rates should fund no more than 70% of Council's total operating expenditure.

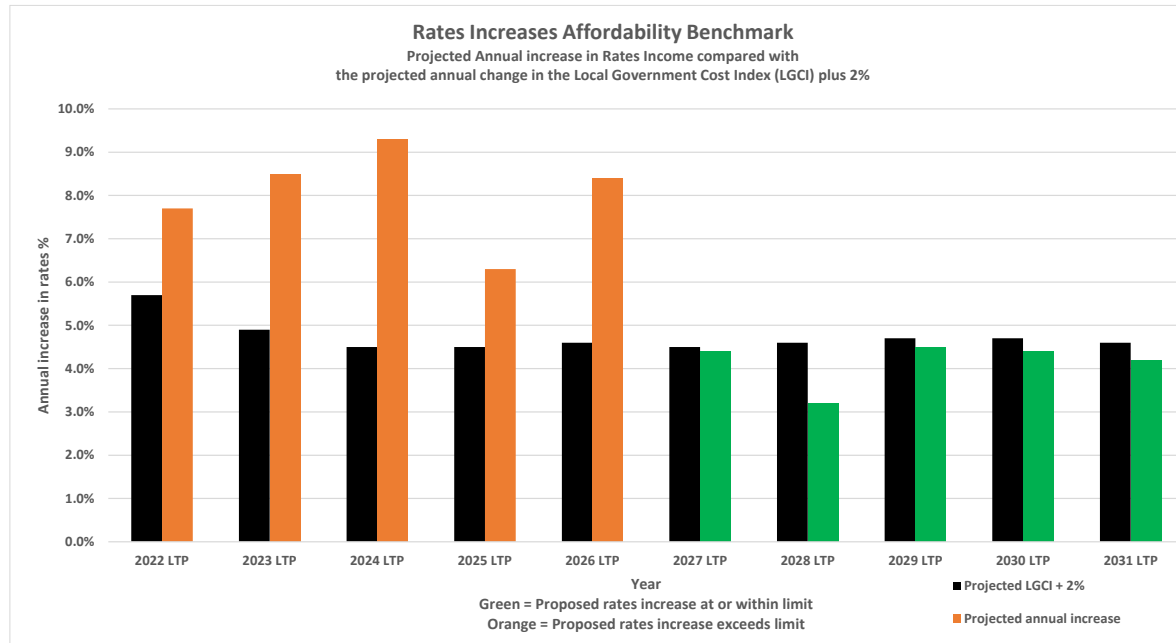




*Planned rates income equals or is less than each quantified limit of rates*

*Rates (increase) affordability*

The following graph compares Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this Long Term Plan. The quantified limit is the annual projected increase in total rates will not exceed the projected change in the Local Government Cost Index (LGCI) plus 2% (to allow for growth in the rating base, changes in levels of service and other unexpected costs).



After several years of limited rate increases, including the 2020-21 financial year in which Council struck rates that had effectively not changed in total from those in the 2019-20 financial year, Council considers it prudent to increase rates at a level in excess of this prescribed limit in order to ensure its continued ability to provide the services required of it.



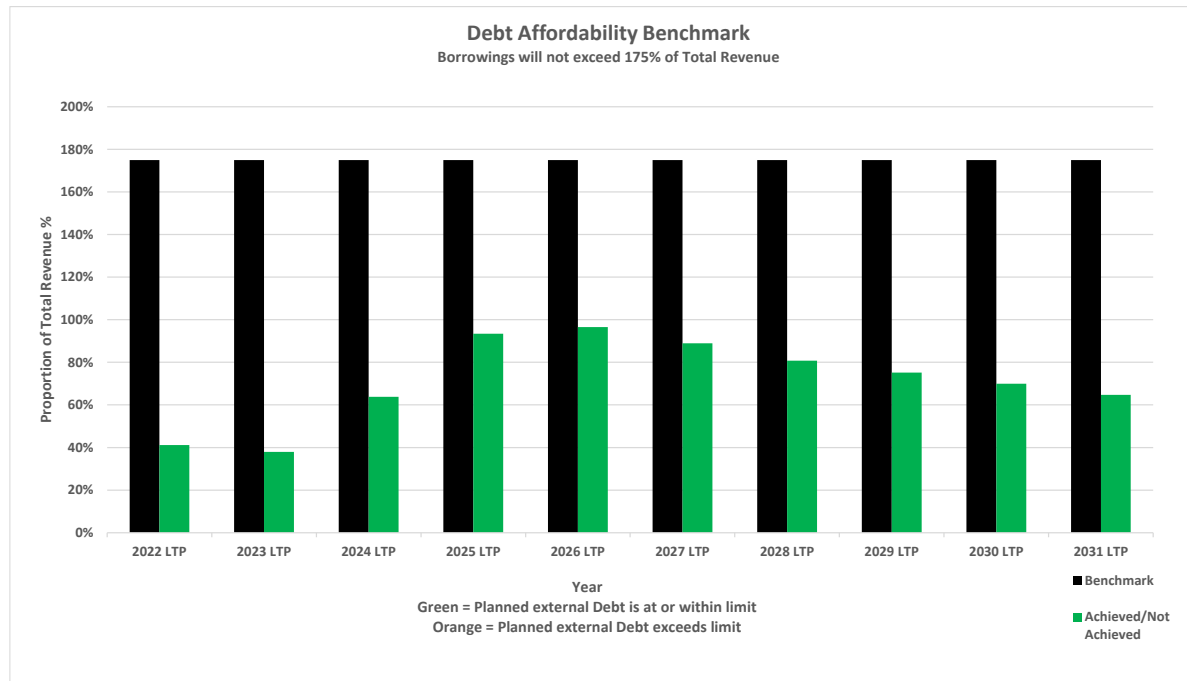
### Debt Affordability Benchmark

Council meets the debt affordability benchmark if actual borrowing is within each quantified limit on borrowing. The quantified limits in the Liability Management Policy are:

- External debt will not exceed 175% of total revenue.
- Interest cost on external debt will not exceed 20% of total revenue.
- Interest cost on external debt will not exceed 25% of annual rates.
- External debt per rateable property will not exceed \$4,000.

### Debt Affordability benchmark

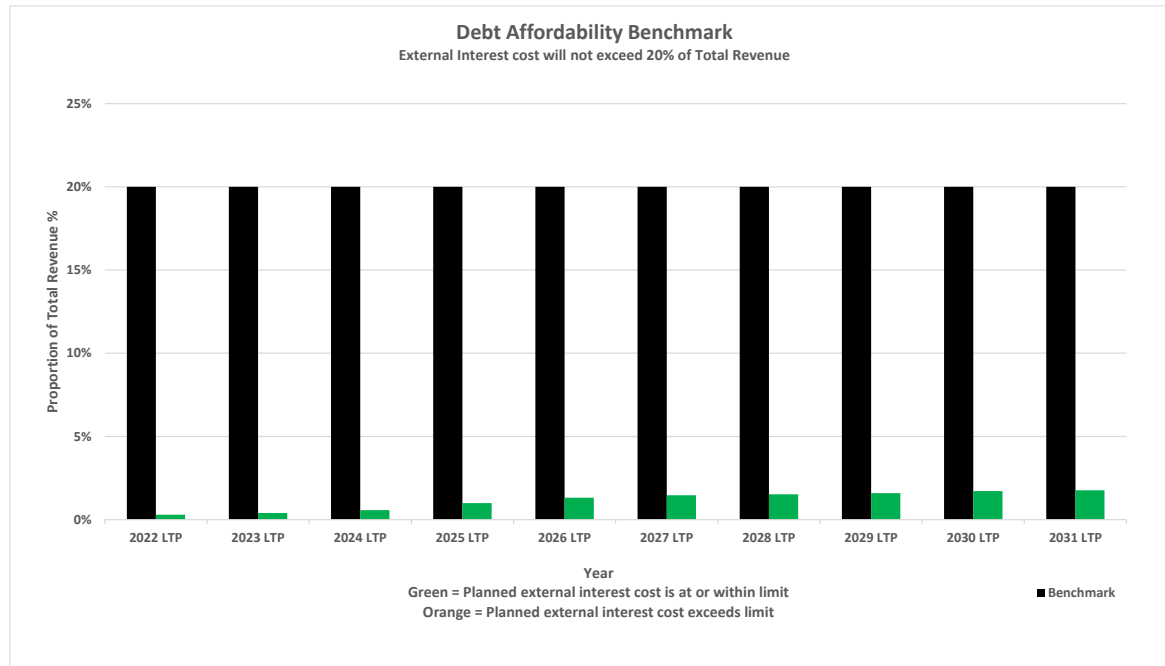
The following graph compares Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this Long Term Plan. The quantified limit is that total external debt will not exceed 175% of total revenue.





### Debt Affordability benchmark

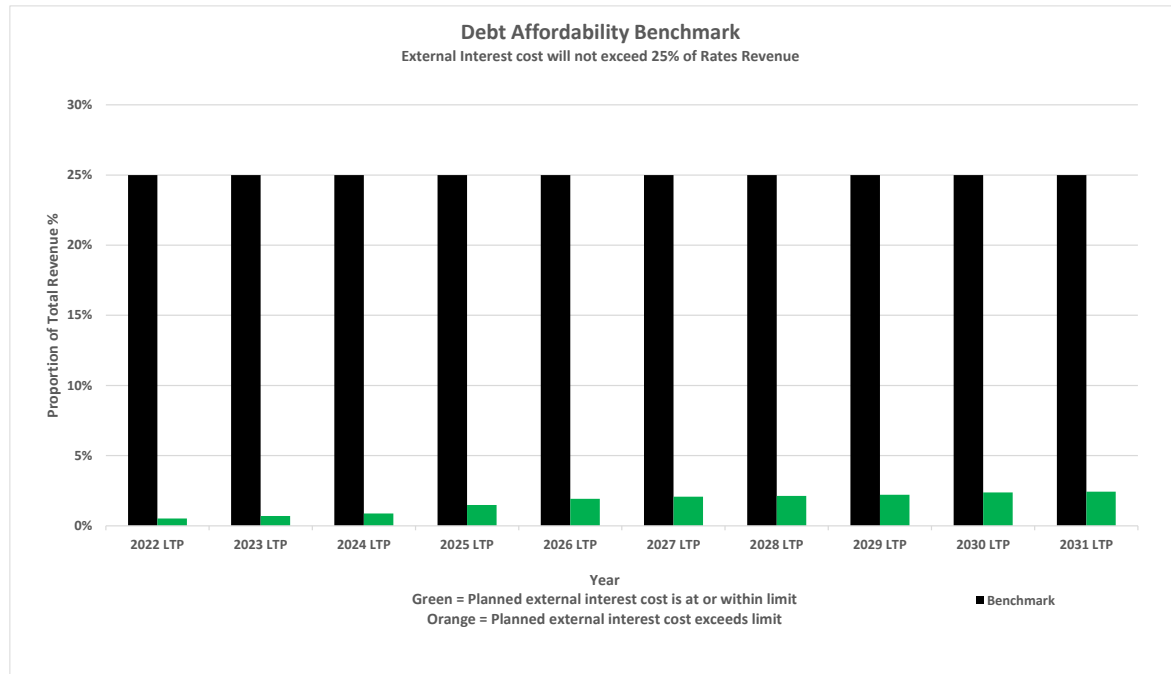
The following graph compares Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this Long Term Plan. The quantified limit is that external interest cost will not exceed 20% of total revenue.





### Debt Affordability benchmark

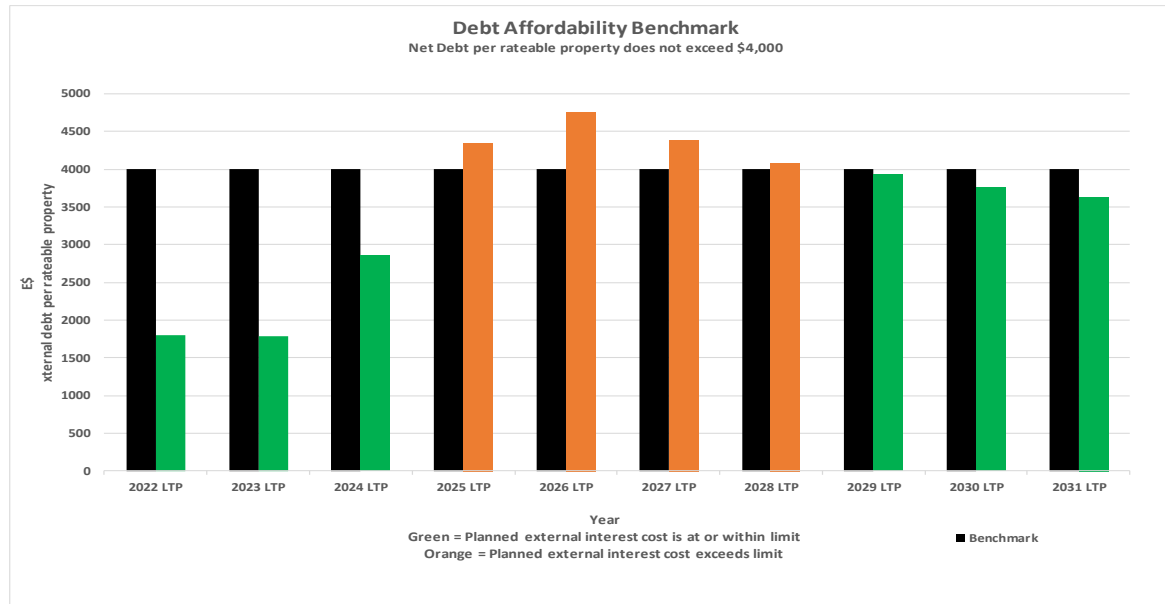
The following graph compares Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this Long Term Plan. The quantified limit is that external interest cost will not exceed 25% of annual rates revenue.





### Debt Affordability benchmark

The following graph compares Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this Long Term Plan. The quantified limit is that external debt per rateable property will not exceed \$4,000 per property.



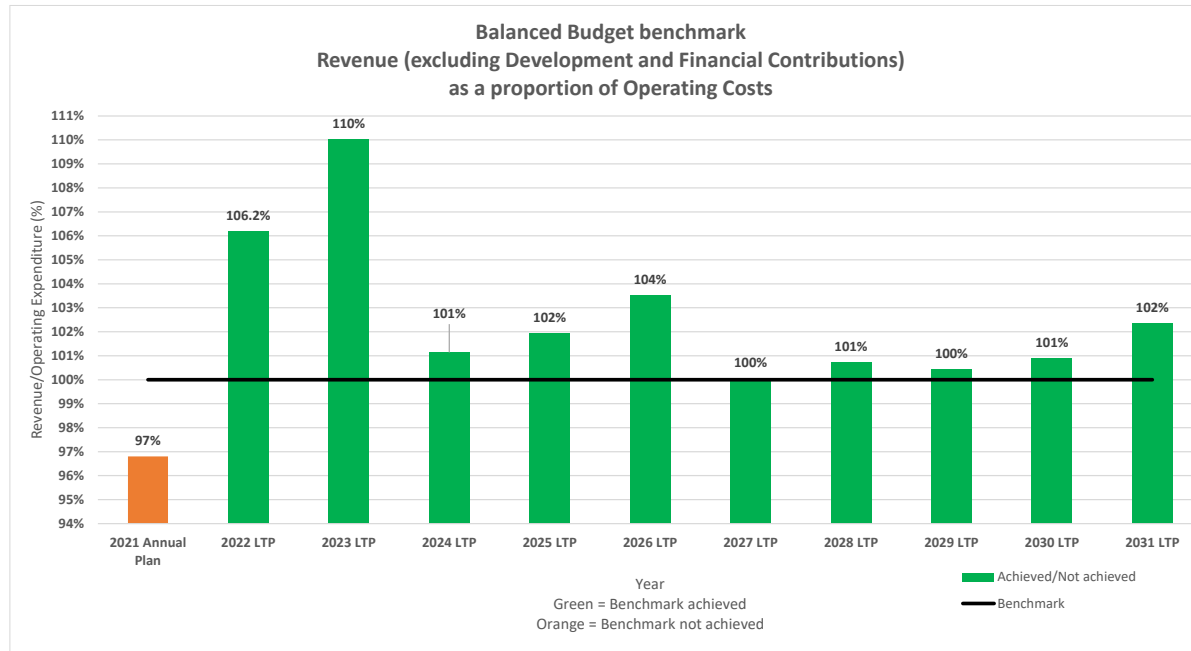
Projected significant and essential works associated with Council's Water and Sewerage infrastructure from and after the 2025 financial year have left Council with no viable funding alternatives other than to resort to increased external borrowings which has adversely impacted this measure.



### 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 the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



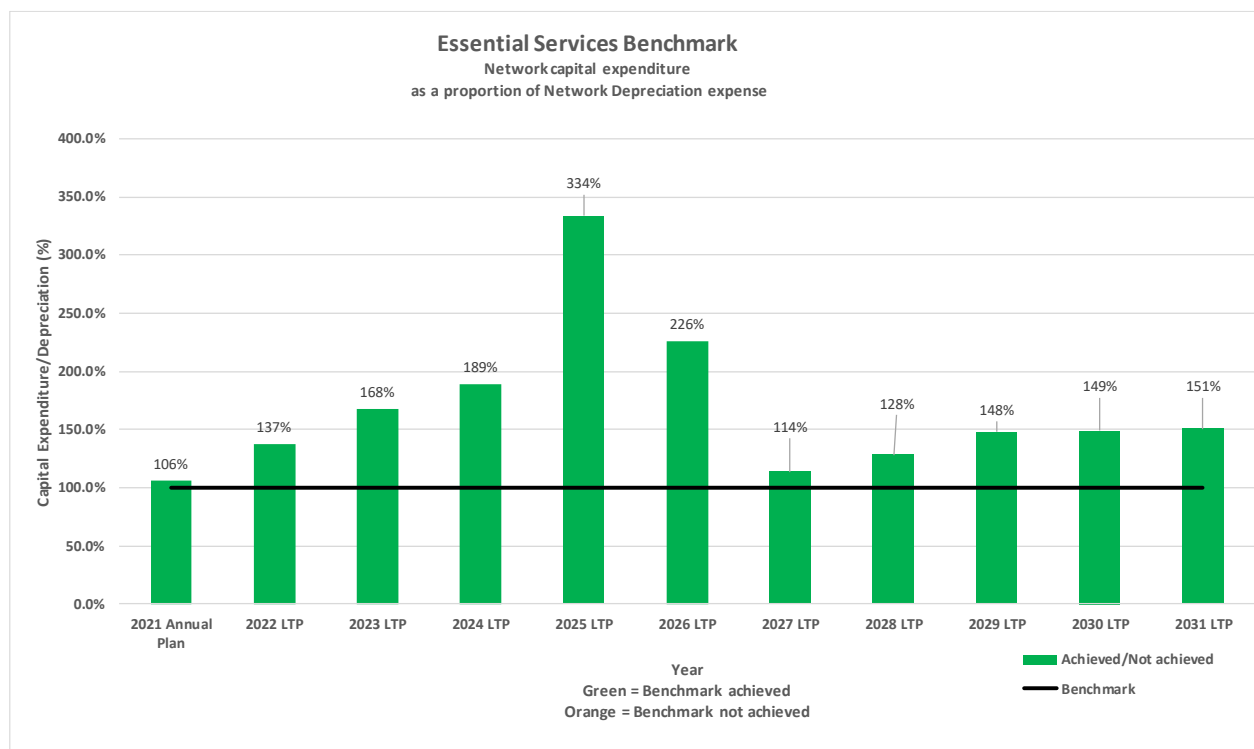
Note that, when adopting the 2020-21 Annual Plan, Council resolved to approve an unbalanced budget, accepting this as a consequence of having a budget that allowed for no effective increase in rates as a result of the COVID- 19 pandemic and its potential effects on the local community.

### Essential Services Benchmark

The following graph displays Council's planned capital expenditure on network services as a proportion of expected depreciation on network services. Council meets the essential services benchmark if its planned capital expenditure equals or is greater than expected depreciation on network services.



The term “Network Services” refers to roading, water, wastewater and stormwater infrastructural assets.



Recent changes to the approved roading programme have seen significant reductions in the level of funding available, and Council has projected that these reduced levels will continue throughout the term of this LTP. This has adversely impacted the financial years after and including 2027

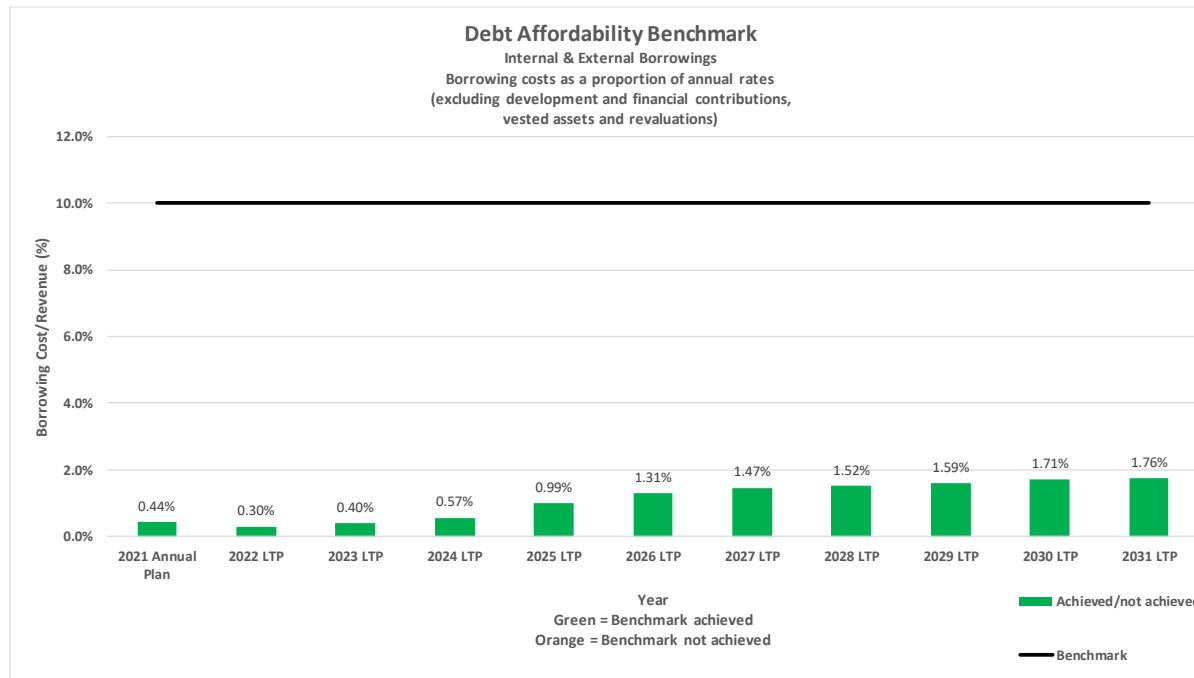
Although it has and will continue to strive to meet this measure, Council believes this mandatory measure is flawed for a Council with mature but well maintained assets that experience limited increases in demand. This view is based on the fact that many of its high value assets do not require significant amounts to be spent on them each year and therefore depreciation is accumulated until it is required. The key assets this applies to are medium to large bridges, and water and sewer treatment plants. Council is therefore not concerned about not achieving this measure.

### Debt Servicing Benchmark

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



Because Statistics New Zealand projects the population of the Waitaki district will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if planned borrowing costs equal or are less than 10% of its planned revenue.





## DEVELOPMENT CONTRIBUTIONS AND FINANCIAL CONTRIBUTIONS POLICY

### INTRODUCTION

#### 1.1 Overview

The Waitaki district continues to experience modest growth in the population (permanent and visitor) and economic activity. This growth is provided for by development and subdivision activity which places an increased demand on council infrastructure and reserves network.

Council believes development and financial contributions are the most appropriate funding tools to fund the additional costs they incur to provide for this growth. This policy seeks to balance fairness, with administrative efficiency, and with legal requirements.

This policy includes provisions for both development and financial contributions.

- Financial contributions - The Financial Contributions rules, policies and objectives under the provisions of Part 14 of the Waitaki District Plan are operative. These will be used for open space and recreation (reserves) and services, where appropriate development contributions are not available.
- Development contributions are a funding mechanism available to councils. The purpose of Development Contributions is to enable Council to recover from those persons undertaking development, a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term. Council uses development contributions to fund a portion of the water supply, wastewater and roading activities.

#### 1.2 Transition between policies

This Policy on Development Contributions and Financial Contributions replaces the 2018 Policy. These changes will apply to applications for resource consent, building consent, certificate of acceptance or service connection as follows:

- For any application submitted, accompanied by all required information, after 1 July 2012 and before 1 July 2015, Council will apply the 2012 Policy.
- For any application submitted, accompanied by all required information, after 1 July 2015 and before 1 July 2018, Council will apply the 2015 Policy.
- For any application submitted, accompanied by all required information, after 1 July 2018 and before 1 July 2021, Council will apply the 2018 Policy.
- For any application submitted, accompanied by all required information, after 1 July 2021, Council will apply the 2021 Policy.

Where applications are submitted without all required information, Council will apply the policy in force at the time all required information is provided.

#### 1.3 Updating the policy

It is anticipated that this policy will be reviewed, and if necessary amended, at least every three years as part of the LTP process. For the financial years in between LTPs, the contributions may be inflated based on the rate of increase (if any) in the Producers Price Index Outputs for Construction provided by Statistics New Zealand since the contributions were last set. Any increase will only apply to the proportion of the development contribution that does not relate to the interest component.

Before any increase takes effect, Council will make publicly available information setting out the amount of the newly adjusted development contribution and show how any increase was calculated.



## 1.4 Key changes

This policy is an update of the 2018 Policy. Key changes made to the policy are described below.

- The standard updates have been made to the policy including application of actual capital expenditure over the past three years and inclusion of the latest LTP capital budgets. In most areas these updates have resulted in increases in the development contribution. Most noticeably in water and wastewater due to the higher costs budgeted for treatment upgrades.
- The 50% remission on roading development contributions for residential developments have been removed.
- Apartments have been added to the land use categories for retirement villages to provide simpler administration of the policy.
- Council has reviewed development contributions to incentivise development of residential housing units where there are two or more units of 80m<sup>2</sup> (or less) per unit on a single site, to create more affordable homes.
- Council may seek to recover all reasonable costs incurred in debt recovery proceedings and interest on the outstanding development contributions.
- Council may require a fee for considering a request for reconsideration, and Council will require a deposit prior to responding to an objection to development contributions.

## 1.5 Future policy work

- There are proposed changes to 3Waters as part of Government Reforms, as well as a reform of the Resource Management Act (RMA) and consequential changes to the Local Government Act 2002 (LGA). These changes may require an additional review of the Policy prior to 2024.

## 1.6 Policy guideline

From the reader's point of view, the policy is structured as follows:

Section 2 - Purpose and objectives – why WDC has a development and financial contributions policy. This is the why – why do I have to pay contributions?

Section 3 and 4 - how much will I have to pay for my development, and when will I have to pay it. What other unique considerations will be taken into account?

Section 5 and 6 - what are my options if I wish to proceed outside the provisions of the policy, or if I want to challenge the outcome of an assessment?

Section 7 – An overview of the calculation approach.

Section 8 – Appendix of detailed aspects of the policy mechanisms, calculations and structure.



## 2. PURPOSE AND OBJECTIVES

### 2.1 Purpose

Section 197AA of the LGA states that the purpose of development contributions is:

*“...to enable territorial authorities to recover from those persons undertaking development a fair, equitable, and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.”*

Council intends to fund the portion of capital costs that are attributable to growth by development and/or financial contributions wherever it is legally, fairly, reasonably and practically possible to do so.

Council considers that development and financial contributions are the best mechanisms available to ensure the cost of growth sits with those who have created the need for that cost. Council considers it inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of providing for new growth.

### 2.2 Objectives

In developing this policy, the above purpose, and the principles in section 197AB of the LGA have also been taken into account. Accordingly, the objectives of this policy are:

- (i) Fairness: ensure that those who create a need for new or additional assets, or assets of increased capacity fund their fair share of the cost. The proportional cost allocation takes into account those who benefit from the assets as well as those who create a need for the greater use of the assets.
- (ii) Simplicity: ensure that the policy is easy to understand and administratively simple to apply.
- (iii) Certainty and transparency: provide developers with a clear understanding of what will be funded from development contributions, what they will have to pay towards those costs, and when.
- (iv) Consistency: ensure that like developments are treated in a like manner.
- (v) Contribution to Waitaki's goals: support and facilitate the wider outcomes sought by WDC.



### 3. APPLICATION OF THE POLICY

#### 3.1 Who is assessed?

Any development that creates additional demand or adverse environmental effects will be assessed for contributions. Any application for a resource consent, building consent, service connection or certificate for acceptance may be assessed.

#### 3.2 What contributions are payable

The contributions payable include:

- Development contributions for network infrastructure - water supply, wastewater and roading.
- Financial contributions for open spaces and recreation, and where applicable other activities.

The Council will not require a development contribution for an asset or activity if it has required a financial contribution in relation to the same development for the same purpose.

#### 3.3 How much is payable?

The development contributions and financial contributions payable within each area are shown in the following table.

The water supply development contributions for rural restricted schemes are shown per cubic meter (m<sup>3</sup> or 1,000L) of water. The actual contribution payable will be based on the quantity of a point for each scheme, typically 1,800L/day. All other development contributions are shown per household equivalent unit (HEU). One new residential lot or new residential dwelling is assessed as one HEU.

Where water and wastewater schemes have been merged, the contributions are standardised across the entire scheme. This includes:

- Oamaru water supply – all properties that connect to the Oamaru supply including Oamaru, Weston, Enfield, Kakanui, Herbert, Waianakarua, Hampden and Moeraki.
- Oamaru wastewater – all properties that connect to the Oamaru scheme including Oamaru, Weston and Kakanui.
- Waihemo water supply - all properties that connect to the Waihemo supply including Palmerston, Dunback and Goodwood.



**Table 10: Standard Development and Financial Contributions Required (Ex GST)**

Water Supply		Wastewater		Roading	Stormwater	Open Space and Recreation	Other Services/ Miscellaneous
DEVELOPMENT CONTRIBUTIONS		DEVELOPMENT CONTRIBUTIONS		DEVELOPMENT CONTRIBUTIONS	DEVELOPMENT CONTRIBUTIONS	DEVELOPMENT CONTRIBUTIONS	DEVELOPMENT CONTRIBUTIONS
On-demand Zones	per HEU		per HEU	District Wide – all areas \$965 per HEU	Not applicable	Not applicable FINANCIAL CONTRIBUTIONS District Wide – all areas	Not applicable FINANCIAL CONTRIBUTIONS District Wide – all areas where appropriate. Environmental Effects – Chapter 14 District Plan. Environmental considerations. Trade waste collection and disposal system, Energy supply system, Telecommunications system, Works to avoid, remedy or mediate natural hazards, Landscaping, including planting of vegetation, Provision of access to land in the subdivision (including roads, cycleways, accessways, service ways, private
Kurow	\$2,094	Kurow	\$360				
Oamaru	\$6,316	Oamaru	\$2,413				
Omarama	\$7,379	Omarama	\$5,732				
Otematata	\$7,264	Otematata	\$1,132				
Waihemo	\$3,430	Palmerston	\$2,667				
Restricted Zones	per 1m <sup>3</sup> of Water						
Awamoko							
Duntroon	\$3,764						
Kauru Hill	\$271						
Kurow	\$5,049	Lake Ohau	Nil				
Lake Ohau <sup>2</sup>	\$1,163						
Lower Waitaki	\$27,354	Moeraki	\$8,056				
Oamaru	\$2,314						
Omarama	\$3,509						
Otematata	\$4,099						
Bushy Creek	\$4,036						
Stoneburn	\$7,346						
Tokarahi	\$6,758						
Windsor	\$3,010						
Waihemo	\$4,047						
	\$1,906						



Water Supply	Wastewater	Roading	Stormwater	Open Space and Recreation	Other Services/ Miscellaneous
FINANCIAL CONTRIBUTIONS where appropriate. Environmental Effects – Chapter 14 District Plan. Environmental Considerations	FINANCIAL CONTRIBUTIONS where appropriate. Environmental Effects – Chapter 14 of the Waitaki District Plan. Environmental Considerations	FINANCIAL CONTRIBUTIONS where appropriate. Environmental Effects – Chapter 14 of the Waitaki District Plan. Environmental Considerations	FINANCIAL CONTRIBUTIONS where appropriate. Environmental Effects – Chapter 14 of the Waitaki District Plan. Environmental Considerations	1) Residential (In all zones) 7.5% of land value  <u>Other Developments</u> 0.5% of value of development exceeding \$200,000. <sup>1</sup>	access, street lighting and associated works). Esplanade Strips

Oamaru Water supply includes Weston/Enfield, Kakanui, Herbert/Waianakarua, Hampden and Moeraki. Waihemo Water supply includes Palmerston, Dunback, Goodwood.

Oamaru Wastewater includes Weston and Kakanui.

1. Refer to the Waitaki District Plan, and the Resource Management Act (1991) for more detail on the requirement for Financial Contributions.
2. As a 50% remission on Ohau water supply development contributions will be provided for any Ohau properties paying a water half-charge, and as Ohau has a smaller water unit of /600L (instead of /1000L) Ohau's actual Water development contributions will be  $\$27,354 \times 0.5 \times 0.6 = \$8,206.20$ .



### 3.4 Land use differentials

The following table summarises the differentials for each activity. These can be used to calculate the number of HEU's for residential and non-residential developments based on a standard measure of size.

**Table 11: Land Use Differentials**

Land Use Category	Household Equivalent Units per Measure of Size Shown		
	Water Supply <sup>(i)</sup>	Wastewater <sup>(ii)</sup>	Roading
Residential	1 HEU / dwelling or lot	1 HEU / dwelling or lot	1 HEU / dwelling or lot
Residential Unit in a multi-unit residential development of two or more units on a single site, of less than 80m <sup>2</sup> per unit:			
1 bedroom unit	0.5 HEU per unit	0.5 HEU per unit	0.5 HEU per unit
2 bedroom unit	0.75 HEU per unit	0.75 HEU per unit	0.75 HEU per unit
3 bedroom unit+	1 HEU per unit	1 HEU per unit	1 HEU per unit
Rural Residential	1 HEU / dwelling or lot	1 HEU / dwelling or lot	1.23 HEU / dwelling or lot
Commercial	0.17 HEU / 100m <sup>2</sup> + 1.17 HEU /property	0.43 HEU / 100m <sup>2</sup> GFA	2.97 HEU / 100m <sup>2</sup> GFA
Industrial	0.14 HEU / 100m <sup>2</sup> + 1.17 HEU /property	0.34 HEU / 100m <sup>2</sup> GFA	1.96 HEU / 100m <sup>2</sup> GFA
Accommodation	0.29 HEU / 100m <sup>2</sup> + 1.30 HEU /property	0.49 HEU / 100m <sup>2</sup> GFA	0.80 HEU / accomm unit
Primary Industry - Dairy	N/A - Assumed to be rural schemes only.		5.90 HEU / 100 Ha <sup>(iii)</sup>
Family flat where GFA is less than 60m <sup>2</sup>	0.50 HEU / family flat	0.50 HEU / family flat	0.50 HEU / family flat
Family flat where GFA is equal or greater than 60m <sup>2</sup>	1 HEU / family flat	1.0 HEU / family flat	1.0 HEU / family flat
Retirement Villages			
Care bed	0.28 / bed + 1.30 HEU / property	0.30 HEU / bed	0.5 HEU / bed
1 bed villa/house or apartment	0.50 / villa/house + 1.30 HEU / property	0.50 HEU / villa/house	0.34 HEU / villa/house
2 bed+ villa/house or apartment	0.66 / villa/house + 1.30 HEU / property	0.67 HEU / villa/house	0.50 HEU / villa/house
Campgrounds			
Tent sites	0.03 HEU / tent site +1.30 HEU / property	0.06 HEU / tent site	0.34 HEU / tent site
Caravan sites/cabins	0.06 HEU / site/cabin+1.30 HEU/property	0.10 HEU / site/cabin	0.34 HEU / site/cabin

<sup>(i)</sup> These water supply differentials are only used to assess urban unrestricted schemes. Rural restricted water supply schemes are based on a development contribution per cubic meter of water (as shown in Table 1).



(ii) These differentials are to be used to assess the demand on wastewater infrastructure for wastewater that does not fall within the definition of trade waste contained in the operative Waitaki District Trade Waste Bylaw applying at the time consent is granted. Development contributions payable for discharge of trade wastes will be the subject of an individual assessment.

(iii) The roading differential for Primary Industry – Dairy has already accounted for the existing pastoral use of a dairy conversion. The above differential also excludes any additional residential dwelling that may be developed as part of the dairy farm development. The dwelling shall be assessed separately as a standard residential dwelling.

(iv) Council recognises that there is a need to support and encourage development of residential housing units where there are two or more units on a single site of less than 80m<sup>2</sup> per unit, to create more affordable homes. Council believe that using a model based on the number of bedrooms for new residential housing units of less than 80m<sup>2</sup> may offer an incentive for developers.

Other – residential garages and farm implement sheds will not be assessed for development contributions if they are not being used for commercial purposes.

## 4. ASSESSMENT PROCESS

Development contributions will be assessed and may be required when an application for one of the following is made:

- Resource consent – subdivision or land use consent,
- Building consent, or when granting a certificate of acceptance under section 98 of the Building Act 2004 if a development contribution would have been required had a building consent been granted for the building work in respect of which the certificate is granted.
- Service connection.
- Certificate of acceptance.

If financial contributions are required as a condition of resource consent, these must be paid before the resource consent is implemented.

### 4.1 Timing of assessment

The sequence of development is not always the same. However, Council will aim to notify applicants of development contributions at the first available opportunity.

### 4.2 Timing of payment

Payment will be required for all development contributions (water supply, wastewater and roading) as follows. For the purpose of this section, the following definitions apply:

- Residential development includes the following land uses; residential, rural residential, family flat.
- Non-residential development includes the following land uses; accommodation, retirement village, campground, primary industry-dairy, commercial and industrial.



### Residential development

- Resource consent (subdivision) at the time of applying for a s224(c) certificate.
- Where the full development contribution has not been paid at resource consent stage, then development contributions will be payable at building consent or service connection.

For subdivision consents the development contributions invoice will be sent at the time the certificate under s224(c) is applied for. For building consents or service connection, the development contribution invoice will be sent when these consents are granted.

### Non-Residential development

- Where a building consent will be required for a development, no contribution will be sought at any initial resource consent stage. The full development contribution (water supply, wastewater and roading) will be required at building consent.
- Where a building consent will not be required (e.g. land use consent), then a development contribution will be assessed at resource consent stage.

For subdivision consents the development contributions invoice will be sent at the time the certificate under s224(c) is applied for. For land-use consent, building consents or service connection, the development contribution invoice will be sent when these consents are granted.

This approach is considered more efficient to administer as a single contribution is levied at a single stage. In the case of non-residential development, the information at building consent stage provides more certainty about the nature and size of the development. This provides developers and applicants with greater certainty.



### 4.3 Enforcement of payment

If payment of development contributions is not received the Council may (under section 208 of the LGA):

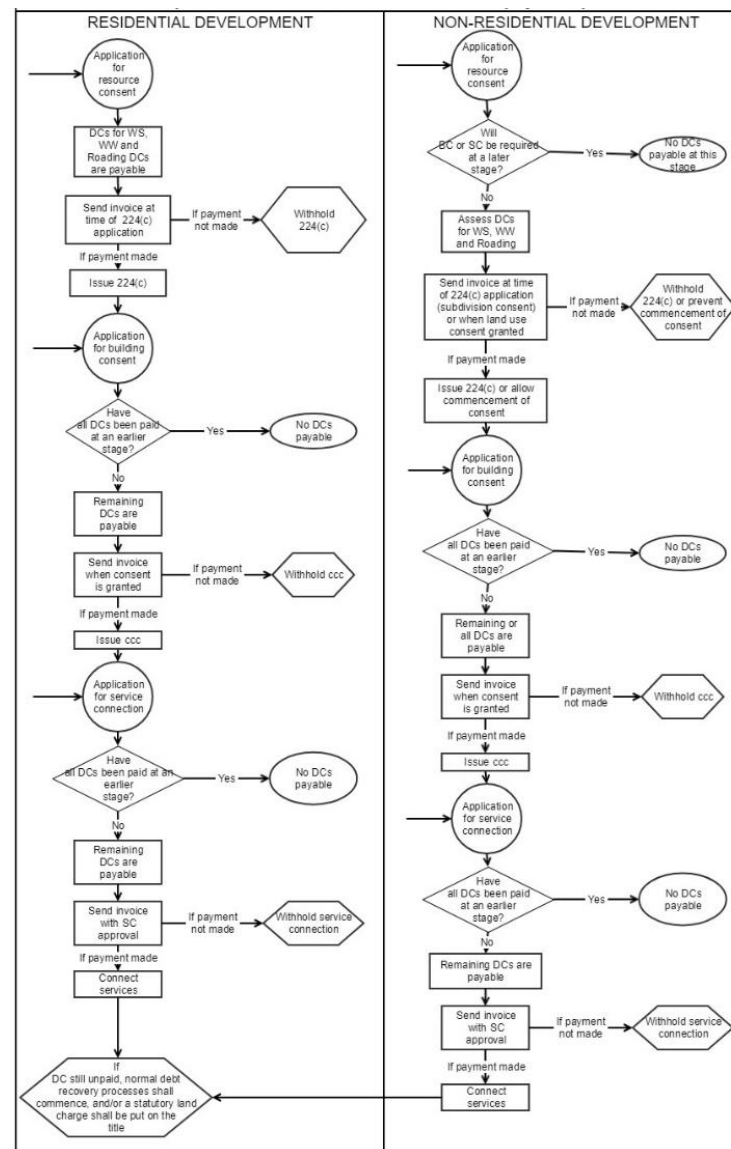
- Withhold s224c Certificate on a subdivision;
- Prevent the commencement of a resource consent for a development;
- Withhold a code of compliance certificate under the Building Act;
- Withhold a service connection to a development;
- Register the development contribution under Subpart 5 of Part 3 of the Land Transfer Act 2017 as a charge on the title of the land for which the development contribution was required.

In addition to the above enforcement mechanisms, where invoices remain unpaid under Council's payment terms by the 20<sup>th</sup> day of the month following issue of invoice, or in the case of a deferred payment, are not paid by the specific date, normal debt collection practices to recover outstanding debts may be invoked.

Council may seek to recover all reasonable costs incurred in recovery proceedings and interest on the outstanding development contributions at the Council's base borrowing rate plus 5% per annum. All interest covered in respect of overdue development contributions will be paid to the relevant development contributions account.

A flow chart of the development contributions assessment, invoicing and payment process is shown in Figure 1.

Figure 1 : DCs – assessment, invoicing and payment process





#### 4.4 Remissions

Council will provide the following remissions:

- A 50% remission on Ohau water supply development contributions will be provided for any Ohau properties paying a water half-charge.
- A 50% remission on Moeraki wastewater development contributions will be provided for any Moeraki properties paying a wastewater half-charge.

Council will also consider requests for remissions on a case-by-case basis where it is satisfied that such a remission will promote the economic, environmental, social or cultural wellbeing of the district. These remissions may be on the basis of activity, land use or location.

#### 4.5 Refund policy

Where Council required and received a development/financial contribution for a development and where the documentation (resource consent, building consent, certificate of acceptance or connection authorisation) permitting that subdivision or development has lapsed, Council will refund the contribution. This does not prevent Council from requiring development/financial contributions in the future. Council may retain a portion of the contribution of a value equivalent to the costs incurred by the Council in processing/assessing the contribution required by the subdivision or development.

All applications for Refunds must be made in writing to the Chief Executive Officer of the Council.

#### 4.6 Unusual developments

Council reserves the right to individually assess contributions on any development or activity that it deems to create a significantly different demand on infrastructure than could usually be expected under their relevant land use category (an unusual development).

Wherever the total of development contributions assessed for a development is likely to generate an appeal or objection, the Chief Executive Officer or a nominee of, will proactively seek a special assessment of those contributions in order to enable the prompt resolution of any request for reconsideration or objection.

#### 4.7 Deferral of Payment

Council will consider requests for deferral of contribution payments on a case-by-case basis.

When considering deferred payment arrangements, Council will have regard to tools including, but not limited to, bank guaranteed bonds, bonds as first charge, statutory land charges, and the use of the normal debtor recoveries systems. A targeted rate for payment of development contributions may be considered.

When considering deferred payment arrangements, Council will also have regard to matters including, but not limited to, application of interest on deferred revenue, cost recovery via administrative charges, and maximum periods of deferral. Council reserves the discretion to waive or reduce charges and/or extend a deferral period where it is satisfied that the exercise of such discretion promotes the economic, environmental, social or cultural wellbeing of the district.

Council may enter into a preferential mortgage arrangement by agreement with the developer to enable payment of development contributions for multi-lot subdivisions to be made as each section sells.



#### 4.8 Credits

There are two types of credits anticipated:

1. Actual credits will apply to those subdivisions or developments where contributions have been paid under this, or a previous policy.
2. Existing activities will be given credit based on the HEU's assessed in terms of the relevant unit (i.e. GFA, dwelling, accommodation units) prior to redevelopment. A development contribution will only be levied if the redevelopment creates additional demand.

Where the Chief Executive Officer or a nominee of the Chief Executive Officer considers there is a special case to be considered for granting of a credit, this matter will be referred to Council's Development Contributions Committee for decision.

#### Credits for relocation of activities or dwellings

Where a business activity or dwelling relocates from one site in the district to another site in the district, credits are not transferable to the new site. Any credit will remain with the original site until such time as service connections are removed.

#### 4.9 Delegations

Council will determine where a development or financial contribution will be sought in accordance with this policy. Council has the authority to set the quantum of those contributions. If Council so wishes, it may delegate this authority, wholly or in part to a Development Contributions Committee, by resolution of Council. The Chief Executive Officer will ensure the policy is implemented.

The Development Contributions Committee may consider a request for remission or deferral of payment on the grounds of hardship under their delegated authority.



## 5. RECONSIDERATIONS AND OBJECTIONS

### 5.1 Reconsideration

An applicant may request Council to reconsider the requirement for development contributions under s199A of the Local Government Act 2002, if the applicant has grounds to believe that:

- a) the development contribution was incorrectly calculated or assessed under the Council's Development Contributions Policy; or
- b) Council incorrectly applied its Development Contributions Policy; or
- c) the information used to assess the person's development against the Development Contributions Policy, or the way Council has recorded or used it when requiring a development contribution, was incomplete or contained errors.

A Reconsideration Request form may be found on the Council's website [www.waitaki.govt.nz](http://www.waitaki.govt.nz), or from Council offices at 20 Thames St, Oamaru.

If a reconsideration is applied for in relation to grounds a) or b), no fee will be charged. In the case of the third ground, if any error in recording of information, or the manner in which it has been used is proven to be the fault of Council, no fee will be charged. If the information used to assess the person's development against the Development Contribution Policy is incomplete or contains errors and these errors or omissions are attributable to the applicant, a fee of \$255+GST will be charged. A request for reconsideration will be considered when any applicable fee has been paid. If the fee is paid and it is later determined that Council has incorrectly applied the Policy or development contributions were incorrectly calculated, the fee will be refunded.

#### **How a Reconsideration is lodged**

The request for reconsideration must be made:

- d) within ten working days after the date on which the person lodging the request receives notice from Council of the level of development contribution that Council requires.; and
- e) by preferably completing the form or otherwise in writing, and sending it together with any relevant supporting information by email to: [service@waitaki.govt.nz](mailto:service@waitaki.govt.nz), or by posting it to: Chief Executive, C/- Waitaki District Council, Private Bag 50058, Oamaru.

#### **Steps in the Reconsideration Process**

The steps that Council will apply when reconsidering the requirement to make a development contribution are:

- The appropriate Council officer shall review the reconsideration request.
- If the Reconsideration Request meets one or more grounds for reconsideration under section 199A of the LGA, Council will reconsider its development contributions assessment.
- The Council officer may request further relevant information from the applicant.
- The Council officer will make a recommendation in a report for consideration by the delegated authority.



- Council will, within 15 working days after the date on which it receives all required relevant information relating to a request, give written notice of the outcome of its reconsideration to the person who made the request.

A reconsideration cannot be requested if the applicant has already lodged an objection.

## 5.2 Objection

If the applicant is not satisfied with the outcome of the reconsideration, they may lodge an objection as specified in the LGA, sections s199C to s199N. The right to object does not apply to challenges to the content of the policy, and can only be made on the ground that Council has:

- (a) failed to properly take into account features of the objector's development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities; or
- (b) required a development contribution for community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or
- (c) required a development contribution in breach of section 200 of the LGA; or
- (d) incorrectly applied its development contributions policy to the objector's development.

An Objection Form may be found on the Council's website [www.waitaki.govt.nz](http://www.waitaki.govt.nz), or from the Council offices at 20 Thames Street, Oamaru.

### How an Objection is Lodged

- a) Any objection must be lodged with the Council within 15 working days of receiving notice to pay a development contribution, or, in the case where a request for reconsideration has been considered, within 15 working days of receiving the outcome of any request for reconsideration; and
- b) By preferably completing the objection form or otherwise in writing and sending it with any relevant supporting information by email to: [service@waitaki.govt.nz](mailto:service@waitaki.govt.nz), or by posting it to: Chief Executive, C/- Waitaki District Council, Private Bag 50058, Oamaru. Council requires a deposit of \$2,750+GST prior to commissioner(s) being selected, with the balance to be paid on invoice.

The LGA allows for the full cost of the hearing and/or the administration and Commissioner costs associated with the objection to be paid by the objector. If there is a withdrawal of an objection pursuant to clause 2 to Schedule 13A of the LGA then this does not affect Council's right to recover any actual and reasonable costs incurred to that point (clause 2(2)).

### Steps in the Objection Process

Once the objection is lodged and grounds for objection are met, Council is then responsible for administering the objections process and selecting and supporting the development contributions commissioners in accordance with Schedule 13A of the LGA.



Council may appoint up to three development contributions commissioners to hear the objection. Objectors are liable for the following costs that may be incurred in the objection process:

- (a) selection, engagement, and employment of the development contributions commissioners; and
- (b) secretarial and administrative support of the objection process; and
- (c) preparing for, organising, and holding the hearing.

When considering a development contribution objection and any evidence provided in relation to that objection, development contributions commissioners must give due consideration to the following:

- (a) the grounds on which the development contribution objection was made;
- (b) the purpose and principles of development contributions under sections 197AA and 197AB;
- (c) the provisions of the development contributions policy under which the development contribution that is the subject of the objection was, or is, required;
- (d) the cumulative effects of the objector's development in combination with the other developments in a district or parts of a district, on the requirement to provide the community facilities that the development contribution is to be used for or toward;
- (e) any other relevant factor associated with the relationship between the objector's development and the development contribution to which the objection relates.

## 6. DEVELOPMENT AGREEMENTS

Sections 207A to 207F of the LGA provides for the Council and a developer to enter into specific arrangements for the provision of particular infrastructure to meet the special needs of a development.

A development agreement may be entered into after being requested in writing by either the developer, or the Council. Regardless of which party requests the Agreement, the request may be accepted in whole or in part, subject to any amendments agreed by the Council and the developer, or may be declined by the Council. Council will provide the developer who made the request with a written notice of its decision and the reasons for its decision.

A development agreement is a legally enforceable contract, and comes into force when all parties that will be bound by the agreement have signed it.

A development agreement does not oblige Council to grant a resource consent, building consent, service authorisation, or to issue certification. Council may not refuse to grant or issue a consent, certificate, or authorisation on the basis that a development agreement has not been entered into.



## 7. CALCULATION METHODOLOGY

A brief introduction to the development contributions calculation method is presented. A full disclosure of the methodology and calculations is in the detailed supporting document and is available from Council for public inspection at:

- Waitaki District Council, 20 Thames Street, Oamaru.
- Palmerston Service Centre, 54 Tiverton Street, Oamaru.
- Website – [www.waitaki.govt.nz](http://www.waitaki.govt.nz).

### 7.1 Overview of calculation methodology

The key concept of the approach is to define the total growth related capital expenditure (CAPEX) consumed by the growth population over a period of time. The consumption of the growth costs is then apportioned among the increased number of household equivalent units over the same time period. This defines the long run average cost of growth per a common unit of demand, defined as the standard contribution (\$/HEU).

The development contributions are based on the long-term average cost of growth across each contributing area and reflect the average cost of infrastructure required to service new development for each activity. This includes those growth-related projects planned for in the 2021-2031 LTP and also those growth-related projects that have already been completed.

The calculation method uses the capacity life of each asset to fairly apportion the growth costs across the capacity life of the asset created. This ensures that all developments that benefit from the growth-related capital expenditure contribute an equitable portion. This also ensures that the rate at which the capacity is consumed is considered in the calculation so that early and late developers do not pay an unfairly high proportion of the growth costs. This also means that not all growth costs incurred in the LTP period will be funded over that period.

This can be represented by the following formula.

<b>Standard Development Contribution</b>	<b>=</b>	<b><u>Sum of growth costs consumed in analysis period</u></b> <b>Sum of new HEUs in analysis period</b>
--	----------	--



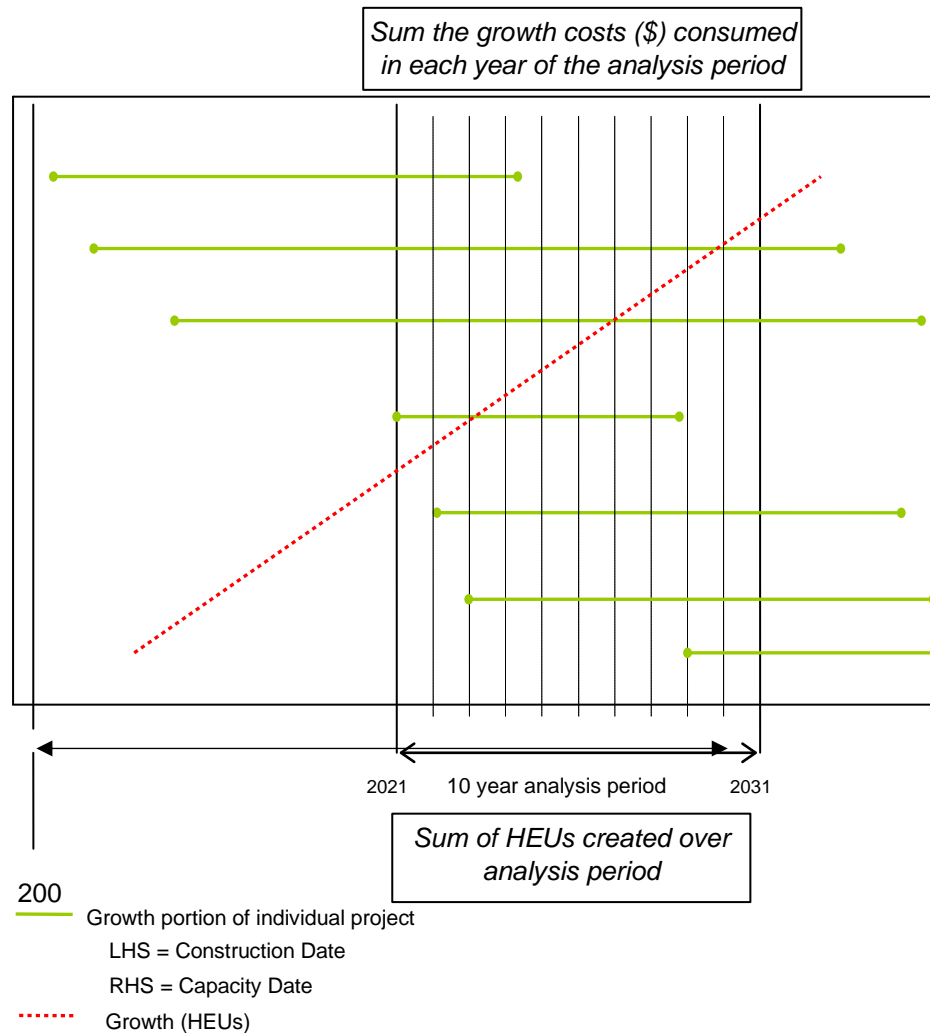
The calculation method uses the 10 year LTP timeframe as the analysis period and can be summarised by the following steps:

- Step 1: Assess capital expenditure for growth on an asset by asset basis using financial reports (past expenditure) and projected expenditure LTP budgets.
- Step 2: Apportion capital expenditure for growth by the growth population (HEU) over the design life of the asset.
- Step 3: For each year in the analysis period determine the total consumption of asset capacity for each asset identified, namely – \$/HEU x the number of new HEUs.
- Step 4: Sum for all assets in each year in the analysis period, namely total capacity consumed in that year, measured in dollars (\$).
- Step 5: Sum each year in the ten year analysis period divided by the growth in population (new household equivalent units) projected over the analysis period to determine the standard contribution (\$/HEU).

This assessment method is also summarised in the following diagram.



Figure 2 : Long run average cost of growth



## 7.2 Growth costs

Capital expenditure may be attributable to one or more factors: growth, changes to levels of service, statutory requirements, or asset renewal. Under this policy all projects have been assessed to calculate a fair, equitable and proportionate portion of council's infrastructure costs that can be attributed to growth. The growth costs reflect the cost that council has or will incur because of growth. The growth-related costs are solely those required to meet the additional demand created by the effects (including cumulative effects) of all development.

This includes capacity in all up and downstream areas of the network, and not just the capacity in the locality of a given development. For example, the growth costs include the capacity in the headwork's assets such as treatment plants and storage assets.

Projects that were/are completed solely to address the demands of, and the benefits to development, are considered to be 100% growth. Projects that were/are solely to replace existing assets or change levels of service are considered to be 0% growth. Projects that benefit both the existing community and the future community are apportioned using the following formula:

$$\text{Growth \%} = (\text{Demand at capacity} - \text{Demand at construction}) / \text{Demand at capacity}$$

This approach can be used on projects where growth is not the main driver. For example, an upgrade to a wastewater treatment plant may be a combination of both level of service change for the existing community and provision of capacity for the future community.



## 7.3 Significant assumptions

### Financial Considerations

The following are key financial considerations applied in the model:

- All figures are in current New Zealand dollars – effective 1 July 2021.
- Inflation is applied to past capital projects only.
- Interest costs are included in development contributions. These have been assessed based on the weighted average cost of capital (WACC) over the first 10 year period from 1 July 2021. The cumulative net deficit between the contributions anticipated to be collected and the growth costs over the 10 year period are used to determine the proportion of the growth cost that will be funded by debt. An average interest rate of 3.2% has been applied.

### Growth Projections

Council's latest growth projections forecast that the district is projected to increase by around 1,700 people over the next 10 years, with an increase in residential dwellings of around 900 dwellings over the same period. A portion of this increase in residential dwellings is due to the trend for smaller household sizes. Continued growth in business related, accommodation and dairy farm properties is also forecast.

## 7.4 Risks

The risks relating to the policy are listed below. The steps required to mitigate these risks are also shown. This ensures that the correct contributions are collected by Council.

**Subsidies:** The future portion of the development contributions are based on Council's 10 year LTP capital budget. There are a number of projects in the budget that may be fully or partial subsidised by non-council entities. e.g. NZTA. Any change to budgeted third party funding may affect the development contributions in the future.

**Legislative Improvements:** The policy and calculation model needs to be updated to incorporate any legislation changes.

**Growth lower or higher than anticipated:** If the growth in the district is more or less than projected, Council risk under or over collecting contributions. The growth projections need to be reviewed regularly to ensure they are as accurate as possible.

**Growth Apportionment:** Any changes in the growth rates may affect the apportionment of some capital projects and hence the growth costs to be recovered via contributions.

**Inflation:** If actual inflation is significantly different to the figures used in the calculation model.

The above variables can be reviewed every year via the annual plan update process or via the three yearly LTP review process. This ensures that the contributions are based on the most up to date information possible.



## 8. APPENDIX

### 8.1 Definitions

**Accommodation units** - defined in the LGA as: “...units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation.”

**Activity Management Plans (AMP)** - A plan for the management of one or more asset types that combines multidisciplinary management techniques (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to provide a specified level of service.

**Applicant** - The person(s) applying for a resource consent, building consent, certificate of acceptance or service connection.

**Capital Expenditure** - Expenditure used to create new assets or to increase the capacity of existing assets beyond their original design capacity or service potential.

**Community facilities** – is defined in the LGA as

*“means reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with section 199”.*

**Community infrastructure** – is defined in the LGA as:

*“(a) means land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and*

*(b) includes land that the territorial authority will acquire for that purpose”.*

This definition includes the following assets when owned, operated, or controlled by a territorial authority:

*(a) community centres or halls for the use of a local community or neighbourhood, and the land on which they are or will be situated:*

*(b) play equipment that is located on a neighbourhood reserve:*

*(c) toilets for use by the public.*

**Contributing Area** - A defined geographic area where development contributions are to be calculated by the method described and delivering a standard development contribution in terms of \$/Household Equivalent Unit. Contributing areas take an integrated approach to the effects of land subdivision/development and associated physical resources and assesses the overall requirements of an identified geographic area. Contributing areas enable standard development contributions to be determined efficiently and equitably.

**Development** – is defined in the LGA as:

*“(a) any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but*

*(b) does not include the pipes or lines of a network utility operator”.*

**Development Contributions** – is defined in the LGA as:

*“means a contribution -*

*a) provided for in a Development Contributions Policy included in the Council’s Long Term Plan; and*

*b) calculated in accordance with the methodology; and*

*c) comprising (i) money; or (ii) land, including a reserve or esplanade reserve other than in relation to a subdivision consent, but excluding Maori land within the meaning of Te Ture Whenua Maori Act 1993, unless that Act provides otherwise; or (iii) both”.*

**District** - The district of a territorial authority, in this case, the Waitaki district.



**Effective Date** - Date at which the development contributions are assessed.

**Financial Contribution** – is defined by Section 108 of the Resource Management Act 1991 and collected using the provisions of the District Plan. Financial Contributions are assessed based on the environmental effects of growth.

**Gross Floor Area (GFA)** - The sum of the gross area of all floors and all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two buildings. For the purpose of this policy this definition of GFA, excluding car parking areas, will be used.

**Household Equivalent Unit (HEU)** – This is the demand created by a typical residential dwelling for each activity. This common unit of demand enables non-residential activities to be converted into household equivalent units using land use differentials.

In simple terms one HEU equates to:

- Water supply 1,800 L per day, with suitable fire fighting
- Wastewater 1,200 L per day
- Rooding 6 vehicle trips per day, with 1% being heavy vehicle movements

**Land Use Categories** - The land use activities are defined below.

Residential – means the use of land and buildings by people for the purpose of permanent living accommodation, including all associated accessory buildings, recreational activities and the keeping of domestic livestock. For the purposes of this definition, residential activity shall include emergency and refuge accommodation but excludes visitor accommodation and the non-commercial use of holiday homes.

Residential Unit – means a residential activity which consists of a single self- contained household unit, whether of one of more persons, and includes accessory buildings and a family flat. Where more than one kitchen and/or laundry facility is provided on the site, other than a kitchen and/or laundry facility in a family flat, there shall be deemed to be more than one residential unit.

Rural Residential - The Rural Residential Zone covers areas adjoining the towns of Oamaru, Weston, Otematata, Omarama and Kurow. The zone provides for very low density residential opportunities in association with these towns as an alternative to the suburban living areas typical of the District. The zones are concentrated in close proximity to the towns in order to encourage energy conservation and to enable convenient access to the employment, services and facilities in those towns. The purpose of the zone is to maintain very low density residential areas with ample open space, tree and garden plantings and with minimal adverse environmental effects experienced by residents. However, farming is likely to remain a widespread use of land in the zone and an integral part of the rural residential environment.

Accommodation – means the use of land and/or buildings for short-term, fee paying, living accommodation where the length of stay for any one visitor is not greater than 3 months at any one time, provided that this definition does not exclude the letting of individually-owned residential units. Visitor accommodation may include some centralised services or facilities, such as food preparation, dining and sanitary facilities, conference, bar and recreation facilities. Visitor accommodation includes such accommodation as hotels, motels, boarding houses, guesthouses, backpackers accommodation, bunkhouses, tourist houses and lodges.

Family Flat - A family flat or 'granny flat' means self-contained living accommodation, whether contained within a residential unit or located separately to a residential unit on the same site, which is occupied by a family member who is dependent in some way on the household living in the residence.

Self-contained means a residential unit which has cooking, toilet, and bathroom facilities.

Cooking facilities means a room or part thereof where and the equipment by which meals may be prepared.

Retirement village - means a commercial entity that provides a range of long-term accommodation options for elderly residents. This may include smaller residential dwellings or villas, apartments and aged care beds.

Campground - means any over-night accommodation facility that provides for tents, caravans, campervans and/or cabins.



Primary Industry – means any activity within the Rural general or Rural Scenic Zone as per the district plan that involves Arable Farming, Forestry, market Gardens/Orchards, Mineral Extraction, Specialist Livestock, Stock Fattening, Store Sheep or a multiple use of any of the above.

Primary Industry Dairy – means any activity within the Rural General or Rural Scenic Zone that involves Dairying, Grazing of Dairy Livestock, Milking Sheds for Town or Factory Supply or a multiple use of any of the above.

Commercial - means the use of land and buildings for the display, offering, provision, sale or hire of goods, equipment, or services, and includes shops, markets, showrooms, restaurants, takeaway food bars, professional, commercial and administrative offices, postal services, service stations, motor vehicle sales, the sale of liquor and associated parking areas; but excludes recreational, community and service activities, home occupations or visitor accommodation.

Industrial - means the use of land and buildings for the primary purpose of manufacturing, fabricating, processing, packing, or associated storage of goods.

**Land Use Differentials** - Factors which are used to convert non-residential developments into household equivalent units. Impact on, benefit from and demand created by different land uses can be converted into and described as household equivalent units.

**LGA** - The Local Government Act 2002 and amendments.

**Network Infrastructure** – is defined in the LGA as:

*“means the provision of roads and other transport, water, wastewater, and stormwater collection and management”.*

**RMA** - The Resource Management Act 1991 and amendments.

**Service Connection** - A physical connection to a service provided by, or on behalf of, Waitaki District Council.

**Standard Contribution** - The amount of a development contribution payable for the addition of one household equivalent unit (\$/HEU).

**Trip rate** - the number of daily vehicle movements to or from a property. The trips are broken down into light (car) and heavy (>3.5Tonne) vehicle movements.



## 8.2 Consideration of activity funding

Section 101(3) of the LGA requires that the following be considered:

*“The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of:*

*a) in relation to each activity to be funded,-*

*(i) the community outcomes to which the activity primarily contributes; and*

*(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and*

*(iii) the period in or over which those benefits are expected to occur; and*

*(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and*

*(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and*

*b) the overall impact of any allocation of liability for revenue needs on the community”.*

Responses to these requirements in relation to the Development Contributions and Financial Contributions Policy are:

### **Community outcomes**

This policy contributes to the following outcomes:

- Our infrastructure enables and responds to economic growth.
- We have affordable, reliable and accessible transport services that meet the needs of the community.
- Our local and central governments demonstrate efficient and effective use of resources.

### **Distribution of benefits**

Council apportions all capital expenditure into the classifications of growth, renewal, level of service and statutory obligations, by the geographic areas of benefit. This apportionment represents the distribution of benefit to the community as a whole, to identifiable parts of the community and to individuals.

### **Period over which the benefits are expected to occur**

Once a Development or Financial contribution has been paid in relation to a subdivision or development, the benefits of the asset, service, or environmental enhancement shall occur indefinitely (at a set level of service for that asset, service, or environmental enhancement as defined at any one time).

### **Action or inaction that contributes to the need for this activity**

The provision of assets, services, or environmental standards that promote the community outcomes may not be willingly provided by the development community. In addition Council is often the only viable supplier (often legally required to provide services) of these services and therefore Council has a moral and legal obligation to supply additional assets and services to meet the new community needs.



### **Costs and benefits of funding this activity (Development and Financial Contributions)**

The benefits to the existing community are significantly greater than the cost of policymaking, calculations, collection, accounting and distribution of funding for development and financial contributions.

### **Allocation of liability for revenue needs**

The liability for revenue falls directly with the development community. At the effective date of this policy, Council does not perceive any impact on the social, economic, environmental and cultural well-being of this particular sector of the community. At any stage in the future where there may be impacts of this nature, Council may revisit this policy.

## **8.3 Disclosure tables**

The following tables show a summary of each contributing area. The tables demonstrate the nature and level of expected capital expenditure required by Council and the portion that is attributable to growth. The tables included in the following section are summarised. The full tables can be found in the appendices of the detailed supporting document.

### **Water Supply**

**Table 12: Restricted Supplies - Water Supply Capital Expenditure for Development Contributions (Excluding GST)**

Water Supply Contributing Area	Historical (2021/22 \$)		2021 - 2031 LTP (2021/22 \$)			TOTAL Growth Cost (Capacity) Consumed 2021-2031	Weighted Average No. of Cubic Meters of Water Apportioning Growth Cost 2021-2031	Development Contribution Per Cubic Meter of Water (\$)
	Total Capital Expenditure	Growth Related Capital Expenditure	Total Capital Expenditure	Growth Related Capital Expenditure	Capital Expenditure Funded by Other Sources			
Awamoko	274,048	46,567	2,120,000	615,000	1,505,000	174,970	46	\$3,764
Duntroon	172,800	49,596	288,750	0	288,750	24,454	90	\$271
Kauru Hill	283,749	56,457	2,145,000	622,500	1,522,500	174,595	35	\$5,049
Lake Ohau	44,295	25,401	1,570,000	450,000	1,120,000	203,700	7	\$27,354
Lower Waitaki	1,265,968	147,164	1,288,750	1,000,000	288,750	219,038	95	\$2,314
Bushy Creek	26,565	4,308	1,620,000	465,000	1,155,000	102,541	14	\$7,346
Stoneburn	227,725	45,051	2,338,750	615,000	1,723,750	177,761	26	\$6,758
Tokarahi	885,737	231,746	3,215,000	915,000	2,300,000	330,089	110	\$3,010
Windsor	66,444	5,567	2,145,000	622,500	1,522,500	183,111	45	\$4,047
TOTAL	3,247,331	611,857	16,731,250	5,305,000	11,426,250	1,590,260	468	



**Table 13: Mixed Supplies - Water Supply Capital Expenditure for Development Contributions (Excluding GST)**

Water Supply Contributing Area	Historical (2021/22 \$)		2021 - 2031 LTP (2021/22 \$)			TOTAL Growth Cost (Capacity) Consumed 2021-2031	Weighted Average No. of HEUs Apportioning Growth Cost 2021-2031	Development Contribution Per Household Equivalent Unit (\$)
	Total Capital Expenditure	Growth Related Capital Expenditure	Total Capital Expenditure	Growth Related Capital Expenditure	Capital Expenditure Funded by Other Sources			
Kurow	1,109,123	155,242	338,750	0	338,750	59,121	28	\$2,094
Omarama	2,818,283	812,964	120,000	15,000	105,000	230,707	31	\$7,379
Otematata	2,384,373	592,450	5,288,750	1,100,000	4,188,750	307,531	42	\$7,264
<b>TOTAL</b>	<b>6,311,778</b>	<b>1,560,657</b>	<b>5,747,500</b>	<b>1,115,000</b>	<b>4,632,500</b>	<b>597,359</b>	<b>102</b>	

**Table 14: Mixed Supplies - Water Supply Capital Expenditure for Development Contributions (Excluding GST)**

Water Supply Contributing Area	Historical (2021/22 \$)		2021 - 2031 LTP (2021/22 \$)			TOTAL Growth Cost (Capacity) Consumed 2021-2031	Weighted Average No. of HEUs Apportioning Growth Cost 2021-2031	Development Contribution Per Household Equivalent Unit/Point (\$)
	Total Capital Expenditure	Growth Related Capital Expenditure	Total Capital Expenditure	Growth Related Capital Expenditure	Capital Expenditure Funded by Other Sources			
Oamaru	57,902,478	10,188,196	52,708,130	9,400,000	43,308,130	4,480,701	709	\$6,316
Waihemo	3,978,758	898,463	7,638,750	0	7,638,750	219,557	64	\$3,430
<b>TOTAL</b>	<b>61,881,237</b>	<b>11,086,659</b>	<b>60,346,880</b>	<b>9,400,000</b>	<b>50,946,880</b>	<b>4,700,258</b>	<b>773</b>	
<b>DISTRICT TOTAL</b>	<b>71,440,346</b>	<b>13,259,172</b>	<b>82,825,630</b>	<b>15,820,000</b>	<b>67,005,630</b>	<b>6,887,879</b>		

## Wastewater

**Table 15: Wastewater Capital Expenditure for Development Contributions (Excluding GST)**

Wastewater Contributing Area	Historical (2021/22 \$s)		2021 - 2031 LTP (2021/22 \$)			TOTAL Growth Cost (Capacity) Consumed 2021-2031	Weighted Average No of HEUs Apportioning Growth Cost 2021-2031	Development Contribution Per Household Equivalent (\$)
	Total Capital Expenditure	Growth Related Capital Expenditure	Total Capital Expenditure	Growth Related Capital Expenditure	Capital Expenditure Funded by Other Sources			
Oamaru	18,367,274	795,424	17,538,750	1,920,000	15,618,750	787,925	327	\$2,413
Kurow	133,201	20,333	635,000	0	635,000	8,602	24	\$360
Moeraki	4,485,889	1,038,296	788,750	17,500	771,250	144,622	18	\$8,056
Omarama	1,467,557	225,470	503,750	7,000	496,750	96,670	17	\$5,732
Otematata	931,969	173,414	253,750	7,000	246,750	22,868	20	\$1,132
Palmerston	2,777,323	200,550	1,632,500	0	1,632,500	61,233	23	\$2,667
<b>DISTRICT TOTAL</b>	<b>28,163,213</b>	<b>2,453,486</b>	<b>21,352,500</b>	<b>1,951,500</b>	<b>19,401,000</b>	<b>1,121,921</b>	<b>428</b>	



## Roadings

**Table 16: Roadings - Capital Expenditure for Development Contributions (Excluding GST)**

Roadings Contributing Area	Historical (2021/22 \$s)		2021 - 2031 LTP (2021/22 \$)			TOTAL Growth Cost (Capacity) Consumed 2021-2031	Weighted Average No of HEUs Apportioning Growth Cost 2021-2031	Development Contribution Per Household Equivalent (\$)
	Total Capital Expenditure	Growth Related Capital Expenditure	Total Capital Expenditure	Growth Related Capital Expenditure	Capital Expenditure Funded by Other Sources			
District Wide	65,757,434	2,839,794	43,055,992	2,416,814	40,639,179	1,396,910	1,451	963



## 8.4 Schedule of assets

**Table 17 : Water Supply – Schedule of Assets**

Contributing Area	Project Name	Capital Cost (\$)	Proportion of Capital Cost proposed to be recovered through DCs	Sum of Proportion of Capital Cost proposed to be recovered through other sources
<b>Waihemo</b>	District Hydraulic Analysis	4,256	100%	0%
	Waitaki Coastal Township Water Scheme	766	100%	0%
	Dunback Drinking Standard Compliance	10,671	40%	60%
	Goodwood Drinking Standard Compliance	43,288	30%	70%
	Waihemo Drinking Standard Compliance	1,806,322	25%	75%
	Waihemo Drinking Standard Upgrade	17,241	25%	75%
	Water Asset Capital Works	12,000	25%	75%
	Waitaki Coastal Headworks Zone	1,092	14%	86%
	Palmerston Chlorinator	10,798	14%	86%
	Palmerston Consent	13,943	13%	87%
	Palmerston Main	98,767	12%	88%
	Palmerston Telemetry	27,422	1%	99%
	Palmerston Turbidity Meter	5,415	15%	85%
	Treatment Plant Upgrade	130,396	21%	79%
	Dunback Main	2,842	20%	80%
	Dunback Pump	4,679	20%	80%
	Dunback Consent	5,472	21%	79%
	Goodwood Main	23,234	13%	87%
	Goodwood Consent	5,472	12%	88%
	Goodwood Main Renewal	46,534	27%	73%
<b>Waihemo Total</b>	Waihemo Main	834,867	25%	75%
	Waihemo Drinking Standard Upgrade Blue Mountain Tanks	42,213	25%	75%
<b>Greater Oamaru</b>		<b>3,147,691</b>	<b>24%</b>	<b>76%</b>
	Pipeline Renewals	225,310	30%	70%
	Hampden/Moeraki Drinking Standard Compliance	51,476	34%	66%
	Hampden/Moeraki Treated Reticulation	10,087	30%	70%
	Hampden Water New Capital	24,371	30%	70%
	Kakanui Drinking Standard Compliance	1,104,195	30%	70%
	Kakanui Treated Reticulation	126,154	30%	70%
	Oamaru Tunnel Pipe	244,795	15%	85%
	Oamaru Main	777,634	20%	80%



Contributing Area	Project Name	Capital Cost (\$)	Proportion of Capital Cost proposed to be recovered through DCs	Sum of Proportion of Capital Cost proposed to be recovered through other sources
	Oamaru (Enfield-Weston) Drinking Standard Compliance	568,246	13%	87%
	Oamaru Pump Stations	27,248	17%	83%
	Oamaru Treatment Plant	13,276,525	26%	74%
	Oamaru Intake	111,464	16%	84%
	Oamaru Water Supply Planned Capacity Improvements	668,825	100%	0%
	Herbert Water New Capital	8,269	30%	70%
	South Hill Microzone Pump Station	122,857	30%	70%
	Oamaru Water and Wastewater Capacity Study Stage 2	203,400	100%	0%
	Oamaru Urban Water Main Renewals/Upgrades	9,048,359	20%	80%
	Oamaru Rural Water Main Renewals/Upgrades	3,393,134	20%	80%
	Oamaru Raw Water Capacity and Resilience Upgrades	18,875,638	20%	80%
	Oamaru Water Additional Storage	3,249,253	70%	30%
	Waitaki Coastal Headworks Zone	10,846	14%	86%
	Moeraki Chlorination	6,874	47%	53%
	Kakanui Main	59,876	34%	66%
	Oamaru Chlorine System	114,733	13%	87%
	Oamaru Other	45,821	15%	85%
	Oamaru Reservoir Bypass Line	22,000	11%	89%
	Oamaru Submersible Pump	45,368	11%	89%
	Weston Pump	9,370	26%	74%
	Weston Telemetry	11,664	26%	74%
	Weston Upgrade	193,403	26%	74%
	Enfield Renewal	25,967	24%	76%
	Treatment Plant Upgrade	930,636	26%	74%
	Hampden/Moeraki Water Main	5,389	27%	73%
	Herbert/Waianakarua Chlorine Dosing Pump Spare	1,006	29%	71%
	Herbert/Waianakarua Renewals	156,858	11%	89%
	Herbert/Waianakarua Drinking Standard Compliance	68,058	20%	80%
	Herbert/Waianakarua Treated Reticulation	20,130	22%	78%
	Herbert/Waianakarua Reservoirs	3,031	20%	80%
	Herbert Treatment Drinking Water Standards Upgrade	55,370	30%	70%
	Kakanui Pumps	12,014	24%	76%
	Avon St Pumping Station	223,263	18%	82%
	Oamaru Water Main	175,165	15%	85%



Contributing Area	Project Name	Capital Cost (\$)	Proportion of Capital Cost proposed to be recovered through DCs	Sum of Proportion of Capital Cost proposed to be recovered through other sources
	Oamaru Renew Main	94,560	16%	84%
	Oamaru Treatment Plant Upgrade	65,260	14%	86%
	Oamaru Water Treated Reticulation New	462,126	30%	70%
	Oamaru Treatment Plant New	9,732	100%	0%
	Oamaru Drinking Water Standards Pipeline to Hampden/Herbert New	7,554,748	30%	70%
	Oamaru Treatment Plant Extra Reservoir	209	100%	0%
	Water Asset Capital Works Reticulation	75,000	20%	80%
	Water Asset Capital Works Supply	133,929	20%	80%
	Oamaru Treatment Plant Capacity and Resilience Upgrades	7,188,450	20%	80%
	Weston Main	118,656	27%	73%
	Weston Renewal	33,143	26%	74%
	Enfield Main	26,507	21%	79%
	Oamaru to Weston/Enfield Pipe	270,777	30%	70%
	Meet revised drinking water standards for Oamaru WTP	500,000	20%	80%
<b>Greater Oamaru Total</b>		<b>70,847,178</b>	<b>26%</b>	<b>74%</b>
<b>Awamoko</b>	Pipeline Renewals	17,032	30%	70%
	Awamoko Drinking Standard Compliance	1,711	25%	75%
	Awamoko Treated Reticulation	5,812	30%	70%
	Awamoko Water New Capital	6,342	25%	75%
	Awamoko Renewals	37,528	18%	82%
	Awamoko Warning System	2,182	18%	82%
	Waitaki Coastal Headworks Zone	342	19%	81%
	Awamoko Replace Sand	4,282	27%	73%
	Awamoko Value	245	18%	82%
	Awamoko Pump Station	70,386	19%	81%
	Awamoko Renewals Pipe	5,105	30%	70%
	Awamoko Drinking Water Standards Upgrade Issues and Options	51,700	30%	70%
	Awamoko Drinking Water Standards Upgrade	2,111,428	30%	70%
<b>Awamoko Total</b>		<b>2,314,094</b>	<b>29%</b>	<b>71%</b>
<b>Duntroon</b>	Pipeline Renewals	603	30%	70%
	Duntroon Treatment Plant/Intake	3,093	30%	70%
	Duntroon Drinking Standard Compliance	11,785	30%	70%
	Duntroon Treatment Reticulation	204	30%	70%
	Duntroon Water New Capital	19,021	22%	78%



Contributing Area	Project Name	Capital Cost (\$)	Proportion of Capital Cost proposed to be recovered through DCs	Sum of Proportion of Capital Cost proposed to be recovered through other sources
<b>Duntroon Total</b>	Duntroon Treatment Drinking Water Standards Upgrade	112,591	30%	70%
<b>Kauru Hill</b>	District Hydraulic Analysis	1,018	100%	0%
	Waitaki Coastal Township Water Scheme	183	100%	0%
	Pipeline Renewals	8,012	30%	70%
	Intake Upgrade	115,750	24%	76%
	Kauru Hill Treated Reticulation	3,781	30%	70%
	Waitaki Coastal Headworks Zone	261	24%	76%
	Kauru Hill Intake & Pump	5,865	21%	79%
	Kauru Hill Main	22,389	24%	76%
	Kauru Hill Pressure Vessel	4,367	21%	79%
	Kauru Hill Reservoir Roof	386	22%	78%
	Kauru Hill Drinking Standard Compliance	9,520	30%	70%
	Kauru Hill Treatment Drinking Water Standards Upgrade	1,832	30%	70%
	Kauru Hill Water New Capital	1,809	30%	70%
	Kauru Hill Drinking Water Standards Upgrade Issues and Options	50,000	30%	70%
	Kauru Hill Drinking Water Standards Upgrade	2,150,569	30%	70%
<b>Kauru Hill Total</b>		<b>2,375,742</b>	<b>30%</b>	<b>70%</b>
<b>Kurow</b>	District Hydraulic Analysis	1,342	100%	0%
	Pipeline Renewals	55,737	30%	70%
	Kurow Drinking Standard Compliance	126,112	18%	82%
	Kurow Treated Reticulation	84,294	15%	85%
	Kurow Treatment Plant/Intake	76,492	18%	82%
	Kurow Water New Capital	115,585	30%	70%
	Water Asset Capital Works	8,000	30%	70%
	Kurow Main	7	12%	88%
	Kurow Other Renewals	11,780	12%	88%
	Kurow Pump	7,958	12%	88%
	Treatment Plant Upgrade	42,583	17%	83%
	Kurow Renew Main	63,434	13%	87%
	Kurow Ultraviolet	45,313	30%	70%
<b>Kurow Total</b>		<b>638,638</b>	<b>21%</b>	<b>79%</b>
<b>Lake Ohau</b>	District Hydraulic Analysis	78	100%	0%
	Lake Ohau Drinking Standard Compliance	13,199	67%	33%



Contributing Area	Project Name	Capital Cost (\$)	Proportion of Capital Cost proposed to be recovered through DCs	Sum of Proportion of Capital Cost proposed to be recovered through other sources
	Lake Ohau Treated Reticulation	888	67%	33%
	Lake Ohau Water New Capital	10,353	67%	33%
	Lake Ohau Intake	1,772	38%	62%
	Lake Ohau Treatment Drinking Water Standards Upgrade	5,045	67%	33%
	Lake Ohau Drinking Water Standards Upgrade	1,551,000	30%	70%
<b>Lake Ohau Total</b>		<b>1,582,335</b>	<b>31%</b>	<b>69%</b>
<b>Lower Waitaki</b>	Pipeline Renewals	11,638	30%	70%
	Lower Waitaki Drinking Standard Compliance	345,240	10%	90%
	Lower Waitaki Treated Reticulation	40,601	30%	70%
	Lower Waitaki Treatment Plant/Intake	4,560	11%	89%
	Lower Waitaki Water New Capital	26,354	30%	70%
	Lower Waitaki Capacity Upgrade	1,079,995	100%	0%
	Waitaki Coastal Headworks Zone	606	12%	88%
	Treatment Plant Upgrade	410,560	10%	90%
	Lower Waitaki Other Improvements	3,346	13%	87%
	Lower Waitaki Sand Filter	8,761	28%	72%
	Lower Waitaki Replace Sand	10,347	30%	70%
	Lower Waitaki Water Drinking Water Standards Upgrade	5,797	30%	70%
	Lower Waitaki Ultraviolet	45,313	30%	70%
<b>Lower Waitaki Total</b>		<b>1,993,119</b>	<b>60%</b>	<b>40%</b>
<b>Busy Creek</b>	Pipeline Renewals	4,718	30%	70%
	Busy Creek Consent	6,491	19%	81%
	Treatment Plant Upgrade	540	20%	80%
	Bushy Creek Drinking Water Standards Upgrade	1,635,271	30%	70%
<b>Busy Creek Total</b>		<b>1,647,020</b>	<b>30%</b>	<b>70%</b>
<b>Omarama</b>	District Hydraulic Analysis	1,187	30%	70%
	Omarama Upgrade	181,987	30%	70%
	Omarama Drinking Standard Compliance	94,587	30%	70%
	Omarama Treated Reticulation	12,733	30%	70%
	Omarama Water New Capital	28,082	30%	70%
	Water Asset Capital Works	5,000	30%	70%
	Omarama Main	78,029	30%	70%
	Omarama Telemetry Alarm	11,704	30%	70%
	Omarama Main Renewal/Upgrade	32,781	30%	70%



Contributing Area	Project Name	Capital Cost (\$)	Proportion of Capital Cost proposed to be recovered through DCs	Sum of Proportion of Capital Cost proposed to be recovered through other sources
	Omarama Reticulation Upgrade	13,603	30%	70%
	Treatment Plant Upgrade	20,053	30%	70%
	Omarama Main Extension to Prohibition Road	16,507	30%	70%
	Omarama Treatment Drinking Water Standards Upgrade	444,764	30%	70%
	Omarama Water Treated Reticulation Renewals	107,508	1%	99%
	Omarama Drinking Water Standards Upgrade	1,460,000	30%	70%
	Omarama Water Filling Station	50,000	30%	70%
<b>Omarama Total</b>		<b>2,558,526</b>	<b>29%</b>	<b>71%</b>
<b>Otematata</b>	District Hydraulic Analysis	2,254	100%	0%
	Otematata Drinking Standard Compliance	1,059,578	34%	66%
	Otematata Renewals	48,409	30%	70%
	Otematata Treated Reticulation	24,884	30%	70%
	Otematata Water New Capital	55,824	18%	82%
	Water Asset Capital Works	10,000	18%	82%
	Otematata Water Main Renewals/Upgrades	5,118,152	20%	80%
	Otematata Consent	6,733	8%	92%
	Treatment Plant Upgrade	24,307	35%	65%
	Otematata Gallery Intake	18,040	9%	91%
	Otematata Treatment Drinking Water Standards Upgrade	513,980	18%	82%
	Otematata Ultraviolet	31,851	18%	82%
	Otematata Drinking Water Standards Upgrade Install Filters	1,034,000	30%	70%
<b>Otematata Total</b>		<b>7,948,012</b>	<b>23%</b>	<b>77%</b>
<b>Stoneburn</b>	Pipeline Renewals	1,681	30%	70%
	Stoneburn Treated Reticulation	7,825	30%	70%
	Stoneburn Water New Capital	28,367	40%	60%
	Waitaki Coastal Headworks Zone	236	29%	71%
	Stoneburn Pump	6,726	29%	71%
	Treatment Plant Upgrade	3,263	40%	60%
	Stoneburn Main	56,136	29%	71%
	Stoneburn Renewals Pump	2,177	30%	70%
	Stoneburn Treatment Drinking Water Standards Upgrade	3,257	40%	60%
	Stoneburn Drinking Water Standards Upgrade Issues and Options	50,000	30%	70%
	Stoneburn Drinking Water Standards Upgrade	2,078,857	30%	70%
<b>Stoneburn Total</b>		<b>2,238,524</b>	<b>30%</b>	<b>70%</b>



Contributing Area	Project Name	Capital Cost (\$)	Proportion of Capital Cost proposed to be recovered through DCs	Sum of Proportion of Capital Cost proposed to be recovered through other sources
<b>Tokarahi</b>	District Hydraulic Analysis	3,162	100%	0%
	Waitaki Coastal Township Water Scheme	569	100%	0%
	Tokarahi Drinking Standard Compliance	481	36%	64%
	Tokarahi Pump	9,213	34%	66%
	Tokarahi Pump Stations	3,902	40%	60%
	Tokarahi Treated Reticulation	152,689	30%	70%
	Tokarahi Treatment Plant/Intake	17,345	30%	70%
	Tokarahi Water Pipeline Upgrade	25,134	40%	60%
	Tokarahi Water New Capital	5,029	24%	76%
	Waitaki Coastal Headworks Zone	811	33%	67%
	Tokarahi Header Tank	10,372	34%	66%
	Tokarahi Main & VSD's	38,029	33%	67%
	Treatment Plant Upgrade	989	40%	60%
	Tokarahi Pipe	410	24%	76%
	Tokarahi Renewals/Improvements	62,331	39%	61%
	Tokarahi Main	128,178	31%	69%
	Tokarahi Main Peaks/Conlans Road	28,829	35%	65%
	Tokarahi Main Smilies Rd	6,713	35%	65%
	Tokarahi Main Stage 2	35,769	35%	65%
	Tokarahi Drinking Water Standards Upgrade	3,186,271	30%	70%
<b>Tokarahi Total</b>		<b>3,716,226</b>	<b>30%</b>	<b>70%</b>
<b>Windsor</b>	Pipeline Renewals	1,154	30%	70%
	Windsor Water New Capital	5,016	8%	92%
	Waitaki Coastal Headworks Zone	233	20%	80%
	Windsor Pump	3,230	20%	80%
	Windsor Renewals Pump	6,450	21%	79%
	Windsor Drinking Water Standards Upgrade Issues and Options	51,700	30%	70%
	Windsor Drinking Water Standards Upgrade	2,150,569	30%	70%
<b>Windsor Total</b>		<b>2,218,352</b>	<b>30%</b>	<b>70%</b>
<b>Grand Total</b>		<b>103,372,755</b>	<b>27%</b>	<b>73%</b>



**Table 18: Wastewater Supply – Schedule of Assets**

Contributing Area	Project Name	Capital Expenditure (nominal \$s)	Proportion of Capital Cost proposed to be recovered through DCs	Proportion of Capital Cost proposed to be recovered through other sources
Oamaru	Oamaru Wastewater Main Renewals/Upgrades	10,744,926	20%	80%
	Oamaru Sewerage New Capital	289,683	100%	0%
	Oamaru Septage Pond Capital Upgrades	67,478	100%	0%
	Oamaru Main	794,355	6%	94%
	Chelmer Street Sewer Main Renewal Capacity Improvement	333,181	12%	88%
	Humber Street Pump Station	236,362	10%	90%
	Kakanui Pump Station	95,660	24%	76%
	Oamaru Sewer Other Renewals	320,283	7%	93%
	Weston Sewer Connection	125,878	11%	89%
	Harbour Sewer Extension	121,628	11%	89%
	Wansbeck St Reticulation Extension	17,919	100%	0%
	Oamaru Orwell Stn Starters	102,973	10%	90%
	Kakanui Line Pond	37,826	24%	76%
	Oamaru / Weston Trunk	80,225	11%	89%
	Oamaru TY Duncan Bypass	71,465	10%	90%
	Oamaru Pump Station Starters	56,728	10%	90%
	Risk Management Plan Oamaru Wastewater	116,295	20%	80%
	Oamaru Orwell Stn Pumps	56,952	10%	90%
	Kakanui Treatment Plant	44,620	25%	75%
	Kakanui Sewer Renewals	38,198	9%	91%
	Oamaru Step Screen	32,471	10%	90%
	Oamaru Septage Pond Capital Upgrades New Capital	5,800	100%	0%
	Pipework Humber Bridge	27,648	11%	89%
	Y2K Scada Upgrade	26,648	11%	89%
	Oamaru Sewer Outfall	17,886	10%	90%
	Oamaru Gravity Reticulation	23,316	7%	93%



Contributing Area	Project Name	Capital Expenditure (nominal \$s)	Proportion of Capital Cost proposed to be recovered through DCs	Proportion of Capital Cost proposed to be recovered through other sources
	Oamaru Consent	80,762	8%	92%
	Oamaru Renewals	21,380	8%	92%
	Oamaru Treatment Plant	5,238	10%	90%
	Kakanui Gravity Reticulation	620	9%	91%
	Oamaru Wastewater New Monitoring Equipment	200,000	0%	100%
	Oamaru Sewer Beach Rd Pump Station Pump #1	33,877	0%	100%
	Oamaru Pump Stations	2,870	0%	100%
	Oamaru Wastewater Treatment Plant	4,592,139	13%	87%
	Oamaru Sewer Gravity Reticulation Renewals	466,624	0%	100%
	Oamaru Wastewater Treatment Plant Renewals/Upgrades	406,800	0%	100%
	Oamaru Sewer Pressure Reticulation Renewals	35,594	0%	100%
	Oamaru Sewer Main Replacement	109,504	0%	100%
	Oamaru Treatment Plant Renewals	646,762	0%	100%
	Oamaru Sewer TY Duncan Rd	27,977	0%	100%
	Oamaru Sewer Pump Stations Renewals	391,768	0%	100%
	Orwell St Wastewater Pump Station	1,341,381	13%	87%
	Satellite Wastewater Pump Stations x 4	132,000	11%	89%
	Regina Lane Wastewater Pump Station	441,533	11%	89%
	Wastewater Overflow Mitigation Oamaru	5,998,034	0%	100%
	Oamaru Wastewater Pumpstation Renewals/Upgrades	1,131,045	0%	100%
	Scada renewals	1,073,213	0%	100%
	Sewer Capital Works	15,000	0%	100%
	Beach Road Wastewater Pump Station	392,730	11%	89%
	Sewer System Renewals	387,400	0%	100%
Oamaru Total	Grand Total	31,820,654	12%	88%
Kurow	Kurow Sewer Consent	92,267	14%	86%
	Kurow Sewerage New Capital	9,754	28%	72%



Contributing Area	Project Name	Capital Expenditure (nominal \$s)	Proportion of Capital Cost proposed to be recovered through DCs	Proportion of Capital Cost proposed to be recovered through other sources
	Kurow Sewerage Ponds	3,398	21%	79%
Kurow Total		105,419	15%	85%
Moeraki	Moeraki Sewerage New Capital	1,531,286	18%	82%
	Moeraki Consent	119,531	18%	82%
	Risk Management Plan Moeraki Wastewater	83,566	25%	75%
	Moeraki Renewals Pumps at Pump Stations	14,262	15%	85%
	Moeraki Gravity Reticulation	8,337	17%	83%
	Moeraki Renewals	7,127	16%	84%
	Moeraki Treatment Plant Wetlands	3,375	22%	78%
	Moeraki Pump Stations	500	17%	83%
Moeraki Total		1,767,985	18%	82%
Omarama	Omarama Sewerage Treatment Plant upgrade disposal field	1,134,638	16%	84%
	Omarama Consent	161,507	12%	88%
	Omarama Renewals	9,584	24%	76%
	Omarama Gravity Reticulation	15,805	10%	90%
	Omarama Pumps (x2)	5,142	24%	76%
	Risk Management Plan Omarama Wastewater	39,675	20%	80%
	Omarama Sewerage New Capital	1,778	14%	86%
Omarama Total		1,368,128	16%	84%
Otematata	Otematata Treatment Upgrade	417,676	23%	77%
	Otematata Consent	224,571	11%	89%
	Risk Management Plan Otematata Wastewater	39,675	20%	80%
	Otematata Treatment Plant	17,197	10%	90%
	Otematata Sewerage New Capital	4,523	14%	86%
Otematata Total		703,642	19%	81%
Palmerston	Palmerston Treatment Plant Upgrade	537,278	13%	87%
	Palmerston Treatment Plant	292,209	14%	86%



Contributing Area	Project Name	Capital Expenditure (nominal \$s)	Proportion of Capital Cost proposed to be recovered through DCs	Proportion of Capital Cost proposed to be recovered through other sources
	Palmerston Pump Stations	276,152	16%	84%
	Palmerston Consent	143,739	8%	92%
	Palmerston Aerator	40,881	10%	90%
	Palmerston Sewerage New Capital	6,409	7%	93%
	Palmerston Gravity Reticulation	4,385	7%	93%
	Palmerston Renewals	3,334	8%	92%
	Palmerston Horse Range Pump	900	10%	90%
Palmerston Total		1,305,289	13%	87%
Grand Total		37,071,117	12%	88%



**Table 19 : Roading – Schedule of Assets**

RCAM Work Category	Capital Expenditure (nominal \$)	Sum of Proportion of Capital Cost proposed to be recovered through DCs	Sum of Proportion of Capital Cost proposed to be recovered through other sources
Amenity/Safety Maintenance	39,410,176	1.5%	98.5%
Bridge Renewals	15,430,630	9.3%	90.7%
Carriageway Lighting	1,827,146	5.7%	94.3%
Cycleway Construction	10,309,073	5.5%	94.5%
Maintenance Chip Seals and Thin Asphalt Surfacing	43,644,126	1.4%	98.6%
Major Drainage Control	13,645,566	0.3%	99.7%
Minor Safety Projects	1,012,284	3.9%	96.1%
New Roads and Bridges (roads)	1,159,865	4.7%	95.3%
Pavement Maintenance	14,203,443	0.6%	99.4%
Pavement Smoothing	33,414,614	2.4%	97.6%
Professional Services	1,192,653	0.7%	99.3%
Road Reconstruction	7,415,560	3.5%	96.5%
Seal Extension	2,159,636	6.4%	93.6%
Strategy Studies	15,509	7.3%	92.7%
Traffic Services	3,473,132	1.7%	98.3%
<b>Grand Total</b>	<b>188,313,413</b>	<b>2.5%</b>	<b>97.5%</b>



## APPENDIX



## Appendix 1 Significant forecasting assumptions

**Table 1: Significant forecasting assumptions 2021-2031**

Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Demographics	<p><b>Population profile</b> – the demographic make-up of the community influences the services that Council provides to the local community, and how Council may empower and enable communities to express and celebrate their diverse cultural heritages.</p>	<p>In 2018, 33% of the population in Waitaki is in the 44-65 age category, 25% in the 15-39 age category, and 23% in the over 65 age category.</p> <p>The over 65 category in Waitaki is well above the New Zealand national average of 15%. The 15-39 category in Waitaki is lower than the national average of 34%.</p> <p>&lt;Stats NZ Population by age 2018&gt;</p>	<p>Insignificant</p> <p><i>The mix of ages and ethnicities within the population is significantly different than forecast impacting on the range and type of services provided and facilitated by Council.</i></p>	Medium	<p>The higher proportion of people aged over 65 requires a focus on ensuring there are appropriate facilities and services for older people. In this sector of the population, many people are on fixed incomes, and management of rates affordability impacts on this group is important to Council.</p> <p>Changes to projected population may place increasing pressure on some Council services due to increased demand over time.</p> <p>Council will continue to monitor demographic change in the District and adapt or redirect activities to meet needs where possible within reasonable cost increases in population can be managed within the existing level of service.</p>



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>• Insignificant</li> <li>• Minor</li> <li>• Moderate</li> <li>• Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>• Low</li> <li>• Medium</li> <li>• High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Demographics		<p>In 2018, 3.7% of Waitaki's population were identified as being of Pacific origin. 7.9% of Waitaki's population was identified as being Maori, and 5% Asian.</p> <p>The proportion of Pacific Islanders and other migrant groups living in our community may still be underestimated, and this population will continue to rise slowly.</p> <p>&lt;Stats NZ Population by ethnicity 2018&gt;</p>			<p>An underestimated Pacific population in the official statistics records may also misrepresent the make-up of the district's population, and their needs may not be met.</p> <p>It is also noted that the 2018 Census had the lowest response in fifty years and therefore the data is less complete than in previous censuses.</p>



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Demographics	<p><b>Population growth</b> - affects the demand for Council services and infrastructure, and the ability to cover the costs. Slower or faster population growth may impact service levels, infrastructure expansion, renewal programmes, and costs (where there is an increased or decreased rate requirement).</p>	<p>The population in the District in 2018 was 23,000 (2018 census data).</p> <p>Council is planning for an average population growth of 8% to 2043. This is part-way between the Stats NZ high and medium population projections (2018).</p> <ul style="list-style-type: none"> <li>The population is projected to grow by 20% to 27,600 by 2043. This represents the Statistics NZ high projection.</li> <li>The population is projected to grow by 4.78% to 24,100 by 2043. This represents the Statistics NZ medium projection.</li> </ul>	<p>Insignificant</p> <p><i>The population may change at rates different than projected. A reduction in population will impact the rating base and the ability of communities to fund services. Either scenario could result in Council's planned services not matching community requirements.</i></p>	Low	<p>Over or under-estimating the demand for services based on planned growth (positive or negative) can have a significant effect on financial estimates. The potential effects include:</p> <ul style="list-style-type: none"> <li>The availability of funding to sustain services.</li> <li>Changes in estimates to reconfigure service levels, e.g. there can be an additional cost, albeit short-term, to scale back service.</li> <li>Underestimated demands for service results in a 'catch-up' scenario where a Council and community face a reactive situation. Financial estimates are likely to be more robust and reliable in a planned approach.</li> <li>A growth scenario is likely to have a positive impact on the rating base.</li> </ul>



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>• Insignificant</li> <li>• Minor</li> <li>• Moderate</li> <li>• Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>• Low</li> <li>• Medium</li> <li>• High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Demographics		<ul style="list-style-type: none"> <li>• The population is projected to decline by 10.4% to 20,600 by 2043. This represents the Statistics NZ low projection.</li> </ul> <p>&lt;Stats NZ Population growth 2018&gt;</p>			<p>Council will continue to monitor population growth change in the District and adapt or redirect activities to meet needs where possible. Generally, small increases in population can be managed within existing levels of service.</p> <p>Where growth requires additional infrastructure (e.g. through subdivisions), Council can require development and financial contributions. Costs over this amount may result in additional Council expenditure.</p> <p>Council's rating base is reviewed annually.</p>



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Demographics	<b>Household change</b> – indicates what the future demand for housing stock is likely to be.	<p>Council is planning for an average household change of 8% to 2043. This is part-way between the Stats NZ high and household change projections (2018).</p> <ul style="list-style-type: none"> <li>Between 2018 and 2033, 1200 more households are anticipated (+12%). This represents Statistics NZ high projection.</li> <li>Between 2018 and 2033, 600 more households are anticipated (+6%). This represents Statistics NZ medium projection.</li> <li>Between 2018 and 2033, there is no change to household numbers anticipated (0%). This represents Statistics NZ low projection.</li> </ul> <p>&lt;Stats NZ Households 2018&gt;</p>	<p>Insignificant</p> <p><i>Household change across the District may occur at a higher or lower rate than expected.</i></p>	<p>Low</p> <p><i>Slower rates of growth may mean some activities have overinvested in infrastructure</i></p>	<p>Council will continue to monitor household change in the District.</p> <p>Council has obligations under the National Policy Statement Urban Development 2020 to ensure there is sufficient development capacity for housing and business land. Council is addressing this through the Waitaki District Plan review process and the development of a spatial plan for Ōamaru, Weston and Kakanui. A draft district plan and spatial plan are to be released for community feedback in late 2021.</p> <p>Where growth requires additional infrastructure (e.g. through subdivisions), Council can require development and financial contributions. Costs over this amount may result in additional Council expenditure.</p>



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>• Insignificant</li> <li>• Minor</li> <li>• Moderate</li> <li>• Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>• Low</li> <li>• Medium</li> <li>• High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Affordability	<b>Average household income</b> – helps to inform affordability issues.	<p>The average household income in Waitaki in 2018 is \$79,200. This compares to the national average of \$104,400 and 95,100 in the Otago region.</p> <p>&lt;Stats NZ Income and Earnings 2018&gt;</p>	<p>Minor</p> <p><i>Economic pressures lead to more residents defaulting on rates payments than expected. This may be exacerbated post COVID-19.</i></p>	Low	<p>Council is mindful of the high number of fixed income households in the District, particularly as the population is projected to continue to age.</p> <p>KiwiSaver has now been in place for 13 years and is anticipated to a positive impact on affordability, but this is not yet quantified.</p> <p>In a post COVID-19 economy, the District's ratepayer base may face even more constrained household budgets.</p> <p>The issue of affordability of services is relevant when setting fees and charges and rates.</p> <p>Council is taking a cautious approach to prospects for the district's economy, noting that the ageing demographic will mean older residents who are no longer in employment and potentially less able to afford increasing rates.</p>



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets	<b>3 Waters – drinking water, wastewater and stormwater</b>	<p>Across New Zealand there has been underinvestment in three waters infrastructure along with the need for additional investment to meet improvements in national freshwater outcomes, increase resilience to climate change and natural hazards, and enhance community wellbeing. In light of this, Central government is reviewing how to improve the regulation and supply arrangements of the three waters to better support New Zealand's prosperity, health, safety and environment.</p> <p>At this stage, Council is assuming that it will continue to deliver these services over the life of this LTP, however, through the three waters review, central government has indicated its intention to provide funding to stimulate investment to enable improvements in water service delivery and support economic recovery and progress. The mix of funding will be determined by Council through a delivery plan.</p>	<p>Moderate</p> <p><i>Council may be required to undertake significant capital works in relation to drinking water.</i></p>	High	<p>Council has accepted and signed an MoU with central government, and is participating in exploring future service delivery options including:</p> <ul style="list-style-type: none"> <li>Publicly owned water service delivery entities of a significant scale e.g. multi-regional with preference for a collective Council ownership.</li> <li>Delivery of drinking and wastewater services as a priority.</li> <li>Mechanisms to enable community input.</li> </ul>



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets		<ul style="list-style-type: none"> <li>Should the proposed Government reforms result in the transfer of the 3 Waters activity to an external operator, there are likely to be material consequences for Council's overall operations – financial position, financial forecasts and financial strategy. The full implications of such a significant change cannot be accurately assessed until the full scope and detail of the reforms and related financial arrangements are known.</li> <li>At 30 June 2020, the book value of assets potentially affected by the reforms was: <ul style="list-style-type: none"> <li>Water Supply schemes \$75m</li> <li>Sewerage schemes \$47m</li> </ul> </li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets		<ul style="list-style-type: none"> <li>Stormwater/Drainage \$18m</li> <li>Assets work in progress \$3m</li> <li>TOTAL \$135m</li> </ul> <ul style="list-style-type: none"> <li>Assets included in these three categories will be revalued at 30 June 2021, and then every three years after that. Each revaluation is expected to result in significant increases in the value of the assets – over the life of this LTP, revaluations are projected to add \$62m to the total value of 3 Waters assets.</li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets		<ul style="list-style-type: none"> <li>Over the life of this LTP, Council anticipates capital expenditure amounting to: <ul style="list-style-type: none"> <li>Water Supply schemes \$100m</li> <li>Sewerage schemes \$27m</li> <li>Stormwater/Drainage \$27m</li> <li>TOTAL \$154m</li> </ul> </li> <li>Council uses internal loans to ensure inter-generational equity for much of the works associated with 3 Waters projects. At 30 June 2020, balances outstanding on internal loans were: <ul style="list-style-type: none"> <li>Water Supply schemes \$11m</li> <li>Sewerage schemes \$2m</li> <li>TOTAL \$13m</li> </ul> </li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets		<ul style="list-style-type: none"> <li>Council expects to continue to utilise internal loans for much of the capital expenditure projected in this LTP.</li> <li>Over the life of this LTP, the following operating impacts are anticipated – Rates income: <ul style="list-style-type: none"> <li>Water Supply schemes \$96m</li> <li>Sewerage schemes \$37m</li> <li>Stormwater/Drainage \$8m</li> <li>TOTAL \$141m</li> </ul> </li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets		<ul style="list-style-type: none"> <li>Operating revenue <ul style="list-style-type: none"> <li>Water Supply schemes \$8.3m</li> <li>Sewerage schemes \$3.5m</li> <li>TOTAL \$11.8m</li> </ul> </li> <li>Operating expenses <ul style="list-style-type: none"> <li>Water Supply schemes \$43m</li> <li>Sewerage schemes \$18m</li> <li>Stormwater/Drainage \$0.6m</li> <li>TOTAL \$62.6m</li> </ul> </li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets		<ul style="list-style-type: none"> <li>Internal charges budgeted to be recovered by other business units based on timesheets and other bases <ul style="list-style-type: none"> <li>Water Supply schemes \$25m</li> <li>Sewerage schemes \$12m</li> <li>Stormwater/Drainage \$3m</li> <li>TOTAL \$40m</li> </ul> </li> <li>Further information concerning the activities covered by the reforms can be found in the 3 Waters part of the significant activities section of this plan where Funding Impact Statements show forecast operating funding and application of that funding, capital expenditure and capital funding over the life of the LTP.</li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets		<ul style="list-style-type: none"> <li>The proposed water reforms are expected to have potentially significant effects on other Council business units, particularly those providing support and other services to the 3 Waters business unit. The specifics of those impacts cannot yet be determined but will be assessed by Council as part of its analysis of the final proposal when this is received.</li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>• Insignificant</li> <li>• Minor</li> <li>• Moderate</li> <li>• Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>• Low</li> <li>• Medium</li> <li>• High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets	Roading	There is a need for increased funding to maintain or increase levels of service in the roading network where possible within Waka Kotahi NZ Transport Agency approved allocation.	Moderate	Medium	<p>The Council remains of the view that the roading network is vital infrastructure and that it is important to maintain the current levels of service.</p> <p>If Council receives less subsidy from NZTA than expected, there is likely to be an increase in the level of service associated with data collection and planning, and no change to its level of service in the roading network. The increase in planning is required if co-investment from central government is limited to prioritise all work to mitigate any level of service reduction resulting.</p>



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>• Insignificant</li> <li>• Minor</li> <li>• Moderate</li> <li>• Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>• Low</li> <li>• Medium</li> <li>• High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets	<b>Capital works – programmes and projects</b>	Programmes and projects are delivered within budget and on time.	Moderate  <i>The deliverability of the works programmes could be affected by the availability from the contractor market as well as the Council's ability to deliver the higher programme of works. Actual costs may vary from estimates resulting in budget shortfall.</i>	High	Projects may be carried forward if not completed as planned, and if the work is still considered to be needed. Any consistent backlog of work will have an impact on levels of service. This may result in increased costs due to inflation, possible reduction in levels of service, possible additional reactive operational expenditure.
	<b>Asset depreciation rates</b>	No changes are assumed.	Insignificant  <i>Additional work on planned capital works may change depreciation expenses.</i>	Low	Asset life is regularly reviewed through asset monitoring and testing. Although depreciation rates are determined in accordance with relevant accounting policies, based on expected economic lives of individual assets, Council may resolve to not fully fund selected assets or classes of assets as circumstances dictate.



Assumption grouping	‘What’ – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"><li>Insignificant</li><li>Minor</li><li>Moderate</li><li>Major</li></ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"><li>Low</li><li>Medium</li><li>High</li></ul>	Potential effects and mitigation measures (on Council financial estimates)																																								
Significant Assets	Asset revaluations	Asset revaluations are undertaken for key infrastructure on a rolling three yearly cycle, in the years and using the price level adjustments indicated in the table below:	Minor  <i>Periods of high inflation or changes in technology may affect the value of assets (and therefore depreciation and rates) requiring revaluations outside of the normal cycle.</i>	Low	Revaluations take place regularly. Fair value of assets is assessed annually between the regular three-yearly revaluation cycle to ensure that values are not overstated.																																								
		<table><tr><td>Category</td><td>2022</td><td>2023</td><td>2024</td><td>2025</td><td>2026</td><td>2027</td><td>2028</td><td>2029</td><td>2030</td><td>2031</td></tr><tr><td>Property, Parks and Recreation</td><td>5.5%</td><td></td><td></td><td>6.0%</td><td></td><td></td><td>5.4%</td><td></td><td></td><td>5.1%</td></tr><tr><td>Roads and bridges</td><td></td><td>7.4%</td><td></td><td></td><td>9.1%</td><td></td><td></td><td>8.9%</td><td></td><td></td></tr><tr><td>3 Waters</td><td></td><td></td><td>13.2%</td><td></td><td></td><td>7.4%</td><td></td><td></td><td>9.9%</td><td></td></tr></table>	Category	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Property, Parks and Recreation	5.5%			6.0%			5.4%			5.1%	Roads and bridges		7.4%			9.1%			8.9%			3 Waters			13.2%			7.4%			9.9%
Category	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031																																			
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3 Waters			13.2%			7.4%			9.9%																																				



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	<b>Asset replacement and useful life</b>	<p>Council infrastructure is aging and will require ongoing renewal and upgrades. Assets will be replaced at the end of their economic life.</p> <p>Asset information is reliable and reflects the condition and performance of the assets. Useful lives of significant assets are detailed in Asset Management Plans (AMPs) which provide information to support the replacement and renewal of Council infrastructure.</p> <p>Significant assets will not fail earlier than estimated.</p>	<p>Moderate</p> <p><i>Council's renewal profiles may be inaccurate.</i></p> <p><i>Asset lives may be shorter than expected. There may be inadequate replacement reserves.</i></p>	Low	<p>Asset Management Plans and data are regularly reviewed and updated. Assumptions on asset lives are independently reviewed as part of the revaluation process. If assets require replacement more quickly, capital expenditure projects may need to be brought forward.</p> <p>Asset life is reviewed regularly through asset monitoring and testing. Council has the ability to bring capital projects forward if assets wear out earlier than projected. Mitigation may involve reprioritising the capital expenditure programme.</p>



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Significant Assets	<b>Sources of funds for future replacement of significant assets</b>	<p>Council will 'cash-fund' depreciation on assets, particularly those with significant intergenerational equity, including:</p> <ul style="list-style-type: none"> <li>Water Sewer and Stormwater infrastructure.</li> <li>Roading network.</li> <li>Council operational properties.</li> <li>Computer and other key Council systems.</li> </ul> <p>In other cases, depreciation will not be cash funded, for example on community buildings and harbour structures. Council may also resolve not to cash-fund depreciation in instances where there are sufficient reserves on hand or for other reasons.</p>	<p>Moderate</p> <p><i>The risk that the cost of replacing significant assets materially exceeds the level of depreciation and forecast borrowing. Risk associated with borrowing includes exposure to future interest rates, access to funding, and the rating base servicing depreciation funds.</i></p>	Medium	Council models renewal requirements and associated expenditure. If the asset replacement proves more expensive than the forecast, further borrowing will be required.



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>• Insignificant</li> <li>• Minor</li> <li>• Moderate</li> <li>• Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>• Low</li> <li>• Medium</li> <li>• High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Significant Assets		Council maintains various reserve funds for cash funded assets. These include bequests, depreciation or asset renewal reserves, financial contribution reserves, and development contribution reserves. These are used when projects meet specific criteria. Council will borrow if there is a shortfall in the total funding required.			
	Resource consents	Council is anticipating upcoming renewal requirement for resource consents e.g. Sewerage wastewater treatment and disposal.	Minor  <i>Conditions of resource consents altered and significant new compliance costs or consents cannot be renewed as expected.</i>	Medium	Budgets are in place for renewal of resource consents.



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Significant Assets	Technology	Advances in technology over the life of the plan could change the way activities are carried out, the forecasts are based on known technology as currently applied within Council.	<p>Insignificant</p> <p><i>The economic lives of network assets (particularly wastewater) may change due to future technologies that remove the need for a reticulation network.</i></p> <p><i>New technology could change the way activity is carried out, affecting both financial estimates and levels of service.</i></p>	Low	The impact of changing technology is unknown but is reviewed on an ongoing basis and would be considered in the next Long-Term Plan. The effects in the interim would be considered in Annual Plans and provided for where necessary.
Organisation	Council political structure	There are no anticipated changes to Council's political structure.	Insignificant	Low	Formal reviews will be undertaken through representation review processes or formal processes driven either by the community, Council or central government.



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Organisation	Resource constraints, procurement of contractors, human resources and materials	The ability to procure contractors and human resource for Council may be diminished due to other work underway in the district and surrounds. The supply of skilled persons in some areas of Council is limited across the whole of New Zealand, and not just in the Waitaki District. The impacts of COVID-19 may shift the demand of contractors.	Moderate  <i>May disrupt delivery of established levels of service.</i>	Medium	Council and its Management Team review its budget annually through the Long-Term Plan/Annual Plan process and can adjust work programmes/budgets as necessary.
	Levels of service	Levels of service will be maintained unless otherwise stated for the duration of the 2021-2031 Long Term Plan.	Moderate  <i>External factors such as increased uncertainties post COVID-19 may influence levels of service discussion.</i>	Medium	Service levels may need adjusting in response to issues identified by the community or other external factors.  Council and its Management Team review its budget annually through the Long-Term Plan/Annual Plan process and can adjust work programmes/budgets as necessary.



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Organisation	<b>Future of local government review</b>	<p>On 24 2021 April the Minister of Local Government announced that she had established a Ministerial Inquiry into the Future for Local Government.</p> <p>The overall purpose of the review is to <i>"identify how our system of local democracy needs to evolve over the next 30 years, to improve the well-being of New Zealand communities and the environment, and actively embody the treaty partnership."</i></p> <p>The review includes, but is not limited to, the following:</p> <ul style="list-style-type: none"> <li>roles, functions, and partnerships</li> <li>representation and governance and</li> <li>funding and financing</li> </ul>	Insignificant	Low	Unless specifically stated otherwise, council has prepared the plan on the assumption its existing role and functions will continue for the life of the plan.



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Organisation		<p>The following are the key steps in the review</p> <ul style="list-style-type: none"> <li>April 2021: Inquiry begins</li> <li>30 September 2021: an interim report will be presented to the Minister signalling the probable direction of the review and key next steps.</li> <li>30 September 2022: Draft report and recommendations to be issued for public consultation and</li> <li>30 April 2023: Review presents final report to the Minister and Local Government New Zealand.</li> </ul>			



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Organisation		<p>While the review could recommend significant change to what local government is and does, there is no information available on the likely direction for the review at this time.</p> <p>Council considers it unlikely that any recommendations could take effect before 1 July 2024 – particularly for changes to roles or functions. Any changes that are made will be incorporated in the 2024-34 long-term plan.</p>			
Organisation	<b>Costs</b>	Costs are anticipated to be stable over the lifetime of the plan based on historical trends. Capital expenditure estimates are based on Council's best estimates and known planned expenditure.	<p>Minor</p> <p><i>Costs are higher or lower than expected e.g. contracting costs, resource costs.</i></p>	Low	Council and its Management Team review its budget annually through the Long-Term Plan/Annual Plan process and can adjust work programmes/budgets as necessary.



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	<b>Technology</b>	<p>Changes in technology will impact on the delivery of key activities e.g. Online Council meetings, more information available on-line.</p> <p>There will be likely greater access to fibre connectivity resulting in greater use of online digital services.</p> <p>There may be less demand for face-to-face customer service.</p> <p>Artificial intelligence is likely to alter the way Council delivers its services.</p>	Insignificant	Low	Council will continue to monitor the impacts of technology on activities and services.
Organisation	<b>Debt levels</b>	Council has determined that membership of the Local Government Funding Agency will enable it to access necessary external funding to ensure that key projects and operations can progress	<p>Minor</p> <p><i>Debt levels differ from forecast due to increased uncertainty in the economy post COVID-19</i></p>	Medium	<p>To achieve desired outcomes for the communities of the Waitaki District, Council has determined that it is desirable to undertake a programme of external borrowing for cash flow requirements. Borrowing requirements are strictly monitored and reported on a regular basis.</p> <p>Refer to the Liability Management and Investment Policy.</p>



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	<b>Return on investments</b>	<p>Returns from bank deposits and other investments are expected to remain depressed over the term of the LTP. Interest rates projected in this LTP range from 2.65% to 5% over the life of the plan. Over the same period, dividends from CCO's are expected to remain steady.</p> <p>The focus of the forestry activity over the term of the LTP will be on re-establishing Council's forestry holdings for future harvesting.</p>	<p>Moderate</p> <p>Interest rates may vary from those projected.</p>	Medium	<p>Forecast returns may vary from forecast.</p> <p>Refer to investment portfolio breakdown.</p>
Organisation	<b>Credit availability</b>	Credit will be available if required on competitive terms and conditions.	Insignificant	Low	<p>Credit may not be obtained when required and funding is required from another source.</p> <p>Council will continue to maintain prudent debt levels.</p>



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	<b>Borrowing costs</b>	Council expects to borrow externally over the life of the Plan in order to provide adequate funding to progress capital projects for the benefit of its communities. Council also utilises internal debt and expects to charge interest at rates that range from 2.9% to 3.75% over the life of this LTP.	Moderate	Low	<p>Aside from planned borrowing, Council may also need to borrow externally for unanticipated events e.g. sudden and material service level failure and/or rates of borrowing are higher than forecast. Council would first consider internal loan funding using reserve funds or using overdraft facilities, depending on its assessment of the viability of the options available.</p> <p>Refer to the Liability Management and Investment Policy.</p>



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Organisation	<b>Insurance costs and natural disaster financing</b>	<p><b>Insurance costs</b> - Insurance premiums will continue to rise at rates in excess of inflation to take into account the effects of previous earthquake and weather events on the insurance industry nationally.</p> <p>Council will continue to be able to obtain 100% cover.</p> <p>The Local Authority Protection Programme Disaster Fund will continue; and the scope of asset insurance will not extend beyond the current scope of activities and insurance cover. Council adjusted its approach post the Canterbury earthquakes and continues to monitor and assess its exposure to risk in this area.</p>	<p>Insignificant</p> <p><i>Premiums could increase above inflation and/or Council cannot get 100% cover. Any increase in premiums above the level assumed will have an impact on rates.</i></p>	Medium	Council will continue to monitor insurance costs and may need to make decisions about cover levels during the life of the Plan.
External factors	<b>Coronavirus (COVID-19) pandemic response and recovery</b>	The BERL mid-scenario anticipates a gradual economic recovery from the September quarter 2020, reaching pre-COVID-19 levels of activity by early 2022.	<p>Moderate</p> <p><i>COVID-19 is a new virus, and its long-term effects are unknown.</i></p>	Medium	<p>Council will facilitate and support the District's recovery in a fair, sustainable and integrated way.</p> <p>The financial impact of COVID-19 will continue to affect Council's financial results in some areas</p>



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External factors		<p>BERL also predicts that while New Zealand remains at alert level 1, employment levels in the accommodation, food services, arts and recreation services (tourism sector) are predicted to be around 30 percent lower than pre-COVID-19 levels. This could be until mid-2022.</p> <p>The medium-long term impacts of COVID-19 remain largely unknown.</p> <p>Economic</p> <ul style="list-style-type: none"> <li>Some businesses could close permanently and there may be an economic recession.</li> <li>The unemployment rate can be expected to remain elevated for an unknown time period.</li> </ul>			<p>especially those associated with tourism however due to a strong primary sector the Waitaki District is faring better than expected and will continue to do so.</p> <p>It is expected that most of Council's revenue streams will be back to normal levels by 2022 assuming that there will be no more nation-wide lockdowns.</p> <p>The following initiatives have already been introduced by Council in response to mitigate the effects of the COVID-19 outbreak:</p> <ul style="list-style-type: none"> <li>An average zero percent rates change for 2020/21.</li> <li>A Council support and stimulus funding package (up to \$2 million) including: <ul style="list-style-type: none"> <li>A Mayoral Relief Fund - individual</li> </ul> </li> </ul>



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External factors		<p>Social</p> <ul style="list-style-type: none"> <li>Older persons are particularly susceptible to the risk of infection from COVID-19.</li> <li>Health and economic impacts of the virus may be borne disproportionately by poorer people.</li> <li>Refugees, migrants, or displaced persons also stand to suffer disproportionately both from the pandemic and its aftermath.</li> <li>Possible increase in mental health issues, heart attacks, strokes and general health issues induced by stress and/or loss of wealth, long-term health problems.</li> </ul>			<p>welfare requests from individuals/families.</p> <ul style="list-style-type: none"> <li>An Economic Resilience Fund - financial support for new projects which can demonstrate an economic benefit.</li> <li>A Community Resilience Fund - financial support for new projects which can demonstrate a broader community benefit.</li> <li>A reduction in rentals for tenants of Council managed property who are demonstrating financial hardship from COVID-19.</li> </ul>



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External factors		<ul style="list-style-type: none"> <li>Continued use of new technology to stay in contact.</li> <li>Need to strengthen social ties.</li> <li>Provision of remote access for workers.</li> <li>Increased demand for community-led development and seeking new opportunities in light of the challenges now faced.</li> </ul> <p>Environmental</p> <ul style="list-style-type: none"> <li>Environmental legislation/reforms could be delayed e.g. national policy standards change, national three water regulations, Resource Management Act.</li> </ul>			<ul style="list-style-type: none"> <li>A new Community Recovery Coordinator position at Council to assist Waitaki in recovering from COVID-19 (fixed term 2020-2021).</li> <li>Free car parking in Ōamaru (March – September 2020).</li> <li>A “buy local” campaign.</li> <li>A Tourism Waitaki campaign “We Are Missing You” to attract tourism.</li> <li>As an organisation we have become more digital – wherever possible our staff are able to work from home. This means that in the event of another lockdown we can continue providing services to our community.</li> <li>We will continue to be cautious about how much debt we take on.</li> </ul>



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External factors					<ul style="list-style-type: none"> <li>We have continued and will keep up with our Capital works programme, taking advantage of the Government's shovel ready and stimulus funding. This benefits our community by supporting the local economy.</li> </ul>
External factors	<b>Climate change</b> Anticipated changes in temperature, rainfall and sea level rise due to climate change will impact on Waitaki's social, economic and environmental outcomes. These impacts will influence Council decisions around land use, regulation, investments in infrastructure, and associated adaptation and mitigation measures to counteract the effects of climate change. The key	<p>As Waitaki is situated in both the Otago and Canterbury regions, climate change projections have been included for both regions.</p> <p>Otago Regional Council projections mainly relate to coastal areas of the district, except those areas inland from Palmerston to the border of the Central Otago District. Environment Canterbury projections mainly relate to inland areas of the district.</p> <p>The scenarios are a range using the RCP4.5 (mid-range scenario where greenhouse gas concentrations stabilise by 2100), and RCP8.5 ('business as usual' scenario with</p>	<p>Moderate</p> <p><i>Negative effects associated with climate change may occur at a faster rate and with more detrimental effects.</i></p> <p><i>Risk based insurance may influence investment in built development in higher risk areas.</i></p>	Medium	<p>Council will utilise guidance from central government (Ministry for the Environment), regional councils, NIWA and LGNZ based on the best available climate science to underpin our planning.</p> <p>If projections are not considered in Council planning, this could impact on the development of capital expenditure projects.</p> <p>Greater than projected climate change will require Council to accelerate its climate change mitigation and adaptation plans.</p>



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External factors	service requirement relates to protection of Council owned assets vulnerable to coastal erosion, in particular, the local roading network and Council's stormwater infrastructure.	<p>greenhouse gas emissions continuing at current rates) calculated on a 1996-2005 baseline year.</p> <p><b>Sea-level rise:</b> Otago</p> <ul style="list-style-type: none"> <li>0.19m to 0.27m by 2040</li> <li>0.49m to 0.9m by 2090</li> </ul> <p><b>Maximum mean temperature:</b></p> <ul style="list-style-type: none"> <li>Ōamaru – currently 15.7°C (+0.8 to +0.9 for 2040 and +1.2 to +2.5 for 2090).</li> </ul>			<p>Council will continue to monitor and consider the impacts of climate change and respond to changes required to Council's infrastructure (including mitigation and adaptation). Through its Infrastructure Strategy 2021-51, Council will develop a coordinated response to adapt to the effects of climate change on its assets.</p> <p>Planning for key infrastructure located on the coastal fringe and vulnerable to coastal erosion is considered in the 30 to 50-year infrastructure planning horizon. Financial estimates include provision for Council assets and sites that may be affected. New</p>



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External factors		<ul style="list-style-type: none"> <li>Otago region <b>+ 0.5-1.5°C for 2040 and +1 to +4 for 2090.</b></li> <li>Western Canterbury (inland areas of Waitaki District) <b>+5.0-6.0°C in spring and summer by 2090.</b></li> <li>Canterbury region <b>+0.5-2.0°C by 2040 and +1.0-5.0°C by 2090.</b></li> </ul> <p><b>Minimum mean temperature:</b></p> <ul style="list-style-type: none"> <li>Ōamaru - currently 5.7 °C <b>(+0.4 to +0.5 °C in 2040 and 0.7 to 1.3°C in 2090).</b></li> <li>Otago region <b>+0-1.0°C by 2040 and + 0.5 to + 2.0°C by 2090.</b></li> </ul>			<p>developments will be undertaken with a view to mitigating exposure to natural disasters.</p> <p>Council will implement the Civil Defence regional model introduced in 2017 to best effect.</p> <p>Council has increased its disaster fund capacity and has the ability to deal with adverse weather events.</p> <p>Council has developed a Business Continuity Plan. If an event were to occur, Council will focus its operational resource on response and recovery.</p>



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External factors		<ul style="list-style-type: none"> <li>Canterbury region <b>+0-1.0°C by 2040 and +0.5-2.5°C by 2090.</b></li> </ul> <p><b>Extreme hot days per annum:</b></p> <ul style="list-style-type: none"> <li>Ōamaru – currently 1.3; <b>(+0.9 to +1.6 for 2040 and +2.1 to +5.3 for 2090).</b></li> <li>Coastal Otago <b>(+0.1 to 4 days to 2090).</b></li> </ul> <p><b>Number of frost days per year (days &lt;0°C):</b></p> <ul style="list-style-type: none"> <li>Ōamaru – currently 43.1 <b>(-7 to -9 for 2040, -11.5 to -17.9 for 2090).</b></li> <li>Otago region - <b>10-15 fewer frost days per year</b></li> </ul>			



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External factors		<p><b>by 2040, and 20-40 fewer frost days per year by 2090.</b></p> <ul style="list-style-type: none"> <li>Canterbury region – (-10 to 30 frost days per year for inland areas by 2040; -20 to 50 frost days for inland areas by 2090).</li> </ul> <p><b>Rainfall:</b> Total rainfall:</p> <ul style="list-style-type: none"> <li>Ōamaru currently 523mm/year; <b>(+4% to +5% for 2040; +5% to +15% for 2090).</b></li> <li>Otago region <b>+0-10% for 2040 and +10-20% for 2090.</b></li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
External factors		<ul style="list-style-type: none"> <li>Canterbury region <b>-0 to 10% for the Mackenzie Basin by 2040; Seasonal: winter +15 to 40% by 2090; summer +5 to 15% for some inland areas by 2090 whereas some other inland areas will see a decrease of 5 to 15%.</b></li> </ul> <p>Heavy rainfall days:</p> <ul style="list-style-type: none"> <li>Ōamaru currently 2.1; <b>(+0.1 to 0 for 2040; +0.3 to +0.7 for 2090).</b></li> <li>Otago region <b>+0 to 1 day per year for 2040 and 2090.</b></li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
External factors		<p><i>* Heavy rainfall = above 25 mm in one day</i></p> <p>Rainfall depth</p> <p><i>6-hour rain event with a 50-year ARI:</i></p> <ul style="list-style-type: none"> <li>Ōamaru currently 66.2; <b>(71.8 to 72.6 for 2040; 75.3 to 85.5 for 2090).</b></li> </ul> <p><i>24 hour duration rainfall for a 24-hour rain event with a 100-year ARI:</i></p> <ul style="list-style-type: none"> <li>Ōamaru currently 141; <b>(150 to 151 for 2040; 155 to 172 for 2090).</b></li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
External factors		<p><b>Dry days:</b></p> <ul style="list-style-type: none"> <li>Ōamaru currently 280 per year; <b>(-2 for 2040; -2 to -7 for 2090).</b></li> <li>Otago region coastal areas <b>(1-4 fewer dry days by 2040 2-6 fewer dry by 2090).</b></li> </ul> <p><i>* Dry days = &lt; 1 mm of rainfall is recorded</i></p> <p><b>Snowfall:</b></p> <p>Otago</p> <ul style="list-style-type: none"> <li>Significant decreases in seasonal snow.</li> <li>Duration of snow cover decreasing.</li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
External factors		<ul style="list-style-type: none"> <li>Earlier spring melts – larger winter floods.</li> </ul> <p>Canterbury</p> <ul style="list-style-type: none"> <li>Less across region especially in mountainous areas.</li> <li>Significant decreases in seasonal snow.</li> <li>Duration of snow cover decreasing.</li> </ul> <p>Sources:</p> <ul style="list-style-type: none"> <li><i>NIWA Climate change projections for the Canterbury Region prepared for Environment Canterbury, February 2020;</i></li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
External factors		<ul style="list-style-type: none"> <li>NIWA Climate change projections for the Otago Region prepared for Otago Regional Council, October 2019;</li> <li>Ministry for the Environment Climate change Guidance for Local Government – Otago and Canterbury regions.</li> </ul> <p><b>Coastal inundation:</b></p> <ul style="list-style-type: none"> <li>Significant coastal inundation hazard limited to Kakanui.</li> </ul> <p><b>Coastal erosion:</b> (coastal erosion hazard zone defined using a</p>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
External factors		<p><i>projection of the future shoreline position over 100 years taking into account historical retreat rates, sea-level rise and slope failure)</i></p> <ul style="list-style-type: none"> <li><b>More than 60% of the coast in the district is retreating at a rate of 0.15 m/y or more.</b></li> <li>Conservative estimates: CHZ50 (50 year predicted shoreline retreat) most common width between 5 and 15 m.</li> <li>Continued erosion expected at the current hotspots of Katiki Beach, Beach Road, Kakanui, North Ōamaru, and Kaika and Karita settlements.</li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>• Insignificant</li> <li>• Minor</li> <li>• Moderate</li> <li>• Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>• Low</li> <li>• Medium</li> <li>• High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
External factors		<ul style="list-style-type: none"> <li>• North of Hampden 2.0 m/y.</li> <li>• Kakanui spit tip 1.3 m/y.</li> <li>• North of Ōamaru, the entire coastline is retreating at rates between 0.3 and 0.9 m/y, 0.4 m/y near Waitaki Boys High School, 0.35 m/y near Foyle Street, and 0.3 m/y near Weaver Street.</li> <li>• Kakanui gravel barrier 0.7 m/y.</li> <li>• Southern portion of Beach Road - average rate of 0.38 m/y.</li> <li>• Southern portion of Katiki Beach, alongside SH1, 0.4 – 0.6 m/y.</li> </ul> <p>Source:</p> <ul style="list-style-type: none"> <li>• Coastal erosion and inundation projections sourced from NIWA "Waitaki District Coastal Hazards, Prepared for the Otago Regional Council, January 2019."</li> </ul>			



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
External factors	<b>Emissions trading scheme</b>	<p>The Emissions Trading Scheme is retained in its present form.</p> <p>Changes could occur to the scheme via Government policy. Council financial forecasts that embody carbon pricing would be affected.</p>	Insignificant	Low	<p>Forestry assets are maintained with a long-term view and programmes are regularly reviewed. Council will replant harvested forests to negate any liability.</p> <p>Council will monitor waste volumes on an ongoing basis.</p>
	<b>Tourism numbers and composition</b> - Influence the demand for, and type of services required e.g. transport infrastructure, communications, regulation and enforcement, sanitation services, and Council's Funding Policy.	Overseas visitor numbers (28% of tourists to the District) are projected to remain low over the first part of the 2021-31 LTP following the impact of COVID-19. Domestic numbers (72% of tourists to the District) are projected to remain constant or slightly increased over the same period.	<p>Moderate</p> <p><i>A radical decrease in visitor numbers would impact on the local hospitality industry. A decrease in the district's GDP would heavily influence Council decisions on current and future service levels.</i></p>	Medium	Council, in conjunction with Tourism Waitaki will continue to monitor and report tourism trends.
	<b>Legislative changes and environmental standards</b>	<p>Council assumes there will be changes to legislation over the period of this LTP, e.g. through the resource management reforms, 3Waters reforms.</p> <p>Regional council policy frameworks are subject to change as regional</p>	<p>Moderate</p> <p><i>The impact of government legislation is usually anticipated and well signalled.</i></p> <p><i>New legislation and regional government may</i></p>	Medium	<p>Council may be required to change expenditure or income (for instance rates or user charges). An example could be a sudden and un-signalled change to superannuation.</p> <p>Council must continue to meet regional council obligations</p>



Assumption grouping	‘What’ – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"><li>Insignificant</li><li>Minor</li><li>Moderate</li><li>Major</li></ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"><li>Low</li><li>Medium</li><li>High</li></ul>	Potential effects and mitigation measures (on Council financial estimates)																																																																		
		<p>policy statements and plans are reviewed and amended.</p> <p>The amendment to the Climate Change Response (Zero Carbon Bill) may alter the delivery of Council activities.</p>	<i>alter the scope and nature of some Council activities.</i>		<p>including higher environmental standards for air and water.</p> <p>Asset management plans will be updated.</p> <p>New consent requirements from regional councils will be factored in to proposed works.</p>																																																																		
External factors	Inflation	<p>Inflation rates may vary from those forecasted resulting in changed revenue and expenditure.</p> <p>Inflation rates used for periods beyond 2020/21 have been based on data sourced from Local Government Cost Adjuster Forecasts issued by BERL in September 2020, using BERL’s “mid-scenario”, which assumes a rebuild after COVID-19 that is neither “stalled” nor “faster”, as detailed below.</p>	Insignificant	Low	<p>Council and its Management Team review budgets annually through the Long-Term Plan/Annual Plan process and can adjust work programmes/budgets as necessary.</p>																																																																		
		<table><tr><td>Category</td><td>2023</td><td>2024</td><td>2025</td><td>2026</td><td>2027</td><td>2028</td><td>2029</td><td>2030</td><td>2031</td></tr><tr><td>Water, sewer, drainage and waste</td><td>3.4%</td><td>2.1%</td><td>2.3%</td><td>2.6%</td><td>2.3%</td><td>3.0%</td><td>3.3%</td><td>3.3%</td><td>2.7%</td></tr><tr><td>Planning and regulation</td><td>2.5%</td><td>2.3%</td><td>2.2%</td><td>2.2%</td><td>2.2%</td><td>2.2%</td><td>2.2%</td><td>2.2%</td><td>2.2%</td></tr><tr><td>Roading</td><td>3.1%</td><td>3.0%</td><td>2.9%</td><td>2.9%</td><td>2.9%</td><td>2.9%</td><td>2.9%</td><td>2.9%</td><td>2.9%</td></tr><tr><td>Local government administration</td><td>2.0%</td><td>2.0%</td><td>1.9%</td><td>1.8%</td><td>1.8%</td><td>1.7%</td><td>1.7%</td><td>1.7%</td><td>1.6%</td></tr><tr><td>Transport</td><td>2.6%</td><td>2.4%</td><td>2.4%</td><td>2.4%</td><td>2.4%</td><td>2.4%</td><td>2.4%</td><td>2.4%</td><td>2.4%</td></tr><tr><td>Salary and wage rates - local govt sector</td><td>3.9%</td><td>3.0%</td><td>3.2%</td><td>3.5%</td><td>3.7%</td><td>3.8%</td><td>3.9%</td><td>4.1%</td><td>4.2%</td></tr></table>			Category	2023	2024	2025	2026	2027	2028	2029	2030	2031	Water, sewer, drainage and waste	3.4%	2.1%	2.3%	2.6%	2.3%	3.0%	3.3%	3.3%	2.7%	Planning and regulation	2.5%	2.3%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	Roading	3.1%	3.0%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	Local government administration	2.0%	2.0%	1.9%	1.8%	1.8%	1.7%	1.7%	1.7%	1.6%	Transport	2.6%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	Salary and wage rates - local govt sector	3.9%	3.0%	3.2%	3.5%	3.7%	3.8%
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External factors	Interest rates on borrowing	Interest rates will not rise significantly. They are assumed to be between 0.9 and 2.10% over the period of the LTP.  Forecast interest rates on borrowing may be higher or lower than forecasted. Council costs could increase or decrease as interest rates fluctuate up and down.	Insignificant	Low	Council hedges interest rate exposure as per the Liability and Investment Management Policy.
Funding sources	Waka Kotahi NZ Transport Agency (NZTA) financial assistance	Council currently undertakes its roading programme based on a contribution from our ratepayers and a contribution from government through the NZTA. The subsidy provided by NZTA (57%) has increased for the next three years starting from 2022, and Council has assumed for the purposes of this LTP that the new rate will remain unchanged over the term of the LTP.	Minor  <i>Changes in central Government funding for roading could impact on Council's contribution to its roading programme.</i>	Low	Council and its Management Team review its budget annually through the Long-Term Plan/Annual Plan process and can adjust work programmes/budgets as necessary.
	External funding opportunities	Council will take advantage of external funding opportunities through the Local Government	Insignificant  <i>Significant changes in funding or funding sources</i>	Low	Refer to the Revenue and Financing Policy.



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		Funding Agency where appropriate to top up the ratepayer base.	<i>may result in a revised capital work programme or changes in levels of service.</i>		
	<b>Revenue</b>	Council will continue to generate revenue from the key areas of rates, regulatory, grants, subsidies, interest, dividends, investments, although some revenue sources may be lower due to the impacts of COVID-19 in the first 1-2 years of the LTP.	Insignificant  <i>The level of revenue is not received or budgeted and debt levels, interest costs and rates requirements will be higher than planned.</i>	Low	Refer to the Revenue and Financing Policy.
	<b>Co-funding arrangements</b>	It is assumed that, where projects are reliant on other partners contributing some or all of the funding, this funding will still be available.  Council will seek external funding where possible.	Moderate  <i>Partners may no longer be in a position to provide funding which will result in an increased level of input from Council, or the termination of a project.</i>	Medium	Council will continue to monitor and consider its ongoing funding commitment as the need arises.
<b>Funding sources</b>	<b>Development and financial contributions</b>	Assumptions on development contributions are included in the updated Development and Financial Contributions Policy. Development contribution income is included in financial forecast statements for all asset groups.	Insignificant  <i>The level of development contributions collected could be insufficient to cover the costs of required growth infrastructure.</i>	Low	Costs for infrastructure may need to be met from other allocations. Council will continue to refine cost estimates through the implementation of an updated Infrastructure Strategy.  Council and its Management Team review its budget annually through the Long Term Plan/Annual Plan



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					process and can adjust work programmes/budgets as necessary.
	<b>Return on investments</b>	The return on investments and retained earnings on subsidiaries will continue at current depressed levels over the first few years of the LTP	Insignificant  <i>Returns lower than expected would impact on Council's ability to fund services and infrastructure and would likely require an increase in rates.</i>	Low	There is an expectation when agreeing on annual performance that higher returns will be generated.
<b>Funding sources</b>	<b>CCO Income</b>	Dividend income will be received at the levels forecast in this plan.	Moderate  <i>Whitestone Contracting Ltd may deliver a lower than projected dividend and Council will need to source additional funding</i>	Medium	Council and its Management Team review its budget annually through the Long-Term Plan/Annual Plan process.



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
	<b>LGFA - New Zealand Local Government Funding Agency Scheme</b> Council joined this scheme in 2020	Council will secure additional funding at the lowest possible cost, providing greater certainty and duration of funding. The interest payable on the LGFA loans is expected to average between 0.9% and 2.1% over the life of the LTP.	Insignificant  <i>Other borrowing sources will be available, but not necessarily at the lowest rate possible.</i>	Low	Council and its Management Team review its budget annually through the Long-Term Plan/Annual Plan process.
Indoor Sports and Events Centre	Council has committed a contribution of up to \$10 million for an indoor sports and events centre that is expected to cost in the vicinity of \$24 million (uninflated cost) to construct.	<p>The approximate cost of \$24 million to construct the facility is based on a 6 court multiple use facility that will include conference facilities, a gymnasium, catering kitchen and provision for spectators.</p> <p>The Council's commitment to contribute \$10 million is based on the expectation that philanthropic trusts, and other funding sources will provide up to \$14 million.</p> <p>A decision to build the facility will not be made until there is certainty about what could be delivered within the funding constraints</p>	Insignificant  <i>If the external funding target is not achieved then either the scope of the project will need to change or the project will be abandoned.</i>  <i>Should the projected cost of the facility be more than \$24 million it will not impact on Council as the decision has been made to cap Council's contribution at a maximum of \$10 million.</i>	Low	<p>If the project does not go ahead the revenue and related costs currently included in the LTP will have to be removed. This will cause Council to have an unbalanced budget in years 2022 and 2023 of the LTP.</p> <p>Council considers it is financially prudent to have an underlying unbalanced budget for the first two years of the LTP. Council will use excess capacity in its reserves to meet short term requirements to ensure there is no impact on its ability to maintain service levels and to limit any adverse financial impact on the community</p>



Assumption grouping	'What' – the strategic issue	Forecasting assumption/s	Risk if assumption is not correct (refer key) <ul style="list-style-type: none"> <li>Insignificant</li> <li>Minor</li> <li>Moderate</li> <li>Major</li> </ul>	Level of uncertainty (degree of confidence/level of information) (refer key) <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> </ul>	Potential effects and mitigation measures (on Council financial estimates)
Council's strategic direction	<p>Council's strategic direction influences the way Council delivers services and infrastructure to Waitaki's residents. The strategic priorities are:</p> <ul style="list-style-type: none"> <li>Providing high quality core infrastructure and services</li> <li>Determining the best way to deliver 3Waters for the community</li> <li>Working with the community to respond to COVID-19 challenges</li> <li>Creating a District Plan that is fit for the future</li> <li>Striving towards better Council performance</li> <li>Driving best value for rates</li> </ul>	Council's strategic direction will remain constant in years 1-3 of the LTP.	Insignificant	Low	Council can change direction at any point and invest in activities focused on attracting residents, business, and/or visitors. There would be a short-term cost associated with staff redundancies and this expense would need to be included in future financial estimates.
Council's strategic direction					



Table 2 Risk thresholds for significant forecasting assumptions

	Insignificant	Minor	Moderate	Major
<b>Strategic</b>	<ul style="list-style-type: none"> <li>No significant adverse public comment</li> <li>No impact on achievement of LTP objectives</li> <li>Key stakeholder relationships unaffected</li> </ul>	<ul style="list-style-type: none"> <li>Adverse comment in local or social media</li> <li>Letter to CEO, complaints to Councillors</li> <li>May slow achievement of LTP objectives</li> <li>Minor impact on key stakeholder relationships</li> </ul>	<ul style="list-style-type: none"> <li>Local or regional media coverage</li> <li>Will impact achievement of one or more LTP objectives</li> <li>Negative impact on key stakeholder relationships</li> </ul>	<ul style="list-style-type: none"> <li>National media coverage</li> <li>Will significantly impact the achievement of multiple LTP objectives</li> </ul>
<b>Operational</b>	<ul style="list-style-type: none"> <li>No loss of operational capacity</li> <li>Minimal change to service levels</li> <li>Minimal loss of internal capacity</li> </ul>	<ul style="list-style-type: none"> <li>Loss of operational capability in some areas</li> <li>Some disruption to service levels</li> <li>Internal capacity lost for up to 4 weeks</li> </ul>	<ul style="list-style-type: none"> <li>Serious loss of operational capacity for 6 + weeks</li> <li>Disruption to service levels for 4-8 weeks</li> <li>Loss of internal capacity up to 8 weeks</li> </ul>	<ul style="list-style-type: none"> <li>Serious loss of operational capacity for over 8 weeks and major disruptions to service levels of internal capacity</li> <li>Loss of internal capacity greater than 8 weeks</li> </ul>
<b>Financial</b>	<ul style="list-style-type: none"> <li>No impact on financial targets</li> </ul>	<ul style="list-style-type: none"> <li>Up to 2% impact on financial targets</li> </ul>	<ul style="list-style-type: none"> <li>2-7% impact on financial targets</li> </ul>	<ul style="list-style-type: none"> <li>Greater than 7% impact on financial targets</li> </ul>

Table 3 Uncertainty thresholds for significant forecasting assumptions

	Uncertainty description	Description	Likelihood of risk occurring if assumption is incorrect
<b>Assumption</b>	Low uncertainty	Good level of information / confidence in the assumption	Unlikely
	Moderate uncertainty	Moderate level of information / confidence in the assumption	Possible
	High uncertainty	Poor level of information / confidence in the assumption	Likely



## Appendix 2: Significant negative effects

The LGA02 states that the LTP document must: “outline any significant negative effects that any activity within the group of activities may have on the social, economic, environmental, or cultural well-being of the local community”

Group/activity	Significant negative effects	Responses
<b>Heritage, Environment and Regulation</b>		
<b>Heritage and Planning</b> No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	District Plan policies and rules, National Environmental Standards and regulation, their administration via permitted activity status and resource consent decisions can have negative effects on the interests of people within the community.	If these policies and rules and their administration is done effectively and appropriately, the effects should maximise the potential benefits to the community as a whole, which may require some negative effects on individual's interests.
<b>Building services</b> No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	Because the Building Services unit is not able to control the incoming work load sometimes it is not able to issue consents within the statutory time frames.	A short fall in processing capacity can be compensated for by contracting other Building Consent Authorities, approved Contractors or utilise the Southern Cluster resource sharing agreement to assist with the work.
	Compliance costs / affordability – Regulatory activities can impose costs to business and individuals. There is a balancing act between meeting our legislative requirements and ensuring there is sufficient revenue to achieve this.	Remain prudent when considering rises in fees and charges. Review fees and charges against other Districts to ensure alignment.



## INFRASTRUCTURE AND SERVICES

### Roads and footpaths

The roading network condition has potentially serious negative effects for personal safety, economics of freight service, on the direct and indirect local communities.

#### Safety and Service Levels

- Under-investment in roads - Investments in local roading infrastructure compared to other peer councils is low (the focus of roading spend has been in the rural areas for a number of years - this is unsustainable).
- The number of serious and fatal crashes is not reducing and is not supporting the national road to zero action plan.
- Pedestrian safety, with crashes negatively affecting mode change.

Regular reviews of levels of service to ensure they are appropriate and achievable.

Asset information has been assessed as reliable.

Council is increasing the resources for analysis of asset information to target negative effects.

Elevated planning for changing demands.

Continue to monitor road condition (roads and footpaths).

#### Climate Change

- Our road network does not encourage mode change to address climate change outcomes.

Mode neutral designing appropriate to Spatial Plan, District Plan, and Network Operating Framework.

#### Our History and Culture

- Visual impacts on landscape.
- Effects on archaeological sites.
- Effects on heritage areas.
- Effects on areas of cultural significance.

Council leads by example in the development of working in sensitive environments



Water, stormwater and wastewater		
<b>Water Supply</b> The collection, treatment and distribution of water have potential negative effects on the local community.	Location of treatment plants close to residential properties; poor water treatment may cause sickness in the community.	Preventative maintenance, emergency management and Public Health Risk Management Plans, are placed to limit disruption to wellbeing.
	High water supply costs that may affect industries expanding/relocating to Waitaki or treatment upgrades costs being unviable for those ratepayers on low incomes	Implementation of cost-effective upgrades should minimise operational cost increases.
<b>Wastewater</b> The collection treatment and discharge of treated wastewater may have potential negative effects on the interests of the community.	Locations of treatment plants close to residential properties can give rise to issues with odour or noise.	Any complaints are reported and resolved with urgency.
	Trade waste charges may affect industries expanding/relocating to Waitaki or treatment upgrade costs contributing to rating increases that are unviable for those ratepayers on low incomes.	Implementation of cost-effective upgrades should minimise operational cost increases.
	Discharge of waste to land.	Completion of wastewater upgrade projects will mitigate the risk to the environment.
	Managing environmental effects and nuisance - that council appropriately manages odour and sludge disposal from treatment plants, and network overflows and spills.	Final sludge disposal options to be investigated further following oxidation pond de-sludging. Overflows are resolved with urgency.



<p><b>Stormwater</b></p> <p>The collection and disposal of stormwater may have potential negative effects on the interests of the community.</p> <p>The Infrastructure Strategy prioritises and plans the resolution of these issues and recognises that some issues can only be resolved pragmatically over longer periods of time.</p>	<p>Residents will be affected if heavy rain events result in stormwater overflows, flooding properties and land.</p>	<p>Work is planned to better understand secondary flow paths and increase stormwater capacity where necessary.</p>
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Recreation services		
<b>Aquatic services</b> No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	High energy consumption involved in the heating and operation of pools may impact environmental interests.	Use low maintenance regimes where acceptable to community and use modern, low resource technology where feasible
	The social wellbeing of individuals could be impacted by near-drowning, drowning incidents or perception of a danger of drowning.	This is managed by supervision of all pools by trained lifeguards.
<b>Ōamaru Public Gardens</b> No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	Agrichemical – Chemical use may cause damage, irritation or negative perceptions.	Minimise chemical use.  This is also managed through the compulsory adherence by the contractor to: Agrichemical Users Code of Practice – NZS 8409; Regional Plan – Air; and Fertiliser Use Code of Practice – (NZFMRA).  The adherences to these standards are monitored by staff supervising the work.
<b>Parks and reserves</b> No significant negative effects are currently identified, but examples of potential negative effects on the local community are included here.	Conflict between provisions of recreation pursuits (e.g. mountain biking) vs. environmental protection.	This is managed through the Reserves Management Plan.
	Agrichemical – Chemical use may cause damage, irritation or negative perceptions.	Minimise chemical use.  This is also managed through the compulsory adherence by the contractor to: Agrichemical Users Code of Practice – NZS 8409; Regional Plan – Air; and Fertiliser Use Code of Practice – (NZFMRA).  The adherences to these standards are monitored by staff supervising the work.



	Noise – Properties neighbouring parks may experience impacts on privacy, noise and increased traffic congestion around sports parks and facilities during peak use periods.	Ensure activities comply with Reserve Management Plan.
	Behaviour – Parks can attract anti-social behaviour such as graffiti and drug use.	Work with Police to monitor and manage undesirable behaviour.
	Cemeteries – Locations of Cemeteries can affect property values.	Consult with Community on new Cemeteries or changes in use of Parks.
<b>Waste management and minimisation</b>		
<b>Waste and environmental solutions</b> Waste collection and management services may have waste management potential negative effects on the interests of the community.	Recoverable resources which end up at the landfill are a loss of resource efficiency.	Programmes and communications promoting correct recycling practices are continually being developed and improved.



There are no significant negative effects identified for the following groups/activities:

Group	Activity
Council	District Leadership Customer service Council support services Communications Economic Development
Property Management and Investment	Commercial property Community housing
Heritage, Environment and Regulation	Regulatory and environmental: <ul style="list-style-type: none"> <li>• Environmental health</li> <li>• Enforcement</li> <li>• Animal Control</li> <li>• Regulatory services</li> <li>• Emergency management and Civil Defence</li> </ul> Community development and engagement
Arts, culture and community	Waitaki District Libraries Forrester Gallery, Waitaki Archive & Museum Te Whare Taoka o Waitaki Ōamaru Opera House



## Appendix 3: Māori contribution to decision-making

### Purpose

The purpose of this policy is to acknowledge the value of Māori contribution to Council decision-making and commit to strengthening relationships and enhancing opportunities for dialogue.

### Background

Although the Treaty of Waitangi is between Māori and the Crown, the Local Government Act 2002 (LGA02) imposes certain obligations on local government to reflect those Treaty obligations. Section 81 of the LGA requires all local authorities to develop ways that it can involve local Māori in the Council decision-making process.

Council values the contribution Māori make to Council decision-making. We are committed to giving effect to the principles and intent of the Treaty of Waitangi and to engaging in genuine and appropriate consultation with Māori.

Council acknowledges that Te Rūnanga o Ngāi Tahu is the representative of Ngāi Tahu Whānui and that where any enactment requires consultation with any iwi or any iwi authority, that consultation shall, with respect to matters affecting Ngāi Tahu Whānui, be held with Te Rūnanga o Ngāi Tahu.

Council is a signatory to the following agreements with Māori:

- Governance Charter Te Ropu Taiao Otago for Kāi Tahu ki Otago and the local authorities of Otago (2015).
- Memorandum of Understanding with Te Rūnanga o Moeraki (2016).
- Relationship Agreement with Waitaha Taiwhenua O Waitaki Trust Board (2020).

### Policy

Where Council is seeking to engage with tangata whenua as a collective it is mandated to engage firstly with Te Rūnanga o Ngāi Tahu.

Council will encourage both formal and informal opportunities for developing a closer relationship with groups representing local Māori.

Council acknowledges that the involvement of local Māori in the Council decision making process is not restricted to matters directly affecting the Rūnanga.

Council will provide opportunities for discussion on a wide range of matters in the early stages of policy development and planning.

Council will respect the views expressed on behalf of local Māori and foster close collaboration at an operational level.

Council may enter into a Memorandum of Understanding or Relationship Agreement to formally recognise any such relationship and the expectations of it.



## Glossary

### Takata Whenua

People of the land.

### Mana Whenua

The political and occupational authority over a particular area usually defined by natural boundaries. Kai Tahu hold mana whenua status in most of the South Island. The political centre of Kai Tahu within Waitaki District is Moeraki. Waitaki District Council recognises mana whenua through its relationship and engagement with Te Rūnanga o Moeraki and its Relationship Agreement with Waitaha Taiwhenua O Waitaki Trust Board. The Treaty of Waitangi, and legislative responsibilities under the Resource Management Act 1991 (RMA), the Local Government Act 2002 (LGA02), the Te Rūnanga o Ngāi Tahu Act 1996, and the Ngāi Tahu Claims Settlement Act (NTCSA), oblige local and territorial authorities to consult with Te Rūnanga o Moeraki.

### Taura Here

Māori who do not identify with a mana whenua group in the Waitaki District. They may identify with iwi or hapū whose tribal rohe are elsewhere in New Zealand, or they may not have any particular tribal affiliations. They are sometimes referred to loosely as "urban Māori."



## Appendix 4: Variation between Council's Long Term Plan and assessment of water and sanitary services and waste management plan

Council is required to have a Water and Sanitary Services Assessment and a Waste Management and Minimisation Plan. Under the Local Government Act (2002) Council must identify and explain any variation between these two documents and the Long Term Plan.

### Water and Sanitary Services

The Water and Sanitary Services Assessment is a review of all public and private services relating to:

- Water
- Wastewater
- Rubbish and Recycling
- Public Toilets
- Cemeteries.

Its purpose is to assess the adequacy of water and other sanitary services for communities within the district from a public health perspective. The assessment takes account of health risks, quality of services, current and estimated future demands, the extent to which drinking water provided by water supply services meets applicable regulatory standards and the actual or potential consequences of stormwater and sewage discharges. Council completed this assessment in 2005.

Following a recent desktop review of water and sanitary services (2020), Council has not identified any significant variation to those previously identified in 2018, namely:

#### Water

##### *Amalgamation of water supplies*

Further reducing the number of public supplies as Hampden/Moeraki and Herbert/Waianakarua connects to and becomes a zone within the Ōamaru Water Supply.

##### *Resilience and Security Changes*

Improved resilience of the Ōamaru Water Supply through increased treated water storage at Ōamaru Water Supply. Improved security of treated water storage at Ōmārama Water Supply.

#### Wastewater

##### *Environmental*

Improved treated wastewater discharge through land disposal systems at Moeraki and Ōmārama.



### *Duntroon septic tank*

A resource consent application for the Duntroon community septic tank was submitted to comply with the Canterbury Land and Water Regional Plan and is being processed. The system will likely require an upgrade.

### *Hampden Onsite Management Systems*

The first round of the Hampden Onsite Wastewater Systems inspection and cleaning was completed.

### *Stormwater*

#### *Canterbury area*

A global resource consent was obtained for reticulated urban stormwater systems within the Canterbury area. Consent conditions include requirements for a Stormwater Management Plan and Erosion and Sediment Control measures.

### *Solid Waste*

#### *Operational Landfills*

Council closed the Ōamaru landfill during 2017 as the landfill resource consent expired. This was replaced with a new Ōamaru transfer station and signing of a Memorandum of Understanding between the Council, the Waitaki Resource Recovery Trust and Waste Management NZ Ltd. to ensure a range of quality, accessible waste management and minimisation services are available. The Palmerston landfill resource consent expires in 2027.

### *Waste Management and Minimisation Plan*

The Waste Management and Minimisation Plan 2018-24 sets out the funding, objectives and methods for achieving effective and efficient waste management and minimisation.

### *Public Toilets*

New toilets provided at Katiki Straight North. The toilets at All Day Bay, Ōmārama and Weston were refurbished and two new dump stations constructed in Ōmārama and Palmerston.

The newly developed 2018 Public Toilet Strategy provides an assessment of public toilets and sets the direction for managing, operating and maintaining public toilets in the district.

Privy type (long drop) toilets are serviced regularly to minimise any health and environmental risks.

### *Cemeteries*

New area developed in the Ōamaru Cemetery.



