

Supplementary items to the following meeting:

Meeting	Kaipara District Council
Date	Wednesday 23 May 2018
Time	9.30am
Venue	Northern Wairoa War Memorial Hall, Dargaville

Open Agenda: Supplementary Items

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5.2	Draft Long Term Plan 2018/2028	1
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Jason Marris

General Manager Governance, Strategy and Democracy

1601.22

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Membership

Chair: Mayor Jason Smith

Members: Deputy Mayor Peter Wethey
Councillor Anna Curnow
Councillor Victoria del la Varis-Woodcock
Councillor Julie Geange
Councillor Libby Jones
Councillor Karen Joyce-Paki
Councillor Jonathan Larsen
Councillor Andrew Wade

File number: 2303.19.01 **Approved for agenda**

Report to: Council

Meeting date: **Wednesday 23 May 2018**

Subject: **Draft Long Term Plan 2018/2028 Adoption**

Date of report: 16 May 2018

From: Jason Marris, General Manager Governance, Strategy and Democracy

Report purpose **Decision** **Information**

Assessment of significance **Significant** **Non-significant**

Summary

This report asks Council to adopt the Draft Long Term Plan (LTP) 2018/2028 in principle, to ensure that Council's auditors have sufficient time to comprehensively audit it as is legislatively required, prior to final adoption at the June 2018 Council meeting. Decision-making occurred on the Issues and Options papers during the previous item on this Council agenda, and staff will make any changes as a result of those decisions (with delegation to approve such changes provided to the Mayor and Chief Executive), before providing it to the auditors. Once the audit opinion is received, Council will adopt the Final LTP 2018/2028 at its 26 June 2018 meeting, so that legislative requirements can be met.

Recommendations

That Kaipara District Council:

- 1 *Receives the General Manager Governance, Strategy and Democracy's report "Draft Long Term Plan 2018/2028 Adoption" dated 16 May 2018; and*
- 2 *Believes it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with the provision of section 79 of the Act determines that it does not require further information prior to making a decision on this matter; and*
- 3 *Notes that the following policies and strategies are included in the Draft Long Term Plan 2018/2028;*
 - a. *Financial Strategy;*
 - b. *Infrastructure Strategy (2018/2048);*
 - c. *Funding Impact Statement Rating Tools;*
 - d. *Significance and Engagement Policy;*
 - e. *Revenue and Finance Policy;*
 - f. *Rates Postponement and Remission Policy;*
 - g. *Early Payment of Current Year Rates Policy;*
 - h. *Early Payment of Rates for Subsequent Years Policy;*
 - i. *Maori Freehold Land Rates Postponement and Remission Policy; and*

- 4 *Adopts, in principle, the Draft Long Term Plan 2018/2028 (Attachment 1 to the above-mentioned report) for audit review, amended to include the decisions made at item 5.1 on this agenda (Council meeting 23 May 2018); and*
- 5 *Delegates the Chief Executive and Mayor to approve editorial changes to the Draft Long Term Plan 2018/2028 and changes to reflect the decisions made at item 5.1, above; and*
- 6 *Notes that the audited Draft Long Term Plan 2018/2028 will be reported to the 26 June 2018 Council meeting for formal adoption.*

Reason for the recommendations

To enable the Council Auditors to have confidence that Council has approved the Draft LTP 2018/2028 in principle, prior to their comprehensive audit.

Reason for the Report

To adopt the Draft LTP 2018/2028 in principle for audit review.

Background

Council adopted its LTP Consultation Document “A bright future” as well as the following supporting documentation on 28 February 2018:

- Significant Forecasting Assumptions;
- Financial Strategy;
- Infrastructure Strategy;
- Activity Profiles; and
- Asset Management Plans.

The formal consultation period commenced Monday 05 March 2018 and closed Thursday 05 April 2018. 268 submissions were received. During the consultation period, Council held nine drop-in sessions and, once feedback had closed, held two hearings and three public briefings to inform the Draft LTP 2018/2028.

Council deliberated and decided on the various issues and options provided as a result of the consultation on the Draft LTP 2018/2028 during the previous item on this Council agenda. The Draft LTP 2018/2028, **Attachment 1** of this report, has been compiled based on the recommendations contained within the Issues and Options papers in the previous report.

Council is now being asked to adopt the Draft LTP 2018/2028 in principle for Audit review, incorporating the decisions made during the previous item. If there were any changes made during the decision-making on the Issues and Options papers, staff will amend the Draft LTP 2018/2028 (with approval by delegation to the Mayor and Chief Executive) prior to the Draft LTP 2018/2028 being provided to Council’s Auditors.

Councils are required by legislation to have adopted an LTP prior to the start of the first financial year to which it relates (i.e. 01 July 2018, in this case). Once the Draft LTP has been amended to reflect decisions made at this meeting, Council’s Auditors will undertake and sign-off their full audit of the LTP. The Draft LTP will then come back to the 26 June 2018 meeting of Council for final adoption. The

26 June 2018 meeting does not represent a realistic opportunity for Elected Members to relitigate the decision and policies on which it has been based or to make further changes. If this was to occur there is a risk that the LTP would need to be re-audited. Even if a re-audit was not required, there would not be sufficient time for the changes to be made and adopted to enable Council to meet its statutory obligations.

Importantly, once the Final LTP 2018/2028 is adopted at the 26 June 2018 meeting, Council will then need to formally adopt the rates resolution for the 2018/2019 year.

Key information in the Draft Long Term Plan 2018/2028

Assuming approval, operational expenditure (Opex) over the 10 year period will be \$525 million, with Capital Expenditure (Capex) over the same period, amounting to \$230 million, as per the consultation document.

The rates increase for the 2018/2019 year will be 5.45%, comprising 3% from general rates and targeted rates of 2.45%. For 2019/2020 the increase will be 5.53%, in 2020/2021 it will be 4.76% and for the years 2022 to 2028 the average rates increase will be 2.72%. These increase were as consulted on.

Council has significantly reduced its debt over the past three years, and the Draft LTP 2018/2028 continues to forecast this debt reducing further. It is now projected to be \$21 million by June 2028, which is lower than forecasted in our Consultation Document.

Issues

The Draft LTP 2018/2028 has been created based on Issues and Options reports themed from the Consultation Document, Supporting Information and public engagement. Council decision-making has been based around these Issues and Options. These Issues and Options were deliberated on and decisions were made during the previous agenda item.

Factors to consider

Community views

The community's views were received through the consultation period, and subsequent hearings, to inform the Draft LTP 2018/2028.

Policy implications

Any proposed changes to policies were part of the decision-making and consultative process of this Draft LTP 2018/2028, a process that was consistent with the relevant legislative requirements.

Financial implications

The adoption of the Draft LTP 2018/2028 will finalise the budgets and consequential impact on rates for the 10-year period it covers. It also represents adoption of the Annual Plan 2018/2019.

Legal/delegation implications

Council is required to adopt its LTP before the end of the financial year. The process has been designed to allow this adoption to occur. This report seeks adoption, in principle, to allow Council's Auditors to complete their comprehensive audit, in time for adoption of the Final LTP in June 2018.

Options

Council has two options:

Option 1: Adopt the Draft LTP 2018/2028 in principle, for audit review.

Option 2: Not adopt the Draft LTP 2018/2028 in principle.

Assessment of Options

Option 1. Adopt the Draft LTP 2018/2028 in principle. It is best practise for Council to adopt a Draft LTP to provide Council's Auditors confidence in the document. This then allows Council's Auditors to perform their comprehensive audit of the Draft LTP, and provide their Audit Opinion in time for the Draft LTP to be formally adopted by Council in June 2018. Timeframes are very tight for this process to occur.

Option 2. Not adopt the Draft LTP 2018/2028 in principle. This option is not the recommended option. If Council exercises this option, the ability to complete the Audit of the Draft LTP and subsequent adoption of the Final LTP 2018/2028 in June 2018 as is legislatively required, would be at considerable risk.

Recommended option

Option 1 is the recommended approach.

Assessment of significance

These decisions are the result of the formal Draft LTP 2018/2028 consultation process. This is undertaken according to legislative guidelines and Council's Significance and Engagement policy.

Next steps

Staff will make the required changes to the Draft LTP 2018/2028 as a result of the decisions made at item 5.1 of this agenda. The Draft LTP 2018/2028 will then be provided to Council's Auditors for comprehensive review. The Final LTP 2018/2028, which will include the Audit Opinion, will be placed on Council's agenda for adoption at the 26 June 2018 Council meeting.

Attachments

- Attachment 1 Draft LTP 2018/2028

A Bright Future

Kaipara District Council

Long Term Plan 2018/2028

Part One

Introduction

Financial Strategy

Infrastructure Strategy

Services and Activities

Cover in design process

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Mayor's Foreword

Work in progress

draft



draft

Your Councillors



Dr. Jason Smith
Mayor



Peter Wethey
Deputy Mayor



Julie
Geange



Karen
Joyce-Paki



Anna
Curnow



Libby
Jones



Jonathan
Larsen



Victoria del la
Varis-Woodcock



Andrew
Wade



Introduction

In October 2016 the Kaipara District returned to elected governance, this Long Term Plan is the resulting Council's plan for the district over the next ten years. It is Council's commitment to Kaipara's communities, the relationship agreement with the district's residents.

Kaipara is faced with a set of competing and connected challenges. The challenges of maintaining our roading network across a largely unsealed network, the challenge of providing an overarching framework to rapidly developing growth areas in our district, the challenge of supporting the growth aspirations in other areas of the district, the challenge of supporting all of our smaller towns and communities, the challenge of making the Council organisation fit for purpose.

We face the challenge of meeting the present and future needs of the Kaipara within the fiscal constraints of affordable rates and a sustainably managed debt burden. As we look forward to 2028, this Plan sets out how we will respond to these challenges to contribute to building a thriving and sustainable future for Kaipara, its communities and residents



Our vision

In 2017 the elected Council spent time on a new vision for Council and the community.

That vision was adopted in July 2017 as “Thriving Communities Working Together”.

Community Outcomes

A district with welcoming and strong communities

- Assisting and supporting community involvement.
- Maintaining and improving infrastructure.
- Recognising and supporting achievement.

A trusted Council making good decisions for the future

- Making it simpler to work with us.
- Open, transparent and engaged with communities and business.
- Intent on lifting Kaipara’s well-being.

A district with plenty of active outdoor opportunities

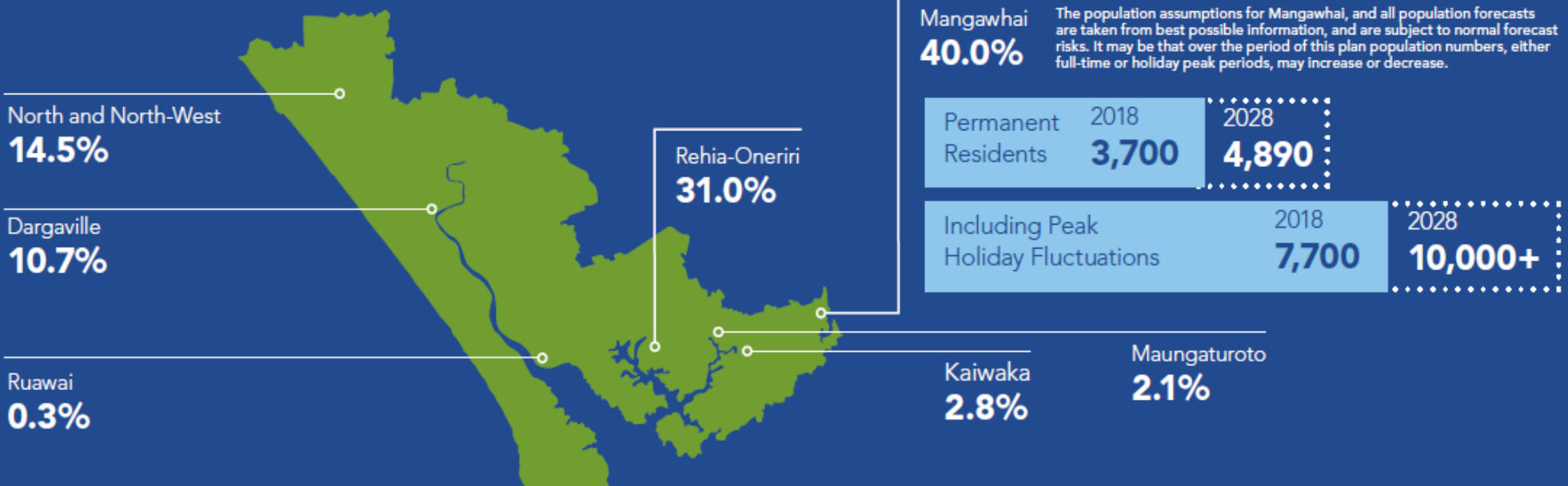
- Partnering with communities to develop sports and recreation facilities.
- Protecting and enhancing our natural assets and open spaces.

Who are we?

ESTIMATED POPULATION*

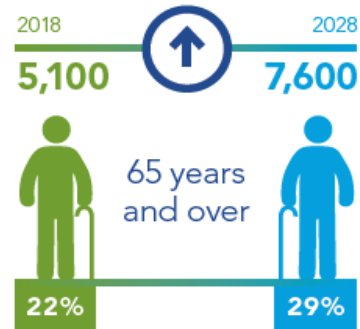
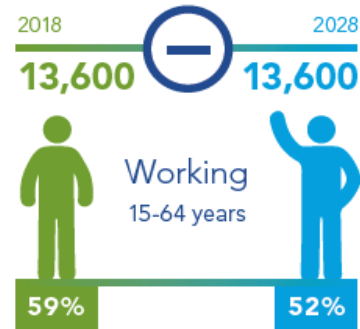
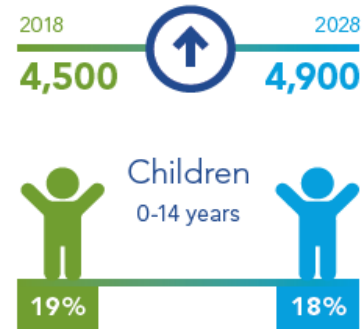
Permanent Residents		2018 23,100	2028 26,000
Including Peak Holiday Fluctuations		2018 30,000	2028 38,000

PROJECTED POPULATION GROWTH

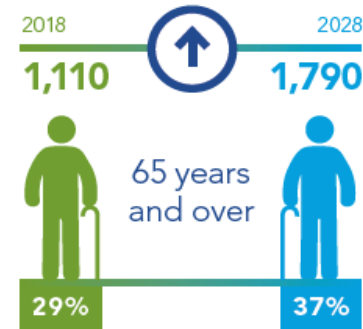


AGE OF POPULATION

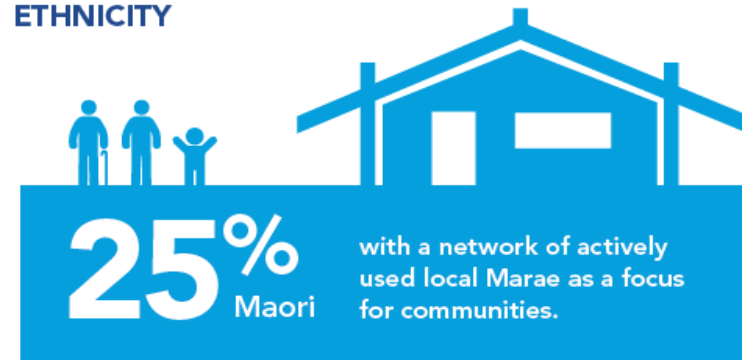
Kaipara District



Mangawhai



ETHNICITY



Council's two Treaty Settlement partners are Te Uri o Hau and Te Iwi o te Roroa.

OCCUPATION²



IN THE FUTURE



¹ Infometrics/Statistics New Zealand Kaipara Population Growth

² For the year 2016

What is a Long Term Plan (LTP)?

The Long Term Plan (LTP) sets out Council's financial strategy and position for the next 10 years. It complies with the Local Government Act 2002 (LGA) requirements and processes. The LTP shows how changes in Council activity will have an impact on rates and charges over the period. We are required to develop an LTP every three years to:

- adapt to changes in our circumstances,
- reflect changes from updated information, and
- reflect changes in external factors and to community need.

Council must consider the impact of decisions made now on the future ratepayers and service users. Many of Council's assets will last beyond a 10 year period and Council also produces a 30 year Infrastructure Strategy. Today's Council is responsible for handing over assets for future generations.

In releasing its consultation document – *A Bright Future* Council provided a platform for public participation in the decision-making. It highlighted the decisions before Council, the proposals being considered and how these might impact on the community both as users and payers for these services.

In putting together this Long Term Plan Council held a number of public briefings and also received presentations from interested community groups and organisations.

Between the three yearly Long Term Plan reviews, Council produces an Annual Plan for each financial year. Council will only consult on the Annual Plan when there will be significant or material differences from the content of the Long Term Plan.

Each year Council produces an Annual Report which outlines what Council actually did that year compared to what it was planning to do in the Long Term Plan or Annual Plan.

It is important to note that the financial information contained in this document is forecast information based on assumptions of what Council reasonably expects to occur. We have endeavoured to make sure that our financial forecasts are as accurate as we can reasonably make them based on the information we currently have.

We have done our best to keep jargon and abbreviations to a minimum, but there are some words that have been used because of legislation or the specialised activities that Council carries out. For example, 'community outcomes' come from the Local Government Act. Please refer to the glossary on [page 203](#) for an explanation of unfamiliar terms.

The LTP includes:

Part One

- Financial Strategy 2018/2028
- Infrastructure Strategy 2018/2048
- Activity Group Statements

Part Two

- Audit Report
- Prospective Financial Statements
- Notes to Financial Statements
- Funding Impact Statement
- Significant Forecasting Assumptions
- Policies

Further detail on activities and when specific projects are planned to occur is contained in the detailed budgets and in Council's Activity Management Plans. These Activity Management Plans are useful supporting information as they provide the foundation for the preparation of this Long Term Plan. The other reason for looking at them is that they outline Council's planned capital works or key projects for the next 20 years, so they go beyond what is contained in this Long Term Plan.

Key decisions

In consulting on this Plan Council received 268 submissions, held 21 consultation events attended by over 200 people and three public briefing sessions. Two public hearings were held for people to speak to their submissions.

Having worked through all of this information and feedback the Council made the following key decisions.

Issue	Decisions
A Thriving Kaipara	Investigate: <ul style="list-style-type: none"> • improved digital capabilities for our communities; • facilitating business development; • increased support for the Kaipara tourism sector; • a digital community hub for Dargaville; • advanced implementation of the Placemaking programme in Dargaville; and • establishment of a growth-focussed Council Controlled Organisation (CCO)
District Plan	Allocated \$3.0 million in the first three years and \$4.32 million over the subsequent seven years to undertake a comprehensive review of the District Plan.
Forestry Targeted Rate	Extended the Forestry Targeted Rate of \$397,800, adjusted annually for inflation, for each year of the LTP.
Mangawhai Community Plan (MCP)	Agreed to commence implementation of the MCP from 218/2019 funded through a 20% district-wide general rate and an 80% differential rate levied on properties located within the Mangawhai Harbour Restoration area.
Mangawhai Community Wastewater Scheme	Included \$20.05 million, funded through debt over the 10 years to 2028 for the upgrade and extension of the Scheme to accommodate new connections. The growth portion shall be levied on future connections through development contributions.
Mangawhai Harbour Restoration Targeted Rate	Set the targeted rate at \$71.03 (GST incl.) per property and agreed to consult on increasing the rate back to its original level (of around \$80) through the 2019/20 Annual Plan process.

Issue	Decisions
Reserve Contributions	Adopted a new Reserve Contributions (Use Of) Policy containing three new components: <ul style="list-style-type: none"> • Dividing the District into four new catchments; • 80% of funds collected in each catchment to be allocated to spending in it; and • Establishment of a contestable fund to allocate funding from the reserve contributions pool
Sporting Facilities	Allocated a one-off grant to Sportsville for the 2018/2019 financial year and identified Sportsville and MAZ as projects to be supported by the NRC regional facilities rate. Agreed to assist other sports, recreation and community facilities across the district where appropriate
Tangowahine District Drainage Scheme	Continued the targeted rate of \$2,875 (GST incl.) throughout the LTP 2018/2028.
Te Hapai Flood Protection	Included a targeted rate for the Te Hapai Drainage District to raise \$85,000 a year throughout the period of the plan.
Transport	Approved transport budgets totalling \$140 million in operating expenditure and \$129 million in capital expenditure over the ten years to 2028. Transferred \$200,000 in each of the first three years of the plan from the Low Cost Low Risk work category to the Walking and Cycling and New Footpath categories to fund the implementation of Council's walking and Cycling Strategy and new footpaths programme. Agree to pursue funding through the Provincial Growth Fund (PGF) for the Pouto Road and Kaiwaka-Mangawhai Road bridge projects.
Pensioner Housing	Agreed to the continued investigation of alternative options for the land owned at Fagan Place in Mangawhai, including the possibility of working with external partners.

A wide and varied range of other issues were raised and discussed during the preparation of this plan and factored into it, including:

Climate change

Across the district there is significant interest and concern relating to how Council acknowledges and deals with the current and future challenges associated with climate change. The warming of the planet and the effects of climate change on the planet are thoroughly and extensively documented, well understood and widely accepted. The Kaipara, situated on two harbours, is exposed and pre-disposed to the effects of sea level rise. We must be mindful and prepared to confront the associated risks. Council's

infrastructure strategy contains a wide range of initiatives through which we will undertake work and projects and advance ongoing research into the effect of climate change. Similarly, a focus of our financial strategy is achieving the financial resilience to respond to these challenges.

Arts and culture

Council makes a significant contribution to arts and culture in the Kaipara through a number of the services and activities that it provides. A clear message that came through from submitters was that people would like to see Council do more in this area. To do this Council will work with this sector to gain an improved understanding of their needs and requirements and work to find innovative ways to support this enriching activity throughout the district.

Relationship with Maori

Maori are New Zealand's indigenous people and have a special relationship with the land and the district's resources. These relationships are at the heart of Kaipara's cultural well-being. In light of this, it is important that the Council continually strives to have the highest quality and most constructive relationship with tangata whenua. To contribute to this Council is an active participant in the Iwi Local Government Agencies Chief Executive Forum, a dedicated Iwi Relations Manager, co-governance arrangements and relationships at various levels of Council, Te Reo classes and Maori Protocol Development. The quality of Council's relationship with Maori remains an area which we view as a priority.

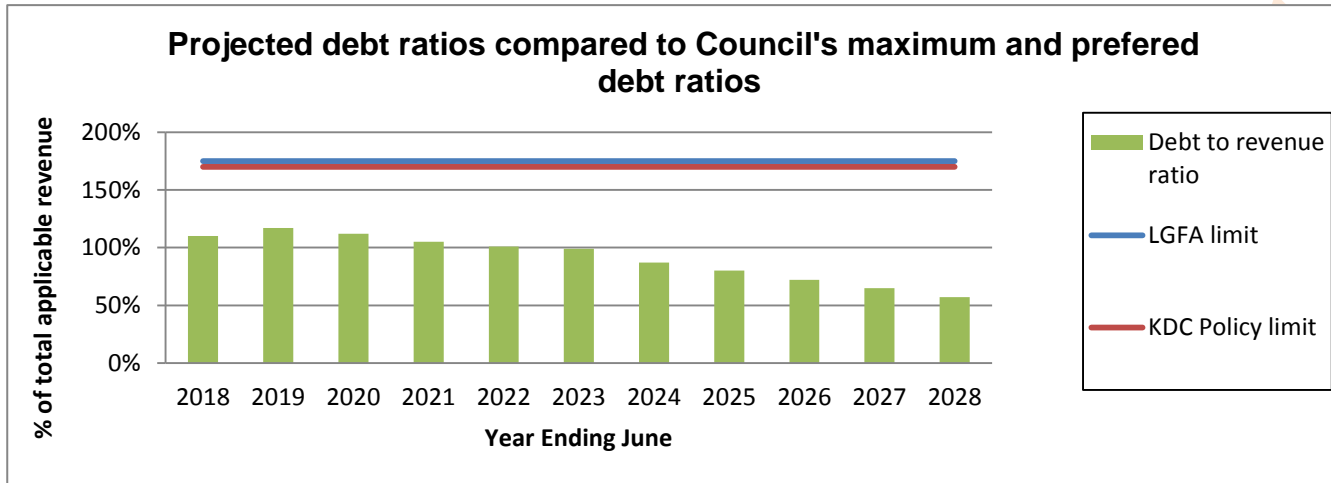
Community planning

While Council has initially focused on developing major community and placemaking plans for its two main urban centres, we recognise the value in extending community-based planning exercises throughout the district and into our smaller towns and communities. The most effective way to approach this work is for it to be community-led and Council will work with its communities to determine how it can best provide a catalyst and support community planning across the district. In so doing, Council will improve its understanding of its communities and the communities will be better placed to work with and alongside their Council.

Waste and recycling

Council has many levers through which it directly impacts on environmental policy and therefore contributes to addressing challenges such as climate change. One of these is how we manage and minimise the district's ever growing waste stream. There was a strong message that came through from submitters that Council needs to continue to improve its efforts and performance in this area. This will continue to include advancing initiatives detailed in the Waste Minimisation and Management Plan including, up-cycling facilities, shared green waste areas, a zero waste policy, consideration of a regional waste to energy plant and a circular economy models.

Finances at a glance

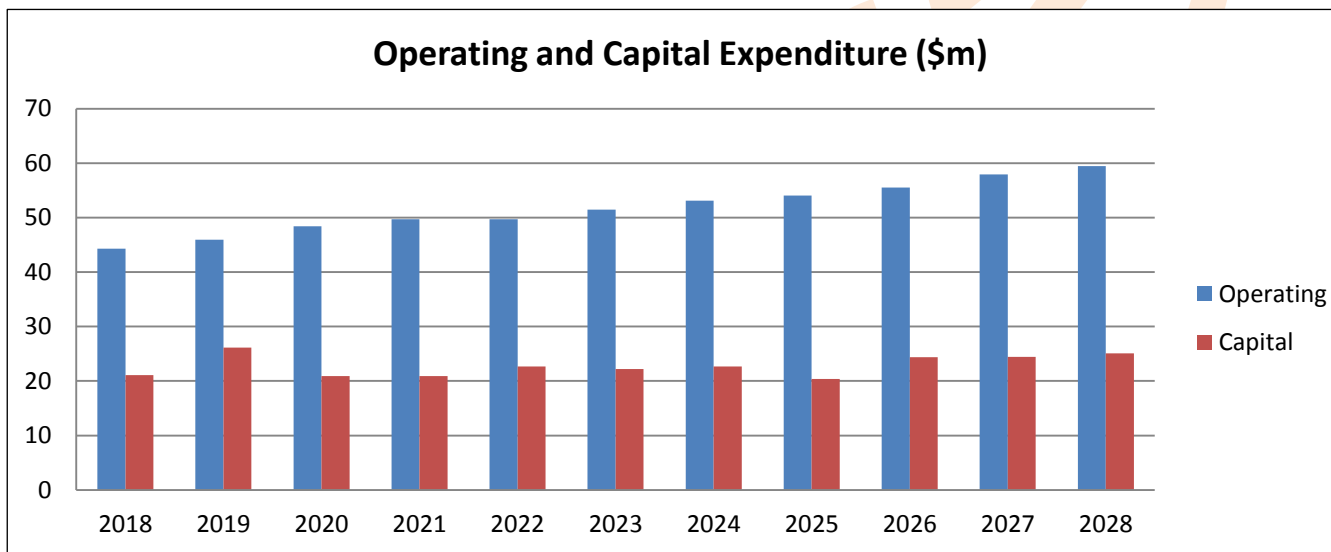


Debt

Debt requirements continue to reduce over the 10 years, from \$70 million to \$40 million

Council's debt ratios are below Treasury Policy and LGFA limits at all times during the life of the Plan.

The district portion of the Mangawhai Community Wastewater Scheme debt, originally \$17 million has been reduced to \$XX June 2018. The district-wide portion of the debt is due to be repaid by month/year.



Total expenditure

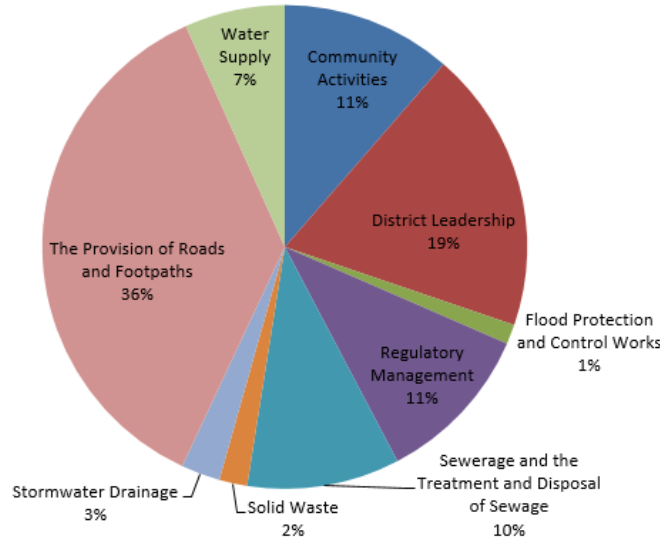
Council is keeping spending low and delivering basic service levels.

Additional expenditure on roading and some for community development has been included.

Capital expenditure gradually increases towards the end of the Plan as catch-up renewals are provided for.

Operating expenditure is \$525 million over the 10 years; capital expenditure is \$230 million over the same period.

Operating expenditure (\$525 million) over the next 10 years by activity

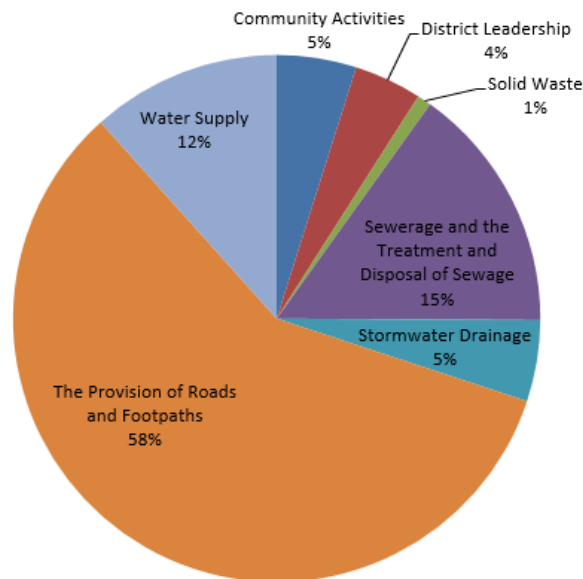


Operating expenditure

47% of operating expenditure is spent on the Provision of Roads and Footpaths and Sewerage and the Treatment and Disposal of Sewage.

A further 40% is spend on Community Activities and District Leadership.

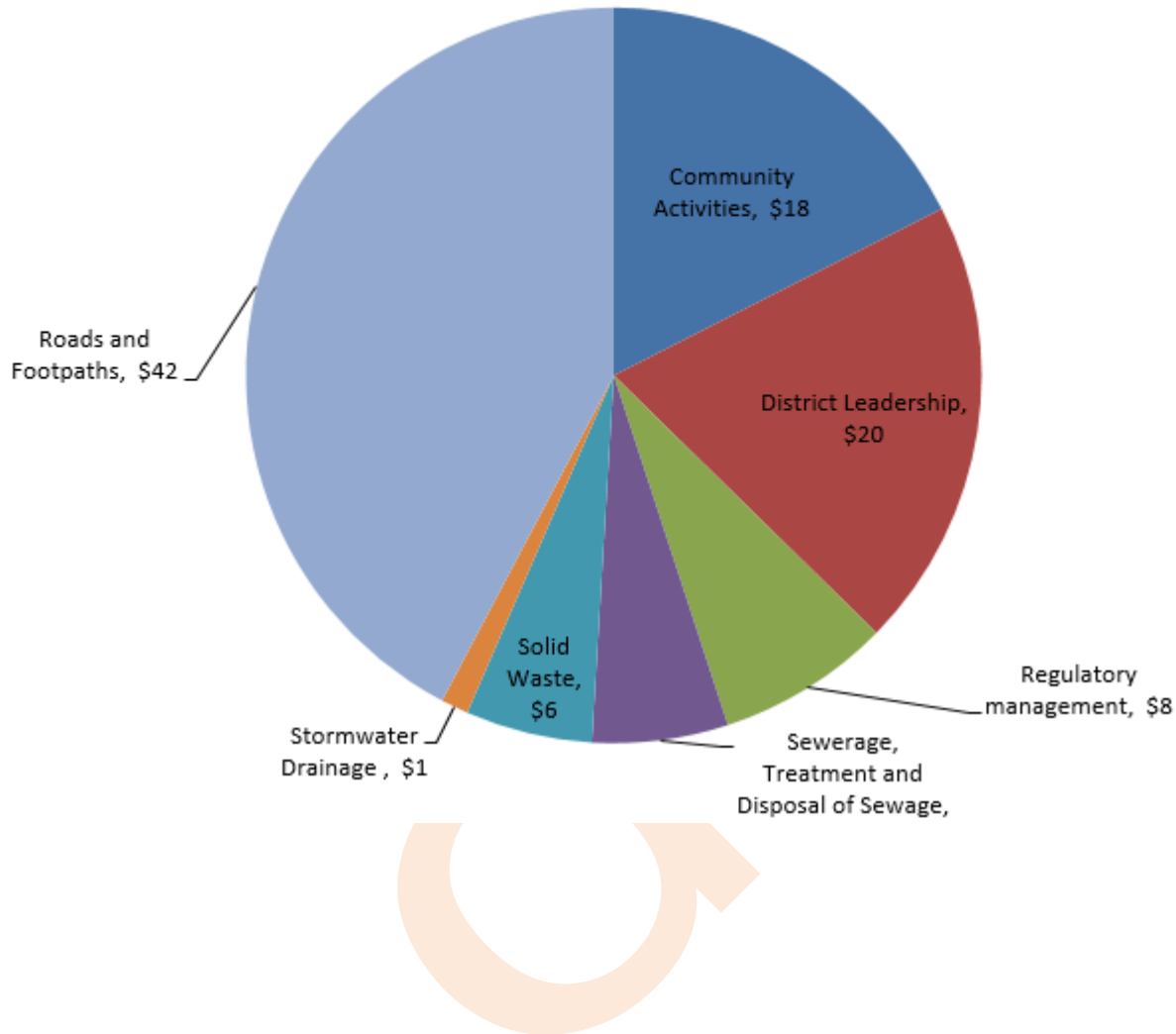
Capital expenditure of \$230 million over the next 10 years by activity



Capital expenditure

58% of capital expenditure is spent on the Provision of Roads and Footpaths.

\$ funding per activity for every \$100 of general rates for 2018/2019



Each \$100 of general rates funds approximately \$42 of the Provision of Roads and Footpaths, \$18 towards Community Activities and \$20 towards District Leadership.

General rates that are paid by the whole district accounts for \$22.4 million of the \$34.4 million rates collection.

Note: Localised targeted rates (\$12.0 million in total) are not represented in the pie chart. These are in addition to the district-wide rates.

Efficiencies and savings

A clear theme that came through during the consultation on this plan was a need for things to be done more efficiently and for savings to be achieved. This message was clearly heard and well understood and Council is determined to continue to take a continual improvement approach to delivering on these expectations. Two of the key components of this focus are:

- a rolling review of each service area and benchmarking against our peer councils to identify and secure ongoing targeted efficiency gains; and
- the development of more effective and extensive digital and electronic services. Such services tend not to result in immediate direct savings, but medium-to-long term will help drive operational efficiency. In addition, this work will result in improved customer service and greater resident satisfaction.

It is important to note, however, as a fast-growing district it is not Council's intention to cut services and restrict delivery to residents through wholesale or arbitrary cost cutting. No appetite for such an approach was apparent through the consultation on which this plan is based.

The four well-beings

Legislation currently in front of Parliament will restore the purpose of local government to be “to promote the social, economic, environmental and cultural well-being of communities”, otherwise referred to as the four well-beings. Everything Council does contributes, both directly and indirectly, to one or more of these well-beings. The return of this purpose to local government legislation provides a useful framework through which council's activities and contribution and investment can be prioritised and understood.

Financial Strategy

1.0 Overview

1.1 Introduction

Council works with the people of Kaipara to make it a welcoming place with strong communities and active outdoor activities. We will be open and engaged with our communities and strive to lift Kaipara's well-being.

To achieve this Council must ensure it is financially resilient and has equitable and sustainable funding. Through the services we deliver and our community leadership role, we can make a significant contribution to the future success of the District. The delivery of these services will be efficient, effective and appropriate for the circumstances now and in the future.

Council's approach to sustainable management is a simple one:

- run a balanced budget;
- treat the District equitably;
- have a sustainable Plan; and
- prudently use debt.

1.2 Challenges

The Long Term Plan 2015/2025 made significant progress positioning Council to be operating in a sustainable manner. Operations are funded from current year rates and income with only a few exceptions. Debt has been reduced through tight fiscal management and asset sales. We are halfway through a six year programme to improve asset information.

Challenges preparing the Long Term Plan 2018/2028 and our projected positions include:

- **Policy criteria**

Many of the district's assets and infrastructure systems have been maintained on an as required basis with renewals deferred as long as possible. In contrast, our communities are demanding improved levels of service. In addition communities are actively engaged in the process of planning for their area and through this seek more and better community amenities. These drive up costs putting our affordability policy and our ability to hold rate increases to LGCI plus 2% under pressure.

- **Reducing debt**

A success of the past three years is the significant reduction of debt beyond that forecast in the Long Term Plan 2015/2025. Debt is projected to be \$48.2 million at June 2018 compared with \$70.7 million forecast in the Long Term Plan 2015/2025. Continuing to achieve debt reduction and building infrastructure requires prioritising projects and balancing residents expectations with affordability.

- **Rating structure**

The rating structure is under strain from two directions. Firstly, the rating revaluations at 01 September 2017 significantly moved the incidence of rates to residential (including lifestyle blocks less than 2 ha) and away from dairy and pastoral farming ratepayers. Within residential some areas, lower valued properties in particular, saw substantial rises in value, and as a consequence a larger than average increase in liability for rates. Council considered options to ameliorate the impact of the revaluations on ratepayers including a cap on annual increases, remissions and adjustments to the level of the UAGC. After consideration the status quo prevailed.

Secondly, the forward projections indicate large increases to some of the Three Waters (water supply, wastewater and stormwater) targeted rates as renewal catch-ups are undertaken and infrastructure is improved. Assessing the targeted rates for defined capital costs by each scheme may well be constrained by affordability. Refer to Three Waters section.

Rate options were considered to fund the Mangawhai Community Plan projects. These included general rates, targeted rates and a new Mangawhai differential.

- **Diverse growth patterns**

The disparity of growth in areas of the district accentuated over the past three years. The east, Mangawhai, has grown and is forecast to continue to do so. While some of the capital costs required to meet the growth are financed by development contributions, the ongoing operating costs apply pressure on current ratepayers. The growth in the east is not matched in central and western areas. This raises issues of equity; who should pay.

Managing the consenting processes together with monitoring and if necessary enforcing consent conditions arising from this growth has put Council services under pressure.

- **Council services**

All councils are judged by their response to customer enquiries, standard of public amenities and other easily observable issues. An outcome of the tight fiscal management and need to balance the budget has resulted in Kaipara District Council's investment in many of these frontline and back office services being neglected or held at a minimal level. There is a need for us to improve performance in many areas. To achieve this requires investment in technology, staff and amenities. Prioritising what some may view as non-essential expenditure was required, and contributed to the increase in rates.

- **Three Waters**

Operating costs of the Three Waters (Water Supply, Stormwater and Wastewater) are standardised across all schemes other than Te Kopuru. This reflects the principle that the same service is received therefore the recipients should pay the same. For historic reasons Te Kopuru is excluded and rated on a stand-alone basis. Recovery of capital costs are calculated and rated on a per scheme basis. This means as renewals and upgrades are undertaken and the capital portion of the targeted rates adjusted on a scheme by scheme basis affordability may become an issue. While this will occur beyond the term of this Plan, Council considered normalising the capex of the water and wastewater schemes to make it in line with operating costs.

They also considered a public good element funded by general rates as is done for stormwater. Council recognised the rationale for normalisation and decided to undertake further investigation and consultation before proposing the change. It also acknowledged a need to re-examine the historic separation of Te Kopuru.

- **Non-residential ratepayers**

The Mangawhai region continues to have a large proportion of non-resident property owners. While all ratepayers, resident and non-resident, contribute to local and district costs, there is a large and significant increase to population during the holiday periods, especially the summer holiday period. This periodic population boom places pressure on all infrastructure for these peaks and how consequential operating costs are funded (local and district-wide) is a challenge.

- **Visitors**

Kaipara, in common with many small local authorities in New Zealand, has within its district major natural attractions that bring in large numbers of non-ratepayer visitors. While they bring direct economic benefit to local businesses, local ratepayers fund the infrastructure and services required for a good visitor experience. As with non-resident ratepayers, the visitor influx peaks in the holiday periods, particularly summer. Funding the infrastructure and services needed for visitors from a small ratepayer base creates challenges of affordability and equity.

Risk and financial resilience

Reducing our risk and increasing our financial resilience continues as a key driver of our current Financial Strategy. Improving our position has positive flow-on effects and can help with most of the issues outlined above.

- **Debt financing**

Apart from reducing the quantum of debt, it is important for Council to be able to access the most attractive cost of funding rates. Our financial position has significantly improved over the last three years. Debt is estimated to be \$54.5 million at 30 June 2018 against a forecast of \$70.7 million in the Long Term Plan 2015/2025.

From 23 February 2016 Kaipara District Council has accessed debt funding through the Local Government Funding Agency (LGFA). Our debt ratios are set at or below those required by the LGFA and are comfortably achieved through the term of this Plan.

- **Interest capitalised**

Council is limited to setting development contributions based on growth anticipated over the next 10 years. The benefits of the Mangawhai Community Waste Water Scheme extend to properties that will be created after June 2028, the future community. The cost of development and debt attributed to these properties is \$20.2 million. Council's policy provides for 50% of the interest on this debt to be capitalised to be recovered from the future community development contributions. The remaining 50% is a charge to the general rate.

- **Debt management**

Implicit in the use of debt financing is the prudent management of debt levels, maturities and cost of finance. To ensure Council has access to funds we have committed facilities with registered banks in addition to the LGFA facility. Funding debt at the lowest possible cost is important. At current debt levels a 1% margin adds around \$490,000 to costs each year. Council manages these obligations after seeking external expert advice on a regular basis.

Options to manage the challenges

Options considered to manage these challenges were to:

- increase rates and/or add new targeted rates;
- manage infrastructure investment requirements by deferring expenditure;
- exit services where possible and/or provide more economical options;
- review the approach to district-wide funding for the Three Waters and/or transitioning arrangements;
- slow the rate of debt reduction down provided that the level remains prudent and affordable; and
- optimise use of development contributions to fund investment required to meet growth.

1.3 Summary

The challenges outlined in the section above, have been worked through, consulted on with the community and the preferred position is set out in the Long Term Plan 2018/2028. The issues are specifically set out in this Financial Strategy and in the Infrastructure Strategy.

The Financial Strategy for 2018/2028 is largely consistent with that set in the Long Term Plan 2015/2025 and remains a simple one. We will run a balanced budget. We will treat the District equitably. We will have a sustainable Plan.

Key points of the Financial Strategy are:

- a balanced budget is maintained¹;
- operating expenditure is projected to be \$525 million and capital expenditure is \$230 million for the 10 years to 2028. Funding of this expenditure is primarily through rates, user charges and NZTA subsidies, development and financial contributions;
- rates increases averaging approximately 4.17% per annum over the life of the Plan together with fees and subsidies will generate sufficient income to manage ongoing renewals, continue progress on catch-up renewals and to fund reserves;
- capital costs (reflecting the costs of capital works and remaining debt) for each scheme will be combined with the operational costs, which are being allocated uniformly across all schemes, to calculate the targeted rate payable in each community for water supply, stormwater and wastewater². Te Kopuru is an exception and funded on a stand-alone basis;
- capital contributions, collected as targeted rates, to fund the capital cost of the Mangawhai Community Wastewater Scheme (MCWWS) and reduce debt continue as does the district-wide funding of a portion of the debt as part of the general rate; projected income from Development Contributions has been spread over a longer timeframe;
- other capital costs are funded by NZTA funding³ (for roading); Financial Contributions (for reserves) and Development Contributions (for some wastewater and stormwater schemes and roading) fund capital costs of growth; and
- debt requirements⁴ are projected to trend downwards and reduce to approximately \$40 million by 2027/2028 at the end of the 10 years covered by the Plan. At all times during the duration of the Plan, debt requirements fit within Council's preferred debt ratio parameters.

¹ i.e. Operational revenue funds operational expenses (before depreciation) except for a portion of interest attributable to future development. In addition, desludging costs for cleaning out wastewater ponds are loan funded rather than rates funded to avoid spikes in rates unless new technology can provide a more economical alternative in future.

² The annual network charge.

³ NZ Transport Agency funding also funds operational expenditure on roads.

⁴ Projected debt plus increasing capacity to fund reserve expenditure.

Three points to note in the Financial Strategy are set out in more detail below.

- **Introducing additional funding phased over time for renewal expenditure on water supply, stormwater and wastewater infrastructure assets**

While improved information about asset condition was available for the Long Term Plan 2018/2028, there is still a high level of uncertainty about expenditure needs and relative priorities. As discussed in the Infrastructure Strategy, further work is scheduled over the next three years to inform the Long Term Plan 2021/2031. In the meantime, the level of renewal expenditure has been increased on an incremental basis as affordability permits. The adequacy of this provision will be reassessed with the Long Term Plan 2021/2031.

- **Introducing additional funding for roads for six years from 2015/2016 to 2020/2021 inclusive**

In order to maintain a level close to current standards for roads, the targeted rate for exotic forestry has been extended for the period of this plan. In addition the level of the targeted rate currently \$390,000 (exclusive of GST) will be increased annually by the appropriate LGCI index.

- **Growth and Development Contributions**

Population and rating base projections indicate that there will be some growth within the Kaipara District over the term of the Long Term Plan 2018/2028 and the 30 years of the Infrastructure Strategy. Growth is expected largely in Mangawhai and its surrounding district. Other areas are expected to have only slight increases (central Kaipara) or no increases (west and north Kaipara). This puts the quantum of the Development Contributions collected for areas other than Mangawhai in question.

2.0 Financial Strategy

Background

Local authorities need a sustainable funding base to continue delivering services to their communities in the future. This involves a balancing act of delivering services while keeping the income required affordable, ensuring equity between current and future generations, along with fairly sharing service delivery costs between different users.

The Local Government Act 2002 (LGA) requires Council to take account of a number of principles when determining how it wishes to fund its different activities. These include:

- the contribution that each activity makes to Community Outcomes;
- the distribution of benefits between different sections of the community;

- the period over which benefits are expected to occur;
- the extent to which the actions (or inactions) of a particular group contribute to the need to undertake the activity;
- the costs and benefits of funding an activity distinct from other activities; and
- the overall impact of its policy decisions on the community.

In addition to the requirements of the LGA, Council has a set of policy criteria to guide decisions on the Financial Strategy and other financial matters. They are:

- simplicity - Council's plans and policies should be clear and easy to understand. Overly complex plans and policies detract from this and have an unnecessary cost;
- community support - The revised plans and policies should be acceptable to the community;
- equity - Plans and policies should be fair and treat like with like both now and in the future. Further, those who contribute to the need for the activity should pay more;
- stability/durability - The plans and policies should be stable and have longevity and so give some certainty to people over time;
- affordability - The levels of services and costs of the activities need to produce rates, fees and charges that are affordable for people; and
- fair distribution - Use the Uniform Annual General Charges (UAGC) to ensure a fair distribution of costs across all ratepayers given the marked difference in land values across the District.

The financial statements included in this Financial Strategy use the actual results reflected in the Annual Report 2016/2017.

Population, Land Use and Rating Base Growth

The 2013 Statistics New Zealand census data indicates that the Kaipara District as a whole is expected to have little or no growth in the long term. Within that there are area differences with the east growing faster than the west and north, where growth is predicted to be flat or, in some areas, declining. To some extent actual data from rating base figures supports the census data. However, even in times when growth was slow there was steady upward movement in other areas.

Using the statistics and rating base data, we are predicting the levels of growth set out in the table below.

Figure 1a: Annual Rating Unit Growth Forecasts 2018/2028

Area	Years 1 – 5 2018/2019 – 2022/2023	Years 6 – 10 2023/2024 – 2027/2028
Ruawai, Te Kopuru, North and Kaipara Coastal	0.4%	0.4%
Kaiwaka	2.0%	2.0%
Mangawhai	2.4%	2.5%
Maungaturoto	0.2%	0.2%
Dargaville	0.2%	0.2%
Rest of District (including all other areas)	1.2%	1.3%
Kaipara District (all)	1.0%	1.0%

Mangawhai Development Contributions⁵ has a different growth profile, as set out below.

Figure 1b: Annual Development Contributions Growth Forecasts 2018/2028 - Mangawhai

Area	Year 1 2018/2019	Year 2 2019/2020	Year 3 2020/2021	Year 4 2021/2022	Year 5 2022/2023	Year 6 2023/2024	Year 7 2024/2025	Year 8 2025/2026	Year 9 2026/2027	Year 10 2027/2028
Mangawhai	4.3%	4.2%	5.1%	4.9%	4.6%	4.4%	4.2%	4.1%	3.9%	3.5%

Land use is expected to remain largely the same over the 10 year period.

A particular characteristic of the Kaipara is that approximately 74% of the ratepayers reside within the District and 26% outside the area. For Mangawhai these figures are 47% within the District and 53% outside the area⁶. The percentage of ratepayers residing outside of the district has reduced from the Long Term Plan 2015/2025.

In general, the forecasts assume that the additional demand for services created by the increased growth will be absorbed by the rating base growth and by more efficient delivery of services.

⁵ The Mangawhai development contributions growth profile is different from the growth projection for Mangawhai as a whole because (1) it is a much smaller area, and (2) much of the growth in the Mangawhai wastewater area will not attract a Development Contribution as they have either paid already or are paying a capital contribution through rates.

The key exception is the wastewater plant at Mangawhai, where the Development Contributions growth forecasts are an essential part of the forecasted revenues. This is discussed further in this Strategy and in more detail in the Revenue and Financing Policy and the Development Contributions Policy which is part of the Long Term Plan 2018/2028.

Financial Overview

To deliver our services to the community and maintain the District’s assets to the level forecast over the next 10 years (2018/2028) will require an investment of \$525 million for operating expenditure and \$230 million for capital expenditure.

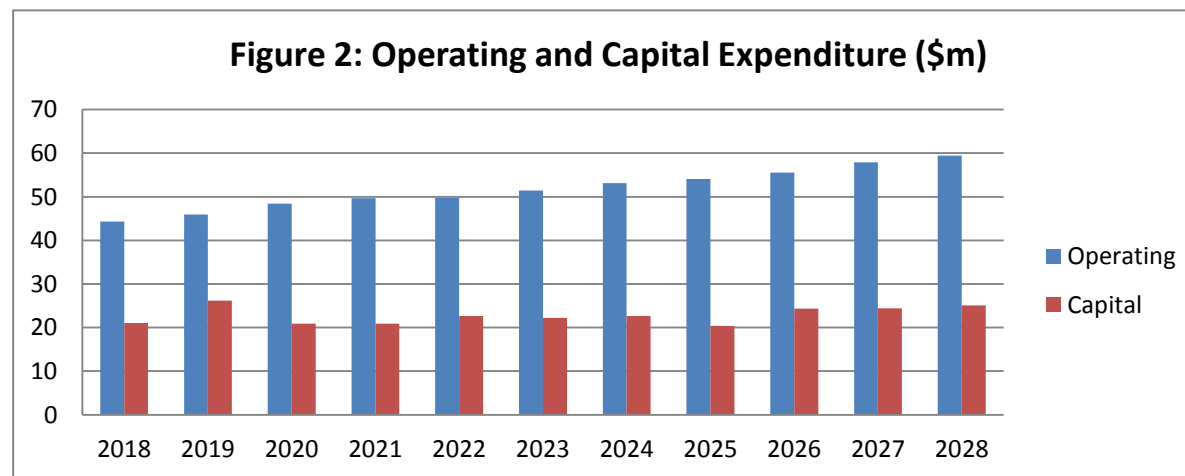
For operating expenditure this means the level of expenditure is relatively even in the earlier years, each subsequent year largely reflecting a LGCI rise.

The exception is employee benefits. Over the last two-three years increase demand on Council’s services has largely been absorbed by current staff. The cumulate effect of this is:

- service levels falling below desired levels in some areas;
- Council not adequately addressing some statutory obligations; and
- internal infrastructure, particularly IT, falling below that required to support Council’s customer facing activities.

The Plan incorporates an increase in staff numbers in 2018/2019 in key areas. Beyond 2018/2019 there are no budgeted increases to staff numbers. The increased staff numbers is reflected in employee benefit costs in 2018/2019.

Figure 2: Operating and Capital Expenditure (including depreciation) (\$m)



We will fund operating and capital expenditure in accordance with the Revenue and Financing Policy:

- operating expenditure will be funded primarily through rates and activity revenue (user charges and water rates), grants and NZ Transport Agency (NZTA) funding. Debt will be used to spread the cost of desludging;
- capital expenditure will be funded primarily through rates, development contributions and NZTA funding debt; and
- borrowing is used minimally over the forecast period given that it reduces over the plan period.

Overall, while not fully rate funding depreciation until 2021/2022 (with the exception of roading as it has funding from the NZTA and Mangawhai Community Wastewater Scheme (MCWWS) until 2025) and part of the interest costs related to growth in the MCWWS, the books will be balanced from the outset and for the duration of the Long Term Plan. Forecasted revenues are sufficient to cover both operating and capital expenditure over the 10 year period and to provide for net debt repayment.

The forecasted operating surplus together with total revenue and expenditure, as detailed in the Prospective Statement of Comprehensive Revenue and Expense, is summarised in the table below.

Figure 3a: Forecasted Total Revenue, Expenditure and Operating Surplus 2018/2028⁷ (\$million)

Year end June	2018 ⁸	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total revenue	63.4	56.0	57.7	61.0	62.4	63.3	66.9	67.2	69.9	71.1	73.4
Total Expenditure	44.3	46.0	48.4	49.7	49.7	51.5	53.1	54.1	55.5	57.9	59.5
Net Surplus (deficit)⁹	19.1	10.1	9.3	11.3	12.7	11.8	13.8	13.2	14.4	13.2	13.9

Forecasts have been inflated using the LGCI produced by Business and Economic Research Ltd (BERL). The forecast interest rates are the actuals for existing loans and swaps. The interest cost of the new debt or refinanced debt is assumed to be at an average of 5.07%, which is a conservative estimate, using the long term average forecasts and a margin applicable to Council on borrowings from the Local Government Funding Agency (LGFA).

⁷ Refer Prospective Statement of Comprehensive Revenue and Expense.

⁸ The 2018 figures represent Forecast 2 for the 2017/2018 financial year.

⁹ Net surplus (deficit) prior to Gain/Loss on Asset Revaluations.

Finding the Right Balance

This Financial Strategy is based on continuing to balance our operating budget and a sustainable level of debt while recognising the need to maintain reasonable levels of service, provide for the renewal of our assets and ensure that our rates remain affordable for ratepayers. While Council debt levels are within its debt limits, we need to maintain discipline in order to remain so. If we relaxed our Policy to fund operating and renewal expenditure from increased revenue rather than borrowing we would soon be outside our debt limits. This would mean that either borrowing would become very expensive or in the worst case scenario that Council would be unable to raise the loans we needed. To ensure that Council continues to move towards a more financially sustainable position it is projecting to increase revenue, predominantly by increasing rates, and to maintain the debt reduction programme, albeit at a slightly reduced level.

Intergenerational equity means that, over time, users or people who benefit from a particular asset contribute a reasonable amount towards its cost. If an asset lasts 20 years for example, people who benefit from that asset should pay for a fair proportion during the time they have used it. It is fair and helps with affordability. Managing intergenerational equity has two different impacts depending on the type of asset and expenditure.

If the asset is new, it is appropriate to fund it by debt which is then repaid from rates over a maximum of 20 years. If there is a growth related component it is also appropriate that Development Contributions are utilised.

The main growth related project is the MCWWS. To date it has largely been debt funded. The forecasts for the next 10 years project that the portions paid by the Mangawhai Community and the District will be repaid over the original 30 years. The projections for future users have been revised downwards to reflect that not all the new growth developments will be charged a Development Contribution. As a consequence the future users portion of the debt is now projected to be repaid over the 40 years.

For assets that already exist, renewal expenditure is required. Depreciation recognises that the value of the asset diminishes over time. By funding the depreciation, a reserve is set up that can be used to fund the renewal expenditure when it falls due. This means that those who use the asset contribute to its upkeep and replacement ensuring that there is intergenerational equity. Depreciation is fully funded for all asset classes other than water, stormwater and wastewater from year 1 of this Long Term Plan. The impact of this is that:

- asset renewals are kept to a basic but manageable level;
- over time funding capacity for additional work will become available should it be required; and
- rates can be maintained at a lower level in the short term to assist with affordability.

This effect of progressively funding depreciation can be seen in the next table.

Figure 3b: Funded depreciation (\$000's)

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total depreciation	9,942	10,560	11,137	11,755	12,429	13,021	13,508	14,007	14,580	15,195
Unfunded depreciation:										
Roads and footpaths ¹⁰	3,825	3,948	4,077	4,221	4,380	4,541	4,715	4,900	5,096	5,304
Mangawhai Community Wastewater scheme	549	478	408	325	231	124	-	-	-	-
Other	395	246	176	- 26	- 27	- 29	- 30	- 31	- 32	- 33
Total unfunded depreciation	4,769	4,672	4,661	4,521	4,584	4,637	4,685	4,869	5,064	5,271
Total funded depreciation	5,172	5,888	6,476	7,235	7,845	8,384	8,823	9,139	9,516	9,924

The table shows the total level of depreciation and what is funded, together with the unfunded portions for Council. The key point to note is that funded depreciation steadily increases until unfunded depreciation is zero for everything other than Roads and Footpaths and the MCWWS by 2022 i.e. depreciation is fully funded for these activities. Roads and Footpaths project expenditure, including renewals, is partially funded by the NZTA subsidy at the time the project is undertaken which means that fully funding depreciation is not required. Fully funding the depreciation for the MCWWS is scheduled for 2025 rather than 2022 as it is with other activities to coincide with maximum term of the current operating contract.

Fully funding depreciation will allow Council to fund normal renewal levels of expenditure within projected revenues and reserves. However, we have catch-up renewals to manage as well. While the exact need and relative priority is not known at present, where possible a provision is being built up to manage this additional expenditure. Beginning in the later years of the Long Term Plan 2015/2025 catch-up renewal is expected to be prioritised and cleared over a 30 year period.

We are mindful of the impact that rates increases have on ratepayers. Not dealing with the sustainability and intergenerational issues is also not a viable alternative and in the long run the negative impact would be much greater.

Our strategy, in regards to keeping rates within affordable bounds where possible, is to:

- keep expenditure to base levels of service, no “extras”, and operate a “just in time” policy in regard to undertaking capital expenditure. This will see levels of service generally being maintained at current levels;

¹⁰ Overall, between the NZTA and Council, Rods and Footpaths is 100% funded.

- smooth the impact of desludging costs by loan funding rather than rates funding in the year it occurs¹¹;
- phasing in rate increases where it is prudent to do so, for example the move to fully fund depreciation and to set up provisions for priority expenditure over and above depreciation levels to restore assets to an appropriate condition and to avoid loan funding for operating expenditure in the future; and
- moving towards allocating the costs to wider groups who benefit from the service or who cause the costs.

As part of the Infrastructure Strategy, reviews are programmed to complete the condition assessment of assets and to investigate affordable alternatives.

The increase in rating levels in 2018/2019 through to 2020/2021 means that Council results in a more sustainable funding base. This means our base level of services can be funded within current income, financial risk is reduced and financial resilience is increased as debt is steadily retired over the 10 year period and there is some, albeit limited, capacity to make investments for our communities in outer years.

We believe that the respective trade-offs are workable. While there is a risk that assets may fail before they are renewed we are comfortable that this is manageable and overall the combination of measures present a good balance among the different factors that we have had to consider.

Investing In Our Communities

Making the Kaipara a district with welcoming and strong communities is a key goal for Council. Council works with the people of Kaipara to support community involvement, improve infrastructure and to support achievement. Through the range of services that we deliver and our community leadership role we make a significant contribution to the future success of the District. The delivery of these services will be efficient, effective and appropriate for the circumstances, both now and in the future.

Council's contribution needs to be balanced with the need to keep rates at an affordable level and for the organisation to operate in a financially prudent manner. We recognise that there are limits to the level of rating that the community can afford to pay. In this regard Council has compared its levels of rating with the threshold for an affordable level of rating against the median household income as suggested by the Rates Inquiry¹². We also need to strike a fair balance between what today's ratepayers pay for, the assets and services they consume versus those who will come in the future, and ensure we are to be able to deal with the unexpected when it happens.

Operating in a financially sustainable way is a delicate balancing act. The Long Term Plan 2015/2025 moved towards achieving a more appropriate balance over time by reducing our levels of debt and increasing our rating base so that today's ratepayers are paying for the services that they receive. This Long Term Plan continues these principles.

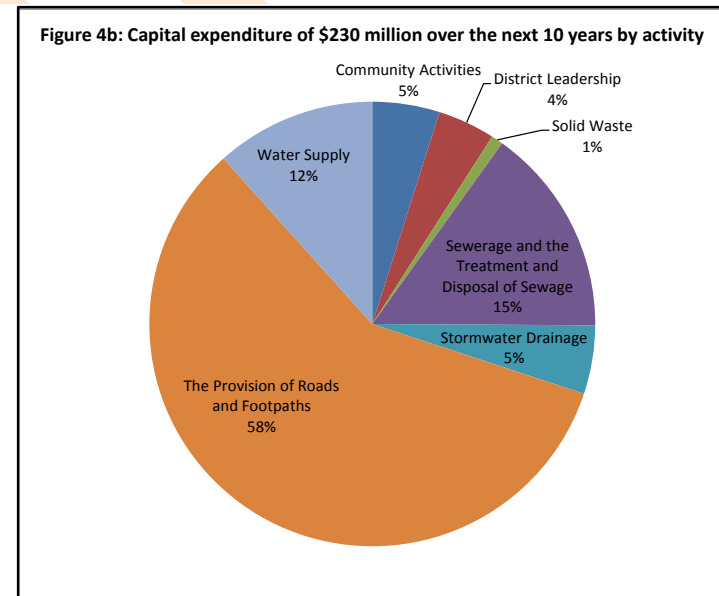
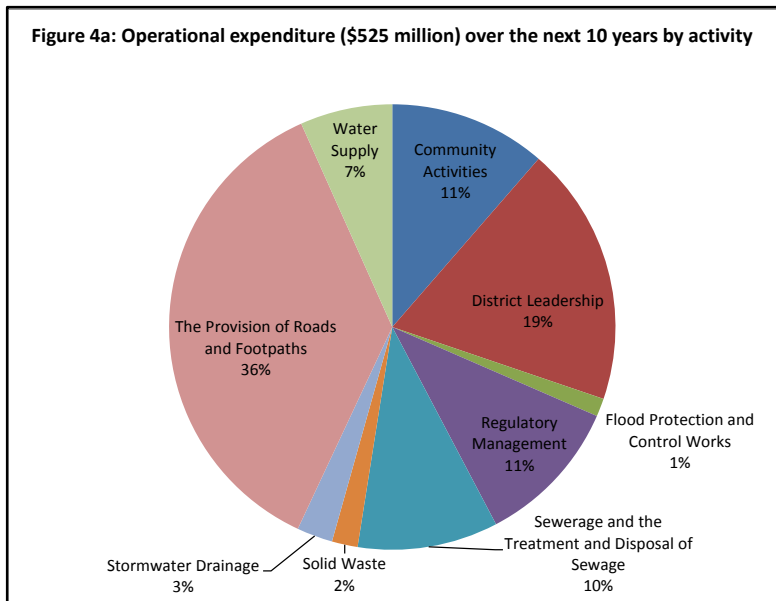
¹¹ Unless new technology provides an economical alternative and loan funding of rate spikes is not required.

¹² The Local Government Rates Inquiry report indicated that rates are affordable if they equate to 5% of gross household income.

Council believes that we need to support our communities by providing for renewals, being mindful of our level of debt and preserving a more conservative financial position in order to reduce risk and increase flexibility and resilience for the future.

Making this happen will require \$525 million in operating expenditure and \$230 million of capital expenditure over the 10 years of the Plan. A significant driver of this expenditure is the need to operate and maintain Council’s assets. Of the total operational spend, around 56% is directly related to the delivery of core infrastructural asset services (roading, water supply, stormwater and wastewater services). Core infrastructural assets account for around 90% of Council’s capital expenditure.

The pie charts below show the allocation of expenditure to the different activities. It is important to recognise that roads and footpaths are the single biggest expenditure item, representing 36% of operating expenditure and 58% of capital expenditure. Most of this expenditure relates to roading. The next biggest activity is Sewerage and the Treatment and Disposal of Sewage at 14% and 15% for operating and capital expenditure respectively. The MCWWS alone represents approximately 80% of the total operating expenditure for the sewerage activity.



Council’s assets at the beginning of the period, 30 June 2018, are forecast to be \$616 million and at the end of the 10 years, 30 June 2028, are forecast to be \$997 million.

Funding the investment

Council will fund our forecasted expenditure primarily through rates, user charges, NZTA funding, and Development Contributions. We are also funding past expenditure through borrowings. This section describes our general strategy around how we intend to use these sources of funding and indicates some of the key risks. It also outlines our limits in these areas.

The specific funding mechanisms for each activity (and hence how the funding raised will be used) are set out in the Revenue and Financing Policy.

Rates

Rate funding is applied to operating expenditure after other available funding sources have been used. Rates are also collected for renewals via depreciation and servicing corporate debt (interest and principal) repayment.

Council maximises all sources of non-rate income, especially subsidies and grants. Over the three years to 2017/2018 we increased the percentage of income collected by rates. In 2017/2018 we forecast collecting 46% of income from rates. During the period covered by this plan this increases from 56% in year 1 to 60% in year 10, well within the policy limit of 76%.

Figure 5: Annual Operating Rates Revenue and Forecasted Movements 2018/2028¹³

Year End June	2018 ¹⁴	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Total Rates (\$m)	29.4	31.2	33.1	34.8	36.0	36.9	38.9	39.6	40.7	42.2	43.4
Total Revenue (\$m) ¹⁵	53.9	54.4	57.1	60.0	62.0	62.8	66.4	66.7	69.3	70.4	72.6
Total Rates % of Total Revenue ¹⁶	54.61%	57.37%	57.94%	57.98%	58.11%	58.71%	58.54%	59.40%	58.64%	60.02%	59.85%
Forecast Increase for Total Rates (Excluding growth)	2.65%	5.45%	5.53%	4.76%	3.02%	1.88%	4.88%	1.50%	2.06%	3.38%	2.29%
Rates Increase Policy	5.1%	4.0%	4.2%	4.2%	4.2%	4.3%	4.3%	4.4%	4.5%	4.6%	4.7%

In the Long Term Plan 2012/2022 Council established a ceiling to rate increases to guide financial planning. The limit was established at Local Government Cost Index (LGCI) plus 2%. The LGCI is prepared and published by independent economic consultants BERL. The 2% was to provide funding for new capital works required from time to time. Rate increases are measured on income after deducting penalties, water targeted rates and growth in the rating base.

¹³ Excluding rate penalty income and water supply rates.

¹⁴ Annual Plan 2017/2018.

¹⁵ Excludes non-cash items.

¹⁶ Calculated on \$000's.

The Long Term Plan 2018/2028 forecasts the ceiling to be exceeded in each of the first three years. In years 4-10 rate increases are forecast to be less than the ceiling, other than 2023/2024. Over the 10 year long term plan period cumulative increases will be less than the ceiling. In 2018/2019 the increased rate revenue is forecast at \$1.751 million or 5.95%. From this growth of 0.5% is deducted to give an increase of 5.45% against a ceiling of 4%. The forecast increases for 2019/2020 and 2020/2021 are 5.53% and 4.76% respectively compared to ceilings of 4.20% in each year.

It is important to recognise that the percentage increases outlined above are only averages. Hence, the specific rates paid by an individual ratepayer could vary widely around this number with some being higher and others being lower. In addition, the specific targeted rates (e.g. water and wastewater) applying to a particular property will also need to be considered. Tables showing the impact of the movements on a selection of individual properties are included in the Funding Impact Statement set out in the Long Term Plan 2018/2028.

In developing the above limits Council has sought to balance ratepayer affordability, the demands for services and maintenance of its assets with its need to be financially sustainable.

Rating Structure

The Revenue and Financing Policy and the Funding Impact Statement set out in the Long Term Plan 2018/2028, incorporates Council's rating structure.

The rating structure is largely unchanged from that applied structure in the Long Term Plan 2015/2025.

The key elements of the structure are:

General rate

- Calculated on Land Value with two differentials (100% for residential and lifestyle land under 2 hectares; 10 x % for Mangawhai and 155% for all other land use categories)
- UAGC set at \$728.00 which is close to the maximum limit permitted under the Local Government (Rating) Act 2002;

Network infrastructure rates

- There is one rate for each scheme (except for the Te Kopuru wastewater scheme), made up of operating costs (excluding depreciation and interest) across the District divided by the number of units in the District, together with individual scheme costs for defined capital costs (including funded depreciation, interest and loan repayments) for each scheme divided by the number of scheme users. Specifically:
 - Stormwater. Targeted rates for the five networks (Baylys, Dargaville, Te Kopuru, Kaiwaka and Mangawhai) based on land value;

- Wastewater. Targeted rates for five schemes (Dargaville, Glinks Gully, Maungaturoto, Kaiwaka and Mangawhai) for connected properties at 100%, 75% connectable properties and 50% for multiple pans beyond the second (non-residential only). The charge is per SUIP for residential purposes and per rating unit and pan for non-residential;
- Water. Targeted rate for six networks (Dargaville (including Baylys), Glinks Gully, Ruawai, Maungaturoto (Station Village), Maungaturoto (Township) and Mangawhai) on a differential basis between metered and other properties. Volumetric charges apply for the metered properties and a fixed amount for other properties;
- Te Kopuru wastewater. For affordability reasons, Council has calculated the targeted rate based on land value for the Te Kopuru network separately on a scheme basis manner as all other schemes (as set out above). For Te Kopuru, there is one rate for the scheme made up of individual scheme costs. Specifically:
 - A targeted rate at 100% for connected properties, 75% connectable properties and 50% for multiple pans beyond the second (non-residential only). The charge is per SUIP for residential purposes and per rating unit and pan for non-residential; and
- Other targeted rates
 - Land Drainage. 29 targeted rates for the 29 committees, value based rates on undifferentiated land value for 28 schemes and differentiated land value for Raupo.
 - Mangawhai Harbour Restoration Area undifferentiated uniform charge.
 - Ruawai Tokatoka Hall area an undifferentiated uniform charge.
 - Forestry Targeted rate. A value based rate on undifferentiated land value for exotic forestry properties.
 - Mangawhai Community Wastewater Scheme (MCWWS). Four capital contributions continue to fund part of the capital cost of the MCWWS and to ensure equity amongst current and future users of the scheme.

The Funding Impact Statement, which forms part of the Long Term Plan 2018/2028, sets out the structure in more detail and illustrates this impact on sample properties.

Mangawhai Community Wastewater Scheme

The debt attributable to the MCWWS was \$58 million at June 2012. The debt was, under the original funding arrangements prior to the adoption of the Long Term Plan 2012/2022, forecast to grow significantly as interest and other operating costs were to be funded from additional borrowing until further development had occurred.

The Long Term Plan Amendment adopted with the Annual Plan 2013/2014, refined the attribution of debt and rates for the different communities' debt allocations. In summary the attribution was; existing community (connected and connectable) \$13.4 million, future communities (development contributions) \$26.2 million and district-wide community \$18.4 million to be funded from general rates.

The Long Term Plan 2018/2028 continues the strategy set out in the previous Long Term Plan. The existing community will continue debt repayments at the same rate per annum. Development contributions will be collected at the rate per unit set out in this Long Term Plan. District-wide ratepayers will continue to repay attributed debt as part of general rates.

While the existing community and future community debt repayment continues for the originally planned thirty to forty years respectively, the district-wide community will see a reduced term. Sales of surplus assets and other general surpluses have been applied to reduce the debt. It is expected the debt will be fully repaid within the next 10 years.

The operational costs of the MCWWS continue to be charged to the existing community subject to any equalisation as set out in the Long Term Plan.

Roading Activity Funding

Roading costs are a dominant feature of Council's costs.

Operating costs amount to around \$191 million or 36% of the operating budget over the 10 years covered by this Plan. Capital costs also amount to \$129 million or 59% over the same period. It is important to balance the allocation of the costs associated with roading between those who benefit from the activity and those who create additional maintenance demands (i.e. exacerbators).

Roading costs in the general rate contribute to differentials on land use categories (100% for residential and lifestyle land under two hectares; 10 x % for Mangawhai and 155% for all other land use categories). This reflects the view that roads are a public good where everyone benefits and can use them and that there is a difference, assessed by using land use categories, as to how much each category uses the roading network and the extent to which they contribute to the costs of the network.

A Forestry Roding Targeted Rate was introduced in 2015/2016 for the six years to 2021 in order to fund the impact of forestry and logging trucks and maintain close to current standards on Council roads. The heavy metalling funded by the targeted rate is achieving the objectives, but logging activities are continuing beyond the originally expected completion date. This plan extends the targeted rate to the year ended 30 June 2028 and increases the \$390,000 rate by the appropriate LGCI.

Further detail is set out in the Funding Impact Statement.

Water Supply, Stormwater and Wastewater Services

We believe that the District as a whole benefits from having healthy and vibrant urban areas. Everyone needs to go to town to visit shops and complete their day to day business. The creation of urban or residential areas can lead to the need for reticulated systems, such as for water supply and stormwater. These systems ensure that wastewater and stormwater, for example, are disposed of in environmentally acceptable ways while also protecting public health.

Given the broader public benefits associated with these services Council believes that it is appropriate that a portion of these costs should be funded via the general rate. This funding of scheme stormwater costs from the general rate remains at 10% for the life of the Plan.

The status quo also remains for the calculation of water supply, stormwater and wastewater network charges (i.e. defined operating costs averaged across the schemes with defined capital costs are charged per individual scheme), except for Te Kopuru.

Further detail is set out in the Revenue and Financing Policy and the Funding Impact Statement.

Fees and User Charges

Fees and charges are applied where there is a clear link between the user and the service. This area includes the regulatory Fees and Charges that are set out as part of this Plan and activity charges such as water rates. Activity revenue is forecasted to be \$58 million over the 10 years of the Plan. The full cost of the service is charged where possible although there is sometimes an element of public good included in the service which is funded by the general rate. Further details are set out in the Revenue and Financing Policy.

NZ Transport Agency Funding and Grants

Council is projecting to receive \$53 million in operating revenue and a further \$80 million for capital works predominantly from the NZTA for roading. This level of funding reflects the 61% funding assistance rate for the 10 years of the Long Term Plan 2018/2028 for most undertakings. This means that existing base levels of service and limited improvements can be funded. A reduction of funding of any significance would have a corresponding impact on our roading network. We have assumed that central government will continue to provide funding at 61% for the term of this plan.

Development and Financial Contributions

Income from Development Contributions has been calculated in accordance with the Development Contributions Policy which forms part of the Long Term Plan 2018/2028. It relies on the identification of the growth related portion of capital expenditure and assumptions about the rate of growth. The growth assumptions need to be continually monitored to ensure that our forecasts are on track.

Council is projecting to receive Financial and Development Contributions of \$27.7 million for growth related capital expenditure (including the MCWWS) over the 10 years of the Plan.

Figure 7: Forecasted Development and Financial Contributions 2018/2028 (\$000's)

Year End June	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Development contributions	1,993	2,522	2,503	2,502	2,507	2,510	2,514	2,518	2,349	23,886
Financial contributions	551	562	574	587	445	341	233	119	-	3,952
Total Contributions	2,544	3,085	3,077	3,089	2,952	2,852	2,747	2,638	2,349	27,838

Other Income

Council is projecting to receive income from other sources of \$3.5 million over the 10 years of the Plan. It is primarily made up of local authority fuel tax, fines and infringement fees.

Investments

Our Investment Policy incorporated in the Treasury Policy was adopted and is available on Council's website.¹⁷

Council is currently a net borrower and is likely to remain so for the foreseeable future. We will look to internally borrow in the first instance to meet future capital expenditure requirements, unless there is a compelling reason for establishing external debt. Investments are maintained to meet specified business needs. Unless otherwise determined by way of Council resolution, internal borrowing to/from reserves will be undertaken at the weighted average external cost of borrowing, or in accordance with the fund agreements.

In our financial investment activity, our primary objective is the protection of Council's investment capital. As a result we adopt a conservative approach to the risk/return trade-off. Accordingly, only approved creditworthy counterparties are acceptable.

The LGFA is an acceptable counterparty for both investments and for borrowing. This is explicitly covered in both the Investment and Liability Management policies.

Council owns a few forestry assets. All income from forestry is included in the consolidated revenue account. Any disposal of these assets requires specific approval.

¹⁷A copy of this report is available on the Council website (www.kaipara.govt.nz).

Council has an equity investment in the New Zealand Local Government Insurance Corporation Limited. This investment is held for strategic business purposes and we do not seek to make a given rate of return.

Any other potential equity investments will only be considered if they are seen as contributing to a strategic business need.

Council's overall objective is to own only property that is necessary to achieve its strategic objectives. As a general rule we will not retain a property investment where it is not essential to the delivery of relevant services, and property is only retained where it relates to a primary output. We review property ownership through assessing the benefits of continued ownership in comparison to other arrangements which could deliver the same results. This assessment is based on the most financially viable method of achieving the delivery of Council services. We generally follow similar assessment criteria in relation to new property investments.

All income, including rentals and ground rent from property investments is included in the consolidated revenue account.

Our Investment Targets

- We will aim to exceed the weighted average official cash rate over the financial year from any external financial investments.

Borrowing

Council's Liability Management Policy incorporated in the Treasury Policy was adopted and is available on Council's website¹⁸. Normally we would borrow to fund new capital expenditure and repay the debt over the life of the loan to promote intergenerational equity and manage the impact of significant expenditure over time. Borrowing is also used to address timing issues and to fund short term needs.

We utilise internal reserves before borrowing externally and this internal borrowing is effectively on call. As a general rule, Council provides rates revenue as security for borrowings. In exceptional cases a charge over a particular asset could be considered.

We will source borrowings through the LGFA along with traditional sources in order to achieve the lowest possible cost of debt. Primarily we source borrowings from the LGFA but maintain relationships with traditional sources to ensure we achieve the lowest possible cost of funds.

Our biggest risk in regards to borrowing is that there is an increase in interest rates. We manage this risk by maintaining an interest rate strategy, keeping the debt profile within policy limits and by maintaining adequate liquidity facilities. Council expects to be able to refinance loans as they mature and puts in place strategies to ensure this can be achieved.

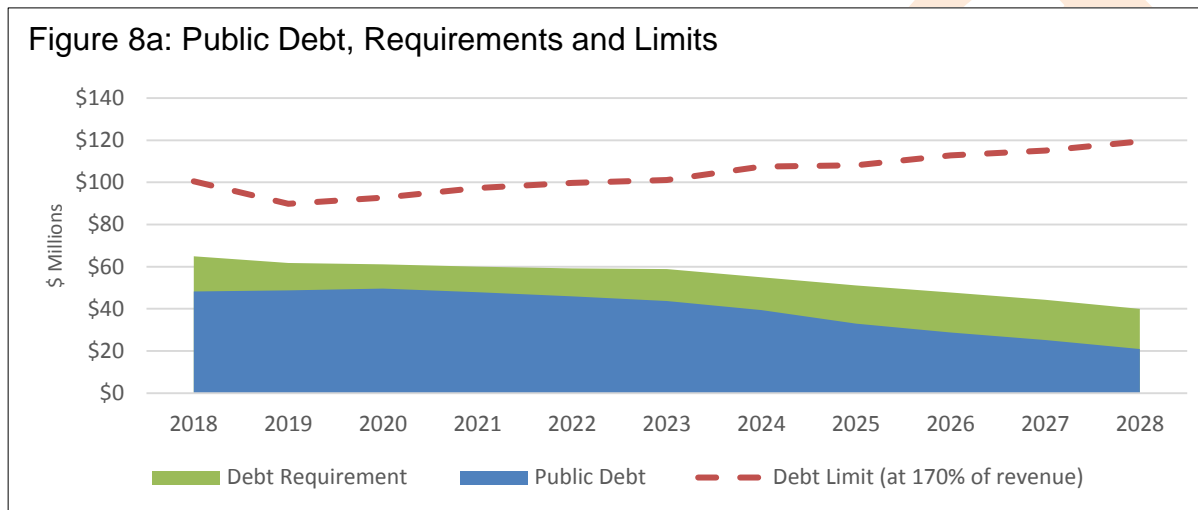
¹⁸ A copy of this report is available on the Council website (www.kaipara.govt.nz).

Council's external debt was \$76.3 million at 30 June 2014. Over the three years to June 2018 Council's debt has been reduced more than forecast in the Long Term Plan 2015/2025. It is anticipated debt will be \$48.2 million at June 2018 (compared with \$70.7 million forecast in the plan).

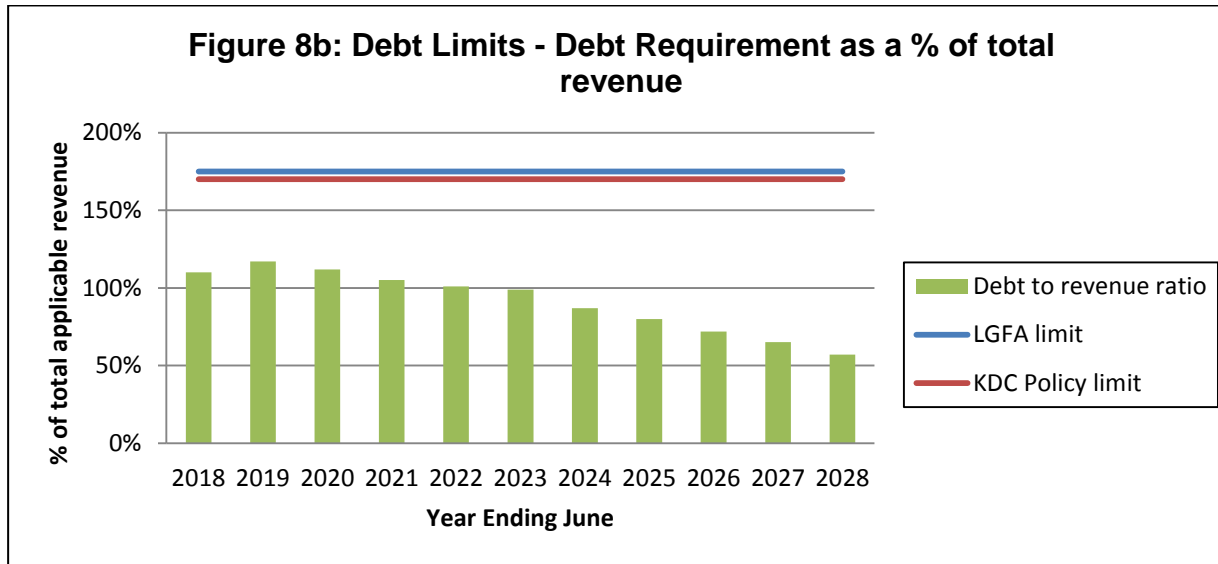
This reduction was achieved through asset sales and tight control of spending costs resulting in greater than forecast spending surpluses.

The aggressive reduction of debt has been modified in the plan returning to the more modest reduction of the 2015/2025 plan. Debt will increase from its current level to \$48.8 million at June 2019 then track down each year reaching \$20.9 million in June 2028. The increased debt in 2018/2019 is a result of a higher capital works programme.

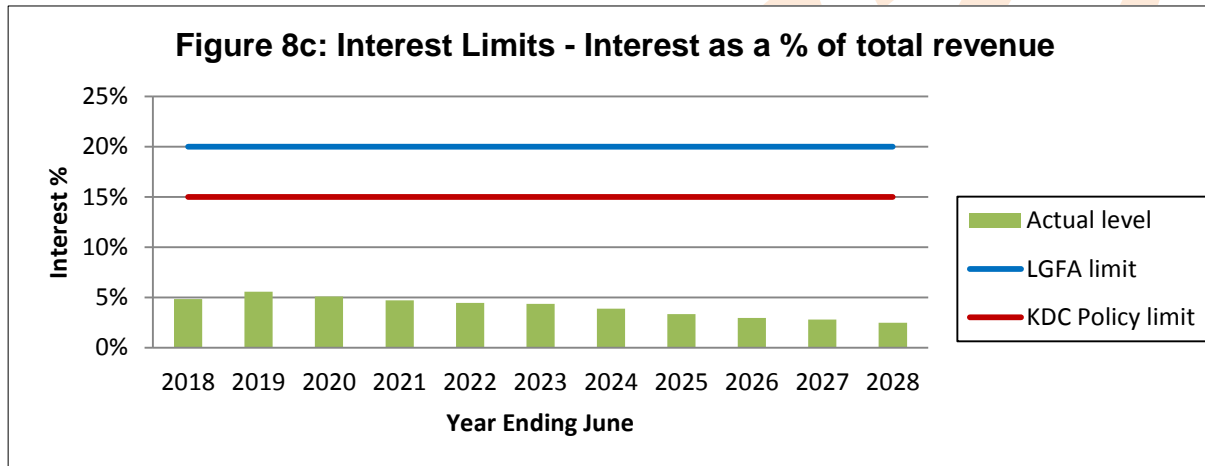
Council has set debt limits in order to provide services, undertake its stewardship obligations while managing its debt and keeping it within fiscally responsible levels. The graphs below show the debt requirements (projected debt plus increasing capacity to fund reserve expenditure) over the 10 years and compares them with Council's maximum allowable limit and the preferred limit. It shows that the debt to revenue ratio steadily declines and that it is within Council's preferred limit at all times during the 10 years of the Long Term Plan 2018/2028.



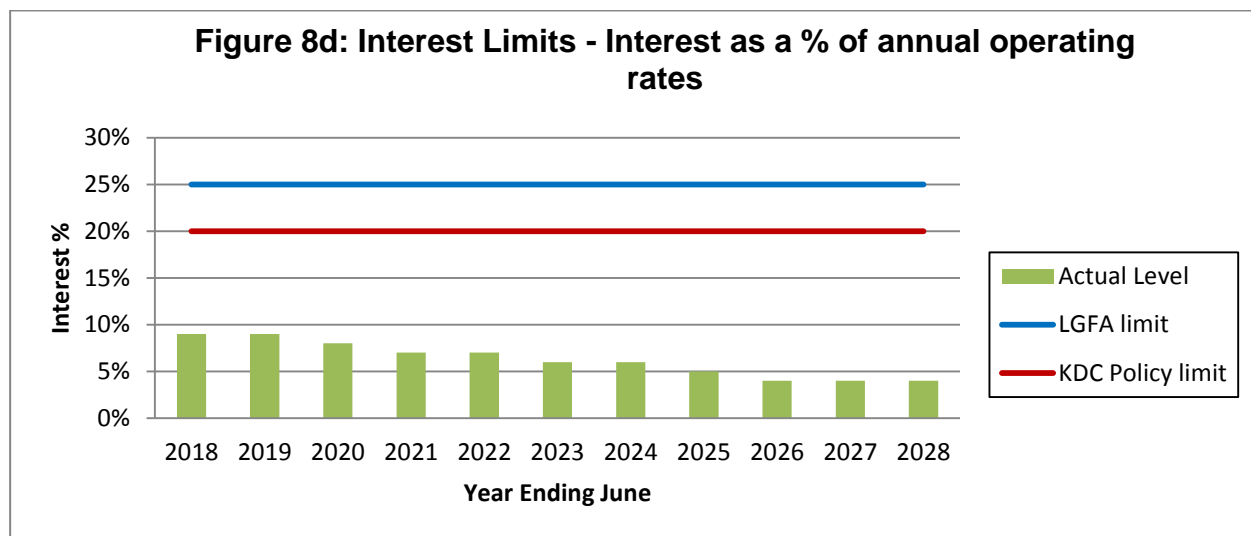
Debt requirement decreases from forecast \$64.9 million at June 2018 to \$40 million at June 2028.



At all times the debt to revenue is within Council's Treasury Policy limit of 170%.



At all times this interest ratio is below Council's Treasury Policy limit.



At all times this interest ratio is below Council's Treasury Policy limit.

During the course of the Long Term Plan 2018/2028, debt projections are generally lower than the debt requirement because of internal borrowing¹⁹. Council may temporarily use reserve funds for a different purpose from that for which they were received. However, the debt requirement and therefore capacity is needed for the time that these funds are called on. As a result the ratios are calculated on debt requirements rather than debt projections. The difference between the two is shown in the table below.

Figure 9: Public debt projections compared to public debt requirements 2018/2028 (\$millions)

Year End June	2018 ²⁰	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Public Debt projections	48.2	54.9	54.5	51.8	50.0	48.3	44.5	38.5	34.7	31.6	27.8
Future Reserve Obligations	16.7	12.6	11.9	12.8	14.1	15.7	15.9	18.2	18.9	18.7	18.4
Debt requirement	64.9	67.5	66.3	64.6	64.1	64.0	60.4	56.7	53.6	50.3	46.2

¹⁹ In accordance with Council's Treasury Management Policies.

²⁰ The 2018 figures represent Forecast 2 for the 2017/2018 financial year.

Our Policies on Securities for Borrowing and Local Government Funding Agency Guarantee

Just as with a mortgage for a property, Council gives securities against our borrowing from external lenders. If we defaulted on our loan payments, the lender would have access to those securities. Council will continue to secure its borrowing and interest rate risk management instruments against rates and future rates revenue. We will also provide this security for our commitment under the Guarantee required to borrow from the LGFA. In unusual circumstances, security may also be offered by providing 'a charge' over one or more of our assets. Physical assets will only be charged where:

- there is a direct relationship between the debt and the purchase or construction of the asset which it funds; and
- we consider a charge over physical assets to be appropriate.

Securities are not provided for our own internal borrowing.

Financial Implications of Service Provision

The Council is required to provide a statement on our ability to provide and maintain existing levels of service and to meet additional demands for services within the rates and borrowing limits. As outlined in this Strategy for the 10 years to 2028 the expenditure incurred to maintain existing services, increase service levels and provide for additional capacity falls within the limits set in this Strategy and its associated financial policies.

Infrastructure Strategy – beyond the 10 years

Kaipara's infrastructure – its roads, water, wastewater, stormwater and flood protection – are its backbone, making it easy to live in functional and connected communities. Infrastructure is Council's biggest spend. The funds needed to provide and keep this infrastructure working mainly come from rates. There are significant issues facing Council and ratepayers because this infrastructure is getting old and is in need of costly renewal. Some communities will not be able to afford the upgrades required on their own. The Infrastructure Strategy suggests the preferred way Council can deal with these issues.

In essence preferred options for maintenance, renewal and development of infrastructure covering the different assets classes have been developed using the criteria of maintaining appropriate service levels and affordability.

To this end, Council will generally institute an affordable renewals programme that meets consent conditions and addresses the backlog of renewals required over time. For water supply, stormwater and wastewater the programme will be refined as follows:

- a. Preliminary conditions assessments completed by 2018; and
- b. Detailed assessments with preferred approach by 2021.

In addition, for some of the smaller water supply and wastewater schemes Council will investigate alternatives for funding and/or the mechanism for provision of the service.

The first 10 years of the Infrastructure Strategy is covered in this Financial Strategy. At the end of the 10 years, public debt will be \$20.9 million which is considered a prudent and sustainable level for the long term. It provides Council with financial resilience and capacity should the need arise. Equally by the end of 2028, depreciation will be fully funded and provide for normal levels of renewals. Additional funding for catch-up renewals is incorporated in the 10 years of the Long Term Plan 2018/2028, from year one for roading, from year eight for wastewater and stormwater and for years four to seven for water supply. The combination of fully funded renewals together with the modest but affordable funding for additional expenditure will see the level of theoretical backlog diminish over a 30 year timeframe. These levels of funding, given current levels of knowledge and uncertainty, together with the available debt capacity should the need arise, is expected to provide for any essential renewal expenditure over the 30 years of the Infrastructure Strategy. This position will be revisited in 2021 and 2024 as further definitive information is available.

Further information is available in the Infrastructure Strategy included in the Long Term Plan 2018/2028.

Infrastructure Strategy 2018/2048

1 Executive summary

Kaipara's infrastructure – its roads, water, wastewater, stormwater and flood protection – are its backbone, making it easy to live in functional and connected communities, and supporting thriving communities working together.

Infrastructure is Council's biggest spend. The funds needed to provide and keep this infrastructure working mainly come from rates: the General Rate (plus NZ Transport Agency (NZTA) subsidies) for roads, some targeted rates, development and financial contributions, and mainly targeted rates for Four Waters infrastructure (water supply, stormwater, wastewater, and land drainage). The key issues facing Council and ratepayers are:

- i. the Four Waters infrastructure has had insufficient investment in it historically and it is getting old and is in need of costly renewal (with the exception of Mangawhai wastewater which is relatively new, however will require some renewals over the life of this Strategy). Historically Council has not fully funded depreciation and therefore those reserve funds have not been building up;
- ii. the heavy traffic from forestry harvesting is damaging our roads and for the foreseeable future additional maintenance and renewals are required to respond to this;
- iii. the bridges on the roading network are reaching the end of their lives and require renewal;
- iv. customer expectations are, in some areas, above the ability of Council to provide e.g. sealing of roads and/or the standard of the unsealed low volume roads, and/or managing dust from unsealed roads;
- v. significant investment is required to extend the Mangawhai Community Wastewater Scheme (MCWWS) to complete the reticulation of the township and to accommodate growth; and
- vi. upgrades and improvements to the Mangawhai urban area infrastructure, including intersection upgrades, slow street environments, shared walkways/cycleways, and stormwater improvements are proposed as per the draft Mangawhai Community Plan.

Some communities may struggle on their own to afford the upgrades and/or renewal of the existing assets required to maintain current service levels.

Our strategic intent is to play our part in supporting thriving communities working together in Kaipara by:

- managing risk appropriately;
- ensuring continuity of these services to people and businesses;
- managing expenditure;

- meeting legislative obligations; and
- ensuring environmental quality is retained.

The strategic targets are in brief:

- i. within the 30 year timeframe of this Strategy, Council will have addressed any deficits in renewals in Four Waters infrastructure;
- ii. within one year all water supplies will demonstrate compliance with the Drinking-Water Standards for New Zealand 2005 (Revised 2008);
- iii. the Four Waters renewals programme will be based on robust asset knowledge to ensure efficient and targeted investment. The first three years will have significant condition assessments;
- iv. within six years the roads will meet all service levels set by NZTA's One Network Road Classification programme;
- v. the MCWWS will be extended to complete the reticulation of the township and to accommodate growth; and
- vi. subject to Council's adoption of the Mangawhai Community Plan (MCP) and associated budget approvals, the infrastructure projects identified in the MCP will be implemented.

There are a number of factors similar in every option that is suggested and some differences. The following are included in all options:

- a) Depreciation will be fully funded by 2022, except for the NZTA portion of Roading, and for the MCWWS which will be fully funded by 2025;
- b) Response maintenance will continue as it is currently applied;
- c) Roads will continue to be mainly funded by the general rate with a targeted rate on forestry properties to fund the strengthening of unsealed roads heavily used by logging trucks and in later years for dust suppression, and possibly targeted rates for some community-initiated seal extensions, and also development and financial contributions;
- d) The current targeted rate regime for wastewater will continue i.e. a targeted rate for each scheme, based on individualised scheme defined capital costs and defined operational costs averaged across the district, with those connected paying 100% of the rate and those able to be connected paying 75% of the rate. An exception will be made for Te Kopuru where the averaging of operating costs has a negative impact that would make being connected to the scheme unaffordable;
- e) The targeted rate regime will continue for water supply and stormwater – a targeted rate for each scheme, based on individualised scheme defined capital costs and defined operational costs averaged across the district;

- f) The current separate targeted rates for flood protection and control (including the Raupo District Drainage Scheme and 28 other defined land drainage schemes) will continue;
- g) Generally no new piping of open stormwater drains will occur except where funded by development;
- h) No extension of areas covered by each scheme have been considered with the exception of MCWWS. Capacity assessments of the schemes in possible growth areas will be undertaken over the next six years and any decision to extend a scheme will be considered on its merits and consulted with the affected communities.

Kaipara District Council (KDC) expects to spend \$853 million on new or replacement infrastructure over the next 30 years - 2018/2048. Over the same period \$951 million is expected to be spent on operational expenditure, excluding finance costs and depreciation. These figures are anticipated to be spread across the five infrastructural asset activities below:

Infrastructure Activity	Capital Expenditure (\$'000)	Operating Expenditure (\$'000)
Water Supply	122,918	96,402
Wastewater	147,109	207,991
Stormwater	52,127	44,327
Flood Protection	7,420	27,704
Roads and Footpaths	524,148	575,148
Total	\$853,722	\$951,572

1.1 Three Waters – water supply, stormwater and wastewater

The increasing renewals programme over the life of this Strategy will result in increased costs. The renewals programme will continue to be refined as and when more asset condition data becomes available over the years to defer any renewals for as long as is practical and economical.

The MCWWS will be extended to complete the reticulation of the township, and to accommodate growth. The majority of these costs will be funded via development contributions.

The option to construct a pipeline (estimated cost \$2.8 million) from the Waitua Dam (Opanake Road) to Dargaville to improve security of supply for the Dargaville and Baylys community during moderate droughts has been included in this Strategy. Variations to the existing water take resource consents will also be required to support this initiative.

Council will undertake studies to assess the effects of the predicted climate change (particularly for lower lying areas), including a 1.0 metre sea level rise and an increase in severe weather events. This is likely to require improvements to the stormwater systems to provide the present level of service for stormwater.

Subject to Council adoption of the MCP and associated budget approvals, the stormwater infrastructure projects identified in the MCP will be implemented.

1.2 Flood protection (including the Raupo District Drainage Scheme and 28 other defined Land Drainage District Schemes)

The current service levels are deemed appropriate for the full 30 years of this Strategy. The Raupo Drainage Committee will continue to set its own service levels, and Council will consequently set a targeted rate to fund the work. The service levels for the other 28 drainage areas will continue to be set in consultation with the targeted rate contributors.

These service levels may need to be reviewed over time once the studies to assess the effects of the predicted climate change, including a 1.0 metre sea level rise and an increase in severe weather events have been completed.

1.3 Roads and footpaths

Roads maintenance and renewal is already managed under direction of NZTA, through eligibility of Council to collect subsidy funding. Council's strategy for work on roads is that we generally only do work on roads where there is a subsidy available from NZTA, or funding is collected through financial and development contributions. The NZTA subsidy is currently 61%.

The bridge assets are reaching the end of their lives and will require renewal. This will result in an increase in funding required for these bridge renewals.

There are no seal extensions programmed to be undertaken in the first three years, however budgets have been provided from Year 4 to undertake seal extensions in the higher growth area of Mangawhai and surrounds.

Subject to Council adoption of the MCP and associated budget approvals, the roading infrastructure projects identified in the MCP will be implemented.

A business case to identify the preferred option to upgrade the first 10km of the unsealed portion of Pouto Road (Dargaville) that is subject to high forestry traffic volumes will be finalised to support a subsidy application to the NZTA. Otherwise the current service levels are proposed to be maintained for the 30 years.

Response to more severe weather events and the resulting damage to the network may require re-prioritising of renewal works.

The application of the One Network Road Classification system (as required by NZTA) is a relatively new initiative and may dictate some changes in the future to the way the network is operated and maintained as the initiative is refined.

2 Proposed Regional Plan for Northland

The Proposed Regional Plan for Northland was issued by Northland Regional Council (NRC) in accordance with the Resource Management Act 1991 (the RMA).

It sets out new rules and policies for how people use fresh water, land, air and the coast in Northland. It is a combined regional air, land, water and coastal plan, and only contains rules and policies to guide resource consent processes. It contains very little optional content such as issues, explanations, methods (other than rules) and assessment criteria.

Submissions on the Proposed Regional Plan closed at 4.00pm on Wednesday, 15 November 2017.

The next step will be to notify the opportunity for people to make further submissions, will be early March 2018.

3 Strategic framework

3.1 Vision

The new Council Vision for Kaipara is *'Thriving communities working together'*.

3.2 Community outcomes

The outcomes we wish to work with the community to achieve are:

A district with welcoming and strong communities

- Assisting and supporting community involvement
- Maintaining and improving infrastructure
- Recognising and supporting achievement

A trusted Council making good decisions for the future

- Making it simpler to work with us
- Open, transparent and engaged with communities and business
- Intent on lifting Kaipara's well-being

A district with plenty of active outdoor opportunities

- Partnering with communities to develop sports and recreation facilities
- Protecting and enhancing our natural assets and open spaces.

4 The Future of Kaipara: An overview of population and housing change

4.1 Population growth

The Long Term Plan 2015/2025 (LTP 2015) assumptions used a 2006 Census data as the base for the population projections with the intention of using the new 2013 Census base when this became available. Statistics New Zealand (SNZ) issued revised population *projections* on 22 February 2017, using an estimated resident population at 2013¹ as the new base.

The LTP 2015 assumptions used the high growth scenario with population projections of:

- 20,000 in 2016 - already exceeded by the 2013 base of 20,500;
- 21,400 in 2026 - a figure now expected to be exceeded three years earlier in 2023 by even the updated low growth scenario of 22,600; and
- 22,000 in 2031 - a figure now expected to be exceeded three years earlier in 2028 by even the updated low growth scenario of 22,800.

These higher projections reflect stronger than expected growth up to the 2013 Census and estimated between 2013 and 2016 with the economic recovery and strong migration. In moving to the latest 2017 projections data, a decision needs to be taken on whether to continue to use the high growth scenario or to use lower growth options. The annual average population increases under the three scenarios are:

- High - population increase of 8,300 over 30 years = 276 persons per annum;
- Medium - population increase of 4,700 over 30 years = 157 persons per annum; and
- Low - population increase of 1,200 over 30 years = 40 persons per annum.

For comparison, the SNZ subnational population estimates going back to 1996 show that despite slower growth in the 10 years up to 2006, the district grew by an average 315 persons per annum in the 10 years from 2006 to 2016. Even the recently updated SNZ *high* growth scenario of 276 persons per annum is below the average of 315 persons per annum seen from 2006 to 2016. If one assumes some moderation of the 2006/2016 highs due to the cyclic nature of economic development

¹ This estimate differs from the usually resident (UR) population of the district of 18,963 published in the 2013 Census results but because the 22 February 2017 release data with 20,500 usual residents represents the latest calculations by Statistics New Zealand, it is used purposes of the LTP 2018/2028 assumptions

and growth, then use of the updated *high* growth scenario is reasonable. This is supported by the increasing influence of Auckland over time, particularly in the southern part of the district, which should see sustained population growth over time.

4.2 Population growth distribution

It is expected that most population growth will continue to occur in the southern part of the district. The SNZ revised population *projections (high series)* issued on 22 February 2017, give resident population projections down to Census Area Unit (CAU) level using the 2013 base.

The table shows shares of district growth over various time periods. With reference to the LTP timeframe 2018/2028, it shows:

- Dargaville taking 10.7% of district population growth, growing by 310 persons to reach a population of 5,330 by 2028;
- a 76.2% share of district population growth (2,210 persons) occurring in the southern half of the district with rural Rehia-Oneriri (31.0%) and the combined Mangawhai CAUs (40%) taking the bulk of that growth;
- relatively low shares of growth in the smaller urban CAUs of Ruawai (0.3%), Kaiwaka (2.8%) and Maungaturoto (2.1%) totalling just 150 persons; and
- continued low shares of district growth (14.5%) in the north and northwest, totalling 420 persons.

4.3 Population fluctuations

The LTP 2015 assumption, using occupied to unoccupied dwelling data from the Census, was that a significant proportion of unoccupied dwellings in the district become occupied during holiday periods. The data used in the LTP 2015 was from the 2006 Census. Data is now available for the 2013 Census and the assumption can be updated with the new data. At the time of the 2013 Census an average 26% of dwellings (2,764 of 10,681) were unoccupied with highs of 63% and 35% unoccupied dwellings in the two Mangawhai CAUs (an average 52.7%). Rates of unoccupied dwellings in Te Kopuru (10.6%), Maungaru (6.5%), Dargaville (7.2%), Maungaturoto (10.0%), Ruawai (11.4%) and Kaiwaka (13.3%) are lower and likely reflect normal rates of vacant dwellings, at any given time of the year; those under renovation, awaiting new owners or tenants etcetera. It is not expected that these areas will have any significant numbers of vacant holiday homes that fill and add to population in holiday periods. By contrast, Kaipara Coastal (27.3%), Rehia-Oneriri (24.8%) and Mangawhai (52.7%) have significantly higher vacancy rates and are likely to see population fluctuations as vacant homes are occupied in holiday periods. In an effort to estimate the scale of population fluctuation:

- assume occupancy of up to 100% of dwellings in Kaipara Coastal, Rehia-Oneriri and Mangawhai during holiday periods;
- for normally unoccupied dwellings in these areas, assume occupancy of 0.5 persons per dwelling above the 2013 average occupancy in Kaipara Coastal, Rehia-Oneriri and Mangawhai during holiday periods to take account of families with children and guests, which are likely to result in higher average occupancy than normally occupied dwellings; and
- assume no change in dwelling occupancy in Maungaru, Dargaville, Te Kopuru, Ruawai, Maungaturoto and Kaiwaka during holiday periods.

Using the 2013 base data, the usually resident district population of 20,600:

- could have risen during holiday peak times by over 7,000 persons (7,111) to 27,600, an increase of 35%; and
- just under half of that increase was in Mangawhai, gaining 3,400 persons at peak, an increase of 131%.

If the same percentage increases are applied to the 2018 and 2028 population assumptions:

- the resident district population of 23,100 persons in 2018 could increase by 8,013 persons during peak holiday periods to over 31,000;
- the resident district population of 26,000 persons in 2028 could increase by over 9,000 persons during peak holiday periods to over 35,000; and
- as Mangawhai grows from a usual resident population of around 3,700 in 2018 to around 4,890 in 2028 its population could fluctuate up to 8,610 in 2018 (an increase of 5,000 at peak) and 11,287 in 2028 (an increase of 7,200 at peak).

4.4 Dwelling growth

The assumption is for steady to strong dwelling growth in LTP decade 2018/2028 moderating in the 2028/2038 decade as population growth rates begin to slow with an aging population. Projections indicate:

- nearly 2,000 (1,912) additional dwellings built in the district over the LTP 2018/2028 period; and
- another 1,400 built between 2028 and 2038.

The largest amounts of dwelling growth will be in the Mangawhai CAUs with over 1,000 dwellings delivered in the 2018/2028 period and another 900 dwellings by 2028. Rehia-Oneriri CAU, covering much of the southern part of the district is expected to see ongoing strong growth (450 dwellings in the LTP decade 2018/2028 and over 300 more dwellings out to 2038). Dargaville is expected to gain 130 dwellings over the LTP period and 70 more homes built in the following decade to meet a modest growth in population.

4.5 Assumptions

The assumption is that population growth will be in line with Statistics New Zealand's 2013 base high series projections which will see population increases of:

- 2,900 (12.5%) from 23,100 to 26,000 between 2018 and 2028; and
- 2,000 (7.7%) from 26,000 to 28,000 between 2028 and 2038.

The SNZ projections show the population growth rate slowing in all regions, cities, districts of New Zealand, including Kaipara district, between 2018 and 2038 because:

- all areas will be home to more people aged 65 years and over by 2038; and
- deaths will increase relative to births in almost all areas as the population ages.

The assumption is that between 2018 and 2028, most population growth will continue to occur in the southern part of the district with rural Rehia-Oneriri CAU growing by 900 people and Mangawhai growing by 1,160 people to reach a population close to 5,000. The smaller urban CAU in the south, Ruawai, Kaiwaka and Maungaturoto, will grow by a combined 150 persons although there will be considerable growth in the rural area around them. Dargaville will grow quite strongly by 310 people to reach a population of 5,330 by 2028. There will be a continued low share of district growth (just 14.5%) in the north and northwest, totalling 420 persons.

The population of Kaipara district is known to fluctuate significantly during the year. Assumptions are that:

- the resident district population of 23,100 persons in 2018 could increase by around 5,600 persons during peak holiday periods to almost 30,000;
- the resident district population of 26,000 persons in 2028 could increase by over 7,000 persons during peak holiday periods to over 33,000; and
- as Mangawhai grows from a usual resident population of around 3,700 in 2018 to around 4,890 in 2028, its population could fluctuate to 7,700 in 2018 (an increase of around 4,000 at peak) and just over 10,000 in 2028 (an increase of over 5,000 at peak).

4.6 Most likely scenario

The following table shows shares of district growth over various time periods. With reference to the LTP timeframe 2018/2028, it shows:

- Dargaville taking 10.7% of district population growth, growing by 310 persons to reach a population of 5,330 by 2028;
- a 76.2% share of district population (2,210 persons) occurring in the southern half of the district with rural Rehia-Oneriri (31.0%) and the combined Mangawhai CAUs (40%) taking the bulk of that growth:
- relatively low shares of growth in the smaller urban CAUs of Ruawai (0.3%), Kaiwaka (2.8%) and Maungaturoto (2.1%) totalling just 150 persons; and
- continued low shares of district growth (14.5%) in the north and northwest, totalling 420 persons.

Projected population of territorial authority areas															
2013(base)-2043 update															
Territorial authority area ⁽¹⁾	Projection ⁽²⁾	Population at 30 June							Population change 2013-43	Population change 2018-28	Population change 2028-38	Percentage share of District growth 2013-43	Percentage share of District growth 2018-28	Percentage share of District growth 2028-38	
		2013 ⁽³⁾	2018	2023	2028	2033	2038	2043	Number 2013-43						
Kaipara district	High	20,500	23,100	24,600	26,000	27,100	28,000	28,800	8,300	2900	2000				
High growth projections by CAU															
504400 Te Kopuru		510	540	560	580	590	610	620	110	40	30	1.3%	1.4%	1.5%	
504501 Kaipara Coastal		3190	3370	3470	3560	3610	3610	3570	380	190	50	4.6%	6.6%	2.5%	
504502 Maungaru		1820	1950	2050	2140	2220	2280	2310	490	190	140	5.9%	6.6%	7.0%	
504600 Dargaville		4610	5020	5180	5330	5440	5500	5530	920	310	170	11.1%	10.7%	8.5%	
504700 Maungaturoto		810	920	950	980	1000	1010	1030	220	60	30	2.7%	2.1%	1.5%	
504800 Ruawai		470	490	490	500	510	530	540	70	10	30	0.8%	0.3%	1.5%	
504900 Kaiwaka		640	700	740	780	830	860	900	260	80	80	3.1%	2.8%	4.0%	
505010 Rehia-Oneriri		5840	6510	6980	7410	7770	8060	8310	2,470	900	650	29.8%	31.0%	32.5%	
505021 Mangawhai		1430	2060	2400	2710	2990	3240	3460	2,030	650	530	24.5%	22.4%	26.5%	
505022 Mangawhai Heads		1170	1670	1930	2180	2400	2580	2750	1,580	510	400	19.0%	17.6%	20.0%	
615302 Inlet-Mangawhai Harbour		0	0	0	0	0	0	0	0	0	0	0.0%	0.0%	0.0%	
Mangawhai combined CAUs		2,415	2,600	3,730	4,330	4,890	5,390	5,820	6,210	3,610	1,160	930	43.5%	40.0%	46.5%

5 Economic overview of Kaipara district

Kaipara's economic expansion continued through winter. Infometrics' provisional estimate of GDP showed growth of 2.9% over the September (2017) year. Although this growth rate was down from 4.8% a year ago, it was still above the 2.5% rate of growth experienced nationally over the past year. Traffic flows in Kaipara were up 5.2% in the September year.

Kaipara is currently experiencing rapid population growth. Population estimates from Statistics New Zealand show that Kaipara's population grew by 3.7% over June year, following 2.8% growth the previous year. By comparison, population growth nationally has been 2.1% over each of the past two years.

This increase in population has pushed up demand for housing over recent years, but there are some signs that housing market activity is moderating. House price growth has eased from 22% per annum to 15% per annum, while there were 33% fewer sales over the September year compared to the previous year. A key risk for Kaipara's housing market in 2018 will be a cooling Auckland market. Lower house prices in Auckland reduce the incentives for Aucklanders to search for housing in neighbouring districts around the fringes of the city.

However any downside risks to housing must be balanced against a buoyant business outlook. Non-residential building consents climbed 30% in the September year, while commercial vehicle registrations increased 33%.

Consumer spending is also growing strongly. Data from Marketview shows that electronic card spending on retail purchases was up 7.5% over the September year. Car registrations rose 15% to a record level.

Dairy prices have eased slightly over recent months, but remain ahead of last season. At a farmgate milk price of \$6.50/kgms, the total dairy payout in the 2017/2018 season would equate to \$212 million, up from \$200 million in the season ended May when the price was \$6.12/kgms.

Other commodity prices have also risen over recent months. Global prices for horticulture products increased 2.6% in September month. Forestry prices are still going strong, lifting 0.5% in September; their twelfth month of consecutive rises.

* Annual percentage change (latest quarter compared to a year earlier)

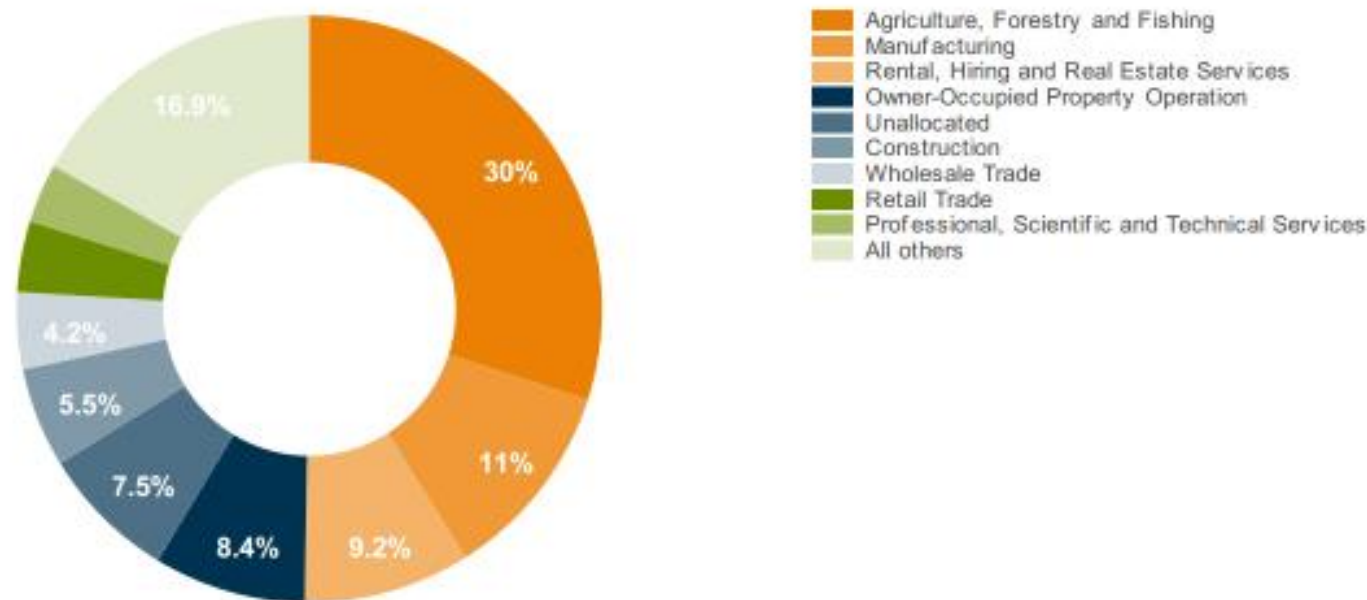
Indicator	Kaipara District	Northland Region	New Zealand
<i>Annual average % change</i>			
Gross domestic product	2.9%	3.2%	2.5%
Traffic flow	5.2%	4.8%	2.3%
Residential consents	-2.0%	15%	3.0%
Non-residential consents	30%	68%	5.9%
House prices*	15%	12%	3.1%
House sales	-33%	-19%	-17%
Guest nights	-9.9%	4.5%	2.6%
Retail trade	7.5%	6.5%	3.8%
Car registrations	15%	11%	9.4%
Commercial vehicle registrations	33%	21%	19%
Jobseeker Support recipients	0.5%	1.4%	0.6%
Tourism expenditure	12%	9.5%	6.4%
<i>Level</i>			

5.1 How fast has Kaipara district's economy grown?

This section measures economic performance in Kaipara district during the year to June 2017 and previous years. All GDP estimates are measured in constant 2010 prices.

- GDP in Kaipara district was up 2.9% for the year to September 2017 compared to a year earlier. Growth was higher than in New Zealand (2.5%) and lower than in Northland region (3.2%);
- GDP was \$738 million in Kaipara district for the year to September 2017;
- Annual GDP growth in Kaipara district peaked at 7.6% in the year to June 2015.

Figure 5: Share of total GDP (2016)



Which broad industries made the largest contribution to economic growth?

- Agriculture, forestry and fishing made the largest contribution to overall growth in Kaipara district between 2015 and 2016. The industry grew by 4.9% over the year and contributed 1.49 percentage points to the district's total growth of 5.5%;

- The next largest contributor was professional, scientific and technical services (0.72 percentage points) followed by manufacturing (0.61 percentage points); and
- The largest detractor from growth over the year was accommodation and food services which declined by 11% and contributed -0.15 percentage points to the total growth of 5.5%. Public administration and safety (-0.10 percentage points) was the next largest detractor.

In which industries does Kaipara district have a comparative advantage?

- The industries in which Kaipara district has the largest comparative advantages are dairy cattle farming (location quotient = 6.5), horticulture and fruit growing (6.3), and forestry and logging (5.4).

Which are the largest employing industries in Kaipara district?

- Among broad industries agriculture, forestry and fishing was the largest in Kaipara district in 2016 accounting for 29.3% of total;
- The second largest was manufacturing (10.9%) followed by construction (10.1%);
- Agriculture, forestry and fishing was the largest industry in Kaipara district in 2016 employing 2,527 persons and accounting for 29.3% of total employment in the district. By contrast this industry accounted for 6.2% of total employment in New Zealand; and
- The second largest employing industries were manufacturing (942) followed by construction (871).

Which industries have created the most jobs?

- Agriculture, forestry and fishing made the largest contribution to employment growth in Kaipara district between 2015 and 2016 with the industry adding 107 jobs;
- The next largest contributor was administrative and support services (92 jobs) followed by professional, scientific and technical services (78 jobs);
- The largest detractor from growth over the year was accommodation and food services in which employment declined by 36;
- Vegetable growing (outdoors) was the largest creator of jobs in Kaipara district between 2015 and 2016 generating an additional 87 positions;
- This was followed by labour supply services, which added 58 jobs over the same period;
- Cafes and restaurants were the largest detractor of jobs in Kaipara district between 2015 and 2016 losing 48 positions; and
- This was followed by nursery production (outdoors), which lost 11 jobs over the same period.

(Source: Infometrics).

5.2 Assumptions

When planning for infrastructure over the next 30 years, Council has made the assumptions that:

- Kaipara's economy will continue to remain securely founded on its primary industries supported by the manufacturing and building sectors; and
- Large-scale land use change is not anticipated in the district over the next 30 years, excepting that the east of the district is anticipated to experience an expansion in rural-residential living (lifestyle blocks).

5.3 Most likely scenario

Kaipara's economy will continue to remain securely founded on its primary industries, supported by the manufacturing and building sectors.

Large-scale land use patterns in the district are expected to remain the same over the next 30 years. An exception to this is the anticipated expansion of rural/residential, lifestyle block, living in eastern parts of the district.

The greatest current limitations on industry in Kaipara are limitations in transport networks and water supply, generation/security of electricity supply and digital infrastructure (ultra-fast broadband). Of these Council has direct responsibility for the local roading network (excludes State Highways) and water supply.

6 Summary of Financial Strategy

The Financial Strategy 2018/2028 remains a simple one. We will run a balanced budget. We will treat the district more equitably. We will have a sustainable plan.

Key points of the new Financial Strategy are set out below.

- A balanced budget is maintained²;
- An unchanged rating structure;
- Operating expenditure is projected to be \$525 million and Capital expenditure is \$230 million for the 10 years to 2028. Funding of this expenditure is primarily through rates, user charges and NZTA subsidies;
- Rates will increase around 5.45% over the rates set in 2017/2018 to ensure that we deliver a sustainable and balanced budget for 2018/2019. The rates³ will move from approximately \$29.4 million in 2017/2018 to \$31.2 million for 2018/2019;

² i.e. operational revenue funds operational expenses (before depreciation) except for a portion of interest attributable to future development. In addition, desludging costs for cleaning out wastewater ponds are loan funded rather than rates funded to avoid spikes in rates.

³ Excluding rates for water and penalties.

- Rates increases averaging approximately 4.13% per annum over the life of the Plan will generate sufficient income to manage ongoing renewals, make progress on catch-up renewals and begin funding reserves;
- Capital costs (reflecting the capital works and remaining debt) for each scheme will be combined with the operational costs, which are being allocated uniformly across all schemes to calculate the targeted rate payable in each community for wastewater. Stormwater and water operating costs are averaged across the district to which capital costs from each scheme are added;
- Lump sum contributions to fund the capital cost of the MCWWS system and reduce debt continue; projected income from development contributions will fund expenditure required to meet growth;
- Debt requirements⁴ is projected to trend downwards to \$46 million by 2027/2028 at the end of the 10 years covered by the Plan.

7 The Provision of Roads and Footpaths

7.1 Overview

The 2018 Government Policy Statement on Land Transport (GPS) has three objectives for the country's roads: *economic growth and productivity, road safety and value for money*. The new Government is likely to change some of the priorities within the draft 2018 GPS. However, it is likely that the three strategic themes will remain. These GPS strategic priorities are at the heart of the Infrastructure Strategy as they align with Kaipara's own priorities. To align with these objectives KDC aims to manage its roading network to ensure people and goods can move safely and efficiently around the district by a variety of means. The NZTA has introduced a new one network road classification (ONRC) system that is intended to become the funding mechanism base to ensure that funding is equitably distributed across New Zealand mainly based on traffic volumes and usage.

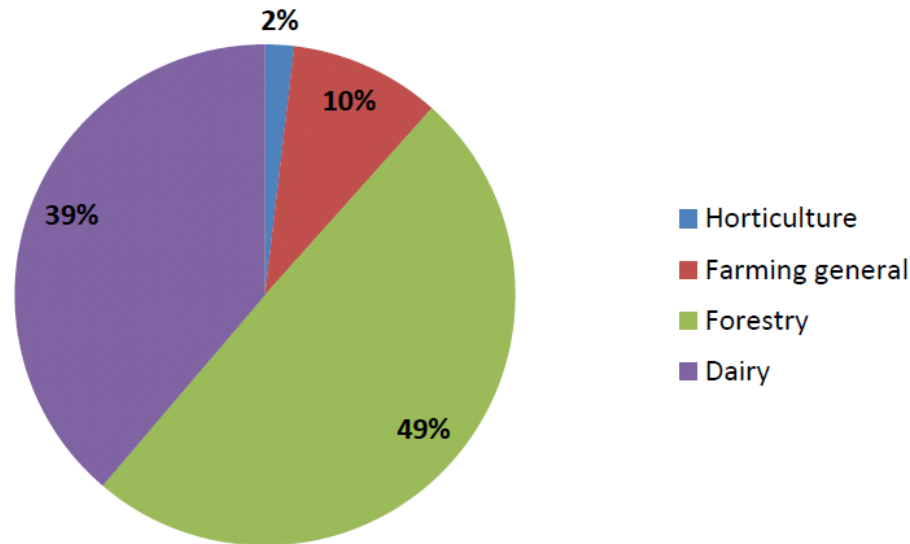
Some of the issues facing Kaipara's roading infrastructure include:

- small population, sometimes isolated, rural nature of much of the district;
- high percentage of access and access low volume roads (79% or 1,247kms);
- difficult topography and unstable geology combined with regular high intensity rainfall events;
- scarcity and high costs of roading materials, typically aggregates; and
- locally sourced aggregates are less durable than elsewhere in the country.

⁴ Projected debt plus increasing capacity to fund reserve expenditure.

The total weight of freight generated in Kaipara district is estimated at 1.04 million tonnes per annum (Source: Morrison Low Roading Differentials Report May 2012).

The following figure shows how the different industries in Kaipara contribute to this total.



(Source: Morrison Low Roading differentials report May 2012)

Road maintenance requirements are likely to increase as Northland's forestry volumes are predicted to increase. Northland has 202,286 ha (as at 2007) of exotic forest, making it the second largest forestry estate in the North Island, and 11.3% of the national total. Forecasts indicate that the availability of radiata pine from Northland forests will increase over the next 10 years (Source: Northland Forest Industry and Wood Availability Forecasts 2009; Regional Economic Activity Report). It is also expected that there will be more trucks travelling to Northport, as the port's freight handling increases. While these trends will help boost Northland's economy, growing truck movements will put additional pressure on Kaipara's roads.

Forestry harvesting volumes over the next 25 years are expected to be 75% above the 2010 planted forest areas in Northland. Most of the new plantings will not be ready for harvest until 2035 onwards, so effects on the roading network for the increased truck movements will not start to be realised until 2035. In the short term the harvest volumes are set to increase over the next three years ideally catered for by strengthening of 90kms of Kaipara's roading network (2kms of sealed and 88kms of unsealed). Any strengthening work would be in addition to Council's normally managed programme. It is expected that normal programmed renewals will be sufficient in the years 2021 to 2035 to strengthen the remaining forestry routes identified as requiring intervention (Source: MWH, Forestry Roads: Kaipara District Council Forestry Routes Submission, 2014).

7.2 Assets, their age, condition and maintenance

The Kaipara district has a large roading network spanning 1,571kms. Of this network, 28% (446.6kms) are sealed and 72% (1,124.6kms) are unsealed. This roading infrastructure includes 349 bridges, 1,136 streetlights, 88kms of footpaths and more than 6,600 road traffic signs.

- In the last seven years Council has significantly strengthened unsealed and sealed pavements – more is needed;
- Roads formed in 1960s and before are of low quality and where they now experience increases in traffic levels (especially heavy vehicles) are in need of rehabilitation and sometimes reconstruction especially in regard to pavement depth;
- Some bridge approaches would be more cost-effective if sealed rather than continued maintenance;
- Kaipara has difficult geology and climate. Rolling hills, patches of Onerahi Chaos and variable densities of clay, with heavy rainfall events and contrasting droughts, causes unpredictable subsidence and slumping;
- Changes in traffic volumes have occurred and will continue with more heavy vehicles, heavier heavy vehicle, and more commuters; and
- Forestry harvesting is expected to impact on roads in the district in the next 25 years. These roads represent both sealed and unsealed roads on the network.

The life of roads and footpaths assets varies considerably by use and component. With the exception of bridges, renewal, replacement and repair of road assets are not based on asset age but on:

- available budgets;
- traffic volumes and use;
- asset condition rating and surveys;
- treatment selection analysis and validation, including skid resistance;
- engineering and Contractor inspections and customer feedback;
- historical achievement records;
- falling weight deflectometer testing and selected test pit analysis for assessing bearing capacity; and
- NZTA standards that affect funding criteria.

For bridges, components are assessed by all the factors above plus age.

The total projected budget expenditure on roading for 2018/2048 is \$1.1 billion. Of this, \$575 million is operating (maintenance) and \$524 million is capital (renewal, improving the level of service, and growth). \$49 million is included in the budget for sealed road pavement rehabilitation between 2018 and 2048. This involves modifying the pavement to restore its life by adding new aggregate and strengthening it with lime or cement, then re-sealing it. Forestry targeted rates of \$390,000 per year are included to enable Council to deal with the impact of forestry and logging trucks on roads.

7.2.1 Unsealed roads

Kaipara has over 1,100 km of unsealed roads; 72% of the network. Council has limited ability to extend seal and therefore unsealed roads will continue to be the norm for the foreseeable future. The condition of the unsealed network is mixed. For delivering planned service levels, the age of the road is not particularly relevant. Other factors are of more importance including depth and quality of the basecourse and effectiveness of drainage facilities. The cost of maintaining unsealed roads is 10 times less than for sealed roads at \$330 per km compared to \$3,000 per km.

With the implementation of the new maintenance and renewals contract (from 01 July 2018), the maintenance of the network will be based on value for money over the whole of life of the asset. This is a change in philosophy for managing the unsealed network, in keeping with the ONRC levels and being more pro-active in priority decision-making.

The levels of service Council delivers for unsealed roads is the biggest area of complaint and concern for the people of Kaipara. The major challenges we deal with are:

- Carriageway width – 520kms or 46% of unsealed roads are under the standard for width for their traffic volumes;
- Crossfall (camber) – there is a need to provide sufficient crossfall (6%) to allow drainage of the road surface. The level of corrugations on roads, caused by loss of fine clay particles that bind the basecourse, and the flattening of the road from traffic overtime, compromise crossfall. Regular grading and heavy metalling corrects this. Currently, crossfalls are typically 4-5% i.e. substandard;
- Forestry roads – many forestry plantations are serviced by unsealed roads with narrow widths and thin pavements. During harvesting when there are high volumes of heavy vehicles, the damage caused can be so high complete reconstruction of the route is required;
- Urbanisation of rural land – with the increase of residential and lifestyle subdivisions, this is accompanied by a demand to seal associated roads because of dust nuisance. Council collects development contributions and financial contributions for this purpose. There is no NZTA subsidy or rates funding available. Over the next three to four years, it is expected that sufficient contributions from developers will be collected to extend the seal on sections of prioritised roads in Mangawhai and surrounds.

- Pavement depths – the unsealed network has varied and often marginal pavement depth. This makes them vulnerable to damage from heavy vehicles and heavy rain. In recent years, a significant length of the network has had pavement rehabilitation. This programme will continue. It will not address the forestry traffic increases expected for the next six years. Gravel loss remains higher than replenishment levels and Council is looking to implement maintenance techniques that reduce gravel loss. Once again, this will not address damage from forestry traffic.

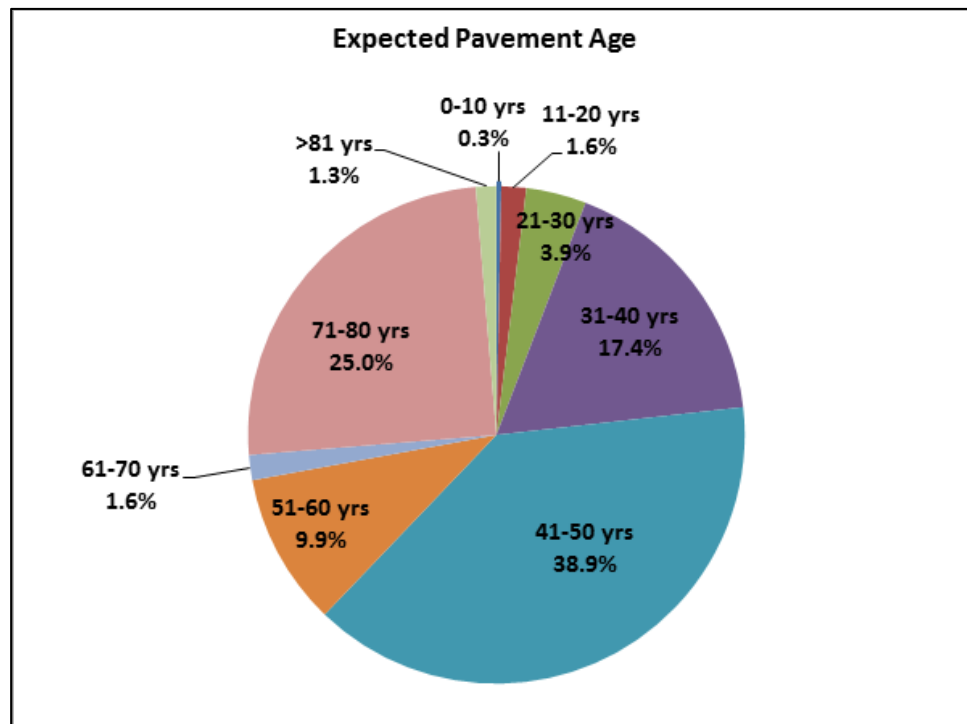
Council has an unsealed roads strategy that directs work to:

- Investigate practical ways of reducing metal loss e.g.
 - use alternate practices to stabilise and compact metal such as the use of rollers; and
 - trial alternate products;
- Work with forestry to programme harvesting during the dry season (late summer) as road damage is far less when the road is dry (although dry conditions increases dust nuisance);
- Use best performing and lowest cost soil-aggregate mixture;
- Increase knowledge of depth, make-up and strength characteristics of high volume roads throughout the network;
- Develop knowledge of the availability and characteristics of different materials from quarries within the district and maintain this in a register;
- Increase knowledge of road performance, especially *actual* metal loss prioritising forestry routes;
- Improve stormwater management:
 - maintain crossfall at 8%;
 - improve drainage facilities to contain water below road surface, and effectively drain sub-base; and
 - keep culverts clear at all times.
- Improve the management of roadside vegetation to:
 - maintain good visibility;
 - keep drainage facilities clear; and
 - prevent pavement damage from roots.
- Have a programme for managing forestry impacts:
 - collect \$390,000 per year (to be adjusted annually for escalation) funding from Forestry properties for strengthening forestry-impacted roads, and possibly dust suppression in the latter years.

7.2.2 Sealed roads

There is currently a total of 448kms of sealed network. Most of this (99%) is surfaced in chip seal with the remaining surfacing being asphaltic concrete and concrete. It consists of two components: the pavement layers and the surfacing. This asset carries the bulk of the heavy vehicle volume. It is an all-weather surface and not as sensitive to loading issues. Traffic travels at higher speeds on a sealed road so safety concerns are of increased interest. The lifecycle of seal surfaces varies from 14 years for a two-coat seal with lighter volumes, to two years for a single chip first seal coat on high volume roads, with an average across Kaipara's network of 11 years. The programme of reseals is currently a life of 16 years with 60kms programmed to be completed each year over the next three years, and then back to 30kms per year. This doubling of the reseal programme reduces the costs for more expensive repairs. The backlog will be addressed by 2021.

Pavement age of the network



Recent analysis of pavement data after completion of the forward works programme has suggested pavements are achieving average lives of around 50 years. Adopting an average pavement age of 50 years and applying this to the KDC sealed road network requires 4kms or 0.8% of sealed roads to be renewed annually.

Three indexes are used to measure condition on an annual basis:

- smoothness by distance travelled;
- pavement integrity weaknesses from faults, rutting and shoving; and
- condition assessment of faults, cracking, ravelling, potholes and patches, flushing.

Our pavement integrity measures lower than our neighbouring authorities. Our smoothness measure is more similar to our neighbours but half the national average. The rehabilitation and reseal programme addresses these issues over time.

Road development over the next 10 years will be driven by the need to increase carriageway widths on some rural primary and secondary collector roads because of the use of these roads by heavy vehicles, roads providing detours when the State Highways are closed, and increased private development (mainly in and around Mangawhai).

Road widths – there are deficiencies compared to Kaipara’s Engineering Standards affecting 17% of sealed roads. This is partially addressed through the annual pavement rehabilitation and reseals programme and NZTA subsidies are available for the work.

Resilience – there are no additional criteria used by NZTA to provide greater road resilience of key routes. The use of Kaipara roads as detours for the State Highways causes wear and tear over and above normal use. No additional NZTA subsidies are available to strengthen these roads to stop the damage from use as detours.

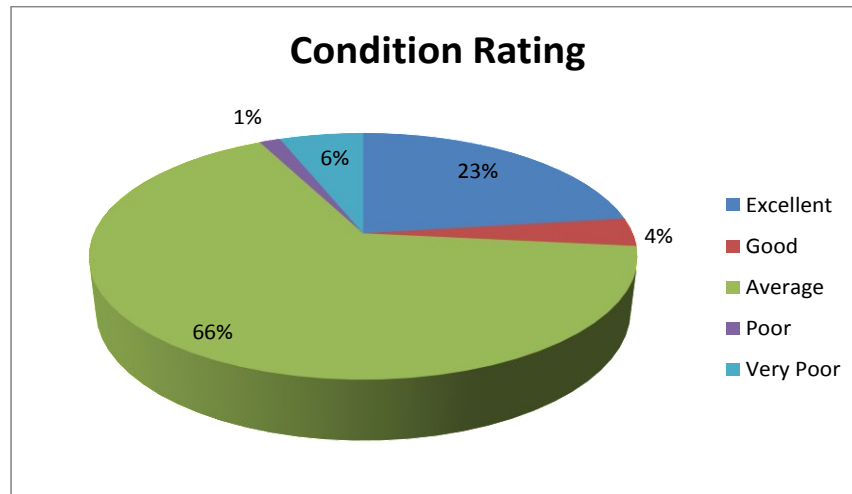
Bridges, culverts and structures

There are 351 bridges (over 3.4m of waterway) and bridge culverts (under 3.4m of waterway) in Kaipara. Most of these are short structures. Over time, many of these will be replaced by culverts, depending on water flow data. Climate change also needs to be taken into account given the long intended life of these assets (the design life is 100 years). Earlier bridges were constructed out of material that means they have shorter lives. Pre-1940 structures will be replaced over the next 10-15 years. Culverts are younger with a greater remaining useful life.

There are five bridges with weight restrictions. None of these are in high volume roads.

20% of bridges are inspected each year. The latest condition rating categorised the majority of bridges and culverts in average to good condition.

The following condition rating split has been determined for all KDC bridges inspected in the last two years.



Due to the increased pressure on drainage systems due to adverse weather events, we will progressively increase the minimum sizes of our culverts to be 450mm diameter. This will allow for easier through flow and reduce ponding and saturation of the pavement layers.

The emphasis for the next period will be on improving asset knowledge of bridges and culverts, while addressing known maintenance and renewal requirements to strengthen bridges where heavy traffic use occurs, replace older bridges built prior to 1940 with either new bridges or culverts as appropriate.

A budget of \$19.6 million is included for this bridge replacement work. This is in addition to \$7.5 million for maintenance and \$22.5 million for renewals.

7.2.3 Drainage facilities

There is a total length of 131,625m of culverts (not associated with bridges), and 1,837kms of surface water channels within the district. Drainage facilities that drain the road pavement are considered to form part of the roading asset. A recent review of the condition of drainage facilities has assessed most as performing well. However, there are some causing problems. Heavy rainfall events have also highlighted some weaknesses in road drainage, hence the gradual planned increase in minimum size of the culverts.

Drainage facilities are usually installed as part of road construction. Those constructed from concrete are very durable. There is no cause to renew these assets as they have an expected life up to 80 years. They are replaced during reconstruction of the pavement.

Maintenance is very important for drainage facilities. If they are functioning well, the road lasts longer and require less maintenance. Kerb and channel drains are cleaned twice-yearly. Sumps are cleaned annually. Culverts are cleaned as response maintenance after inspections or as assessed by the Contractor or Client Representative. The Contractor has key performance indicators (KPIs) in the contract stating service levels.

There is \$19.5 million budgeted for routine drainage maintenance and \$12.2 million for renewals.

7.2.4 Guardrails and sight rails

Guardrails are erected at the edge of some roads to protect vehicles from hazards. There are over 12,500m of such rails in Kaipara. Many are on bridges and managed as part of that programme. Sight rails generally last indefinitely and replacement tends to be only needed after accidents.

7.2.5 Streetlighting

Council owns 1,168 road-related streetlights. Streetlight fittings have a standard life of 15 years and most streetlight poles have a life of 40 years. All maintenance is response maintenance. The future initiative is to continue with the LED replacement of all of the current luminaires. This is an initiative that is supported by NZTA at a higher than normal FAR (85%) and the aim is to have this completed by the end of 2018 and then reap the benefits of less power consumption costs, as well as associated reduced streetlight maintenance costs.

7.2.6 Signs and roadmarking, raised pavement markers and edge marker posts

There are:

- 1,064 street and information signs;
- 3,889 permanent warning of hazards signs;
- 2,101 signs to communicate regulations; and
- 1,319 miscellaneous signs.

The life of signs is averaged at 15 years. However, theft, vandalism and accidents can reduce this life. Signs are replaced as they deteriorate as identified by regular inspections or as they are damaged or removed. The current sign stock is relatively new.

There are 6,687 signs on roads in Kaipara. This includes roadmarking (499kms), intersection controls (392), and parking controls (108). These markers other than roadmarking are condition assessed annually and maintained/renewed as required. The roadmarking is replaced annually.

7.2.7 Vegetation control

The vegetation standard is no lower than 4.5m above the road surface and no closer than 1.5m from the pavement edge. Weed spraying, trimming and mowing is required to meet this standard in current contracts.

7.2.8 Carparks and service lanes

There are 14 carparks (total area of 21,098m²) and 23 service lanes (7.55kms) in Kaipara. Condition assessment and renewals are planned alongside the sealed network.

7.2.9 Retaining walls

There are 188 retaining walls in Kaipara (this may not be a complete list). Condition information has only just begun to be collected. Most walls are built as emergency responses to slips and slumps and are therefore not planned works.

7.2.10 Footpaths and walkways

There are about 87kms of footpaths in the district. Most are in the township of Dargaville (44kms) with an increasing length in Mangawhai (22kms). Condition rating is done every five years. Renewals are therefore planned for five year blocks, where only those rated “poor” or “very poor” are addressed. A new condition rating is needed to confirm the next five year programme. Most new footpaths are developed as part of new subdivisions with an average length of 1.5kms a year.

NZTA subsidies are not available for footpaths. Council includes an allowance of \$2.5 million to extend footpaths and \$6.6 million for maintenance and renewals.

7.3 Issues

Our roading network was built in times of considerably lower traffic volumes and lighter commercial vehicles. Increasing repairs are needed as vehicle volumes increase and heavy vehicles get heavier. The cost of many of the materials needed to repair, maintain or improve roads, (like bitumen), have increased by 150% (*Source: NZTA Bitumen Cost Adjustment Series*) over the last 10 years; so affordability is a key issue, to maintain or increase the standard of our roads. Dust levels on unsealed roads in summer is exacerbated by intense logging truck activity. NZTA will pay 61% of the costs for road repairs and upgrades in Kaipara, through the NZTA Funding Assistance Rates (FARs) if the requests have been approved by NZTA and the development of business cases for the additional requests have been made.

The state of the national State Highway network combined with the increased incidence of intense rainfall weather systems and accidents, adversely impacts the Council roads by forcing the diversion of State Highway traffic volumes onto the Council network. As Council roads are not designed to deal with the extra traffic, the lifespan of the roads is lessened and more maintenance is needed, which has cost implications for Council.

Forestry growth in Kaipara would ideally be accompanied by those roads used by logging trucks being strengthened. Those roads are not designed to carry such heavy loads over such intensive (harvesting) periods. (Source: MWH, Forestry Roads: Kaipara District Council Forestry Routes Submission, 2014). If strengthening is not done, those roads will deteriorate faster than they are designed to. The main years of concern are 2015/2021. To respond to this Council is including \$5.5 million over the next three remaining years to strengthen the roads identified as being used by forestry harvesting. This will enable Council to maintain current service levels.

Road width data taken from RAMM (NZTA Road Assessment and Maintenance Management Manual) shows there are deficiencies where the carriageway width does not meet the desired width in Kaipara's Engineering Standards. The width deficiencies are triggered by increased traffic volumes and truck sizes.

As the population increases (mainly in the east) with people shifting to Kaipara from urban areas with higher levels of service, the demand for seal extensions and dust suppression increases. Currently, KDC cannot respond to these demands. Customer satisfaction with roads and footpaths is generally low, particularly on the unsealed network.

7.4 Implications

Roading is funded by the following; general rate, NZTA subsidies, targeted rates, and development and financial contributions (paid when land is subdivided or developed) that help pay for growth in road capacity.

The level of funding received from all these sources is only sufficient to maintain roads at current levels and only have a minimal response to the wear and tear from forestry traffic. Service levels for roads will therefore be impacted; even maintaining current standards will require increased rates, while any ratepayer funded increase in the proportion of sealed roads would require substantially greater rates increase. Affordability of infrastructure management is the biggest issue faced by this district.

The latest funding application to NZTA (for the 2018/2021 period) is requesting additional funding with the appropriate evidence, however this is only a request at this point in time and approval is still to be obtained by mid-2018.

7.5 Risk and hazard management

The biggest risk to roads is flooding events and other impacts from heavy rain. Secondly, there is the risk of asset failure typically from ground conditions (slips and slumps) and asset condition (bridges mainly). There is a dedicated budget of \$28.5 million for preventative works so that these events do not cause as much damage. However, it is often this budget that is used for dealing with the consequences of such events. For anything over and above this amount, addressing the damage from

unplanned events can mean deferring other maintenance and renewal work. Addressing failures because of asset condition is being addressed by improved knowledge of our assets and surrounding conditions with better targeted maintenance and renewals.

Climate change will increase the frequency of floods and heavy rain, and flooding of low-lying roads by waterways. The impact of this is not expected to be severe in the first 10 years but may affect roads beyond that.

7.6 Options

Option 1 – status quo

To manage Kaipara's road network:

- Plan to rehabilitate roads in areas of high or increasing use and at most risk of severe deterioration as funding allows.

To manage road width deficiencies triggered by increased traffic volumes:

- Identify roads with width deficiencies and address them as sealed road rehabilitation or unsealed pavement strengthening projects as funding allows.

To manage low volume roads:

- Identify low volume roads where maintenance could be reduced or possibly stopped.

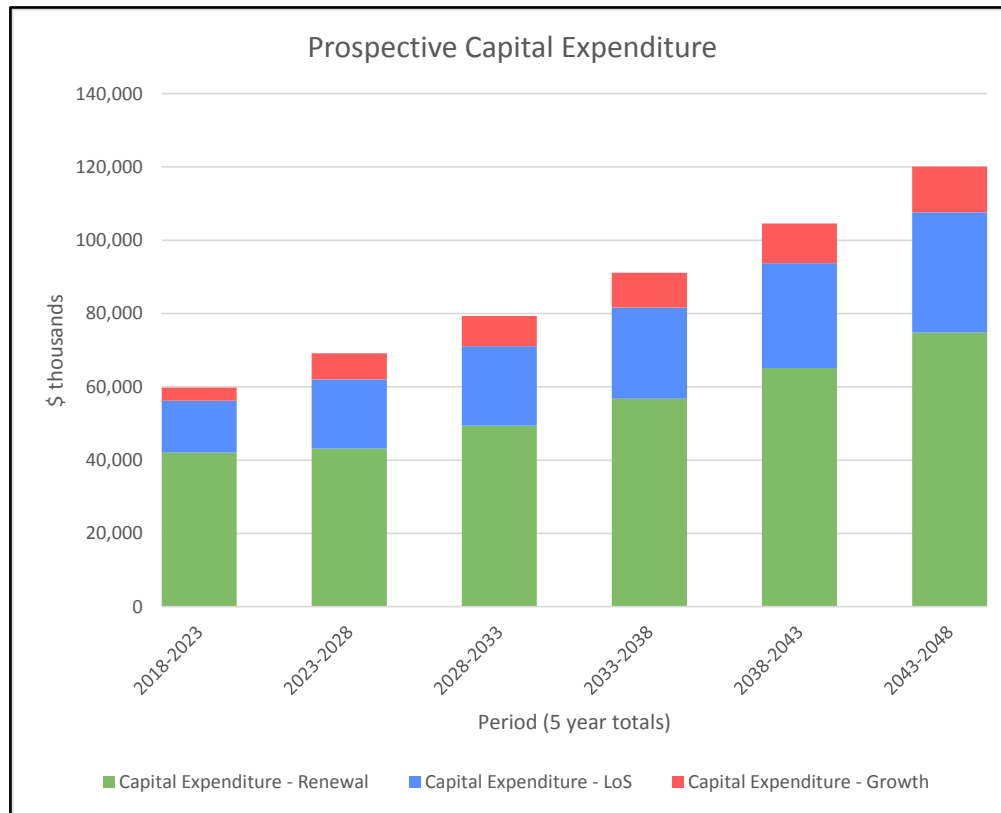
Option 2 – status quo plus strengthening roads used by a high volume of logging trucks

To manage the impact of forestry on the roading network:

- Identify routes where logging trucks will operate, and importantly when, and undertake strengthening work on a 'just in time' basis; and
- Council has submitted a request to NZTA for additional funding as part of the Asset Management Plan (AMP) submission, to help meet the cost of the additional renewals needed as a result of forestry activity (NZTA is promoting a 'one network' approach to the management of forestry routes throughout Northland).

Option 3 - increase service levels on the unsealed network towards delivering to customer feedback on

- Comfort of driving on unsealed roads (corrugation, potholes); and
- Dust reduction.



For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table											
The Provision of Roads and Footpaths											
Operating expenditure											
<i>Total operating expenditure</i>	12,313	12,877	13,181	13,403	13,743	65,516	14,100	14,468	14,871	15,285	15,759
Capital expenditure											
Capital Expenditure - Growth	846	57	61	1,304	1,329	3,598	1,358	1,401	1,428	1,467	1,518
Capital Expenditure - LoS	1,798	2,853	2,925	3,470	3,162	14,207	3,581	3,683	3,765	3,867	3,990
Capital Expenditure - Renewal	8,343	8,245	9,149	8,076	8,198	42,010	8,226	8,392	8,592	8,824	9,091
<i>Total capital expenditure</i>	10,987	11,155	12,134	12,850	12,690	59,816	13,165	13,477	13,786	14,159	14,598
Total expenditure	23,300	24,032	25,316	26,253	26,432	125,332	27,266	27,945	28,657	29,443	30,358

For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023	2023-2028	2028-2033	2033-2038	2038-2043	2043-2048	2018-2048
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table							
The Provision of Roads and Footpaths							
Operating expenditure							
<i>Total operating expenditure</i>	65,516	74,483	86,627	100,007	115,438	133,324	575,395
Capital expenditure							
Capital Expenditure - Growth	3,598	7,173	8,252	9,474	10,876	12,487	51,860
Capital Expenditure - LoS	14,207	18,886	21,688	24,900	28,586	32,819	141,087
Capital Expenditure - Renewal	42,010	43,127	49,417	56,734	65,134	74,778	331,200
<i>Total capital expenditure</i>	59,816	69,186	79,358	91,107	104,597	120,084	524,148
Total expenditure	125,332	143,669	165,984	191,115	220,035	253,408	1,099,542

For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table											
The Provision of Roads and Footpaths											
Operating expenditure											
<i>Total operating expenditure</i>	12,313	12,610	12,630	12,561	12,587	62,701	12,612	12,628	12,653	12,667	12,703
Capital expenditure											
Capital Expenditure - Growth	846	56	58	1,220	1,215	3,396	1,212	1,220	1,212	1,212	1,220
Capital Expenditure - LoS	1,798	2,791	2,800	3,247	2,890	13,527	3,196	3,207	3,196	3,196	3,207
Capital Expenditure - Renewal	8,343	8,067	8,759	7,558	7,493	40,220	7,342	7,308	7,292	7,292	7,308
<i>Total capital expenditure</i>	10,987	10,915	11,618	12,026	11,598	57,143	11,750	11,735	11,700	11,700	11,735
Total expenditure	23,300	23,525	24,248	24,587	24,185	119,844	24,363	24,363	24,353	24,368	24,439

For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023	2023-2028	2028-2033	2033-2038	2038-2043	2043-2048	2018-2048
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table							
The Provision of Roads and Footpaths							
Operating expenditure							
<i>Total operating expenditure</i>	62,701	63,264	64,176	64,447	64,688	64,943	384,218
Capital expenditure							
Capital Expenditure - Growth	3,396	6,077	6,101	6,101	6,101	6,101	33,879
Capital Expenditure - LoS	13,527	16,002	16,036	16,036	16,036	16,036	93,674
Capital Expenditure - Renewal	40,220	36,543	36,539	36,539	36,539	36,539	222,918
<i>Total capital expenditure</i>	57,143	58,622	58,677	58,677	58,677	58,677	350,472
Total expenditure	119,844	121,885	122,852	123,123	123,365	123,620	734,690

7.7 Most likely scenario

Option 2 is the preferred option. Roads will be maintained as affordable within the proposed budget levels plus a targeted rate on forestry properties. This will mean that Council will not respond to customer demands for increased levels of service, and those acting as detours when State Highways are closed may deteriorate. There is only minor funding available for improvements in service levels. The improvements in service levels will be driven by availability of funding from a mixture of NZTA, development and financial contributions and the general rate. No rates or NZTA funding are available for seal extensions in the medium term future.

Council will prevent the anticipated damage to roads used for forestry traffic from harvesting in the years 2018 to 2021 by rating \$1.17 million from setting a targeted rate on exotic forestry properties. Council will continue to the forestry target rate beyond 2021 to strengthen the pavements on forestry routes. Any balance of funds available after 2021 will be used for dust suppression.

Road development over the next 10 years will be driven by the need to increase carriageway widths on some rural primary and secondary collector roads. The need is based on the level of heavy commercial vehicles using these roads, roads providing alternative detour access of State Highway traffic and increase in private development especially around the Mangawhai area.

The width deficiencies will be addressed as sealed road rehabilitation or unsealed pavement strengthening projects are completed.

7.7.1 Road widening projects

It is proposed to do minor realignment and safety improvements to address sight distance deficiencies for frequently used forestry, dairy tanker, general produce and quarrying operations routes.

Sealed roads have been identified for sections of widening because they do not meet the standard width requirement causing safety concerns or potential increased traffic volume from new developments.

Road widening, in conjunction with rehabilitation projects, is planned where pavement width poses a safety concern or there is pavement support deficiency and it is economically justified. It is expected a consistent approach to that of adjacent councils will be taken to width and delineation on State Highway detour routes and primary and secondary collector routes. Key routes are: Paparoa-Oakleigh Road, Kaiwaka-Mangawhai Road, Molesworth Drive, Mangawhai Heads Road, Cove Road and Pouto Road.

7.7.2 Road strengthening

There are road strengthening projects in the programme, for the sealed network it is part of the rehabilitation projects, and for the unsealed roads the strengthening will be done as part of the heavy metalling programme.

7.7.3 Seal extensions

NZTA subsidy for seal extensions are generally no longer available, however the greater Mangawhai area is identified as a growing area that has a number of roads requiring upgrading to meet demand created from development. To assist with road improvements Council will fund seal extensions through a number of funding avenues triggered by development and financial contributions attributed to a specific development. The funding of seal extensions will be done from year 4 onwards, but no seal extensions are proposed for the first three years. Also Council, where justified, will strengthen unsealed road sections in anticipation of sealing the road and may improve safety aspects using minor works subsidised allocations to meet demand.

Roading improvements are funded from subsidies received from the NZTA, development and financial contributions paid by developers and rates.

7.7.4 Bridges

In the next five years a number of bridges will be replaced, as well as bridge strengthening and new culverts being constructed. This programme will be updated as condition investigations are completed.

7.7.5 NZTA One Network Road Classification (ONRC)

The purpose of ONRC is to bring national consistency to service levels and efficient investment management of the road network across territorial boundaries. Council is yet to be fully informed or fully understand the implications of the new system. However, we do know the following:

The ONRC consists of:

- Road classification system;
- Customer levels of service (provisional); and
- Performance measures.

The new NZTA classification system will be implemented over three years. The system is intended to:

- provide a nationally consistent framework that helps to inform activity management planning, investment choices, and maintenance and operational decisions;
- over time, road users can increasingly expect to have similar experiences across the country, on roads in the same category;
- support more consistent asset management across the country; and
- make collaboration and prioritisation easier between those organisations responsible for the planning, delivery, operation and maintenance of the nation's road network, leading to a more efficient and safer network and improved value for money.

There are six functional categories. Two categories have sub-categories.

- National (two volume levels);
- Regional;
- Arterial;
- Primary connector;
- Secondary connector; and
- Access (two volume levels).

To be classified in each category, a number of criteria need to be met. Volume criteria are different for urban and rural roads:

- movement of people and goods (volume of daily traffic, HCV, buses, active modes); and
- economic and social (linking places, access to ports and airports, lifelines, tourist destinations).

For Kaipara district, no roads meet the criteria for national, regional or arterial classification (except State Highways). Most of our roads fall within the classification of secondary connector and access categories.

7.8 Customer Levels of Service

Each classification has a specific service level. They are based on the principles of national consistency, safety, fit for purpose and affordability. The information on services levels currently available is provisional.

Service levels cover four categories/outcomes:

- mobility (travel time, resilience, optimal speeds);
- safety;
- amenity; and
- accessibility.

The service levels are very general, and differ by degree between classifications. It is the performance measures that quantify these service levels.

For roads within Kaipara this means (in summary):

	Mobility – travel times	Mobility - resilience	Mobility – optimal speed	Safety	Amenity	Accessibility
Arterial	Users experience consistent travel times except during holidays, major events, weather events.	The route or a viable alternative is always available except in emergencies. Priority restoration and users advised.	Higher speeds except where risks exist e.g. intersections, schools, high volumes, shops etcetera.	Variable road standards – safety guidance provided to users.	Good level of comfort, tolerance of some roughness. Contribute to local character and land use (urban or rural).	Some land use access restrictions tolerated. Higher classified roads have priority. Good quality information available to users.
Primary collector	Generally consistent travel times except where affected by weather or other road users.	Route nearly always available except in weather events or emergencies. Alternate routes usually available. Moderate priority to clear incidents.	Travel speed depends on risk, mixed use, adjacent land use.	Variable road standards and alignments. Lower speeds and user vigilance required. Some safety guidance may be available to users.	Moderate levels of comfort, occasional areas of roughness. Roads contribute to local character and adjacent land use.	Some land use access restrictions tolerated. Higher classified roads have priority. Good quality information available to users.
Secondary Collector	Travel times may vary as a result of other road users, weather and road conditions.				Moderate level of comfort, more areas of roughness. Roads contribute to local character and adjacent land use.	Some land use access restrictions tolerated. Some condition variability. Higher classified roads have priority. Good quality information available to users.
Access	Varied travel times affected by other users, weather and road conditions.	Route may not be available at all times. Alternates may not exist. Lower priority for clearance of incidents.	Travel times depend on risk. Recognition of road use for access to schools, shops etcetera.	Variable road standards and alignment. Driver vigilance required.	Low levels of comfort, extended areas of roughness. Conditions reflect adjacent land use and function.	Access to all adjacent properties Users should expect variability. Higher classified roads have priority.
Access (low volume)		Route may not be available in some weather. Alternatives may not exist. Lowest priority for clearance.				

The AMP will introduce a transition plan to support NZTA investment in the Kaipara district road network regarding maintenance renewal and operation decisions. Over time NZTA is aiming for national consistency for the level of service delivered by a network for the customers. The transition plan will fully implement the ONRC and apply the business case approach principles in the preparation for the 2018/2021 National Land Transport Programme (NLTP).

7.9 Impact on rates

Funding for Roads and Footpaths comes from the:

- general rate; this activity accounts for around 42% of rates revenue;
- NZTA subsidy at 61%; and
- 'Forestry Roding Rate' imposed on exotic forestry properties based on land value levies \$390,000 (to be adjusted annually for inflation) per year.

8 Flood Protection and Control Works

8.1 Overview

Flood control is a shared responsibility between KDC and NRC. Flood protection and control work consists of flood control schemes, river alignment control, and land drainage. Stopbanks and floodgates help protect against flooding, and the monitoring of tidal and stormwater levels during weather events helps to provide warning of potential flooding. Weedspraying, drain clearance, floodgate and outlet maintenance helps the land drainage network operate to full capacity. The purpose of the infrastructure is to protect people and properties (including private land and infrastructure and especially productive land) from flooding and tidal flows.

Flood protection work in Kaipara district is split into two separate categories of responsibility; rural and urban flood protection. Rural flood protection is largely concentrated in the Raupo Drainage District; the area of the Ruawai flats adjacent to the Northern Wairoa River. This very fertile area makes a substantial economic contribution, primarily dairy farming and kumara growing. The main function of this type of flood protection is "Land Drainage" and is to ensure that for the majority of the year the land is kept drained and able to be used in an efficient and effective manner for the production of dairy, kumara etcetera. The Ruawai village stormwater controls are in an 'Urban' setting but are managed under the Raupo Drainage District.

Urban flood protection is currently concentrated around the township of Dargaville; this includes stopbanks and floodgates. Flood protection for Dargaville is currently included in the stormwater activity and though this activity is currently centred around Dargaville, with the adoption of the NRC Coastal Hazard Maps and the finalisation of the regional policy, more investigation will be required to identify any other low-lying areas within the district that will be affected in the future and what the councils responsibilities will be in these instances.

8.2 Assets, their age, condition and maintenance

There is the Raupo District Drainage Scheme (Raupo) and 28 other defined 'land drainage' area schemes although Raupo currently accounts for the majority of the total expenditure. Raupo is managed by a standing committee of KDC. Construction of the flood protection infrastructure began in the early 1900s and was paid for by landowners and grants from the central government of the time that had an interest in promoting the reclaiming of arable land.

The range in size of these defined areas varies from small and what is considered non-active, such as Sunnynook with 840m of drains and stopbanks with one floodgate, to the largest, Raupo with 69kms of drains and stopbanks and 52 floodgates.

Raupo meets quarterly to discuss maintenance and any other issues within the system, whereas the smaller districts meet once or twice yearly to determine the amount of maintenance needed within their district.

Asset profile:				
Northern Area Land Drainage Assets by Asset Type as at 13 July 2016				
Asset Type	Replacement Cost (\$)	Depreciated Replacement Cost (\$)	Accumulated Depreciation (\$)	Annual Depreciation (\$)
Drains	\$4,319,879	\$4,319,879	\$0	\$0
Floodgates	\$1,797,622	\$711,075	\$1,086,546	\$31,825
Total 2016	\$6,117,500	\$5,030,954	\$1,086,546	\$31,825
Raupo Land Drainage Assets by Asset Type as at 13 July 2016				
Community	Replacement Cost (\$)	Depreciated Replacement Cost (\$)	Accumulated Depreciation (\$)	Annual Depreciation (\$)
Wharf Road buildings	\$245,220	\$85,863	\$159,356	\$2,452
Jellicoe Depot	\$36,106	\$8,665	\$27,441	\$361
Drains	\$4,346,256	\$4,346,256	\$0	\$0
Stopbanks	\$2,697,952	\$2,697,952	\$0	\$0
Rip rap	\$523,715	\$57,609	\$466,107	\$5,237
Floodgates	\$6,018,741	\$1,449,879	\$4,568,861	\$116,902
Wallace Road pump station	\$349,329	\$108,312	\$241,017	\$5,356
Boundary gates	\$35,042	\$6,308	\$28,734	\$701
Total 2016	\$14,252,361	\$8,760,845	\$5,491,516	\$131,010

8.3 Risk and hazard management

Risk and hazard management is managed by operational staff with a working knowledge of each system, and also relies heavily on the local farmers and residents within each district who maintain constant vigilance over the drainage assets and update the status of the assets to Council representatives as required. Their working knowledge includes where any pressure points are in weather events and which areas are likely to be at risk, how often and when the best time to complete planned maintenance will be, and how to most effectively complete the work.

Impairment testing is also carried out on major asset components including flood protection. The purpose of testing is to identify any significant change in the performance or condition of the assets from when they were last investigated, in some cases this may be the date of installation. Investigation of the flood protection assets first occurred in 2014, and has been done yearly since then; to date the flood protection investigations have identified several gates which have required immediate replacement and some which need varying degrees of attention.

Ongoing investigations will need to be undertaken for all drainage districts, to update Council-held records on basic information such as condition and age, and more in depth information surrounding height in relation to sea level, and capacity. In conjunction with NRC it is provisionally agreed that there will be an impact from climate change and sea level rise which in turn will have an impact on the current flood protection measures, it is yet to be determined what the impact will be or how we will formulate an appropriate response to these measures and implement them for the future.

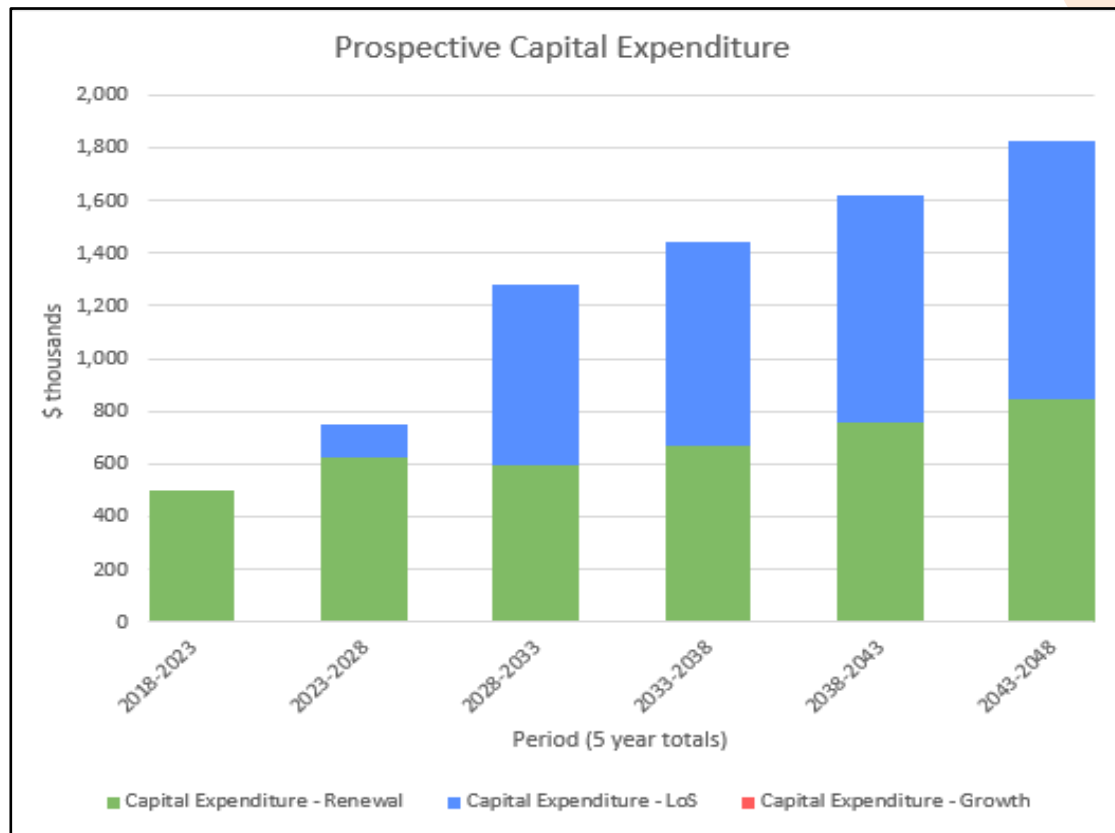
8.4 Issues, options and implications

Climate change will mean more flooding from extreme weather events and sea level rise, leading to higher water levels in rivers and other waterways. The impact of this occurrence will reinforce the importance of the renewal/improvement programme. The stopbank heights are being raised in part using the dredged material as it is removed. There are also sections being widened and strengthened in preparation for being raised, as any permanent stopbank structure needs to meet specific design and testing requirements. This is both a financially prudent way of disposal of the material and in response to the need to prepare for higher future flood levels. Council estimates of what will be spent on flood control from 2018 to 2048 can be viewed in the attached tables, showing operational (maintenance) spending, and some renewal work. As more investigations are completed on the current systems, and NRC releases their reports on expected sea level rise, this may change.

Council's budgeted spend on floodgate replacement in the next 30 years (this assumes that one floodgate will be replaced every three years; floodgates cost between \$25,000 and \$100,000 depending on size) can be viewed in the attached tables. Council's budgeted spend on stopbanks (this assumes that annual programmed work will continue at \$40,000 per year) to increase stopbank levels within the Raupo Drainage District over the next 30 years, can also be viewed below.

Flood control infrastructure is funded by a targeted rate on Dargaville and Ruawai properties, the people that can use and benefit from the service pay for it, rather than the whole district, though as the need for bigger and better flood protection measures are realised this may need to be a 'general rate' that will be spread across the entire district as the smaller areas may not be able to cover the required expenditure by themselves.

One possible alternative option is the transfer of responsibility for this activity to NRC, though this has never been formally investigated nor an actual proposal tabled for review and discussion.



For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table											
Flood Protection and Control Works											
Operating expenditure											
<i>Total operating expenditure</i>	551	564	527	540	577	2,759	547	578	607	621	667
Capital expenditure											
Capital Expenditure - Growth	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - LoS	0	0	0	0	0	0	0	0	0	0	127
Capital Expenditure - Renewal	159	133	58	53	98	501	101	103	202	108	111
<i>Total capital expenditure</i>	159	133	58	53	98	501	101	103	202	108	238
Total expenditure	710	696	584	594	675	3,260	647	681	809	730	905

For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023	2023-2028	2028-2033	2033-2038	2038-2043	2043-2048	2018-2048
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table							
Flood Protection and Control Works							
Operating expenditure							
<i>Total operating expenditure</i>	2,759	3,019	4,542	4,666	6,219	6,498	27,704
Capital expenditure							
Capital Expenditure - Growth	0	0	0	0	0	0	0
Capital Expenditure - LoS	0	127	684	770	867	977	3,426
Capital Expenditure - Renewal	501	625	595	670	754	849	3,994
<i>Total capital expenditure</i>	501	752	1,279	1,440	1,622	1,826	7,420
Total expenditure	3,260	3,771	5,821	6,106	7,841	8,324	35,123

For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table											
Flood Protection and Control Works											
Operating expenditure											
<i>Total operating expenditure</i>	551	549	501	501	522	2,624	482	495	506	503	523
Capital expenditure											
Capital Expenditure - Growth	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - LoS	0	0	0	0	0	0	0	0	0	0	104
Capital Expenditure - Renewal	159	130	55	50	90	484	90	90	172	90	90
<i>Total capital expenditure</i>	159	130	55	50	90	484	90	90	172	90	194
Total expenditure	710	679	556	551	612	3,107	572	585	678	593	717

For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023	2023-2028	2028-2033	2033-2038	2038-2043	2043-2048	2018-2048
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table							
Flood Protection and Control Works							
Operating expenditure							
<i>Total operating expenditure</i>	2,624	2,508	3,243	2,852	3,256	2,910	17,393
Capital expenditure							
Capital Expenditure - Growth	0	0	0	0	0	0	0
Capital Expenditure - LoS	0	104	518	518	518	518	2,174
Capital Expenditure - Renewal	484	532	450	450	450	450	2,816
<i>Total capital expenditure</i>	484	636	968	968	968	968	4,989
Total expenditure	3,107	3,144	4,210	3,819	4,223	3,877	22,382

8.5 Most likely scenario

Council's maintenance programme for flood control will continue to direct expenditure where and when required for the infrastructure to perform as required.

Projected operating expenditure for the years 2018 to 2048 is outlined in the above table.

The capital expenditure as identified above will continue to be directed by onsite condition assessments of the assets and as an agreed upon response to the changing environment.

NRC is undertaking a Northland catchment mapping and modelling exercise, making extensive use of LiDAR (Light Detection and Ranging - remote sensing technology used to make high resolution maps). The impending outcome of this exercise will influence Kaipara's flood protection and control works management.

8.6 Impact on rates

The impact on rates is dependent on decisions made by the drainage groups themselves. The targeted rates are based on land value and vary every year between each drainage area, depending on the works programme agreed. There is one drainage district within Kaipara under the governance of NRC, that being Kaihu Valley Drainage District. The number of properties currently funding flood protection is 505 within Raupo and 1389 within the other schemes, there are also 456 properties in Kaihu that pay to the NRC.

The targeted rates apply to all land in each of the following land drainage schemes:

Aoroa	Aratapu Village	Hoanga	Koremoa	Notorious	Tangowahine N°1	Tatarariki N°2
Arapohue N°1	Awakino Point	Horehore	Mangatara	Oruariki	Tangowahine N°2	Tatarariki N°3
Arapohue N°2	Awakino Village	Kaihu	Manganui	Otiria	Tangowahine Valley	Tikinui
Aratapu Swamp	Greenhill	Kopuru Swamp	Mititai	Owairangi	Tatarariki N°1	Whakahara

9 Stormwater

9.1 Overview

Council operates stormwater schemes for the Bayllys, Dargaville, Te Kopuru, Kaiwaka and Mangawhai communities, using a mixture of open drains and underground pipes. The aim of the service is to protect people, dwellings, private property and public spaces from flooding, by managing the flow of stormwater in a manner that protects public and environmental health.

Stormwater systems are mainly funded by a targeted rate on properties in Dargaville/Baylys, Te Kopuru, Kaiwaka and Mangawhai, the Ruawai area is a targeted rate under the Raupo Land Drainage Scheme, with the remainder of Kaipara district paying 10% of the cost.

Stormwater drainage systems are incorporated into the roading network (as roadside drains), in other communities such as Glinks Gully, Kelly's Bay, Pahi, Whakapirau, Tinopai, Paparoa and Matakohe.

9.2 Assets, their age, condition and maintenance

Council has four stormwater schemes –Dargaville/Baylys, Kaiwaka, Mangawhai and Te Kopuru. These consist of piped drains, open drains, manholes, inlets/outlets and detention ponds.

Community	Pipeline Length (m)	Open Drain(m)
Baylys	3,989	10
Dargaville	35,638	34,671
Kaiwaka	1,646	262
Mangawhai	24,806	7,311
Te Kopuru	149	4,760
Grand Total	66,228	47,014

Notes

Pipelines are composed of the following pipe types: Culvert, Gravity Main, Catchpit Lead.

Open Drains are composed of the following pipe types: Drain, Open Drain, Overland Flow Path, and Swale Drain.

Various natural assets such as overland flow paths and soft assets including riparian planting are located throughout the district.

Condition and performance data relating to stormwater assets is not currently well-documented across the district. The asset register also needs improvement to remove errors and to update missing information to allow Council to more efficiently plan and programme repairs, renewals and upgrades due to under capacity. For example, 36% of pipe diameters are unknown and 52% of pipe materials are unknown. Of all pipes, 34% have no data on either diameters or materials, and there are no operations and maintenance manuals for the existing stormwater detention ponds. A programme is underway to improve knowledge of Council assets and their condition, as reflected in future budgeting.

The average life expectancy of stormwater pipes is 60-70 years. The average life expectancy of stormwater points (manholes, catch pits) is closer to 100 years. With our current knowledge, most components have some years of life left, but some are suspected to be at the end of their effective life. The condition of critical aboveground assets is better known and a maintenance and renewal programme is in place to address condition issues over time.

There is currently no budget available to increase the length of piped drains. This means that the open drains, predominantly in rural or lifestyle areas, will remain. Their maintenance is essential to retain good flow, open drains are very efficient for the cost associated with the maintenance and operations, and they carry a large amount of water and work very well within our current systems.

Many drains flow into harbours or waterways which are covered by discharge consents from NRC.

9.3 Risk and hazard management

Climate change will place additional demand on stormwater infrastructure as heavy rain events become more common and more severe. This will need to be addressed by commissioning stormwater management reports for the serviced areas which will identify any issues created by climate change and sea level rise; these documents will form a major part of any replacement programme where pipe capacity may need increasing. Open drains should manage any extra demand expected.

The District Plan requires new buildings to have all habitable floors designed with a minimum freeboard height to floor level of 500mm above the 100 year average recurrence interval flood level. This is will be able to be better applied once NRC completes their programme of catchment mapping and modelling of key catchments and the reports from these projects are finalised, LiDAR for Northland is programmed to be completed by the end of 2019.

Dargaville has a reasonably high flood risk; to protect against this it has stopbanks, floodgates and a floodwall along the Kaihu and Northern Wairoa Rivers. These have been constructed over many years to provide the current level of flood protection for Dargaville and will all need to be investigated and assessed for condition, structural integrity and height to ensure that it will meet future needs set against altered climate conditions and rising sea levels.

Environmental management issues may become more pressing given that over 100 stormwater outfalls are into harbours/watercourses which all need to be covered by discharge consents, this will be investigated when possible to try to reduce the number of floodgates into the receiving environments. 14 swimming sites are monitored by NRC over summer.

9.4 Issues, options and implications

Much of our underground assets are of unknown condition. Given the age of some pipes, it is suspected that some are at the end of their effective life, and at risk of failure. There have been no significant failures to date so the life may be more than expected. Improved condition knowledge is essential as this allows Council to

base the repair and renewal strategies on known information and more efficient and cost-effective programmes for the future. We do know that there is a significant backlog of renewal work to clear especially in Dargaville. The Dargaville system has already been identified as being under capacity in earlier reports.

As a result, projected costs are indicative and actuals may vary from those projected.

There are some growth-related projects planned for Mangawhai, but no significant growth work is planned anywhere else in the district. There is no programme to pipe (enclose) open drains.

Options

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Option 2: Consider affordable alternatives

Institute a maintenance approach (without renewals) for three years that:

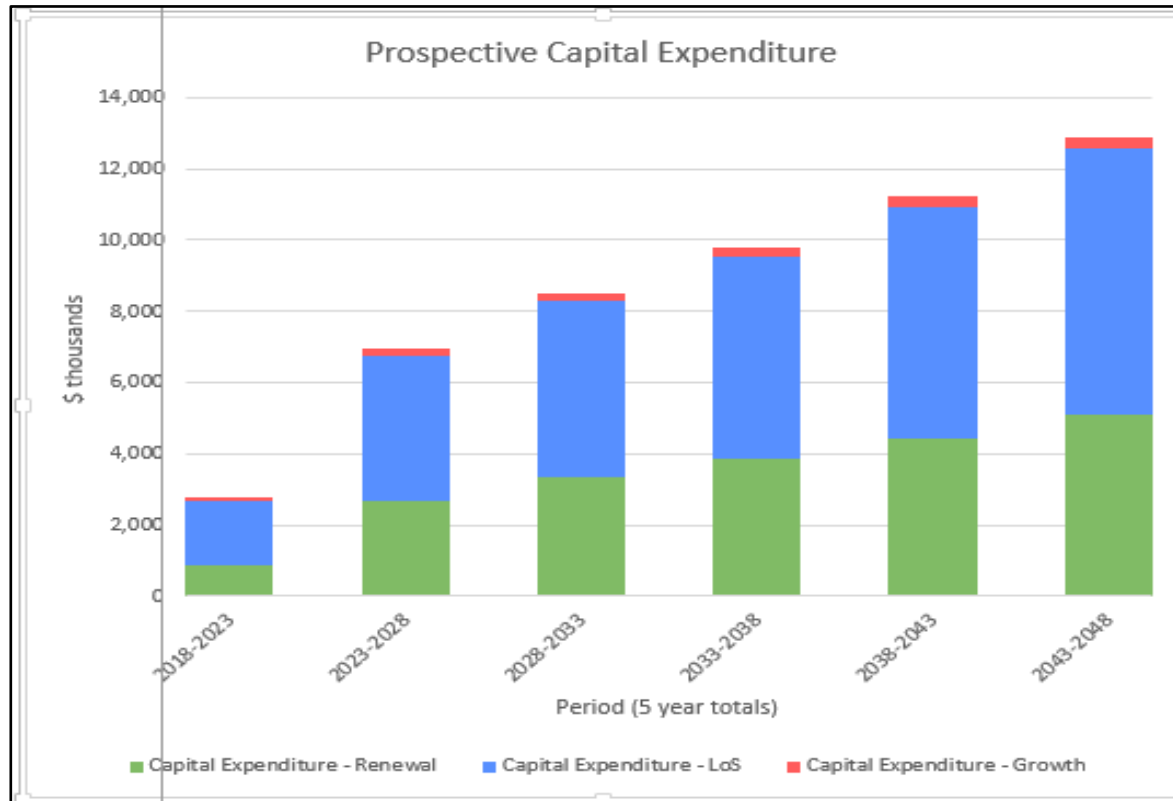
- maintains performance at current services levels, while we investigate alternatives for funding and/or provision of service.

Option 3: Review service delivery model

Institute an affordable renewals programme that:

- meets consent conditions: and
- addresses the backlog of renewals required over time while we investigate alternatives for provision e.g. community management, industry management based on dominant user/s.

Projected capital expenditure for this period is shown on the below tables and graphs, this outlines, renewals, level of service and growth related projects.



Projected operating expenditure for the years 2018 to 2048 is shown on the tables below.

For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table											
Stormwater Drainage											
Operating expenditure											
<i>Total operating expenditure</i>	1,072	1,249	1,138	917	959	5,336	998	1,054	1,078	1,176	1,249
Capital expenditure											
Capital Expenditure - Growth	1	9	9	34	40	93	41	35	36	37	38
Capital Expenditure - LoS	44	170	174	664	763	1,816	810	752	801	853	908
Capital Expenditure - Renewal	25	26	26	397	407	881	445	486	528	573	620
<i>Total capital expenditure</i>	70	205	210	1,095	1,209	2,789	1,296	1,272	1,364	1,462	1,566
Total expenditure	1,142	1,454	1,347	2,012	2,169	8,125	2,294	2,326	2,442	2,638	2,815

For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023	2023-2028	2028-2033	2033-2038	2038-2043	2043-2048	2018-2048
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table							
Stormwater Drainage							
Operating expenditure							
<i>Total operating expenditure</i>	5,336	5,555	7,142	7,907	8,739	9,648	44,327
Capital expenditure							
Capital Expenditure - Growth	93	185	204	235	269	309	1,295
Capital Expenditure - LoS	1,816	4,124	4,936	5,667	6,506	7,470	30,518
Capital Expenditure - Renewal	881	2,651	3,370	3,869	4,442	5,100	20,314
<i>Total capital expenditure</i>	2,789	6,960	8,511	9,771	11,218	12,879	52,127
Total expenditure	8,125	12,515	15,653	17,678	19,957	22,526	96,454

For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table											
Stormwater Drainage											
Operating expenditure											
<i>Total operating expenditure</i>	1,072	1,216	1,082	852	869	5,093	881	907	903	957	987
Capital expenditure											
Capital Expenditure - Growth	1	9	9	31	36	86	36	30	30	30	30
Capital Expenditure - LoS	44	166	166	619	694	1,689	719	650	675	700	725
Capital Expenditure - Renewal	25	25	25	370	370	815	395	420	445	470	495
<i>Total capital expenditure</i>	70	200	200	1,020	1,100	2,590	1,150	1,100	1,150	1,200	1,250
Total expenditure	1,142	1,416	1,282	1,872	1,969	7,683	2,031	2,007	2,053	2,157	2,237

For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023	2023-2028	2028-2033	2033-2038	2038-2043	2043-2048	2018-2048
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table							
Stormwater Drainage							
Operating expenditure							
<i>Total operating expenditure</i>	5,093	4,636	5,177	4,922	4,674	4,418	28,920
Capital expenditure							
Capital Expenditure - Growth	86	156	150	150	150	150	842
Capital Expenditure - LoS	1,689	3,469	3,625	3,625	3,625	3,625	19,658
Capital Expenditure - Renewal	815	2,225	2,475	2,475	2,475	2,475	12,940
<i>Total capital expenditure</i>	2,590	5,850	6,250	6,250	6,250	6,250	33,440
Total expenditure	7,683	10,486	11,427	11,172	10,924	10,668	62,360

9.5 Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions: and
- addresses any backlog of renewals required, and over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

There are no current plans to pipe open drains.

9.6 Impact on rates

The proposed impact on rates will vary by scheme. The targeted rate is proposed to increase steadily as more investigation work is completed and projects required across the district are identified as per the tables below.

Council has set rates so that 10% of the stormwater network costs are funded by all ratepayers through the general rate. The remaining 90% of costs continue to be funded by the targeted rate.

Operating costs for stormwater (except interest and depreciation) are split evenly between individual networks based upon land values. The operating costs (excluding interest and depreciation) are then combined with the capital costs (including interest, funded depreciation and loan repayments) in each individual scheme to calculate the rate payable for those connected to each scheme. This reflects a move towards 'equalising' the rate payable for the service being received irrespective of location. This approach recognises the argument that the service being received by the end user is the 'same' irrespective of location and hence the costs should be similar.

9.7 Impact by scheme

9.7.1 Te Kopuru

Issues

Te Kopuru's stormwater is primarily managed through a network of 4.7kms of open drains which flow into gullies and then into the Northern Wairoa River.

There are also 149m of stormwater pipeline which is aging and will need renewal in future years, Te Kopuru will also require a Stormwater Catchment Management Plan (SWCMP) completed at some point within the next 10 years.

Implications

Te Kopuru's stormwater system is mainly funded by a targeted rate on Te Kopuru properties.

Operating expenditure for the years 2018 to 2048 is approximately \$0.903 million.

Capital expenditure for the years 2018 to 2048 is currently set at zero until more is known about Te Kopuru's system and the community's needs.

Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions: and
- addresses any backlog of renewals required, and over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Impact on rates in 2018/2019

The proposed impact on rates will be an increase of the targeted rate by \$900 (5.63%) in 2018/2019. No capital works are currently identified for Te Kopuru until investigation of the state of the current assets and a SWCMP is completed for the area.

9.7.2 Dargaville/Bayllys

Issues

The Dargaville urban area is serviced by an underground pipeline and open drain stormwater network; much of the pipeline infrastructure is aged and there is a significant amount of deferred work to be addressed, earlier reports have identified Dargaville as being significantly under capacity for current population levels. Bayllys also has some stormwater infrastructure though this is not as significant and has been implemented in the last decade, there are some issues surrounding stormwater

flows through existing gullies that are causing some scour issues, and these are bringing water from large catchment areas starting in the hills surrounding the Baylys township.

After heavy rain events, Dargaville experiences stormwater infiltrating the wastewater infrastructure, this has been known to cause some overflow into the Northern Wairoa River and surrounding areas. (Some tolerance to 'consents' is allowed for heavy weather events.)

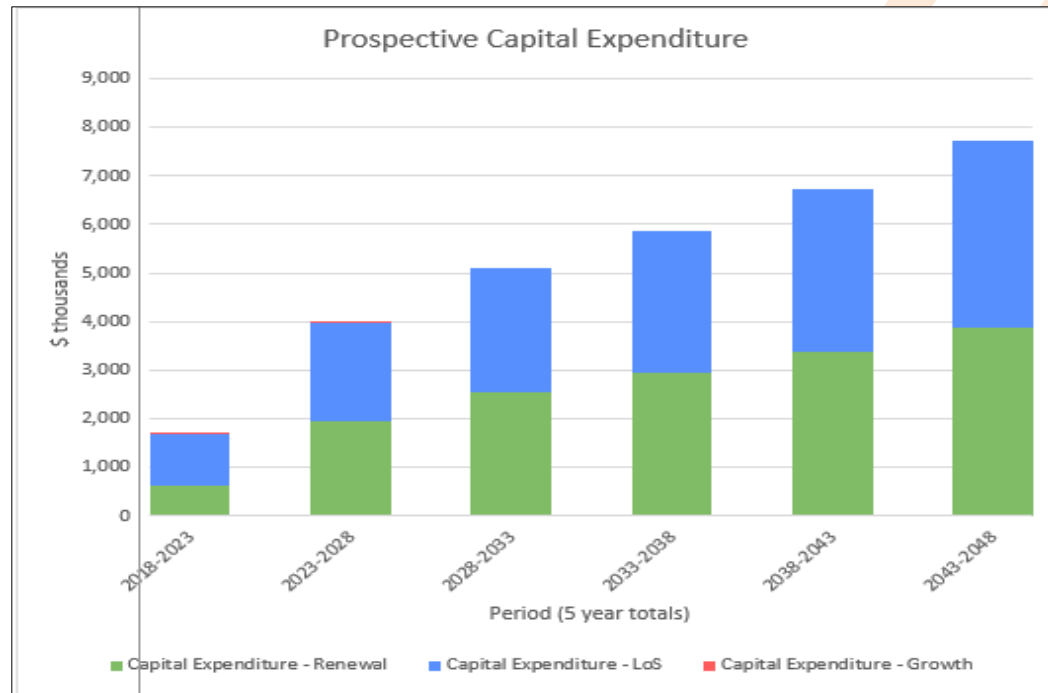
Implications

The Dargaville stormwater system is 90% funded by a targeted rate on Dargaville properties.

The changing demographic makes a full upgrade and replacement uneconomic and unaffordable under the current funding model, though this is an issue that will only get worse over time and other sources or avenues of funding may be required to complete the works required to bring Dargaville up to a standard that provides our minimum level of service.

Operating expenditure for the years 2018 to 2048 is \$26.84 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required, and over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Impact on rates in 2018/2019

The proposed impact on rates for Dargaville will be a decrease of the targeted rate by \$109,000 (18.52%) in 2018/2019.

The proposed impact on rates for Baylys will be a decrease of the targeted rate by \$5,000 (8.10%) in 2018/2019.

9.7.3 Kaiwaka

Issues

The stormwater system in Kaiwaka is mainly associated with the State Highway and the roads joining it. The assets are ageing and will require substantial replacement over time, though this is still yet to be determined, knowledge of the current assets and their condition is sparse, NZTA seems to have little knowledge of this also. It is not confirmed how much network is currently in Kaiwaka as we understand there are stormwater assets that are not marked and do not appear in our current asset register.

Implications

Kaiwaka's stormwater system is 90% funded by a targeted rate on Kaiwaka properties and the remaining 10% is from the general rate, due to the lack of knowledge of our assets within Kaiwaka, and the need to produce a stormwater management plan on the back of data cleansing and investigation that will allow for any prospective growth within the Kaiwaka area, in part this will be due to the eventual extension of the motorway from Auckland.

Renewal work will keep the system working in the interim, but will have far reaching cost implications if growth is realised and the system is unable to meet capacity requirements.

Operating expenditure for the years 2018 to 2048 is \$1.65 million.

Capital expenditure for the years 2018 to 2048 is currently set at zero until further investigation and a SWCMP can be completed for the area, this Plan will also focus on expected growth and what will need to be completed to allow for this to happen and expand.:

Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required, and over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Impact on rates in 2018/2019

The proposed impact on rates will be an increase of the targeted rate by \$5,700 (39.04%) in 2018/2019. This represents the operational cost of the Kaiwaka stormwater network. No capital investment is planned in the next 10 years.

9.7.4 Mangawhai

Issues

Mangawhai has a mixture of old and new stormwater infrastructure, currently the issues we have revolve around the lack of infrastructure within currently built up areas as information supplied by previous stormwater management reports was either ignored or deemed unpalatable to the community, there is a lot of the network that is unknown within the older areas (Mangawhai Heads) and due to a lack of accurately updating information on our asset registers in the past new infrastructure that has been installed is not recorded.

The implications are such that the true extent and capacity of the current network is unknown and makes it difficult to accurately plan a renewal strategy or prepare plans and strategies for growth. Low-lying areas need to be identified and hydraulic analysis completed to predict any negative impacts from climate change and sea

level rise as NRC finalises their draft plans and maps, this may include the implementation of drainage districts including stopbanks, floodgates and diversion channels; if the cost of the implementation of a drainage district is prohibitive with consultation these areas may need to be ring-fenced and all further development stopped.

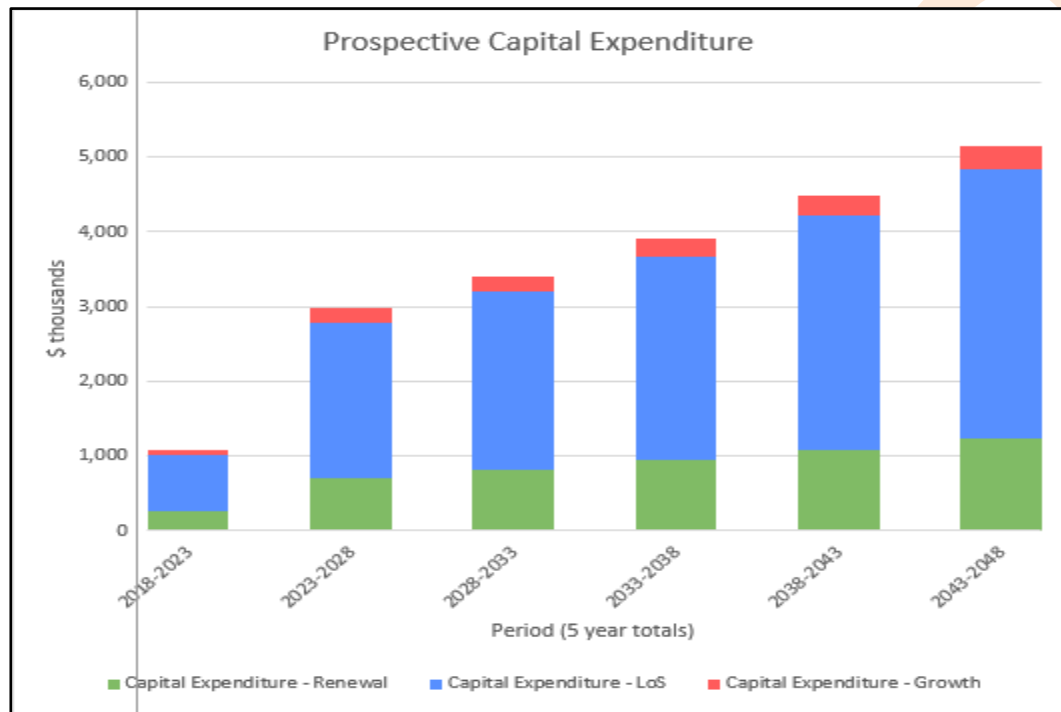
Implications

Mangawhai’s stormwater system is 90% funded by a targeted rate on Mangawhai properties and the remaining 10% is from the general rate.

The projected total cost of capital expenditure for Mangawhai stormwater for the next 30 years is shown below, however as stormwater AMPs are completed this estimate may need to be revised, though if the management plans are completed and implemented in a timely manner the largest portion of cost will be borne by future developments.

Operating expenditure for the years 2018 to 2048 is \$13.1 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required, and over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Impact on rates in 2018/2019

The proposed impact on rates will be an increase of the targeted rate by \$128,700 (18.73%) in 2018/2019. The system is relatively new so renewals is not a major component. The cost increase represents extensions needed to the network to cater for growth being experienced.

10 Wastewater

10.1 Overview

Council operates wastewater schemes in the Dargaville, Te Kopuru, Glinks Gully, Maungaturoto, Kaiwaka and Mangawhai communities. The wastewater systems collect and treat wastewater and then discharge it into surrounding environments in a sustainable, environmentally friendly manner. The purpose of the service is to protect public and environmental health.

Dargaville, Kaiwaka, Maungaturoto, Te Kopuru and Glinks Gully wastewater systems are funded by a targeted rate on properties in those areas.

Mangawhai's wastewater system is currently funded by a targeted rate on Mangawhai properties, as well as being partly funded by the general rate on all Kaipara properties.

10.2 Assets, their age, condition and maintenance

The assets that form the wastewater systems include treatment plants (5), a disposal field, pump stations (32), rising mains (31kms) gravity lines (109kms), points (approximately 1,870) and connections (4,561). The condition of wastewater assets is not well documented and the current asset register contains errors. There is a programme of data cleansing and condition assessments in progress and planned to continue over the next three years. This has already begun for critical assets

including those aboveground. The least known is about underground assets. It is known that there are sections of the older schemes that have old asbestos cement pipes in poor condition. The known issues are:

- Dargaville has over 10,000m of pipes aged over 60 years, which translate to about 25% of the network; and
- Maungaturoto, Te Kopuru and Kaiwaka have most of their pipes aged over 30 years.

While Dargaville has the biggest backlog, renewals will be due in other schemes in 10 plus years with the exception of Kaiwaka which has very recently begun to show signs of failure. Therefore, project costs are indicative and actuals may vary from those projected. For some small communities, and where population is in decline, funding this renewals programme may prove to be unaffordable.

10.3 Risk and hazard management

Stormwater inflow and infiltration (I/I) and vice versa places capacity challenges on network pipes and treatment plants. Dargaville has the greatest level of infiltration and also has the greatest risk of flooding which would increase I/I risks. The renewal programme will need to take these issues into account.

Unplanned discharges can occur during power failures. This creates environmental risk as overflows of raw sewage can go into waterways. There are currently no plans to install emergency power systems at plants.

Trade waste going into the Dargaville plant creates greater work for the retention ponds. This means that they require more desludging at a cost to all properties connected to the system.

10.4 Issues, options and implications

Aside from Mangawhai, much of this infrastructure is aging or aged, so the most significant expenditure over the next 30 years will be on renewal work. There is a backlog of renewal work for Dargaville and the quickly approaching renewal wave needed for all other schemes, except Mangawhai, will be a challenge of affordability for these communities.

As a result, and as noted above, project costs are indicative and actuals may vary from those projected.

Significant expenditure will be needed for Mangawhai to accommodate growth and new connections. This has been allowed for in the LTP 2018/2028. The Mangawhai system and reticulation network is fairly new; there is no more than relatively minor renewal work until the latter part of the next 10 years.

Options

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Option 2: Consider affordable alternatives

Institute a maintenance approach (without renewals) for three years that:

- maintains performance at current services levels, while we investigate alternatives for funding and/or provision of service.

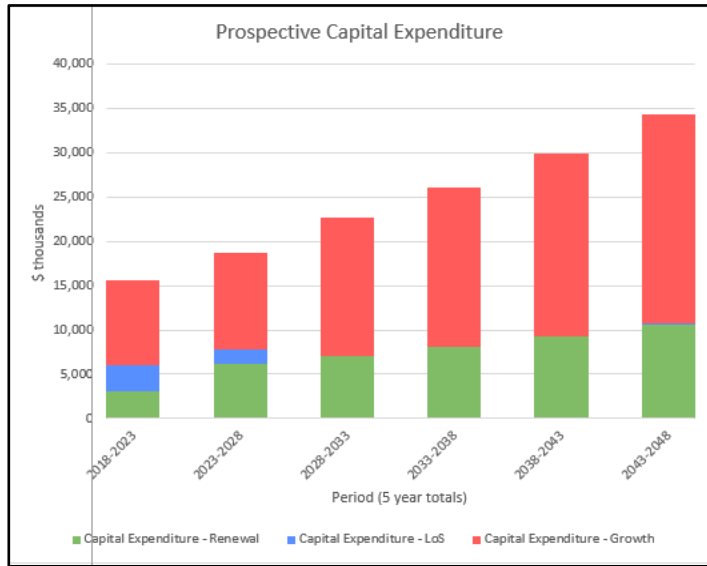
Option 3: Review service delivery model

Institute an affordable renewals programme that:

- meets consent conditions: and
- addresses the backlog of renewals required over time while we investigate alternatives for provision e.g. community management, industry management based on dominant user/s.

Operating expenditure for the years 2018 to 2048 is projected to be \$207 million (inflated).

Projected capital expenditure for this period is shown on the tables and graphs below outlining renewals, level of service and growth related projects.



For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

Prospective Infrastructure Strategy Costs Table

Sewerage and the Treatment and Disposal of Sewage

Operating expenditure

Total operating expenditure	6,209	7,036	6,905	5,592	5,759	31,500	6,068	6,088	6,284	6,680	6,977
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Capital expenditure

Capital Expenditure - Growth	1,915	1,553	1,772	1,815	2,463	9,517	2,524	480	2,272	2,790	2,868
Capital Expenditure - LoS	748	895	420	554	301	2,917	59	159	756	624	16
Capital Expenditure - Renewal	1,041	634	414	489	550	3,128	1,163	1,134	1,267	1,292	1,286
Total capital expenditure	3,704	3,083	2,606	2,857	3,313	15,562	3,747	1,773	4,295	4,706	4,169

Total expenditure

9,912	10,118	9,511	8,448	9,073	47,063	9,815	7,861	10,579	11,386	11,146
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For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023	2023-2028	2028-2033	2033-2038	2038-2043	2043-2048	2018-2048
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table							
Sewerage and the Treatment and Disposal of Sewage							
Operating expenditure							
<i>Total operating expenditure</i>	31,500	32,097	36,383	35,518	33,889	34,772	204,160
Capital expenditure							
Capital Expenditure - Growth	9,517	10,935	15,592	17,900	20,551	23,594	98,089
Capital Expenditure - LoS	2,917	1,615	85	98	112	129	4,955
Capital Expenditure - Renewal	3,128	6,142	6,988	8,023	9,211	10,574	44,065
<i>Total capital expenditure</i>	15,562	18,691	22,665	26,021	29,874	34,297	147,109
Total expenditure	47,063	50,788	59,048	61,539	63,763	69,069	351,269

For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table											
Sewerage and the Treatment and Disposal of Sewage											
Operating expenditure											
<i>Total operating expenditure</i>	6,209	6,850	6,569	5,199	5,232	30,058	5,390	5,284	5,333	5,531	5,659
Capital expenditure											
Capital Expenditure - Growth	1,915	1,515	1,690	1,690	2,240	9,050	2,240	415	1,915	2,290	2,290
Capital Expenditure - LoS	748	874	401	516	274	2,811	53	138	638	513	13
Capital Expenditure - Renewal	1,041	619	395	455	500	3,010	1,032	981	1,068	1,060	1,026
<i>Total capital expenditure</i>	3,704	3,007	2,486	2,661	3,014	14,870	3,325	1,534	3,620	3,863	3,329
Total expenditure	9,912	9,858	9,054	7,859	8,246	44,929	8,715	6,818	8,953	9,393	8,987

For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023 \$'000	2023-2028 \$'000	2028-2033 \$'000	2033-2038 \$'000	2038-2043 \$'000	2043-2048 \$'000	2018-2048 \$'000
Prospective Infrastructure Strategy Costs Table							
Sewerage and the Treatment and Disposal of Sewage							
Operating expenditure							
<i>Total operating expenditure</i>	30,058	27,196	27,284	23,857	20,404	16,917	145,717
Capital expenditure							
Capital Expenditure - Growth	9,050	9,150	11,450	11,450	11,450	11,450	64,000
Capital Expenditure - LoS	2,811	1,353	63	63	63	63	4,413
Capital Expenditure - Renewal	3,010	5,167	5,132	5,132	5,132	5,132	28,704
<i>Total capital expenditure</i>	14,870	15,670	16,644	16,644	16,644	16,644	97,117
Total expenditure	44,929	42,866	43,928	40,501	37,048	33,561	242,834

10.5 Most likely scenario

The most likely option differs between schemes and will be discussed scheme by scheme in the following section.

There are two schemes that are situated in small communities. The schemes are old and in need of asset renewal work within the life of this Strategy. Under the current charging policy, the communities would be charged targeted rates to pay for the needed renewals and upgrade. This may result in rates far higher than is seen as affordable for these communities (Te Kopuru and Glinks Gully). This Strategy allows for the deferral of upgrades to the Te Kopuru treatment plant to assess the most cost-effective option for addressing the plant's non-complying ammonia levels. The wastewater treatment plant in Kaiwaka is non-compliant and requires further investigation which is currently involving the NRC and would culminate into an upgrade of the treatment system. An upgrade to the treatment plant will have an impact on the rates. Glinks Gully's pump stations and rising main will be renewed in the third year of the 30 year strategy.

10.6 Impact on rates

For 2018/2019, over \$1.68 million of historic costs associated with the Mangawhai Community Wastewater Scheme are included in the calculation of the general rate. The remaining costs related to wastewater are separated into defined operating and defined capital costs. Defined operating costs are operational costs excluding interest and depreciation and defined capital costs are capital costs (i.e. including loan repayments) plus interest and funded depreciation.

For the purposes of calculating each targeted rate, except the Te Kopuru network, defined operating costs are aggregated across all wastewater schemes and divided by the total number of wastewater charges (connected equivalent) for properties connected and capable of connection to the networks. The defined capital costs for each respective network are added onto the average defined operating costs.

10.7 Impact by scheme

10.7.1 Te Kopuru

Issues

Te Kopuru's wastewater treatment system and pipelines are ageing and renewal of much of the system will be required within the period of this strategy. Te Kopuru's small population makes affordability a challenge.

Implications

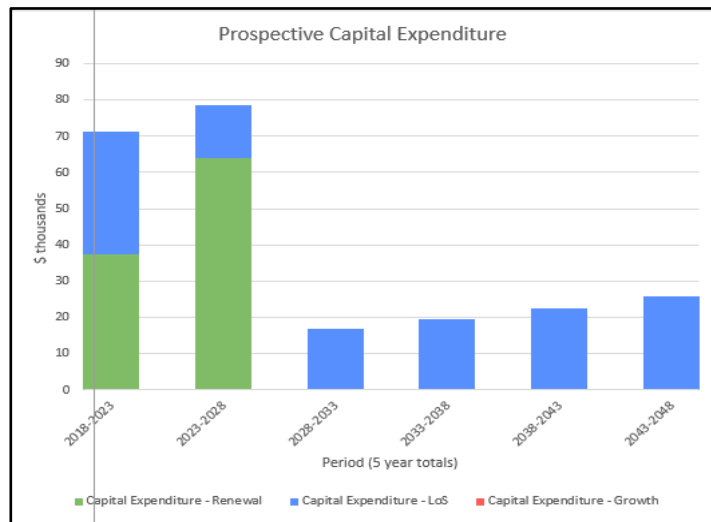
Te Kopuru's wastewater system is funded by a targeted rate on Te Kopuru properties.

The small population is likely to make any significant renewal to the treatment plant and renewal of the reticulation unaffordable under the current funding model.

This scheme has breached its environmental discharge consent with regards to ammonia discharge which is slightly above the consent limit. KDC is working with NRC to review the consent.

Operating expenditure for the years 2018 to 2048 is approximately \$4.0 million (inflated).

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Note: The *'most likely scenario'* for Te Kopuru has changed from Option 2 to Option 1 since the LTP.

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and

- detailed assessments with preferred approach by 2023.

Impact on rates in 2018/2019

The proposed impact on rates will be an increase of the targeted rate by \$22,500 (20.36%) in 2018/2019.

The proposed impact on rates for the next three years will be negligible whilst alternatives for funding are investigated.

10.7.2 Glinks Gully

Issues

Glinks Gully's wastewater scheme is designed to service a peak population of 72, and the system connects to 18 septic tanks serving 24 houses located on private properties. The wastewater disposal field and pipelines are aging, and replacement work will be needed in the future.

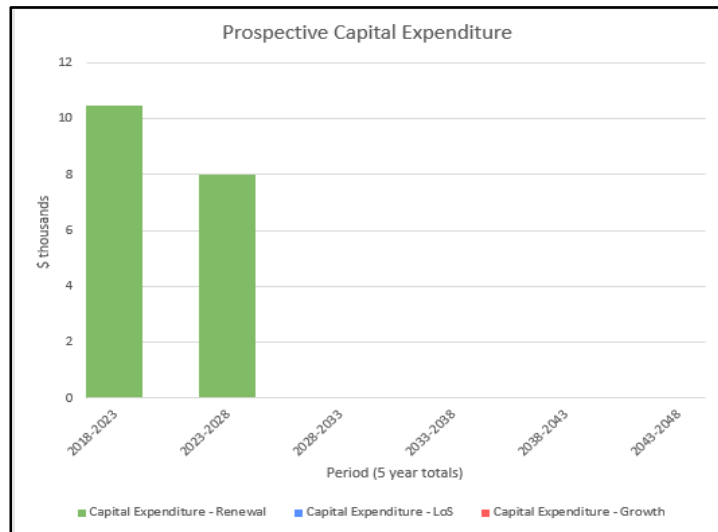
The small population and small number of properties may make a full upgrade and replacement unaffordable e.g. a \$420,000, 30 year CAPEX programme for 24 properties.

Implications

Glinks Gully's wastewater system is funded by a targeted rate on Glinks Gully properties.

Operating expenditure for the years 2018 to 2048 is approximately \$2.8 million (inflated).

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Note: The *'most likely scenario'* for Glinks Gully has changed from Option 2 to Option 1 since the LTP 2015.

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Impact on rates in 2018/2019

The proposed impact on rates will be an increase of the targeted rate by \$2,800 (11.02%) in 2018/2019.

The proposed impact on rates for the next three years will be negligible whilst alternatives for funding and/or provision of service are investigated.

The proposed impact on rates if the renewal programme was fully funded may be unaffordable to the community e.g. \$23,000 in year 2019/2020 across 26 ratepayers, any upgrades will need to be loan funded and costs spread over a greater time period.

10.7.3 Dargaville

Issues

Dargaville is serviced by a wastewater treatment plant, 40kms of wastewater pipelines, 15 pump stations and 9kms of rising main pipes that pump wastewater from pump stations to the treatment plant.

Dargaville's wastewater system and pipelines are aged and there is a significant amount of deferred renewal work to be addressed.

After heavy rain events, stormwater can infiltrate the wastewater infrastructure, leading to overflow into the Northern Wairoa River and surrounding areas. (Some tolerance to 'consents' is allowed for heavy weather events.)

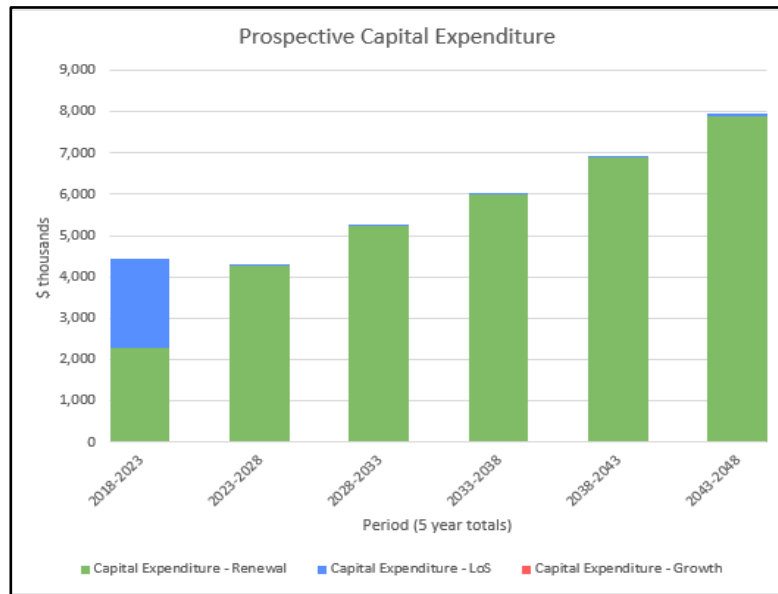
Programmed work: Undertake an assessment of the wastewater system.

Implications

Dargaville's wastewater system is funded by a targeted rate on Dargaville properties.

Operating expenditure for the years 2018 to 2048 is \$48 million (inflated).

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Impact on rates in 2018/2019

The proposed impact on rates will be an increase of the targeted rate by \$192,900 (9.49%) in 2018/2019.

10.7.4 Maungaturoto

Issues

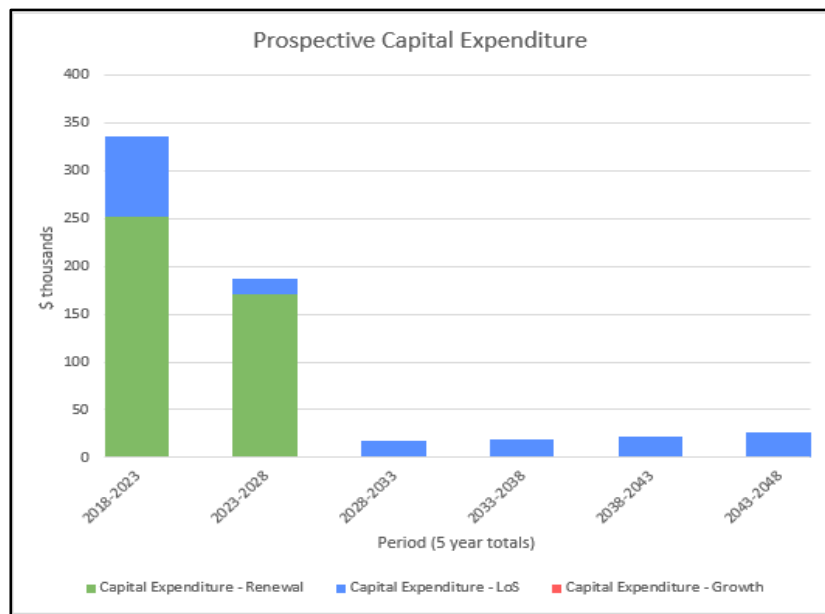
Maungaturoto is serviced by a single treatment plant constructed in 1992, comprising 11kms of wastewater pipelines, 3 pump stations and 1.2kms of rising main pipes that pump wastewater from pumping stations to the treatment plant. Maungaturoto’s wastewater system is aging and there is a significant amount of deferred renewal work to be addressed.

Implications

Maungaturoto’s wastewater system is funded by a targeted rate on Maungaturoto properties.

Operating expenditure for the years 2018 to 2048 is approximately \$12 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Impact on rates in 2018/2019

The proposed impact on rates will be an increase of the targeted rate by \$62,900 (13.91%) in 2018/2019.

10.7.5 Kaiwaka

Issues

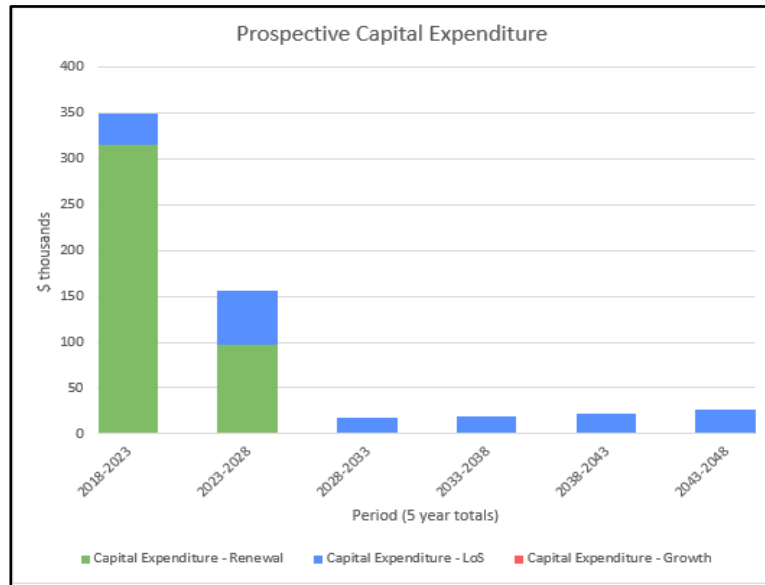
Kaiwaka wastewater system consists of 4kms of gravity pipeline, 69 manholes, 1 pumping station and a single treatment plant. Kaiwaka's wastewater system is aging, and will need replacing in the future.

Implications

Kaiwaka's wastewater system is funded by a targeted rate on Kaiwaka properties.

Operating expenditure for the years 2018 to 2048 is approximately \$8.0 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021; and
- detailed assessments with preferred approach by 2023.

Impact on rates

The proposed impact on rates will be an increase of the targeted rate by \$35,300 (20.48%) in 2018/2019.

10.7.6 Mangawhai

Issues

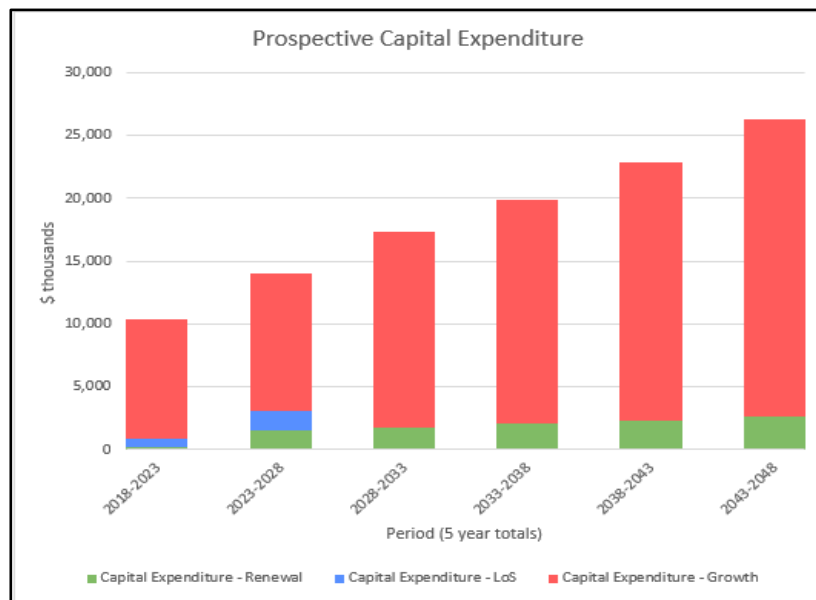
The Mangawhai Community Wastewater Scheme (MCWWS) is a 'state of the art' collection, treatment and reuse system.

Implications

Mangawhai’s wastewater system is partly funded by a targeted rate on Mangawhai properties as well as being funded by the general rate on all Kaipara properties (to fund a portion of the historic costs). The wastewater system and reticulation network is fairly new; there is no more than minor renewal work until the latter part of the next seven years. However, there is significant growth predicted in Mangawhai and growth related projects will continue to be implemented in 2018/2019.

Operating expenditure for the years 2018 to 2048 is approximately \$70 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Option 4 which includes significant capital expenditure to extend the scheme and augment the WWTP and disposal system.

Impact on rates in 2018/2019

The proposed impact on rates will be an increase of the targeted rate by \$375,300 (15.97%) in 2018/2019.

11 Water Supply

11.1 Overview

Council operates community water supply schemes in the Dargaville (including Baylys), Glinks Gully, Ruawai, Maungaturoto and Mangawhai communities, by collecting raw water, treating it and piping it to properties for use by households. The purpose of the service is to help to protect public health, by providing readily accessible potable water to communities. In Dargaville, the water service is used by the local emergency Fire Service, helping them protect the community against fire incidents.

11.2 Assets, their age, condition and maintenance

The assets associated with the five water supply schemes in Kaipara include:

- 15 water source points;
- 4 water treatment plants;
- 7 pump stations;
- 17 storage facilities;
- 160 km of reticulated piping;
- 3,583 connections; and
- 3,763 points (fire hydrants, valves, meters).

The condition of these assets is mainly unknown. It is recognised that the current level of condition and performance data is not well-documented. The current asset register has errors and data cleansing is required. The knowledge of the condition of assets is varied and more knowledge on condition is also required. Most critical assets have been condition-assessed over the last two years however the pipe network remains to be done.

- We do not know the material of 40,000m of pipes;
- We do not know the size of 30,000m of pipes;
- 20,000m of pipes in Dargaville are over 50 years old;
- 19,000m of pipes in Maungaturoto are over 40 years old;

- All other schemes have pipes as old as 40 years but not at the quantity of the others; and
- The exception is Mangawhai where the pipe network is newer.

Two of the schemes do not meet Drinking-water Standards for New Zealand 2005 (Revised 2008) currently. They are Maungaturoto and Mangawhai. Mangawhai was upgraded in December 2016 and is equipped with cartridge filtration and UV and current monitoring is yet to go through a full year cycle required for assessment for compliance with the Drinking-water Standards for New Zealand 2005 (Revised 2008). Maungaturoto is yet to be assessed for the full year for the newly installed UV lamp outage alarms.

There is a storage dam built for the Dargaville water supply however it is not connected. The cost of connecting it to the Dargaville system is approximately \$2.8 million. Although this has been included in the 2021/2022 year, an ecological study will evaluate the environmental impact of extracting water when the Kaihu River is at a lower flow than is currently consented.

11.3 Risk and hazard management

Climate change may bring with it lesser rainfall over summer, with increased rainfall at other times of the year. This may result in more severe security of supply issues in Dargaville, and perhaps for those homeowners and businesses who have their own rainwater collection systems.

Any raising of drinking water standards may be unaffordable for Kaipara. Current standards are already challenging.

The Northland District Health Board has submitted to Council that they would like to see Council increase the public water supply to more properties. Council has no plans to do this, and in fact is not increasing connections at the periphery of towns because of supply and demand issues.

Council has 111 metered connections on its Dargaville and Maungaturoto raw water mains (i.e. untreated and non-potable water). These are extraordinary supplies and are for the purpose of supplying untreated water for farming uses in the rural areas. There is a risk that this raw water is used inappropriately as a source of potable water for dwellings. Council has commenced sanitary assessments of the properties with raw water connections and insanitary building notices are issued where required, requiring the property owners to remediate the issue.

11.4 Issues, options and implications

Much of Council's water infrastructure is aging or aged, so the most significant expenditure over the next 30 years will be on renewal work to renew water systems. There is some backlog of renewal work to be done, mainly pipes, especially in Dargaville and Maungaturoto.

The level of service related to bringing all our water treatment plants up to the standard needed to comply with Drinking-water Standards for New Zealand Drinking 2005 (Revised 2008) has been completed. Compliance will be granted after the Northland District Health Board assesses the supplies over a full year cycle. Some small schemes may become unaffordable.

As a result, projected costs are indicative and actuals may vary from those projected. The tendency of the main water source at Waiparataniwha Stream which supplies Dargaville and Baylys, is to dry up in droughts, making it hard to provide security of supply to these communities.

11.4.1 Options

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021;
- detailed assessments with preferred approach by 2023; and
- the renewals programme for the schemes will increase costs over the lifetime of this Strategy, and the renewals programme will continue to be refined when more condition data becomes available over the years to defer any renewals for as long as is practical and economical.

Option 2: Consider affordable alternatives

Institute a maintenance approach (without renewals) for three years that:

- maintains performance at current services levels, while we investigate alternatives for funding and/or provision of service.

Option 3: Review service delivery model

Institute an affordable renewals programme that:

- meets consent conditions: and
- addresses the backlog of renewals required over time while we investigate alternatives for provision e.g. community management, industry management based on dominant user/s.

Option 4: Self-supply (Applies to all schemes)

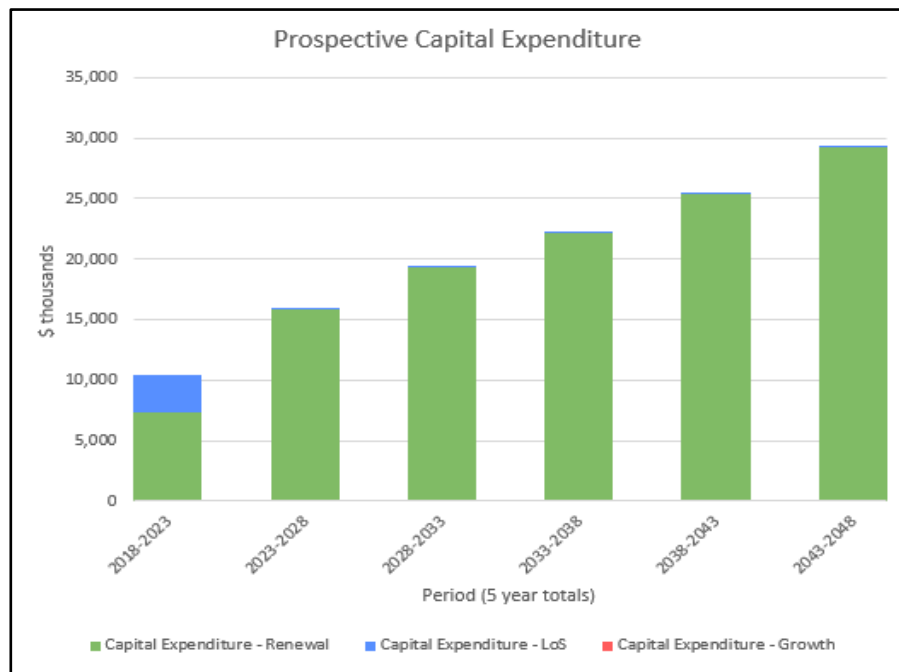
Prohibit new connections on the periphery of the water supply zone in favour of self-supply (e.g. roof tank) to preserve the existing infrastructure, increase water conservation education and use water pricing to lower usage.

Option 5: Pipeline (Dargaville only)

Construct a pipeline (estimated cost \$2.8 million) from Waitua Dam (Opanake Road) to Dargaville to improve security of supply during moderate droughts.

Operating expenditure for the years 2018 to 2048 is approximately \$53 million.

Projected capital expenditure for this period is shown on the tables and graphs below outlining renewals, level of service and growth related projects.



For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table											
Water Supply											
Operating expenditure											
<i>Total operating expenditure</i>	2,317	2,365	2,412	2,376	2,510	11,980	2,642	2,674	2,721	2,768	2,821
Capital expenditure											
Capital Expenditure - Growth	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - LoS	13	13	13	1,490	1,526	3,054	14	14	15	15	16
Capital Expenditure - Renewal	1,866	1,825	1,471	1,443	762	7,366	3,407	2,793	3,802	2,333	3,551
<i>Total capital expenditure</i>	1,878	1,838	1,485	2,932	2,288	10,420	3,421	2,808	3,817	2,348	3,567
Total expenditure	4,195	4,203	3,896	5,309	4,797	22,400	6,063	5,481	6,538	5,117	6,388

For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023	2023-2028	2028-2033	2033-2038	2038-2043	2043-2048	2018-2048
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table							
Water Supply							
Operating expenditure							
<i>Total operating expenditure</i>	11,980	13,627	15,062	16,472	18,313	20,948	96,402
Capital expenditure							
Capital Expenditure - Growth	0	0	0	0	0	0	0
Capital Expenditure - LoS	3,054	74	85	98	112	129	3,552
Capital Expenditure - Renewal	7,366	15,886	19,303	22,161	25,442	29,209	119,366
<i>Total capital expenditure</i>	10,420	15,960	19,388	22,258	25,554	29,337	122,918
Total expenditure	22,400	29,587	34,450	38,730	43,867	50,285	219,319

For the year ended:	Budget	Budget	Budget	Budget	Budget	Total Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2018-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table											
Water Supply											
Operating expenditure											
<i>Total operating expenditure</i>	2,317	2,305	2,296	2,209	2,277	11,405	2,337	2,303	2,281	2,257	2,233
Capital expenditure											
Capital Expenditure - Growth	0	0	0	0	0	0	0	0	0	0	0
Capital Expenditure - LoS	13	13	13	1,388	1,388	2,813	13	13	13	13	13
Capital Expenditure - Renewal	1,866	1,780	1,403	1,344	693	7,086	3,023	2,416	3,205	1,915	2,835
<i>Total capital expenditure</i>	1,878	1,793	1,416	2,731	2,080	9,898	3,035	2,428	3,218	1,928	2,848
Total expenditure	4,195	4,097	3,712	4,940	4,358	21,303	5,372	4,731	5,499	4,184	5,080

For the year ended:	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget	Total Budget
30 June	2018-2023	2023-2028	2028-2033	2033-2038	2038-2043	2043-2048	2018-2048
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Prospective Infrastructure Strategy Costs Table							
Water Supply							
Operating expenditure							
<i>Total operating expenditure</i>	11,405	11,411	10,906	10,272	9,827	9,673	63,494
Capital expenditure							
Capital Expenditure - Growth	0	0	0	0	0	0	0
Capital Expenditure - LoS	2,813	63	63	63	63	63	3,125
Capital Expenditure - Renewal	7,086	13,393	14,175	14,175	14,175	14,175	77,179
<i>Total capital expenditure</i>	9,898	13,456	14,238	14,238	14,238	14,238	80,304
Total expenditure	21,303	24,867	25,144	24,509	24,065	23,910	143,798

11.5 Most likely scenario

The most likely option differs between schemes and will be discussed scheme by scheme in the section below.

Within Kaipara there are schemes for water supply situated in small communities with a small population. The schemes are old and in need of asset renewal work. Under the current charging policy, these communities would be charged targeted rates to pay for the needed renewals and upgrade. This may result in the rates being higher than is seen as affordable e.g. Glinks Gully or Ruawai.

There is a small water supply scheme serving a small number of private properties in Mangawhai Heads, the Wood Street shops and the Mangawhai Heads Camp Ground. The scheme is was upgraded in December 2016 so that it would meet the requirements of the Drinking-water Standard for New Zealand 2005 (Revised 2008).

11.6 Impact on rates

Water rates are not classified as property rates because they are based on volume, therefore set as an activity fee.

Operating costs (excluding interest and depreciation) for water supply are to be split evenly between individual networks based upon usage. The operating costs (excluding interest and depreciation) are then combined with the capital costs (including interest, funded depreciation and loan repayments) in each individual scheme to calculate the rate payable for those connected to each scheme. This reflects a move towards 'equalising' the rate payable for the service being received irrespective of location. This approach recognises the argument that the service being received by the end user is the 'same' irrespective of location and hence the costs should be similar.

Revenue from water rates is proposed to increase by \$403,800 (14.67%) in 2018/2019.

11.7 Impact by scheme

11.7.1 Glinks Gully

Issues

Council supplies water to 80 properties in Glinks Gully. Maintaining an aging system for a small number of users means higher costs.

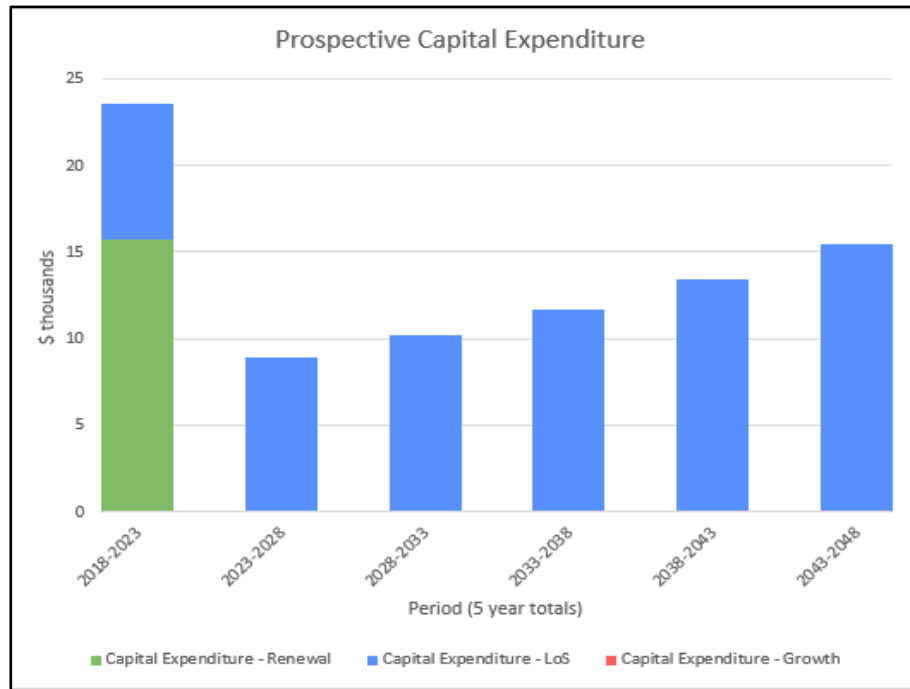
Glinks Gully's water supply complies with Drinking-water Standards for New Zealand 2005 (Revised 2008).

Implications

Glinks Gully’s water system is funded by a targeted rate on Glinks Gully properties.

Operating expenditure for the years 2018 to 2048 is approximately \$2.8 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Note: The ‘most likely scenario’ for Glinks Gully has changed from Option 2 to Option 1 since the LTP 2015.

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and

- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021;
- detailed assessments with preferred approach by 2023; and
- the renewals programme for the schemes will increase costs over the lifetime of this Strategy, and the renewals programme will continue to be refined when more condition data becomes available over the years to defer any renewals for as long as is practical and economical.

Impact on rates in 2018/2019

The proposed impact on rates will be an increase of the revenue from water charged of \$4,400 (15.38%) in 2018/2019.

The proposed impact on rates for the next three years will be negligible whilst alternatives for funding and/or provision of service are investigated.

The proposed impact on rates if the renewal programme was fully funded would be, we believe, unaffordable to the community.

11.7.2 Dargaville

Issues

The water supply for Dargaville is used by both Dargaville and Baylys communities. It serves about 4,683 people and there are 2,782 connections to the system (most use water treated by the system, however there are some connections to the raw water lines).

There are several issues with Dargaville's drinking water. There is a significant amount of deferred renewal work to be addressed and the tendency of the main water source at Waiparataniwha Stream to dry up in droughts make it hard to provide security of supply.

Additional Options

Option 5: Pipeline

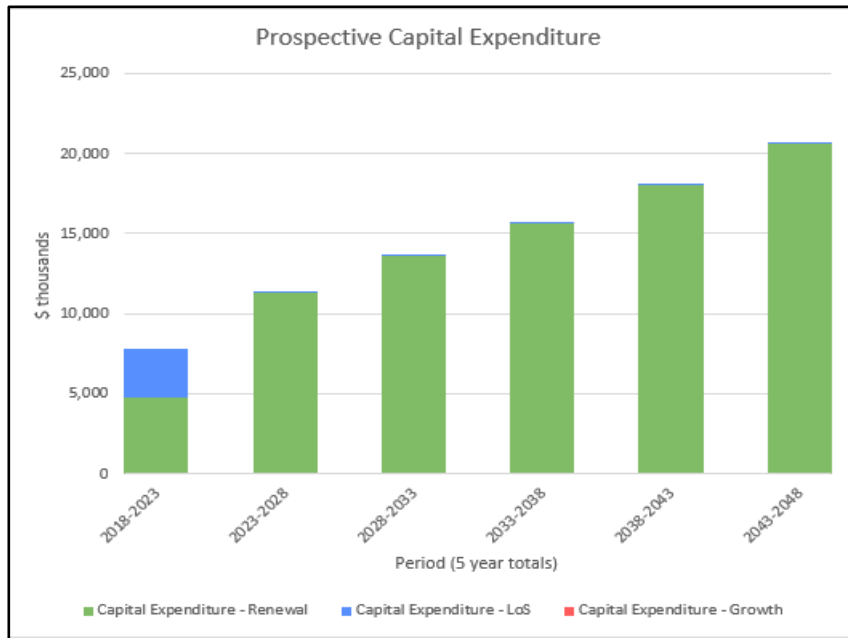
Construct a pipeline (estimated cost \$2.8 million) from Waitua Dam (Opanake Road) to Dargaville to improve security of supply during moderate droughts.

Implications

Dargaville’s water system is funded by a targeted rate on Dargaville properties. The renewals programme for the schemes will increase costs over the lifetime of this Strategy, and the renewals programme will continue to be refined when more condition data becomes available over the years to defer any renewals for as long as is practical and economical.

Operating expenditure for the years 2018 to 2048 is approximately \$53 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary condition assessments completed by 2021;
- detailed assessments with preferred approach by 2023; and
- the renewals programme for the schemes will increase costs over the lifetime of this strategy, and the renewals programme will continue to be refined when more condition data becomes available over the years to defer any renewals for as long as is practical and economical.

Impact on rates

The proposed impact on rates will be an increase of the revenue from water charged of \$224,900 (10.27%) in 2018/2019.

One of the larger level of service projects requires the water take, pumps, telemetry and reticulation to be upgraded, a Magflow meter installed and a resource consent variation obtained for water abstraction.

11.7.3 Ruawai

Issues

The Ruawai Water Supply system has 251 connections and services approximately 500 people. Much of Ruawai's water supply infrastructure is aged and needs renewing. Ruawai's relatively small and likely declining population, will make affordability challenging.

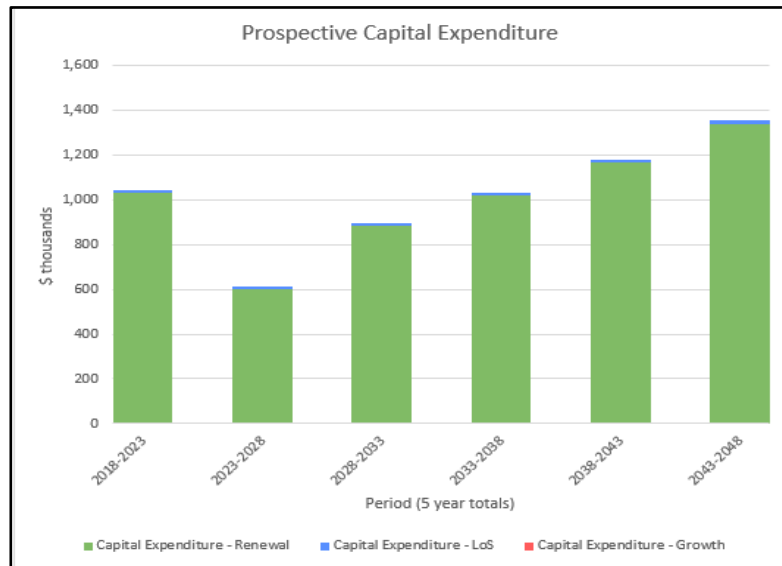
Implications

Ruawai's water system is funded by a targeted rate on Ruawai properties.

To maintain Ruawai's water supply, capital expenditure for the next 30 years is projected to be \$5.7 million of which \$5.6 million is renewal.

Operating expenditure for the years 2018 to 2048 is \$10 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021;
- detailed assessments with preferred approach by 2023; and
- the renewals programme for the schemes will increase costs over the lifetime of this Strategy, and the renewals programme will continue to be refined when more condition data becomes available over the years to defer any renewals for as long as is practical and economical.

Impact on rates

The proposed impact on rates will be an increase of the revenue from water charged of \$45,000 (36.56%) in 2018/2019.

11.7.4 Maungaturoto

Issues

The Maungaturoto water supply services approximately 895 people. There are in total 447 connections; 410 from the township and 37 from the Railway Village.

Raw water (i.e. untreated water) is also supplied to Fonterra.

The age of the infrastructure, a backlog of deferred renewals and affordability are the key issues.

Programmed work

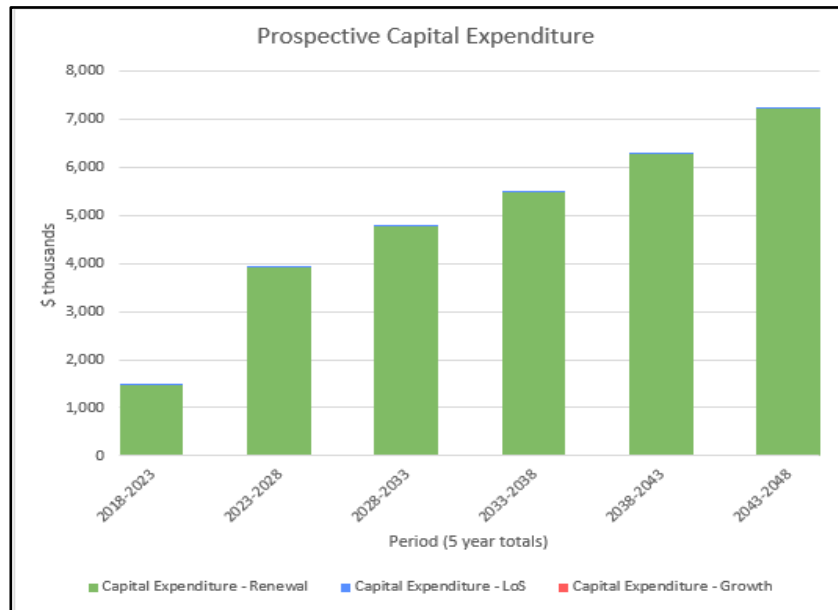
Maungaturoto's water supply does not comply with the Drinking-water Standards for New Zealand 2005 (Revised 2008) (DWSNZ), and is on course for compliance after a full year cycle monitoring of the newly installed UV lamp outage alarms i.e. whilst the water quality complies with the DWSNZ, a period of 12 months is required to demonstrate this. Operational adjustments and installation of a supervisory control and data acquisition (SCADA) system to bring the plant up to standard is complete.

Implications

Maungaturoto's water system is funded by a targeted rate and a volumetric charge on Maungaturoto properties. Fonterra uses approximately 75% of the water consumed.

Operating expenditure for the years 2018 to 2048 is approximately \$24 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Note: The *'most likely scenario'* for Maungaturoto has changed from Option 3 to Option 1 since the LTP 2015.

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021;
- detailed assessments with preferred approach by 2023; and

- the renewals programme for the schemes will increase costs over the lifetime of this Strategy, and the renewals programme will continue to be refined when more condition data becomes available over the years to defer any renewals for as long as is practical and economical.

Impact on rates

The proposed impact on rates will be an increase of the revenue from water charged of \$125,200 (31.73%) in 2018/2019.

Fonterra is charged \$485,000 (excluding GST) annually for water supplied from Maungaturoto's water scheme.

11.7.5 Mangawhai

Issues

Mangawhai has a small water scheme with only 18 connections. The scheme primarily provides potable water to the Mangawhai Heads Camp Ground, Wood Street shops and community housing. Maintaining water services for a small number of users means high costs, with relatively little benefit for the wider community.

Mangawhai's water supply is on course to comply with the Drinking-water Standards for New Zealand 2005 (Revised 2008) after the installation of a new cartridge filter and UV water treatment plant in December 2016

Programmed works

A sum of \$10,000 is provided in 2020/2021 Capital Works Programme to renew part of the reticulation in addition to the yearly \$1,500 for compliance type level of service minor works from 2018 to 2021.

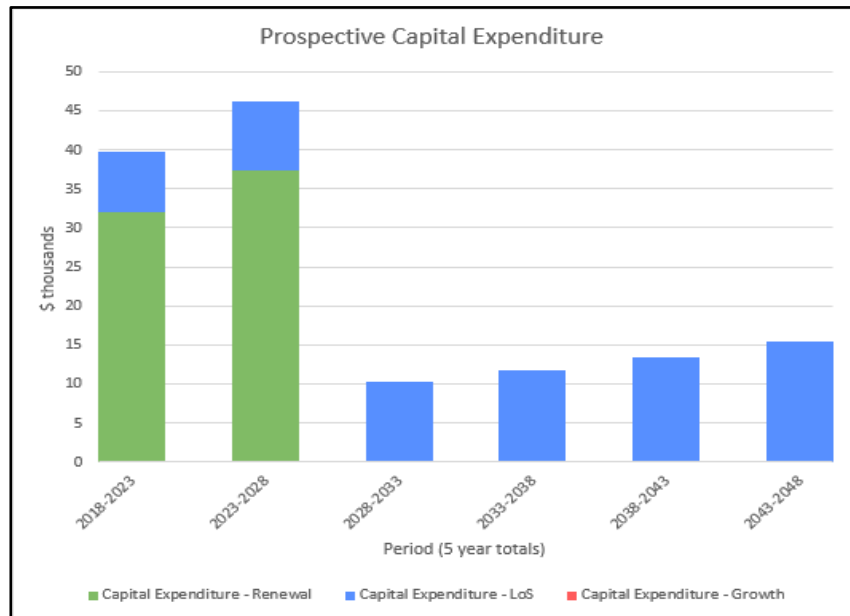
Implications

Mangawhai's water system is funded by a targeted rate on Mangawhai properties.

Maintaining and renewing the water service has cost implications, however reducing services would mean current users would need to secure alternate water sources.

Operating expenditure for the years 2018 to 2048 is approximately \$4.0 million.

Capital expenditure for the years 2018 to 2048 is as follows:



Most likely scenario

Note: The 'most likely scenario' for Mangawhai has changed from Option 2 to Option 1 since the LTP 2015.

Option 1: Enhanced status quo

Institute an affordable renewals programme that:

- meets consent conditions; and
- addresses any backlog of renewals required over time refining the renewals programme.

Once the condition of the assets is known:

- preliminary conditions assessments completed by 2021;
- detailed assessments with preferred approach by 2023; and
- the renewals programme for the schemes will increase costs over the lifetime of this Strategy, and the renewals programme will continue to be refined when more condition data becomes available over the years to defer any renewals for as long as is practical and economical.

Impact on rates

The proposed impact on rates will be an increase of the revenue from water charged of \$4,300 (27.04%) in 2018/2019.

The proposed impact on rates for the next three years will be negligible whilst alternatives for funding and/or provision of service are investigated.

The proposed impact on rates if the renewal programme if fully funded would be, we believe, unaffordable to the community e.g. \$12,000 in year 2019/2020 across 18 connections.

12 Technology and trends for infrastructure

Outlined below are some possible technological advances and trends which could affect the management of Kaipara's infrastructure over the next 30 years:

12.1 Rooding

12.1.1 Technology

- Improved construction materials;
- Real time data collection systems for roads;
- Engineering design improvements and changes;
- Technology that changes work patterns, assists in longer life of assets, and reduces renewal programmes;
- Three- and four-dimensional design systems introducing new ways of designing roads;
- Intelligent transport systems (ITS) in which information, data processing, communication, and sensor technologies are applied to transport infrastructure, vehicles and users (so they can sense each other and communicate);
- Development technology to use roadways to generate energy - for example roads acting as solar panels; and
- The usage of Unmanned Aerial Vehicles (UAV's) to carry out surveys, network screening, quality assurance, emergency response assessment, etcetera.

12.1.2 Trends

- Movement towards regional management of roading networks in New Zealand;
- Focus on Transport customers and what they need from the network, why and when, a change from managing the network to managing the activity and providing the appropriate means;
- Focus on economic benefits of roading networks;
- Focus on infrastructure resilience - particularly in dealing with natural disasters and weather events;

- New funding models including user pays systems to fund uptake of new technology and road improvements;
- Design and planning to adapt to changing conditions, including climate change;
- Public interest in the environmental impact of road use; and
- Greater use of public transport where available or integrated transport solutions e.g. road and rail.

12.2 Water

12.2.1 Technology

- Technological improvements in treating raw water;
- Improved technology in water monitoring;
- Improved technology for conserving, purifying, recycling, reclaiming and desalinating water; and
- Improved technology in stand-alone (private) systems.

12.2.2 Trends

- Higher standards for drinking water quality and monitoring (as part of national drinking water standards);
- Water conservation becoming more of a focus, and water being used more efficiently;
- Recycling and reuse of water;
- Rainwater harvesting;
- Water becoming more regulated; and
- Increased interest in stand-alone private water systems and storage.

12.3 Wastewater

12.3.1 Technology

- Improvements to membrane filtration resulting in very high quality wastewater treatment;
- Improved technology and techniques in pipeline rehabilitation;
- Low pressure wastewater systems which eliminate the need for deep pipe systems;
- Improved technology in self-contained private wastewater systems (e.g. composting toilets); and
- Control of pressure systems discharge by timed and sectional discharge.

12.3.2 Trends

- Membrane filtration and other treatment technology becoming more affordable;
- Higher environmental standards for discharge from wastewater systems into waterways; and
- Increased interest and affordability in stand-alone private wastewater systems and storage.

12.4 Stormwater

12.4.1 Technology

- Low impact design stormwater management – mimicking the natural environment and reducing the impact of stormwater run-off and discharge on the environment;
- Climate change predicted to increase the risk, magnitude and frequency of extreme weather events;
- Stream restoration and riparian planting replacing standard, lined stormwater channels; and
- Treatment train systems which use of two or more treatment methods, such as ground soakage and riparian planting, to improve discharge quality.

12.4.2 Trends

- Focus on working with the natural environment to provide effective stormwater systems, and to lessen environmental impacts;
- Rising environmental standards for discharge into waterways; and
- Increased interest in private, self-sufficient stormwater systems.

12.5 Flood protection

12.5.1 Technology

- Temporary or semi-permanent flood resilience technology that can be used in extreme conditions - including barriers, protection walls and flood products;
- Smart technology systems - in which information, data processing, communication and sensor technologies are applied to flood protection and water level monitoring;
- Changes in engineering and design of flood protection systems e.g. three- and four- dimensional design systems; and
- Flood protection systems that focus on working with the natural environment.

12.5.2 Trends

- Climate change predicted to increase the risk, magnitude and frequency of extreme weather events;

- Increasing interest in the role of flood protection to support primary industries and communities;
- Holistic approach to flood risk management - adaptable and flexible systems; and
- New approaches towards 'living with' flooding rather than 'defending from' flooding, for example by making more space for water or enhancing the resilience of buildings and environments.

draft

Groups of Activities Statements



Groups of activity statements

The Provision of Roads and Footpaths

Why we do this

Kaipara district relies heavily on the road transportation network for community well-being and economic connections within and beyond our area. Safe and effective roads and footpaths are essential to delivering these benefits.

For further information on how this activity contributes to Community Outcomes please consult the Revenue & Financing Policy – Activity Analysis.

What we do

- Manage a road network of 1,574 kilometres, of which 72% (1,126 kilometres) is unsealed.
- Maintain and renew:
 - sealed and unsealed roads, plus safety, resilience and capacity improvements;
 - roadside drainage, mowing, and rubbish and vegetation control;
 - 348 bridges, accommodating increased capacity (average daily traffic) and 50 tonnes maximum total weight (50MAX) high productivity motor vehicles (HPMV);
 - Emergency work from initial response to reinstatement;
 - Footpaths, including changes to shared use to facilitate cycling and mobility scooters. We also maintain footpaths adjacent to the state highway network through townships;
 - Information and regulatory signage;
 - Road marking;
 - Streetlights;
 - Street cleaning;
 - Safety barriers, guide fences, pedestrian crossings and island separations; and
 - Walkways, shared pathways and cycleways.

- Other responsibilities include:
 - road safety promotion and education;
 - advocate for NZ Transport Agency (NZTA) and other central government funding to support key transport infrastructure projects in Kaipara district;
 - we are a member of the Northland Transportation Alliance (NTA), a shared services business unit based in Whangarei. Other members include Far North District Council (FNDC), Whangarei District Council (WDC), Northland Regional Council (NRC) and NZTA;
 - ensure all new works meet our engineering standards;
 - liaise with NZTA liaison regarding the state highway network throughout Kaipara district;
 - member of Northland Lifelines Group;
 - member of Regional Transport Committee;
 - member of Regional Freight Group; and
 - member of Regional Stock Truck Effluent Dumping working party.

How this benefits the community

Good roads and footpaths are an essential part of our infrastructure and they play a key role in lifting our well-being, from community connection through to our economy.

- Roads and footpaths will be safe and accessible;
- Every property will have access to the network (not necessarily supplied by Council);
- Maximum uptake of all available NZTA subsidies within the three-year planning programme, where we have the matching KDC Local Share;
- We will maintain at least minimum standards for sealed roads (repairing potholes and edge breaks) and unsealed roads (repairing potholes and corrugations);
- Bridges are inspected bi-annually in line with the NZTA Bridge Manual. Bridges with weight or speed restrictions are inspected annually. Work on bridges is based on the outcome of these inspections;
- The transport network is safe and passable for all heavy vehicles involved in farming, forestry or produce meeting the classification for heavyweight vehicles; and
- Expected road closure number and duration where an alternative route is available will align with the NZTA customer Level of Service (LOS) times.

Risks and issues

- A current backlog of reduced pavement depth on some unsealed roads creates less comfortable driving during winter;
- The intensity of heavy traffic loadings including dairy, aggregate and forestry harvest increases pavement deterioration on those roads used, especially low volume and access roads as these are built to a lower standard;
- Communities perceive service levels for our roads are very low, particularly the unsealed network, and regularly raise this as an issue;
- There is a lack of contractors and specialist service providers in Northland; on occasion this requires us to use those based in Auckland;
- Our ability to fund our share of the subsidised and unsubsidised road improvement budget;
- A change in the level of Government subsidy and/or a change in the types of subsidised functions; and
- The cost of delivering physical works is highly dependent on the cost of bitumen, cartage, fuel and aggregate cost which fluctuate outside our control.

How we fund this service

- General rates;
- Targeted rates;
- Grants, subsidies and other funding sources;
- Development contributions;
- Financial contributions;
- Borrowing; and
- Asset sales.

Improvement programme 2018/2028	
Year 1 – 2018/2019 Planned improvement / change	<ul style="list-style-type: none"> • Bridge management strategy: meet risk and prioritisation drivers by combining the north and south bridges and structures into one document and strategy. Consider an NTA joint bridge and structures inspection contract; and • Risk management strategy: develop an integrated risk management process aligned with our corporate risk strategy. This will include risks for our disabled and elderly population.
Year 2 – 2019/2020 Planned improvement / change	<ul style="list-style-type: none"> • New asset data acceptance standards: Review adequacy of developers (subdivision and land development) handover requirements contained within NZ Engineering Standards; and • Identify a programme to enhance acceptance standards, including asset schedules and capital cost recording for each asset created.
Year 3 – 2020/2021 Planned improvement / change	<ul style="list-style-type: none"> • Asset data for footpaths: rate the condition of all footpaths every five years to develop a robust Forward Works Programme. Include a framework to consider for disabled and elderly customers faults.
Years 4-10 – 2021/2028 Planned improvement / change	<ul style="list-style-type: none"> • Retaining wall asset data: develop an inventory to improve our knowledge about structural assets on our roading and footpath network.

Funding Impact Statement - Operating

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	8,997	9,458	10,048	10,584	10,796	10,902	11,315	11,643	11,930	12,286	12,697
Targeted rates	390	390	399	407	417	427	437	448	460	472	485
Subsidies and grants for operating purposes	5,845	4,541	4,856	4,968	5,057	5,178	5,306	5,443	5,588	5,735	5,911
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	2,528	2,103	2,133	2,188	2,086	2,113	2,159	2,192	2,236	2,269	2,329
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	17,759	16,491	17,435	18,147	18,355	18,619	19,218	19,726	20,214	20,763	21,422
Application of operating funding											
Payments to staff and suppliers	10,158	8,125	8,558	8,755	8,913	9,126	9,351	9,591	9,846	10,116	10,411
Finance costs	55	51	68	74	86	99	110	116	127	139	153
Internal charges and overheads applied	3,755	4,142	4,281	4,394	4,462	4,578	4,699	4,820	4,956	5,087	5,253
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	13,968	12,318	12,907	13,222	13,462	13,802	14,160	14,526	14,929	15,343	15,817
Surplus (deficit) of operating funding	3,792	4,173	4,528	4,924	4,894	4,817	5,058	5,200	5,285	5,420	5,605

Note: The 2017/2018 Subsidies and Grants, and Contractors are "inflated" due to a carry forward of projects into that year. The LTP years commencing 2018/2019 represent normal levels of activity.

Funding Impact Statement - Capital

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding											
The Provision of Roads and Footpaths											
Sources of capital funding											
Subsidies and grants for capital expenditure	8,287	8,062	7,004	7,854	7,194	7,105	7,407	7,557	7,753	7,963	8,186
Development and financial contributions	325	102	105	108	112	115	75	78	81	85	88
Increase (decrease) in debt	-82	371	77	187	166	156	121	126	138	149	164
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	8,529	8,535	7,186	8,149	7,471	7,376	7,602	7,761	7,973	8,196	8,437
Applications of capital funding											
Capital expenditure											
- to meet additional demand	562	2,274	201	309	1,304	1,329	1,358	1,401	1,428	1,467	1,518
Capital expenditure											
- to improve the level of service	3,013	2,930	3,282	3,669	3,470	3,162	3,581	3,683	3,765	3,867	3,990
Capital expenditure											
- to replace existing assets	10,603	8,343	8,245	9,149	8,076	8,198	8,226	8,392	8,592	8,824	9,091
Increase (decrease) in reserves	-1,857	-839	-13	-53	-484	-496	-505	-516	-529	-542	-556
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	12,321	12,708	11,714	13,074	12,365	12,193	12,660	12,961	13,258	13,617	14,043
Surplus (deficit) of capital funding	-3,792	-4,173	-4,528	-4,924	-4,894	-4,817	-5,058	-5,200	-5,285	-5,420	-5,605
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

Note: The 2017/2018 Subsidies and Grants, and Contractors are "inflated" due to a carry forward of projects into that year. The LTP years commencing 2018/2019 represent normal levels of activity.

Measuring Performance

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
Road safety There are no fatalities or serious injury crashes on the local network that are directly contributable to road condition. <i>Measured by coronial inquiry findings.</i>	0	0	0	0
Road safety The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network. <i>Measured by: NZ Transport Agency (NZTA) Crash Analysis System (CAS) statistic versus the 2016/2017 number of 10.</i>	≤10	≤10	≤10	≤10
Condition of the sealed local road network: The average quality of ride, measured by smooth travel exposure within the following range. <i>Measured by NZTA Performance Measure Reporting Tool.</i>	≥ 90	≥ 90	≥ 90	≥ 90
Condition of the sealed local road network: The percentage of the sealed local road network that is resurfaced. <i>Measured by: NZTA Performance Management Reporting Tool (PMRT) and/or NZTA Annual Achievement Report.</i>	>6.7%	>6.7%	>6.7%	>6.7%
Maintenance of the sealed local road network <i>Measured by the actual spent to budget percentage for the surfacing renewal budget.</i>	≥95% - ≤103%	≥95% - ≤103%	≥95% - ≤103%	≥95% - ≤103%

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
<p>Maintenance of the unsealed local road network</p> <p>The length of the unsealed local network that is graded measured using the NZTA One Road Network Classification (measurement data sourced from RAMM contractor) for:</p> <p style="text-align: right;">Secondary collector road</p> <p style="text-align: right;">Access road</p> <p style="text-align: right;">Access (low volume) road</p>	<p>140kms min.</p> <p>1,200kms min.</p> <p>750kms min.</p>	<p>140kms min.</p> <p>1,200kms min.</p> <p>750kms min.</p>	<p>140kms min.</p> <p>1,200kms min.</p> <p>750kms min.</p>	<p>140kms min.</p> <p>1,200kms min.</p> <p>750kms min.</p>
<p>Execution of capital works programme</p> <p>Maximum uptake, within the three year planning programme, of the approved NZTA budget for Kaipara district, provided Council can also fund the local share.</p> <p><i>Measured by:</i> Monthly and annual capital works programme reporting % spent to budget.</p>	≥ 95%	≥ 95%	≥ 95%	≥ 95%
<p>Condition of footpaths within the local road network: Percentage of residents that are fairly/very satisfied with footpaths.</p> <p><i>Measured by</i> annual Resident Survey.</p>	73%	73%	73%	73%
<p>Response to service requests</p> <p>The percentage of customer service requests relating to roads and footpaths to which the Council responds within the specified timeframe.</p> <p><i>Measured by</i> core application reporting tool.</p>	90%	90%	90%	90%

Significant negative effects

- Low levels of resilience for most of the unsealed network restricts our ability to provide a reasonable Level of Service (LOS);
- High volumes of forestry harvest traffic on low volume and access roads puts a high cost on structural maintenance;
- High growth in the east coast communities is putting pressure on that network; and
- Our changing population profile affects services required and connections to them e.g. an aging population requires mobility scooter space and more public transport, others are looking for commuter cycling opportunities, recreational walking facilities.

Water Supply

Why we do this

A constant, adequate, sustainable and high-quality water supply to Kaipara district's reticulated areas is essential for communities and local economic development. Public water supplies ensure communities receive water at the cost of production. Our water supply activities also protect and enhance our natural assets and open spaces.

For further information on how this activity contributes to Community Outcomes please consult the Revenue & Financing Policy – Activity Analysis.

Which Community Outcomes does the activity primarily contribute to?

This activity contributes to all three Community Outcomes, primarily "A trusted Council making good decisions for the future" as set out below.

Community Outcome	We do this by...
A trusted Council making good decisions for the future	<ul style="list-style-type: none"> • Providing a base level of supply for businesses where a need is proven • Reliable access to clean and safe water is needed by most businesses. By providing infrastructure services, this activity supports growth of the local economy.
A district with strong and welcoming communities	<ul style="list-style-type: none"> • Supporting communities to use local solutions e.g. encouraging harvesting rainwater for domestic and commercial use where appropriate • Providing a base level of supply to communities where a need is proven • Contributing to a safe living environment by providing safe drinking water and water for firefighting. • Helps maintain public health standards
A district with plenty of active outdoor opportunities	<ul style="list-style-type: none"> • Complying with all regulations including consent conditions (community and Council) <ul style="list-style-type: none"> ○ ensuring Council's infrastructure complies ○ enforcing compliance of private owners with their consents • Balances the provision of this service with environmental protection. If done well, minimises the impact of taking water from the natural environment.

This activity plays an important role in enabling community well-being. Its overall contribution to progressing Community Outcomes at a district level is considered to be high.

What we do

- Operate four community water supply schemes for Dargaville (including Bayllys), Glinks Gully, Ruawai and Maungaturoto giving them a sustainable drinking water supply. There is also a small scheme in Mangawhai, mostly supplying the Mangawhai Heads Holiday Park and the Woods Street commercial precinct;
- We own and maintain the whole water supply network for the five schemes;
- Activities include collecting raw water:
 - We treat raw water to produce quality and quantities of drinking water to drinking water standards (potable); and
 - Distribute treated water to the point of supply to customers to meet specific flow, pressure and quality standards. This includes water for emergency fire-fighting services for Dargaville's urban area.
- We also operate:
 - customer services;
 - water billing;
 - asset management;
 - planning;
 - treatment plant operations and maintenance;
 - network operations and maintenance;
 - capital and refurbishment programme; and
 - consent monitoring and compliance.

How this benefits the community

Water supply is crucial to our economic and social well-being. While water supply in Kaipara district is discretionary and defined by historic circumstances specific to different communities, we also support industries such as Silverfern Farms in Dargaville and Fonterra in Maungaturoto. Except for current systems supplying urban communities, households should expect to provide their own water supply through harvesting of water.

- We will continue providing water as is currently supplied within Kaipara district;
- We will provide water to Drinking Water Standards for New Zealand 2005 (Revised 2008) (NZDWS) except for raw water connections where we will provide non-potable raw water as an extraordinary supply;
- We will not extend our reticulation areas to include new residential areas;
- Where there are proposals for new commercial and industrial areas, we will consider supporting that economic development through the water supply as part of a re-zoning proposal, on a cost-recovery basis; and
- We will comply with resource consents in respect of water takes, ensuring they do not adversely affect the environment.

Risks and issues

- Supplying raw water to customers for pastoral uses is a risk as it does not comply with the NZDWS, and if incorrectly used as drinking water without appropriate treatment, it may result in public health issues;
- Dargaville water supply has drought risks and the security of supply for Dargaville is challenging during dry years;
- The renewals programme is still based on affordability and condition assessments. Our water supply assets are generally in good shape, except pipes for the older schemes which are nearing the end of their effective lives and need renewal. Renewal costs will be high and must be done in a planned and affordable manner. Some small communities serviced by old schemes and the small Mangawhai scheme may find the renewals required unaffordable; and
- Asset knowledge (mainly pipes) is mixed and we risk unforeseen asset failure.

How we fund this service

- Targeted rates;
- Fees and charges;
- Development contributions;
- Financial contributions;
- Borrowing;
- Asset sales; and
- Lump sum contributions.

Improvement programme 2018/2028

Year 1 – 2018/2019

Planned improvement / change

- Develop a central database and Geographic Information Systems (GIS) mapping for condition assessment information and generate a renewal programme;
- Replace the manual system for consents, compliance and monitoring with a central management software system;
- Continue the data cleansing project to improve our knowledge of our assets, including asset life to help with renewal planning;
- An ecological study of the Kaihu River to assess the possibility of varying the water take consent;
- Water loss management by ensuring the contractor adheres to reactive timeframes for leak requests, and is proactive in leak detection and effective meter reading;
- Review and update water safety plans for all five water supply schemes using the latest requirements from Northland District Health Board (NDHB);
- Continue with condition assessments of water supply assets in alignment with wastewater and stormwater services, and feed into the renewals programme;
- Develop hydraulic computer models for Dargaville, Maungaturoto and Ruawai reticulation networks, predicting pressures and flows to confirm network capacity and manage growth; and
- Review data management procedures and include development of a system for recording maintenance and costs at asset component level in our asset register.

Improvement programme 2018/2028

Year 2 – 2019/2020

Planned improvement / change

- Continue developing a central database and GIS mapping for condition assessment information and generate a renewal programme;
- Continue developing a central database and GIS mapping for condition assessment information and generate a renewal programme;
- Review and update the water safety plans for all five water supply schemes using the latest requirements from NDHB;
- Continue with the condition assessments of water supply assets in alignment with wastewater and stormwater services, and feed into the renewals programme;
- Continue developing hydraulic computer models for Dargaville, Maungaturoto and Ruawai reticulation networks, predicting pressures and flows to confirm network capacity and manage growth;
- Review data management procedures and include development of system for recording maintenance and costs at asset component level in the asset register; and
- Water loss management by ensuring the contractor adheres to reactive timeframes for leak requests, and is proactive in leak detection and effective meter reading.

Year 3 – 2020/2021

Planned improvement / change

- Continue developing a central database and GIS mapping for condition assessment information and generate a renewal programme;
- Continue developing a central database and GIS mapping for condition assessment information and generate a renewal programme;
- Review and update the water safety plans for all five water supply schemes using the latest requirements from NDHB;
- Continue with condition assessments of water supply assets in alignment with wastewater and stormwater services, and feed into the renewals programme;
- Continue developing hydraulic computer models for Dargaville, Maungaturoto and Ruawai reticulation networks, predicting pressures and flows to confirm network capacity and manage growth; and
- Water loss management by ensuring the contractor adheres to reactive timeframes for leak requests, and is proactive in leak detection and effective meter reading.

Improvement programme 2018/2028**Years 4-10 – 2021/2028****Planned improvement / change**

- Review and update the water safety plans for all five water supply schemes using the latest requirements from NDHB;
- Continue with condition assessments of water supply assets in alignment with wastewater and stormwater services, and feed into the renewals programme; and
- Water loss management by ensuring the contractor adheres to reactive timeframes for leak requests, and is proactive in leak detection and effective meter reading.

Funding Impact Statement – Operating

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating funding										
Sources of operating funding										
General rates	0	0	0	0	0	0	0	0	0	0
Targeted rates	3,157	3,330	3,419	3,509	3,777	4,022	4,111	4,226	4,344	4,426
Subsidies and grants - operational	0	0	0	0	0	0	0	0	0	0
User fees and charges	491	504	515	528	540	554	568	583	599	616
Internal recoveries	0	0	0	0	0	0	0	0	0	0
Investments and other income	0	0	0	0	0	0	0	0	0	0
Total sources of operating funding	3,648	3,834	3,934	4,037	4,317	4,576	4,679	4,809	4,943	5,042
Application of operating funding										
Contractors costs	237	243	249	255	261	268	276	283	291	300
Professional services	256	245	233	150	154	158	162	167	172	177
Repairs and maintenance	647	665	681	698	716	735	756	778	801	827
Other operating costs	167	173	177	180	184	189	193	198	203	208
Employee benefits	0	0	0	0	0	0	0	0	0	0
Internal charges	749	764	777	772	805	835	857	880	905	932
Finance costs	261	283	305	330	399	467	439	424	405	386
Total applications of operating funding	2,317	2,374	2,421	2,385	2,519	2,652	2,683	2,730	2,777	2,830
Surplus (deficit) of operating funding	1,331	1,460	1,513	1,651	1,798	1,924	1,996	2,079	2,166	2,212

Funding Impact Statement - Capital

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding										
Sources of capital funding										
Subsidies and grants - capital	214	251	0	489	0	868	0	1,080	0	614
Development contributions	0	0	0	0	0	0	0	0	0	0
Financial contributions	0	0	0	0	0	0	0	0	0	0
Increase(decrease) in debt	576	218	215	1,063	1,025	-550	-586	-631	-678	-682
Sale of assets	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	790	469	215	1,552	1,025	318	-586	448	-678	-69
Applications of capital funding										
Capital expenditure	2,068	1,838	1,485	2,932	2,288	3,421	2,808	3,817	2,348	3,567
Increase (decrease) in reserves	53	91	243	271	536	-1,178	-1,397	-1,290	-861	-1,423
Total applications of capital funding	2,121	1,929	1,728	3,203	2,823	2,242	1,411	2,527	1,487	2,143
Surplus (deficit) of capital funding	-1,331	-1,460	-1,513	-1,651	-1,798	-1,924	-1,996	-2,079	-2,166	-2,212
Activity Funding										
Operating funding	1,331	1,460	1,513	1,651	1,798	1,924	1,996	2,079	2,166	2,212
Capital funding	-1,331	-1,460	-1,513	-1,651	-1,798	-1,924	-1,996	-2,079	-2,166	-2,212
Activity Funding Balance	0	0	0	0	0	0	0	0	0	0

Capital Expenditure Programme

	Budget 2018/2019 \$	Budget 2019/2020 \$	Budget 2020/2021 \$
Water Supply	1,878,000	1,837,752	1,484,568
127 - Dargaville Water Supply	1,414,500	1,123,872	1,341,610
Baylys trunk main stage 3: replace 1.5km 100mm id from Duck Creek to Colville Road	✓		
Beach road 480m watermain renewal stage 2 - upgrade to 150mm id including connecting to Baylys trunk main	✓		
Compliance with Drinking Water Standards	✓	✓	✓
Dargaville raw watermain river crossing stage 1 of 2		✓	
Dargaville raw watermain river crossings stage 2			✓
Lorne Street: replace 335m of 100mm ID water main; 215m of 50mm ID rider main loop			✓
Main under Dargaville High School : re-route and replace 850m of 250mm ID pipe	✓		
Montgomery Avenue: replace rider main with 360m of 50mm ID	✓		
Normanby Street between Hokianga intersection and Gladstone intersection 550m watermain renewal - upgrade to 150mm ID		✓	
Pirika Street: replace 515m of 100mm ID water main; 300m of 50mm ID rider main loop			✓
Racecourse State Highway 14 watermain : replace 2km 100mm ID from Awakino River bridge to racecourse gate		✓	
Victoria Street: replace 150m of 100mm ID pipe from Kapia Street to Hokianga Road and tap into the 150mm from across Hokianga Road		✓	
Water take consent compliance	✓	✓	✓
Water treatment plant		✓	✓
154 - Maungaturoto Water Supply	309,000	361,825	3,146
NZDWS compliance	✓	✓	✓
Raw watermain renewal: replace 200mm ID pipe plus 1965(install) reticulation renewals	✓		

	Budget 2018/2019 \$	Budget 2019/2020 \$	Budget 2020/2021 \$
Water Supply	1,878,000	1,837,752	1,484,568
Water take consent	✓	✓	✓
158 - Mangawhai Water Supply	1,500	1,538	12,059
Reticulation			✓
Water take consent compliance	✓	✓	✓
161 - Ruawai Water Supply	151,500	348,981	126,181
NZDWS compliance	✓	✓	✓
Replace balance (Stage 4) of 2.3km reticulation of 100 to 150mm ID to meet fire flow	✓		
Water treatment plant and reservoir		✓	✓
239 - Glinks Gully Water Supply	1,500	1,538	1,573
Water take consent compliance	✓	✓	✓

Measuring Performance

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
Compliance with Part 5 of the drinking-water standards (protozoa compliance criteria) for the five drinking water schemes.	Dargaville, Maungaturoto, Ruawai, Glinks Gully and Mangawhai	Dargaville, Maungaturoto, Ruawai, Glinks Gully and Mangawhai	Dargaville, Maungaturoto, Ruawai, Glinks Gully and Mangawhai	Dargaville, Maungaturoto, Ruawai, Glinks Gully and Mangawhai
The percentage of real water loss from our networked reticulation system (average for total network of all schemes). Real water loss is calculated by subtracting the meter readings and 'other components' from the total water supplied to the networked reticulation system.	≤30%	≤29%	≤28%	≤27%

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
Median response time for attendance for urgent call-outs; from the time the local authority receives notification to the time that service personnel reach the site.	≤2 hours	≤2 hours	≤2 hours	≤2 hours
Median response time for resolution of urgent call-outs; from the time the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	≤48 hours	≤48 hours	≤48 hours	≤48 hours
Median response time for attendance for non-urgent call-outs; from the time the local authority receives notification to the time that service personnel reach the site.	≤3 hours	≤3 hours	≤3 hours	≤3 hours
Median response time for resolution of non-urgent call-outs; from the time the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	≤3 days	≤3 days	≤3 days	≤3 days
Total number of complaints about drinking water quality e.g. clarity, odour, taste, pressure or flow and continuity of supply. Expressed per 1,000 water connections.	≤40	≤39	≤38	≤37
Water take consents: 100% compliance with Northland Regional Council water take consents. The average consumption of drinking water per day per resident within Kaipara district. Average calculated by the billed metered consumption (m ³) x 1000 divided by the number of connections x 365 x 2.5 (occupancy rate).	Dargaville – 275 Maungaturoto – 340 Ruawai – 130 Glinks Gully – 52 Mangawhai – 230	Dargaville – 275 Maungaturoto – 340 Ruawai – 130 Glinks Gully – 52 Mangawhai – 230	Dargaville – 275 Maungaturoto – 340 Ruawai – 130 Glinks Gully – 52 Mangawhai – 230	Dargaville – 275 Maungaturoto – 340 Ruawai – 130 Glinks Gully – 52 Mangawhai – 230

Significant negative effects

- A potential negative effect is the supply of non-compliant drinking water to the community. Non-compliance can occur at the water treatment plant (WTP) or within the water network. We have stringent monitoring and testing regimes to control and supply the community with compliant drinking water;
- Water treatment system failure could affect dialysis patients or flood properties. Our contractors have a list of dialysis patients and notify them immediately of any outages, supplying water if needed. Breaks in the lines are unpredictable and difficult to detect in wet weather. However, any rapid reservoir depletion is a trigger for network investigation. Our Water Asset Management Plan describes our water assets and the practices used to manage them which helps to reduce possible negative effects and risks; and
- We mitigate potential negative effects through a mix of asset management planning activities, including:
 - asset development work;
 - monitoring and testing;
 - demand management initiatives; and
 - public education, including water conservation programmes.

Stormwater Drainage

Why we do this

Stormwater drainage protects our communities, infrastructure and public places from flooding by discharging stormwater and collecting contaminants to minimise adverse effects from rain, runoff and high tides. Stormwater drainage on state highways or floodwaters from rivers or land drainage is managed by NZ Transport Agency (NZTA).

For further information on how this activity contributes to Community Outcomes please consult the Revenue & Financing Policy – Activity Analysis.

What we do

- We run five community stormwater drainage schemes for Dargaville, Baylys, Te Kopuru, Kaiwaka and Mangawhai;
- They protect people, houses, private property and public areas from flooding by removing and discharging stormwater, and collecting contaminants in a way that protects our environment and public health; and
- Stormwater drainage systems in Glinks Gully, Kelly's Bay, Pahi, Whakapirau, Tinopai, Paparoa and Matakohe are mostly incorporated into our roads network.

How this benefits the community

Our stormwater drainage activities protect public health and contribute to our social, economic and environmental well-being by:

- protecting people, houses, private property and public areas from flooding by removing and discharging stormwater;
- collecting contaminants in a way that protects our environment;
- complying with resource consent conditions;
- draining water from normal rainfall events;
- processing a 1:5 year rain event for rural/residential areas and a 1:10 year event for industrial areas; and
- managing stormwater in urban areas to retain usability of land.

Risks and issues

- Renewal of resource consents may require higher quality discharge to the receiving environment;
- Spring tides and storm events at the same time may create flooding in Dargaville and Ruawai and low-lying areas of Mangawhai, albeit for short periods;
- Our reliance on soakage where possible and the allowable design period of 1:5 Year Annual Exceedance Probability (AEP), does not fully mitigate nuisance ponding in certain weather conditions until groundwater can soak away; and
- Affordability around replacing the piped network for our older schemes which is nearing the end of its life expectancy and changing from pipes to a lower impact design.

How we fund this service

- General rates;
- Targeted rates;
- Development contributions;
- Financial contributions;
- Borrowing; and
- Asset sales.

Improvement Plan 2018/2028**Year 1 - 2018/2019****Planned improvement / change**

- Develop a central database and Geographic Information Systems (GIS) mapping for condition assessment information and generate a renewal programme;
- Replace the manual system for consents, compliance and monitoring with a central management software system;
- Continue the data cleansing project to improve our knowledge of our assets, including asset life to help with renewal planning;
- Develop a renewals programme based on performance and condition ratings of critical stormwater assets;
- Clarify ownership of assets across the district (roading versus urban), including responsibilities of townships that are not serviced;
- Review data management procedures including development of a system for recording maintenance and costs at asset component level in the asset register, to help develop failure curves based on actual asset condition;
- Ongoing collection of data on asset attributes and condition as opportunity arises and as part of structured inspection programmes;
- Develop an understanding of Infrastructure capacity required to support urban development in accordance with the National Policy Statement (NPS) for Urban Development Capacity;
- Complete and adopt an updated Stormwater Catchment Management Plan (SWCMP) for Mangawhai;
- Survey all the coastal outfalls in the five urban townships; and
- Review the adequacy of developers' handover requirements contained within Engineering Standards 2011 and identify an improvement programme, include for asset schedules and capital cost recording for each asset created.

Improvement Plan 2018/2028	
Year 2 - 2019/2020 Planned improvement / change	<ul style="list-style-type: none"> • Continue with development of capability, asset information capture and Asset Management Information System (AMIS) population of first three items above from 2018/2019; • Complete and adopt an updated SWCMP for Kaiwaka and Maungaturoto; • Develop a template for operations and maintenance manual for ponds with key information required for developers; • Development of Soakage Design Manual including engineering design standards and Stormwater Management Plan (SMP) references; and • Review and assessment of levels of deferred maintenance.
Year 3 - 2020/2021 Planned improvement / change	<ul style="list-style-type: none"> • Continue with development of capability, asset information capture and AMIS population of items in CORE for 2018/2019; • Complete and adopt the SMP for the remaining serviced stormwater districts; • Develop an hydraulic computer model for the Dargaville SWCMP, predicting flows to confirm network capacity and manage growth; • Review steel pipes installed in Dargaville and their condition as part of the condition assessment and asset data cleansing projects; and • Review of Levels of Service (LOS) for incorporation into 2021 Asset Management Plan (AMP)
Years 4-10 - 2021/2028 Planned improvement / change	<ul style="list-style-type: none"> • Continue with development of capability, asset information capture and AMIS population of first three items above in 2018/2019; • Review completed and adopted stormwater plans and ensure they are up-to-date, revise where required; • Continue to review and assess assets and the asset data, clean and inspect stormwater assets to keep up with maintenance and retain efficiency within the assets; • Continue to review data management procedures and systems to ensure that maintenance is recorded and costs are accurately recorded; • Update records of assets and review asset renewal and growth strategies to prepare for future AMPs and LTP updates; and • Continue to improve asset condition, data and management to provide the most efficient and effective maintenance and renewal strategies for Kaipara district and the ratepayers.

Funding Impact Statement - Operating

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	2018-2019 \$'000	2019-2020 \$'000	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000
30 June										
Operating funding										
Sources of operating funding										
General rates	223	293	295	251	259	250	255	263	280	291
Targeted rates	1,392	1,687	1,683	1,597	1,650	1,716	1,820	1,881	2,015	2,102
Subsidies and grants - operational	0	0	0	0	0	0	0	0	0	0
User fees and charges	0	0	0	0	0	0	0	0	0	0
Internal recoveries	0	0	0	0	0	0	0	0	0	0
Investments and other income	0	0	0	0	0	0	0	0	0	0
Total sources of operating funding	1,615	1,980	1,978	1,848	1,908	1,966	2,075	2,144	2,295	2,393
Application of operating funding										
Contractors costs	33	34	34	35	36	37	37	38	39	40
Professional services	284	429	336	147	152	139	146	123	155	161
Repairs and maintenance	286	296	306	316	321	332	344	357	370	385
Other operating costs	8	8	9	9	9	9	9	10	10	10
Employee benefits	0	0	0	0	0	0	0	0	0	0
Internal charges	288	331	310	272	282	295	308	314	337	353
Finance costs	173	182	194	210	232	259	279	306	334	368
Total applications of operating funding	1,073	1,280	1,189	989	1,032	1,070	1,124	1,148	1,245	1,318
Surplus (deficit) of operating funding	541	700	789	859	876	896	951	997	1,049	1,075

Funding Impact Statement - Capital

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding										
Sources of capital funding										
Subsidies and grants - capital	0	0	0	0	0	0	0	0	0	0
Development contributions	7	7	7	7	7	7	7	7	7	7
Financial contributions	0	0	0	0	0	0	0	0	0	0
Increase(decrease) in debt	261	141	118	235	339	392	305	335	364	424
Sale of assets	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	268	148	124	241	346	399	312	342	371	431
Applications of capital funding										
Capital expenditure	664	718	734	1,095	1,209	1,296	1,272	1,364	1,462	1,566
Increase (decrease) in reserves	145	130	180	6	13	-1	-9	-26	-42	-59
Total applications of capital funding	809	848	914	1,101	1,222	1,295	1,263	1,339	1,420	1,507
Surplus (deficit) of capital funding	-541	-700	-789	-859	-876	-896	-951	-997	-1,049	-1,075
Activity Funding										
Operating funding	541	700	789	859	876	896	951	997	1,049	1,075
Capital funding	-541	-700	-789	-859	-876	-896	-951	-997	-1,049	-1,075
Activity Funding Balance	0	0	0	0	0	0	0	0	0	0

Capital Expenditure Programme

	Budget 2018/2019 \$	Budget 2019/2020 \$	Budget 2020/2021 \$
Stormwater Drainage	70,000	205,000	209,715
101 - Dargaville Stormwater Scheme	50,000	51,250	52,429
Dargaville stormwater	✓	✓	✓
131 - Baylys Stormwater Scheme	20,000	153,750	157,286
Chases Gorge		✓	✓
Chases Gorge investigation	✓		

Measuring Performance

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
System adequacy For each flooding event, using a 1:5 year for Urban (Average Recurrence Interval 20%) and 1:10 year for Rural (ARI 10%), the number of habitable floors affected. (Expressed per 1,000 properties connected to the district's stormwater system.)	3	10	10	10
Response time The median response time in a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	2 hours for urgent events	2 hours for urgent events	2 hours for urgent events	2 hours for urgent events
Customer satisfaction The number of complaints received by Council about the performance of its stormwater system, expressed per year. Expressed per 1,000 properties connected to the territorial authority's stormwater system.	18	18	18	18
Discharge compliance Abatement notices, infringement notices, enforcement orders, convictions.	0	0	0	0

Significant negative effects

- The greatest significant negative effect occurs when high levels of stormwater enter the wastewater system. This can overload the system, resulting in untreated wastewater being directly discharged into the environment. We have confirmed parts of the Dargaville and Mangawhai stormwater network require repairs to reduce stormwater infiltration into the wastewater network. Repairs to both the public stormwater system and privately-owned stormwater pipes and gully traps still need to be completed;
- Significant storm events overload the stormwater networks and may flood dwellings non-habitable buildings and low-lying portions of the road network, causing temporary disruptions; and
- The quantity of gross pollutants such as bottles, plastics, rubbish and hydrocarbons discharged into the natural receiving environment from the stormwater system.

Sewerage and the Treatment and Disposal of Sewage

Why we do this

For the protection of public and environmental health, through treatment of wastewater in selected areas.

For further information on how this activity contributes to Community Outcomes please consult the Revenue & Financing Policy – Activity Analysis.

What we do

- Collects, treats and disposes of wastewater through sustainable, cost-effective and environmentally friendly methods.
- Owns and operates wastewater schemes for: Glinks Gully, Te Kopuru, Dargaville, Maungaturoto, Kaiwaka and Mangawhai; and
- Undertakes asset management, planning, operation and maintenance of the wastewater schemes, capital and refurbishment programmes and consent monitoring and compliance, along with responsibility of professional and physical works undertaken on the network.

How this benefits the community

- We provide and maintain infrastructure that supports the economy of the area. We will ensure that people who are able to will be connected to Council schemes;
- We are intent on lifting Kaipara district's well-being by providing infrastructure where people live close together, which protects the health of both the community and the environment; and
- We will protect and enhance our natural assets and open spaces by ensuring we meet our compliance with the discharge consents.

Risks and issues

- Failure of a scheme due to the age of the assets, and the inaccessibility for inspections (pipes are underground so are difficult to locate and inspect adequately);
- Affordability, the cost to repair and provide service with aging pipes coupled with relatively small communities served by a scheme can push the expenses (and rates) out of reach for communities;
- If the trend toward higher environmental standards for discharge consents (treated wastewater released into harbours or rivers) continues, it may become unreasonable to expect communities to front the costs of upgrading equipment or services to meet the standards;
- The Mangawhai Community Wastewater Scheme (MCWWS) will reach capacity by 2030 if the 'minimum approach upgrade' is taken; and
- The exact capacity of the five other wastewater schemes is unknown until specific capacity analyses (modelling) are undertaken.

How the service is funded

- Targeted rates;
- Development contributions;
- User fees and charges;
- Borrowing;
- Asset sales; and
- General rate.

Improvement Programme 2018/2028**Year 1- 2018/2019****Planned improvement / change**

- Develop a central database and geospatial framework for condition assessment information and generate renewal programme from the system;
- Provide a central management software system for consents, compliance and monitoring to replace the manual system;
- Continue the data cleansing project to improve our knowledge of our assets (including asset lives to aid renewal planning);
- Wastewater Modelling (Dargaville, Maungaturoto). Scoping exercise to determine needs and level of detail required for development of hydraulic model;
- Continue the MCWWS resource consent variation application;
- Extend the MCWWS irrigation system;
- Upgrade the MCWWS existing reticulation and pump stations; and
- Upgrade the MCWWS treatment plant.

Improvement Programme 2018/2028	
Year 2 - 2019/2020 Planned improvement / change	<ul style="list-style-type: none"> • Continue development of a central database and geospatial framework for condition assessment information and generate renewal programme from the system; • Complete the data cleansing project to reduce the number of unknown asset attributes (including asset lives to aid renewal planning); • Wastewater Modelling (Kaiwaka). Scoping exercise to determine needs and level of detail required for development of hydraulic model; • Wastewater Modelling (Dargaville, Maungaturoto and Kaiwaka). Develop, test and implement hydraulic model to identify capacity issues, optimisation of pumping stations, manage growth; • Commence the desludging of the Dargaville Wastewater Oxidation Pond; • Complete the upgrade of the MCWWS existing reticulation system and pump stations; and • Complete the upgrade of the MCWWS treatment plant.
Year 3 - 2020/2021 Planned improvement / change	<ul style="list-style-type: none"> • Complete the central database and geospatial framework for condition assessment information and generate renewal programme from the system; • Wastewater Modelling (Kaiwaka). Development of hydraulic model to identify capacity issues, optimisation of pumping stations, manage growth; • Complete the desludging of the Dargaville Wastewater Oxidation Pond; and • Commence the extension of the MCWWS reticulation system (ME3).
Years 4-10 - 2021/2028 Planned improvement / change	<ul style="list-style-type: none"> • Review and refine Wastewater Models (Dargaville, Maungaturoto and Kaiwaka); and • Continue the extension of the MCWWS reticulation system.

Funding Impact Statement - Operating

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating funding										
Sources of operating funding										
General rates	1,337	1,346	1,412	1,490	823	893	949	1,032	1,096	1,207
Targeted rates	6,154	6,383	6,350	6,382	6,765	7,267	7,572	7,787	8,358	8,707
Subsidies and grants - operational	0	0	0	0	0	0	0	0	0	0
User fees and charges	9	10	10	10	10	11	11	11	11	12
Internal recoveries	0	0	0	0	0	0	0	0	0	0
Investments and other income	0	0	0	0	0	0	0	0	0	0
Total sources of operating funding	7,500	7,739	7,772	7,882	7,598	8,170	8,532	8,831	9,466	9,925
Application of operating funding										
Contractors costs	1,158	788	649	665	682	757	778	801	887	915
Professional services	386	391	293	115	118	155	125	146	151	156
Repairs and maintenance	662	1,708	1,749	811	832	855	884	910	1,061	1,102
Other operating costs	244	251	258	265	272	280	288	299	310	322
Employee benefits	0	0	0	0	0	0	0	0	0	0
Internal charges	1,176	1,406	1,365	1,045	1,078	1,136	1,158	1,196	1,288	1,330
Finance costs	2,584	2,498	2,598	2,697	2,784	2,891	2,860	2,938	2,990	3,160
Total applications of operating funding	6,209	7,042	6,911	5,598	5,766	6,075	6,094	6,290	6,687	6,983
Surplus (deficit) of operating funding	1,291	697	861	2,284	1,832	2,095	2,438	2,541	2,780	2,942

Funding Impact Statement - Capital

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding										
Sources of capital funding										
Subsidies and grants - capital	0	0	0	0	0	0	0	0	0	0
Development contributions	1,885	1,909	2,436	2,413	2,409	2,409	2,409	2,409	2,409	2,235
Financial contributions	0	0	0	0	0	0	0	0	0	0
Increase(decrease) in debt	23	-1,057	-1,085	-1,213	-573	-582	-453	148	-60	-822
Sale of assets	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	1,908	852	1,351	1,200	1,836	1,827	1,957	2,557	2,350	1,413
Applications of capital funding										
Capital expenditure	4,169	3,083	2,606	2,857	3,313	3,747	1,773	4,295	4,706	4,169
Increase (decrease) in reserves	-970	-1,533	-394	628	355	176	2,621	802	423	186
Total applications of capital funding	3,199	1,549	2,212	3,485	3,668	3,922	4,394	5,098	5,129	4,355
Surplus (deficit) of capital funding	-1,291	-697	-861	-2,284	-1,832	-2,095	-2,438	-2,541	-2,780	-2,942
Activity Funding										
Operating funding	1,291	697	861	2,284	1,832	2,095	2,438	2,541	2,780	2,942
Capital funding	-1,291	-697	-861	-2,284	-1,832	-2,095	-2,438	-2,541	-2,780	-2,942
Activity Funding Balance	0	0	0	0	0	0	0	0	0	0

Capital Expenditure Programme

	2018/19	2019/20	2020/21
Sewerage and the Treatment and Disposal of Sewage	3,703,500	3,017,088	2,608,781
165 - Te Kopuru Wastewater Scheme	2,500	12,813	34,112
Reticulation			✓
Environmental Compliance	✓	✓	✓
Treatment			
Treatment Plant Modifications		✓	✓
202 - Dargaville Wastewater Scheme	1,241,000	867,150	685,389
Pump Station 1 & 2 upgrade	✓	✓	✓
PS1/PS2 Rising main from Pump Station 2 to Pump station 1	✓		
Pipe Renewal from Condition assessment	✓	✓	✓
Pump Stations and rising mains	✓	✓	✓
Safety Grills Pump Stations		✓	✓
Environmental Compliance	✓	✓	✓
Treatment		✓	
207 - Mangawhai Wastewater Scheme	2,235,000	1,932,125	1,821,056
Extend Irrigation System	✓		
Upgrade Existing Reticulation	✓	✓	
Extend Reticulation (8years)			✓
Upgrade WWTP	✓	✓	
Additional Capacity for Growth- Council Contribution	✓	✓	✓
Renewals	✓	✓	✓
219 - Kaiwaka Wastewater Scheme	152,500	166,563	13,120
Pipe Renewals from Condition assessment	✓	✓	
Treatment			
Pump Stations SCADA Upgrade		✓	✓
Pond Curtain			
Environmental Compliance	✓	✓	✓
Membrane Filtration WWTP, Pump station and rising Upgrade			
Pump Station Upgrade, Rising main, Holding Pond			
232 - Maungaturoto Wastewater Scheme	72,500	38,438	44,608
Reticulation		✓	
Pump Stations and Rising Mains			✓
Treatment	✓		
Pump Station Storage			
Environmental Compliance	✓	✓	✓
Safety Grills On Pump Stations		✓	
253 - Glinks Gully Wastewater Scheme	0	0	10,496
Pump stations and rising Mains			✓

Measuring Performance

What Council measures	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
The number of dry weather sewage overflows from Council's <i>sewerage systems</i> , expressed per 1,000 sewerage connections to that sewerage system. The resource consent provides for severe weather events and power failure exceptions.	≤1	≤1	≤1	≤1
Where Council attends to sewage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times apply: Attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site. (Department of Internal Affairs measure)	≤2 hours	≤2 hours	≤2 hours	≤2 hours
Where Council attends to sewage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times apply: Resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	≤48 hours	≤48 hours	≤48 hours	≤48 hours
The total number of complaints received by Council about sewage odour. Expressed per 1,000 sewerage connections.	≤10	≤10	≤10	≤10
The total number of complaints received by Council about sewerage system faults e.g. blockages, breaks. Expressed per 1,000 sewerage connections. (Department of Internal Affairs measure)	≤27	≤27	≤27	≤27
The number of: abatement notices, infringement notices, enforcement orders and convictions received by Council in relation to its resource consents for discharge from its sewerage systems.	0	0	0	0

Significant negative effects

- In case of failure or significant breakage, there could be contamination of public waterways which may have large environmental or personal health issues;
- As a number of community populations stay static, the rising cost of ongoing maintenance or pipe renewal may become economically unrealistic; and
- Failure of a wastewater treatment plant (WTP) in meeting the resource consent may result in Northland Regional Council (NRC) issuing an infringement notice.

Flood Protection and Control Works

Why we do this

We protect people and property from flooding caused by severe weather events. Historically, this work was done through drainage boards. Only the Raupo Drainage District continues under a similar model. Responsibilities are mixed between Kaipara District Council and Northland Regional Council (NRC). We chose to continue with drainage districts in some areas in addition to Raupo and areas managed by NRC.

For further information on how this activity contributes to Community Outcomes please consult the Revenue & Financing Policy – Activity Analysis.

What we do

We are conscious that we need to keep climate change in mind as we maintain and develop our flood protection and control activities. Climate change means more flooding from extreme weather events and rises in sea levels, affecting not just coastal areas but also our rivers and other waterways. The results of heavy rains can put people, property, infrastructure and roads at risk. Our assets are designed for the long term, and climate change means we will have to consider how best to manage our needs against costs.

- Flood protection and control works covering flood control schemes, river alignment control and land drainage. We co-ordinate land drainage work in 28 drainage districts of various sizes. These include Kaihu Valley and Mangatara Drainage Districts, both of which discharge into the Kaihu River which is administered by NRC. The largest district is the Raupo Drainage District where we provide administrative and technical support;
- We have reviewed the 2017 NRC Draft Regional Policy Statement and will assess how the draft coastal flood maps will affect Kaipara district;
- We maintain the current capacity of the land drainage network with:
 - weed spraying;
 - drain clearance;
 - floodgate and outlet maintenance in all districts;
 - floodgate and stopbank maintenance in Raupo; and
 - discretionary stopbank maintenance for the remaining districts.
- Provide flood protection through various drainage system stopbanks and floodgates;
- Monitor rivers for tidal and stormwater levels during weather events and warn of potential flooding;

- Drains have the capacity so floodwater recedes within three tidal cycles, the design Average Recurrence Interval (ARI) for rural areas is 10%;
- Stopbanks are 2.6m above Mean Sea Level, leaving 0.5m above extreme high tide for Raupo;
- Raupo Drainage Committee, a formal committee of this Council, is in place to perform delegated functions;
- All flood protection activities outside Raupo are administered by informal community committees supported, where practical, by our Land Drainage Co-ordinator. Landowners are responsible for maintaining privately-owned stopbanks; and
- NRC is responsible for catchment management.

How this benefits the community

- Our flood protection and control works are designed to protect people, property and infrastructure from flooding and tidal flows;
- Protecting productive land and infrastructure are critical to our economic well-being; and
- We protect and enhance our natural assets and open spaces.

Risks and issues

- We do not know whether current Levels of Service (LOS) meet the minimum standard;
- Climate change presents multiple risks, from rising sea levels to reflecting impacts in future LOS;
- Objections from targeted ratepayers who feel they are not realising benefits;
- Dissatisfaction, as not all landowners contribute;
- Landowners hampering access to public drains on private land; and
- Some overlap and confusion on the respective roles of our Council and NRC for land drainage.

How we fund this service

- General rates;
- Targeted rates; and
- Fees and charges.

Improvement programme 2018/2028	
Year 1 – 2018/2019 Planned improvement / change	<ul style="list-style-type: none"> • Develop a central database and Geographic Information Systems (GIS) mapping for condition assessment information and generate a renewal programme; • Replace the manual system for consents, compliance and monitoring with a central management software system; • Develop hydraulic computer models for the Raupo Drainage District to better prepare this area for climate change and sea level rise; • Continue assessments of floodgates within target areas such as Raupo and Dargaville; • Assess existing stopbanks, levels and conditions to help prepare for climate change and sea level rise; • Assess existing drainage districts and identify possible reductions or amalgamations; and • Assess the current drainage district boundaries and identify if these are still accurate, with adjustment as required.
Year 2 – 2019/2020 Planned improvement / change	<ul style="list-style-type: none"> • Continue development of a central database and Geographic Information Systems (GIS) mapping for condition assessment information and generate a renewal programme; • Continue assessing floodgates within target areas such as Raupo and Dargaville; • Continue assessing existing stopbanks, levels and conditions to help prepare for climate change and sea level rise; • Assess existing drainage districts and identify possible reductions or amalgamations; and • Where required, hydraulic analysis of specific catchments to assess future upgrades to existing flood protection systems.
Year 3 – 2020/2021 Planned improvement / change	<ul style="list-style-type: none"> • Continue assessing floodgates within target areas such as Raupo and Dargaville; • Continue assessing existing stopbanks, levels and conditions to help prepare for climate change and sea level rise; • Drainage districts identified for reduction/amalgamation to be prepared and processed for the next AMP update; • Where required, hydraulic analysis of specific catchments to assess future upgrades to existing flood protection systems; and • Identified actions from hydraulic assessments to be processed into lists and associated costs prepared for next AMP update.

Improvement programme 2018/2028**Years 4-10 – 2021/2028****Planned improvement / change**

- Continue assess floodgates within target areas such as Raupo and Dargaville;
- Continue assessing existing stopbanks, levels and conditions to help prepare for climate change and sea level rise;
- Assess existing drainage districts and identify possible reductions/amalgamations;
- Where required, hydraulic analysis of specific catchments to assess future upgrades to existing flood protection systems; and
- Approve and start projects to prepare drainage districts for climate change and sea level rise, including raising stopbanks and other flood protection measures.

Funding Impact Statement - Operating

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating funding										
Sources of operating funding										
General rates	48	48	82	84	86	89	91	93	96	99
Targeted rates	691	690	618	626	705	676	707	831	749	921
Subsidies and grants - operational	0	0	0	0	0	0	0	0	0	0
User fees and charges	8	8	8	9	9	9	9	10	10	10
Internal recoveries	4	4	4	5	5	5	5	5	5	5
Investments and other income	0	0	0	0	0	0	0	0	0	0
Total sources of operating funding	752	751	713	723	805	778	812	939	860	1,035
Application of operating funding										
Contractors costs	0	0	0	0	0	0	0	0	0	0
Professional services	55	57	0	0	6	0	0	0	0	0
Repairs and maintenance	393	400	422	432	458	436	462	487	499	538
Other operating costs	10	10	10	10	11	11	11	11	12	12
Employee benefits	0	0	0	0	0	0	0	0	0	0
Internal charges	94	96	93	95	100	98	102	106	109	115
Finance costs	0	2	2	2	2	2	2	2	2	2
Total applications of operating funding	552	564	527	541	577	547	578	607	622	667
Surplus (deficit) of operating funding	200	187	186	183	228	231	234	332	238	368

Funding Impact Statement - Capital

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding										
Sources of capital funding										
Subsidies and grants - capital	0	0	0	0	0	0	0	0	0	0
Development contributions	0	0	0	0	0	0	0	0	0	0
Financial contributions	0	0	0	0	0	0	0	0	0	0
Increase(decrease) in debt	32	16	-2	-2	-2	-2	-2	-2	-2	-3
Sale of assets	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	32	16	-2	-2	-2	-2	-2	-2	-2	-3
Applications of capital funding										
Capital expenditure	278	133	58	53	98	101	103	202	108	238
Increase (decrease) in reserves	-46	70	127	128	128	128	128	128	128	128
Total applications of capital funding	233	203	184	181	226	229	232	330	236	366
Surplus (deficit) of capital funding	-200	-187	-186	-183	-228	-231	-234	-332	-238	-368
Activity Funding										
Operating funding	200	187	186	183	228	231	234	332	238	368
Capital funding	-200	-187	-186	-183	-228	-231	-234	-332	-238	-368
Activity Funding Balance	0	0	0	0	0	0	0	0	0	0

Measuring performance

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
The number of flood events not contained by the drainage schemes.	0	0	0	0
Service requests for additional cleaning of drains i.e. missed by the monitoring and maintenance programmes.	< 5 service requests per year	< 5 service requests per year	< 5 service requests per year	< 5 service requests per year
Biannual inspection of our drainage network to ensure it can contain a 1:5-year flood.	2 inspections per year	2 inspections per year	2 inspections per year	2 inspections per year
Targeted maintenance of the stopbank system in the Raupo Drainage District to prevent tidal flows from inundating private property during high tide and/or when the river is in flood.	Minimum yearly inspections and targeted maintenance completed.	Minimum yearly inspections and targeted maintenance completed.	Minimum yearly inspections and targeted maintenance completed.	Minimum yearly inspections and targeted maintenance completed.

Significant negative effects

- A lack of drainage networks or maintenance on the existing network could result in increased flooding of farming and cropping communities in low-lying land near rivers, streams and canals; and
- The frequency of significant storm events and rainfall intensities are expected to increase along with sea levels in the future.

Solid Waste

Why we do this

We deliver refuse collection and disposal service that meets our statutory obligations and meets community needs. It is affordable, hygienic and environmentally sustainable, contributing to our well-being, and protecting and enhancing our natural assets and open spaces.

For further information on how this activity contributes to Community Outcomes please consult the Revenue & Financing Policy – Activity Analysis.

What we do

- Kerbside refuse bag collection in urban areas and at appointed collection sites in rural areas;
- Recycling collection in key urban areas;
- Provide two transfer stations for general waste and recycling disposal;
- Provide public litterbins;
- Clear illegally dumped rubbish (often referred to as ‘fly tipping’);
- Remove abandoned vehicles;
- Support waste minimisation initiatives; and
- Monitor, maintain and manage several closed landfills.

How this benefits the community

- The decisions we make on managing solid waste directly affect our communities and our environment. We focus on delivering a seamless, affordable and hygienic rubbish collection service balanced against environmental goals of waste minimisation and reducing waste to landfill as described in our Waste Management and Minimisation Plan 2017;
- Our refuse collection and disposal services include:
 - weekly kerbside recycling in key urban areas from Mangawhai to Dargaville litterbins;
 - transfer stations at Hakaru and Dargaville; and
 - recycling drop-offs at our two transfer stations.
- We manage leachate pollution from historic landfills to protect environmental quality; and
- Closed landfill activities comply with the legislation.

Risks and issues

- If the Government subsidy, in the form of the Waste Minimisation Levy, reduces, recycling would need to be funded from general or targeted rates;
- Leachate produced from refuse activity is an ongoing risk; and
- Our service response does not meet customer expectations.

How we fund this service

- General rates;
- Fees and charges;
- Financial contributions;
- Borrowing;
- Asset sales; and
- Lump sum contributions.

Improvement programme 2018/2028	
Year 1 – 2018/2019 Planned improvement / change	<ul style="list-style-type: none"> • Determine community interest in additional/rural drop-off locations for recycling; • Investigate delivery of a district-wide rate-funded recycling collection in consultation with the community; and • Implement preferred option for leachate disposal at Hakaru Closed Landfill.
Year 2 – 2019/2020 Planned improvement / change	<ul style="list-style-type: none"> • Contract 706 expires in November 2019 when we will put a new, improved contract out to tender; and • Complete consent compliance requirements for Dargaville Closed Landfill.
Year 3 – 2020/2021 Planned improvement / change	<ul style="list-style-type: none"> • Investigate options for improving/upgrading transfer stations to better enable waste diversion; and • With the completion of all works related to consents, create a database for solid waste-related physical assets and their condition ratings.
Years 4-10 – 2021/2028 Planned improvement / change	<ul style="list-style-type: none"> • Continue to promote and create waste awareness, reduction, minimisation, re-use and recycling; and • Ongoing investigations of recycling markets and ways to expand on materials currently recycled.

Funding Impact Statement - Operating

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating funding										
Sources of operating funding										
General rates	1,248	1,298	1,118	1,140	1,167	1,195	1,225	1,255	1,278	1,324
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants - operational	0	0	0	0	0	0	0	0	0	0
User fees and charges	79	81	82	84	86	89	91	93	96	98
Internal recoveries	0	0	0	0	0	0	0	0	0	0
Investments and other income	0	0	0	0	0	0	0	0	0	0
Total sources of operating funding	1,327	1,379	1,201	1,224	1,253	1,284	1,316	1,348	1,374	1,422
Application of operating funding										
Contractors costs	539	552	401	411	421	431	442	454	466	479
Professional services	87	89	91	93	96	98	101	103	106	109
Repairs and maintenance	13	13	13	14	14	14	15	15	15	16
Other operating costs	138	141	139	138	141	144	148	152	155	160
Employee benefits	88	89	91	93	94	96	98	100	102	104
Internal charges	145	152	124	127	130	133	136	140	145	152
Finance costs	21	19	18	17	16	14	12	10	8	7
Total applications of operating funding	1,031	1,056	877	892	911	931	952	973	998	1,026
Surplus (deficit) of operating funding	296	323	323	332	342	353	364	374	376	396

Funding Impact Statement - Capital

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding										
Sources of capital funding										
Subsidies and grants - capital	0	0	0	0	0	0	0	0	0	0
Development contributions	0	0	0	0	0	0	0	0	0	0
Financial contributions	0	0	0	0	0	0	0	0	0	0
Increase(decrease) in debt	-37	-39	-33	-36	-38	-41	-45	-47	-32	-27
Sale of assets	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	-37	-39	-33	-36	-38	-41	-45	-47	-32	-27
Applications of capital funding										
Capital expenditure	1,236	0	0	0	0	0	0	0	731	0
Increase (decrease) in reserves	-977	283	290	297	304	311	319	328	-387	369
Total applications of capital funding	259	283	290	297	304	311	319	328	344	369
Surplus (deficit) of capital funding	-296	-323	-323	-332	-342	-353	-364	-374	-376	-396
Activity Funding										
Operating funding	296	323	323	332	342	353	364	374	376	396
Capital funding	-296	-323	-323	-332	-342	-353	-364	-374	-376	-396
Activity Funding Balance	0	0	0	0	0	0	0	0	0	0

Capital Expenditure Programme

	Budget 2018/2019	Budget 2019/2020	Budget 2020/2021
Solid Waste			
227 - District Closed Landfills	800,000	0	0
Awakino capping	✓		
Hakaru leachate	✓		
	800,000	0	0

Measuring Performance

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
Percentage of residents who are very satisfied or satisfied with waste management.	75%	75%	75%	75%
Total amount of recycling (diverted from landfill) as a percentage of total waste collected.	1% more than previous year.	1% more than previous year.	1% more than previous year.	1% more than previous year.
Closed landfill activities meet legislative compliance. No resource consent abatement notices, infringement notices, enforcement orders or convictions.	0	0	0	0

Significant negative effects

- Where solid waste activity is not done correctly it can result in odours, pests and loose refuse from uncollected rubbish;
- Leachate production at landfills is a significant negative effect which can pollute the natural environment if left unmanaged; and
- In rural areas, household rubbish is not always placed in approved collection bags (illegal dumping). Where possible, we mitigate this with bylaws and infringement notices.

Community Activities

- Reserves and Open Space
- Community planning
- Libraries
- Pensioner housing
- Northern Wairoa War Memorial Hall

Why we do this

We provide community planning, libraries, a hall and pensioner housing to contribute to our social well-being and pride, providing neutral spaces open to all and enabling our community to come together. We support community involvement in outdoor activities, creating partnerships to provide sport recreation facilities that are fit for purpose. Financial contributions from developers mean we have a healthy fund that enables us to invest in more park development.

For further information on how this Group of Activities contributes to Community Outcomes please consult the Revenue & Financing Policy – Activity Analysis.

What we do

Reserves and open space

- Actively maintain 100 parks and reserves throughout Kaipara district. Within our Council-owned parks and reserves, we operate five cemeteries, of which four are active. We also support community-run cemeteries;
- Provide 28 public toilets within civic areas and reserves across Kaipara district; and
- Community-run and Kai Iwi Lakes camp grounds are included in our parks and reserves portfolio.

Community planning

- Deliver the Community Assistance Policy including grants, Contract for Service (CfS), Licence to Occupy (LTO) and the Mangawhai Endowment Lands Account (MELA);
- Develop community plans, including distribution of our Community Development Fund; and
- Support local events that bring people into the district by facilitating and promoting a Kaipara district calendar.

Libraries

- One public library, situated in Dargaville, that provides traditional library lending services, music, DVDs, computers, printing, Wi-Fi, events, holiday programmes and literacy initiatives;
- All Kaipara district library members have online free access to e-books, e-audio, e-magazines, online Britannica, Generosity NZ funding search and their library account;
- Assistance to four volunteer community libraries in Paparoa, Maungaturoto, Kaiwaka and Mangawhai. This is documented under the Community Assistance Policy (CfS) in the Community Planning sub-activity; and
- All libraries share a catalogue and computer system with training and support provided by Dargaville Library and our IT team.

Pensioner housing

- We own three pensioner housing villages in Dargaville, Ruawai and Mangawhai. Pensioner housing is targeted for people over the age of 55 who meet certain criteria, including the capability of living independently. The Dargaville Community Development Board manages the Dargaville and Ruawai pensioner housing and a contractor manages the Mangawhai pensioner housing.

Northern Wairoa War Memorial Hall

- We own and manage one hall, the Northern Wairoa War Memorial Hall (also called the Dargaville Town Hall).

How this benefits the community**Reserves and open spaces**

- Public ownership of parks and reserves protects and enhances our natural assets and open spaces;
- Protecting and enhancing access to our natural assets and open spaces e.g. car parking and boat ramps;
- Opportunities for community organisations to lease reserve land for public benefit, and develop and manage community facilities;
- Maintenance levels are set according to the type of reserve and level of use;
- Public toilets are provided in areas of high demand and/or sensitive environments e.g. boat ramps and playgrounds; and
- Public toilets that are compliant and fit for purpose.

Community planning

- Our community planning officers work with the community to encourage their involvement in developing their local place. This includes funding for volunteer groups, facilitating community projects and working with the community to develop Council parks and open spaces, and manage community facilities;
- We help recognise and support community achievements;
- Delivering the Community Assistance Policy (this activity is discretionary for Council);
- Community Development Fund distributed through Community Planning, recorded, reported and within budget; and
- Ensure community ownership and engagement through community planning, structure planning and spatial planning.

Libraries

- We provide library services across Kaipara district which are welcoming and results in strong communities;
- Our public library in Dargaville supports our four community libraries.

Pensioner housing

- Council-owned pensioner housing. This is a legacy from past central government funding to encourage councils to provide pensioner housing;
- Compliance with the Housing New Zealand Memorandum of Understanding (MoU) for the management (not necessarily by Council) of Dargaville, Ruawai and Mangawhai pensioner housing.

Northern Wairoa War Memorial Hall

- We own and manage the Northern Wairoa War Memorial Hall in Dargaville.

Risks and issues

- Reserves and open spaces
- There is a perception of surplus capacity in some areas and under-supply in growth areas;
- We rely on community-owned and/or managed sports parks. The only Council-owned and managed facility is Memorial Park in Dargaville; and
- Community volunteers play a big role in the care and development of our parks and reserves. The new Health and Safety at Work Act 2015 may add additional cost to services done by volunteers and may affect the amount of work they can do.

Community planning

- There are always more grants than funds available and this results in continued rejections, including the welfare and social services areas which do not fit our criteria. The risk is community dissatisfaction over the lack of funds and rejection, resulting in lobbying Council outside the grants system to get funds. Transparency and having an equal playing field are lost, and favouritism of groups who know how to work the system returns; and
- Financial support for community planning is limited, so work is prioritised against community priorities and outcomes.

Libraries

- We have uneven service levels across Kaipara district with only one Council-provided library (in Dargaville). There is a risk of community backlash if any service levels are reduced e.g. events.

Pensioner housing

- Inventory is aging; and
- Many councils no longer see this as core Council operations.

Northern Wairoa War Memorial Hall

- The Municipal Building, used as part of the adjacent and joined Northern Wairoa War Memorial Hall, needs earthquake strengthening.

How we fund this service

- General rates;
- Targeted rates;
- Fees and charges;
- Grants, subsidies and other funding sources;
- Financial contributions;
- Borrowing; and
- Asset sales.

Improvement programme 2018/2028 – Reserves and open spaces and community planning

<p>Year 1 – 2018/2019 Planned improvement / change</p>	<ul style="list-style-type: none"> • Deliver capital projects with funding consistent with the Reserve Contribution Policy; • Deliver a programme of works in partnership with Taharoa Domain, Mangawhai Community Park and Pou Tu Te Rangi Harding Park Governance Committees; • Deliver a reserves carpark/accessway renewal programme; • Ensure all wastewater systems (toilets and camp grounds) are compliant and fit for purpose; • Deliver the toilet renewal programme; • Deliver agreed projects in the Mangawhai Community Plan, Kaiwaka Improvement Plan and Dargaville Placemaking Guide; • Deliver the Walking and Cycling Strategy: <ul style="list-style-type: none"> ◦ Set up a governance structure, do detailed design and seek consents for the Dargaville-to-Donnellys Crossing cycle trail; ◦ Improve maintenance and promotion of existing walkways; and ◦ Continue to develop the Mangawhai Heads-to-Mangawhai Village all-tide coastal walkway. • Deliver the Reserves and Open Space Asset Management Improvement Plan; • Ongoing review of service levels and consequential contract amendments; • Deliver the Community Assistance Policy consistent with our agreed focus; • Continue developing community action plans and supporting communities to implement identified projects; and • Work with the community to facilitate a calendar of events across the Kaipara district.
<p>Year 2 – 2019/2020 Planned improvement / change</p>	<ul style="list-style-type: none"> • Deliver the capital works programme funding consistent with the Reserve Contribution Policy; • Deliver a programme of works in partnership with Taharoa Domain, Mangawhai Community Park and Pou Tu Te Rangi Harding Park Governance Committees; • Deliver a reserves carpark/accessway renewal programme; • Ensure all wastewater systems (toilets and camp grounds) are compliant and fit for purpose; • Deliver the toilet renewal programme;

Improvement programme 2018/2028 – Reserves and open spaces and community planning

	<ul style="list-style-type: none"> • Implement the agreed projects in the Mangawhai Community Plan, Kaiwaka Improvement Plan and Dargaville Placemaking Guide; • Deliver the Walking and Cycling Strategy: <ul style="list-style-type: none"> ◦ Develop, promote and manage the Dargaville-to-Donnellys Crossing cycle trail; and ◦ Continue developing the Mangawhai Heads-to-Mangawhai Village all-tide coastal walkway. • Deliver the Reserves and Open Space Asset Management Improvement Plan; • Ongoing review of service levels and consequential contract amendments; • Deliver the Community Assistance Policy consistent with our agreed focus; and • Continue developing community action plans and supporting communities to implement identified projects.
<p>Year 3 – 2020/2021 Planned improvement / change</p>	<ul style="list-style-type: none"> • Deliver the capital works programme funding consistent with the Reserve Contribution Policy; • Develop a programme of works in partnership with Taharoa Domain, Mangawhai Community Park and Pou Tu Te Rangi Harding Park Governance Committees; • Implement a reserves carpark/accessway renewal programme; • Deliver the toilet renewal programme; • Implement the agreed projects in the Mangawhai Community Plan, Kaiwaka Improvement Plan and Dargaville Placemaking Guide; • Deliver the Walking and Cycling Strategy: <ul style="list-style-type: none"> ◦ Develop, promote and manage the Dargaville-to-Donnellys Crossing cycle trail; and ◦ Continue developing the Mangawhai Heads-to-Mangawhai Village all-tide coastal walkway. • Deliver the Reserves and Open Space Asset Management Improvement Plan; • Ongoing review of service levels and consequential contract amendments; and • Implement the Community Assistance Policy.

Improvement programme 2018/2028 – Reserves and open spaces and community planning

Years 4-10 – 2021/2028

Planned improvement / change

- Deliver the capital works programme funding consistent with the Reserve Contribution Policy;
- Implement agreed projects in the Mangawhai Community Plan, Kaiwaka Improvement Plan and Dargaville Placemaking Guide;
- Deliver the Walking and Cycling Strategy;
- Implement the Reserves and Open Space Asset Management Improvement Plan;
- Deliver a programme of works in partnership with Taharoa Domain, Mangawhai Community Park and Pou Tu Te Rangi Harding Park Governance Committees; and
- Implement the Community Assistance Policy.

Improvement Programme 2018/2028 – Libraries

Year 1 – 2018/2019

Planned improvement / change

- Break ground or investigate new library space in Dargaville;
- Support community libraries to improve and develop their services;
- Offer programmes at community libraries;
- Implement RFID (self-checkout) in Dargaville;
- Work towards reciprocal free membership between Kaipara and Whangarei libraries; and
- Investigate co-operative initiatives with other Northland libraries.

Year 2 – 2019/2020

Planned improvement / change

- Investigate a branch library with paid staff in southern Kaipara district;
- Offer reciprocal free membership between Kaipara and Whangarei libraries;
- Continue supporting community libraries to improve and develop their services;
- Develop a “floating collection” between the libraries; and
- Develop “one card for Kaipara” across libraries.

Improvement Programme 2018/2028 – Libraries

Year 3 – 2020/2021 Planned improvement / change	<ul style="list-style-type: none"> • Provide new programmes and services in Dargaville to fully utilise new space; • Implement “floating collection” between participating Kaipara district libraries; • Implement “one card for Kaipara” across libraries; • Open branch library with paid staff in southern Kaipara district; and • Review libraries opening hours.
Years 4-10 – 2021/2028 Planned improvement / change	<ul style="list-style-type: none"> • Develop a digitisation programme for local heritage; • Employ a librarian one day a week at each community library; • Keep up-to-date with new technologies and develop services to meet community needs; • Work with stakeholders and partners to develop new programmes and services; and • Investigate funding partnerships that offer services to library users

Improvement programme 2018/2028 – Pensioner housing

Year 1 – 2018/2019 Planned improvement / change	<ul style="list-style-type: none"> • Development/further analysis of Mangawhai pensioner housing units’ long term options; and • Review management of pensioner housing.
Year 2 – 2019/2020 Planned improvement / change	<ul style="list-style-type: none"> • Deliver selected long term option for Mangawhai pensioner housing units: <ul style="list-style-type: none"> ◦ Implement a property maintenance strategy.
Year 3 – 2020/2021 Planned improvement / change	<ul style="list-style-type: none"> • Continue long term option for Mangawhai pensioner housing units.
Years 4-10 – 2021/2028 Planned improvement / change	<ul style="list-style-type: none"> • Complete long term option for Mangawhai pensioner housing units.

Improvement programme 2018/2028 – Northern Wairoa War Memorial Hall

Year 1 – 2018/2019 Planned improvement / change	<ul style="list-style-type: none"> • Northern Wairoa War Memorial Hall (Dargaville Hall): <ul style="list-style-type: none"> ◦ Making the hall weathertight, fixing affected areas; and ◦ Implement a property maintenance strategy.
Year 2 – 2019/2020 Planned improvement / change	<ul style="list-style-type: none"> • Deliver Northern Wairoa War Memorial Hall (Dargaville Hall) /Municipal Building property maintenance strategy.
Year 3 – 2020/2021 Planned improvement / change	<ul style="list-style-type: none"> • Deliver Northern Wairoa War Memorial Hall (Dargaville Hall) /Municipal Building property maintenance strategy.
Years 4-10 – 2021/2028 Planned improvement / change	<ul style="list-style-type: none"> • Deliver Northern Wairoa War Memorial Hall (Dargaville Hall) /Municipal Building property maintenance strategy.

Funding Impact Statement - Operating

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating funding										
Sources of operating funding										
General rates	3,922	4,283	4,645	4,585	4,709	4,804	4,890	5,018	5,128	5,250
Targeted rates	281	288	295	303	310	318	325	332	340	347
Subsidies and grants - operational	43	43	43	43	43	43	43	43	43	43
User fees and charges	996	1,021	1,048	1,075	1,099	1,130	1,156	1,164	1,191	1,222
Internal recoveries	434	467	508	521	534	547	557	570	583	598
Investments and other income	0	0	0	0	0	0	0	0	0	0
Total sources of operating funding	5,676	6,103	6,539	6,527	6,696	6,841	6,971	7,127	7,286	7,461
Application of operating funding										
Contractors costs	446	456	492	502	527	540	553	566	580	595
Professional services	356	364	371	379	387	396	394	403	413	424
Repairs and maintenance	1,224	1,292	1,327	1,362	1,400	1,432	1,465	1,500	1,536	1,576
Other operating costs	1,477	1,605	1,793	1,826	1,840	1,876	1,913	1,952	1,992	2,035
Employee benefits	728	739	752	765	779	794	809	825	842	860
Internal charges	1,073	1,148	1,241	1,272	1,303	1,332	1,357	1,388	1,419	1,454
Finance costs	50	52	56	62	68	66	61	58	55	50
Total applications of operating funding	5,353	5,656	6,032	6,167	6,305	6,437	6,553	6,693	6,837	6,994
Surplus (deficit) of operating funding	322	447	507	360	391	404	419	434	449	467

Funding Impact Statement - Capital

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding										
Sources of capital funding										
Subsidies and grants - capital	0	0	0	0	0	0	0	0	0	0
Development contributions	0	0	0	0	0	0	0	0	0	0
Financial contributions	500	510	521	532	543	445	341	233	119	0
Increase(decrease) in debt	80	47	42	85	-84	-90	-98	-105	-113	-122
Sale of assets	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	580	557	563	617	459	354	243	128	6	-122
Applications of capital funding										
Capital expenditure	2,443	2,111	1,568	1,534	883	565	578	475	487	499
Increase (decrease) in reserves	-1,541	-1,107	-498	-557	-34	193	84	86	-31	-154
Total applications of capital funding	902	1,004	1,070	977	850	758	662	561	455	345
Surplus (deficit) of capital funding	-322	-447	-507	-360	-391	-404	-419	-433	-449	-467
Activity Funding										
Operating funding	322	447	507	360	391	404	419	434	449	467
Capital funding	-322	-447	-507	-360	-391	-404	-419	-433	-449	-467
Activity Funding Balance	0	0	0	0	0	0	0	0	0	0

Capital Expenditure Programme

	Budget 2018/2019 \$	Budget 2019/2020 \$	Budget 2020/2021 \$
Community Activities	890,000	951,660	897,704
100 - Kai Iwi Lakes	180,000	204,000	156,213
Kai Iwi Lakes facilities	✓		✓
166 - District Parks and Reserves	155,000	158,100	161,420
Baylys Beach boardwalk	✓		
Community Infrastructure - district		✓	✓
Park improvements (furniture/bollards/lighting/paths)	✓	✓	✓
Parks and Reserves - hard surface renewal programme	✓	✓	✓
Playgrounds renewals	✓	✓	✓
172 - District Public Toilet Amenities	25,000	71,400	51,030
Public toilets - renewal	✓	✓	✓
183 - Libraries	66,000	67,320	68,734
Library book replacement	✓	✓	✓
186 - Pensioner Housing - Mangawhai	24,000	2,040	2,083
Pensioner housing - Mangawhai	✓	✓	✓
194 - Mangawhai Parks and Reserves	150,000	153,000	156,213
Mangawhai Community Park - implement Master Plan	✓	✓	✓
209 - Taharoa Domain	100,000	102,000	104,142
Implement Reserve Management Plan	✓	✓	✓
240 - Harding Park	100,000	102,000	104,142
Pou Tu Te Rangi Harding Park	✓	✓	✓
249 - Dargaville Parks and Reserves	90,000	91,800	93,728
Community Infrastructure - Dargaville	✓	✓	✓
Cycleway/walkway - implement strategy	✓	✓	✓

Measuring Performance

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2022
Zero net cost to ratepayers for our pensioner housing services. <i>Measured by:</i> Council annual budget	Zero cost	Zero cost	Zero cost	Zero cost
Pensioner housing annual occupancy rate. <i>Measured by:</i> Quarterly reporting from management agencies.	90%	90%	90%	90%
Percentage of residents who are very satisfied or satisfied with their local parks and sports fields. <i>Measured by:</i> Residents Survey	85%	86%	87%	87%
Compliance with parks maintenance contract specifications - monthly audits.	90%	90%	90%	90%
Parks maintenance contract: a safe working environment is provided for those delivering the service, number of health and safety audits per month.	Contractor: 4 Council: 1	Contractor: 4 Council: 1	Contractor: 4 Council: 1	Contractor: 4 Council: 1
The Community Development Fund is distributed. <i>Measured by:</i> Dollars distributed versus budget.	100%	100%	100%	100%
Percentage of library users who are very satisfied or satisfied with the district's library services.	85%	85%	85%	85%

Significant negative effects

Reserves and open spaces can be affected by traffic, parking congestion and noise from formal and informal activities. They are mostly seasonal or limited to short periods, and are associated with holidays, events or sporting codes. We manage them under our District Plan rules, bylaws and resource consents for development projects.

Planning and Regulatory Management

Why we do this

Planning and regulatory management helps build strong, thriving communities where compliance across building, resource management and environmental health ensures safety, good processes and better health.

For further information on how this Group of Activities contributes to Community Outcomes please consult the Revenue & Financing Policy – Activity Analysis.

What we do

- Planning and regulatory management including building control, resource consent management and regulatory services;
- We assess applications for consents, licences and certificates under a variety of legislation and associated regulations within specified timeframes;
- We monitor how people comply with consents and take action on infringements; and
- We must provide specific reports to various Government departments including the Department of Statistics, Ministry of Business, Innovation and Employment, Ministry for the Environment, Ministry for Primary Industries; the Medical Officer of Health (district health board), and the Department of Internal Affairs.

How this benefits the community

The decisions we make about the planning and regulatory activities described below are essential to creating strong, thriving communities.

Building control

- Retain accreditation as a Building Consent Authority (BCA);
- Provide information on request to applicants who intend to build or develop a property;
- Meet the building consent application and Code Compliance Certificate timeframes;
- Provide certification that consented buildings people visit, work and live in comply with the NZ Building Code;
- Inspect and audit buildings in compliance with regulations and take enforcement action where necessary;
- Resource consent management;
- Provide advice on resource consent applications for subdivisions and land use;

- Meet the resource consent application processing timeframes for non-notified consents;
- Process Land Information Memoranda (LIMs) within statutory timeframes;
- Ensure compliance with resource consent conditions; and
- Provide timely approval for granting section 224(c) certificates for new land titles.

Regulatory services

- Provide advice to food premises owners on safe food practices;
- Audit food premises for compliance with legislation;
- Provide a controlled licensing service for the sale and supply of alcohol;
- Investigate potential district plan breaches/regulatory complaints and take enforcement action where necessary; and
- Respond in a timely manner to dog, stock, noise and parking complaints.

Risks and issues

- Building and resource consent applications are at record levels requiring more staff and spend on consultants;
- Qualified team members for the building and resource consent areas are in short supply;
- Increasing development pressure on Mangawhai is leading to greater interest in resource consents and concerns regarding consent decisions;
- Complaints regarding consent decisions leading to legal challenges;
- Not meeting building and resource consent application timeframes, particularly with the increased volumes;
- Errors when processing a building or resource consent application; and
- Legislative changes leading to a shifting statutory framework including compressed processing times.

How we fund this service

- General rates;
- Fees and charges;
- Borrowing; and
- Asset sales.

Improvement programme 2018/2028	
Year 1 – 2018/2019 Planned improvement / change	<ul style="list-style-type: none"> • Transition remaining food premises to food control plans; • Use the Food Act to establish a quality management system for the health team; • Establish a hazardous substances monitoring programme in line with new legislative requirements; • Start a register of earthquake-prone buildings; and • Continue collating the wastewater bylaw database register to check compliance.
Year 2 – 2019/2020 Planned improvement / change	<ul style="list-style-type: none"> • Continue collating the earthquake-prone buildings register; and • Continue collating and addressing the wastewater bylaw database register for compliance.
Year 3 – 2020/2021 Planned improvement / change	<ul style="list-style-type: none"> • Continue collating the earthquake-prone building register; and • Continue collating and addressing the wastewater bylaw database register to check for compliance.
Years 4-10 – 2021/2028 Planned improvement / change	<ul style="list-style-type: none"> • Investigate other online self-service systems and processing modules so we become paperless.

Funding Impact Statement - Operating

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating funding										
Sources of operating funding										
General rates	1,710	1,729	1,752	1,779	1,805	1,762	1,790	1,817	1,923	1,963
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants - operational	0	0	0	0	0	0	0	0	0	0
User fees and charges	3,481	3,554	3,629	3,705	3,786	3,874	3,963	4,058	4,155	4,259
Internal recoveries	380	387	394	402	409	412	420	429	445	455
Investments and other income	5	5	5	5	5	6	6	6	6	6
Total sources of operating funding	5,576	5,676	5,780	5,891	6,007	6,054	6,178	6,310	6,528	6,683
Application of operating funding										
Contractors costs	359	367	375	382	391	400	409	419	429	440
Professional services	550	561	573	585	598	552	564	578	656	673
Repairs and maintenance	1	1	1	1	1	1	1	1	1	1
Other operating costs	556	565	578	591	606	621	637	653	669	692
Employee benefits	2,950	3,001	3,052	3,107	3,162	3,223	3,284	3,349	3,416	3,488
Internal charges	1,146	1,166	1,188	1,210	1,234	1,242	1,267	1,294	1,340	1,372
Finance costs	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	5,562	5,661	5,765	5,876	5,991	6,038	6,162	6,294	6,511	6,666
Surplus (deficit) of operating funding	14	15	15	15	15	16	16	17	17	17

Funding Impact Statement - Capital

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding										
Sources of capital funding										
Subsidies and grants - capital	0	0	0	0	0	0	0	0	0	0
Development contributions	0	0	0	0	0	0	0	0	0	0
Financial contributions	0	0	0	0	0	0	0	0	0	0
Increase(decrease) in debt	0	0	0	0	0	0	0	0	0	0
Sale of assets	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	0	0	0	0	0	0	0	0	0	0
Applications of capital funding										
Capital expenditure	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	14	15	15	15	15	16	16	17	17	17
Total applications of capital funding	14	15	15	15	15	16	16	17	17	17
Surplus (deficit) of capital funding	-14	-15	-15	-15	-15	-16	-16	-17	-17	-17
Activity Funding										
Operating funding	14	15	15	15	15	16	16	17	17	17
Capital funding	-14	-15	-15	-15	-15	-16	-16	-17	-17	-17
Activity Funding Balance	0	0	0	0	0	0	0	0	0	0

Capital Expenditure Programme

There is no capital expenditure for this activity.

Measuring Performance

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
Percentage of building control customers who rate request for service responses as very satisfied or satisfied.	75%	75%	75%	75%
Percentage of Building Consent Authority (BCA) audits completed.	100%	100%	100%	100%
Percentage of building consents processed within 20 working days.	100%	100%	100%	100%
Percentage of building owners/occupiers advised of the expiry date of their Warrant of Fitness one month before the expiry date.	95%	95%	95%	95%
Percentage of illegal activity/unauthorised work complaints investigation initiated within 3 working days. <i>Measured by: Core application Overdue Service Request Report.</i>	90%	92%	94%	95%
Percentage of resource consent customers who rate request for service responses as very satisfied or satisfied.	75%	76%	77%	78%
Percentage of non-notified resource consents processed within 20 working days.	100%	100%	100%	100%
Percentage of Land Information Memorandums (LIM) processed within 10 working days.	100%	100%	100%	100%
Percentage of all new granted resource consents audited each year to ensure they comply with relevant conditions.	15%	20%	25%	25%
Percentage of s224(c) certificates for new land titles processed within 10 working days.	97%	98%	99%	100%
Percentage of customers who rate requests for service responses relating to either food or alcohol premises as very satisfied or satisfied.	70%	72%	74%	76%

What we measure	LTP Year 1 Target 2018/2019	LTP Year 2 Target 2019/2020	LTP Year 3 Target 2020/2021	LTP Years 4-10 Target 2021/2028
Percentage of food premises inspected or audited at least once per year under the Food Hygiene Regulations or Food Act.	100%	100%	100%	100%
Percentage of alcohol premises inspected at least once per year.	100%	100%	100%	100%
Percentage of complaints regarding unconsented works and non-compliance with the District Plan and resource consent investigation initiated within 5 working days.	90%	92%	94%	95%
Percentage of priority response times set in the regulatory services contract being met for dog, stock, noise and parking complaints.	90%	92%	94%	95%

Significant negative effects

Errors in consenting and regulatory processes could lead to problems e.g. leaky buildings, health risks at food outlets, environmental issues from poor subdivision and design, and illegal activities putting people, property, the environment, or cultural or historical treasures at risk.

District Leadership, Finance and Internal Services

Why we do this

We focus our limited resources on ensuring our governance activities help elected members make decisions. We also work with and provide services to the community relating to policies, District Plans, bylaws, annual planning and reporting together with Civil Defence Emergency Management (CDEM).

For further information on how this Group of Activities contributes to Community Outcomes please consult the Revenue & Financing Policy – Activity Analysis.

What we do

Governance, democracy and planning for growth

- We make decisions on district strategies, policies, plans and bylaws;
- We engage with tangata whenua, district communities, public interest groups and key stakeholders to identify their priorities and preferences, with the aim of helping our communities to thrive;
- We undertake civic duties such as citizenship ceremonies;
- We enable elected members to make well-informed and appropriate decisions;
- Elected members make decisions that are in the best interest of the community as a whole which are recorded and communicated to the community and other stakeholders; and
- We support democratic processes by providing administrative support, advice and information to elected members, including managing elections and matters relating to representation.

Civil Defence Emergency Management

- We are responsible for CDEM.
- We aim to educate and to raise residents' awareness in an emergency;
- In an emergency, we will operate an emergency operations centre wherever necessary. To ensure we have this capability, we run internal and external training sessions yearly. A Memorandum of Understanding (MoU) with Northland Regional Council (NRC) also gives us additional capability to manage CDEM;
- We have seven communities with Community Response Plans – Dargaville, Mangawhai, Matakoho, Maungaturoto, Paparoa, Pouto and Ruawai. These plans can be found on our website or at <http://www.nrc.govt.nz/civildefence/Community-Response-Plans/>.

Policy and district planning

- We work with the community on policies and plans to make good decisions for the future of our growing district;
- We monitor, develop and review the district plan to ensure that it is legally compliant, including plan changes;
- We give effect to the regional policy statement through the District Plan provisions and implement amendments to the Resource Management Act 1991;
- We develop and review bylaws to ensure they remain fit*for*purpose;
- We develop and review reserve management plans as well as the Reserves and Open Space Strategy (ROSS);
- We make submissions on proposed regional and national initiatives e.g. such as proposed regional policy statements, national policy statements.

Note: The district leadership area also covers all internal services provided to ensure the organisation functions well e.g. human resources, finance, administration and technology.

How this benefits the community***Governance, democracy and planning for growth***

- Elected members “keep the long view” and set a direction for Council;
- Decisions are made in a transparent manner;
- Our governance function ensures:
 - compliance with legal requirements around formal meetings of Council and its committees, as stipulated in the Local Government Act 2012 and Local Government Official Information and Meetings Act 1978;
 - comprehensive reporting to Council and committee meetings using approved systems and processes to ensure elected members are provided with detailed, accurate and relevant information;
 - service levels are set for all activities Council delivers;
 - consultation with the community is carried out to provide a forum for stimulating debate on community issues;
 - elected members identify and respond to external risks to reduce or mitigate effects on the community; and
 - we have a proactive programme to develop good relationships with the community and mana whenua.

Civil Defence Emergency Planning

- We provide leadership and support to the community in an emergency and in the recovery afterwards. We will work alongside other agencies such as police, fire and ambulance and any other organisation to offer leadership and support; and
- We will inform and update the community, including local and national media where required.

Policy and district planning

- All plans and documents required by statute such as the District Plan, management plans and policies are produced and reviewed in accordance with legislative processes and requirements;
- We use submissions to ensure the Kaipara district voice is heard regionally and nationally;
- Policy development is visible and accountable, with key documents for consultation available on our website; and
- We research and develop local legislation, as required.

Risks and issues

- Any plans, policies or bylaws that involve slow processes may not reflect the community priorities and needs and can result in frustration of the community;
- Changes in national or regional policy may require us to change our district plan, pushing costs up in the future;
- Accelerated growth within the Kaipara district places a demand on Council operations to significantly improve both our internal capacity and capability;
- The breadth and wide variety of issues and information that Council needs to assimilate places high demand on the Mayor and Councillors; and
- Services provided are not always digitally enabled and may not meet residents expectations

How we fund this service

- General rates;
- Fees and charges;
- Grants, subsidies and other funding sources;
- Borrowing; and
- Asset sales.

Improvement programme 2018/2028

<p>Year 1 – 2018/2019 Planned improvement / change</p>	<ul style="list-style-type: none"> • Notification of plan changes required to give effect to the regional policy statement (two-year timeframes); • Notification of plan change/s associated with the Mangawhai Community Plan; • Completion of the District Plan s35 Efficiency and Effectiveness review, including the Monitoring Strategy; • Research required for plan changes resulting from the Efficiency and Effectiveness Review; • Background work for growth planning in Dargaville; • Needs assessment for Growth Planning for existing residential and commercial areas; • Investigate options for online resource consent processing and propose business case; • Notification of omnibus plan change to amend errors and anomalies; • Completion of the review of the Gambling Policy and TAB Policy; • Resolution of any appeals to Plan Change 4 – Fire Rule; • Completion of Public Places Alcohol Control Bylaw, Policy on Dogs and Dog Management Bylaw; • Investigate Trade Waste Bylaw, Stormwater Bylaw, Freedom Camping Bylaw or Policy, and Food Grading Bylaw or Policy; and • Notify plan change to incorporate engineering standards into District Plan.
<p>Year 2 – 2019/2020 Planned improvement / change</p>	<ul style="list-style-type: none"> • Complete the plan change required to implement and give effect to the regional policy statement (two-year timeframes); • Continue plan change/s associated with the Mangawhai Community Plan; • Notification of plan changes resulting from the Efficiency and Effectiveness Review; • Start implementing the national planning standards through a plan change; • Notify plan changes for re-zoning in Dargaville; and • Commence growth planning for other locations across the district based on prioritisation set in Needs Assessment.

Improvement programme 2018/2028

<p>Year 3 – 2020/2021 Planned improvement / change</p>	<ul style="list-style-type: none"> • Complete plan change/s associated with the Mangawhai Community Plan; • Continue growth planning across the district based on prioritisation set in Needs Assessment; • Settling of appeals (if any) to the regional policy statement plan changes (two-year timeframe); and • Continue national planning standards plan change.
<p>Years 4-10 – 2021/2028 Planned improvement / change</p>	<ul style="list-style-type: none"> • Continue other plan changes (no regional policy statement timeframe) required to give effect to the regional policy statement.

Funding Impact Statement - Operating

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	2018-2019 \$'000	2019-2020 \$'000	2020-2021 \$'000	2021-2022 \$'000	2022-2023 \$'000	2023-2024 \$'000	2024-2025 \$'000	2025-2026 \$'000	2026-2027 \$'000	2027-2028 \$'000
30 June										
Operating funding										
Sources of operating funding										
General rates	5,111	5,573	6,614	7,691	8,442	9,380	9,135	9,263	9,739	9,680
Targeted rates	0	0	0	0	0	0	0	0	0	0
Subsidies and grants - operational	0	0	0	0	0	0	0	0	0	0
User fees and charges	139	141	144	146	149	174	177	181	185	189
Internal recoveries	6,778	7,254	7,323	7,073	7,280	7,506	7,704	7,922	8,234	8,501
Investments and other income	335	341	348	355	362	370	378	386	396	405
Total sources of operating funding	12,363	13,309	14,429	15,264	16,233	17,430	17,394	17,752	18,554	18,774
Application of operating funding										
Contractors costs	131	134	137	139	143	146	149	153	157	160
Professional services	1,962	2,591	2,562	2,616	2,759	2,823	2,799	2,750	2,315	2,277
Repairs and maintenance	116	118	121	123	126	129	132	135	138	142
Other operating costs	2,958	2,609	3,197	3,382	3,640	4,160	4,276	4,686	5,926	6,161
Employee benefits	5,877	5,988	6,090	6,199	6,311	6,431	6,553	6,684	6,818	6,961
Internal charges	452	461	474	479	486	500	508	515	526	540
Finance costs	-190	-323	-546	-794	-1,000	-1,359	-1,650	-1,895	-2,033	-2,377
Total applications of operating funding	11,306	11,577	12,034	12,145	12,465	12,829	12,767	13,028	13,847	13,865
Surplus (deficit) of operating funding	1,057	1,732	2,395	3,119	3,768	4,601	4,628	4,725	4,707	4,909

Funding Impact Statement - Capital

For the year ended:	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding										
Sources of capital funding										
Subsidies and grants - capital	0	0	0	0	0	0	0	0	0	0
Development contributions	0	0	0	0	0	0	0	0	0	0
Financial contributions	0	0	0	0	0	0	0	0	0	0
Increase(decrease) in debt	-788	1,449	-1,165	-2,258	-3,041	-3,546	-5,675	-4,038	-3,203	-3,202
Sale of assets	175	179	182	186	190	194	199	204	209	214
Total sources of capital funding	-613	1,628	-983	-2,072	-2,851	-3,352	-5,476	-3,834	-2,994	-2,988
Applications of capital funding										
Capital expenditure	1,745	1,295	1,321	1,349	1,737	389	398	407	417	428
Increase (decrease) in reserves	546	812	1,032	1,154	1,415	1,611	1,663	1,725	1,791	1,854
Total applications of capital funding	2,291	2,107	2,353	2,503	3,152	2,000	2,061	2,132	2,208	2,282
Surplus (deficit) of capital funding	-2,904	-480	-3,337	-4,575	-6,003	-5,352	-7,537	-5,966	-5,202	-5,270
Activity Funding										
Operating funding	1,057	1,732	2,395	3,119	3,768	4,601	4,628	4,725	4,707	4,909
Capital funding	-2,904	-480	-3,337	-4,575	-6,003	-5,352	-7,537	-5,966	-5,202	-5,270
Activity Funding Balance	-1,847	1,252	-942	-1,456	-2,235	-751	-2,910	-1,242	-495	-361

Measuring performance

What we measure	LTP Year 1 Target 2016/2017	LTP Year 2 Target 2017/2018	LTP Year 3 Target 2018/2019	LTP Years 4-10 Target 2018/2025
Long Term Plan, Annual Plan and Annual Reports will be adopted within timeframes set in the Local Government Act 2002.	Compliant	Compliant	Compliant	Compliant
Percentage of residents that are very satisfied or satisfied with how rates are spent on services and facilities provided by Council.	65%	70%	70%	70%
Conduct Civil Defence training exercises.	1 per year	1 per year	1 per year	1 per year
Ensure the views of Kaipara district are heard by making submissions on regional and national issues.	Achieved	Achieved	Achieved	Achieved
Key documents subject to community consultation are available on our website by the notified date of availability.	100% available on time.	100% available on time.	100% available on time.	100% available on time.
Bylaws are created and reviewed as required, with all bylaws reviewed in accordance with legislative processes and requirements.	Achieved	Achieved	Achieved	Achieved

Significant negative effects

Governance, democracy and planning for growth

- A portion of the relevant population is not represented adequately or does not feel adequately heard through Council processes and submissions.

Civil Defence Emergency Management

- Damage to the natural environment, such as broken vegetation and spoilt beaches, during emergency response and recovery activities. This includes providing access to at risk people, property and infrastructure; disposal of slip and flood material; and restoration of hazard protection structures and lifelines. Where possible, activities will be limited to protecting life and property.

Policy and district planning

- Effective implementation of the plan is affected by amends/updates, meaning it is not current or response. This could be affect developers;
- Planning must balance the desires of some residents with those of the wider community. This often takes the form of influencing or controlling development so the quality of life for neighbours or wider community is not diminished. In other cases, development can impose unacceptable costs on community facilities and infrastructure or the environment;
- Growth, if not carefully managed, can significantly affect our community, environment, economy and cultural well-being. Our aim is to enable growth while successfully managing its impacts.

Glossary

Term	Definition
Absentee Ratepayer	Person/s who own property in the District but lives outside of the District for most of the year. The Council refers to these property owners as absentee ratepayers.
Activity	Goods or Services provided by or on behalf of the Council.
Additional Capacity	The proportion of infrastructural capacity provided through the Council's capital works programme that is available to service growth and development.
Annual Plan	Contains the Council's proposed budget and funding impact statement for one financial year. Identifies any variation from the financial statements and funding impact statement.
Annual Report	A report that Council prepares once a year to assess performance against its objectives, activities, performance targets and budgets outlined in the Long Term Plan or Annual Plan.
Asset	A resource of economic value controlled by Council, such as a park, road, stormwater system, water supply or wastewater plant.
Assumption	A statement that is used as the basis for making particular predictions of outcomes that may or may not occur.
Business and Economic Research Limited (BERL)	An organisation that provides analysis across a wide range of fields to the public and private sectors, including economic forecasting.
Capital Expenditure	Money spent to build or buy a new asset or to improve the standard of an existing asset.
Community	A network of people and organisations linked together by factors such as place (geographical community), common interest or identity (e.g. hapu, voluntary organisation) or administrative community (e.g. the District).
Community Outcomes	The outcomes the Council aims to achieve to promote community well-being in the District now and in the future.
Consumer Price Index (CPI)	An index by Statistics New Zealand which records changes to the prices of consumer items bought by New Zealand households, giving a measure of inflation. The CPI measures price changes for food, housing, personal and health care, recreation and education, transportation, tobacco and alcohol, credit services, household operation and apparel.
Depreciation	The charge representing consumption or use of an asset, assessed by spreading the asset's value over its estimated economic life. Depreciation includes amortisation of intangible assets unless otherwise stated.

Term	Definition
Development Contributions	A revenue contribution from property developers to cover the cost of servicing growth resulting from development activity. Further glossary terms on Development Contributions can be found within the Policy document located in Part Two of the Long Term Plan.
District Plan	A detailed plan of the way the District's environment will be managed to achieve the purpose and principles of the Resource Management Act 1991.
Dwelling Unit	Any building, part of a building or group of buildings used or intended to be used principally for residential purposes and occupied or intended to be occupied by not more than one household.
Equity	As a financial term, also known as net worth. The total value of assets less total liabilities.
Financial Strategy	A strategy covering the period of the Long Term Plan to assist the Council in its prudent financial management and to provide information on the overall effects of its funding and expenditure proposals.
Fixed Charge	A charge that is applied equally to all contributors i.e. all those who must pay are charged the same base amount.
Funding Impact Statement	A document that includes information that discloses revenue and financing mechanisms and indicates the level or amount of funds to be produced by each mechanism.
General rate	A rate assessed across all rating units in the District based on a land valuation system that is applied to fund services considered to provide benefits District-wide.
Groups of Activities	Goods or services provided by, or on behalf of, a Council including facilities and amenities, the performance of regulatory and other governmental functions.
Intergenerational Equity	A concept of achieving fairness between customers over time by ensuring that current ratepayers and future ratepayers each contribute to the cost of the assets they benefit from.
Internal Borrowing	The temporary use of Council funds for a different purpose from that for which they were received. The funds will be repaid at a later stage to enable them to be used for their original purpose.
Investment Policy	A document that states Council's policies in respect to investments.
Levels of Service	The service parameters or requirements for a particular activity. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.
Liability Management Policy	A document that states Council's policies concerning the management of both borrowing and other liabilities.
Local Authority	A regional, district or city council.

Term	Definition
Local Government Act 2002 (LGA)	Refers to the Local Government Act 2002 that defines the powers and responsibilities of local authorities.
Local Government (Rating) Act 2002 (LGRA)	Defines how local authorities can set rates and apply their rating policy.
Local Government Cost Index (LGCI)	A measure of the rate at which the costs to local government of providing services have changed. This provides information about increases in local government costs like the Consumer Price Index provides information about increases in household costs.
Long Term Plan	A Long Term Plan adopted every three years under section 93 of the Local Government Act 2002. It describes Council's activities, why it participates in these activities and how the activities will be funded. It includes information that is regarded as the Annual Plan for the first year to which it relates; and is reported on through the Annual Report.
Mangawhai Community Wastewater Scheme (MCWWS)	The wastewater scheme for Mangawhai. Formerly known as EcoCare.
Drinking-Water Standards New Zealand (NZDWS)	Drinking water standards set by the Ministry of Health.
Operating Expenditure	A category of expenditure that a business incurs as a result of performing its normal operations.
Rates	A charge against the property to help fund services and assets that the Council provides.
Rates Remission	A reduction of rates required by the Council where provided under the Council's Rates Remission Policy.
Rates Postponement	A postponement of the requirements to pay rates where provided under the Council's Rates Postponement Policy.
Rating Unit	One or more parcels or part-parcels of land that are rated as a discrete unit as defined by the Rating Valuations Act 1998.
Revenue and Financing Policy	A comprehensive policy stating how each activity of Council is to be funded – from rates, user charges, subsidies, other income or a combination of these. It also includes details of the various rating mechanisms used by Council.
Segmented Debt Policy	Under this policy Council separated debt associated with large water and wastewater scheme assets, such as the Mangawhai Community Wastewater Scheme, into a separate category that was exempt from its normal 'core' debt borrowing limits.
Significance	The degree of importance attached by Council to an issue, proposal, decision or other matter in terms of its likely impact on the well-being of the District.
Significant Decision	A Council decision that has a high degree of significant importance in terms of economic, social, environmental, or cultural well-being.

Term	Definition
Separately Used or Inhabited Part (SUIP)	Separately Used or Inhabited Part of a rating unit includes any portion inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, license, or other agreement. For the purposes of this policy, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.
Special Consultative Procedure	A process required by the Local Government Act 2002. This sets out a series of steps that a local authority must take when consulting on certain types of decisions.
Statutory Requirements	Requirements identified and defined in law.
Targeted Rates	A rate that is charged only to members of particular communities or groups of ratepayers that benefit from the activity being funded by the rate.
Uniform Annual General Charge (UAGC)	A fixed charge rate applied to every separately used part of a rating unit or inhabited rating unit in the District.
Units of Demand	Is a unit of measurement by which the relative demand for an activity, generated by different types of development (existing or proposed), can be assessed. A unit of demand may be expressed as a lot unit of demand or an activity unit demand.

A Bright Future

Kaipara District Council

Long Term Plan 2018/2028

Part Two

Financial Statements

Policies

Cover in design process

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Audit Report

draft

draft

draft

Words

draft

An aerial photograph of a coastal landscape. In the foreground, there are green hills with tall grasses. A parking lot with several cars is visible on the left. The middle ground features a large, sandy area that appears to be a beach or a dry riverbed, surrounded by blue water. In the background, there are rolling hills and a town. The sky is blue with white clouds.

Prospective Financial Statements

Prospective Statement of Comprehensive Revenue and Expense

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue											
Rates	33,421	35,121	37,397	39,274	40,650	41,827	44,123	44,960	46,189	48,104	49,499
Subsidies and grants	14,182	12,860	12,154	12,865	12,782	12,325	13,624	13,043	14,464	13,741	14,753
Activity income	4,799	5,204	5,319	5,436	5,557	5,680	5,839	5,975	6,099	6,247	6,406
Contributions	1,188	2,494	2,531	3,071	3,063	3,074	2,936	2,836	2,730	2,620	2,330
Investments and other income	391	340	346	353	360	367	375	384	392	402	411
Total revenue	53,979	56,018	57,747	61,000	62,413	63,274	66,898	67,197	69,876	71,114	73,400
Expenses											
Activity costs	23,338	22,246	24,073	24,648	23,937	24,795	25,803	26,352	27,231	28,855	29,690
Employee benefits	9,466	10,828	11,022	11,210	11,412	11,618	11,839	12,065	12,306	12,552	12,815
Finance costs	3,169	2,950	2,780	2,700	2,610	2,600	2,450	2,120	1,970	1,900	1,750
Depreciation	9,771	9,942	10,560	11,137	11,755	12,429	13,021	13,508	14,007	14,580	15,195
Total expenses	45,744	45,966	48,435	49,694	49,714	51,442	53,113	54,045	55,514	57,887	59,451
Surplus/(deficit) for the period	8,235	10,052	9,312	11,305	12,698	11,832	13,785	13,152	14,361	13,228	13,949
Other comprehensive revenue and expense (Items that will not be reclassified subsequently to surplus or deficit)											
Gain/(loss) on revaluation	14,922	13,036	13,311	13,268	13,878	14,024	14,641	15,270	15,900	16,049	17,285
Total comprehensive revenue and expense for the period	23,157	23,088	22,623	24,573	26,576	25,856	28,426	28,422	30,262	29,277	31,234

Prospective Statement of Changes in Net Asset/Equity

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July	581,013	624,304	647,393	670,016	694,589	721,166	747,021	775,447	803,869	834,131	863,407
Comprehensive revenue and expense for the period											
Surplus/(deficit) for the period	8,235	10,052	9,312	11,305	12,698	11,832	13,785	13,152	14,361	13,228	13,949
Other comprehensive revenue and expense for the period											
Surplus on revaluation of infrastructure	14,922	13,036	13,311	13,268	13,878	14,024	14,641	15,270	15,900	16,049	17,285
Total comprehensive revenue and expense for the period	23,157	23,088	22,623	24,573	26,576	25,856	28,426	28,422	30,262	29,277	31,234
Balance at 30 June	604,170	647,393	670,016	694,589	721,166	747,021	775,447	803,869	834,131	863,407	894,641

Prospective Statement of Financial Position

As at	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net assets/equity											
Accumulated comprehensive revenue and expense	403,732	412,451	423,261	433,936	445,502	455,433	468,814	479,416	492,911	506,034	520,030
Asset revaluation reserves	212,860	238,230	251,542	264,809	278,688	292,711	307,352	322,622	338,522	354,571	371,856
Restricted reserves	5,673	5,427	5,525	5,625	5,732	5,846	5,969	6,094	6,227	6,370	6,516
Council created reserves	-18,096	-16,948	-18,543	-18,013	-16,987	-15,201	-14,920	-12,496	-11,763	-11,800	-11,993
Total net assets/equity	604,169	639,160	661,784	686,357	712,933	738,789	767,215	795,636	825,898	855,175	886,409
<i>represented by</i>											
Current assets											
Cash and cash equivalents	583	500	563	629	702	780	865	939	1,012	1,086	1,159
Trade and other receivables	8,448	6,778	7,013	7,263	7,537	7,829	8,149	8,425	8,701	8,977	9,253
Accrued revenue	1,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875
Other financial assets	115	115	115	115	115	115	115	115	115	115	115
Non current assets held for sale	186	186	186	186	186	186	186	186	186	186	186
Total current assets	11,207	10,454	10,751	11,068	11,415	11,785	12,190	12,540	12,889	13,239	13,589
<i>less</i>											
Current liabilities											
Trade and other payables	9,886	10,015	10,313	10,630	10,977	11,347	11,752	12,101	12,451	12,801	13,150
Provisions	139	145	145	145	145	145	145	145	145	145	145
Employee entitlements	449	458	467	476	487	497	509	521	533	546	558
Public debt	19,127	400	782	504	-18	3,548	3,517	2,961	3,080	3,909	5,391
Total current liabilities	29,601	11,019	11,707	11,755	11,591	15,538	15,923	15,729	16,209	17,401	19,244
Working capital/(deficit)	-18,394	-566	-956	-687	-176	-3,752	-3,733	-3,189	-3,320	-4,162	-5,656
<i>plus</i>											
Non current assets											
Property, plant, equipment	668,138	695,647	719,124	741,971	766,578	790,202	814,311	836,283	862,319	887,998	914,939
LGFA Borrower notes	688	643	643	643	643	643	643	643	643	643	643
Biological assets	3,644	500	500	500	500	500	500	500	500	500	500
Derivative financial assets	0	0	0	0	0	0	0	0	0	0	0
Other financial assets	276	276	276	276	276	276	276	276	276	276	276
Total non current assets	672,746	697,066	720,543	743,390	767,997	791,621	815,729	837,701	863,738	889,417	916,358
<i>less</i>											
Non current liabilities											
Public debt	39,168	48,358	48,828	47,383	45,945	40,162	35,893	30,023	25,702	21,297	15,545
Provisions	4,567	4,786	4,779	4,767	4,747	4,722	4,692	4,657	4,622	4,587	4,552
Derivative financial liabilities	6,448	4,196	4,196	4,196	4,196	4,196	4,196	4,196	4,196	4,196	4,196
Total non current liabilities	50,183	57,340	57,803	56,345	54,888	49,080	44,781	38,876	34,519	30,080	24,293
Net assets	604,169	639,160	661,784	686,357	712,933	738,789	767,215	795,636	825,898	855,175	886,409

Prospective Cash Flow Statement

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flow from Operating Activities											
<i>Receipts:</i>											
Rates	33,421	35,121	37,397	39,274	40,650	41,827	44,123	44,960	46,189	48,104	49,499
Fees, charges and other	6,268	8,017	8,176	8,840	8,960	9,102	9,131	9,174	9,202	9,249	9,128
Grants and subsidies	14,182	12,860	12,154	12,865	12,782	12,325	13,624	13,043	14,464	13,741	14,753
Interest received	20	20	20	20	20	20	20	20	20	20	20
<i>sub total</i>	53,890	56,018	57,747	61,000	62,413	63,274	66,898	67,197	69,876	71,114	73,400
<i>Payments:</i>											
Suppliers and employees	32,697	31,273	35,031	35,794	35,286	36,349	37,575	38,366	39,486	41,356	42,455
Taxes (including the net effect of GST)	0	0	0	0	0	0	0	0	0	0	0
Interest expense	3,167	2,950	2,780	2,700	2,610	2,600	2,450	2,120	1,970	1,900	1,750
<i>sub total</i>	35,864	34,223	37,811	38,494	37,896	38,949	40,025	40,486	41,456	43,256	44,205
Net Cash Flow from/(to) Operating Activities	18,027	21,795	19,936	22,506	24,517	24,325	26,873	26,710	28,419	27,858	29,195
Cash Flow from Investing Activities											
<i>Receipts:</i>											
Sale of Property, plant and equipment	150	175	179	182	186	190	194	199	204	209	214
<i>sub total</i>	150	175	179	182	186	190	194	199	204	209	214
<i>Payments:</i>											
LGFA Borrower notes	0	0	0	0	0	0	0	0	0	0	0
Mortgage advances	0	0	0	0	0	0	0	0	0	0	0
Property, plant and equipment purchases	20,128	26,151	20,904	20,898	22,671	22,219	22,683	20,408	24,347	24,418	25,065
<i>sub total</i>	20,128	26,151	20,904	20,898	22,671	22,219	22,683	20,408	24,347	24,418	25,065
Net Cash Flow from/(to) Investing Activities	-19,978	-25,976	-20,726	-20,716	-22,485	-22,029	-22,489	-20,210	-24,144	-24,210	-24,851
Cash Flow from Financing Activities											
<i>Payments:</i>											
Loans repayment (Net)	-3,832	519	852	-1,724	-1,959	-2,218	-4,299	-6,427	-4,202	-3,575	-4,270
Net Cash Flow from/(to) Financing Activities	-3,832	519	852	-1,724	-1,959	-2,218	-4,299	-6,427	-4,202	-3,575	-4,270
Net Increase/(Decrease) in cash and cash equivalents	-5,783	-3,661	63	67	73	78	85	74	74	74	74
Cash and cash equivalents at beginning of period	6,366	5,902	500	563	629	702	780	865	939	1,012	1,086
Cash and cash equivalents at end of period	583	500	563	629	702	780	865	939	1,012	1,086	1,159

Whole of Council – Prospective Funding Impact Statement

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating funding											
Sources of operating funding											
General rates, uniform annual general charges, rate penalties	22,041	23,057	24,620	26,502	27,816	28,193	29,688	29,978	30,672	31,827	32,510
Targeted rates	11,380	12,064	12,777	12,772	12,834	13,634	14,435	14,982	15,518	16,278	16,988
Subsidies and grants for operating purposes	5,895	4,584	4,899	5,011	5,100	5,221	5,349	5,486	5,631	5,778	5,954
Fees and charges	4,799	5,204	5,319	5,436	5,557	5,680	5,839	5,975	6,099	6,247	6,406
Interest and dividends from investments	20	20	20	20	20	20	20	20	20	20	20
Local authorities fuel tax, fines, infringement fees and other receipts	282	320	326	333	340	347	355	364	372	382	391
Total operating funding	44,416	45,248	47,961	50,075	51,667	53,095	55,687	56,804	58,312	60,532	62,270
Application of operating funding											
Payments to staff and suppliers	34,063	33,072	35,093	35,861	35,359	36,427	37,660	38,440	39,560	41,430	42,528
Finance costs	3,169	2,950	2,780	2,700	2,610	2,600	2,450	2,120	1,970	1,900	1,750
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	37,232	36,022	37,873	38,561	37,969	39,027	40,110	40,560	41,530	43,330	44,278
Surplus (deficit) of operating funding	7,184	9,226	10,088	11,514	13,698	14,068	15,577	16,244	16,783	17,202	17,992

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital funding											
Sources of capital funding											
Subsidies and grants for capital expenditure	8,287	8,276	7,255	7,854	7,683	7,105	8,274	7,557	8,833	7,963	8,799
Development and financial contributions	1,188	2,494	2,531	3,071	3,063	3,074	2,936	2,836	2,730	2,620	2,330
Increase (decrease) in debt	-3,832	519	852	-1,724	-1,959	-2,218	-4,299	-6,427	-4,202	-3,575	-4,270
Gross proceeds from sale of assets	150	175	179	182	186	190	194	199	204	209	214
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	5,792	11,464	10,816	9,384	8,972	8,151	7,106	4,164	7,564	7,216	7,073
Applications of capital funding											
Capital expenditure											
- to meet additional demand	1,610	6,204	3,036	2,825	3,917	4,158	4,090	2,087	3,911	4,472	4,607
Capital expenditure											
- to improve the level of service	5,505	7,359	6,204	6,158	7,633	6,772	4,753	4,904	5,524	6,282	5,252
Capital expenditure											
- to replace existing assets	11,749	12,587	11,664	11,914	11,120	11,289	13,840	13,418	14,913	13,664	15,206
Increase (decrease) in reserves	-5,887	-3,614	-1,252	942	1,456	2,235	751	2,910	1,242	495	361
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	12,977	22,537	19,652	21,839	24,126	24,455	23,434	23,318	25,589	24,914	25,426
Surplus (deficit) of capital funding	-7,185	-11,073	-8,836	-12,456	-15,154	-16,304	-16,329	-19,154	-18,025	-17,698	-18,353
Funding Balance	-1	-1,847	1,252	-942	-1,456	-2,236	-752	-2,910	-1,242	-496	-361

Reconciliation of Funding Impact Statement to Statement of Revenue and Expense

For period ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue											
Statement of Comprehensive Revenue and Expense											
<i>Total revenue</i>	53,979	56,018	57,747	61,000	62,413	63,274	66,898	67,197	69,876	71,114	73,400
Funding Impact Statement											
Total operating funding	44,416	45,248	47,961	50,075	51,667	53,095	55,687	56,804	58,312	60,532	62,270
Total sources of capital funding	9,475	10,770	9,786	10,925	10,746	10,179	11,210	10,392	11,563	10,583	11,130
add Provisions	89	0	0	0	0	0	0	0	0	0	0
<i>Total revenue</i>	53,979	56,018	57,747	61,000	62,413	63,274	66,898	67,197	69,876	71,114	73,400
Expenses											
Statement of Comprehensive Revenue and Expense											
<i>Total expenses</i>	45,744	45,966	48,435	49,694	49,714	51,442	53,113	54,045	55,514	57,887	59,451
Funding Impact Statement											
Total applications of operating funding	35,968	36,022	37,873	38,561	37,969	39,027	40,110	40,560	41,530	43,330	44,278
Restatement - Land Write off	0	0	0	0	0	0	0	0	0	0	0
add Depreciation expense	9,771	9,942	10,560	11,137	11,755	12,429	13,021	13,508	14,007	14,580	15,195
add Provisions	5	2	2	-3	-10	-14	-18	-23	-23	-23	-23
<i>Total expenses</i>	45,744	45,966	48,435	49,694	49,714	51,442	53,113	54,045	55,514	57,887	59,451

Targeted Rates for Metered Water Supply

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Targeted Rates for metered water supply</i>											
Water Supply	3,239	3,157	3,330	3,419	3,509	3,777	4,022	4,111	4,226	4,344	4,426
Total Targeted Rates for metered water supply	3,239	3,157	3,330	3,419	3,509	3,777	4,022	4,111	4,226	4,344	4,426

Prospective Depreciation Summary

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>by Groups of activities</i>											
Community Activities	176	202	221	239	254	274	280	286	293	300	308
Regulatory Management	14	14	15	15	15	15	16	16	17	17	17
District Leadership, Finance and Internal Services	411	493	756	969	1,184	1,379	1,506	1,548	1,592	1,639	1,687
Solid Waste	6	9	27	28	28	29	30	30	31	39	55
The Provision of Roads and Footpaths	6,233	6,251	6,442	6,645	6,874	7,132	7,396	7,680	7,982	8,301	8,641
Stormwater Drainage	371	373	392	410	430	452	478	504	531	560	592
Flood protection and control works	105	105	109	111	114	116	119	122	125	128	132
Sewerage and the treatment and disposal of sewage	1,325	1,368	1,445	1,538	1,632	1,733	1,836	1,925	2,004	2,123	2,248
Water supply	1,130	1,126	1,155	1,182	1,225	1,298	1,360	1,396	1,433	1,472	1,514
Total Groups of activities depreciation	9,771	9,942	10,560	11,137	11,755	12,429	13,021	13,508	14,007	14,580	15,195

Prospective Rates Summary

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
General Rates											
Community Activities	3,450	3,922	4,283	4,645	4,585	4,709	4,804	4,890	5,018	5,128	5,250
Regulatory Management	1,072	1,710	1,729	1,752	1,779	1,805	1,762	1,790	1,817	1,923	1,963
District Leadership, Finance and Internal Services	5,096	5,111	5,573	6,614	7,691	8,442	9,380	9,135	9,263	9,739	9,680
Solid Waste	1,154	1,248	1,298	1,118	1,140	1,167	1,195	1,225	1,255	1,278	1,324
The Provision of Roads and Footpaths	8,997	9,458	10,048	10,584	10,796	10,902	11,315	11,643	11,930	12,286	12,697
Stormwater Drainage	207	223	293	295	251	259	250	255	263	280	291
Flood protection and control works	15	48	48	82	84	86	89	91	93	96	99
Sewerage and the treatment and disposal of sewage	2,050	1,337	1,346	1,412	1,490	823	893	949	1,032	1,096	1,207
Total General rates	22,041	23,057	24,620	26,502	27,816	28,193	29,688	29,978	30,672	31,827	32,510
Targeted Rates											
Sewerage and the treatment and disposal of sewage	5,462	6,154	6,383	6,350	6,382	6,765	7,267	7,572	7,787	8,358	8,707
Stormwater Drainage	1,368	1,392	1,687	1,683	1,597	1,650	1,716	1,820	1,881	2,015	2,102
Flood protection and control works	639	691	690	618	626	705	676	707	831	749	921
The Provision of Roads and Footpaths	390	390	399	407	417	427	437	448	460	472	485
Water Supply	3,239	3,157	3,330	3,419	3,509	3,777	4,022	4,111	4,226	4,344	4,426
Community Activities:											
Mangawhai Harbour Restoration Rate	267	266	273	280	288	295	303	310	317	325	332
Ruawai/Tokatoka Hall Rate	15	15	15	15	15	15	15	15	15	15	15
Total Targeted rates	11,380	12,064	12,777	12,772	12,834	13,634	14,435	14,982	15,518	16,278	16,988
Total Rates	33,421	35,121	37,397	39,274	40,650	41,827	44,123	44,960	46,189	48,104	49,499

Prospective Statement of Financial Reserves

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Accumulated Funds											
Opening Balance	403,732	398,703	412,451	423,261	433,936	445,502	455,433	468,814	479,416	492,911	506,034
Transfers in	30,410	31,866	30,162	31,624	33,891	33,561	38,013	36,067	39,668	40,134	41,739
Transfers out	-21,043	-18,118	-19,352	-20,949	-22,326	-23,630	-24,632	-25,465	-26,174	-27,011	-27,743
Accumulated Funds	<u>413,098</u>	<u>412,451</u>	<u>423,261</u>	<u>433,936</u>	<u>445,502</u>	<u>455,433</u>	<u>468,814</u>	<u>479,416</u>	<u>492,911</u>	<u>506,034</u>	<u>520,030</u>
Asset Revaluation Reserves											
Opening Balance	212,860	225,194	238,230	251,542	264,809	278,688	292,711	307,352	322,622	338,522	354,571
Transfers in	14,922	13,036	13,311	13,268	13,878	14,024	14,641	15,270	15,900	16,049	17,285
Transfers out	0	0	0	0	0	0	0	0	0	0	0
Asset Revaluation Reserves	<u>227,782</u>	<u>238,230</u>	<u>251,542</u>	<u>264,809</u>	<u>278,688</u>	<u>292,711</u>	<u>307,352</u>	<u>322,622</u>	<u>338,522</u>	<u>354,571</u>	<u>371,856</u>
Restricted Reserves											
Mangawhai Endowment Lands Account											
Opening Balance	5,673	5,326	5,427	5,525	5,625	5,732	5,846	5,969	6,094	6,227	6,370
Transfers in	101	169	172	175	178	181	185	188	192	196	200
Transfers out	-100	-68	-74	-75	-71	-67	-62	-63	-58	-54	-54
Restricted Reserves Mangawhai Endowment Lands Account	<u>5,674</u>	<u>5,427</u>	<u>5,525</u>	<u>5,625</u>	<u>5,732</u>	<u>5,846</u>	<u>5,969</u>	<u>6,094</u>	<u>6,227</u>	<u>6,370</u>	<u>6,516</u>
Council Created Reserves											
Opening Balance	-18,096	-13,151	-16,948	-18,543	-18,013	-16,987	-15,201	-14,920	-12,496	-11,763	-11,800
Transfers in	6,375	7,963	8,736	9,884	10,655	11,297	11,719	12,077	12,296	12,571	12,698
Transfers out	-7,506	-11,760	-10,332	-9,354	-9,629	-9,511	-11,438	-9,654	-11,562	-12,608	-12,890
Council Created Reserves	<u>-19,228</u>	<u>-16,948</u>	<u>-18,543</u>	<u>-18,013</u>	<u>-16,987</u>	<u>-15,201</u>	<u>-14,920</u>	<u>-12,496</u>	<u>-11,763</u>	<u>-11,800</u>	<u>-11,993</u>

Prospective Statement of Reserve Funds

For the year ended:	Community Activities	Regulatory Management	Flood Protection and Control Works	District Leadership, Finance and Internal Services	Solid Waste	The Provision of Roads and Footpaths	Sewerage and the Treatment and Disposal of Sewage	Stormwater Drainage	Water Supply	Total Reserves Funds
30 June	2018-2028 \$'000	2018-2028 \$'000	2018-2028 \$'000	2018-2028 \$'000	2018-2028 \$'000	2018-2028 \$'000	2018-2028 \$'000	2018-2028 \$'000	2018-2028 \$'000	2018-2028 \$'000
Council Created Reserves										
Depreciation Reserve										
<i>Opening Balance</i>	206	17	163	691	1	2,052	1,327	-604	1,718	5,571
Deposited	2,657	157	1,179	12,754	306	28,604	15,465	4,412	12,866	78,402
Withdrawn	-1,692	0	0	-3,691	0	-28,604	-10,328	-3,798	-17,822	-65,935
Closing Balance	1,171	174	1,341	9,755	307	2,052	6,464	11	-3,237	18,038
Development Contribution Reserve										
<i>Opening Balance</i>	0	0	0	-12	0	114	-25,230	-48	29	-25,146
Deposited	0	0	0	0	0	741	22,925	67	0	23,733
Withdrawn	0	0	0	0	0	-5,217	-24,660	-346	0	-30,224
Closing Balance	0	0	0	-12	0	-4,363	-26,965	-326	29	-31,636
Financial Contribution Reserve										
<i>Opening Balance</i>	5,212	0	0	-70	0	774	0	0	0	5,916
Deposited	3,744	0	0	0	0	209	0	0	0	3,952
Withdrawn	-8,268	0	0	0	0	-265	0	0	0	-8,533
Closing Balance	688	0	0	-70	0	717	0	0	0	1,335
Provision Expenditure Reserve										
<i>Opening Balance</i>	0	0	0	0	419	0	90	0	0	509
Deposited	0	0	0	0	2,797	0	1,012	0	0	3,809
Withdrawn	0	0	0	0	-1,967	0	-2,081	0	0	-4,047
Closing Balance	0	0	0	0	1,249	0	-979	0	0	270
Restricted Council Reserves										
Restricted Reserve										
<i>Opening Balance</i>	0	0	0	5,326	0	0	0	0	0	5,326
Deposited	0	0	0	1,836	0	0	0	0	0	1,836
Withdrawn	0	0	0	-646	0	0	0	0	0	-646
Closing Balance	0	0	0	6,516	0	0	0	0	0	6,516

Prospective Rating Base Information

The following disclosures are made in accordance with the Local Government Act 2002 Amendment Act 2014, clause 30A of Schedule 10.

	As at 30 June 2016	As at 30 June 2015
Number of rating units within the Kaipara District	15,298 units of which 14,437 are rateable	15,036 units of which 14,210 are rateable
Total capital value of rating units within the Kaipara District	\$6,488,928,925 of which \$6,315,056,550 is rateable	\$6,358,815,225 of which \$6,187,157,350 is rateable
Total land value of rating units within the Kaipara District	\$3,748,625,825 of which \$3,680,231,450 is rateable	\$3,715,405,125 of which \$3,648,211,350 is rateable

TO BE UPDATED

To be provided

Notes to Financial Statements

1 Statement of Accounting Policies for the year ended 30 June 2017

Reporting entity

Kaipara District Council is a territorial local authority governed by the Local Government Act 2002.

The primary objective of Kaipara District Council is to provide core services for the community which focus on a social benefit rather than making a financial return. Accordingly, Kaipara District Council has designated itself as a Public Sector Public Benefit Entity (PS PBE). Council will be classified as a "Tier 1" entity.

The financial statements of Kaipara District Council are for the year ended 30 June 2017. The financial statements were authorised for issue by Council on 26 September 2017.

Basis of preparation

These financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 and in accordance with generally accepted accounting practice (GAAP). For the purposes of complying with GAAP Council is a Tier 1 Public Benefit Equity.

These financial statements are expressed in New Zealand dollars, which is Kaipara District Council's functional currency. All financial information has been rounded to the nearest thousand, unless otherwise stated. The measurement basis adopted in the preparation of these financial statements is historical cost, modified by the revaluation of infrastructure assets and certain financial instruments as identified in the specific accounting policies below and the accompanying notes.

Going concern

This Annual Report has been prepared on the assumption that Council is a going concern. This means Council has a reasonable expectation there are adequate resources to continue operations, having regard to known circumstances, in the next year and those events known to occur further in the future. As such, adoption of the assumption has been based on the provisions of PBE IPSAS 1.

Significant Accounting Policies

Revenue

Revenue is measured at fair value.

Revenue is comprised of exchange and non-exchange transactions. Exchange transaction revenue arises when one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value in exchange.

Non-exchange transaction revenue arises from transactions without an apparent exchange of approximately equal value. Non-exchange revenue includes rates, grants, subsidies, fees and user charges derived from activities that are partially funded by rates. Revenue relating to non-exchange transactions is recognised as conditions, if any exist, are satisfied.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year for which the rates have been set and are considered to be fair value. Rates revenue is recognised when payable. Rates collected on behalf of Northland Regional Council (NRC) are not recognised in the Financial Statements as Council is acting as an agent.

Grants revenue

Council receives Government grants from NZTA, which subsidises part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Other revenue

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Provision of service

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sales of goods

Sales of goods are recognised when a product is sold to the customer. Sales are all in cash. The recorded revenue is the gross amount of the sale.

Vested assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in Kaipara District Council are recognised as revenue when control over the asset is obtained.

Interest and dividend income

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

Development and financial contributions

The revenue recognition point for development and financial contributions is when Council provides or is able to provide the service for which the contribution was levied. Otherwise, development or financial contributions are recognised as liabilities until such time as Council provides, or is able to provide, the service.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

Trade and other receivables

Trade and other receivables are measured at fair value, less any provision for impairment. Council maintains a provision for impairment losses when there is objective evidence of debtors being unable to make required payments and no other recourse available to Council.

When the receivable is uncollectable, it is written off against the provision. Overdue receivables which have been negotiated are reclassified as current (that is, not past due).

Financial assets

Financial assets are classified at fair value through surplus or deficit, loans and receivables, held to maturity and available for sale. The classification depends on the purpose for which the financial assets or liabilities are held. Council determines the classification of financial assets and liabilities at initial recognition.

The applicable categories of financial assets are:

1 Financial assets at fair value through surplus or deficit

Either, financial assets held for trading or those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management.

Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the surplus/(deficit).

2 Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus/(deficit).

Loans, including loans to community organisations made by Council at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the Statement of Comprehensive Revenue and Expense as a grant.

Impairment

Financial assets carried at amortised cost are assessed each reporting date for impairment. If there is objective evidence of impairment, the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where appropriate, is recognised in the surplus/(deficit).

Non-financial assets are reviewed at each reporting date to determine whether there are any indicators that the carrying amount may not be recoverable. If any such indicators exist, the asset's recoverable amount is estimated. The recoverable amount is 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 potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

An impairment loss is recognised in the surplus/(deficit) for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units). The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus/(deficit), a reversal of the impairment loss is also recognised in the surplus/(deficit).

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus/(deficit).

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, plant and equipment

Property, plant and equipment consist of:

- *Operational Assets*

These include land, buildings, plant and equipment, and motor vehicles.

- *Restricted Assets*

Restricted assets are community housing and parks and reserves owned by Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

- *Infrastructure Assets*

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

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

- *Additions*

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to 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 such as a vested asset, it is recognised at fair value as at the date of acquisition.

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

- *Disposals*

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus/(deficit). When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

- *Subsequent Costs*

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

Revaluation

Infrastructural assets are revalued with sufficient regularity by independent valuers to ensure their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

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

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

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

Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

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

	Expected life years	Depreciation straight line		Expected life years	Depreciation straight line
Roading			Water Supply	20-80	1.25%-4%
Top surface (seal)	4-20	5%-25%	Wastewater	14-80	1.25%-7%
Pavement (basecourse)			Stormwater	40-80	1.25%-2.5%
Urban sealed	40-80	1.25%-2.5%	Landfills and transfer stations	33.3	3.0%
Rural sealed	40-80	1.25%-2.5%	Halls	50	2%
Unsealed	20-60	1.67%-5%	Community housing	50	2%
Foundation and unsealed subgrade	n/a ¹	-	Plant, equipment and motor vehicles	5-10	10%-20%
Culverts	25-100	1%-4%	Buildings	50	2%
Kerb and channel	25-80	1.25%-4%	Building contents	10	10%
Bridges	40-100	1%-2.5%	Other plant	5	20%
Signs	12	8.3%	Computer and office equipment	5	20%
Lights	15-40	2.5%-6%	Library collection	5	20%
Footpaths	25-80	1.25%-4%			
Drainage	15-100	1%-6%			

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

¹Not depreciated

Biological (forestry assets)

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the surplus/(deficit). The costs to maintain the forestry assets are included in the surplus/(deficit).

New Zealand Units (Forestry) – Emissions Trading Scheme

Emission Trading Units allocated under the Emissions Trading Scheme (ETS) are recognised at deemed cost based on the fair value at the date of receipt (that is, historic value). The units are recognised when they have been received and are recognised as income in the Statement of Comprehensive Revenue and Expense. After initial recognition ETS units are recognised at cost and reviewed annually for impairment.

Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Employee benefits

Employee benefits 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.

Superannuation schemes - defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "Finance Costs".

Financial guarantee contracts*New Zealand Local Government Funding Agency*

Council is a guarantor of the New Zealand Local Government Funding Agency Limited (LGFA). The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. LGFA has a local currency rating from Fitch Ratings and Standard & Poor's of AA+ and a foreign currency rating of AA.

Council is one of 44 local authority guarantors of the LGFA. When aggregated with the uncalled capital of other shareholders, \$20 million is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, Council is a guarantor of all LGFA's borrowings. At 30 June 2017, LGFA had borrowings totalling \$7.946 billion (2016: \$6.501 billion).

Financial reporting standards require Council to recognise the guarantee liability at fair value. However, Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. Council considers the risk of LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- We are not aware of any local authority debt default events in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Borrowings

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

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are expected to be settled within 12 months of balance date.

Net assets/equity

Net assets/equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Net assets/equity is disaggregated and classified into a number of reserves.

The components of net assets/equity are:

- Accumulated comprehensive revenue and expense;
- Restricted reserves;
- Council-created reserves; and
- Asset revaluation reserves.

Restricted and Council created reserves

Restricted and Council created reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted reserves are subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. The Mangawhai Endowment Fund referred to in this document includes the Mangawhai Endowment Lands Account (MELA) referred to in section 8 of the Mangawhai Lands Empowering Act 1966 (*sic*).

Council-created reserves are reserves restricted by Council decision. Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

Asset revaluation reserves

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

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of Goods and Services Tax (GST), except for receivables and payables, which include GST invoiced.

Budget figures

The budget figures have been prepared using accounting policies that are consistent with those adopted by Council for the preparation of the Financial Statements.

Cost allocation

Council has derived the cost of service for each significant activity of Council using the cost allocation system outlined below:

- Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner, with a specific significant activity;
- Direct costs are charged directly to significant activities;
- Indirect costs are charged to significant activities using appropriate cost allocations determined by management.

Critical accounting estimates and assumptions

In preparing these financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Closure and post-closure provisions

All Council landfills are now closed. Provision has been made for the future costs of closing the Dargaville and Hakaru landfills being the aftercare of the landfill for the prescribed period. Estimated costs, adjusted for inflation, have been built up on an item by item basis. The provision held, at each balance date, represents the net present value of the estimated future costs. A detailed reassessment and the anticipated remaining lives of the landfills are performed regularly.

The impact of changes to the provision arising from the reassessment of the life of the landfill and estimated future costs are capitalised to deferred closure and post-closure costs within property, plant and equipment in the Statement of Financial Position. The annual change in the net present value of the provision due to the passage of time is recorded as the time value adjustment of provisions in the Statement of Comprehensive Revenue and Expense.

Infrastructural Assets

There are a number of assumptions and estimates used when performing Depreciated Replacement Cost valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- estimating any obsolescence or surplus capacity of an asset; and
- estimates made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Revenue and Expense. To minimise this risk Council's infrastructural assets useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

Critical judgements in applying Council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the period ended 30 June 2017:

- **Classification of property**

Council owns a number of properties, which are maintained primarily to provide community housing to elderly persons.

The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of Council's social development policy. These properties are accounted for as property, plant and equipment.

Funding Impact Statement – Rating Tools

The Whole of Council Funding Impact Statement as required under the Local Government (Financial Reporting and Prudence) Regulations 2014 can be found on [pages 10 and 11](#) of this Plan.

The following information sets out the revenue and financing mechanisms that the Council will use, including information about the different rates the Council will set for 2018/2019.

The Definition of a Separately Used or Inhabited Part of a Rating Unit (SUIP)

Council will apply uniform charging on a Separately Used or Inhabited Part of a Rating Unit (SUIP) basis for the following rates:

- Wastewater Network Targeted Rates on residential properties.

Separately Used or Inhabited Part of a Rating Unit includes any portion inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement. For the purpose of this Policy, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'. For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one Separately Used or Inhabited Part.

The following are examples of rating units with more than one Separately Used or Inhabited Part where the above requirements are met:

- Single dwelling with flat attached;
- Two or more houses, flats or apartments on one Certificate of Title (rating unit);
- Business premise with flat above;
- Commercial building leased to multiple tenants;
- Farm property with more than one dwelling;
- Council property with more than one lessee; and
- Where part of a rating unit is subject to a right of exclusive occupation.

Background

General rates are appropriate for funding activities or providing services where there is a significant public good element or where a private good generates positive externalities or benefits for the wider community. General rates can also be appropriate in situations where funding a capital project, where imposing the cost on those who would benefit from the project, would otherwise place too great a burden on them.

Local authorities can set general rates either as a uniform or differential rate on property value (land, capital or annual value) and/or a Uniform Annual General Charge (UAGC) on a fixed amount per rating unit or SUIP.

Council will apply a differential rate in the dollar on land value. The UAGC will continue to be applied to each rating unit.

Activities Funded

All activities that are not funded by Fees and Charges, targeted rates, borrowings or any other income are funded out of the general rates.

(Please refer to the Revenue and Financing Policy prepared for the Long Term Plan 2018/2028 for a full list of activities funded by general rates.)

Land Liable for the Rate

All land within the Kaipara District is liable for the rate.

Rates Differential Definitions

The Council has defined its rates differential categories using land use classifications.

The definition for each rates differential category is listed in the table below.

Differential Category	Definition
Residential and small sized lifestyle properties	All land that is used exclusively, or almost exclusively, for residential purposes including investment flats or used for lifestyle purposes and is less than two hectares.
Other	All land that is not defined elsewhere. It includes land used exclusively, or almost exclusively, for dairy, horticultural, forestry, pastoral and specialist purposes, commercial, industrial or mining purposes, and as a utility asset. Commercial includes resthomes and short stay accommodation such as motels and hotels.

How the rate is assessed

The general rate is assessed on all rating units in the district on the following basis:

- A fixed amount per rating unit of \$728.00 (UAGC) including GST. Please note this includes a \$112.19 (including GST) contribution towards the capital costs of the Mangawhai Community Wastewater Scheme (MCWWS);
- A differential rate in the dollar on land value.

Differential Category	Number of rating units (UAGC)	Rates Differential	Land value rate in the dollar for 2018/2019 (incl GST)	Revenue value-based rate (excl GST)	Revenue from UAGC (excl GST)
Residential and small sized lifestyle properties	8,978	100%	0.002426	\$4,636,600	\$5,683,500
Other	4,727	155%	0.003760	\$8,968,600	\$2,992,400
All properties	13,705			\$13,605,200	\$8,675,900

Where two or more contiguous rating units are owned by the same person or persons, and are used jointly as a single unit, the ratepayer is liable for only one UAGC, which is in line with section 20 of the Local Government (Rating) Act 2002.

In total, general rates will generate \$22,280 million (excluding GST) in 2018/2019. Collectively, general rates represent 64% of the Council's total rates revenue.

Targeted Rates

Targeted rates may be used to fund specific Council activities. Targeted rates are appropriate for services or activities where a specific group of ratepayers benefit from that service or where the revenue collected is targeted towards funding a specific type of expenditure.

Lump sum contributions will not be invited in relation to any of the Council's targeted rates.

Wastewater Targeted Rates – All Networks

Background

The Council provides wastewater collection and treatment systems in Dargaville, Glinks Gully, Te Kopuru, Maungaturoto, Kaiwaka and Mangawhai. It will set a targeted rate for each wastewater network on land connected or able to be connected to the relevant wastewater network. The six targeted rates will generate around \$5.85 million (excluding GST) in rates revenue in 2018/2019.

For 2018/2019, \$1.3 million of costs associated with the Mangawhai wastewater treatment plant, reticulation and dam are included in the calculation of the general rate. The remaining costs related to wastewater are separated into defined operating and defined capital costs. Defined operating costs are operational costs excluding interest and depreciation and defined capital costs are capital costs (i.e. including loan repayments) plus interest and funded depreciation.

For the purposes of calculating each targeted rate, except the Te Kopuru network, defined operating costs are aggregated across all wastewater schemes and divided by the total number of wastewater charges (connected equivalent) for properties connected and capable of connection to the networks. For 2018/2019, this figure is calculated at \$708.36 (including GST). The defined capital costs for each respective network are added onto the average defined operating costs.

For affordability reasons, Council has calculated the targeted rate for the Te Kopuru network separately on a scheme basis pending an investigation of alternative options. Alternatives for Glinks Gully will also be investigated, however for affordability reasons this scheme has been calculated in the same manner as all other schemes (except Te Kopuru).

Activities funded

The expenses in maintaining the wastewater treatment plant, pump stations, reticulation repairs and minor upgrades including renewals of the respective systems.

Land liable for the rates

The targeted rates apply to all properties connected or capable of connection to the following wastewater networks:

- Dargaville
- Glinks Gully
- Te Kopuru
- Maungaturoto
- Kaiwaka
- Mangawhai

Maps of the respective wastewater networks can be viewed in the Appendix (pages 1 to 6) of this document.

How the rates are assessed

The rates are assessed on a differential basis. The Council has defined its differential categories using the use to which a rating unit is put (as a residence or not) and whether the service is provided or available. The liability factors used are per SUIP of a rating unit for properties used primarily as a residence, and per rating unit and per pan or urinal for all other properties.

The targeted rates are assessed on the following basis:

Properties not connected to the wastewater network as at 30 June 2018 but are capable of being connected (i.e. service available)

- A fixed amount per SUIP to all units used primarily as a residence; and
- A fixed amount per rating unit to all other units.

Properties that are connected to the wastewater network as at 30 June 2018 (i.e. service provided)

- A fixed amount per SUIP to all units used primarily as a residence;
- A fixed amount per rating unit to all other units; and
- An additional charge per pan (urinal or water closet) to all other units for each pan after the second.

Properties capable of connection are defined as being within 30 metres of a public sewerage drain to which it is capable of being effectively connected, either directly or through a private drain.

The fixed amount for units that are not connected to the relevant wastewater network as at 30 June 2018 but are capable of being connected is equivalent to 75% of the corresponding fixed amount applied to properties connected to the wastewater network.

The additional pan charge for connected non-residential units with three or more pans is equivalent to 50% of the corresponding fixed amount applied to properties connected to the wastewater network.

A table of the rates

Wastewater Network	Primary use of land	Units connected to the relevant wastewater network		Units capable of connection to the relevant wastewater network, as at 30 June 2018 ¹		Units connected to the relevant wastewater network, not primarily used as a residence ²		All units
		Number of units	Charge ³ (incl GST)	Number of units or SUIPs	Charge ³ (incl GST)	Number of pans	Charge per pan (incl GST)	Number of units contribution to wastewater targeted rate (excl GST)
Dargaville	Residence	1,836	\$1,031.10	114	\$773.30	11	\$515.55	\$1,727,800
	Other	280	\$1,031.10	49	\$773.30	475	\$515.55	\$496,900
Total								\$2,224,700
Glinks Gully	Residence	24	\$1,257.80	1	\$943.40	0	\$628.90	\$27,100
	Other	1	\$1,257.80	0	\$943.40	0	\$628.90	\$1,100
Total								\$28,200
Kaiwaka	Residence	145	\$1,190.20	18	\$892.70	0	\$595.10	\$164,000
	Other	28	\$1,190.20	1	\$892.70	27	\$595.10	\$43,700
Total								\$207,700
Mangawhai	Residence	1,953	\$1,299.10	450	\$974.30	8	\$649.55	\$2,592,000
	Other	49	\$1,299.10	19	\$974.30	109	\$649.55	\$133,000
Total								\$2,725,000
Maungaturoto Township and Maungaturoto Station Village	Residence	320	\$1,293.50	24	\$970.10	0	\$646.75	\$380,200
	Other	64	\$1,293.50	14	\$970.10	91	\$646.75	\$135,000
Total								\$515,200
Te Kopuru	Residence	188	\$689.10	23	\$516.80	4	\$344.55	\$124,200
	Other	10	\$689.10	3	\$516.80	5	\$344.55	\$8,800
Total								\$133,000

¹ Situated within 30 metres of a public sewerage drain to which it is capable of being effectively connected, either directly or through a private drain.

² This is an additional pan charge for the third or more pan. It is in addition to the fixed amount per SUIP that applies to all connected properties of the relevant wastewater network as at 30 June 2018.

³ Fixed amount per SUIP for units used primarily as a residence and fixed amount per rating unit for other units. The fixed amount per SUIP and per rating unit are the same amount.

Wastewater Targeted Rate – Mangawhai Wastewater Capital Contribution A

Background

The Council introduced and reinstated six targeted rates in 2013/2014 to fund the capital cost of the Mangawhai Community Wastewater Scheme (MCWWS) and to ensure equity amongst current and future users of the Scheme. The Mangawhai Wastewater Capital Contribution A targeted rate applies to those who prior to 30 June 2013 had not previously been invoiced for any capital contribution, either as a targeted rate or as a development contribution and were charged the targeted rate in 2013/2014.

Activities funded

Capital expenses in developing the wastewater treatment plant and pump stations to provide wastewater services to the Mangawhai area.

Land liable for the rate

The targeted rate applies to all properties connected or capable of connection to the Mangawhai wastewater network as at 30 June 2013, where there had been no previous targeted rate for the capital costs of the Scheme set on the property (previously known as a “one-off targeted rate”) or where Council had not invoiced the land for a development contribution.

A map of Mangawhai Wastewater Capital Contribution A and the affected properties can be viewed in the Appendix (pages 7 to 12) of this document.

How the rates are assessed

The targeted rate is a fixed amount per rating unit to all land liable for the rate within the Mangawhai wastewater network of \$676.00 (including GST). This amount is calculated from a principal amount of \$8,397 (including GST), payable over 30 years from 01 July 2013 at annuity interest of 6.99%. The Council’s Early Payment of Rates for Subsequent Years Policy applies to this rate. In addition, a postponement policy has been adopted for those ratepayers with undeveloped sections who wish to defer payment to a later date.

The rate will generate around \$234,000 (excluding GST) in rates revenue in 2018/2019.

Wastewater Targeted Rate – Mangawhai Wastewater Capital Contribution D

Background

The Council introduced and reinstated six targeted rates in 2013/2014 to fund the capital cost of the Mangawhai Community Wastewater Scheme (MCWWS) and to ensure equity amongst current and future users of the Scheme. The Mangawhai Wastewater Capital Contribution D targeted rate represents the next instalment of 25 of the initial capital contribution to the Scheme for those who have been invoiced for previous instalments (or an equivalent amount).

Activities funded

Capital expenses in developing the wastewater treatment plant and pump stations to provide wastewater services to the Mangawhai area.

Land liable for the rate

The targeted rate applies to all properties connected or capable of connection to the Mangawhai wastewater network as at 30 June 2012, whereas at 30 June 2013 the property had been invoiced for four instalments, amounting to \$2,186.50 including GST, (or the equivalent) and had not subsequently paid the initial capital contribution in full.

A map of the Mangawhai wastewater network and the affected properties can be viewed in the Appendix (pages 13 and 14) of this document.

How the rates are assessed

The targeted rate is a fixed amount per rating unit to all land liable for the rate within the Mangawhai wastewater network of \$569.95 (including GST). This amount is calculated from a principal amount of \$6,210.50 (including GST), payable over 21 years from 01 July 2013 at annuity interest of 6.99%. The Council's Early Payment of Rates for Subsequent Years Policy applies to this rate.

The rate will generate around \$22,300 (excluding GST) in rates revenue in 2018/2019.

Wastewater Targeted Rate – Mangawhai Wastewater Capital Contribution E

Background

The Council introduced and reinstated six targeted rates in 2013/2014 to fund the capital cost of the Mangawhai Community Wastewater Scheme (MCWWS) and to ensure equity amongst current and future users of the Scheme. The Mangawhai Wastewater Capital Contribution E targeted rate represents the next instalment of 25 of the initial capital contribution to the Scheme for those who have been invoiced for previous instalments (or an equivalent amount).

Activities funded

Capital expenses in developing the wastewater treatment plant and pump stations to provide wastewater services to the Mangawhai area.

Land liable for the rate

The targeted rate applies to all properties connected or capable of connection to the Mangawhai wastewater network as at 30 June 2012, whereas at 30 June 2013 the property had been invoiced for three previous instalments, amounting to \$1,668.90 including GST, (or the equivalent) and had not subsequently paid the initial capital contribution in full.

A map of the Mangawhai wastewater network and the affected properties can be viewed in the Appendix (pages 15 and 16) of this document.

How the rates are assessed

The targeted rate is a fixed amount per rating unit to all land liable for the rate within the Mangawhai wastewater network of \$606.31 (including GST). This amount is calculated from a principal amount of \$6,728.10 (including GST), payable over 22 years from 01 July 2013 at annuity interest of 6.99%. The Council's Early Payment of Rates for Subsequent Years Policy applies to this rate.

The rate will generate around \$45,900 (excluding GST) in rates revenue in 2018/2019.

Wastewater Targeted Rate – Mangawhai Wastewater Capital Contribution F

Background

The Council introduced and reinstated six targeted rates in 2013/2014 to fund the capital cost of the Mangawhai Community Wastewater Scheme (MCWWS) and to ensure equity amongst current and future users of the Scheme. The Mangawhai Wastewater Capital Contribution F targeted rate represents the next instalment of 25 of the initial capital contribution to the Scheme for those who have been invoiced for previous instalments (or an equivalent amount).

Activities funded

Capital expenses in developing the wastewater treatment plant and pump stations to provide wastewater services to the Mangawhai area.

Land liable for the rate

The targeted rate applies to all properties connected or capable of connection to the Mangawhai wastewater network as at 30 June 2012, whereas at 30 June 2013 the property had been invoiced for two previous instalments, amounting to \$1,135.70 including GST, (or the equivalent) and had not subsequently paid the initial capital contribution in full.

A map of the Mangawhai wastewater network and the affected properties can be viewed in the Appendix (pages 17 and 18) of this document.

How the rates are assessed

The targeted rate is a fixed amount per rating unit to all land liable for the rate within the Mangawhai wastewater network of \$643.26 (including GST). This amount is calculated from a principal amount of \$7,261.30 (including GST), payable over 23 years from 01 July 2013 at annuity interest of 6.99%. The Council's Early Payment of Rates for Subsequent Years Policy applies to this rate.

The rate will generate around \$14,500 (excluding GST) in rates revenue in 2018/2019.

Stormwater Targeted Rates – All Networks

Background

Council provides urban stormwater networks in Baylys, Dargaville, Kaiwaka, Mangawhai and Te Kopuru. Stormwater systems predominantly incorporated into the road network are provided in Glinks Gully, Kelly's Bay, Pahi, Whakapirau, Tinopai, Paparoa and Maungaturoto. Stormwater for Ruawai is incorporated in the Raupo Drainage District.

Council has set rates so that 10% of the stormwater network costs are funded by all ratepayers through the general rate. The remaining 90% of costs continue to be funded by the targeted rate.

Operating costs for stormwater (except interest and depreciation) are split evenly between individual networks based upon land values. The operating costs (excluding interest and depreciation) are then combined with the capital costs (including interest, funded depreciation and loan repayments) in each individual scheme to calculate the rate payable for those connected to each scheme. This reflects a move towards 'equalising' the rate payable for the service being received irrespective of location. This approach recognises the argument that the service being received by the end user is the 'same' irrespective of location and hence the costs should be similar.

Activities funded

The expenses in running and maintaining the following stormwater networks:

- Baylys
- Dargaville
- Te Kopuru
- Kaiwaka
- Mangawhai

Land liable for the rates

The targeted rates apply to all land in the following stormwater networks:

- Baylys
- Dargaville
- Te Kopuru
- Kaiwaka
- Mangawhai

Maps of the areas of the respective stormwater networks can be viewed in the Appendix (pages 19 to 23) of this document.

How the rates are assessed

The targeted rates are assessed on the land value of all rating units located within the stormwater networks and applied as a uniform rate in the dollar on land value.

Stormwater Network	Rate in the Dollar on Land Value for 2018/2019 (including GST)	Level of Stormwater Targeted Rates (excluding GST)
Baylys	0.001621	\$56,700
Dargaville	0.002605	\$479,700
Kaiwaka	0.000853	\$20,300
Mangawhai	0.000730	\$815,800
Te Kopuru	0.001520	\$16,900
Total		\$1,389,400

Land Drainage Scheme Targeted Rate – Raupo

Background

Kaipara District is a rural production area that supports farming and cropping communities on low-lying land near rivers, streams and canals. These communities are prone to flooding during heavy weather events and tidal fluctuations. Land drainage work is undertaken to maintain and improve the current capacity of its land drainage network and stopbanks. This is likely to improve the productivity of land normally affected by high groundwater levels or ponded water following heavy rainfall events and tidal fluctuations.

Activities funded

The targeted rate for the Raupo Land Drainage Scheme is used to fund the operations in maintaining the Raupo Land Drainage Scheme. This includes maintenance of drains and outlets by weedspraying and machine cleaning, maintenance and, if necessary, replacement of floodgates.

Land liable for the rate

All land located within the Raupo Land Drainage Scheme.

A map of the Raupo Land Drainage Scheme and the areas where the differentials apply can be viewed in the Appendix (pages 24 to 26) of this document.

How the rate is assessed

The targeted rate is assessed on the following basis:

- A differential rate in the dollar on land value across all properties located within the Raupo Land Drainage Scheme area.

The table below shows the rates differentials that the Council has applied in 2018/2019.

Rates differential definitions and rates

The Council has defined its rates differential categories based on the location of the land within the scheme.

Differential Category	Differential Factor	Estimated Rate in the Dollar on Land Value for 2018/2019 (including GST)	Revenue from Land Drainage Scheme Targeted Rate (excluding GST)	Share of Land Drainage Scheme Targeted Rate
Raupo District A	83%	0.002568	\$357,400	91%
Raupo District B	7%	0.000217	\$1,900	<1%
Raupo Township	100%	0.003079	\$35,600	9%
All properties	-		\$394,900	100%

Land Drainage Targeted Rates – Other Schemes

Background

Kaipara District is a rural production area that supports farming and cropping communities on low-lying land near rivers, streams and canals. These communities are prone to flooding during heavy weather events and tidal fluctuations. Land drainage work is undertaken to maintain and improve the current capacity of its land drainage network and stopbanks. This is likely to improve the productivity of land normally affected by high ground water levels or ponded water following heavy rainfall events and tidal fluctuations.

Land drainage work is undertaken in 28 other drainage districts of various sizes with administrative and technical support from Council. Each of these schemes is self-funding.

Activities funded

The targeted rates for each land drainage scheme are used to fund the operations in maintaining the 28 respective schemes. This includes maintenance of drains and outlets by weedspraying and machine cleaning, maintenance and if necessary replacement of floodgates, drain cleaning and stopbank maintenance.

Land liable for the rates

The targeted rates apply to all land in each of the following land drainage schemes:

- Aoroa
- Awakino Valley
- Koremoa
- Otiria
- Tatarariki N°2
- Arapohue N°1
- Greenhill
- Mangatara
- Owairangi
- Tatarariki N°3
- Arapohue N°2
- Hoanga
- Manganui
- Tangowahine N°1
- Tikinui
- Aratapu Swamp
- Horehore
- Mititai
- Tangowahine N°2
- Whakahara
- Aratapu Village
- Kaihu
- Notorious
- Tangowahine Valley
- Awakino Point
- Kopuru Swamp
- Oruariki
- Tatarariki N°1

Maps of the areas of the respective land drainage schemes can be viewed in the Appendix (pages 27 to 54) of this document.

How the rates are assessed

The targeted rate for each land drainage scheme is assessed as a uniform rate in the dollar on land value.

A table of the rates

Land Drainage Scheme	Rate in the Dollar on Land Value for 2018/2019 (including GST)	Revenue From Land Drainage Targeted Rates (excluding GST)
Aoroa	0.001683	\$3,100
Arapohue N°1	0.000127	\$1,400
Arapohue N°2	0.000321	\$4,000
Aratapu Swamp	0.001491	\$33,200
Aratapu Village	0.000383	\$3,100
Awakino Point	0.000563	\$10,700
Awakino Valley	0.000564	\$34,400
Greenhill	0.000231	\$1,800
Hoanga	0.002129	\$20,800
Horehore	0.000606	26,700
Kaihu	0.000453	28,200
Kopuru Swamp	0.001193	\$12,400
Koremoa	0.000562	\$3,900
Mangatara	0.000443	\$12,600
Mangonui	0.000123	\$10,500

Land Drainage Scheme	Rate in the Dollar on Land Value for 2018/2019 (including GST)	Revenue From Land Drainage Targeted Rates (excluding GST)
Mititai	0.000516	\$4,700
Notorious	0.000806	\$16,800
Oruariki	0.001403	\$18,300
Otiria	0.000468	\$2,600
Owairangi	0.000487	\$5,200
Tangowahine N°1	0.001015	\$8,000
Tangowahine N°2	0.000851	\$4,100
Tangowahine Valley	0.000156	\$2,500
Tatarariki N°1	0.000473	\$5,800
Tatarariki N°2	0.000907	\$7,200
Tatarariki N°3	0.000650	\$7,800
Tikinui	0.000880	\$2,400
Whakahara	0.000491	\$3,200
Total		\$295,400

Water Supply Targeted Rate

Background

Council provides reticulated water supplies to Dargaville (including Baylys), Glinks Gully, Ruawai, Maungaturoto (Station Village), Maungaturoto (Township) and Mangawhai. Operating costs (excluding interest and depreciation) for water supply are to be split evenly between individual networks based upon usage. The operating costs (excluding interest and depreciation) are then combined with the capital costs (including interest, funded depreciation and loan repayments) in each individual scheme to calculate the rate payable for those connected to each scheme. This reflects a move towards ‘equalising’ the rate payable for the service being received irrespective of location. This approach recognises the argument that the service being received by the end user is the ‘same’ irrespective of location and hence the costs should be similar.

Activities funded

The expenses in maintaining each of the water supply networks. In particular, the costs associated in treating the water for domestic consumption.

Land liable for the rates

The targeted rates apply to all land in defined areas in the following water supply networks:

- Dargaville (including Baylys)
- Glinks Gully
- Ruawai
- Maungaturoto (Station Village)
- Maungaturoto (Township)
- Mangawhai

Maps of the areas of the respective water supply networks can be viewed in the Appendix (pages 55 to 59) of this document.

Rates differential definitions

These rates are assessed on a differential basis. The Council has defined its rates differential categories based on the provision or availability to the land of the water supply service provided by, or on behalf of, the Council.

The definition for each rates differential category is listed in the table below.

Differential category	Definition
Metered properties	Land that is connected to the relevant water supply network as at 30 June 2018 irrespective of how much water is consumed.
Other properties	Land that is not connected to the relevant water supply network as at 30 June 2018, but is situated within 30 metres of a water supply network to which it is capable of being effectively connected.

How the rates are assessed

The targeted rate for each water supply network is assessed on the following differential basis:

Metered properties:

- A scale of charges based on the per cubic metre amount of water consumed. The charge for up to the first cubic metre of water consumed is calculated on 25% of the average defined operating costs across all water supply networks plus a portion of the scheme specific defined capital costs.

Other properties:

- A fixed amount per rating unit. The rate set is equivalent to 75% of the volumetric charge for a metered property in the same water supply network for the first cubic metre of water consumed.

A fixed amount per rating unit does not apply to properties that are not connected to the Mangawhai water supply network as at 30 June 2018 as the Council has no intention of providing a reticulated water supply service beyond those properties connected as at June 2018.

The table below lists the water charges and rates that will apply:

	Metered Properties		Other properties	All units
	Volumetric charge (up to and including the first cubic metre) (including GST)	Volumetric charge (per cubic metre beyond the first cubic metre) (including GST)	Fixed amount per Rating Unit (including GST)	Revenue From Water Supply Targeted Rate (excluding GST)
Dargaville	\$131.97	\$3.14	\$98.98	\$2,415,600
Glinks Gully	\$372.85	\$1.59	\$279.64	\$33,000
Mangawhai	\$131.97	\$3.01	n/a	\$20,200
Maungaturoto (Station Village)	\$256.61	\$3.80	\$192.46	\$35,900
Maungaturoto (Township)	\$274.77	\$3.53	\$206.08	\$483,800
Ruawai	\$218.57	\$4.56	\$163.93	\$168,100
All water supply networks				\$3,156,600

Mangawhai Harbour Restoration Targeted Rate

Background

The targeted rate for the Mangawhai Harbour Restoration commenced on 01 July 1996. It funds a grant to the Mangawhai Harbour Restoration Society to assist it in servicing a loan to finance rectification of the collapse of the geomorphyl and ecological structure of the Mangawhai Harbour.

Activities funded

In addition to servicing a loan to the Mangawhai Harbour Restoration Society for rectification of the collapse of the geomorphyl and ecological structure of the Mangawhai Harbour, the grant funded by the targeted rate also funds an enhanced harbour dredging programme and includes operating costs of a works nature, such as replanting.

Land liable for the rate

All land that is located within the Mangawhai Harbour Restoration area.

A map of the Mangawhai Harbour Restoration area can be viewed in the Appendix (page 60) of this document.

How the rate is assessed

The targeted rate is assessed as a fixed amount per rating unit to all units located within the Mangawhai Harbour Restoration Area of \$69.45 (including GST).

Where two or more contiguous rating units are owned by the same person or persons, and are used jointly as a single unit, the ratepayer is liable for only one targeted rate on a fixed amount basis, which is in line with section 20 of the Local Government (Rating) Act 2002.

The rate will generate around \$267,000 (excluding GST) in rates revenue in 2018/2019.

Ruawai Tokatoka Hall Targeted Rate

Background

The Ruawai Tokatoka Hall rate was introduced in 2009/2010 to fund the maintenance of the Ruawai Tokatoka Community Hall. The targeted rate is consistent with Council's Halls Policy that community halls be managed and maintained by the community.

Activities funded

The operating costs of maintaining the Ruawai Tokatoka Hall.

Land liable for the rate

All land that is located within the Ruawai Tokatoka Hall Targeted Rate area.

A map of the Ruawai Tokatoka Hall Targeted Rate area can be viewed in the Appendix (page 61) of this document.

How the rate is assessed

The targeted rate is assessed on the following basis:

- a fixed amount per rating unit to all units located within the Ruawai Tokatoka Hall Targeted Rate area of \$38.59 (including GST).

Where two or more contiguous rating units are owned by the same person or persons, and are used jointly as a single unit, the ratepayer is liable for only one targeted rate on a fixed amount basis, which is in line with section 20 of the Local Government (Rating) Act 2002.

The rate will generate around \$15,000 (excluding GST) in rates revenue.

Forestry Roding Targeted Rate

Background

The Forestry Roding Targeted Rate was introduced in 2015/2016 for six years to 2021 in order to partially fund the impact of forestry and logging trucks and maintain current standards on Council roads. The NZ Transport Agency will also contribute.

Activities funded

The costs of funding the impact of forestry and logging trucks and maintaining current standards on Council roads.

Land liable for the rate

All land that is located within the Forestry Roding Targeted Rate area.

A map of the Forestry Roding Targeted Rate area can be viewed in the Appendix (pages 61 and 62) of this document.

How the rate is assessed

The targeted rate is assessed on the following basis:

- A rate in the dollar on land value across all properties categorised as Exotic Forestry (i.e. those in the Forestry Roding Targeted Rate area) of \$0.007232 (including GST).

The rate will generate around \$390,000 (excluding GST) in rates revenue.

Rating Information

Due Date for Payment of Rates

All rates, with the exception of water charges for metered properties, will be payable in four equal instalments due on:

Instalment Number	Due Date
Instalment 1	20 August 2018
Instalment 2	20 November 2018
Instalment 3	20 February 2019
Instalment 4	20 May 2019

Water charges – metered properties

Water meters are read and invoices sent on a six monthly cycle. The amount payable is due on the 20th of the month following the month that the invoice was dated. The due dates are set out in more detail below.

Penalties

Pursuant to section 132 and to sections 57 and 58 of the Local Government (Rating) Act 2002, the Council delegates the authority to the Revenue Manager and the Revenue Operations Officer to apply the following penalties on unpaid rates:

- a) A penalty of 10% of the rates (other than water by meter rates) assessed in the 2018/2019 financial year that are unpaid after the due date for each instalment will be added on the relevant penalty date for each instalment stated below, except where a ratepayer has entered into an arrangement by way of direct debit authority, or an automatic payment authority, and honours that arrangement. For each instalment the date the penalty will be added is as follows:

Instalment Number	Penalty Date
Instalment 1	21 August 2018
Instalment 2	21 November 2018
Instalment 3	21 February 2019
Instalment 4	21 May 2019; and

- b) A penalty of 10% of the amount of all rates (including any penalties) other than water-by-meter rates from any previous financial years that are unpaid on 03 July 2018 will be added on 05 July 2018; and
- c) A penalty of 10% of the amount of all rates to which a penalty has been added under (b) and which are unpaid on 03 January 2019 will be added on 05 January 2019; and
- d) Water charges – metered properties

A penalty of 10% of the water by meter rates charged per invoice that are outstanding after the due date for payment will be added on the relevant penalty date for each billing month and area stated below, except where a ratepayer has entered into an arrangement by way of direct debit authority, or an automatic payment authority, and honours that arrangement. For each billing month and area, the due date and the date the penalty will be added is as follows:

Water-by-meter Rates Area	Billing Month	Due Date	Penalty date
Dargaville (Hokianga Road and side streets) and Glinks Gully	July 2018	20 August 2018	21 August 2018
	January 2019	20 February 2019	21 February 2019
Dargaville (Station and Beach Roads) and Mangawhare	August 2018	20 September 2018	21 September 2018
	February 2019	20 March 2019	21 March 2019
Dargaville Township East	September 2018	20 October 2018	21 October 2018
	March 2019	20 April 2019	22 April 2019
Dargaville (Awakino Road and Main Street) and Ruawai	October 2018	20 November 2018	21 November 2018
	April 2019	20 May 2019	21 May 2019
Dargaville (Ranfurly, Plunket and Tirarau Streets) and Maungaturoto Railway; Maungaturoto Township, and Mangawhai	November 2018	20 December 2018	21 December 2018
	May 2019	20 June 2019	21 June 2019
North Dargaville to Kaihu, Awakino Point and Baylys	December 2018	20 January 2019	21 January 2019
	June 2019	20 July 2019	22 July 2019

Payment of Rates

Rates payments can be made:

1. By direct debit.
2. By online banking.
3. By telephone banking.
4. By credit card online, MasterCard and Visa only. There is a transaction fee for payments by credit card online.
5. By automatic payment.
6. In person (EFTPOS, MasterCard, Visa, cheque or cash). There is a transaction fee for payments by credit card at Council's offices. Payment of rates will be accepted during normal business hours at either of the following two Council offices:
Dargaville: 42 Hokianga Road;
Mangawhai: Unit 6, The Hub, 6 Molesworth Drive
7. By mail to:

The Chief Executive
Kaipara District Council
Private Bag 92201
Auckland 1020

Any payments of rates due will be credited first to the oldest amounts due.

Sample Properties

The following table calculates the impact of Council's rating policy on properties:

- in different locations within the district
- with different land uses (residential, dairy, commercial, etcetera); and
- with different land values.

The land values presented in the table are representative of the land values in that location and for that land use.

Unless stated otherwise only one wastewater charge applies in the sample properties. For the reasons above the information should be treated as indicative.

Please note that the indicative rates on properties liable for the Mangawhai Wastewater Capital Contribution targeted rates would vary from the amounts shown in the schedule by the addition of one of the following amounts depending on which rate is applied: \$676.00 in the case of Capital Contribution A, \$569.95 in the case of Capital Contribution D, \$606.31 in the case of Capital Contribution E and \$643.26 in the case of Capital Contribution F.

Indicative rates are inclusive of GST.

Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates & remission	Total	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total	\$ change	% change		
2017/2018							2018/2019										
Residential Properties in Mangawhai																	
Previous land value: \$131,000							Current land value: \$280,000										
384	728	132	1,134	0	71	2,449	679	728	204	1,299	0	69	2,980	532	22%		
Previous land value: \$185,000							Current land value: \$320,000										
542	728	186	1,134	0	71	2,661	776	728	234	1,299	0	69	3,106	445	17%		
Previous land value: \$275,000							Current land value: \$430,000										
806	728	277	1,134	0	71	3,016	1,043	728	314	1,299	0	69	3,454	438	15%		
Previous land value: \$770,000							Current land value: \$970,000										
2,258	728	775	1,134	0	71	4,965	2,353	728	708	1,299	0	69	5,158	193	4%		

Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates & remission	Total	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total	\$ change	% change		
2017/2018							2018/2019										
Residential Properties in Dargaville																	
Previous land value: \$51,000							Current land value: \$65,000										
150	728	208	942	0	0	2,027	158	728	169	1,031	0	0	2,086	59	3%		
Previous land value: \$59,000							Current land value: \$80,000										
173	728	240	942	0	0	2,083	194	728	208	1,031	0	0	2,162	78	4%		
Previous land value: \$57,000							Current land value: \$79,000										
167	728	232	942	0	0	2,069	192	728	206	1,031	0	0	2,157	87	4%		
Previous land value: \$81,000							Current land value: \$125,000										
237	728	330	942	0	0	2,237	303	728	326	1,031	0	0	2,388	151	7%		
Residential Properties in Maungaturoto																	
Previous land value: \$73,000							Current land value: \$126,000										
214	728	0	1,134	0	0	2,076	306	728	0	1,294	0	0	2,327	251	12%		
Previous land value: \$76,000							Current land value: \$137,000										
223	728	0	1,134	0	0	2,085	332	728	0	1,294	0	0	2,354	269	13%		
Previous land value: \$78,000							Current land value: \$135,000										
229	728	0	1,134	0	0	2,090	328	728	0	1,294	0	0	2,349	259	12%		
Previous land value: \$90,000							Current land value: \$165,000										
2017/2018							2018/2019										
Residential Properties in Baylys																	
Previous land value: \$71,000							Current land value: \$109,000										
208	728	172	0	0	0	1,109	264	728	177	0	0	0	1,169	60	5%		
Previous land value: \$85,000							Current land value: \$116,000										
249	728	206	0	0	0	1,184	281	728	188	0	0	0	1,197	14	1%		
Previous land value: \$98,000							Current land value: \$138,000										
287	728	238	0	0	0	1,253	335	728	224	0	0	0	1,286	33	3%		
Previous land value: \$153,000							Current land value: \$215,000										
449	728	372	0	0	0	1,548	522	728	349	0	0	0	1,598	50	3%		

Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates & remission	Total	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total	\$ change	% change		
2017/2018							2018/2019										
Residential Properties in Te Kopuru																	
Previous land value: \$30,000							Current land value: \$42,000										
88	728	59	577	0	0	1,452	102	728	64	689	0	0	1,583	131	9%		
Previous land value: \$34,000							Current land value: \$48,000										
100	728	67	577	0	0	1,472	116	728	73	689	0	0	1,607	135	9%		
Previous land value: \$35,000							Current land value: \$50,000										
103	728	69	577	0	0	1,477	121	728	76	689	0	0	1,614	138	9%		
Previous land value: \$53,000							Current land value: \$75,000										
155	728	105	577	0	0	1,565	182	728	114	689	0	0	1,713	148	9%		
Residential Properties in Ruawai																	
Previous land value: \$25,000							Current land value: \$50,000										
73	728	0	0	122	39	962	121	728	0	0	154	39	1,042	79	8%		
Previous land value: \$27,000							Current land value: \$50,000										
79	728	0	0	132	39	978	121	728	0	0	154	39	1,042	64	7%		
Previous land value: \$27,000							Current land value: \$51,000										
79	728	0	0	132	39	978	124	728	0	0	157	39	1,047	69	7%		
Previous land value: \$32,000							Current land value: \$63,000										
94	728	0	0	157	39	1,017	153	728	0	0	194	39	1,113	96	9%		
Residential Properties in Tinopai																	
Previous land value: \$90,000							Current land value: \$127,000										
264	728	0	0	0	0	992	308	728	0	0	0	0	1,036	44	4%		
Previous land value: \$113,000							Current land value: \$157,000										
331	728	0	0	0	0	1,059	381	728	0	0	0	0	1,109	50	5%		
Previous land value: \$116,000							Current land value: \$164,000										
340	728	0	0	0	0	1,068	398	728	0	0	0	0	1,126	58	5%		
Previous land value: \$185,000							Current land value: \$260,000										
542	728	0	0	0	0	1,270	631	728	0	0	0	0	1,359	88	7%		

Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates & remission	Total	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total	\$ change	% change		
2017/2018							2018/2019										
Residential Properties in Paparoa																	
Previous land value: \$69,000							Current land value: \$150,000										
202	728	0	0	0	0	930	364	728	0	0	0	0	1,092	162	17%		
Previous land value: \$74,000							Current land value: \$160,000										
217	728	0	0	0	0	945	388	728	0	0	0	0	1,116	171	18%		
Previous land value: \$77,000							Current land value: \$170,000										
226	728	0	0	0	0	954	412	728	0	0	0	0	1,140	187	20%		
Previous land value: \$113,000							Current land value: \$225,000										
331	728	0	0	0	0	1,059	546	728	0	0	0	0	1,274	215	20%		
Residential Properties in Kaiwaka																	
Previous land value: \$62,000							Current land value: \$133,000										
182	728	79	989	0	0	1,978	323	728	113	1,190	0	0	2,354	376	19%		
Previous land value: \$65,000							Current land value: \$140,000										
191	728	83	989	0	0	1,991	340	728	119	1,190	0	0	2,377	386	19%		
Previous land value: \$79,000							Current land value: \$150,000										
232	728	101	989	0	0	2,050	364	728	128	1,190	0	0	2,410	360	18%		
Previous land value: \$113,000							Current land value: \$240,000										
331	728	145	989	0	0	2,193	582	728	205	1,190	0	0	2,705	512	23%		
Residential Properties in Pahi																	
Previous land value: \$83,000							Current land value: \$186,000										
243	728	0	0	0	0	971	451	728	0	0	0	0	1,179	208	21%		
Previous land value: \$95,000							Current land value: \$220,000										
279	728	0	0	0	0	1,007	534	728	0	0	0	0	1,262	255	25%		
Previous land value: \$100,000							Current land value: \$232,000										
293	728	0	0	0	0	1,021	563	728	0	0	0	0	1,291	270	26%		
Previous land value: \$162,000							Current land value: \$341,000										
475	728	0	0	0	0	1,203	827	728	0	0	0	0	1,555	352	29%		

Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates & remission	Total	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total	\$ change	% change		
2017/2018							2018/2019										
Residential Properties in Ginks Gully																	
Previous land value: \$235,000							Current land value: \$225,000										
689	728	0	1,134	0	0	2,551	546	728	0	1,258	0	0	2,532	-19	-1%		
Previous land value: \$245,000							Current land value: \$245,000										
718	728	0	1,134	0	0	2,580	594	728	0	1,258	0	0	2,580	0	0%		
Previous land value: \$230,000							Current land value: \$225,000										
674	728	0	1,134	0	0	2,536	546	728	0	1,258	0	0	2,532	-5	0%		
Previous land value: \$255,000							Current land value: \$255,000										
748	728	0	1,134	0	0	2,609	619	728	0	1,258	0	0	2,604	-5	0%		
Lifestyle Properties in Mangawhai																	
Previous land value: \$165,000							Current land value: \$305,000									0.47ha	
484	728	166	0	0	74	1,452	740	728	223	0	0	71	1,762	310	21%		
Previous land value: \$205,000							Current land value: \$355,000									0.59ha	
601	728	206	0	0	74	1,609	861	728	259	0	0	71	1,919	310	19%		
Previous land value: \$257,000							Current land value: \$420,000									2.5ha	
1,168	728	259	0	0	74	2,228	1,579	728	307	0	0	71	2,685	456	20%		
Previous land value: \$650,000							Current land value: \$1,150,000									9.5ha	
2,954	728	654	0	0	74	4,410	4,324	728	840	0	0	71	5,963	1,553	35%		
Lifestyle Properties in Kaiwaka																	
Previous land value: \$145,000							Current land value: \$270,000									1.6ha	
425	728	0	0	0	0	1,153	655	728	0	0	0	0	1,383	230	20%		
Previous land value: \$175,000							Current land value: \$335,000									1.6ha	
513	728	0	0	0	0	1,241	813	728	0	0	0	0	1,541	300	24%		
Previous land value: \$185,000							Current land value: \$275,000									5.9ha	
841	728	0	0	0	0	1,569	1,034	728	0	0	0	0	1,762	193	12%		
Previous land value: \$280,000							Current land value: \$370,000									9.1ha	
1,272	728	0	0	0	0	2,000	1,391	728	0	0	0	0	2,119	119	6%		

Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates & remission	Total	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total	\$ change	% change		
2017/2018							2018/2019										
Lifestyle Properties in Maungaturoto																	
Previous land value: \$98,000							Current land value: \$180,000							0.6ha			
287	728	0	0	0	0	1,015	437	728	0	0	0	0	1,165	149	15%		
Previous land value: \$116,000							Current land value: \$200,000							1.3ha			
340	728	0	0	0	0	1,068	485	728	0	0	0	0	1,213	145	14%		
Previous land value: \$130,000							Current land value: \$225,000							1.8ha			
381	728	0	0	0	0	1,109	546	728	0	0	0	0	1,274	165	15%		
Previous land value: \$215,000							Current land value: \$345,000							12.2ha			
977	728	0	0	0	0	1,705	1,297	728	0	0	0	0	2,025	320	19%		
Lifestyle Properties in Paparoa																	
Previous land value: \$76,000							Current land value: \$160,000							0.59ha			
223	728	0	0	0	0	951	388	728	0	0	0	0	1,116	165	17%		
Previous land value: \$91,000							Current land value: \$175,000							3.5ha			
414	728	0	0	0	0	1,142	658	728	0	0	0	0	1,386	244	21%		
Previous land value: \$104,000							Current land value: \$195,000							4.0ha			
473	728	0	0	0	0	1,201	733	728	0	0	0	0	1,461	261	22%		
Previous land value: \$229,000							Current land value: \$330,000							10.0ha			
1,041	728	0	0	0	0	1,769	1,241	728	0	0	0	0	1,969	200	11%		
Pastoral Property in Waipoua																	
Previous land value: \$301,000							Current land value: \$320,000										
1,368	728	0	0	0	0	2,096	1,203	728	0	0	0	0	1,931	-165	-8%		
Pastoral Property in Kaihu 100ha																	
Previous land value: \$470,000							Current land value: \$500,000										
2,136	728	0	0	0	0	2,864	1,880	728	0	0	0	0	2,608	-256	-9%		
Pastoral Property in Pouto Peninsula 67ha																	
Previous land value: \$665,000							Current land value: \$700,000										
3,022	728	0	0	350	0	4,100	2,632	728	0	0	341	0	3,701	-399	-10%		

Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates & remission	Total	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total	\$ change	% change		
2017/2018							2018/2019										
Pastoral Property in Kaiwaka 235ha																	
Previous land value: \$1,890,000							Current land value: \$1,950,000										
8,588	728	0	0	0	0	9,316	7,332	728	0	0	0	0	8,060	-1,256	-13%		
Dairy Property in Maungaturoto 51ha																	
Previous land value: \$530,000							Current land value: \$670,000										
2,408	728	0	0	0	0	3,136	2,519	728	0	0	0	0	3,247	111	4%		
Dairy Property in Tokatoka 70ha																	
Previous land value: \$790,000							Current land value: \$780,000										
3,590	728	0	0	1,933	39	6,290	2,933	728	0	0	2,003	39	5,702	-587	-9%		
Dairy Property in Pouto 76ha																	
Previous land value: \$950,000							Current land value: \$970,000										
4,317	728	0	0	811	0	5,856	3,647	728	0	0	782	0	5,157	-699	-12%		
Dairy Property in Ruawai 247ha																	
Previous land value: \$2,770,000							Current land value: \$2,770,000										
12,587	728	0	0	6,778	39	20,132	10,415	728	0	0	7,113	39	18,295	-1,837	-9%		
Horticultural Property in Central																	
Previous land value: \$320,000							Current land value: \$390,000										
1,454	728	0	0	226	0	2,408	1,466	728	0	0	236	0	2,431	22	1%		
Forestry Exotic Property in Waipoua 293ha																	
Previous land value: \$360,000							Current land value: \$400,000										
1,636	728	0	0	0	2,893	5,257	1,504	728	0	0	0	2,893	5,125	-132	-3%		
Commercial Properties in Dargaville																	
Previous land value: \$77,000							Current land value: \$80,000										
350	728	314	942	0	0	2,334	301	728	208	1,031	0	0	2,268	-65	-3%		
Previous land value: \$120,000							Current land value: \$120,000										
545	728	489	1,413	0	0	3,175	451	728	313	1,547	0	0	3,038	-137	-4%		
Previous land value: \$150,000							Current land value: \$150,000										
682	728	611	1,884	0	0	3,905	564	728	391	2,062	0	0	3,745	-160	-4%		
Previous land value: \$365,000							Current land value: \$365,000										
1,659	728	1,487	3,768	0	0	7,641	1,372	728	951	4,124	0	0	7,176	-466	-6%		

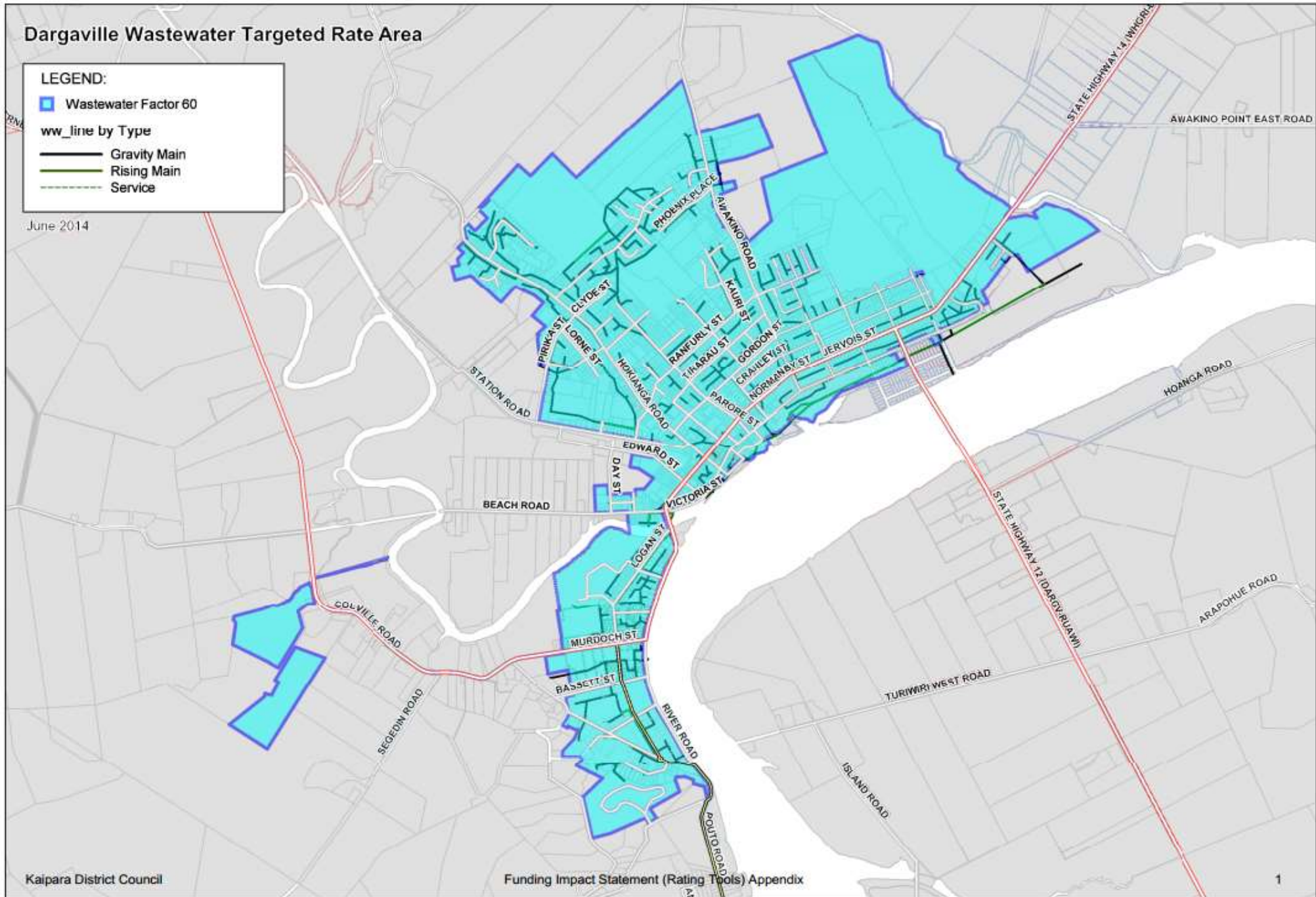
Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates & remission	Total	Value-based general rate	UAGC	Stormwater	Wastewater	Land drainage	Other rates	Total	\$ change	% change		
2017/2018							2018/2019										
Commercial Property in Mangawhai																	
Previous land value: \$410,000							Current land value: \$820,000										
1,863	728	412	2,268	0	71	5,342	3,083	728	599	2,598	0	69	7,077	1,735	32%		
Industrial Property in Dargaville																	
Previous land value: \$115,000							Current land value: \$115,000										
523	728	468	942	0	0	2,661	432	728	300	1,031	0	0	2,491	-170	-6%		

Draft



Appendix: Targeted Rating Areas Index and Maps

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Glinks Gully Wastewater Targeted Rate Area

LEGEND:

- Glinks Gully Wastewater

ww_line by Type

—	Gravity Main	(2277)
—	Rising Main	(96)
- - -	Service	(6620)

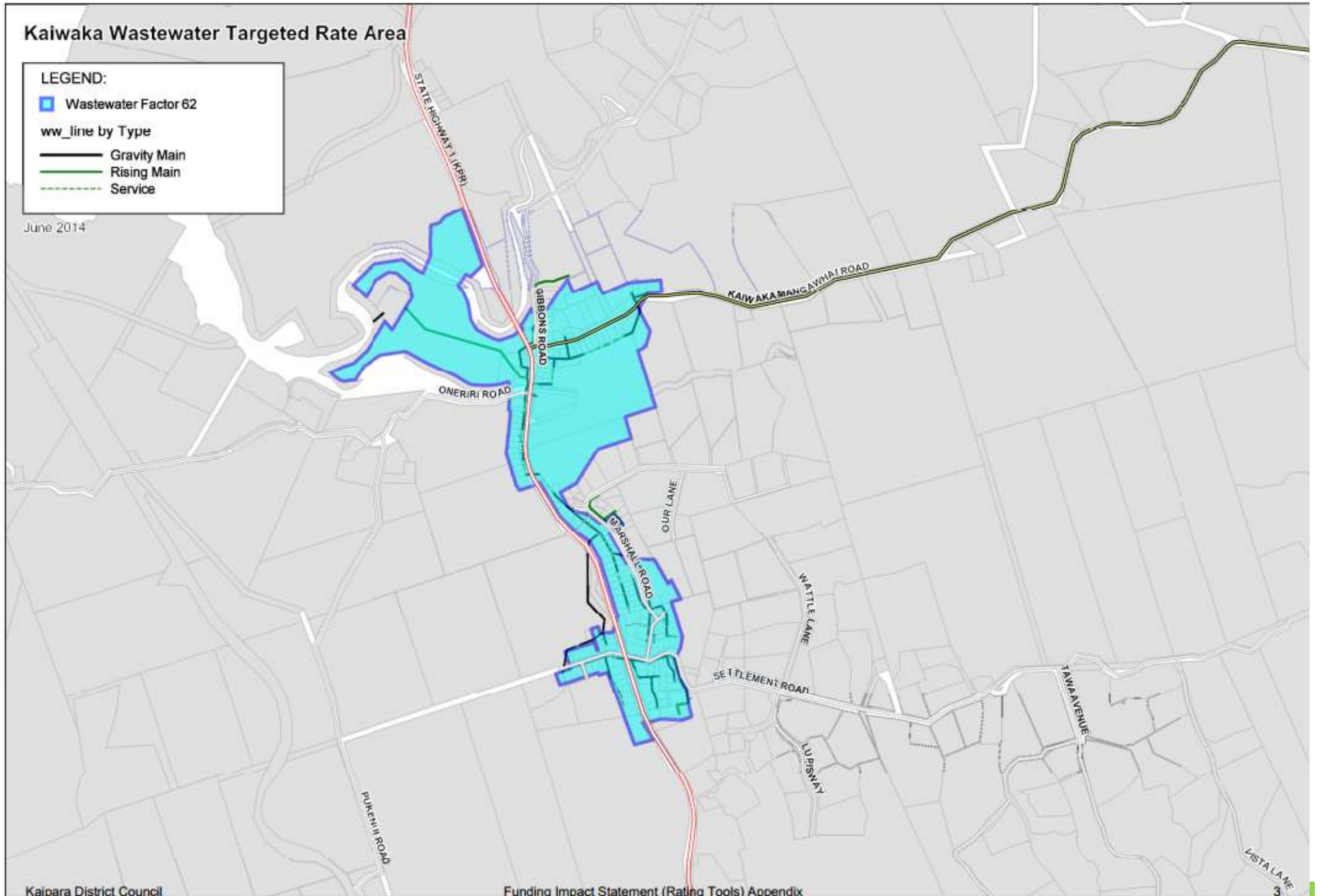


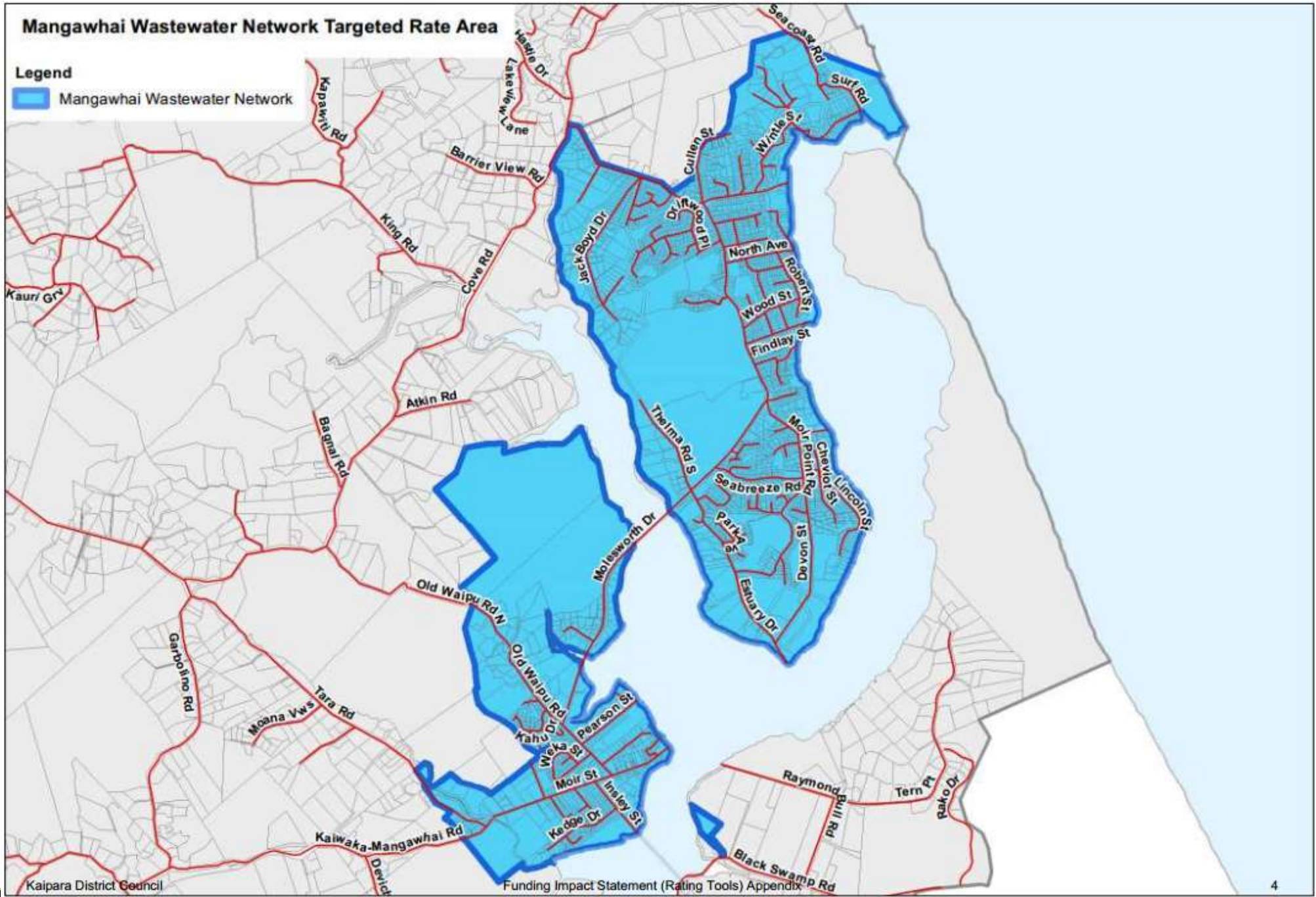
Kaiwaka Wastewater Targeted Rate Area

LEGEND:

- Wastewater Factor 62
- ww_line by Type
 - Gravity Main
 - Rising Main
 - Service

June 2014





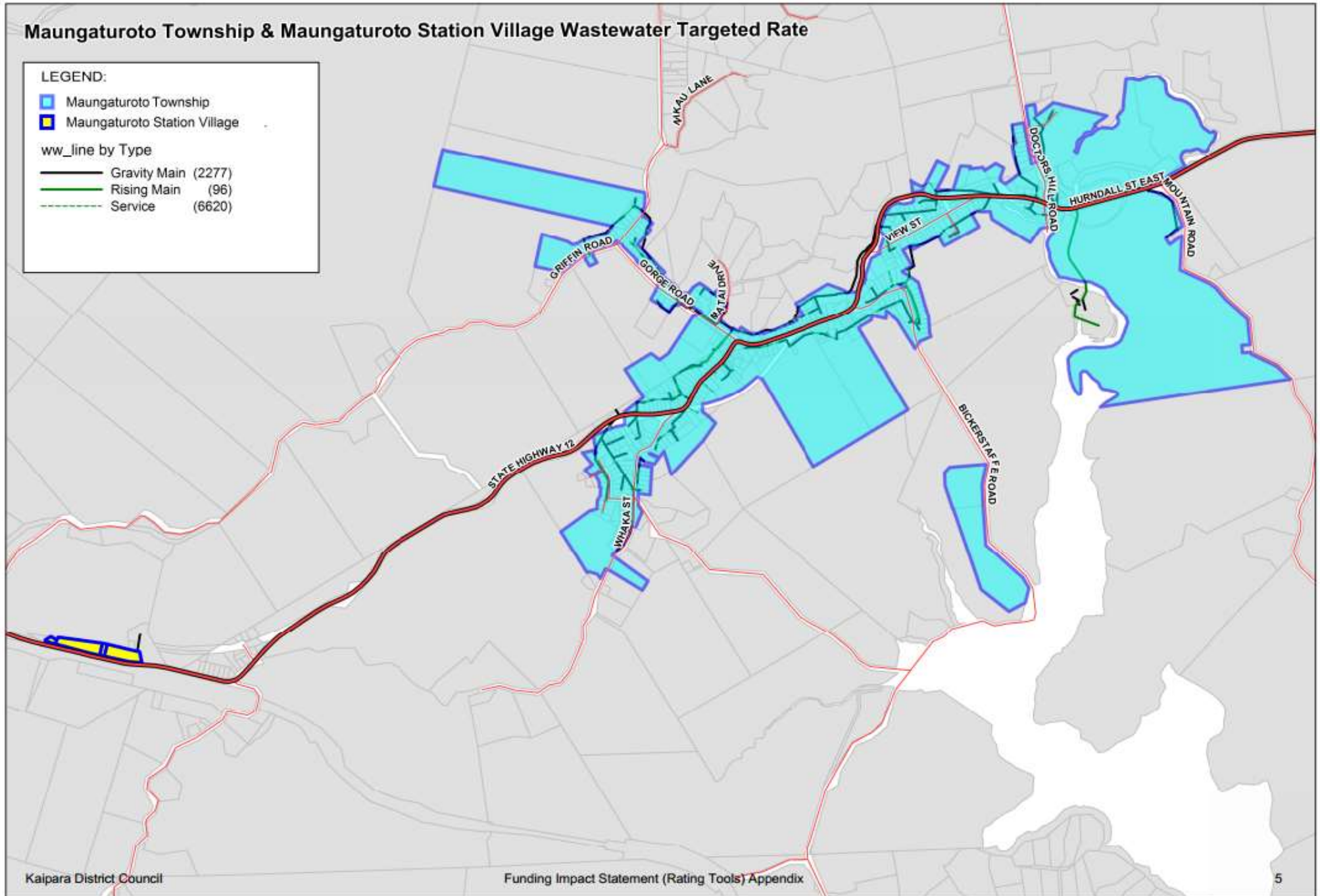
Maungaturoto Township & Maungaturoto Station Village Wastewater Targeted Rate

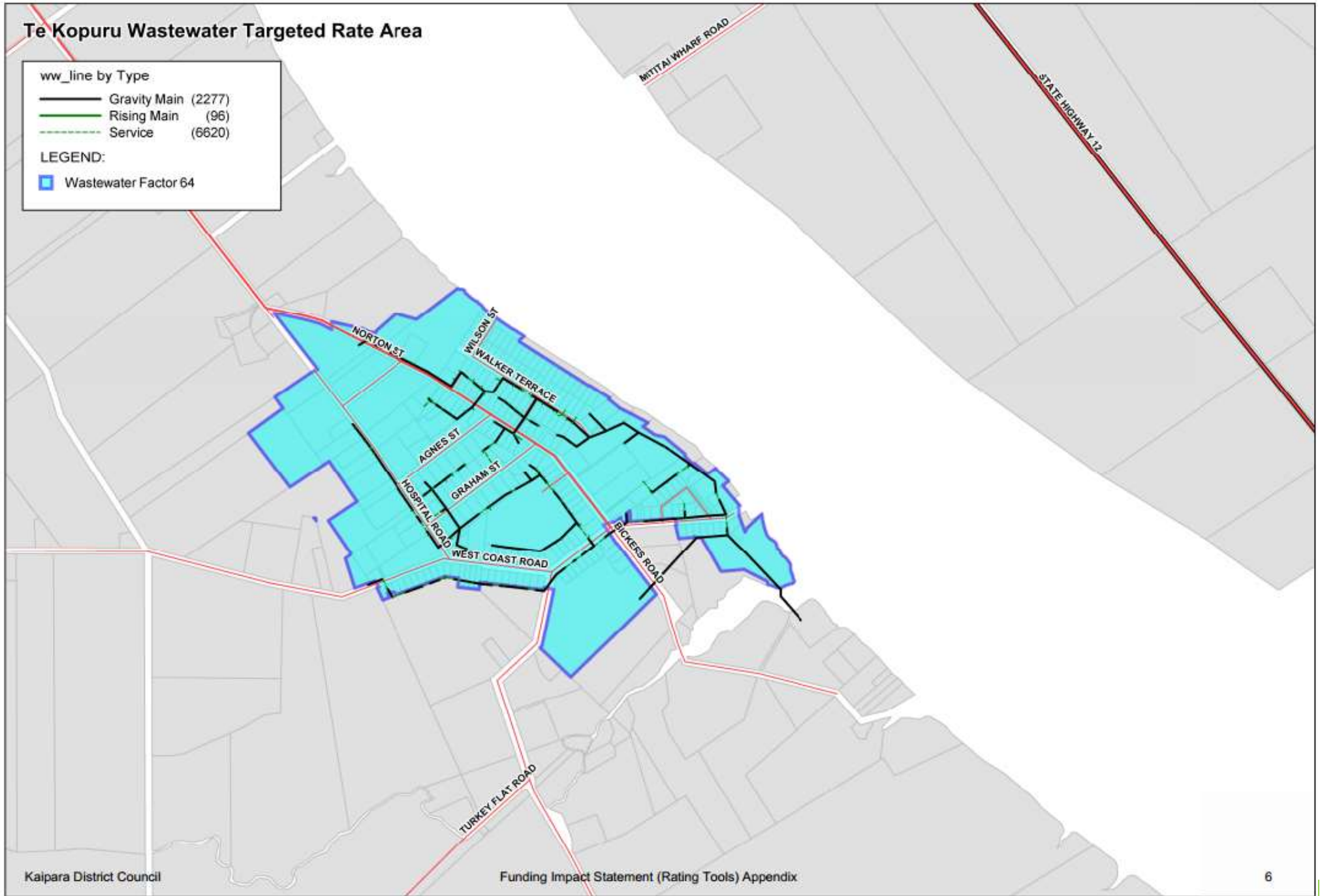
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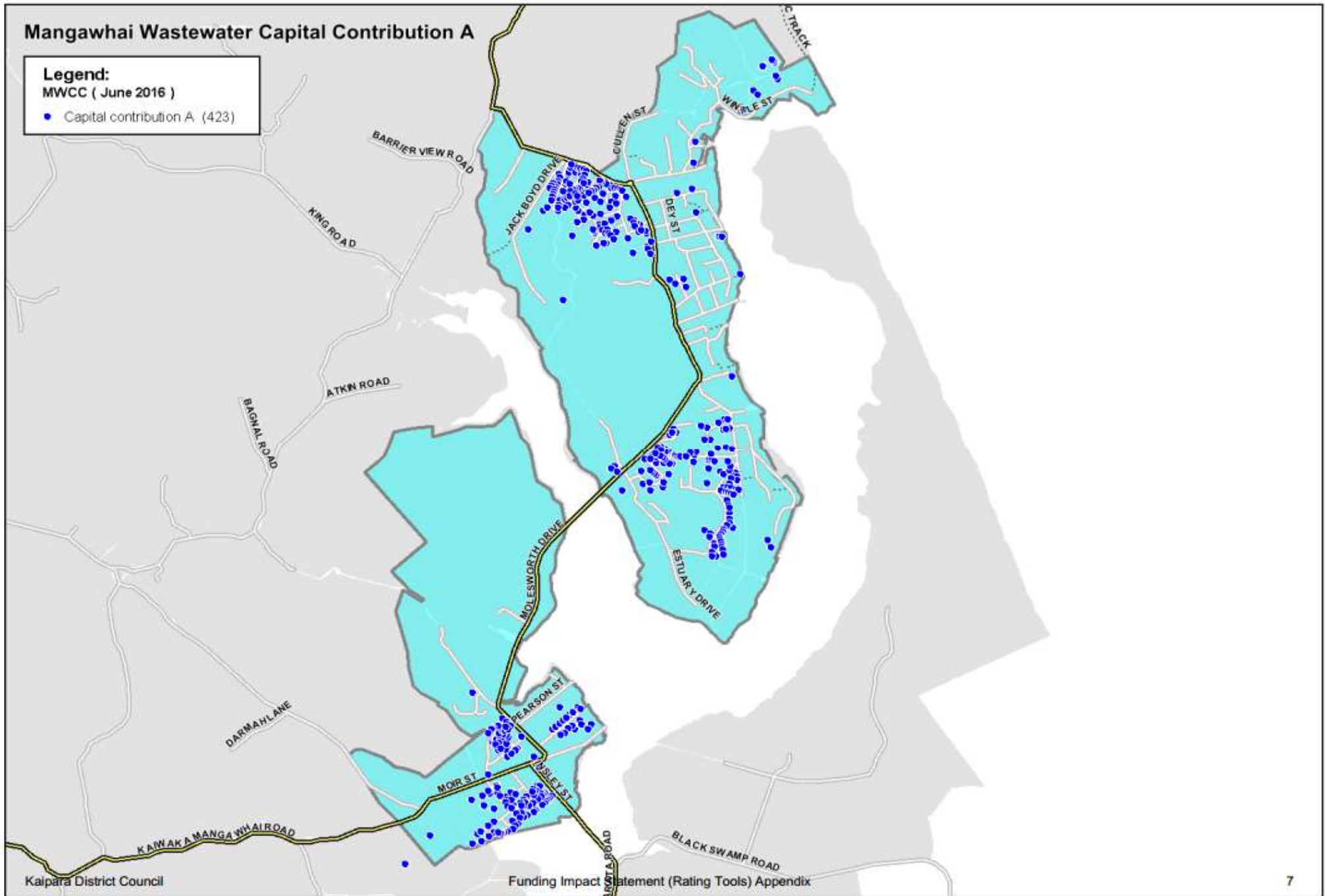
- Maungaturoto Township
- Maungaturoto Station Village

ww_line by Type

- Gravity Main (2277)
- Rising Main (96)
- Service (6620)







Mangawhai Wastewater Capital Contribution A

Valuation	Location	Valuation	Location	Valuation	Location
0122001352	49 Jack Boyd Drive, Mangawhai	0122011521	5 Parklands Avenue, Mangawhai	0122011592	191 Thelma Road North, Mangawhai
0122010203	Wintle Street, Mangawhai	0122011522	7 Parklands Avenue, Mangawhai	0122011599	183 Thelma Road North, Mangawhai
0122010206	Wintle Street, Mangawhai	0122011523	9 Parklands Avenue, Mangawhai	0122011601	38 Mangawhai Heads Road, Mangawhai
0122010211	Wintle Street, Mangawhai	0122011524	11 Parklands Avenue, Mangawhai	0122011605	190 Thelma Road North, Mangawhai
0122010213	Wintle Street, Mangawhai	0122011525	13 Parklands Avenue, Mangawhai	0122011606	5 Thelma Road South, Mangawhai
0122010215	Wintle Street, Mangawhai	0122011526	15 Parklands Avenue, Mangawhai	0122011607	7 Thelma Road South, Mangawhai
0122010226	Wintle Street, Mangawhai	0122011527	19 Parklands Avenue, Mangawhai	0122011608	9 Thelma Road South, Mangawhai
0122010228	Wintle Street, Mangawhai	0122011528	21 Parklands Avenue, Mangawhai	0122011610	13 Te Whai Street, Mangawhai
0122010229	Wintle Street, Mangawhai	0122011529	23 Parklands Avenue, Mangawhai	0122011612	10 Thelma Road South, Mangawhai
0122010230	Wintle Street, Mangawhai	0122011530	25 Parklands Avenue, Mangawhai	0122011613	8 Te Whai Street, Mangawhai
0122010232	Wintle Street, Mangawhai	0122011531	27 Parklands Avenue, Mangawhai	0122011615	4 Te Whai Street, Mangawhai
0122010233	Wintle Street, Mangawhai	0122011532	29 Parklands Avenue, Mangawhai	0122011617	186 Thelma Road North, Mangawhai
0122010234	Wintle Street, Mangawhai	0122011535	196 Thelma Road North, Mangawhai	0122011618	184 Thelma Road North, Mangawhai
0122011305	61 Mangawhai Heads Road, Mangawhai	0122011537	200 Thelma Road North, Mangawhai	0122011619	182 Thelma Road North, Mangawhai
0122011354	31A Jack Boyd Drive, Mangawhai	0122011538	202 Thelma Road North, Mangawhai	0122011620	14 Te Whai Street, Mangawhai
0122011378	48A Driftwood Place, Mangawhai	0122011541	208 Thelma Road North, Mangawhai	0122011621	5 Anchorage Road, Mangawhai
0122011381	44 Driftwood Place, Mangawhai	0122011542	210 Thelma Road North, Mangawhai	0122011622	7A Anchorage Road, Mangawhai
0122011384	38 Driftwood Place, Mangawhai	0122011545	214 Thelma Road North, Mangawhai	0122011624	9 Anchorage Road, Mangawhai
0122011385	36 Driftwood Place, Mangawhai	0122011546	216 Thelma Road North, Mangawhai	0122011625	7C Anchorage Road, Mangawhai
0122011386	34 Driftwood Place, Mangawhai	0122011547	18 Parklands Avenue, Mangawhai	0122011627	3 Beachcomber Road, Mangawhai
0122011387	32 Driftwood Place, Mangawhai	0122011553	10 Hillside Avenue, Mangawhai	0122011628	5 Beachcomber Road, Mangawhai
0122011388	30 Driftwood Place, Mangawhai	0122011555	6 Hillside Avenue, Mangawhai	0122011629	7 Beachcomber Road, Mangawhai
0122011392	27 Driftwood Place, Mangawhai	0122011557	89 Mangawhai Heads Road, Mangawhai	0122011630	9 Beachcomber Road, Mangawhai
0122011396	35 Driftwood Place, Mangawhai	0122011558	87 Mangawhai Heads Road, Mangawhai	0122011633	4B Beachcomber Road, Mangawhai
0122011398	2 Driftwood Place, Mangawhai	0122011559	85 Mangawhai Heads Road, Mangawhai	0122011634	4A Beachcomber Road, Mangawhai
0122011417	24 Driftwood Place, Mangawhai	0122011560	83 Mangawhai Heads Road, Mangawhai	0122011640	23 Anchorage Road, Mangawhai
0122011419	19 Driftwood Place, Mangawhai	0122011561	81 Mangawhai Heads Road, Mangawhai	0122011644	10 Anchorage Road, Mangawhai
0122011422	13 Driftwood Place, Mangawhai	0122011564	4 Hillside Avenue, Mangawhai	0122011645	8 Anchorage Road, Mangawhai
0122011430	7 Sandy Lane, Mangawhai	0122011566	2 Hillside Avenue, Mangawhai	0122011646	6 Anchorage Road, Mangawhai
0122011437	7 Marram Place, Mangawhai	0122011567	14 Parklands Avenue, Mangawhai	0122011648	Thelma Road South, Mangawhai
0122011444	48E Driftwood Place, Mangawhai	0122011568	12 Parklands Avenue, Mangawhai	0122011654	16 Te Whai Street, Mangawhai
0122011453	27 Spinifex Road, Mangawhai	0122011569	10 Parklands Avenue, Mangawhai	0122011655	18 Te Whai Street, Mangawhai
0122011458	17 Spinifex Road, Mangawhai	0122011570	8 Parklands Avenue, Mangawhai	0122011695	17 Parklands Avenue, Mangawhai
0122011460	13 Spinifex Road, Mangawhai	0122011574	209 Thelma Road North, Mangawhai	0122011696	Parklands Avenue, Mangawhai
0122011465	3 Spinifex Road, Mangawhai	0122011576	207 Thelma Road North, Mangawhai	0122011702	297 Molesworth Drive, Mangawhai
0122011468	6 Spinifex Road, Mangawhai	0122011577	205 Thelma Road North, Mangawhai	0122011703	297A Molesworth Drive, Mangawhai
0122011470	10 Spinifex Road, Mangawhai	0122011579	9 Jack Boyd Drive, Mangawhai	0122011704	285B Molesworth Drive, Mangawhai
0122011474	10 Marram Place, Mangawhai	0122011580	203 Thelma Road North, Mangawhai	0122011705	285A Molesworth Drive, Mangawhai
0122011476	16 Marram Place, Mangawhai	0122011581	201 Thelma Road North, Mangawhai	0122011706	Molesworth Drive, Mangawhai
0122011479	22 Marram Place, Mangawhai	0122011582	11 Jack Boyd Drive, Mangawhai	0122011713	4 Sailrock Drive, Mangawhai
0122011487	3 Anchorage Road, Mangawhai	0122011583	13 Jack Boyd Drive, Mangawhai	0122011714	6A Sailrock Drive, Mangawhai
0122011499	79B/1 Jack Boyd Drive, Mangawhai	0122011584	199 Thelma Road North, Mangawhai	0122011716	6C Sailrock Drive, Mangawhai
0122011516	63 Mangawhai Heads Road, Mangawhai	0122011585	197 Thelma Road North, Mangawhai	0122011718	6E Sailrock Drive, Mangawhai
0122011518	67 Mangawhai Heads Road, Mangawhai	0122011588	195 Thelma Road North, Mangawhai	0122011719	6F Sailrock Drive, Mangawhai
0122011519	69 Mangawhai Heads Road, Mangawhai	0122011589	193 Thelma Road North, Mangawhai	0122011720	8 Sailrock Drive, Mangawhai

Mangawhai Wastewater Capital Contribution A

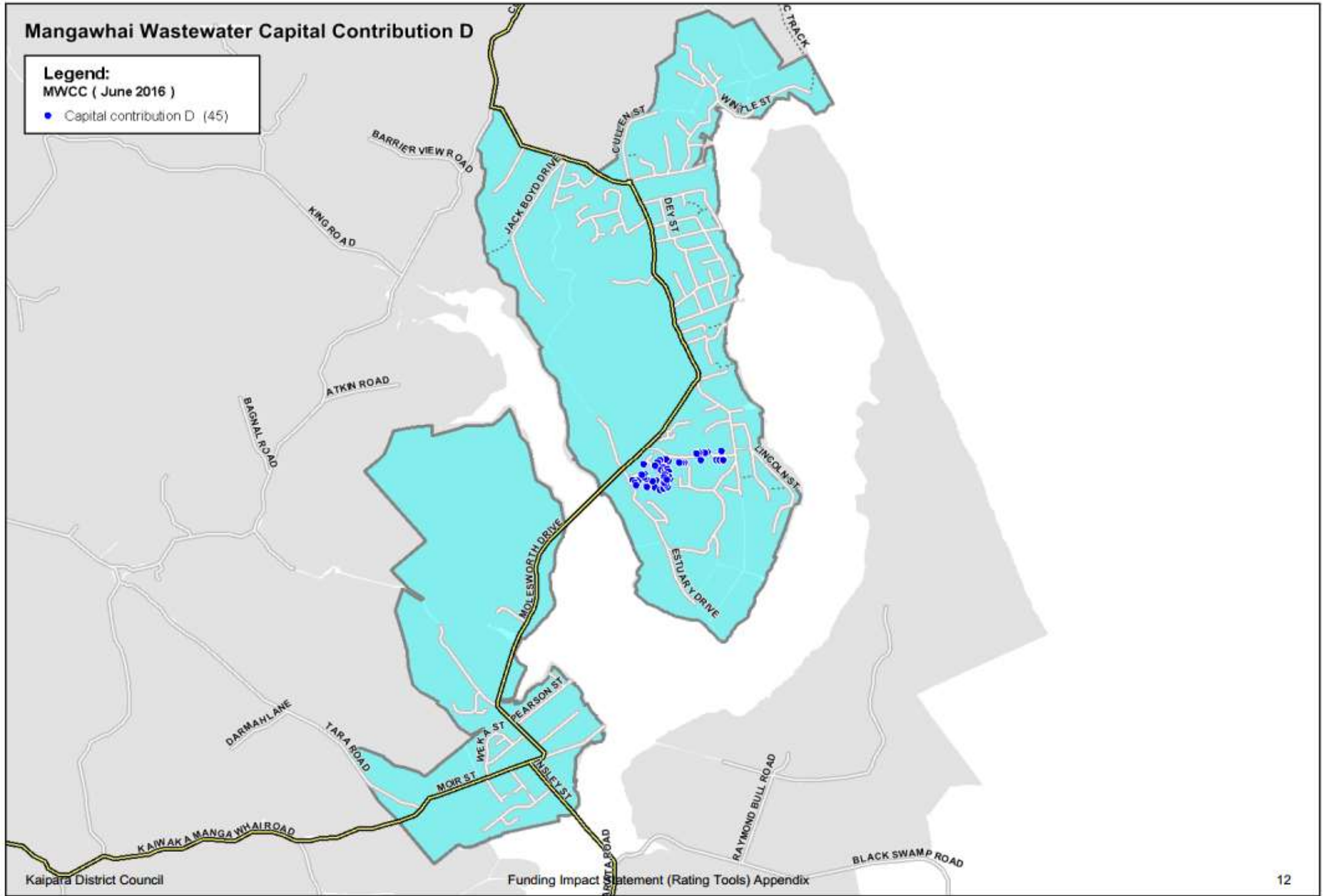
Valuation	Location	Valuation	Location	Valuation	Location
0122011812	289 Molesworth Drive, Mangawhai	0122183728	9A Cornwall Way, Mangawhai	0122183825	6 Nautical Heights, Mangawhai
0122011870	Molesworth Drive, Mangawhai	0122183729	7A Cornwall Way, Mangawhai	0122183826	4 Nautical Heights, Mangawhai
0122011871	13 Sailrock Drive, Mangawhai	0122183731	Devon Street, Mangawhai	0122183827	2 Nautical Heights, Mangawhai
0122011873	9 Sailrock Drive, Mangawhai	0122183732	18 Devon Street, Mangawhai	0122183828	1 Kawau Lane, Mangawhai
0122011875	5 Sailrock Drive, Mangawhai	0122183733	14 Cornwall Way, Mangawhai	0122183830	5 Kawau Lane, Mangawhai
0122011876	3 Sailrock Drive, Mangawhai	0122183735	10 Cornwall Way, Mangawhai	0122183831	7 Kawau Lane, Mangawhai
0122012005	8 Thelma Road South, Mangawhai	0122183736	8 Cornwall Way, Mangawhai	0122183832	8 Kawau Lane, Mangawhai
0122012006	6 Thelma Road South, Mangawhai	0122183737	6 Cornwall Way, Mangawhai	0122183833	9 Kawau Lane, Mangawhai
0122012008	2 Thelma Road South, Mangawhai	0122183738	4 Cornwall Way, Mangawhai	0122183834	6 Kawau Lane, Mangawhai
0122014257	4A Kahu Drive, Mangawhai	0122183744	Moir Point Road, Mangawhai	0122183835	4 Kawau Lane, Mangawhai
0122100302	145C Wintle Street, Mangawhai	0122183745	Moir Point Road, Mangawhai	0122183860	10 Norfolk Drive, Mangawhai
0122100303	145D Wintle Street, Mangawhai	0122183746	Moir Point Road, Mangawhai	0122183874	18B Norfolk Drive, Mangawhai
0122100800	97 Wintle Street, Mangawhai	0122183748	85 Moir Point Road, Mangawhai	0122183881	24E Norfolk Drive, Mangawhai
0122101700	115 Wintle Street, Mangawhai	0122183750	Moir Point Road, Mangawhai	0122183885	23 Norfolk Drive, Mangawhai
0122105900	89 Wintle Street, Mangawhai	0122183751	Moir Point Road, Mangawhai	0122183895	9A Norfolk Drive, Mangawhai
0122116700	1A Doris Street, Mangawhai	0122183752	Moir Point Road, Mangawhai	0122183901	2 Quail Way, Mangawhai
0122117800	8 Wintle Street, Mangawhai	0122183754	Moir Point Road, Mangawhai	0122183902	45 Seabreeze Road, Mangawhai
0122119802	53 Olsen Avenue, Mangawhai	0122183755	Moir Point Road, Mangawhai	0122183906	56 Norfolk Drive, Mangawhai
0122122702	37 Olsen Avenue, Mangawhai	0122183756	101 Moir Point Road, Mangawhai	0122183909	16 Quail Way, Mangawhai
0122126600	25- 29 Wharfedale Crescent, Mangawhai	0122183757	Moir Point Road, Mangawhai	0122183912	13-17 Quail Way, Mangawhai
0122136900	264 Molesworth Drive, Mangawhai	0122183758	3 Jordan Street, Mangawhai	0122183914	1 Quail Way, Mangawhai
0122137101	Molesworth Drive, Mangawhai	0122183759	5 Jordan Street, Mangawhai	0122183918	48 Moir Point Road, Mangawhai
0122138104	8A Fagan Place, Mangawhai	0122183760	7 Jordan Street, Mangawhai	0122183923	5 Quail Way, Mangawhai
0122138105	Fagan Place, Mangawhai	0122183761	9 Jordan Street, Mangawhai	0122183924	3 Quail Way, Mangawhai
0122148301	34 North Avenue, Mangawhai	0122183762	11 Jordan Street, Mangawhai	0122183927	40C Moir Point Road, Mangawhai
0122148302	36 North Avenue, Mangawhai	0122183763	13 Jordan Street, Mangawhai	0122183928	40A Moir Point Road, Mangawhai
0122148303	38 North Avenue, Mangawhai	0122183764	15 Jordan Street, Mangawhai	0122183930	38 Moir Point Road, Mangawhai
0122150800	Robert Street, Mangawhai	0122183766	4 Molesworth Drive, Mangawhai	0122183943	19 Quail Way, Mangawhai
0122168301	26 Heather Street, Mangawhai	0122183768	10 Jordan Street, Mangawhai	0122183945	56A Moir Point Road, Mangawhai
0122182414	48 Lincoln Street, Mangawhai	0122183770	14 Jordan Street, Mangawhai	0122183946	56 Moir Point Road, Mangawhai
0122182418	67A Lincoln Street, Mangawhai	0122183771	10 Jordan Street, Mangawhai	0122183948	52 Moir Point Road, Mangawhai
0122183601	26 Estuary Drive, Mangawhai	0122183808	7 Nautical Heights, Mangawhai	0122183949	50 Moir Point Road, Mangawhai
0122183700	75 Moir Point Road, Mangawhai	0122183810	11 Kawau Lane, Mangawhai	0122183963	18C Quail Way, Mangawhai
0122183703	104 Moir Point Road, Mangawhai	0122183811	13 Nautical Heights, Mangawhai	0122183977	31 Seabreeze Road, Mangawhai
0122183704	106 Moir Point Road, Mangawhai	0122183813	17 Nautical Heights, Mangawhai	0122183978	29D Seabreeze Road, Mangawhai
0122183705	108 Moir Point Road, Mangawhai	0122183814	19 Nautical Heights, Mangawhai	0122183981	29A Seabreeze Road, Mangawhai
0122183713	Jordan Street, Mangawhai	0122183815	21 Nautical Heights, Mangawhai	0122183986	34 Seabreeze Road, Mangawhai
0122183715	6 Devon Street, Mangawhai	0122183817	22 Nautical Heights, Mangawhai	0122183992	46 Seabreeze Road, Mangawhai
0122183716	53 Moir Point Road, Mangawhai	0122183818	20 Nautical Heights, Mangawhai	0122183993	48 Seabreeze Road, Mangawhai
0122183717	10 Devon Street, Mangawhai	0122183819	18 Nautical Heights, Mangawhai	0122183994	50 Seabreeze Road, Mangawhai
0122183718	12 Devon Street, Mangawhai	0122183820	16 Nautical Heights, Mangawhai	0122183998	58 Seabreeze Road, Mangawhai
0122183719	55 Moir Point Road, Mangawhai	0122183821	14 Nautical Heights, Mangawhai	0122184018	28 Norfolk Drive, Mangawhai
0122183723	7B Cornwall Way, Mangawhai	0122183822	12 Nautical Heights, Mangawhai	0122184021	33 Norfolk Drive, Mangawhai
0122183724	9B Cornwall Way, Mangawhai	0122183823	10 Nautical Heights, Mangawhai	0122184022	35 Norfolk Drive, Mangawhai
0122183727	11 Cornwall Way, Mangawhai	0122183824	8 Nautical Heights, Mangawhai	0122184023	37 Norfolk Drive, Mangawhai

Mangawhai Wastewater Capital Contribution A

Valuation	Location	Valuation	Location	Valuation	Location
0122184024	39 Norfolk Drive, Mangawhai	0122188726	14 Dune View Drive, Mangawhai	0122191687	6B Spinnaker Lane, Mangawhai
0122184029	46D Norfolk Drive, Mangawhai	0122188732	Dune View Drive, Mangawhai	0122191688	6A Spinnaker Lane, Mangawhai
0122184035	40C Norfolk Drive, Mangawhai	0122191600	14 Insley Street, Mangawhai	0122191691	53 Kedge Drive, Mangawhai
0122184044	34D Norfolk Drive, Mangawhai	0122191601	16A Insley Street, Mangawhai	0122191692	55-61 Kedge Drive, Mangawhai
0122184071	4 Quail Way, Mangawhai	0122191602	16B Insley Street, Mangawhai	0122191693	65-68 Kedge Drive, Mangawhai
0122184074	4 Bodan Lane, Mangawhai	0122191608	30 Insley Street, Mangawhai	0122191695	69 Kedge Drive, Mangawhai
0122184075	3 Bodan Lane, Mangawhai	0122191610	3 Kedge Drive, Mangawhai	0122191696	71 Kedge Drive, Mangawhai
0122184076	1 Bodan Lane, Mangawhai	0122191611	5 Kedge Drive, Mangawhai	0122191698	74 Kedge Drive, Mangawhai
0122184082	8 Quail Way, Mangawhai	0122191612	7 Kedge Drive, Mangawhai	0122191699	71 Kedge Drive, Mangawhai
0122184084	40 Moir Point Road, Mangawhai	0122191613	9 Kedge Drive, Mangawhai	0122191706	62-64 Kedge Drive, Mangawhai
0122184090	Moir Point Road, Mangawhai	0122191614	11 Kedge Drive, Mangawhai	0122191707	60 Kedge Drive, Mangawhai
0122184101	3 Seabreeze Road, Mangawhai	0122191618	19 Kedge Drive, Mangawhai	0122191711	66 Kedge Drive, Mangawhai
0122184102	5B Seabreeze Road, Mangawhai	0122191619	4 Kedge Drive, Mangawhai	0122193402	4 Ruby Lane, Mangawhai
0122184103	5A Seabreeze Road, Mangawhai	0122191620	6 Kedge Drive, Mangawhai	0122193403	6 Ruby Lane, Mangawhai
0122184104	7 Seabreeze Road, Mangawhai	0122191621	8A Kedge Drive, Mangawhai	0122193405	1 Herons Lane, Mangawhai
0122184105	9B Seabreeze Road, Mangawhai	0122191623	10 Kedge Drive, Mangawhai	0122193407	2 Herons Lane, Mangawhai
0122184106	9A Seabreeze Road, Mangawhai	0122191624	12 Kedge Drive, Mangawhai	0122193409	9 Herons Lane, Mangawhai
0122184108	13 Seabreeze Road, Mangawhai	0122191625	14 Kedge Drive, Mangawhai	0122193411	3 Ruby Lane, Mangawhai
0122184109	15 Seabreeze Road, Mangawhai	0122191628	6 Halyard Way, Mangawhai	0122193412	1 Ruby Lane, Mangawhai
0122184110	17 Seabreeze Road, Mangawhai	0122191630	8B Halyard Way, Mangawhai	0122194001	8 Kagan Avenue, Mangawhai
0122184111	19 Seabreeze Road, Mangawhai	0122191631	8C Halyard Way, Mangawhai	0122194003	61 Moir Street, Mangawhai
0122184113	23 Seabreeze Road, Mangawhai	0122191632	10 Halyard Way, Mangawhai	0122194006	7 Kagan Avenue, Mangawhai
0122184120	18 Seabreeze Road, Mangawhai	0122191636	7 Halyard Way, Mangawhai	0122194007	9 Kagan Avenue, Mangawhai
0122184121	20 Seabreeze Road, Mangawhai	0122191638	7A Halyard Way, Mangawhai	0122194009	15 Kagan Avenue, Mangawhai
0122184124	10 Seabreeze Road, Mangawhai	0122191641	20 Kedge Drive, Mangawhai	0122194010	17 Kagan Avenue, Mangawhai
0122184125	8 Seabreeze Road, Mangawhai	0122191642	22 Kedge Drive, Mangawhai	0122194018	6 Kagan Avenue, Mangawhai
0122184126	6 Seabreeze Road, Mangawhai	0122191643	24 Kedge Drive, Mangawhai	0122194026	61D Moir Street, Mangawhai
0122184218	2 Seabreeze Road, Mangawhai	0122191645	28 Kedge Drive, Mangawhai	0122194027	61E Moir Street, Mangawhai
0122186400	40 Pearson Street, Mangawhai	0122191646	30A Kedge Drive, Mangawhai	0122194200	71 Moir Street, Mangawhai
0122188700	5 Dune View Drive, Mangawhai	0122191647	30B Kedge Drive, Mangawhai	0122194201	71 Moir Street, Mangawhai
0122188706	6 Moir Street, Mangawhai	0122191648	32 Kedge Drive, Mangawhai	0122194202	69 Moir Street, Mangawhai
0122188712	9 Dune View Drive, Mangawhai	0122191651	36B Kedge Drive, Mangawhai	0122194203	69 Moir Street, Mangawhai
0122188713	11 Dune View Drive, Mangawhai	0122191654	42 Kedge Drive, Mangawhai	0122195101	Moir Street, Mangawhai
0122188714	13 Dune View Drive, Mangawhai	0122191659	21 Kedge Drive, Mangawhai	0122195400	42 Moir Street, Mangawhai
0122188715	15 Dune View Drive, Mangawhai	0122191663	27B Kedge Drive, Mangawhai	0122195606	19 Longview Street, Mangawhai
0122188716	17 Dune View Drive, Mangawhai	0122191664	27C Kedge Drive, Mangawhai	0122195607	21 Molesworth Drive, Mangawhai
0122188717	19 Dune View Drive, Mangawhai	0122191667	33 Kedge Drive, Mangawhai	0122195609	17 Molesworth Drive, Mangawhai
0122188718	21 Dune View Drive, Mangawhai	0122191669	37 Kedge Drive, Mangawhai	0122195610	15 Molesworth Drive, Mangawhai
0122188719	23 Dune View Drive, Mangawhai	0122191675	5 Spinnaker Lane, Mangawhai	0122195611	Molesworth Drive, Mangawhai
0122188720	25 Dune View Drive, Mangawhai	0122191677	11-13 Spinnaker Lane, Mangawhai	0122195612	9 Longview Street, Mangawhai
0122188721	24 Dune View Drive, Mangawhai	0122191679	20 Spinnaker Lane, Mangawhai	0122195613	11 Longview Street, Mangawhai
0122188722	22 Dune View Drive, Mangawhai	0122191680	18 Spinnaker Lane, Mangawhai	0122195615	15 Longview Street, Mangawhai
0122188723	18 Dune View Drive, Mangawhai	0122191681	14-16 Spinnaker Lane, Mangawhai	0122195618	14 Longview Street, Mangawhai
0122188724	20 Dune View Drive, Mangawhai	0122191684	10 Spinnaker Lane, Mangawhai	0122195619	16 Longview Street, Mangawhai
0122188725	3/16 Dune View Drive, Mangawhai	0122191685	6 Spinnaker Lane, Mangawhai	0122195620	15 Weka Street, Mangawhai

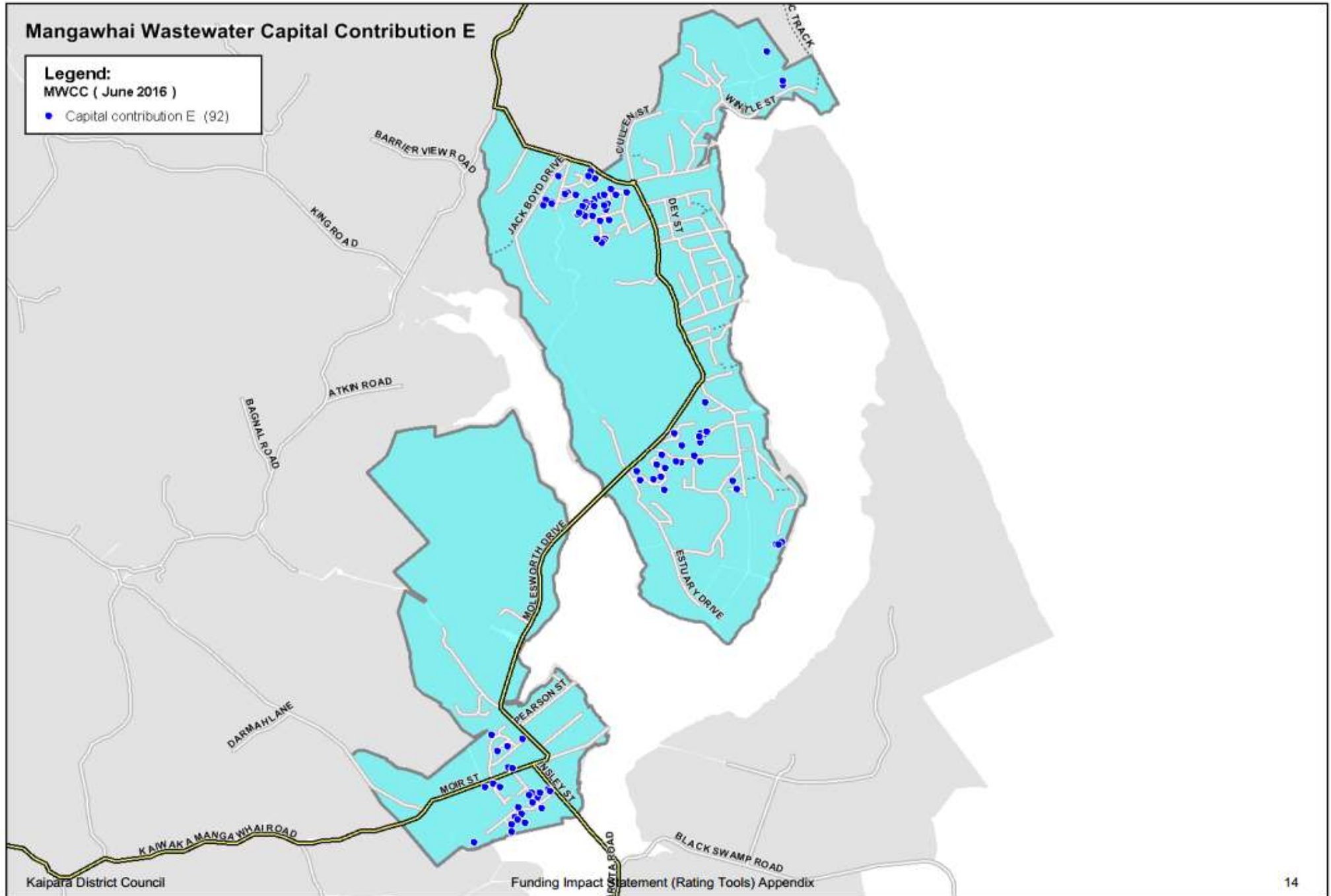
Mangawhai Wastewater Capital Contribution A

Valuation	Location	Valuation	Location
0122195621	13 Weka Street, Mangawhai	0122183726	65 Moir Point Road, Mangawhai
0122195622	11 Weka Street, Mangawhai	0122183734	12 Cornwall Way, Mangawhai
0122195623	9 Weka Street, Mangawhai	0122183740	22 Devon Street, Mangawhai
0122195624	2 Kakapo Place, Mangawhai	0122183753	Moir Point Road, Mangawhai
0122195625	4 Kakapo Place, Mangawhai	0122183767	6 Jordan Street, Mangawhai
0122195626	6 Kakapo Place, Mangawhai	0122183867	8D Norfolk Drive, Mangawhai
0122195629	9 Kakapo Place, Mangawhai	0122183903	Moir Point Road, Mangawhai
0122195630	7 Kakapo Place, Mangawhai	0122183916	40B Moir Point Road, Mangawhai
0122195633	1 Kakapo Place, Mangawhai	0122183929	36 Moir Point Road, Mangawhai
0122195634	2 Longview Street, Mangawhai	0122183947	54 Moir Point Road, Mangawhai
0122195640	8 Weka Street, Mangawhai	0122184033	42 Norfolk Drive, Mangawhai
0122195641	10 Weka Street, Mangawhai	0122184107	11 Seabreeze Road, Mangawhai
0122195642	12 Weka Street, Mangawhai	0122191604	20 Insley Street, Mangawhai
0122195643	14 Weka Street, Mangawhai	0122191617	17 Kedge Drive, Mangawhai
0122195644	4 Takahe Place, Mangawhai	0122191649	34 Kedge Drive, Mangawhai
0122195645	6A Takahe Place, Mangawhai	0122191657	48 Kedge Drive, Mangawhai
0122195646	6B Takahe Place, Mangawhai	0122191658	50 Kedge Drive, Mangawhai
0122195647	8 Takahe Place, Mangawhai	0122191670	39 Kedge Drive, Mangawhai
0122195652	7 Takahe Place, Mangawhai	0122191708	56 Kedge Drive, Mangawhai
0122195654	3B Takahe Place, Mangawhai	0122191709	52-54 Kedge Drive, Mangawhai
0122195655	3A Takahe Place, Mangawhai	0122193410	5 Ruby Lane, Mangawhai
0122195656	18 Weka Street, Mangawhai	0122194013	16 Kagan Avenue, Mangawhai
0122195659	22B Weka Street, Mangawhai	0122194025	61C Moir Street, Mangawhai
0122191100B	1 Moir Street, Mangawhai	0122195614	13 Longview Street, Mangawhai
0122191100C	1 Moir Street, Mangawhai	0122195665	26 Weka Street, Mangawhai
0122191100D	1 Moir Street, Mangawhai		
0122011391	25 Driftwood Place, Mangawhai		
0122011410	20F Driftwood Place, Mangawhai		
0122011414	20B Driftwood Place, Mangawhai		
0122011416	22 Driftwood Place, Mangawhai		
0122011471	12 Spinifex Road, Mangawhai		
0122011536	198 Thelma Road North, Mangawhai		
0122011539	204 Thelma Road North, Mangawhai		
0122011540	206 Thelma Road North, Mangawhai		
0122011548	16 Parklands Avenue, Mangawhai		
0122011571	6 Parklands Avenue, Mangawhai		
0122011578	7 Jack Boyd Drive, Mangawhai		
0122011595	25 Jack Boyd Drive, Mangawhai		
0122011647	4 Anchorage Road, Mangawhai		
0122011717	6D Sailrock Drive, Mangawhai		
0122011872	11 Sailrock Drive, Mangawhai		
0122011874	7 Sailrock Drive, Mangawhai		
0122104400	8 Pearl Street, Mangawhai		
0122166200	216 Molesworth Drive, Mangawhai		
0122182218	27C Devon Street, Mangawhai		



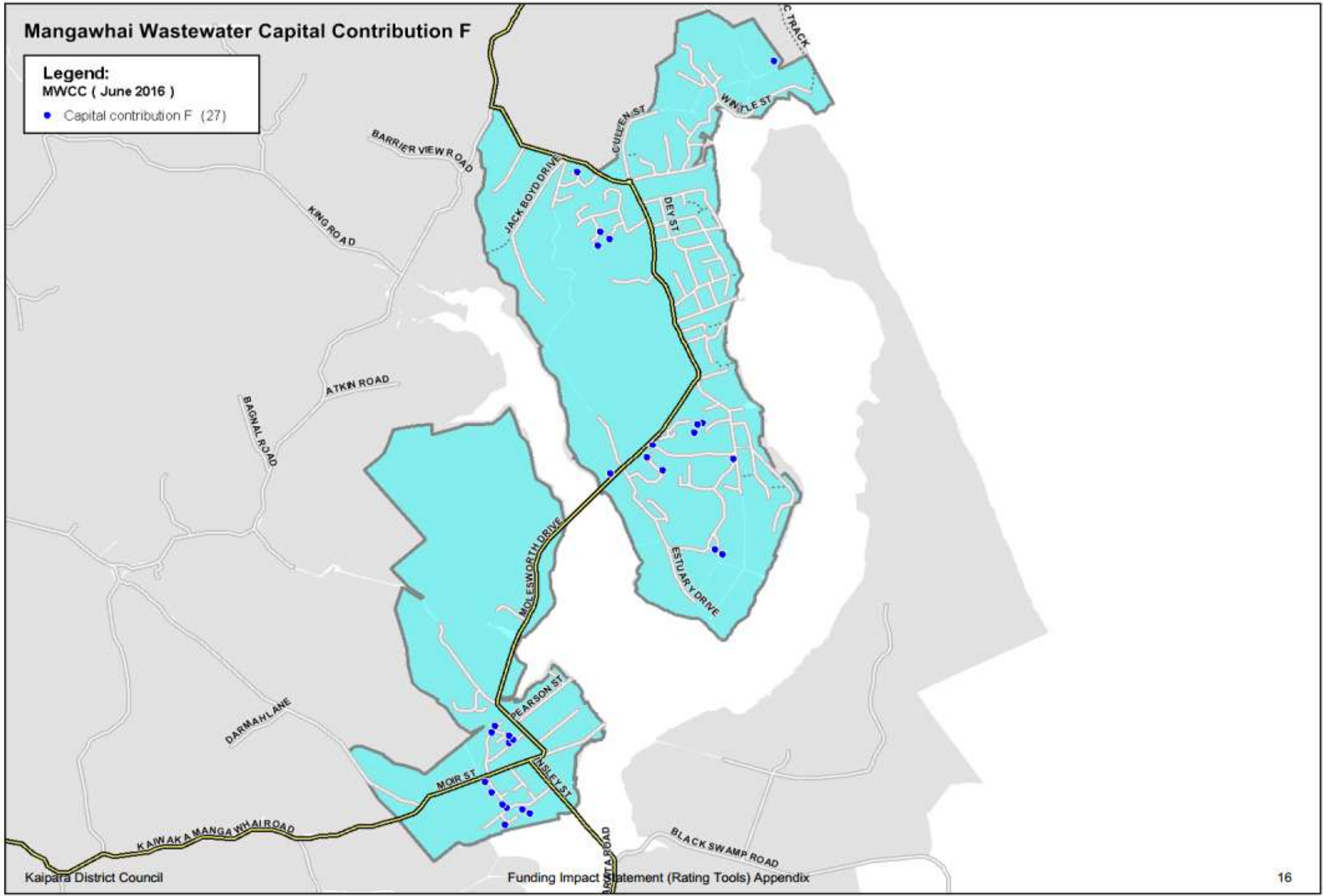
Mangawhai Wastewater Capital Contribution D

Valuation	Location	Valuation	Location
0122183861	6 Norfolk Drive, Mangawhai	0122184038	38 Norfolk Drive, Mangawhai
0122183863	2 Norfolk Drive, Mangawhai	0122184040	34H Norfolk Drive, Mangawhai
0122183864	8A Norfolk Drive, Mangawhai	0122184041	34G Norfolk Drive, Mangawhai
0122183865	8B Norfolk Drive, Mangawhai	0122184043	34E Norfolk Drive, Mangawhai
0122183873	16 Norfolk Drive, Mangawhai	0122184045	34C Norfolk Drive, Mangawhai
0122183876	22 Norfolk Drive, Mangawhai	0122184046	34B Norfolk Drive, Mangawhai
0122183878	24B Norfolk Drive, Mangawhai	0122184047	34A Norfolk Drive, Mangawhai
0122183880	24D Norfolk Drive, Mangawhai	0122184048	32 Norfolk Drive, Mangawhai
0122183883	27 Norfolk Drive, Mangawhai	0122184049	30F Norfolk Drive, Mangawhai
0122183884	25 Norfolk Drive, Mangawhai	0122184051	44 Norfolk Drive, Mangawhai
0122183888	19 Norfolk Drive, Mangawhai	0122184114	28 Seabreeze Road, Mangawhai
0122183889	17 Norfolk Drive, Mangawhai	0122184115	26 Seabreeze Road, Mangawhai
0122183891	15A Norfolk Drive, Mangawhai	0122184116	24 Seabreeze Road, Mangawhai
0122183892	13 Norfolk Drive, Mangawhai	0122184122	14 Seabreeze Road, Mangawhai
0122183944	59 Seabreeze Road, Mangawhai	0122184123	12 Seabreeze Road, Mangawhai
0122183968	43 Seabreeze Road, Mangawhai	0122183866	8C Norfolk Drive, Mangawhai
0122183969	41 Seabreeze Road, Mangawhai	0122183868	8E Norfolk Drive, Mangawhai
0122183975	35 Seabreeze Road, Mangawhai	0122183890	15B Norfolk Drive, Mangawhai
0122183976	33 Seabreeze Road, Mangawhai	0122183896	7 Norfolk Drive, Mangawhai
0122183989	40 Seabreeze Road, Mangawhai	0122183973	39A Seabreeze Road, Mangawhai
0122183995	52 Seabreeze Road, Mangawhai		
0122183996	54 Seabreeze Road, Mangawhai		
0122183997	56 Seabreeze Road, Mangawhai		
0122184015	30C Norfolk Drive, Mangawhai		
0122184016	30B Norfolk Drive, Mangawhai		
0122184017	30A Norfolk Drive, Mangawhai		
0122184027	45 Norfolk Drive, Mangawhai		
0122184031	46B Norfolk Drive, Mangawhai		
0122184032	46A Norfolk Drive, Mangawhai		
0122184037	40A Norfolk Drive, Mangawhai		



Mangawhai Wastewater Capital Contribution E

Valuation	Location	Valuation	Location	Valuation	Location
0122010201	Wintle Street, Mangawhai	0122182420	Lincoln Street, Mangawhai	0122194020	65 Moir Street, Mangawhai
0122011377	48B Driftwood Place, Mangawhai	0122182421	65 Lincoln Street, Mangawhai	0122194023	61A Moir Street, Mangawhai
0122011379	48 Driftwood Place, Mangawhai	0122183720	61 Moir Point Road, Mangawhai	0122194024	61B Moir Street, Mangawhai
0122011380	46 Driftwood Place, Mangawhai	0122183730	20A Cornwall Way, Mangawhai	0122195001	58 Moir Street, Mangawhai
0122011383	40 Driftwood Place, Mangawhai	0122183807	5 Nautical Heights, Mangawhai	0122195006	56 Moir Street, Mangawhai
0122011389	28 Driftwood Place, Mangawhai	0122183829	3 Kawau Lane, Mangawhai	0122195628	11 Kakapo Place, Mangawhai
0122011393	29 Driftwood Place, Mangawhai	0122183862	4 Norfolk Drive, Mangawhai	0122195632	3 Kakapo Place, Mangawhai
0122011400	Driftwood Place, Mangawhai	0122183879	24C Norfolk Drive, Mangawhai	0122195635	4 Longview Street, Mangawhai
0122011439	11 Marram Place, Mangawhai	0122183887	21A Norfolk Drive, Mangawhai	0122195658	22A Weka Street, Mangawhai
0122011446	52 Driftwood Place, Mangawhai	0122183894	9B Norfolk Drive, Mangawhai	0122011394	31 Driftwood Place, Mangawhai
0122011447	7 Driftwood Place, Mangawhai	0122183907	Molesworth Drive, Mangawhai	0122011438	9 Marram Place, Mangawhai
0122011452	29 Spinifex Road, Mangawhai	0122183911	31 Quail Way, Mangawhai	0122011563	77 Mangawhai Heads Road, Mangawhai
0122011454	25 Spinifex Road, Mangawhai	0122183925	22 Quail Way, Mangawhai	0122011587	17 Jack Boyd Drive, Mangawhai
0122011455	23 Spinifex Road, Mangawhai	0122183926	24 Quail Way, Mangawhai	0122183936	32 Quail Way, Mangawhai
0122011456	21 Spinifex Road, Mangawhai	0122183934	28 Quail Way, Mangawhai	0122195651	9A Takahe Place, Mangawhai
0122011457	19 Spinifex Road, Mangawhai	0122183960	7A Seabreeze Road, Mangawhai		
0122011459	15 Spinifex Road, Mangawhai	0122183967	20 Quail Way, Mangawhai		
0122011461	11 Spinifex Road, Mangawhai	0122183982	27 Seabreeze Road, Mangawhai		
0122011462	9 Spinifex Road, Mangawhai	0122183987	36 Seabreeze Road, Mangawhai		
0122011467	4 Spinifex Road, Mangawhai	0122184020	31 Norfolk Drive, Mangawhai		
0122011472	14 Spinifex Road, Mangawhai	0122184028	48 Norfolk Drive, Mangawhai		
0122011477	18 Marram Place, Mangawhai	0122184034	40D Norfolk Drive, Mangawhai		
0122011484	17 Marram Place, Mangawhai	0122184118	22A Seabreeze Road, Mangawhai		
0122011534	33 Parklands Avenue, Mangawhai	0122184119	16 Seabreeze Road, Mangawhai		
0122011562	79 Mangawhai Heads Road, Mangawhai	0122184127	4 Seabreeze Road, Mangawhai		
0122011565	4A Hillside Avenue, Mangawhai	0122191605	22 Insley Street, Mangawhai		
0122011572	4 Parklands Avenue, Mangawhai	0122191606	24 Insley Street, Mangawhai		
0122011575	5 Jack Boyd Drive, Mangawhai	0122191616	15 Kedge Drive, Mangawhai		
0122011593	189 Thelma Road North, Mangawhai	0122191627	4 Halyard Way, Mangawhai		
0122011594	23 Jack Boyd Drive, Mangawhai	0122191629	8A Halyard Way, Mangawhai		
0122011596	187 Thelma Road North, Mangawhai	0122191633	12 Halyard Way, Mangawhai		
0122011598	29 Jack Boyd Drive, Mangawhai	0122191635	9 Halyard Way, Mangawhai		
0122011603	194 Thelma Road North, Mangawhai	0122191640	3 Halyard Way, Mangawhai		
0122011609	11 Te Whai Street, Mangawhai	0122191652	38 Kedge Drive, Mangawhai		
0122011635	2 Beachcomber Road, Mangawhai	0122191668	35 Kedge Drive, Mangawhai		
0122011636	17 Anchorage Road, Mangawhai	0122191671	41 Kedge Drive, Mangawhai		
0122011637	19 Anchorage Road, Mangawhai	0122191674	3 Spinnaker Lane, Mangawhai		
0122011642	14 Anchorage Road, Mangawhai	0122191676	9 Spinnaker Lane, Mangawhai		
0122100300	145 Wintle Street, Mangawhai	0122191678	22 Spinnaker Lane, Mangawhai		
0122100301	145B Wintle Street, Mangawhai	0122191683	12 Spinnaker Lane, Mangawhai		
0122169802	Moir Point Road, Mangawhai	0122191697	78 Kedge Drive, Mangawhai		
0122182415	65 Lincoln Street, Mangawhai	0122194000	1 Kagan Avenue, Mangawhai		

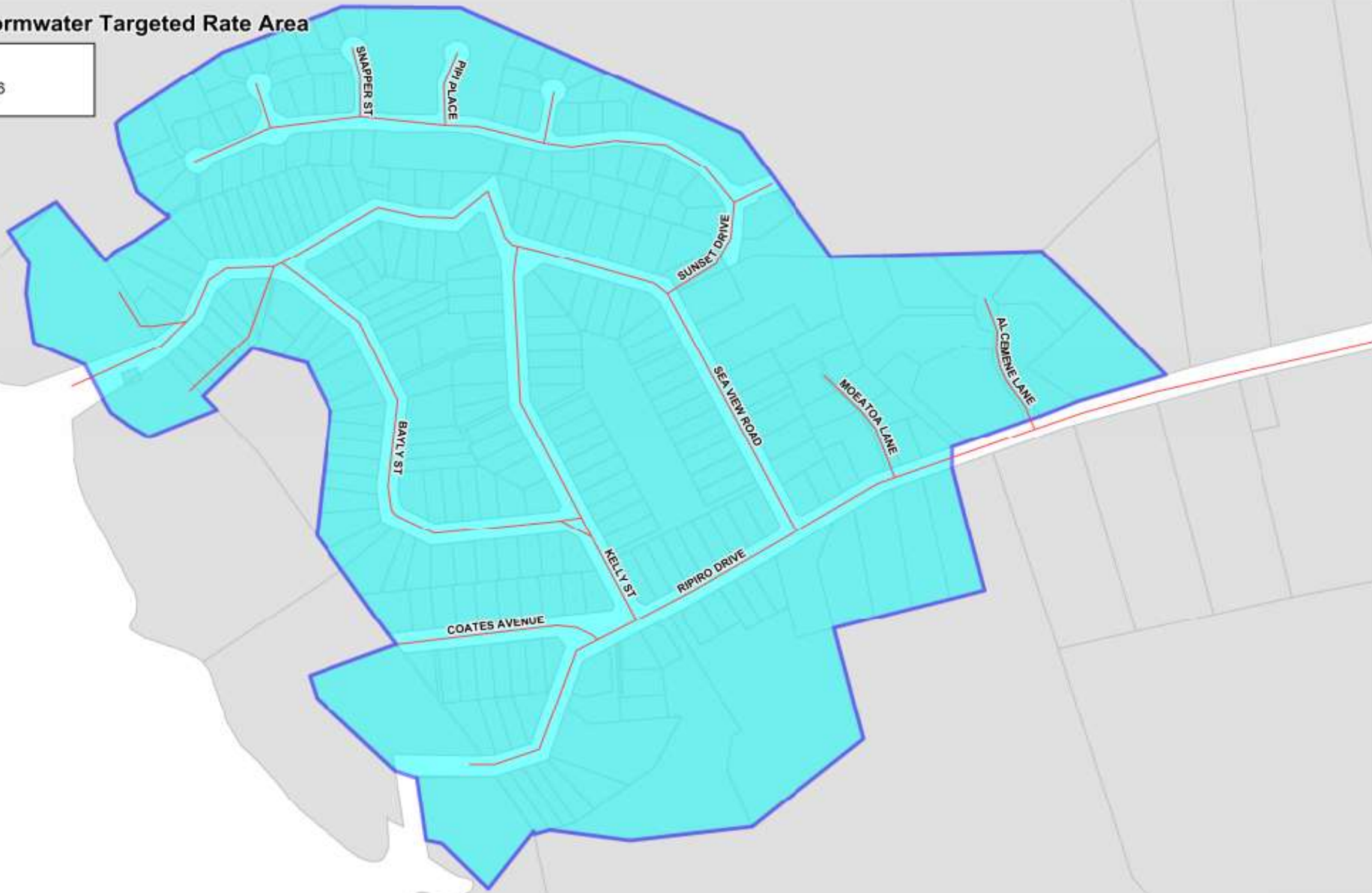


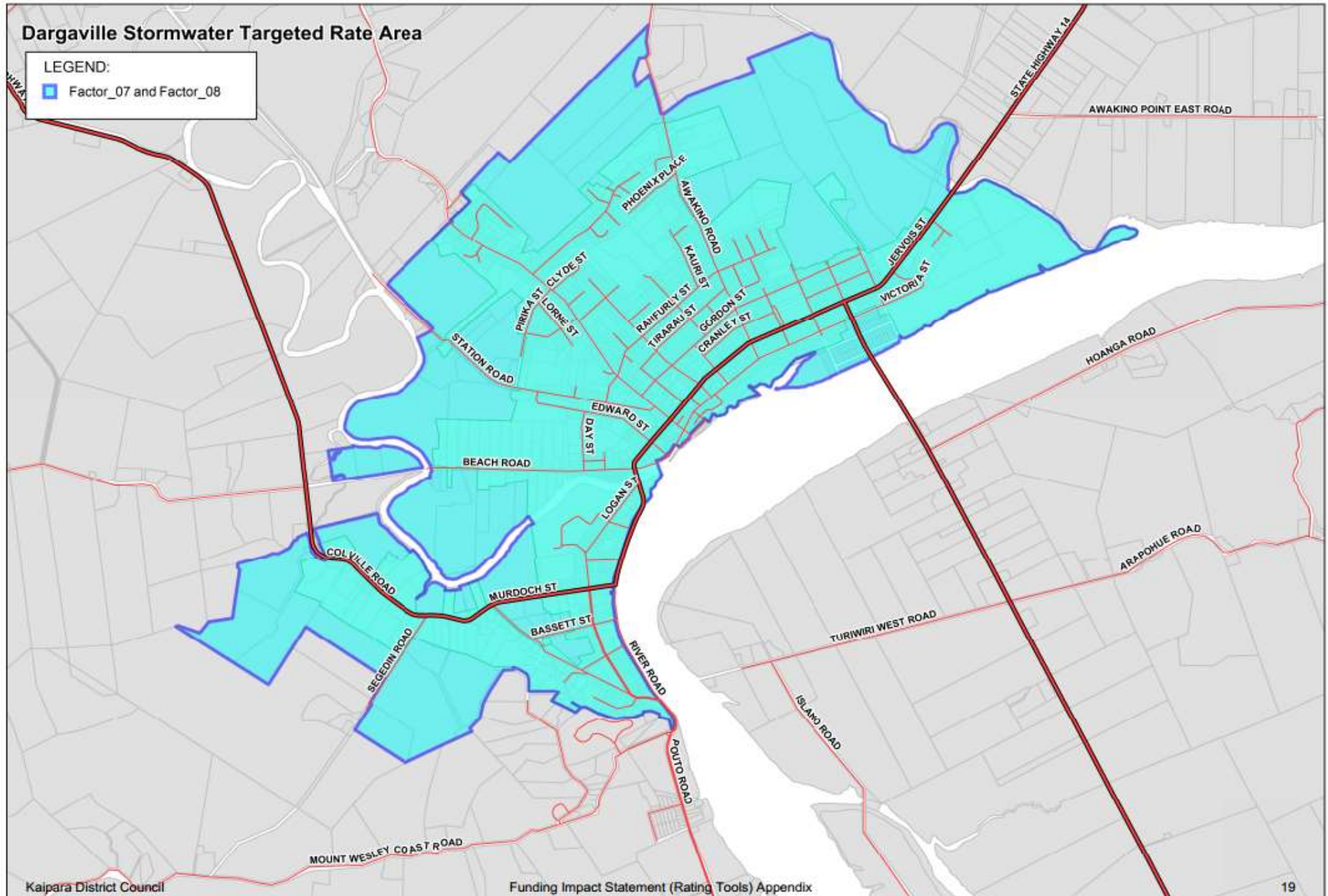
Mangawhai Wastewater Capital Contribution F

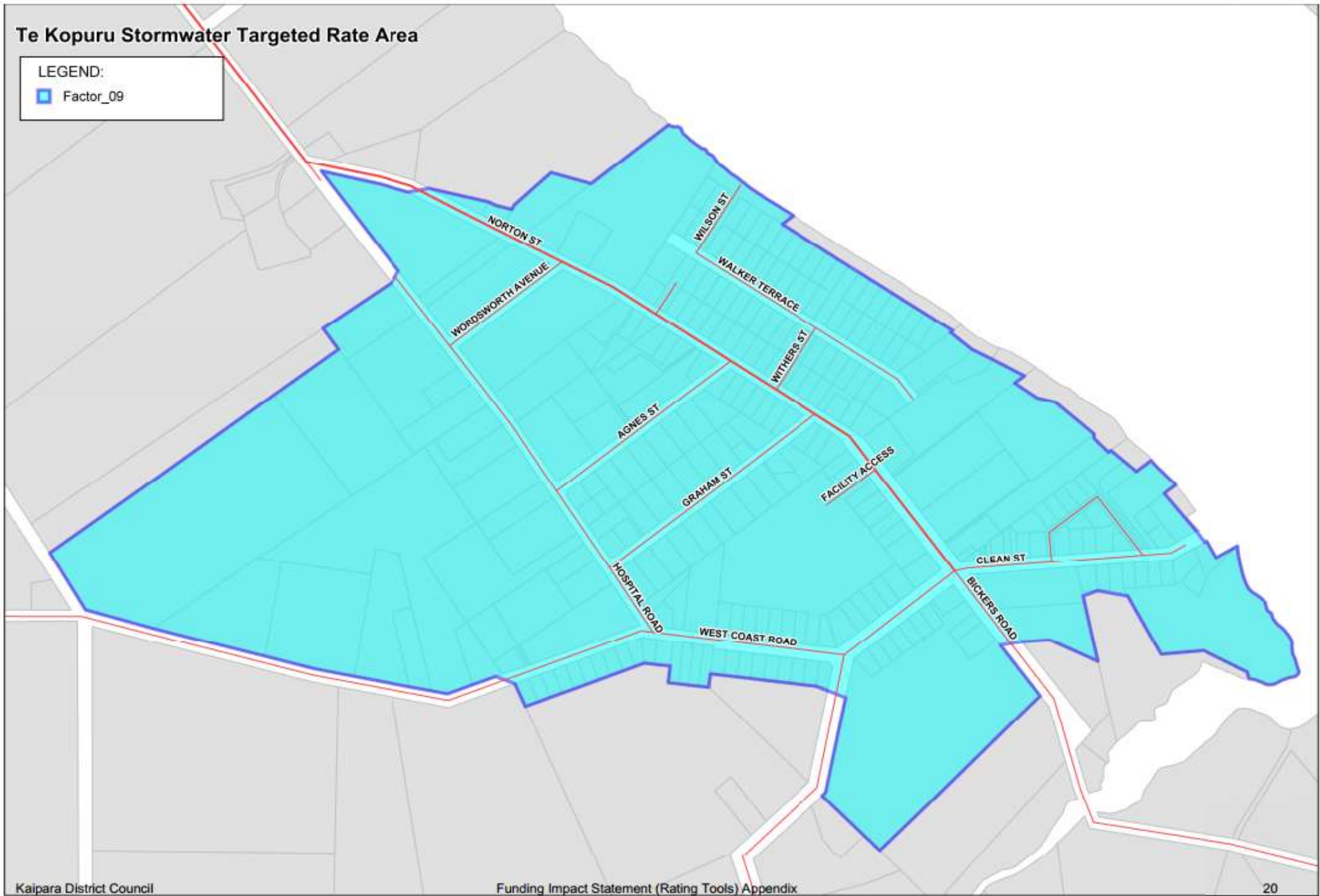
Valuation	Location
0122010225	Wintle Street, Mangawhai
0122011554	8 Hillside Avenue, Mangawhai
0122011626	11 Anchorage Road, Mangawhai
0122011631	8 Beachcomber Road, Mangawhai
0122011639	21B Anchorage Road, Mangawhai
0122012007	4A Thelma Road South, Mangawhai
0122183765	17 Jordan Street, Mangawhai
0122183769	8 Jordan Street, Mangawhai
0122183899	46 Moir Point Road, Mangawhai
0122183900	1 Seabreeze Road, Mangawhai
0122183910	26 Quail Way, Mangawhai
0122183961	18A Quail Way, Mangawhai
0122183964	18D Quail Way, Mangawhai
0122184039	36 Norfolk Drive, Mangawhai
0122184077	54 Norfolk Drive, Mangawhai
0122191656	46 Kedge Drive, Mangawhai
0122191662	27A Kedge Drive, Mangawhai
0122191666	31 Kedge Drive, Mangawhai
0122191686	8 Spinnaker Lane, Mangawhai
0122194011	20 Kagan Avenue, Mangawhai
0122194016	10 Kagan Avenue, Mangawhai
0122194021	2 Kagan Avenue, Mangawhai
0122195617	12 Longview Street, Mangawhai
0122195631	5 Kakapo Place, Mangawhai
0122195637	8 Longview Street, Mangawhai
0122195639	6 Weka Street, Mangawhai
0122195653	5 Takahe Place, Mangawhai
0122195657	20 Weka Street, Mangawhai

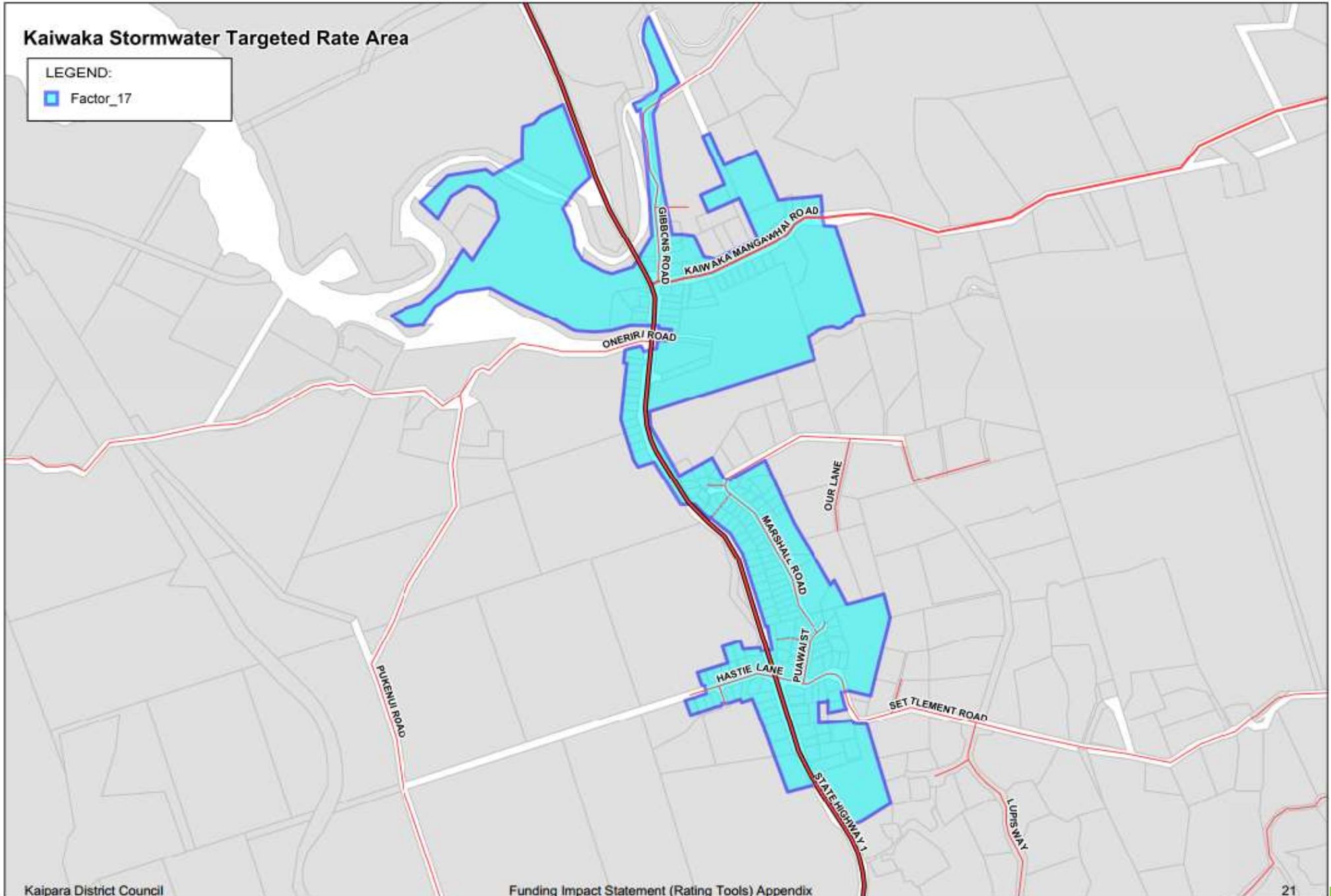
Baylys Stormwater Targeted Rate Area

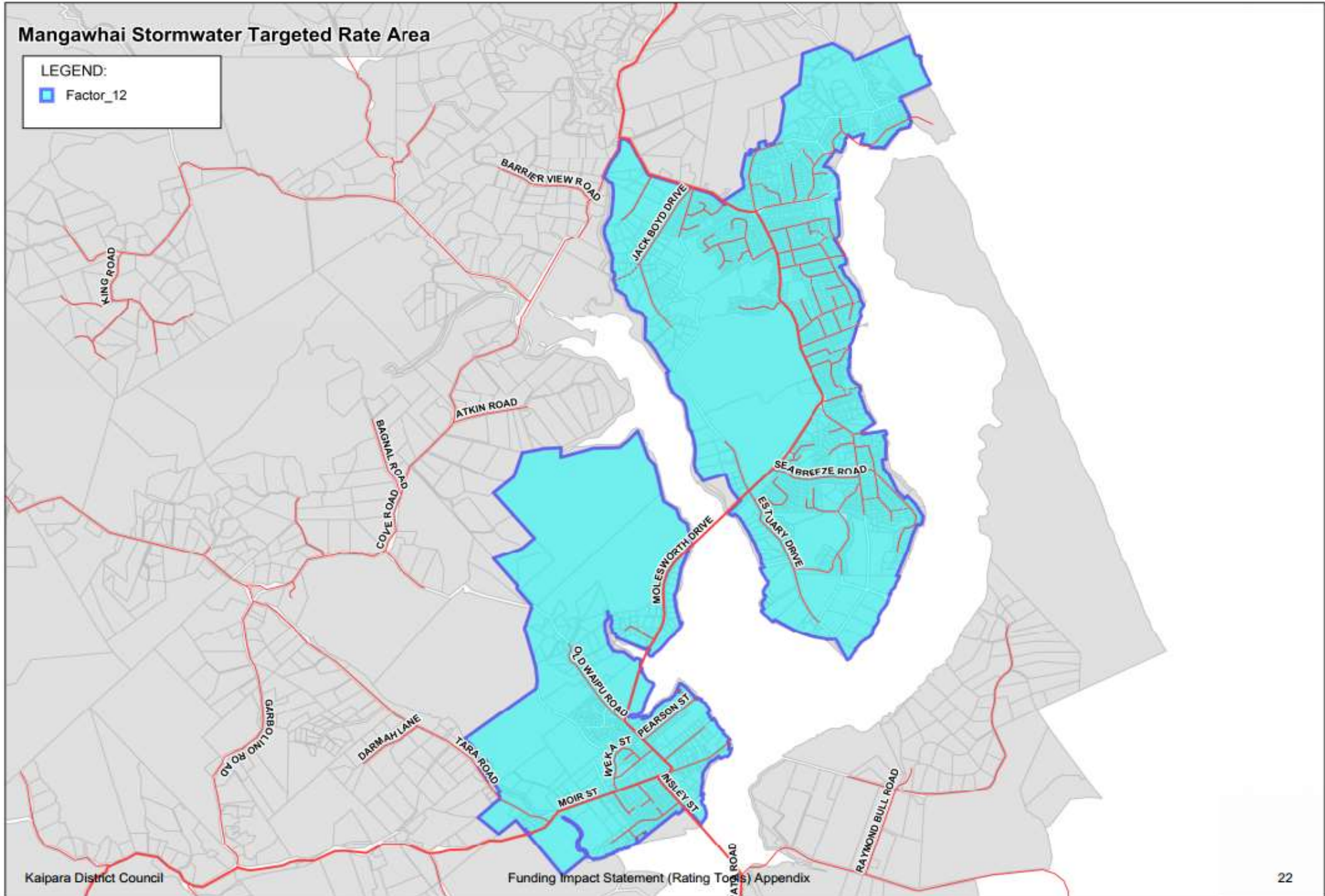
LEGEND:
■ Factor 06

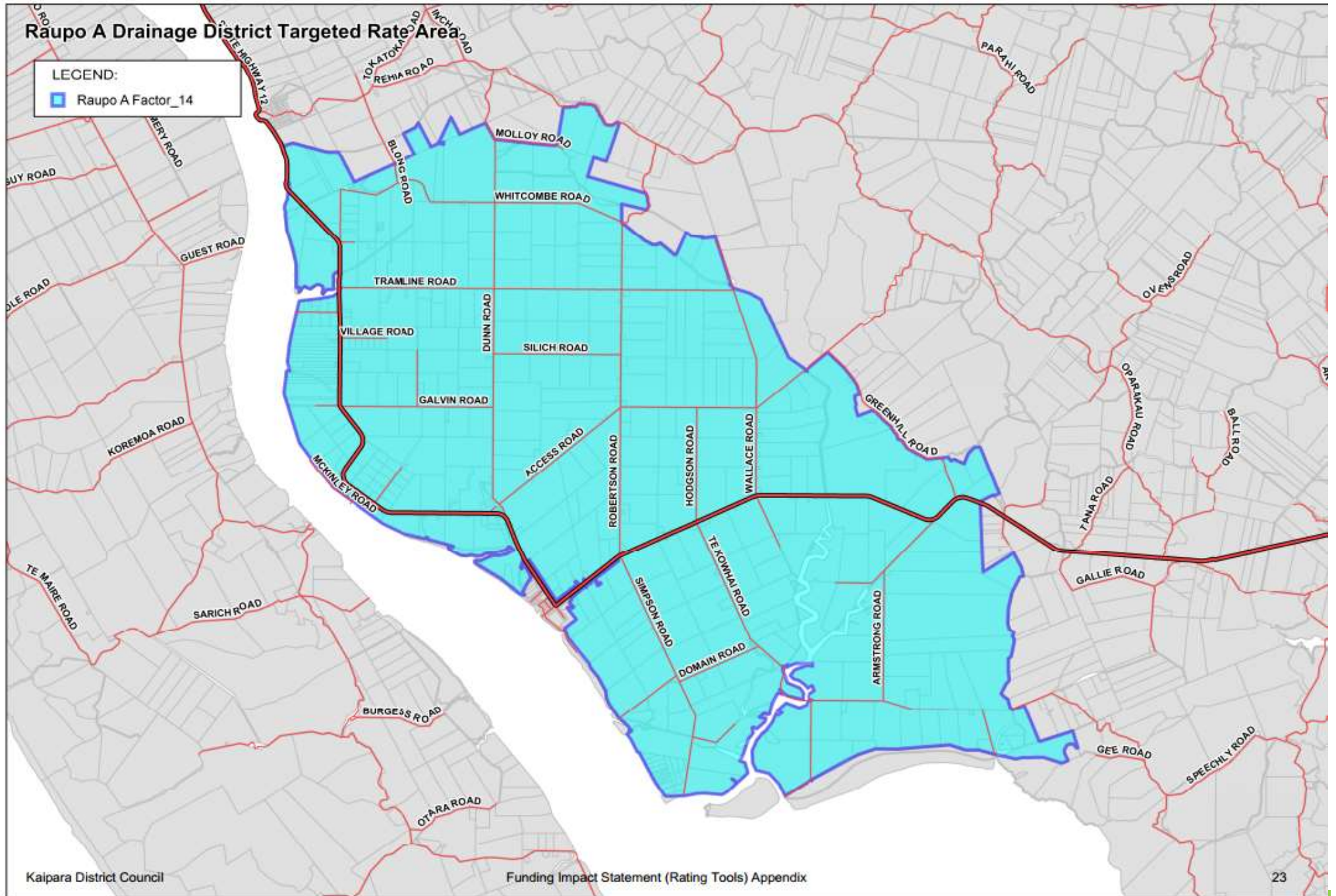


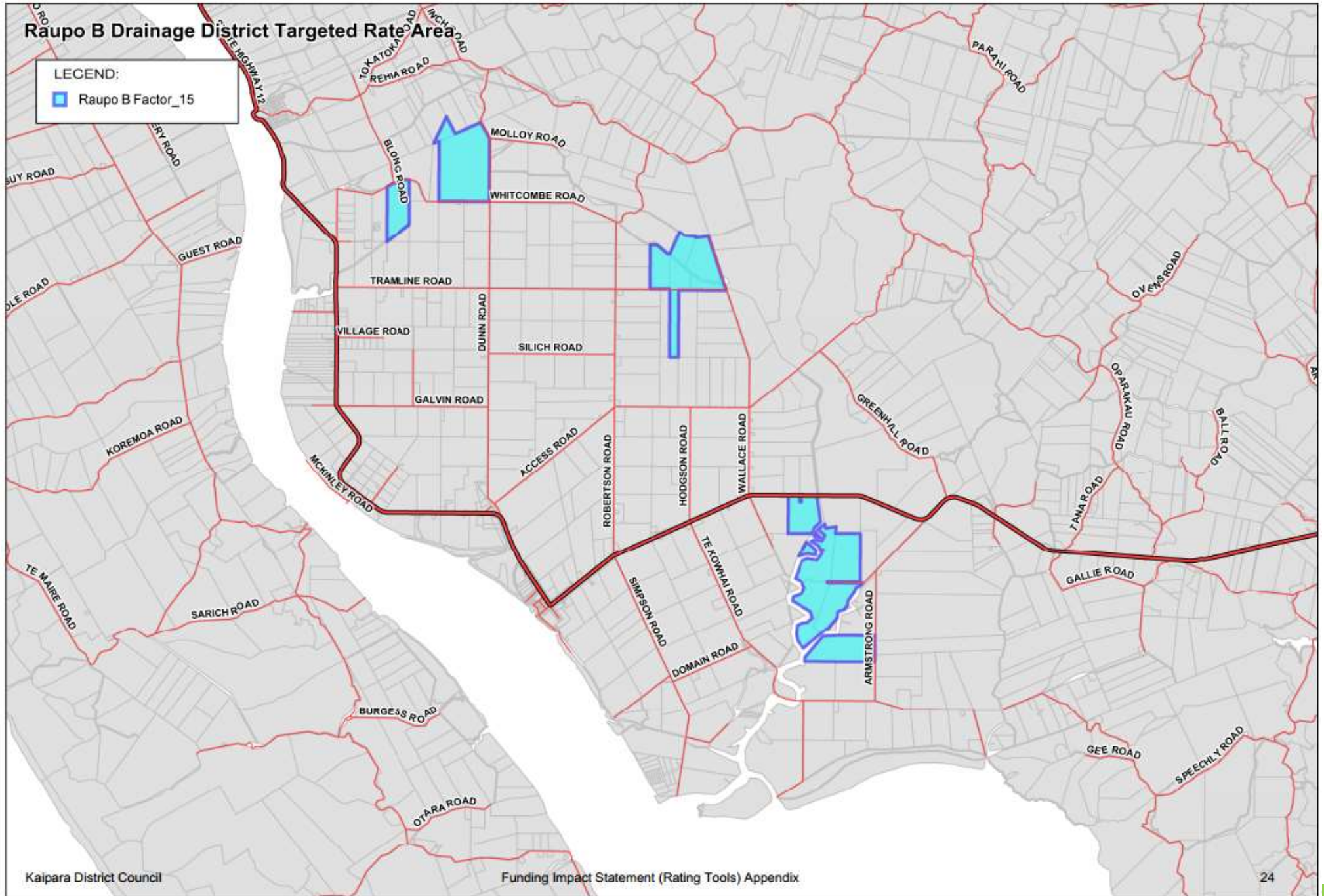


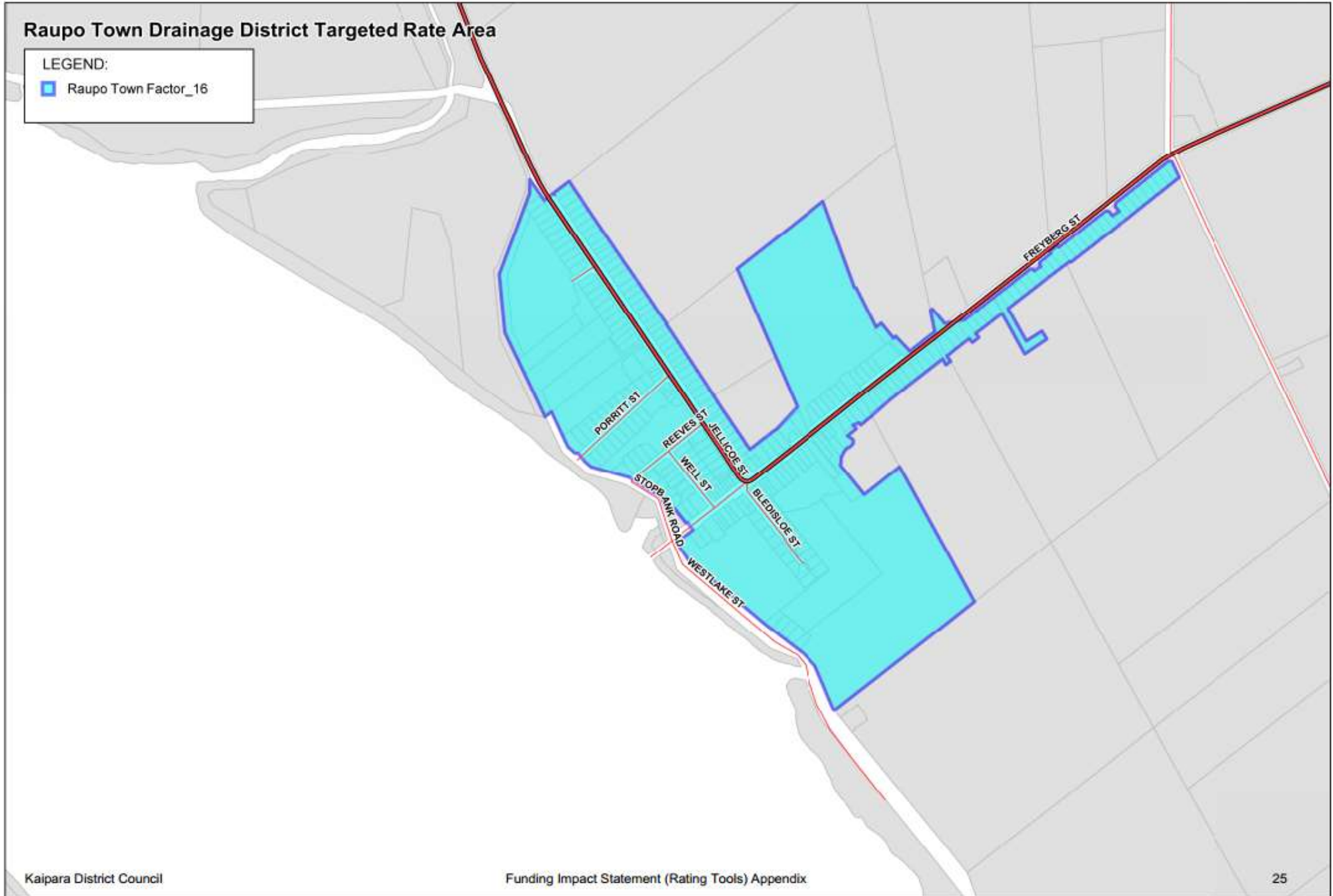


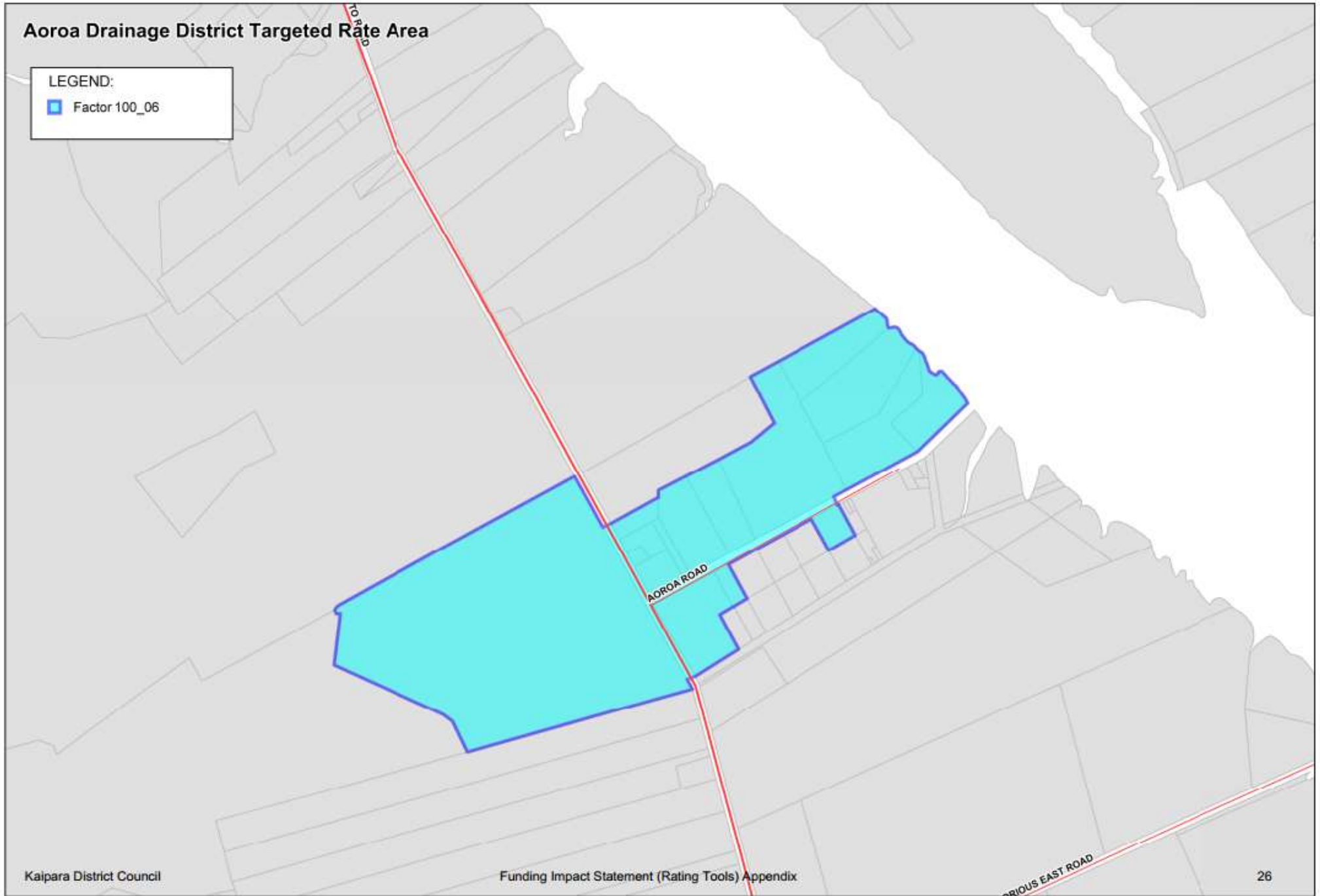


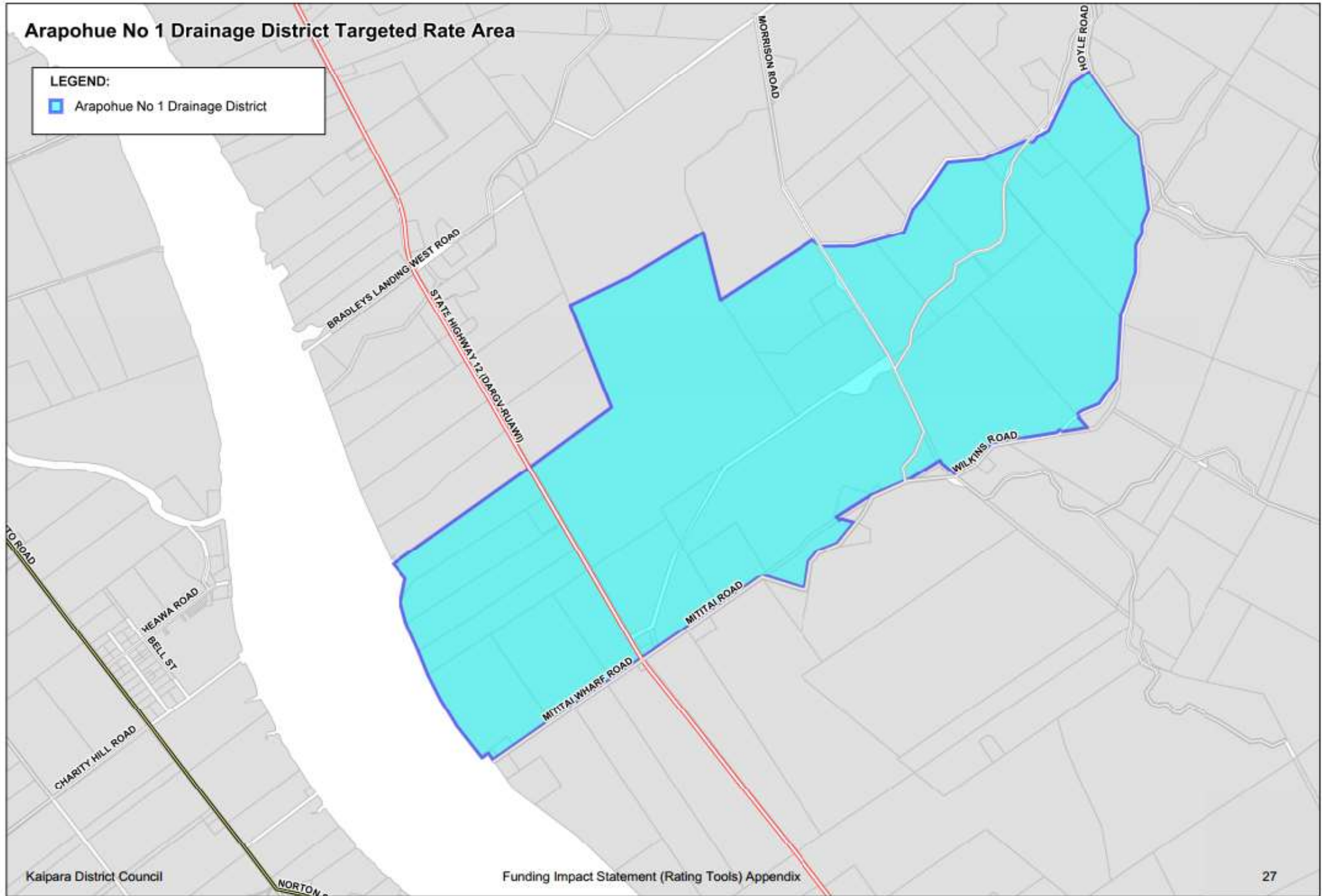






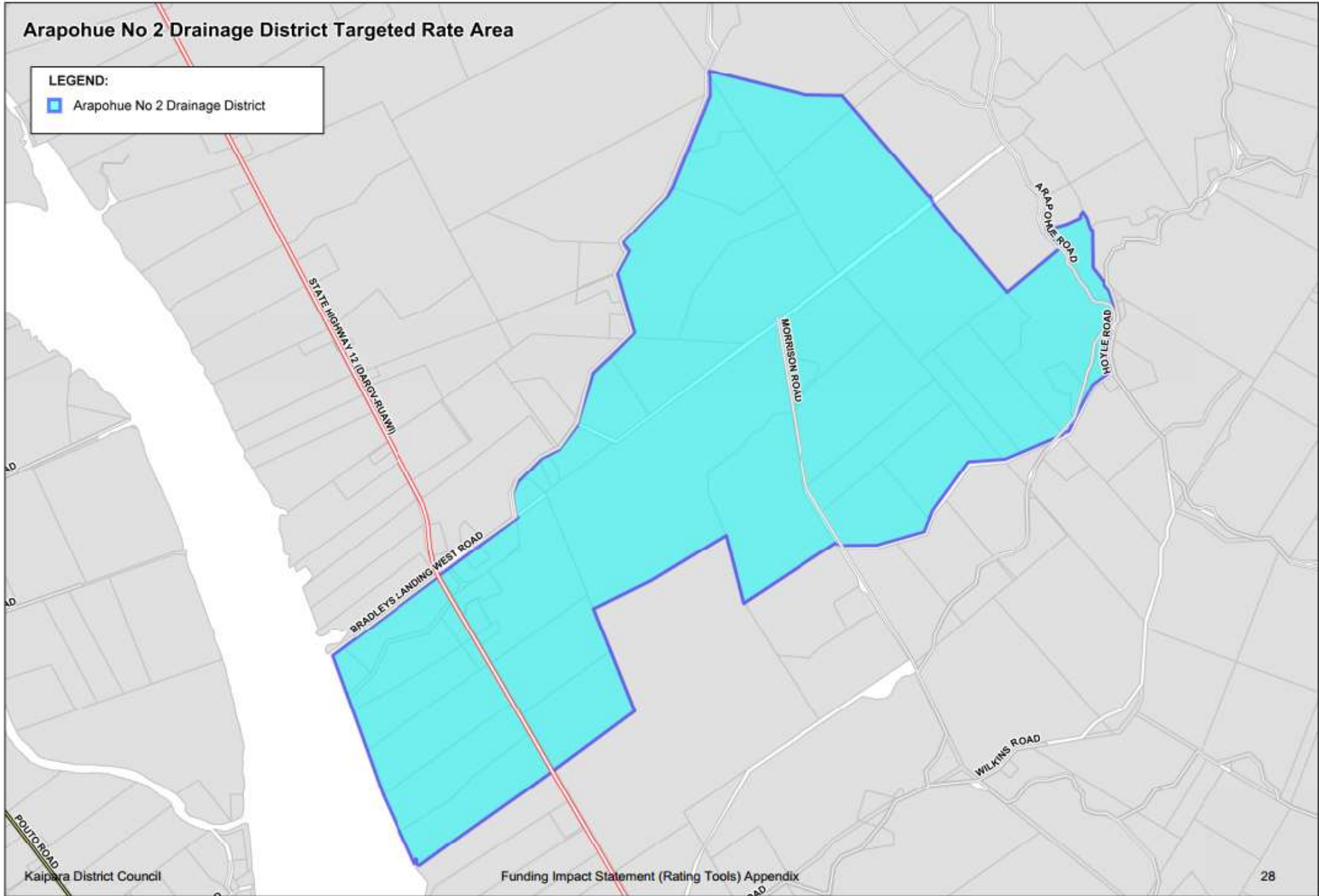


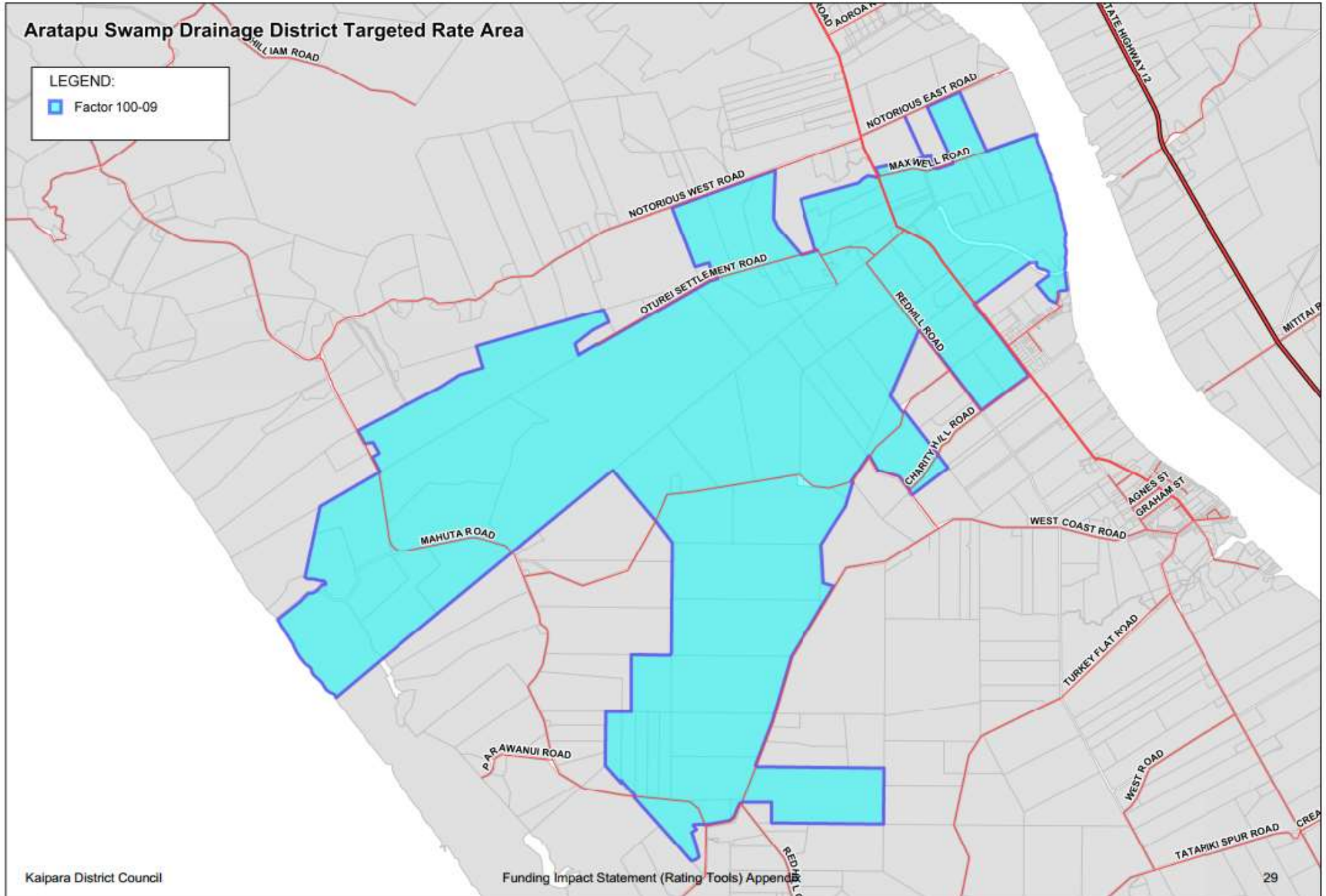


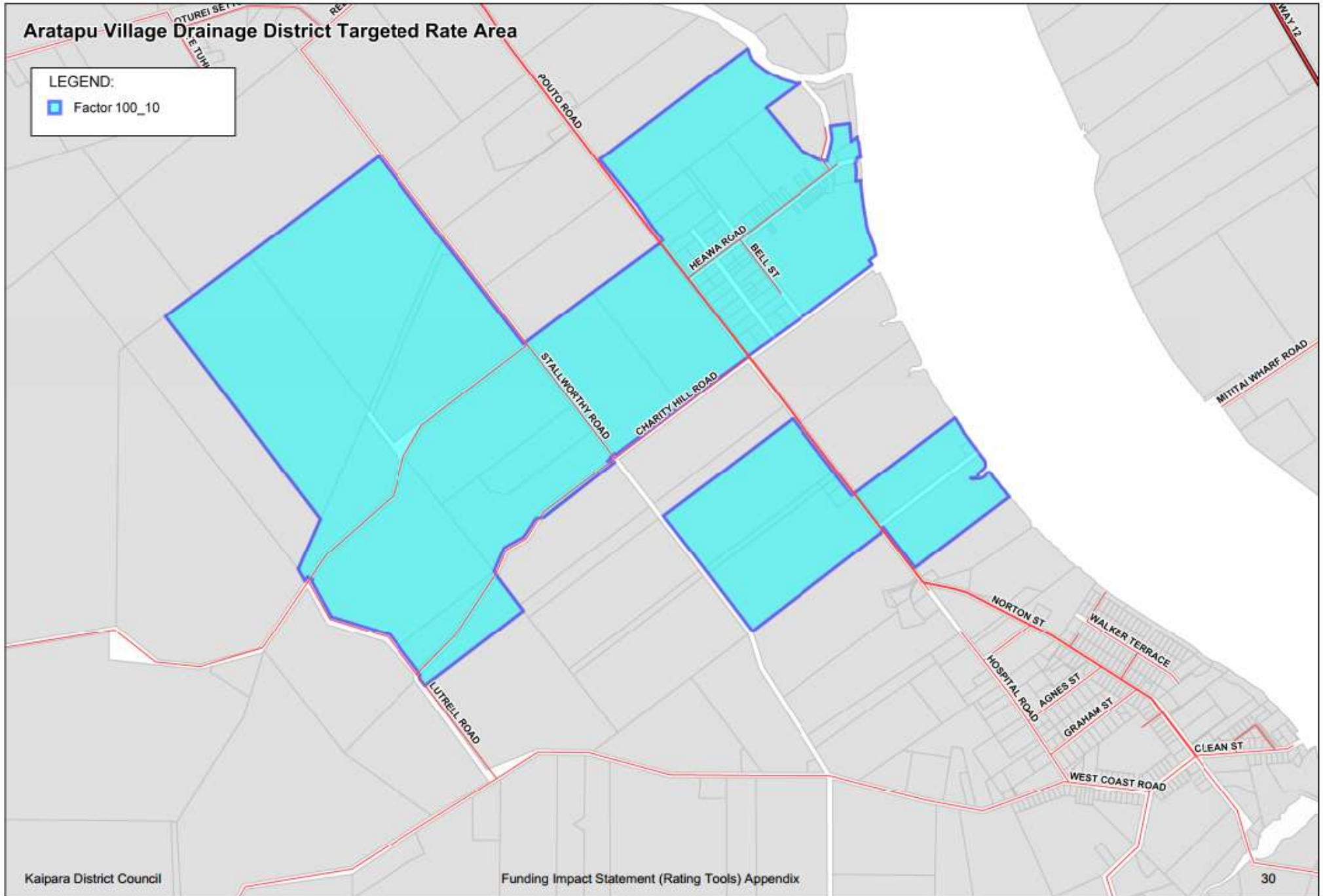


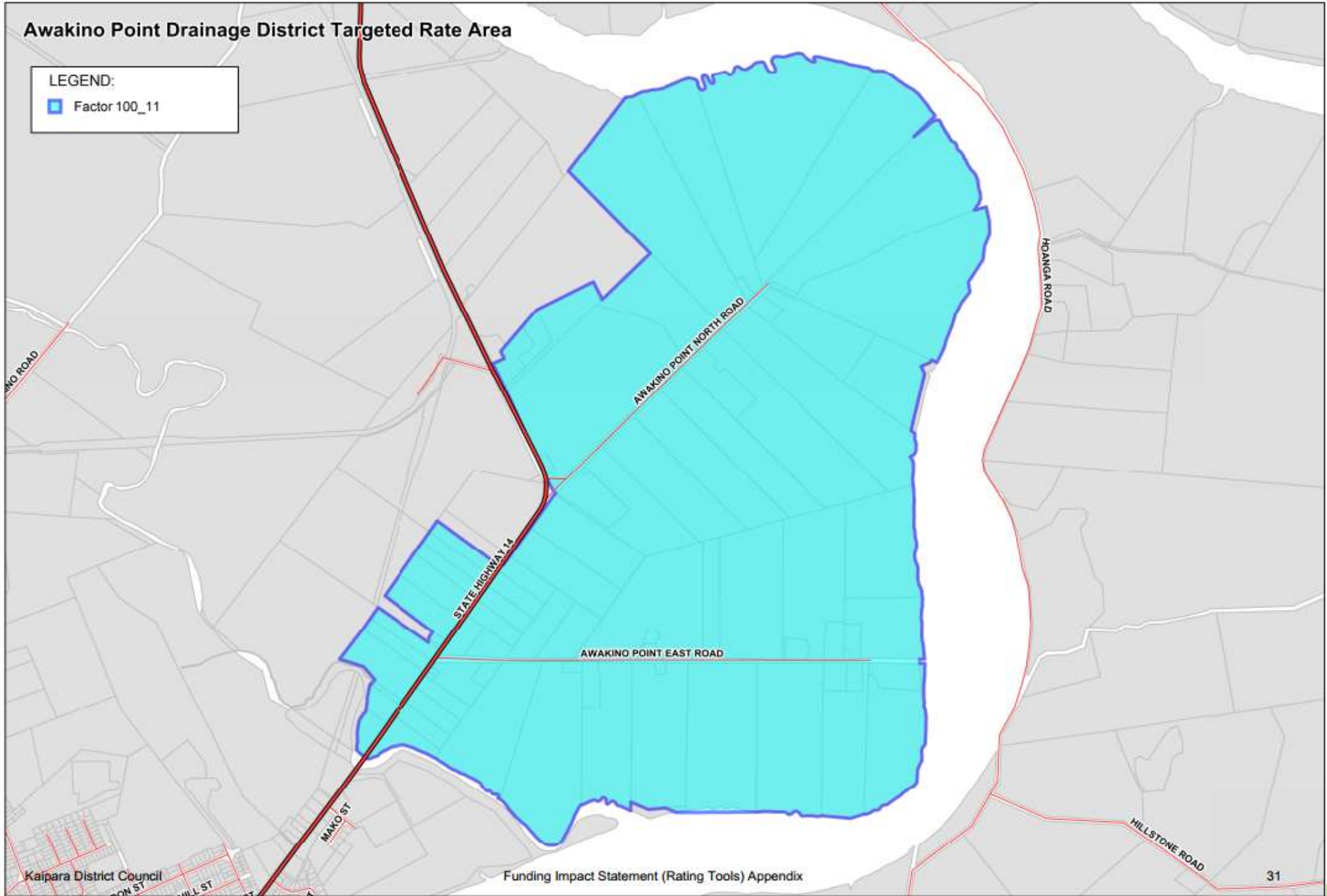
Arapohue No 2 Drainage District Targeted Rate Area

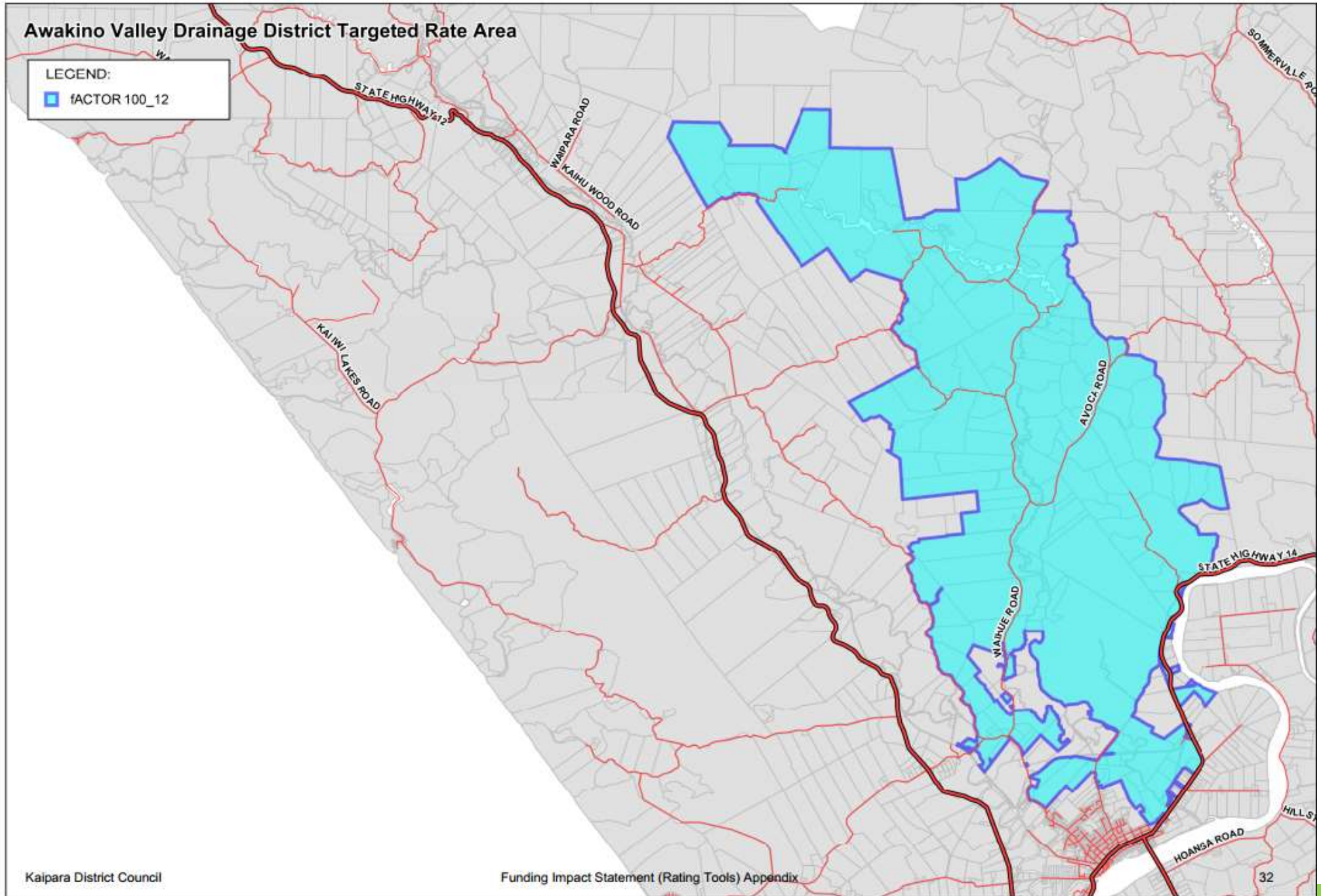
LEGEND:
■ Arapohue No 2 Drainage District

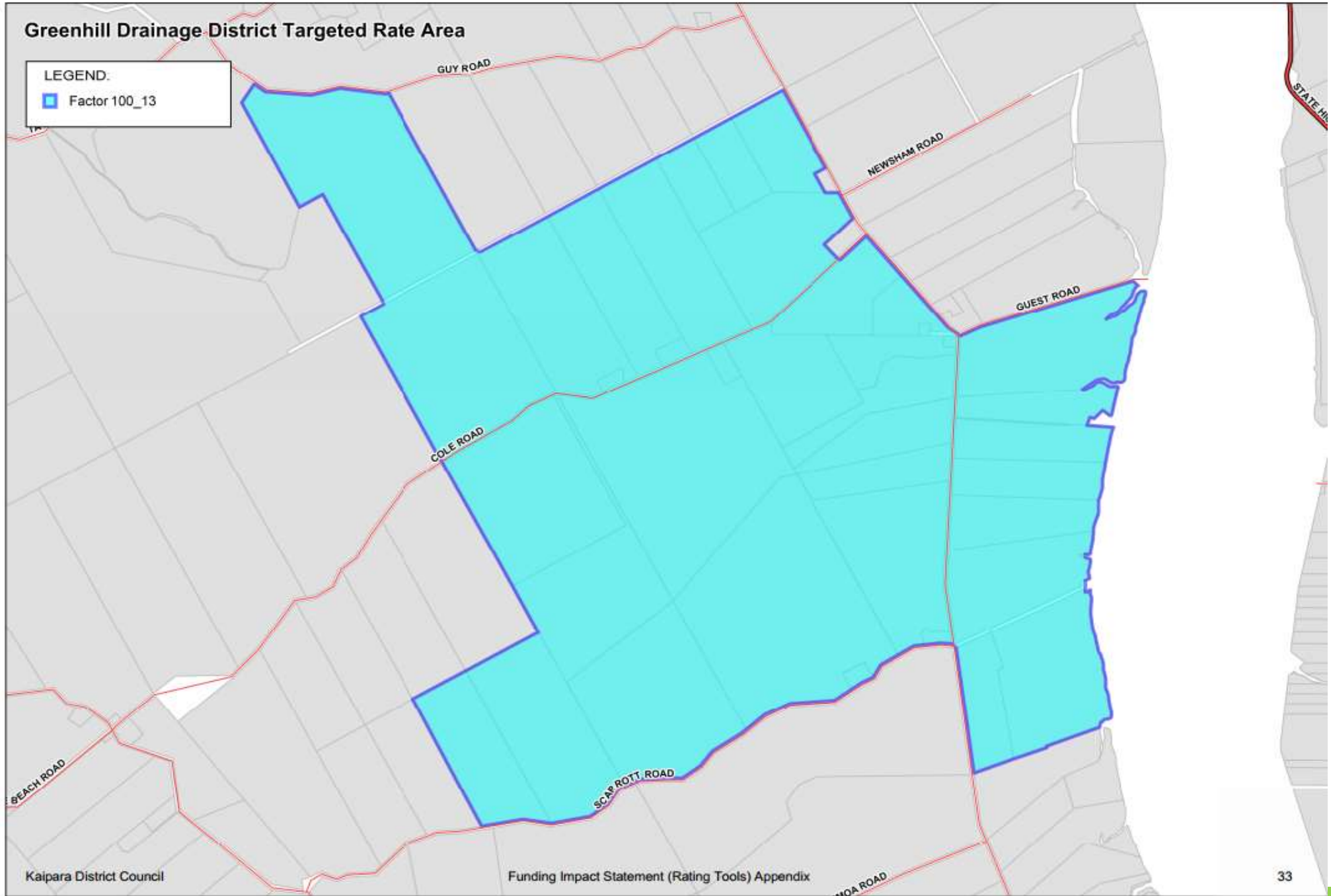


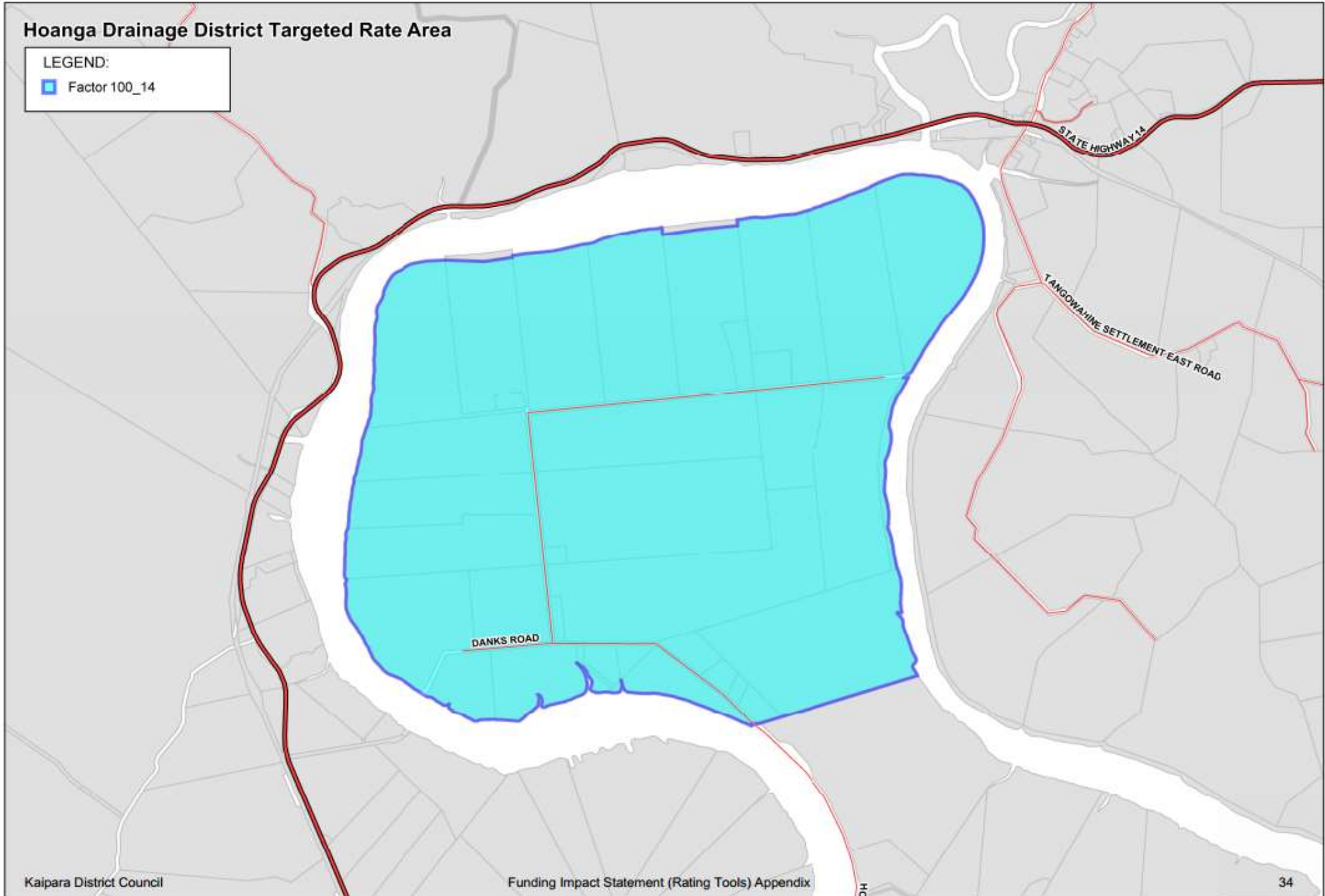


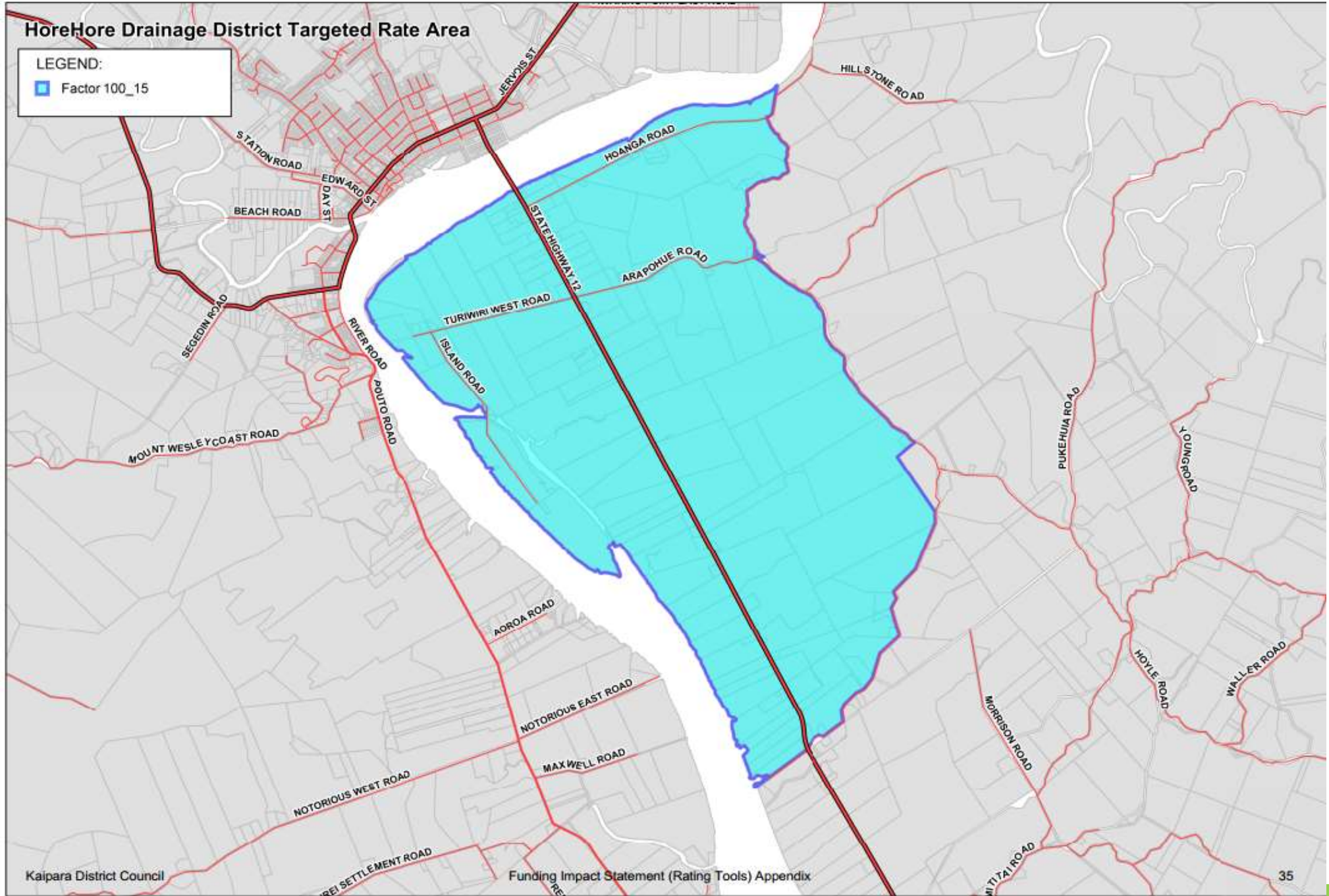


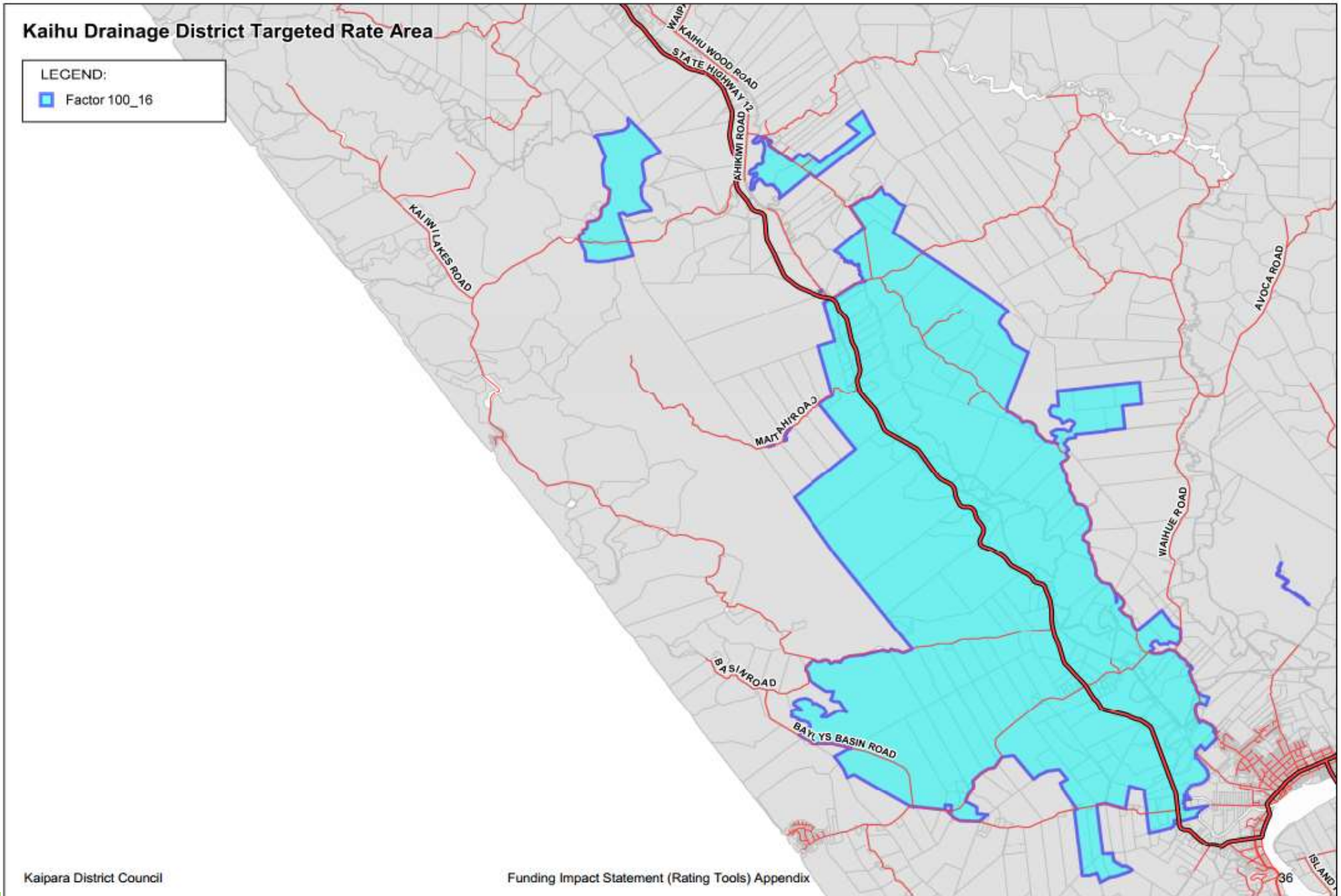


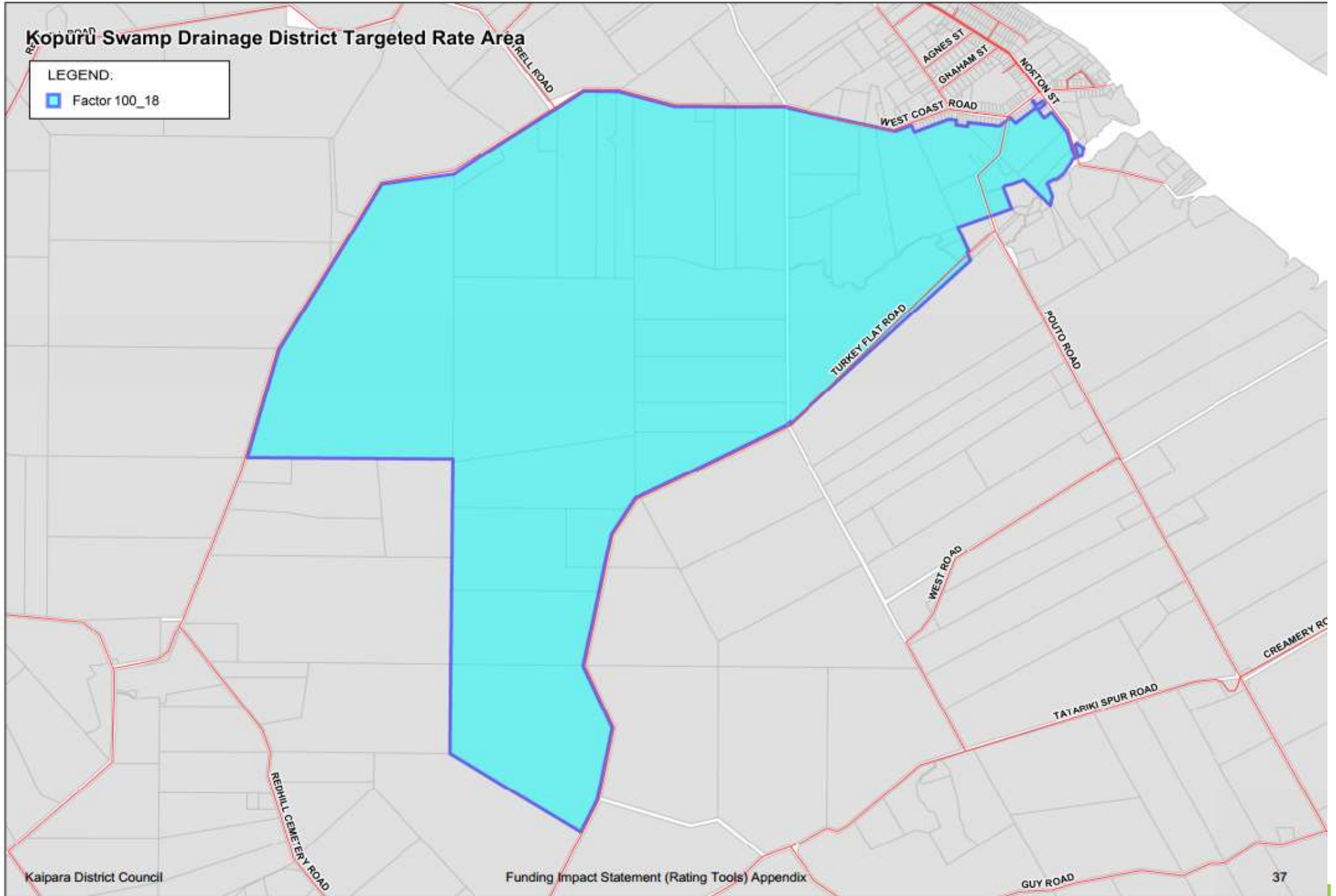


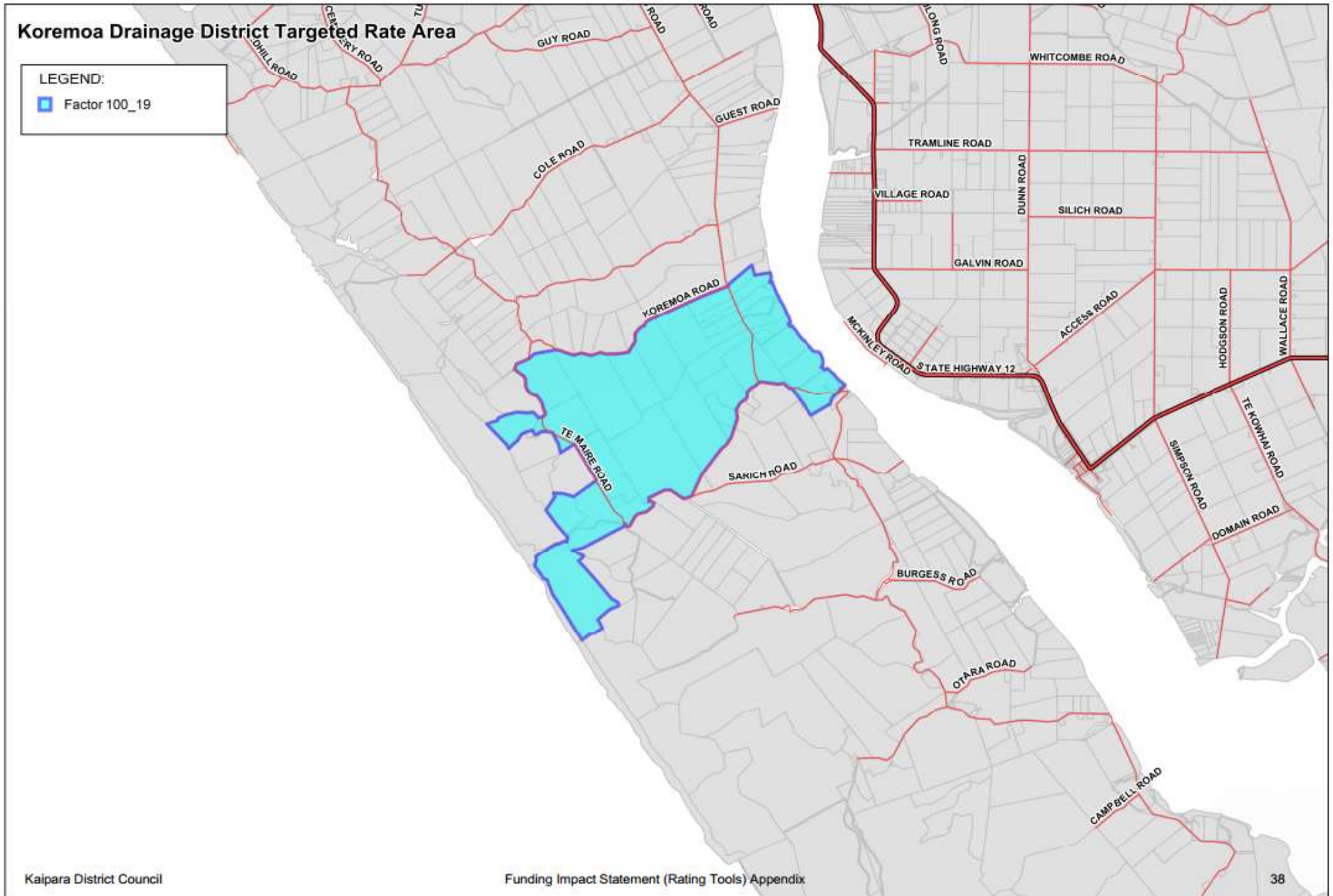


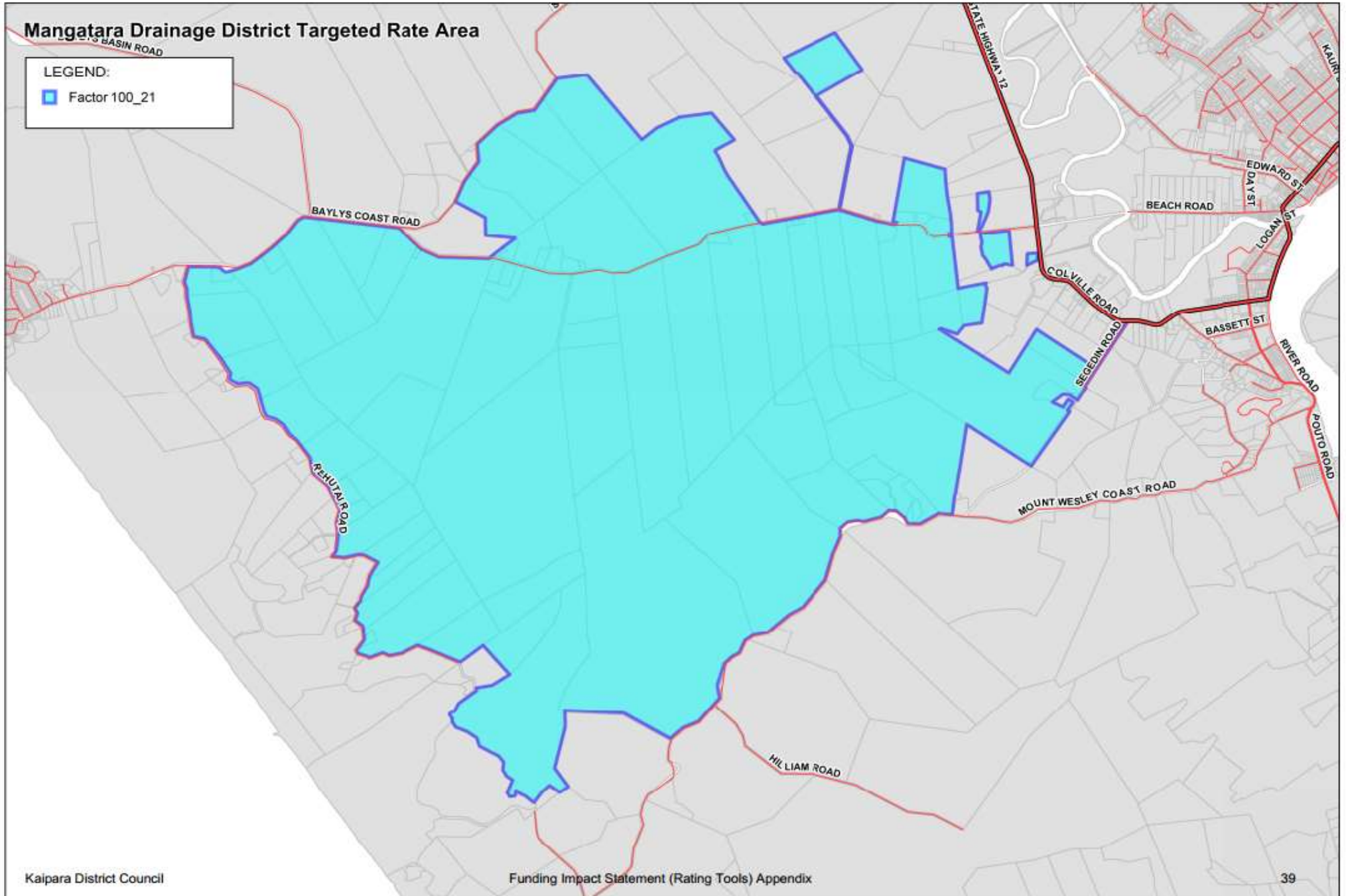


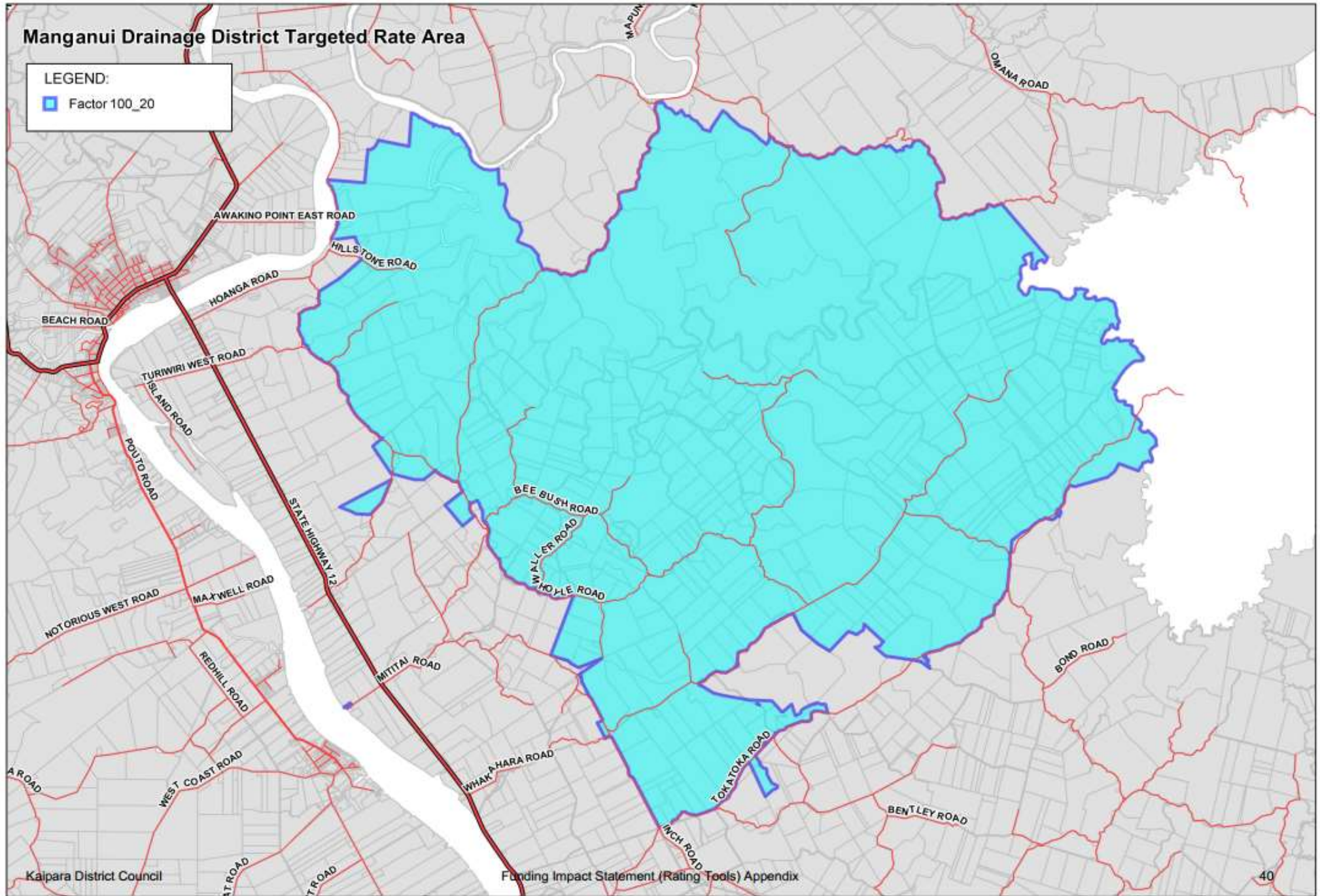


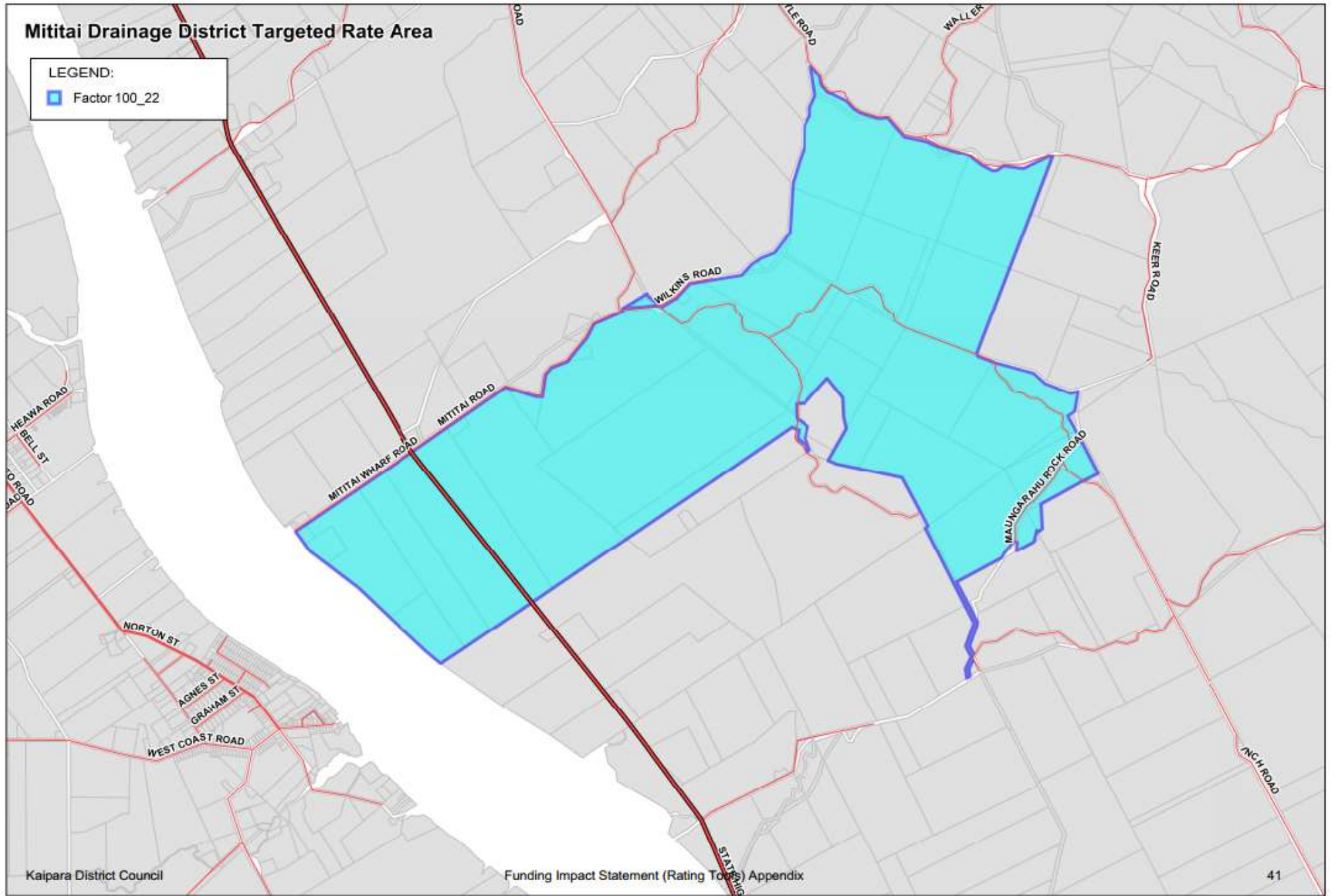


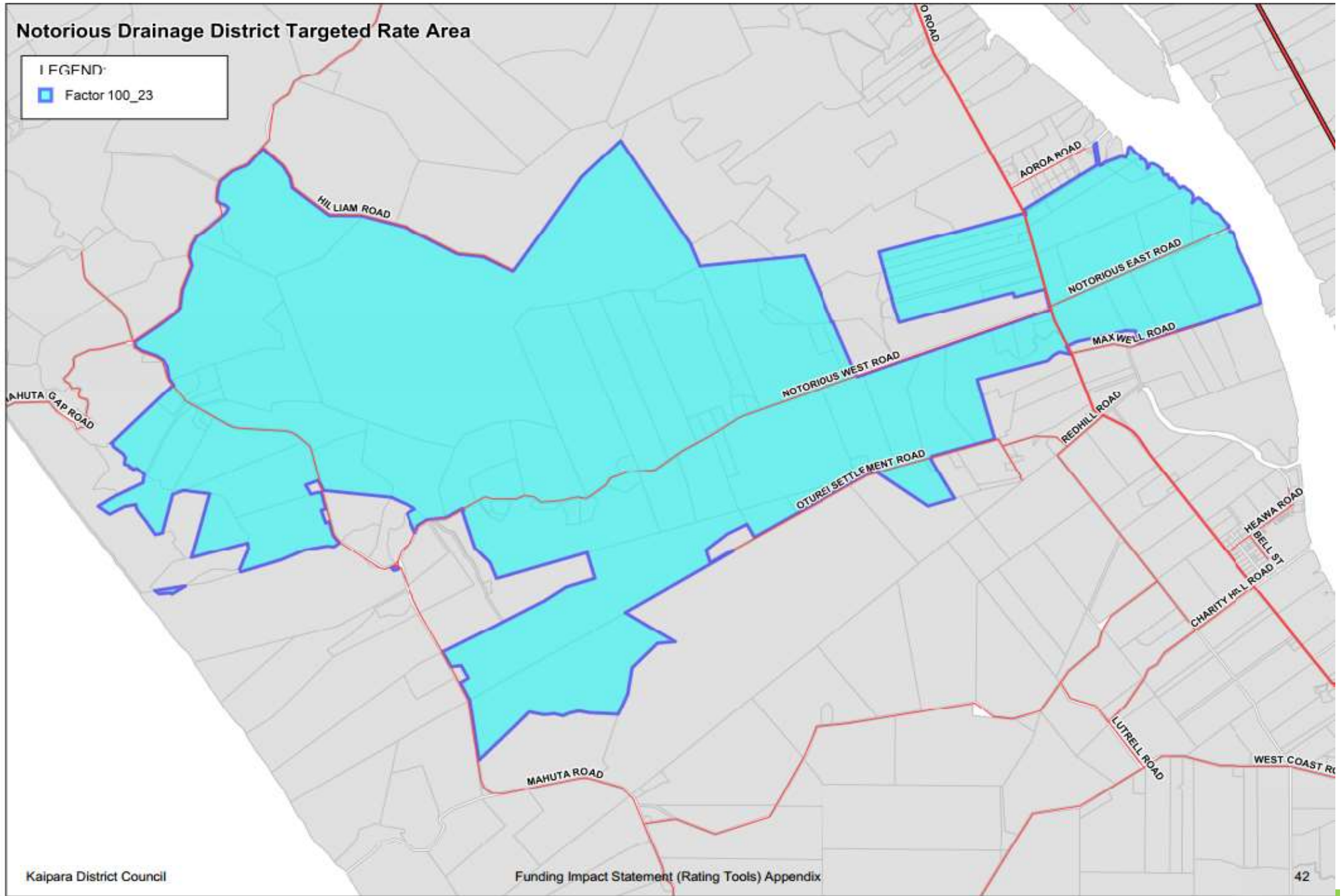


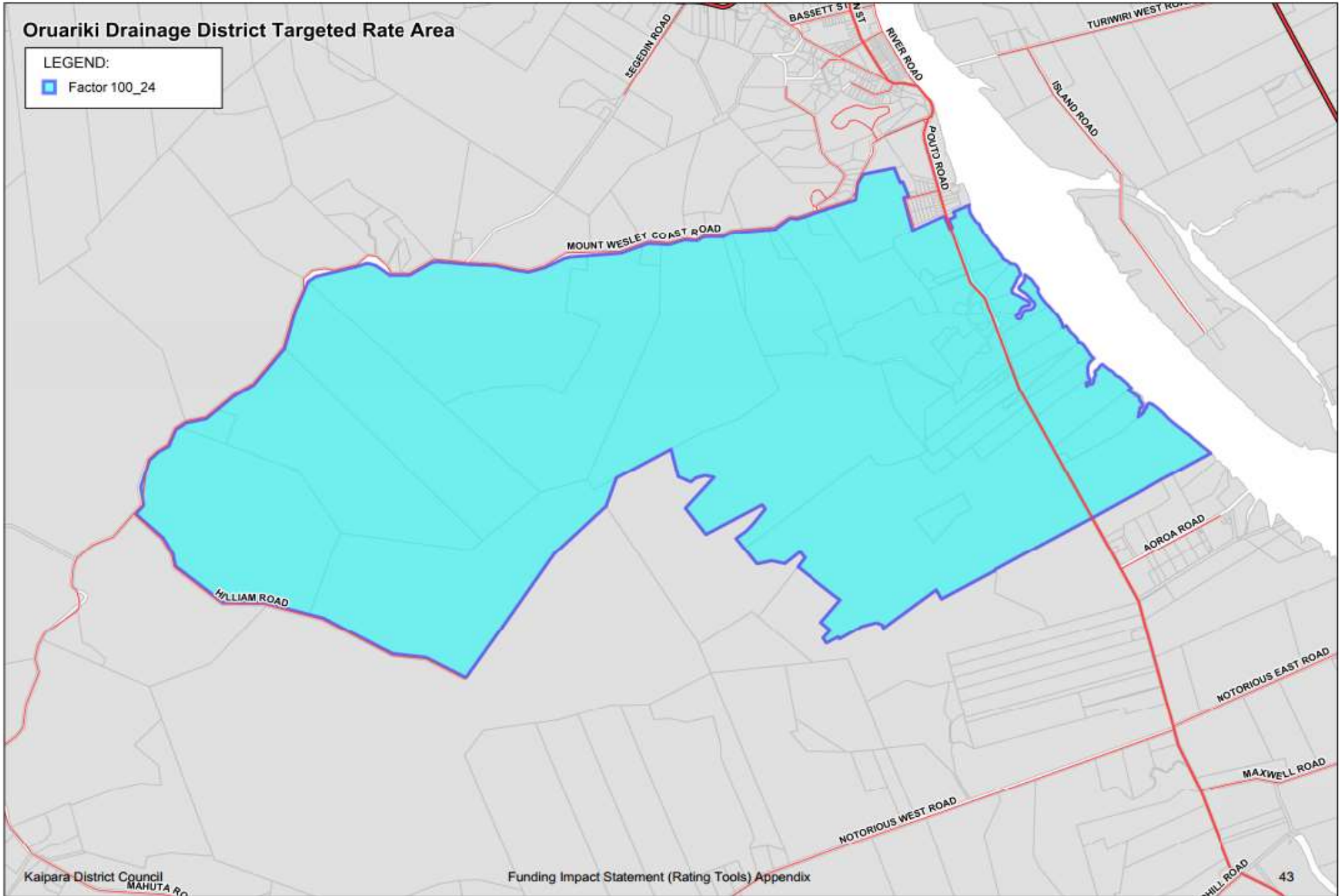


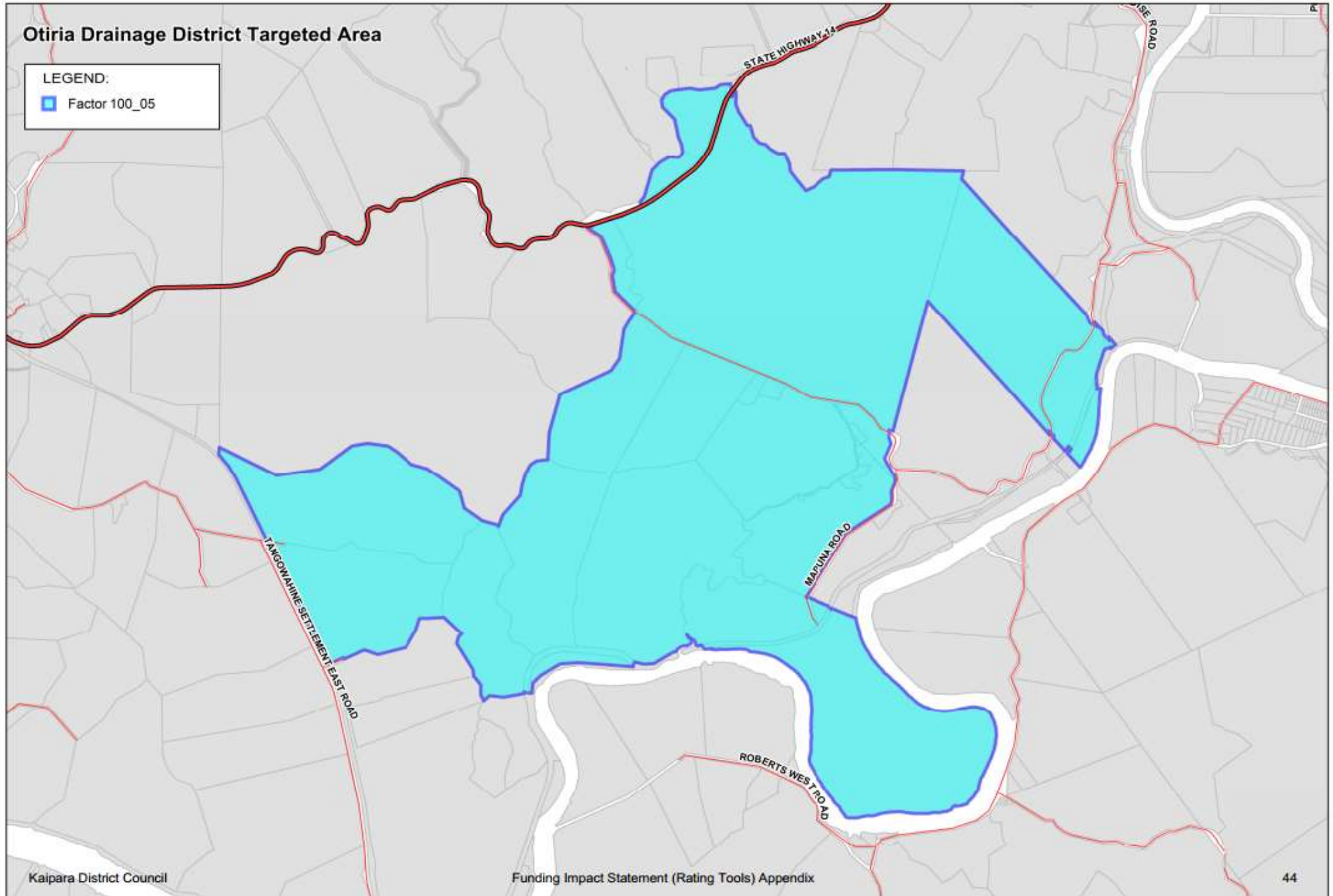


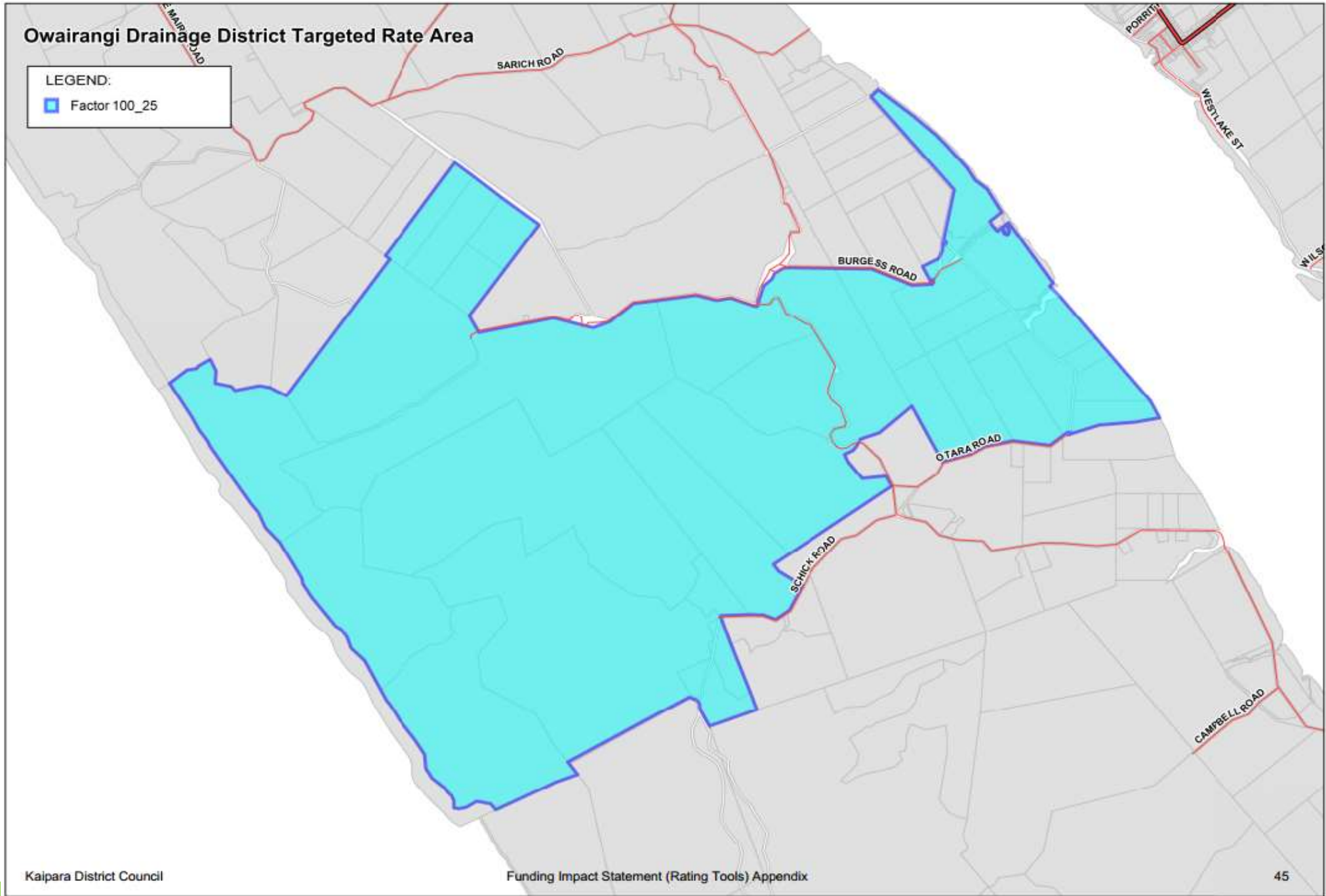


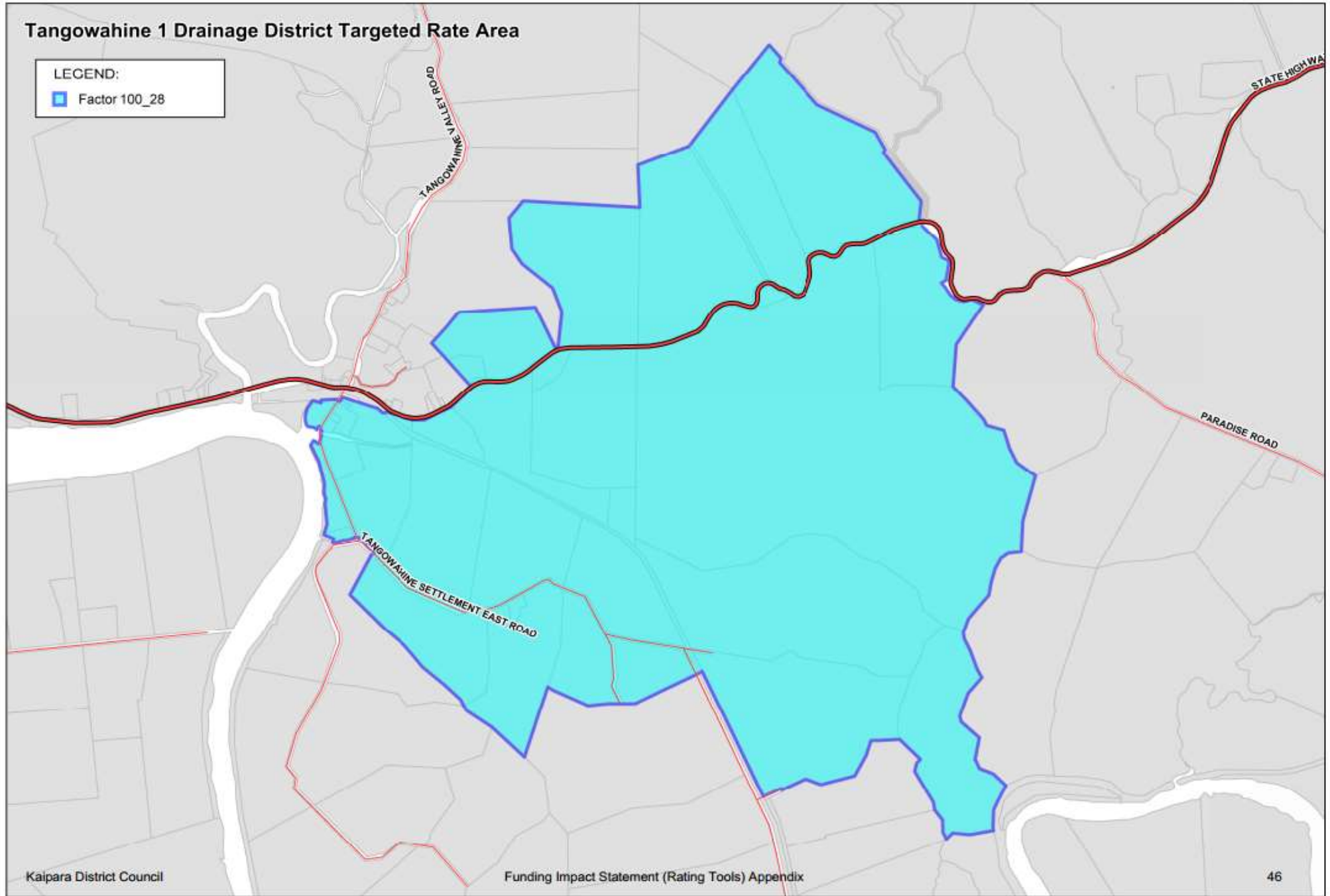


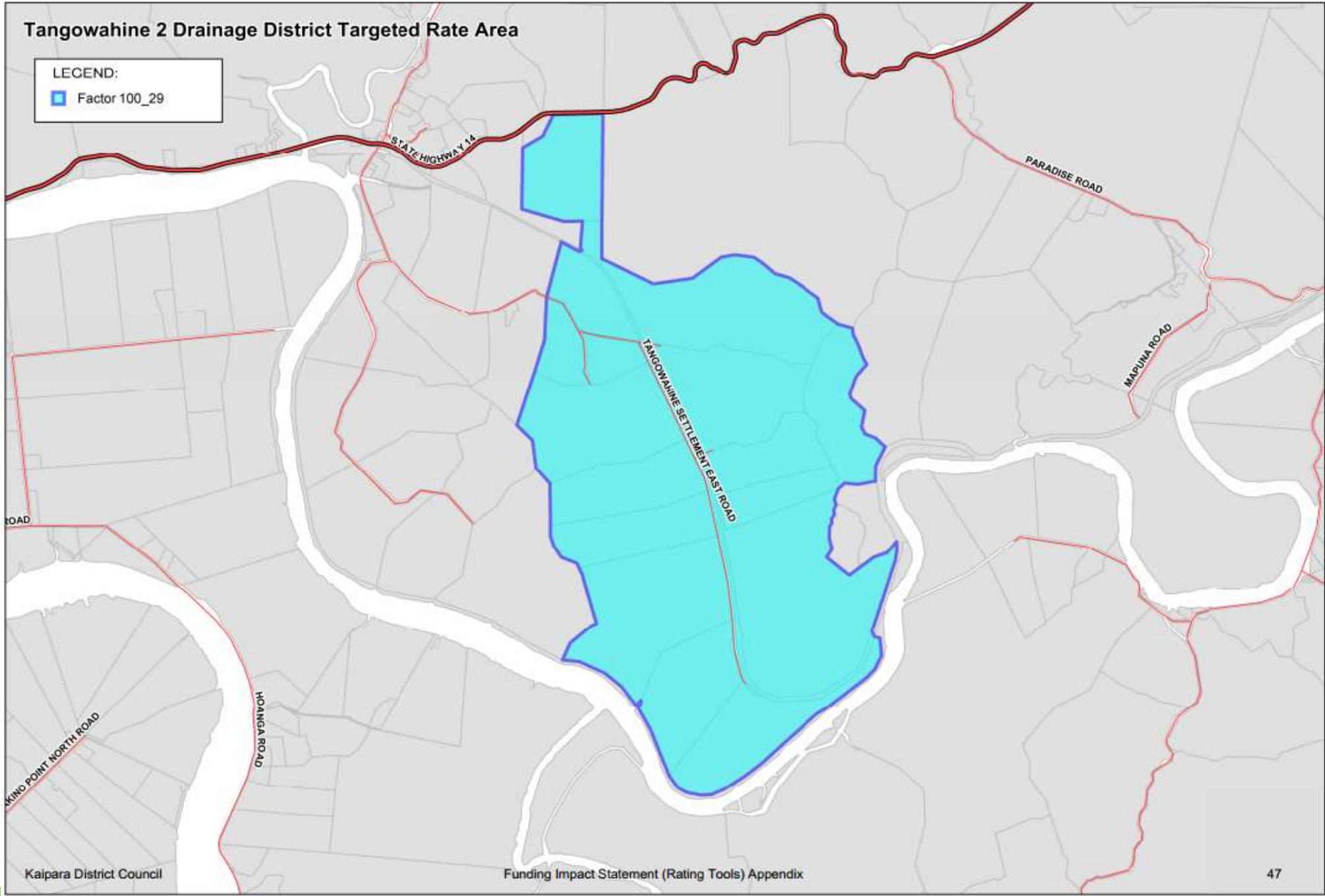


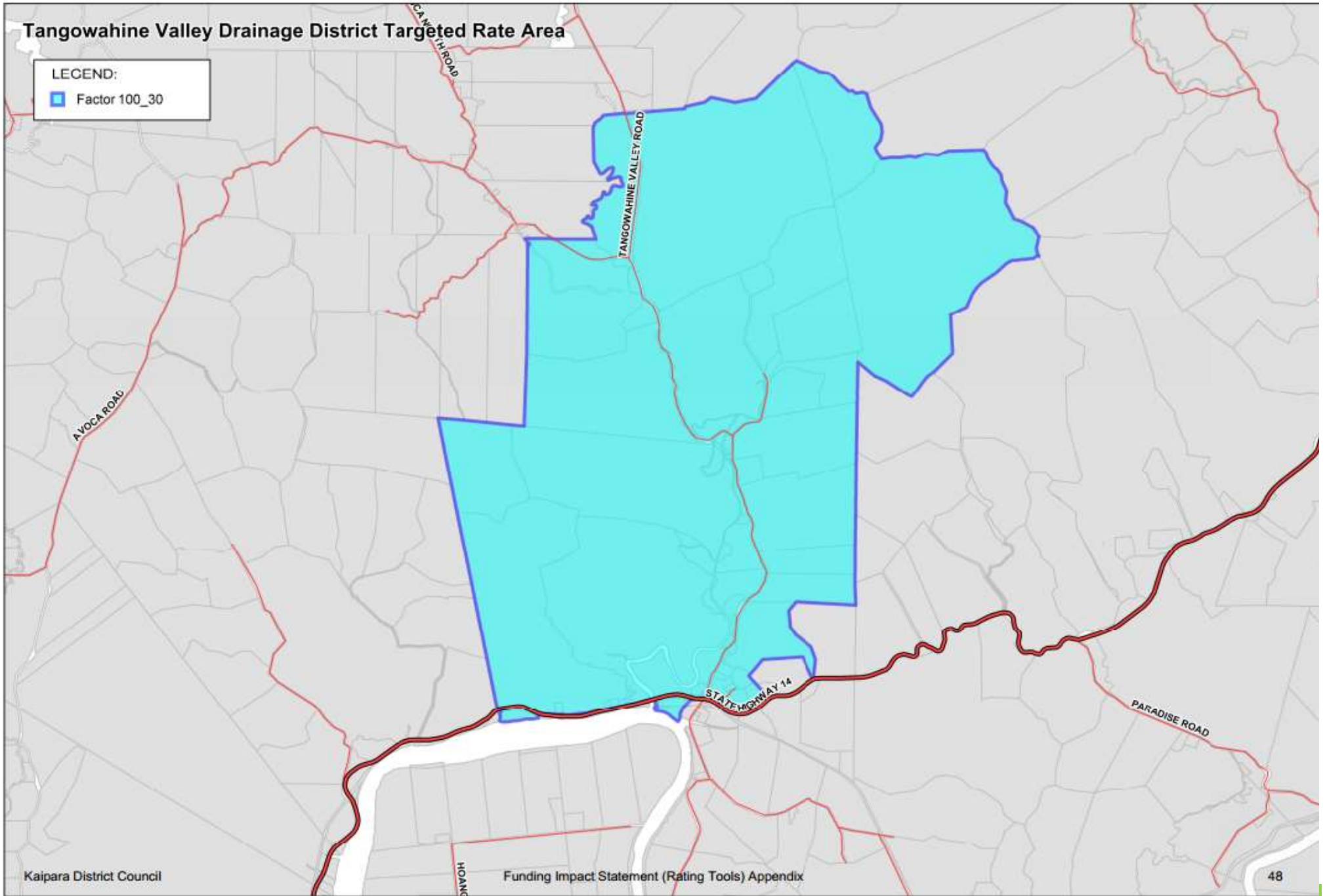


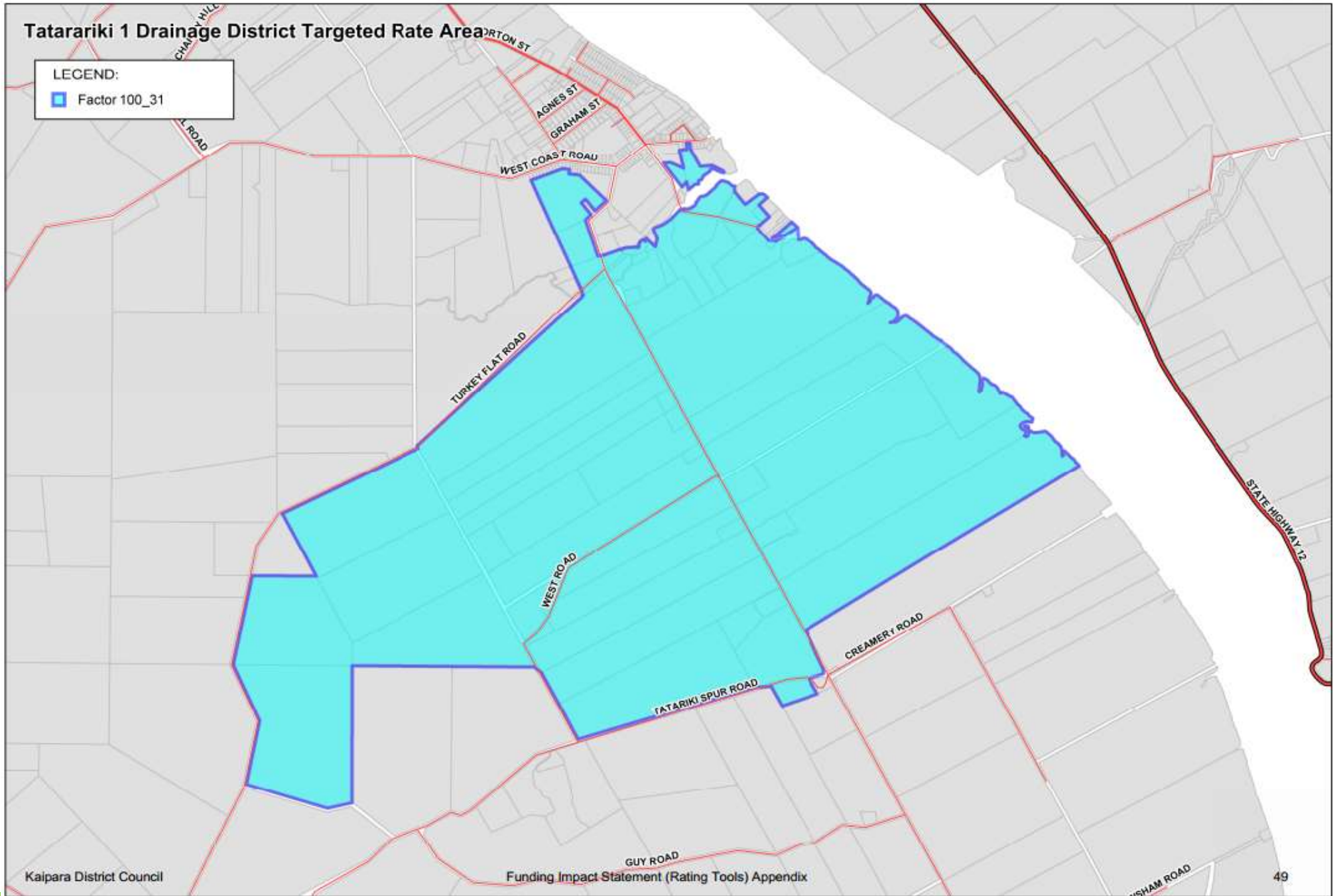


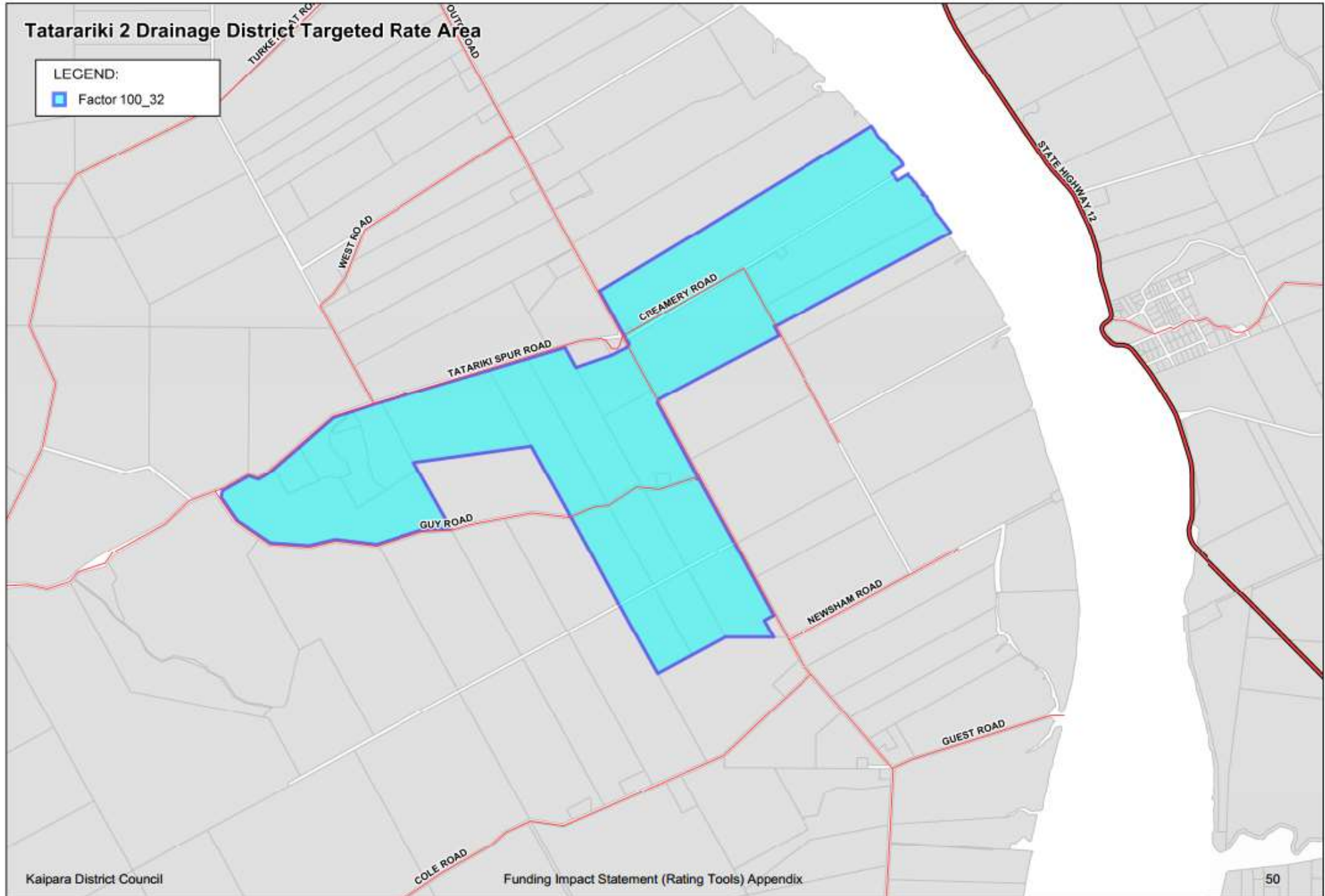


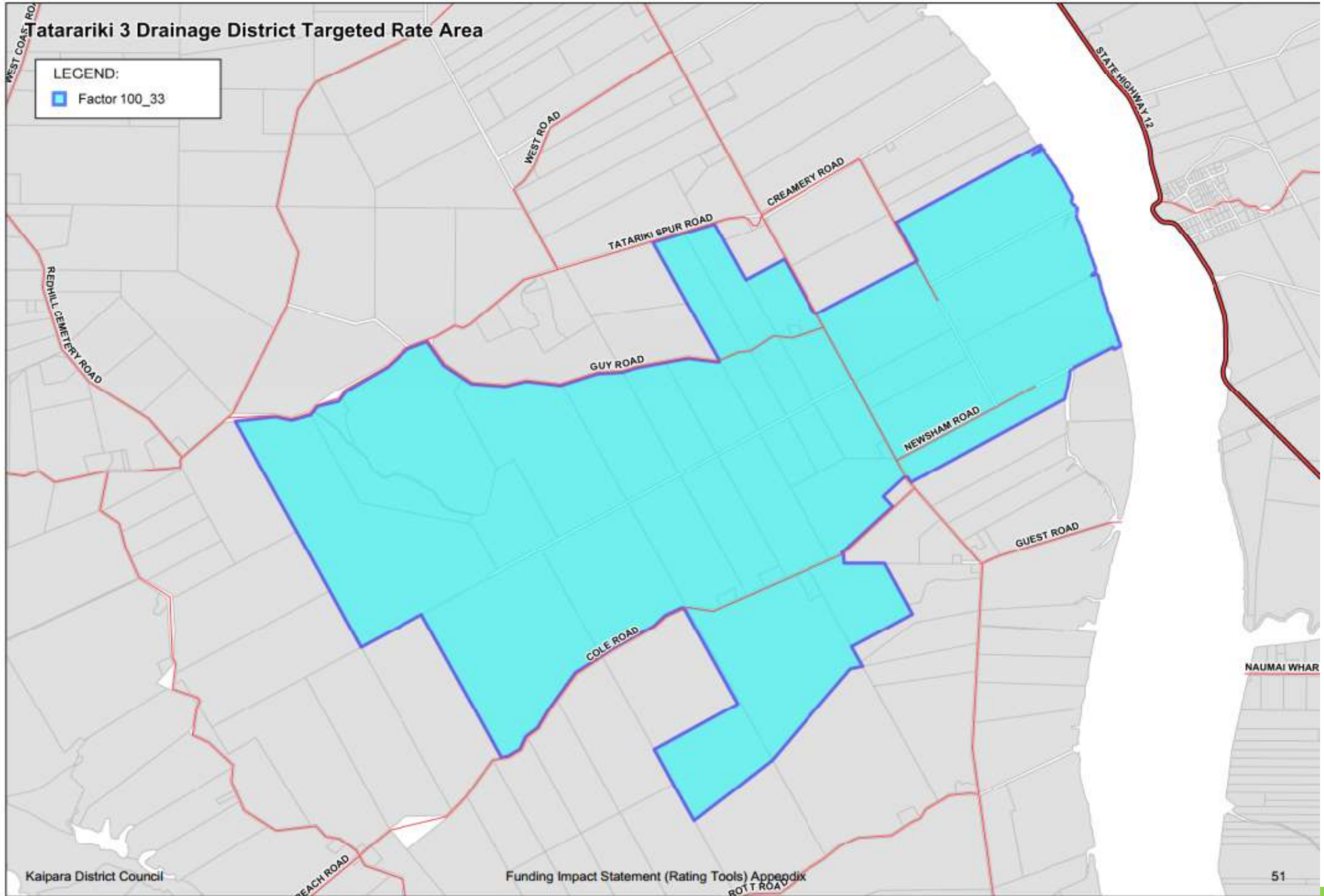


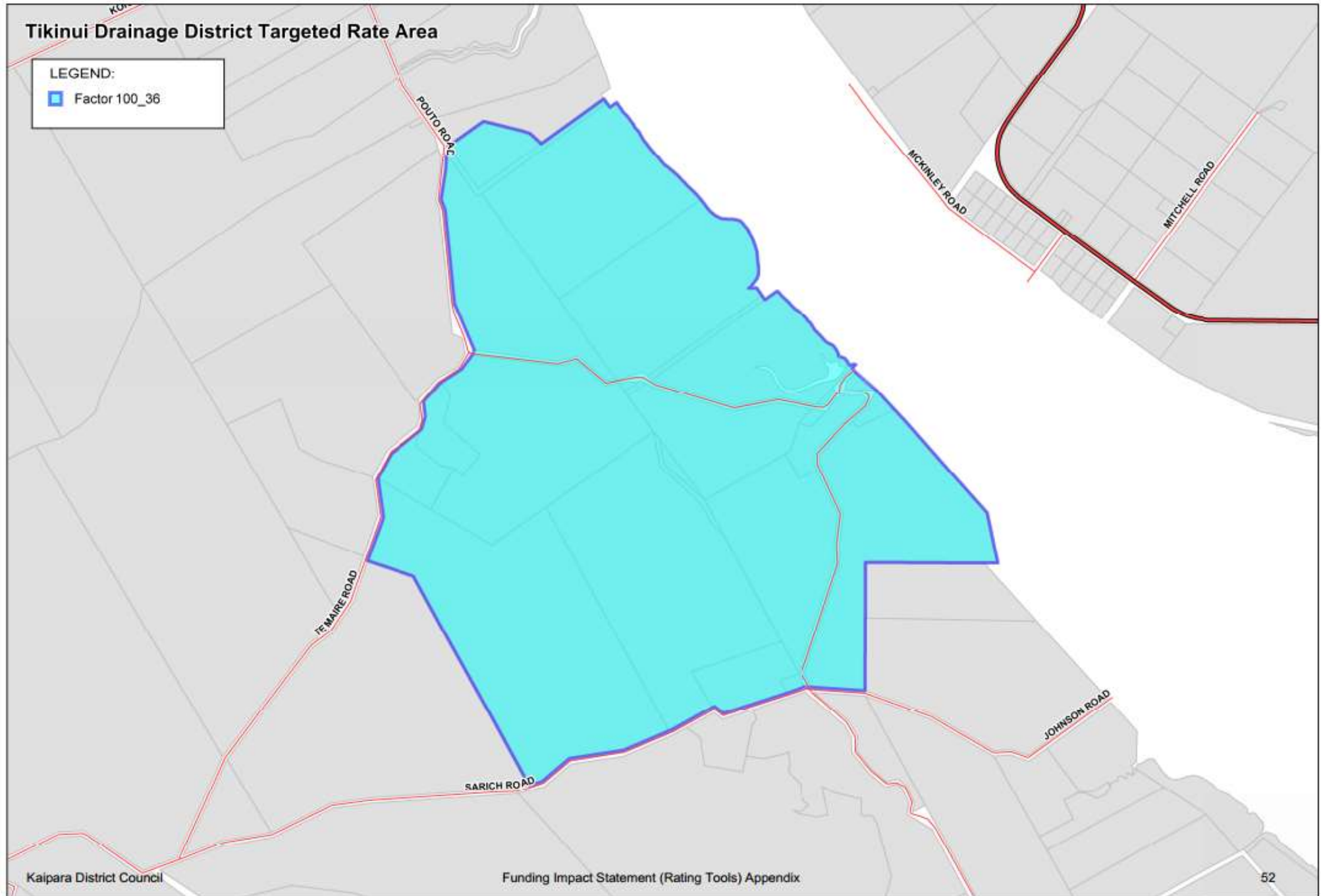


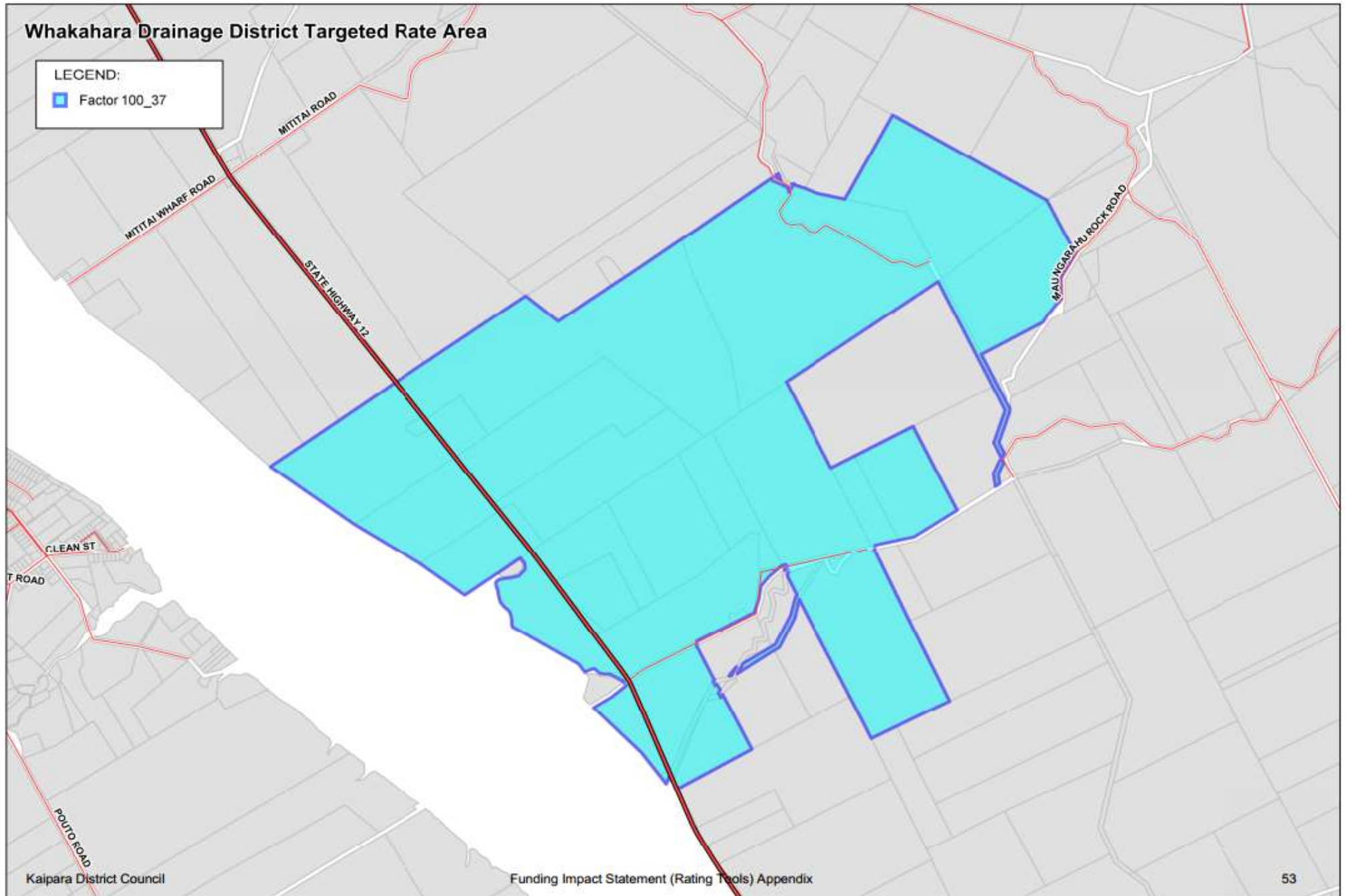


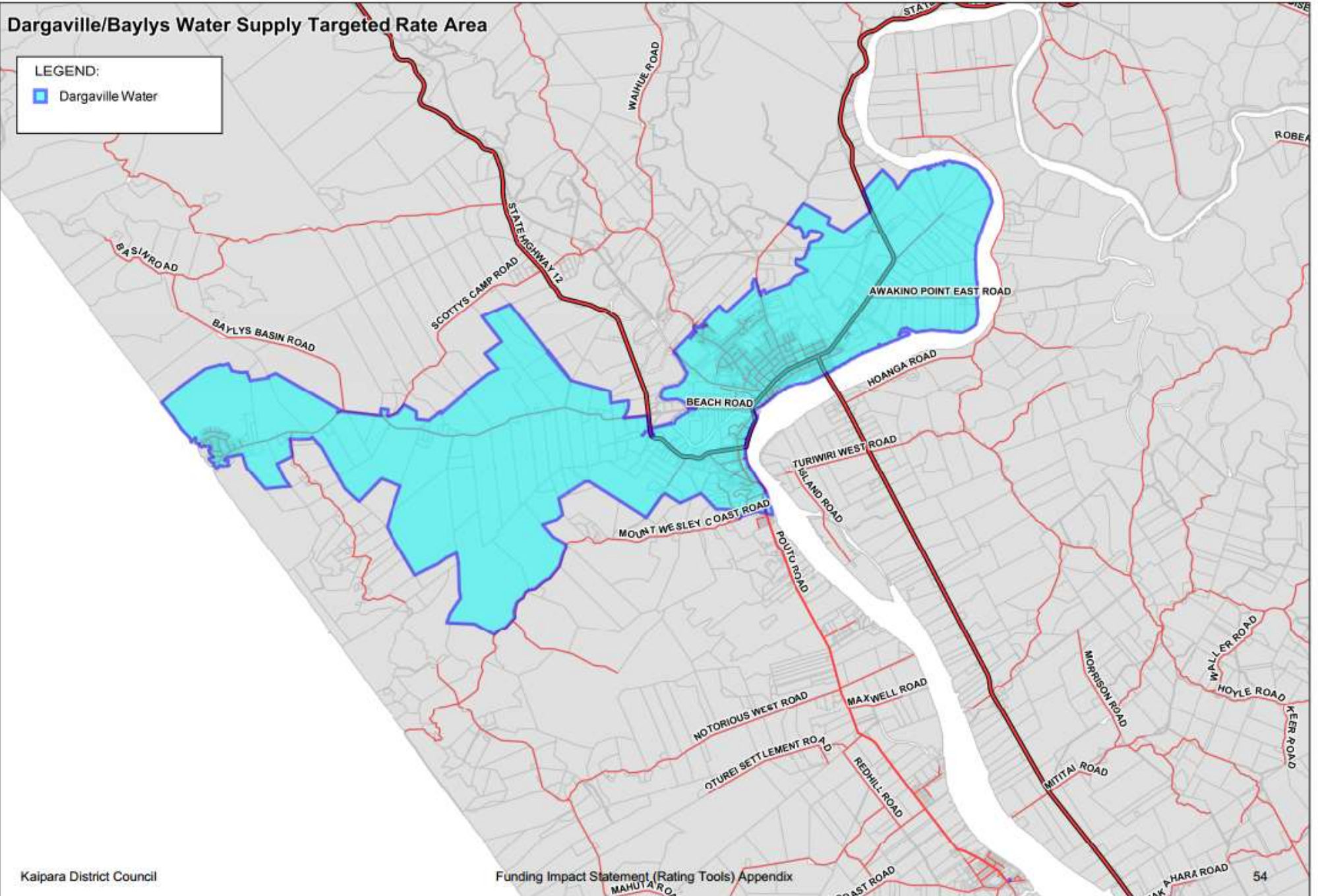









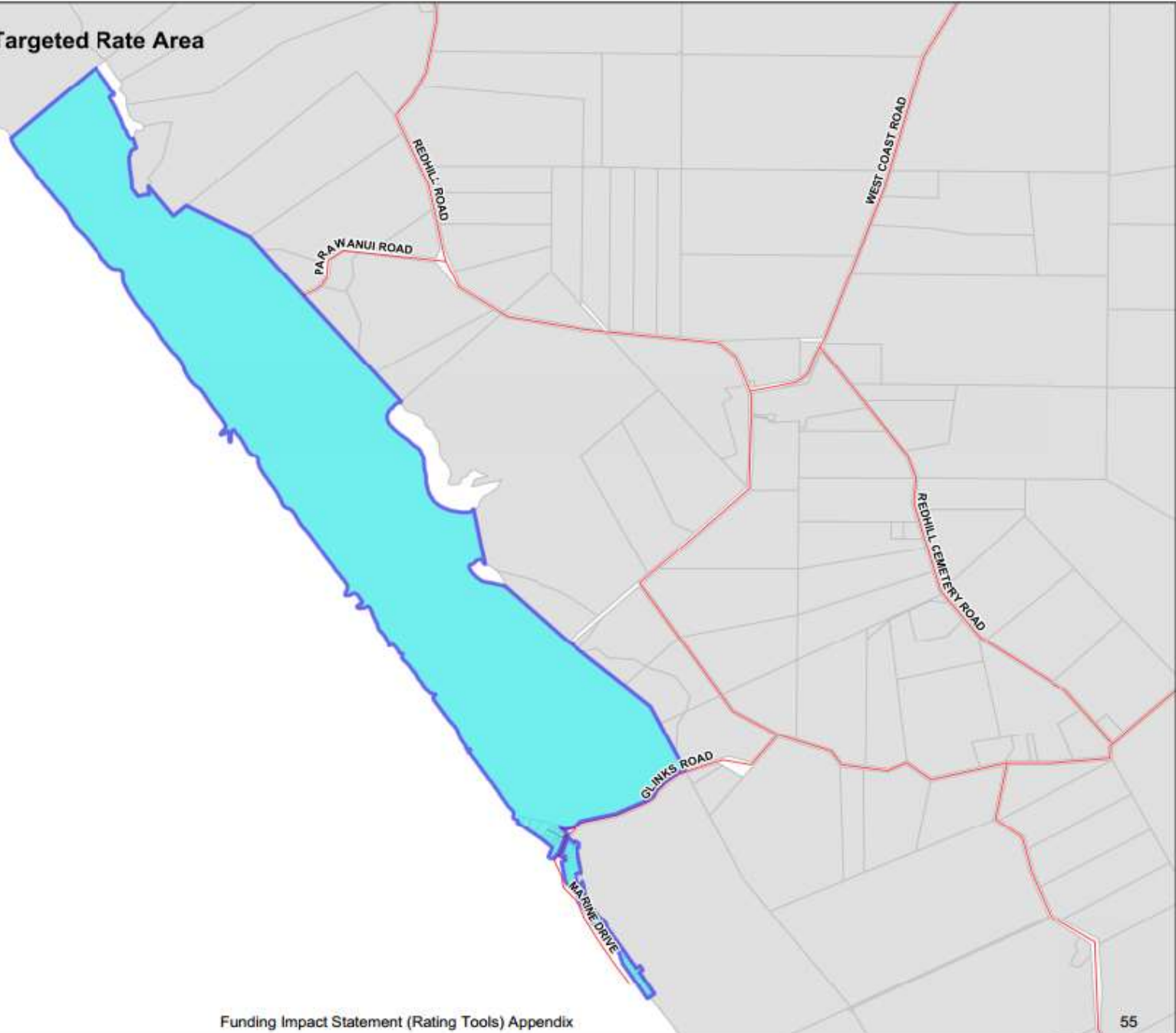


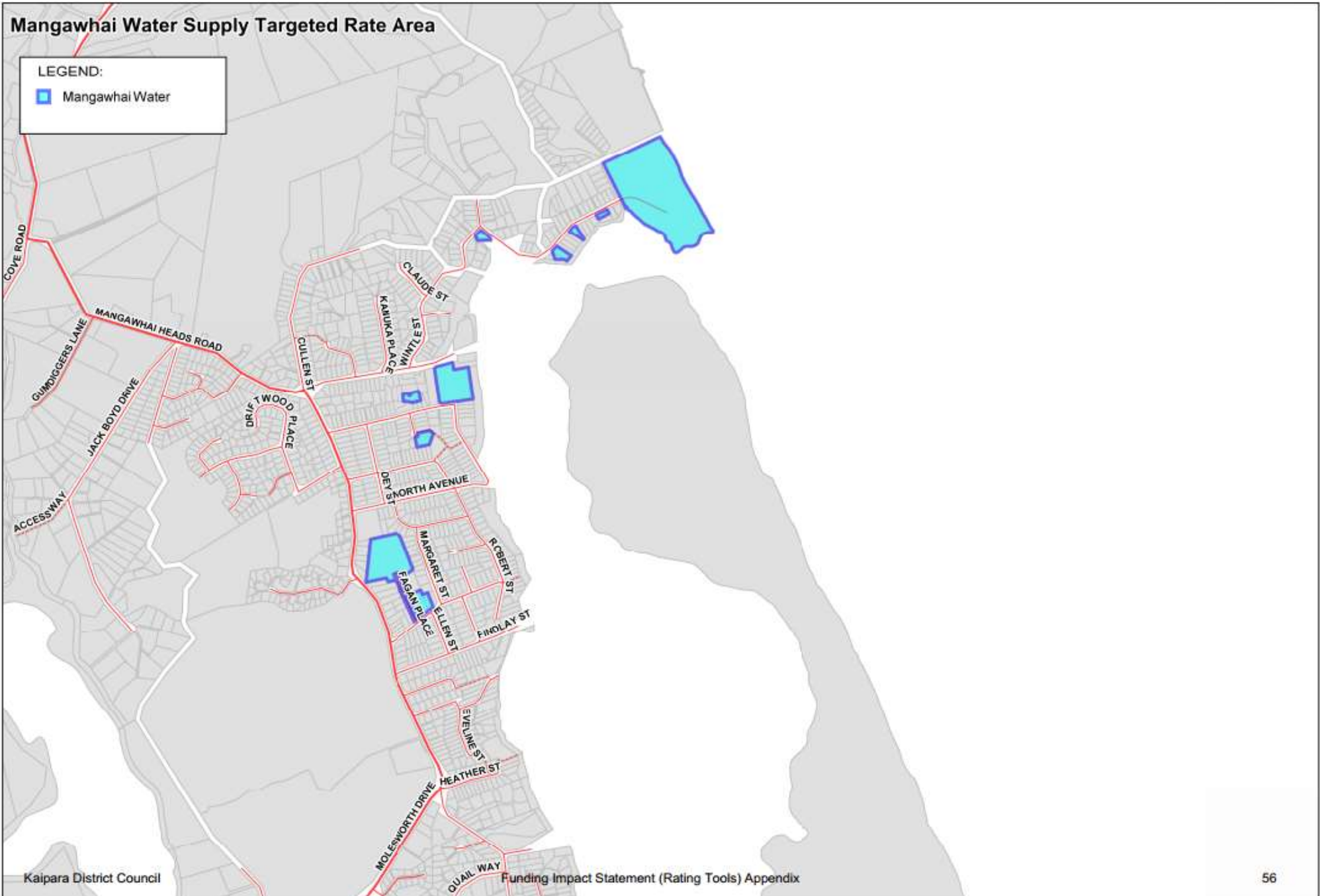


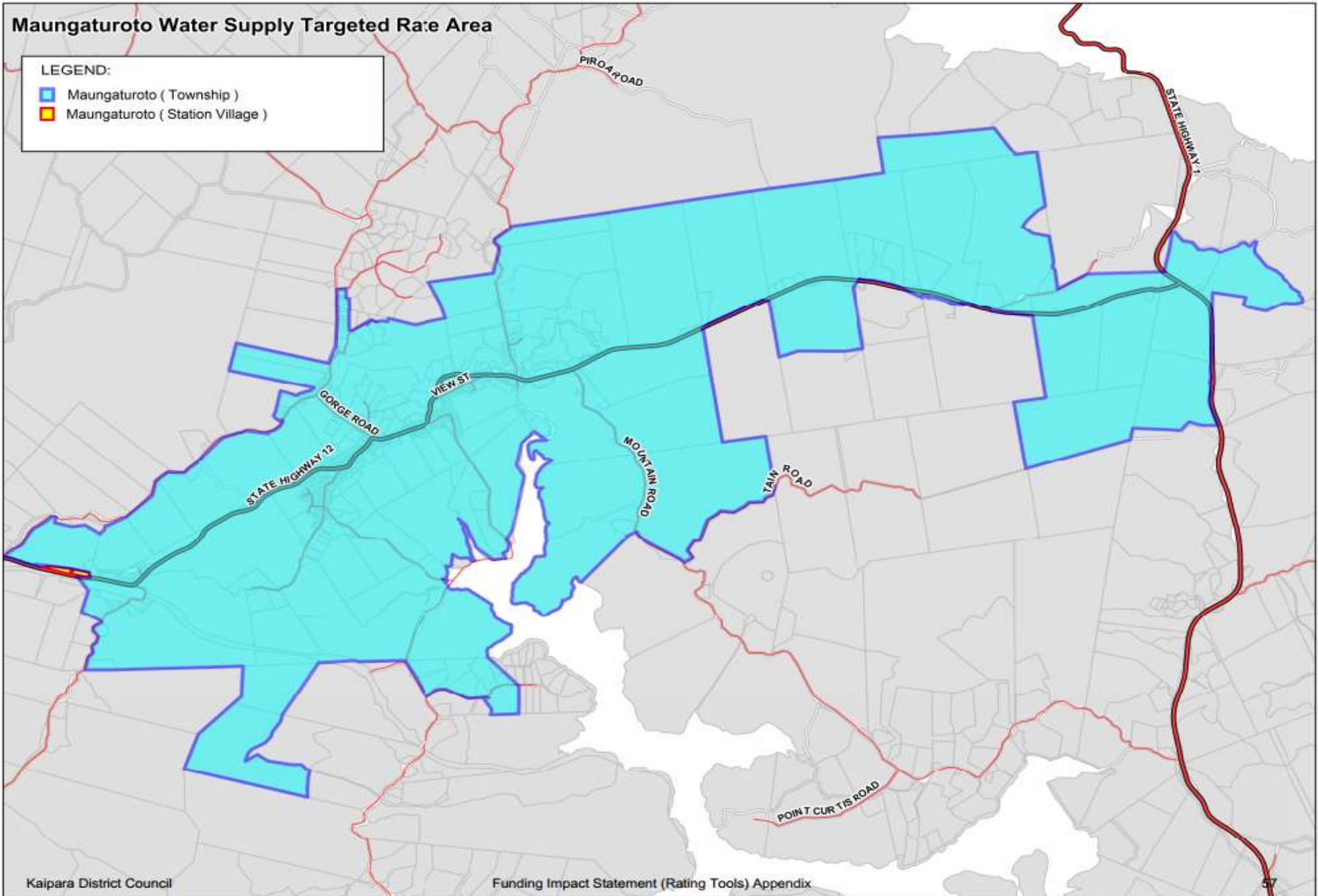
Glinks Gully Water Supply Targeted Rate Area

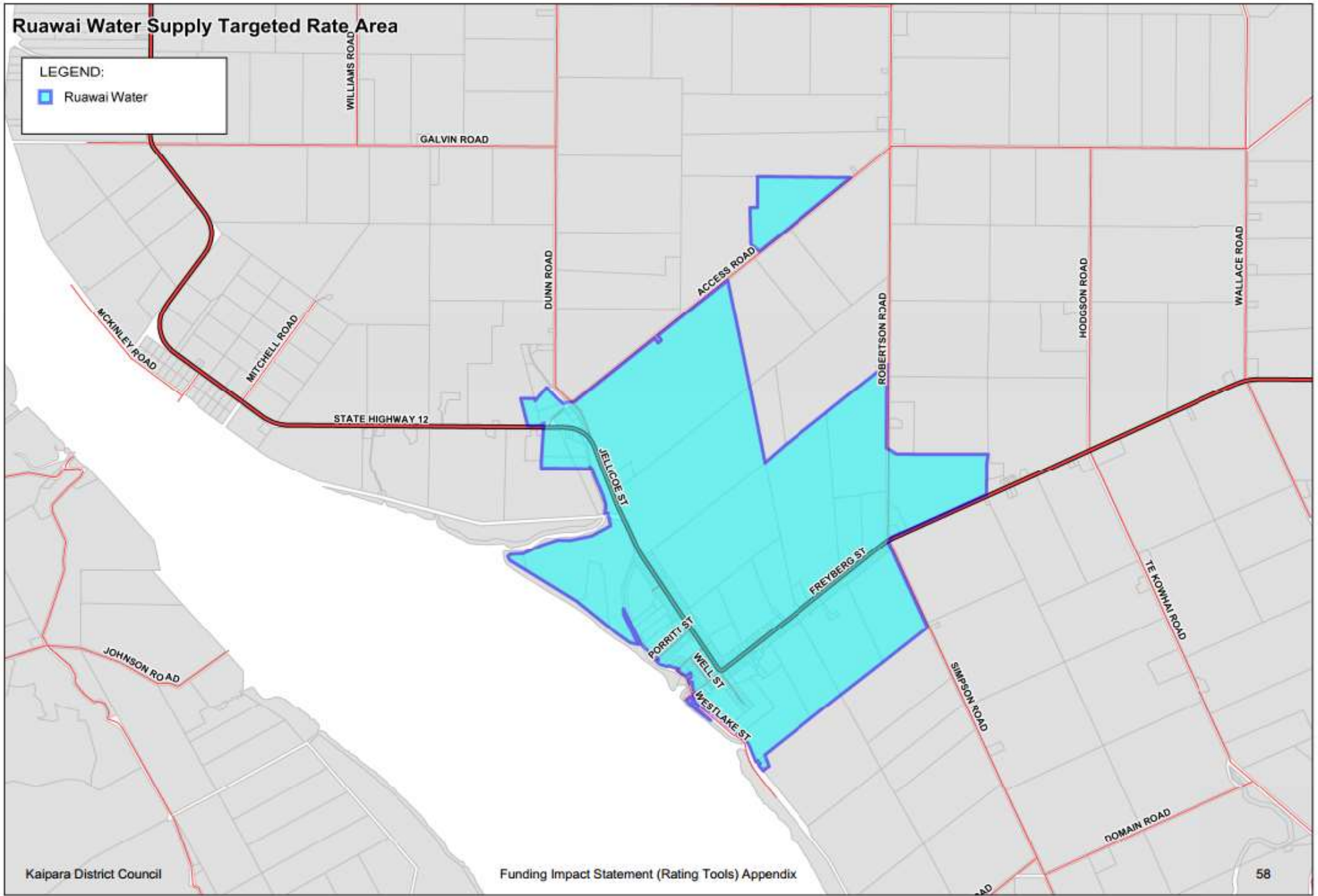
LEGEND:

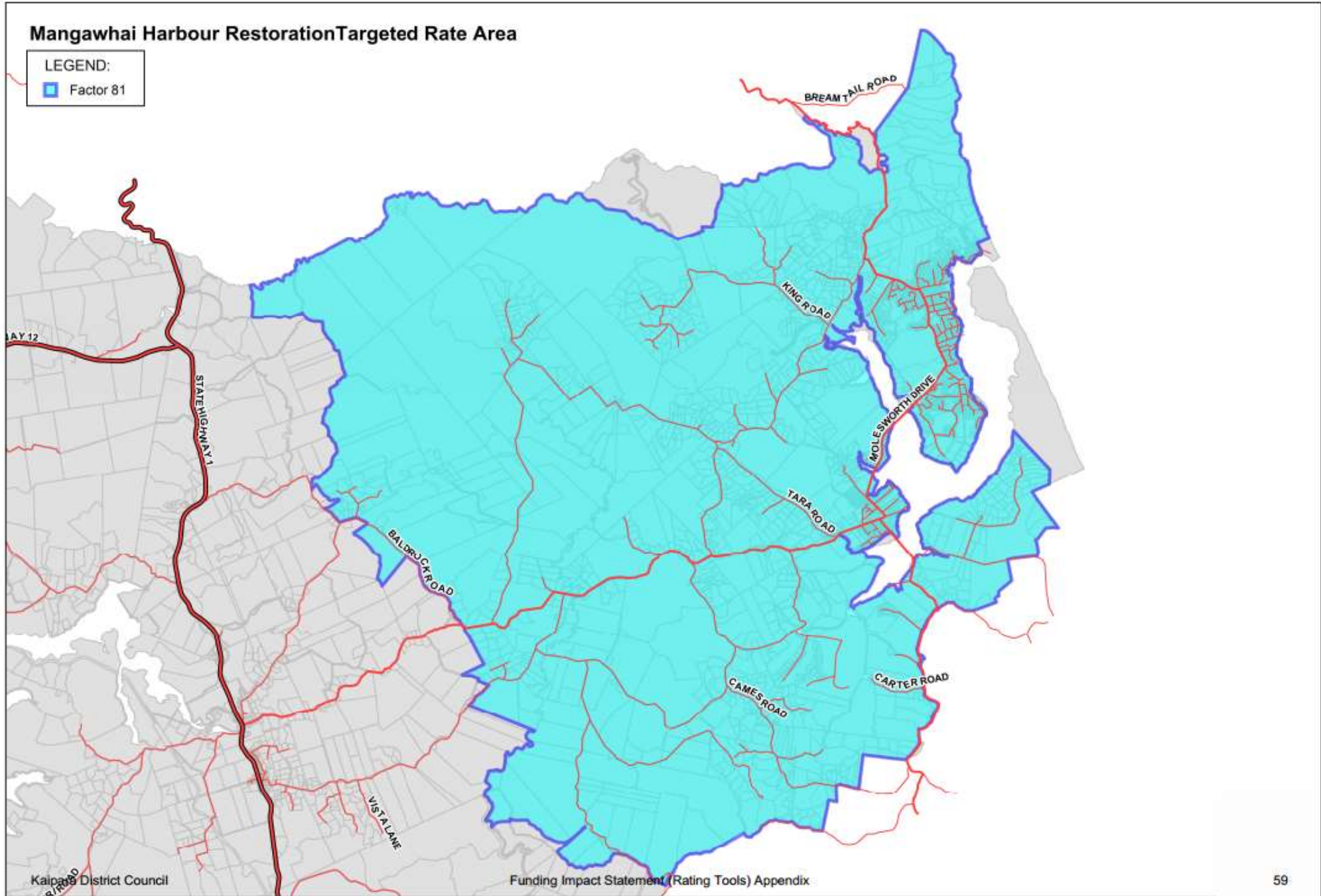
-  Glinks Gully Water



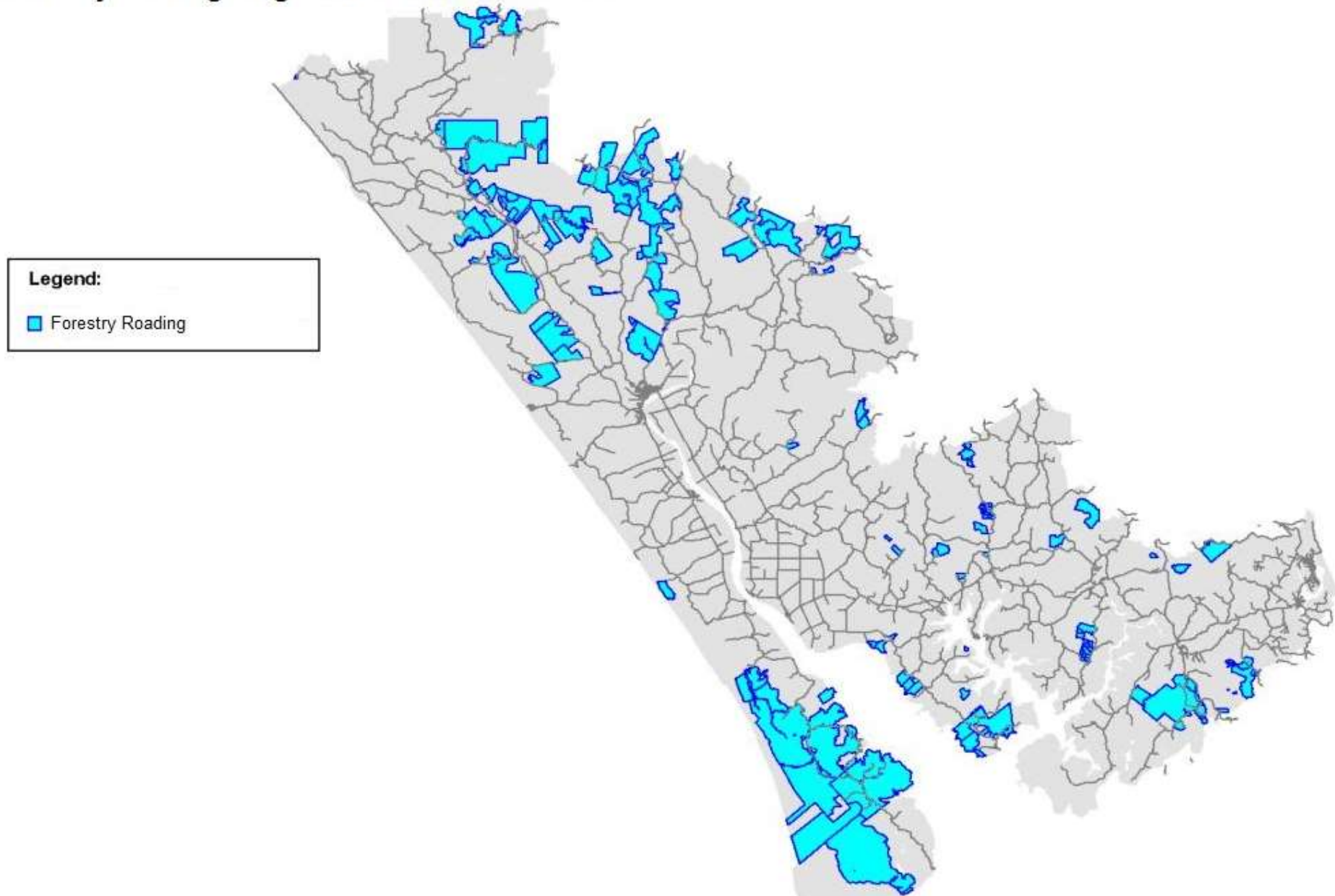








Forestry Roding Targeted Rate Area



Forestry Roding Targeted Rate

Valuation	Location	Valuation	Location	Valuation	Location
0099017200	16 Monteith South Road, Aranga	0103003100	Kirikopuni Station Road, Kirikopuni	0117008601	Paparoa-Oakleigh Road, Paparoa
0099022900	Monteith South Road, Aranga	0103009900	State Highway 14, Central	0117010604	121 Wearmouth Road, Paparoa
0099023400	Monteith Road, Aranga	0103010408	Pukehuia Road, Pukehuia	0118001100	Finlayson Brook Road, Maungaturoto
0099024000	Omamari Road, Omamari	0103015400	Child Road, Tangiteroria	0118010307	State Highway 1, Otamatea
0099024400	State Highway 12 Dargaville-Waipoua, West Coast	0104000100	Basin Road, Omamari	0119009206	Bickerstaffe Road, Maungaturoto
0099028600	1345 State Highway 12 Dargaville-Waipoua, West Coast	0108002500	Mititai Road, Mititai	0119009216	Bickerstaffe Road, Maungaturoto
0099029800	State Highway 12 Dargaville-Waipoua, West Coast	0108003500	Hoyle Road, Arapohue	0119012900	Bickerstaffe Road, Maungaturoto
0099030800	Babylon Coast Road, Omamari	0110004803	Te Maire Road, Te Maire	0119012901	Bickerstaffe Road, Maungaturoto
0100006100	Waimatenui East Road, Waimatenui	0110005202	Schick Road, Pouto Peninsula	0119012902	Bickerstaffe Road, Maungaturoto
0100006300	Kaikohe Road, Tutamoe	0110010600	Pouto Road, Pouto Peninsula	0119012903	Bickerstaffe Road, Maungaturoto
0100009101	Mangatu Road, Donnelly's Crossing	0110012303	Ari Ari Road, Pouto Peninsula	0119012904	Bickerstaffe Road, Maungaturoto
0100010800	Opouteke Road, Whatoro	0110012500	Ari Ari Road, Pouto Peninsula	0119012905	Bickerstaffe Road, Maungaturoto
0100011400	Opouteke Road, Whatoro	0110015800	Pouto Road, Pouto Peninsula	0119012906	Bickerstaffe Road, Maungaturoto
0100014800	Baker Road, Kaihu	0112002700	Te Kowhai Road, Ruawai	0119012907	Bickerstaffe Road, Maungaturoto
0100015600	Opouteke Road, Whatoro	0112004500	Te Kowhai Road, Ruawai	0119012908	Bickerstaffe Road, Maungaturoto
0100015601	Opouteke Road, Whatoro	0112004900	Gee Road, Hukatere	0119012909	Bickerstaffe Road, Maungaturoto
0100016900	Waipara Road, Kaihu	0112006500	51 Summer Road, Hukatere	0119012910	Bickerstaffe Road, Maungaturoto
0100017100	Waipara Road, Kaihu	0112006701	Tinopai Road, Tinopai Peninsula	0119012911	888 Bickerstaffe Road, Maungaturoto
0100017800	Kaihu Wood Road, Kaihu	0112006800	Tinopai Road, Tinopai Peninsula	0120000400	State Highway 1, Otamatea
0100018100	63 Kaihu Wood Road, Kaihu	0112009601	Karakanui Road, Hukatere	0120007100	State Highway 1, Otamatea
0100018104	63 Kaihu Wood Road, Kaihu	0112014700	Tinopai Road, Tinopai Peninsula	0120023700	Pritchard Road, Hakaru
0100018105	63 Kaihu Wood Road, Kaihu	0112014701	Tinopai Road, Tinopai Peninsula	0120023800	Pritchard Road, Hakaru
0100020800	Shepherd Road, Mamaranui	0112014702	Tinopai Road, Tinopai Peninsula	0122000400	Brown Road, Tara
0100022200	374 Maropiu Road, Maropiu	0112014703	Tinopai Road, Tinopai Peninsula	0099000200B	Waipoua Settlement Road, Katui
0100022400	Maropiu Road, Maropiu	0115024400	Smokey Hill Road, Ararua	0101007900A	State Highway 14, Central
0100022401	Maropiu Road, Maropiu	0115024600	Ovens Road, Oparakau	0103002400B	137 Paerata Road, Tangiteroria
0100024500	Waimata Road, Waihue	0115026000	Ups And Downs Road, Ararua	0110012300B	Pouto Road, Pouto Peninsula
0101000800	Nichols Road, Kairara	0115027000	Ups And Downs Road, Ararua	0112012800A	Arapaoa Road, Tinopai Peninsula
0101001200	Avoca Road, Avoca	0116001000	Taylor Road, Taipuha		
0101002602	Waihue Road, Waihue	0116003300	Bull Road, Maungaturoto		
0101005800	Waihue Road, Waihue	0116003302	Bull Road, Maungaturoto		
0101013400	State Highway 14, Central	0116003303	Bull Road, Maungaturoto		
0102000100	Tangowahine Valley Road, Avoca	0116003304	Bull Road, Maungaturoto		
0102000400	Tangowahine Valley Road, Avoca	0116003305	Bull Road, Maungaturoto		
0102000600	1889 Tangowahine Valley Road, Avoca	0116003306	Bull Road, Maungaturoto		
0102000608	1889 Tangowahine Valley Road, Avoca	0116003307	Arcadia Road, Paparoa		
0102000707	Murray Road, Tangowahine	0116003308	Arcadia Road, Paparoa		
0102000900	Murray Road, Tangowahine	0116003309	Arcadia Road, Paparoa		
0102002105	Avoca North Road, Avoca	0116003310	Bull Road, Maungaturoto		
0102002600	Tangowahine Valley Road, Avoca	0116003311	Bull Road, Maungaturoto		
0102005900	Avoca North Road, Avoca	0116003312	Bull Road, Maungaturoto		
0102007001	State Highway 14, Central	0116003313	Bull Road, Maungaturoto		
0103000800	1000 Houto Road, Kirikopuni	0116003314	Bull Road, Maungaturoto		
0103002402	Houto Road, Kirikopuni	0117000103	Arcadia Road, Paparoa		
0103002500	Houto Road, Kirikopuni	0117000600	Golden Stairs Road, Maungaturoto		

Significant Forecasting Assumptions

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
Population and Demographic Assumptions			
<p>Population Growth: Kaipara District Council uses the subnational population projections provided by Statistics New Zealand (SNZ) as an indication of future growth trends.</p> <p>With past growth (2006-2016) exceeding projections, the assumption is that population growth will be in line with SNZ 2013 (Census) based high series projections updated at 22 February 2017 which will see district population increases of:</p> <ul style="list-style-type: none"> • 2,900 (12.5%) from 23,100 to 26,000 between 2018 and 2028; and • 2,000 (7.7%) from 26,000 to 28,000 between 2028 and 2038. <p>Slower growth in the second decade is in line with SNZ projections that population growth will slow across all of New Zealand, between 2028 and 2038 because:</p> <ul style="list-style-type: none"> • all areas will be home to more people aged 65 years and over in 2038; and • Deaths will increase relative to births in almost all areas as the population ages. • The assumption is that between 2018 and 2028 most population growth will continue to occur in the southern part of the district, with rural Rehia-Oneriri Census Area Unit (CAU) growing by 900 people and Mangawhai growing by 1,160 people, to reach a population close to 5,000 by 2028. In combination, these areas will take 71% of district growth. 	<p>Population growth in some areas exceeds the relatively modest levels anticipated in the projections.</p> <p>Population decline in some centres results in too smaller rating bases to pay for upkeep of public assets.</p>	<p>Low/Medium</p>	<p>Population growth is calculated based on the relative rates of births and deaths in the district (natural increase) coupled with the net movement of people in and out of the district (net migration).</p> <p>Of these, net migration is particularly difficult to predict. It is typically influenced by economic conditions and social trends. For example, better economic conditions may lead to more local jobs allowing more people to be employed in the district. On the other hand, the continuing trend towards centralisation results in more industry and related jobs moving to the larger centres, with an associated migration of workers and their families. Conversely, social trends towards lifestyle blocks and retiring in the country may result in population growth in some areas. Any change in economic or social trends is therefore likely to impact on the population of the district.</p> <p>Any significant increase in population growth above projections will place greater demands on some Council services and facilities (such as libraries, solid waste and water supply services) and hence raise operating costs.</p> <p>This is anticipated to have its greatest effect in Mangawhai, Kaiwaka and other eastern areas.</p>

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<p>The smaller urban CAU's in the south - Ruawai, Kaiwaka and Maungaturoto will grow by a combined 150 persons (5% of district growth) although there will be considerable growth in the rural areas around them. Dargaville is expected to grow quite strongly by 310 people (over 10% of district growth) to reach a population of 5,330 by 2028.</p> <p>There will be a continued low share of district growth (just 14%) in the north and north-west, totalling 420 persons.</p>			<p>By contrast, if populations decline in northern and western areas, this may result in some communities becoming unsustainable in terms of their ability to support public infrastructure and services.</p>
<p>Population Fluctuations: The resident population in some parts of the district fluctuates during the year with a significant increase over the summer and other holiday periods.</p> <p>Assumptions are that:</p> <ul style="list-style-type: none"> • The resident district population of 23,100 persons in 2018 could increase during peak holiday periods to over 31,000; • The resident district population of 26,000 persons in 2028 could increase during peak holiday periods to over 35,000; • The resident Mangawhai population of around 3,700 in 2018 could grow to 7,700 (an increase of around 4,000 people) during peak holiday periods; and • The resident Mangawhai population of 4,890 in 2028 could grow to over 10,000 (an increase of over 5,000 people) at peak times. <p>Many visitors are in residence during the summer period and bring with them increased demands on infrastructure and services, for example roads, water supply, wastewater and solid waste disposal. They may also have higher service level expectations than the usually resident population.</p>	<p>Seasonal population fluctuations become more severe over time or the period of peak population lengthens.</p>	<p>Medium</p>	<p>Population peaks during holiday periods demand particular infrastructure and services which are largely unused for much of the year. This can place pressure on capital and operating budgets.</p> <p>It is expected that peak demands can be managed and funded for the foreseeable future.</p>

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<p>It is expected that population fluctuations will continue into the future.</p> <p>The population assumptions for Mangawhai, and all population forecasts are taken from best possible information, and are subject to normal forecast risks.</p> <p>Sources: SNZ – 2013 Census and Mangawhai Wastewater Treatment Plant wastewater flow data 2016/2017.</p>			
<p>Dwelling Growth: Council's capital works programme reflects the amount of growth in the district. The district's rating base also increases in response to dwelling growth. Therefore the amount of growth and the timing of growth are important assumptions for Council.</p> <p>The assumption is for steady to strong dwelling growth in Long Term Plan (LTP) decade 2018/2028 moderating in the 2028/2038 decade as population growth rates begin to slow with an aging population, with projections indicating:</p> <ul style="list-style-type: none"> • district dwelling units increasing by nearly 2,000 (1,912) from just under 12,500 to 13,500, and another 1,400 dwellings built between 2028 and 2038; • the largest amounts of dwelling growth in the Mangawhai CAUs with over 1,000 dwellings delivered in the LTP 2018/2028 period and another 900 dwellings by 2028; • Rehia-Oneriri CAU, covering much of the southern part of the district experiencing ongoing strong growth (450 dwellings in LTP decade 2018/2028 and over 300 more dwellings out to 2028). 	<p>Dwelling growth across the district or individual communities occurs at higher or lower rates than assumed.</p>	<p>Low/Medium</p>	<p>Economic conditions and the discretionary nature of the housing market can cause variations in dwelling growth away from that projected.</p> <p>Increases in dwellings may not mimic permanent population trends as most of the growth in the district is likely to be around Mangawhai and other holiday locations where many dwellings will be built for non-permanent residents.</p> <p>Unforeseen fluctuations in economic conditions which affect the ability of people to invest in a second home/holiday home or their ability to retire to the country/seaside are therefore the main drivers of uncertainty in this area.</p> <p>The main financial effect, of growth being different than projected, can be a difference in Development Contributions from what was anticipated. Hence Council should be cautious that growth rates may fail to meet these projections.</p> <p>Council may be able to manage the impacts of such a variation by changing the proposed timing of capital works projects which are required to support growth.</p>

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<ul style="list-style-type: none"> Dargaville gaining 130 dwellings over the LTP period and 70 more homes built in the following decade to meet a modest growth in population. <p>Council's broad assumption is that dwelling growth rate will be more or less consistent with its rating unit growth projections.</p> <p>Council is kept constantly aware of new housing developments through building and resource consents. This allows Council to be kept informed of any deviation from these projections.</p>			<p>Where the capital works projects have already been completed there will be increased finance costs as Council would have to fund these works without the Development Contributions it anticipated.</p>
<p>Age Demographics: The usual resident population in the district is anticipated to continue ageing with:</p> <ul style="list-style-type: none"> 7,600 people in the district (over 29% of the population) aged 65 years and over by 2028, up from just 5,100 (22% of the population) in 2018. 1,790 people in Mangawhai (almost 37% of the population) aged 65 years and over by 2028, up from just 1,110 (28.5% of the population) in 2018. <p>By comparison the number of working age residents (aged 15-64) is expected to remain almost constant at 13,600, 59% of the district population in 2018 but only 52% of the population in 2028.</p> <p>Despite a general ageing of population, the number of children in the district is expected to increase by around 300, from 4,500 in 2018 to 4,900 in 2028.</p> <p>Source: SNZ's 2013 base high series projections.</p>	<p>Ageing of the population is more extreme than predicted.</p>	<p>Low</p>	<p>Increasing the proportion of people aged over 65 relative to the proportion of the population that is working age will increase the dependency ratio of the district. The dependency ratio is the ratio of children and retired people (dependents) relative to the working age population. As the dependency ratio increases, the burden on the working population increases.</p> <p>Any significant variation to the assumed aging population profile may result in certain sectors of the community experiencing lower than expected levels of service. Council may have to redirect funding to particular activities to target the wants and needs of an older population. This may include increasing library services and developing more passive recreation areas. An ageing population may affect the affordability of rates.</p>

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<p>Rating Unit Growth: The assumption is that:</p> <ul style="list-style-type: none"> district rating units will increase by nearly 2,000 between 2018 and 2028 from just over 14,600 to 16,200 units, increasing by another 1,700 units to reach almost 18,000 rating units by 2038: strongest growth will be in the southern parts of the district with Mangawhai, Rehia-Oneriri, Kaiwaka and Maungaturoto accounting for nearly 1,700 of the 2,000 district rating unit increase between 2018 and 2028. rating unit growth in all other parts of the district will be small and in some cases may decline slightly in the LTP 2018/2028 period. <p>Rating units are expected to increase by the following amounts over the LTP 2018/2028 period with annual percentage changes shown:</p> <table border="1" data-bbox="125 903 696 1375"> <thead> <tr> <th>Area</th> <th>2018</th> <th>2028</th> </tr> </thead> <tbody> <tr> <td>Dargaville</td> <td>2,242</td> <td>2,289</td> </tr> <tr> <td>Kaipara North</td> <td>829</td> <td>864</td> </tr> <tr> <td>West Coast</td> <td>2,041</td> <td>2,149</td> </tr> <tr> <td>Central</td> <td>1,942</td> <td>2,022</td> </tr> <tr> <td>Maungaturoto</td> <td>2,048</td> <td>2,221</td> </tr> <tr> <td>Kaiwaka</td> <td>1,100</td> <td>1,338</td> </tr> <tr> <td>Mangawhai</td> <td>4,461</td> <td>5,681</td> </tr> <tr> <td>Totals</td> <td>14,663</td> <td>16,564</td> </tr> </tbody> </table>	Area	2018	2028	Dargaville	2,242	2,289	Kaipara North	829	864	West Coast	2,041	2,149	Central	1,942	2,022	Maungaturoto	2,048	2,221	Kaiwaka	1,100	1,338	Mangawhai	4,461	5,681	Totals	14,663	16,564	<p>Rating Unit growth occurs at higher or lower rates than assumed.</p>	<p>Low</p>	<p>Economic conditions and the discretionary nature of the housing market can cause variations in Rating Unit growth from that assumed. Lower Rating Unit growth than anticipated would have a minimal impact on existing ratepayers.</p> <p>Unforeseen fluctuations in economic conditions can affect the ability of people to invest in both business and residential development activity.</p> <p>Any significant deviation from rating unit projections will affect both rates revenue and development contribution revenue. Council should be cautious by monitoring rating unit growth and ensuring it remains close to or meets these projections.</p> <p>Council may be able to manage the impacts of any downward variation by changing the proposed timing of capital works projects which are required to support growth. Where the capital works projects have already been completed there will be increased finance costs as Council would have to fund these works without the rating revenue or development contributions revenue it anticipated.</p>
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<p>Development Contribution Growth - Connections to Mangawhai Wastewater Scheme:</p> <p>The assumptions that Council has made in relation to annual connections to Mangawhai Wastewater Scheme are detailed in the table below.</p> <table border="1" data-bbox="125 485 813 775"> <thead> <tr> <th>Year</th> <th>Number of Properties</th> <th>Year</th> <th>Number of Properties</th> </tr> </thead> <tbody> <tr> <td>2018/2019</td> <td>84</td> <td>2023/2024</td> <td>108</td> </tr> <tr> <td>2019/2020</td> <td>86</td> <td>2024/2025</td> <td>108</td> </tr> <tr> <td>2020/2021</td> <td>109</td> <td>2025/2026</td> <td>108</td> </tr> <tr> <td>2021/2022</td> <td>108</td> <td>2026/2027</td> <td>108</td> </tr> </tbody> </table> <p>These projections reflect that not all growth in the Mangawhai Wastewater Scheme area will attract a development contribution in the early years as they may have already paid a development contribution or have paid or are paying a capital contribution through their rates. For this reason and because the areas are quite different, these projections do not reflect the forecast growth projections for Mangawhai as a whole.</p>	Year	Number of Properties	Year	Number of Properties	2018/2019	84	2023/2024	108	2019/2020	86	2024/2025	108	2020/2021	109	2025/2026	108	2021/2022	108	2026/2027	108	<p>Rating Unit growth occurs at higher or lower rates than assumed in Mangawhai</p>	<p>Medium/High</p>	<p>Income from Development Contributions assumes these levels of growth. There will be a financial impact if significant variations occur.</p> <p>For Mangawhai, a 10% variation in the annual growth rate will result in a plus/minus variation in the level of wastewater Development Contributions collected of around \$230,000 per annum.</p> <p>Council may be able to manage the impacts of such a variation by changing the proposed timing of capital works projects going forward, particularly those which are required to support growth. Where the capital expenditure has already been incurred there will be increased finance costs which Council would expect to recover through future Development Contributions.</p>
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<p>Absentee to Resident Ratepayers: The percentage of absentee ratepayers is anticipated to decrease slightly over the next ten years, in accordance with recent trends.</p> <p>Based on postal addresses, approximately 74% (72% 06 November 2014) of ratepayers in the Kaipara district (excluding Mangawhai) reside within the district and 26% (28% 06 November 2014) outside the district. For Mangawhai, 47% (37%</p>	<p>The proportion of absentee ratepayers increases beyond expectations.</p>	<p>Low</p>	<p>The ability of Auckland’s working age population to afford a second home will probably be the greatest driver of uncertainty around this assumption.</p> <p>A high percentage of absentee residents has implications for Council services which must be able to deal with seasonal use. Flexibility can be built into contracts to allow higher or more frequent services to be delivered</p>																				

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<p>06 November 2014) reside within the district and 48% (56% 06 November 2014) in Auckland and 5% (6% 06 November 2014) elsewhere.</p> <p>The percentage of unoccupied dwellings across the district (excluding Mangawhai) has been increasing by around 0.4% per year from 15.3% in 2006 to 17.9% in 2013. By comparison, the percentage of unoccupied dwellings in Mangawhai has been decreasing by 0.3% per year since 2006 from 55.0% in 2006 to 52.7% in 2013.</p> <p>Source: SNZ. This is consistent with the resident ratepayer data which indicates that more people are moving permanently to the Mangawhai area.</p> <p>It is anticipated this trend will continue and intensify as the nation's ageing population results in more holiday home owners retiring permanently to their holiday houses in areas such as Mangawhai.</p>			<p>during the holiday periods.</p> <p>It is expected that the differing demands of resident and absentee communities can be managed and funded for the foreseeable future.</p>
<p>Affordability: Affordability refers to the ability of the community to pay for Council services.</p> <p>Currently, Council's rates are comparable to those of other local authorities and it is intended that future rate increases will not greatly exceed the Local Government cost Index (a measure of inflation applicable to the Local government sector).</p>	<p>Affordability issues affect the ability of the community to pay rates.</p>	<p>Low</p>	<p>A rise in unemployment or a major downturn in the district's economy may result in greater financial hardships for Kaipara's communities. This coupled with a change in the Government's rates rebate scheme could affect the ability of some ratepayers to pay their rates. Neither of these things is expected to occur in the near future. If Council is not able to levy rates on its community, it will have to respond by reducing levels of service.</p>

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<p>Affordability remains a concern with some sections of the community earning less than others. However, the Government has in place a rates rebate scheme available to low income earners. Given this, Council is of the view that it is reasonable to assume that the community can afford to meet the levels of rating and that there will not be a significant increase in unpaid rates.</p> <p>The following table is based on BERL's estimates of the median incomes of all households (i.e. both usually resident and non-resident households) in the various Kaipara communities, and of the average rates paid by all usually resident and non-resident households in the same communities before the application of any rebate. It shows that Kaipara rates are typically 3.4% of household income.</p>																																																			
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Staffing Assumptions			
Staff Recruitment and Retention: Adequate staffing levels are expected to be maintained and there are not expected to be any recruitment issues when replacing staff.	Kaipara District Council unable to recruit staff with appropriate skills and experience.	Medium	This may result in delays to project deadlines and impact on the level and quality of service. This risk can be mitigated by various initiatives but these bring operating cost implications.
Asset Management Assumptions			
Contracts: It is expected that there will be no changes in the availability of tenderers for Council contracts when they are tendered.	Contractors become very scarce and difficult to secure, limiting the range for selection and driving costs upward.	Medium	Planned expenditure to meet growth and renewals cannot be carried out.
Capital Works Cost: On average, costs of major capital works will not vary significantly from costs estimated at the concept stage.	Costs rise steeply above estimates.	Medium	Council has a higher level of confidence regarding capital project costs in the short term but less certainty in the longer term due to fluctuations in the economy and district growth trends. Council is proposing a conservative capital works programme over the next ten years. This reduces the level of risk that it faces in this area. A 5% variation in a \$500,000 project would add \$25,000 to the project cost. Given the long useful life associated with many of Council's capital works projects such a variation would not have a significant rating impact.

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
			<p>If Council was concerned about the increase in cost then it could look for alternative ways of completing the works and/or change the scope of the works to be completed. Should the cost be lower than estimated there would be a favourable impact on Council's budgets.</p>
<p>Property Designations/Resource Consents: Any new property designations or Resource Consents required for water, stormwater and wastewater systems, or for the significant upgrading of existing systems, will be able to be obtained, subject to conditions acceptable to Council. Any necessary land purchased, prior to the time that has been scheduled for the actual construction works.</p> <p>Council has assumed that there will be no significant changes to existing resource or discharge consent conditions that create significant additional costs.</p>	<p>The necessary designations or consents cannot be obtained, or the necessary land purchased, before the scheduled time of construction, resulting in works being delayed.</p> <p>Resource Consent standards lead to higher treatment standards which lead to higher cost.</p> <p>Conditions attached to existing Resource Consents change, or Council is unable to renew these when they expire.</p>	<p>Medium</p> <p>Medium</p> <p>Low</p>	<p>The risk can be minimised if Council always has a clear and detailed future forward work programme to which it is committed, for at least the next three years, enabling timely consent applications or timely land purchases This will be achieved through Council's 30 year Infrastructure Strategy.</p> <p>Higher treatment standards will lead to higher capital and operating costs. While Council can anticipate some of these changes and ensure that they are reflected in budgets the final impact will not be known until the Resource Consent is granted.</p> <p>A significant change could increase compliance costs which would need to be funded from increasing user charges or rates.</p>

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<p>Drinking Water Standards</p> <p>Council has assumed that there will be no significant changes to the New Zealand Drinking Water Standards that create significant additional costs.</p>	<p>New Drinking Water Standards lead to higher treatment standards which lead to higher cost.</p>	<p>Medium</p>	<p>Higher treatment standards will lead to higher capital and operating costs. Any impacts will not be known until revised Drinking Water Standards are published.</p>
<p>Significant Land Use Changes: There will not be any major changes to land uses in the district that have consequential impacts on Council infrastructure needs.</p>	<p>Unforeseen land use, of a type that has potential significant effects, occurs.</p>	<p>Low</p>	<p>Council will need to assess the situation but this matter is not entirely within Council's hands.</p> <p>A third party may lodge an application for a plan change or non-complying consent at any time. This can lead to higher unforeseen costs in certain areas.</p>
<p>Building Control: Council will continue to meet the requirements of being accredited by International Accreditation New Zealand in order to maintain its registration with the Department of Building and Housing as a Building Consent Authority.</p> <p>That Council will be faced with a significant leaky building claim is unlikely.</p> <p>Reference: Ministry of Business Innovation and Employment.</p>	<p>Loss of accreditation so Council could no longer grant Building Consents.</p> <p>A significant leaky building claim has the potential to affect the General Rates.</p>	<p>Low</p>	<p>Council has a continuous improvement programme to focus on ensuring standards are met. There has been investment in additional management resource to support this process as well. Council has always achieved compliance to date.</p> <p>Council has in the past had very limited exposure to leaky building claims, and the improvements to processes arising from accreditation make it even less likely for a substantial claim to arise in future.</p>
<p>District Leadership: The Local Government Act 2002 provisions relating to decision-making and the expectations which the community has on Council is assumed to remain unchanged.</p>	<p>Council is unable to meet community expectations.</p> <p>Changes to key legislation may require reviews on local governance.</p>	<p>Low</p>	<p>There may be increased costs associated with quality assurance for decision-making processes.</p> <p>There is also a loss of confidence from the community which will need to be repaired.</p>

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<p>Local Government structure for Northland and Auckland remains the same and no significant shared service or amalgamated service structures are put in place.</p>	<p>Amalgamation as a result of legislation or otherwise is introduced.</p>	<p>Low</p>	<p>Restructure costs and the effects of uncertainty and change of delivery</p>
<p>Emergency Management: It is assumed that there will be no natural disasters requiring emergency management work that cannot be funded out of the budgetary provisions.</p> <p>No significant legislative changes are anticipated that result in policy and procedural reviews.</p>	<p>A major natural disaster occurs.</p> <p>Legislative changes result in general and specific costs for particular items such as tsunami warning systems.</p> <p>Costs of policy and procedure reviews rise well above budget provisions.</p>	<p>Low/Medium</p> <p>Low/Medium</p> <p>Low/Medium</p>	<p>Significant additional “one-off” repair costs and rating impacts may be incurred as a result of emergency events.</p> <p>It could be expected that higher operating costs will be incurred because of public demands or legislative requirements for higher levels of readiness.</p>
<p>Roading: There is sufficient provision in the LTP to cope with the effects of likely storm events.</p>	<p>Storms greater than average sized events will require a reprioritisation of expenditure in the LTP to accommodate the costs to repair the district’s roads.</p>	<p>Medium</p>	<p>Not all costs may be able to be covered by existing budget constraints.</p>

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<p>Flood Protection: Weather patterns and rain intensity are expected to increase steadily as are tidal sea levels in the future.</p>	<p>Predictions are under or over estimated.</p>	<p>Low</p>	<p>Significant additional “one-off” repair costs and rating impacts may be incurred as a result of storm events.</p> <p>It could be expected that higher operating costs will be incurred because of public demands for higher levels of readiness.</p>
<p>Libraries: Changes in the district’s population demographics resulting in greater numbers of retirees and Maori youth, is expected to increase demand for library services. It is anticipated there will be ongoing demands for change in the range and types of services that the district’s libraries are expected to provide. Demand for electronic resources in particular is expected to increase.</p>	<p>Demand for services rise steeply or change in type and nature of services.</p>	<p>Low/Medium</p>	<p>The technology associated with reading and the role of libraries is changing. There will be additional costs associated with the new technology and services.</p>
<p>Parks and Reserves: It is assumed that expectations of reserve maintenance, the range and standard of facilities provided, safety and accessibility and compatibility will not change significantly.</p>	<p>Cost of operations and maintenance rise above expectations and start to undermine maintenance standards and community expectations.</p>	<p>Medium</p>	<p>If the increased expectation is to be met, it will increase costs.</p>
<p>Solid Waste: It is assumed that all rubbish will continue to be disposed of outside the district and that the closed landfills will continue to meet Resource Consent conditions.</p>	<p>Landfills outside the district can no longer be used. The district’s closed landfills no longer meet Resource Consent standards.</p>	<p>Low</p>	<p>If Council needed to re-commission one or more closed landfills there would be significant extra cost and contingent liability for their operation.</p>

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<p>Stormwater: Demand for new stormwater systems or significant upgrades to stormwater systems are not expected to significantly impact on either asset requirements or operating costs.</p>	<p>That development demand exceeds forecasts and/or slows down significantly.</p> <p>That a severe weather event or more frequent events affects the integrity of a system.</p>	Medium	<p>If development increases significantly from forecasts, this may require increased expenditure to increase capacity to meet the demand.</p> <p>Storm damage or response to increased expectations for treatment and/or disposal of stormwater could increase rates within the affected catchment area.</p>
<p>Wastewater Demand: Demand increases will not exceed existing projections and projects in excess of those planned.</p>	<p>That development demand exceeds forecasts or slows down significantly.</p>	Medium	<p>The activity is confined to identified catchment areas, so financial impacts will be within the specific area.</p>
<p>Wastewater Treatment Plants: Resource Consents for major capital works are expected to be obtained without undue delays and consent compliance will therefore be achievable.</p>	<p>Resource Consents are appealed to the Environment Court resulting in significant delays.</p>	Medium	<p>There can be additional costs associated with complying with consent conditions as standards continue to increase. These additional costs will be borne by the catchment area serviced.</p>
<p>Water Supply Demand: Increase in demand over that forecasted for treated water is not expected to significantly impact on either asset requirements or operating costs.</p> <p>Severe drought, resulting in water shortages, will not occur to the extent that water supply for human consumption and sanitation is compromised.</p>	<p>Development demand exceeds forecasts.</p> <p>Water shortages may result in emergency aid being required and losses in economic opportunities.</p>	<p>Low</p> <p>Low</p>	<p>Water is charged on a volumetric basis and a change to volume used will be reflected in revenue. Northland may become dryer if climate change predictions hold true.</p> <p>Dargaville has historically experienced water shortages during droughts. Steps can be taken, however, to reduce demand and manage water resources more effectively (Drought Management Plans have been developed).</p>

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
Water Conservation: Water conservation measures are expected to be sufficient to counter the effects on demand arising from adverse drought conditions and high peak season water demand.	Conservation methods are not sufficient to counter the effects of a drought.	Medium	While demand can be managed by regulation, a reduced water supply would mean reduced income from those supply areas which pay by metered usage.
Asset Management Plan Information: Council has developed Asset Management Plans for a number of its activities. Council continues to improve its asset planning information - particularly in regards to asset condition and performance. Asset condition information is accurate	Asset conditions differ from the current information	Medium	Any need to increase maintenance budgets and/or renewals expenditure above planned levels would lead to increased costs (and therefore rating requirement) for Council. The extent of this risk cannot be quantified
Financial Assumptions			
Useful Lives Of Significant Assets: It is assumed that no significant assets will fail before the end of their useful lives as determined in accordance with the depreciation rates set out in the accounting policies of Council.	Some assets may wear out and fail sooner or later than calculated.	Medium	There is no certainty that asset components will last exactly their design or assessed lives. However, replacement is budgeted at the expected end of useful life and earlier replacement will result in a loss on disposal of any residual value. Earlier replacement may result in the deferral of other discretionary capital projects in order to remain within self-imposed debt limits as set out. Some assets are likely to last longer than their design lives which would help to balance the effects of any early replacement of assets.
Revaluation of Non-Current Assets: Revaluations are planned to be undertaken every three years. It is assumed that these will be completed on a rotational basis i.e. not all revaluations will occur in one particular year. For the purposes of this LTP, the values of non-current assets have been increased annually using the applicable BERL inflation factor for each class of infrastructure asset.	The actual inflation rate may vary from the BERL inflation factors,	Medium	There is no certainty as to what the actual inflation rates will be over the next ten years. External influences beyond Council control can affect these rates. If the asset class is depreciable the depreciation will differ from that in the forecast.

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
<p>Depreciation Rates on Planned Asset Acquisitions: Depreciation expenses on new assets acquired within the term of this Plan have been determined at the applicable rate defined within the accounting policies.</p>	<p>That the depreciation rate applied to acquire assets is inaccurate.</p>	<p>Low</p>	<p>The depreciation expense and funding would differ from that forecast.</p>
<p>Price Level Changes: Costs of providing local government services will increase at a higher rate than inflation. Overall the Local Government Cost Index (LGCI) has risen faster than the Consumer Price Index since 1999 at an annual rate of 3.6% and 2.7% respectively. Cost structures faced by local government will continue to differ significantly from the Consumer Price Index “basket”.</p> <p>The principal assumption made for the ten year period between 2018 and 2028 is that annual inflation will occur at rates broadly in line with the average of the cost indexing estimates collected for local government use by the Society of Local Government Managers (see table below).</p> <p>Cost factors will mirror the inflation indices referred to in the above assumption.</p> <p>In general, adjustors for construction-related activities (i.e. pipelines, earthmoving, roads and water) show the greatest cumulative change over the forecast horizon (2018/2028). Much of this occurs over the early-to-middle years of this period.</p> <p>The overall the LGCI is anticipated to increase a total of 28.2% from June 2018 to 2028. This corresponds to an average increase of 2.78 % per annum.</p>	<p>The price level changes will vary from those used.</p>	<p>High</p>	<p>Provided the Reserve Bank of New Zealand is required to keep general inflation under 4% per annum, the projected changes in price levels will vary only slightly. The effect of any variation up, or down, will result in either higher or lower rate requirements. Based on a projected annual operating expenditure of \$45 million, a plus/ (minus) 1% movement in the forecast inflation rate would result in an approximate movement in operating costs of plus/ (minus) \$450,000. Similarly, with an annual capital works programme of \$15 million a plus/ (minus) 1% movement in the forecast inflation rate would result in an approximate movement in capital costs of plus/ (minus) \$150,000.</p> <p>If the impact of inflation on Council's budgets turns out to be higher than forecast and Council did not wish to generate additional revenue by increasing rates, then either additional operational efficiencies or reduction in service levels or planned capital expenditure would need to be considered.</p> <p>Should the impact of inflation turn out to be lower than forecast then there would be a favourable impact on Council's operating and capital expenditure budgets.</p>

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
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Adjustors: % Per annum change

(The white area represents figures based on actual data while the remainder are projections)

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

BERL

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty												
<p>NZ Transport Agency Subsidy Rate: The NZTA's financial assistance rate (FAR) for Kaipara District Council has been set at 61%. It is assumed that this FAR will remain for the life of the plan. It is also assumed that the level of subsidy will increase in proportion to increased costs.</p>	<p>There is a risk that subsidy rates will reduce within the 10 year period.</p>	<p>Medium</p>	<p>Roading activities dominate Council's expenditure. Any change in the subsidy rate has a direct impact on Council's budget, level of rating or level of service.</p>												
<p>Interest Rates on Borrowing: The forecast interest rates are the actuals for existing loans and swaps. The interest cost of the new debt or refinanced debt is assumed to be at an average of 4.39%, which is a conservative estimate, using the long term average forecasts and a margin of 0.75% - 1.0% assuming that we continue to borrow from the Local Government Funding Agency (LGFA). The combined all up of cost is assumed to be 5.27%.</p>	<p>Interest rates will increase beyond those budgeted for in the 10 year LTP period.</p>	<p>Medium</p>	<p>Interest costs on borrowing.</p> <p>A 1% variation in interest rates would give the following increases in interest costs at the following levels of debt:</p> <table border="1" data-bbox="1447 576 2123 746"> <thead> <tr> <th data-bbox="1447 576 1608 639">Total Debt</th> <th data-bbox="1608 576 1666 639"></th> <th data-bbox="1666 576 1794 639">\$60 million</th> <th data-bbox="1794 576 1904 639">\$55 million</th> <th data-bbox="1904 576 2013 639">\$50 million</th> <th data-bbox="2013 576 2123 639">\$40 million</th> </tr> </thead> <tbody> <tr> <td data-bbox="1447 639 1608 746">Interest \$ Variance with Movement of:</td> <td data-bbox="1608 639 1666 746">1%</td> <td data-bbox="1666 639 1794 746">\$600,000</td> <td data-bbox="1794 639 1904 746">\$550,000</td> <td data-bbox="1904 639 2013 746">\$500,000</td> <td data-bbox="2013 639 2123 746">\$400,000</td> </tr> </tbody> </table> <p>A \$500,000 increase in interest costs equates to approximately a 1.5% increase in rates for 2018/2019.</p>	Total Debt		\$60 million	\$55 million	\$50 million	\$40 million	Interest \$ Variance with Movement of:	1%	\$600,000	\$550,000	\$500,000	\$400,000
Total Debt		\$60 million	\$55 million	\$50 million	\$40 million										
Interest \$ Variance with Movement of:	1%	\$600,000	\$550,000	\$500,000	\$400,000										
<p>Refinancing Term Loans/External Funding: Currently loans are directly attributable to particular costs. Internally, loan repayments are made over five years for IT and similar short life expenditure, 10 years for the District Plan and 20 years for infrastructural assets except for the Mangawhai Wastewater Scheme which is over 30 to 40 years depending on the debt tranche.</p> <p>External loans are managed on a portfolio basis and refinanced in accordance with the parameters of the LTP, the liability management policy and on the advice of Council's Treasury Advisors. Refinancing of external loans is assumed to be readily achieved.</p> <p>Council expects to maintain a significant lead-in time within which it can seek to lock in funding at acceptable margins.</p>	<p>Refinancing of external loans is difficult.</p>	<p>Low</p>	<p>The refinancing of Term Loans/External Funding may prove difficult to secure due to conditions within financial markets. This could lead to increased borrowing costs. Council will look to manage this risk by maintaining significant lead-in time before debt is needed.</p>												

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
Internal Borrowing: Operational reserves (such as the Land Subdivision Reserve) and other reserves are utilised in the first instance to minimise external debt funding. These reserves are effectively on call.	That the reserves are required in short timeframes and Council's liquidity facilities are insufficient.	Low	Expenditure is planned through the Annual and LTPs. Council operates within the parameters of its Treasury Policy which incorporates the liquidity and liability management policies.
Lump Sum Payments: That a proportion of property owners connected to the Mangawhai Wastewater Scheme paying the Capital Contribution A – F targeted rate will pay for their share of the capital costs of building the Scheme via a lump sum rather than over the 30 year term as a targeted rate. Council has assumed that take up of the offer is assumed to be minimal at this stage.	That the number of property owners taking up the lump sum option will be higher or lower than forecast.	Low	Any lump sums collected will be used to reduce debt. Acceptance by 10% of property owners would reduce debt by approximately \$860,000. A property having paid the lump sum will also no longer be liable for paying a capital contribution via a targeted rate. Hence, any variance in the number of properties paying lump sums will not affect the targeted rate for capital costs payable by other properties.
Vested Assets: Council does expect to receive vested assets over the life of this Plan.	The value of vested assets is greater than predicted thereby increasing depreciation expense.	Medium	From time to time developers will seek to vest certain assets in Council in lieu of making payments for financial or Development Contributions.
Sources For Funds For Future Replacement of Significant Assets: It is assumed that funding for the replacement of significant assets will be obtained in accordance with Council's Revenue and Financing Policy.	The main risk is that budgets for some capital replacements may not have been included and sources may not meet requirements.	Low	There is little or no risk that sources of funds for replacement of significant assets will not be achieved. Funding of all asset replacements during the life of the LTP has been disclosed.

Forecasting Assumption	Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
Other Assumptions			
Structure of Local Government: This LTP is prepared on the assumption that the structure of local government in Northland will remain unchanged over the life of the Plan.	There may be substantial changes to the structure of local government in Northland.	Low	The Local Government Commission has confirmed there will be no further amalgamation between the Northland councils but that they will continue to support the development of co-operative practices.
Climate Change: It is assumed that there will be no significant changes in weather patterns that will impact current cost structures, beyond the estimated impacts in flood protection services.	Climate Change may accelerate the frequency of droughts and storm events and associated flooding.	Medium	In the event that climate change causes more frequent extreme weather events, the cost of managing Civil Defence Emergencies will rise. Furthermore the impact of more frequent droughts on the primary sector has the potential to affect the prosperity of the district as a whole.
Emissions Trading Scheme: Council currently holds New Zealand units for pre-1990 forests, but does not plan on surrendering or obtaining any units. With the sale of much of the woodlot these units may be available for sale.	In the event that pre-1990 forests are lost and could not be replanted or regenerated Council would need to surrender or purchase credits.	Low	As Council is not planning on deforesting any of its land, it would have the New Zealand Units available to meet any unforeseen events.
Local Government Funding Agency (LGFA)			
Guarantee Obligations: Council has become a “guaranteeing local authority” in the LGFA when it joined the Agency. This means it will have guarantee obligations. At the year end 2017 Councils exposure was \$903,000.	Council is one of 44 local authorities that guarantee LGFA’s borrowings. These could be called on if LGFA defaulted on repayments of interest or capital.	Low	Council considers the risk to be low.

Policies

Significance and Engagement Policy

1 Purpose

Kaipara District Council engages with its communities in a number of ways. Sometimes this is set in legislation and the steps we follow need to be clear and transparent. Council's Significance and Engagement Policy is required under the Local Government Act 2002 S76AA.

This policy details:

- how Council determines the significance of its proposals in relation to issues, assets and other matters;
- any criteria or procedures used to assess the effects and extent of significance; and
- how community views on engagement are responded to and how we engage with communities.

Where Council considers there to be doubt over the significance of a proposal or decisions, then it should err on the side of caution and offer to engage with the community of interest.

2 Determining significance

Significance is defined in the Local Government Act 2002 (Part 1 Schedule 5) as '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 –

- the district or region;
- any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision or matter;
- the capacity of the local authority to perform its role, and the financial and other cost of doing so.'

In determining the degree of significance, Council should consider whether an issue, proposal, decision or matter will:

- 1) Impact negatively on Council's capability or capacity to carry out its role;
- 2) Reduce Council's level of service in a major or irreparable way;
- 3) Impact on Council's approved financial performance as agreed in the Long Term Plan and subsequent Annual Plans; or
- 4) impact on a community or area within the district in a way that may be considered major for that identified community of interest;
- 5) Impact on the cultural values of the district's Maori community and their relationship to land and water.

3 Assessing significance

Assessments of significance are always considered in context rather than in isolation. Significance is assessed on a continuum rather than as a binary. Issues may have low, medium or high significance for some communities and be different for others. Assessments of significance should reflect this rather than just a simple significant/non-significant answer. Council will consider an issue to require special consultation where it is considered of 'high' significance. In addition, the impact of high significance must trigger more than one of the determining factors above.

Assessments of significance should consider:

- the number of individuals or groups impacted by the proposal or decision;
- the extent and timeframe of the impact of the proposal or decision on those individuals or groups;
- the financial impact (see below); and
- the levels of public interest.

4 Financial impact

While the financial impact of a proposal or decision is not the only consideration of significance, it is one which can be easily quantified.

Council uses a guide to these financial thresholds for measuring the impact on an annualised basis as:

- involving \$3,000,000 per annum or more budgeted expenditure;
 - involving \$300,000 per annum or more unbudgeted expenditure;
 - increasing annual rates or specific targeted rates by 10% or more;
- or
- involving a transfer of ownership or control of one of Council's strategic assets.

5 Strategic assets

In accordance with section 76AA(3) of the Local Government Act 2002, Council must list the assets it considers strategic assets. Strategic asset, *'in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes:*

- any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and*
- 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’.

Kaipara District Council considers, for the purposes of the Act, the following classes of asset to be strategic assets:

- the roading network;
- water supply schemes;
- wastewater schemes;
- reserves;
- cemeteries;
- stormwater schemes; and
- pensioner housing.

Council will consider these assets as classes of assets, rather than individual assets within each class, when considering significance.

6 Procedure

Council officers are responsible in the first instance to assess whether engagement is required and, if so, the level of engagement necessary. The first test will be legislative requirements and the second will be the significance of the matter.

Council reporting on proposals and decisions will contain a clear statement of that assessment and a recommendation if appropriate. The statement needs to contain a clear explanation of why significance has been triggered (if it has) and its implications. It should also consider any previous engagement on this matter and the potential costs and benefits of engagement.

7 Engagement

Engagement provides an opportunity for the public to express its views on the decision or proposal being considered by Council. The community views expressed through an engagement process will be considered and taken into account, along with other information such as costs and benefits, legislative requirements and technical advice. Engagement should allow all relevant views and options to be identified and then considered before a decision is made.

Community engagement can allow for an exchange of information, points of view and options for decisions between affected and interested people and decision-makers before a decision is made.

Engagement does not mean that the decision will be delegated to those involved in the engagement process. It means that the decision made will have been informed and improved by the public's involvement.

7.1 Engaging with Maori

Council is committed to maintaining strong relationships with Maori communities in the Kaipara. When engaging with Māori, Council will reflect the agreements in place, such as the Memorandum of Understanding (MoU) with Te Uri o Hau Settlement Trust, as starting points. Council recognises the importance of its relationships with Te Uri o Hau and Te Iwi O Te Roroa. We recognise there are wider Māori groups within the district and will also seek to engage with them where this is needed. This will result in better quality decision-making and clearer processes.

Council also has an Iwi relationship plan and hosts a Tangata Whenua forum for engaging with the wider Maori community two or three times a year.

Council will comply with sections 58c-58u of the Resource Management Act 1991 relating to Mana Whakahono a Rohe.

7.2 When Council will engage

- a) When legislation requires that consultation be undertaken:

Council will consult when it has a legislative requirement to consult (for example, as set out by the Local Government Act 2002, Resource Management Act 1991, Reserves Act 1977, Land Transport Management Act 2003). Council will undertake these consultation processes in accordance with the legislative requirements guiding them as the minimum. Council may choose to consult further depending on the level of significance of the matter being considered and notwithstanding the legislative requirements.

- b) When a significant proposal or decision is being considered:

Subject to consideration of factors under section 7.2 of this Policy, Council will look to undertake what it considers to be an appropriate form of engagement whenever a 'significant decision' needs to be made.

A significant decision is one which has been identified as such under this Policy.

Note: a 'significant' decision will not automatically trigger application of the Special Consultative Procedure (SCP). For more information about the SCP, refer to the Local Government Act 2002 sections 83, 86, 87 and 93A.

- c) For some matters that are not considered significant:

In general, where a matter is not considered significant under this Policy, consultation will not be undertaken. This is consistent with clauses 7.3a) and 7.3h) of this Policy.

7.3 When Council may not engage

Information is always necessary for the decision-making process. However, there are times when it is not necessary, appropriate or possible to engage the community on a matter or decision. Council may also choose not to consult on a matter and, if so, will make this determination in accordance with the criteria below and notwithstanding any legislative requirements.

Council will not engage when:

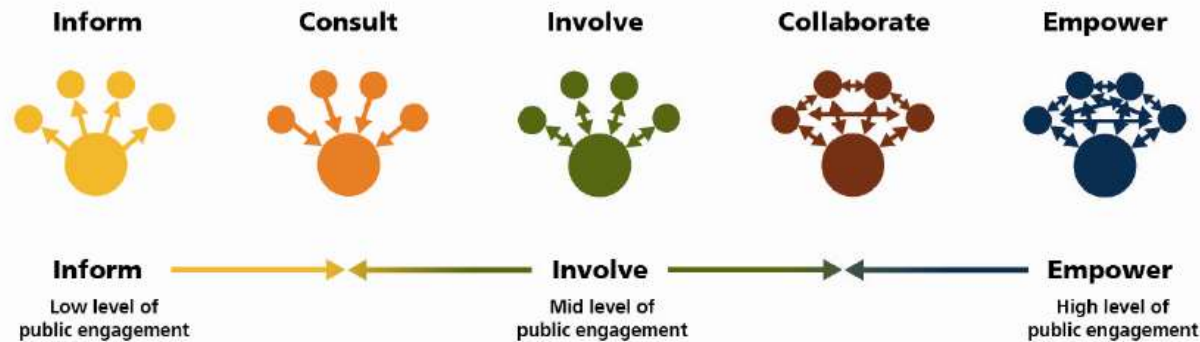
- a) the matter is not of a nature or significance that requires consultation (s82(4)(c), LGA 2002);
- b) Council already has a sound understanding of the views and preferences of the persons likely to be affected by or interested in the matter (s82(4)(b), LGA 2002);
- c) there is a need for confidentiality or commercial sensitivity (s82(4)(d), LGA 2002);
- d) the costs of consultation outweigh the benefits of it (s82(4)(e), LGA 2002);
- e) the matter has already been addressed by Council's policies or plans, which have previously been consulted on;
- f) an immediate or quick response or decision is needed or it is not reasonably practicable to engage;
- g) works are required unexpectedly or following further investigations on projects, already approved by Council;
- h) it is business as usual - the works required are related to the operation and maintenance of a Council asset and responsible management requires the works to take place; or
- i) when Council has consulted on the issue in the last 24 months.

Where the above-listed circumstances apply and consultation is not to be undertaken, Council is still required to give consideration to the views and preferences of persons likely to be affected by, or to have an interest in, the matter (s78(1), LGA 2002). The Local Government Act 2002 requires that this consideration be in proportion to the significance of the matters affected by the decision (s79(1)).

7.4 Methods for engagement

This Policy sets out the engagement and decision-making principles which we will follow, our statutory consultation requirements and explains how we will go about determining significance.

All of these matters guide and inform the level and type of engagement that Council will undertake for any particular issue. Council follows the International Association of Public Participation (IAP2) approach (set out below) which indicates different engagement approaches on a spectrum from providing information through to



community empowerment.

Council will seek opportunities to involve or collaborate with our communities, such as through Placemaking initiatives and community-led planning. The type and nature of the decision also guides how Council will go about communicating and engaging with our communities.

This table provides an indicative guide to this:

Type or nature of decision	Examples of how we may engage
<p><u>Small and simple</u> (low significance) (e.g. re-development community halls, minor park improvements, footpath and roadworks)</p>	<p>Localised promotion, through display boards, local papers, social media coverage and website updates. Targeted engagement through service users. Utilise local library space, Council offices or local noticeboards. Surveys, open days or informal information sessions may be appropriate.</p>
<p><u>Medium</u> (e.g. walking and cycling portions, action plans, local area plans)</p>	<p>Targeted engagement, online engagement which may include a survey and social media. Hui or public information events. Information boards in libraries and service centres. Promotion through rates newsletters (if appropriate), the local media papers.</p>
<p><u>Large or complex</u> (high significance)</p>	<p>Large-scale publicity and promotion. There could be an informal engagement/discussion phase plus a formal phase of consultation. Likely to need consideration of different cultural styles and needs for engagement.</p>

Type or nature of decision	Examples of how we may engage
(e.g. new roads, bridges, Long Term Plan, Community/Town Plans and Local Alcohol Policy changes)	Likely to include a range of events and a focus on online activities including website, social media, surveys or e-newsletters.

7.5 Tools for community engagement

More than a third of our ratepayers are absentee owners. This fact is actively considered when Council engages with its residents and ratepayers. Where appropriate, more than one channel of communication is used to ensure a general awareness that Council is looking to engage and seeking feedback. We acknowledge that just as we have a responsibility to provide opportunities for people to engage with us, the community in turn has a responsibility to consider whether to accept them and engage with Council. We will respect every individual’s right to choose or refrain from engagement with Council.

This table covers some of those tools and how they meet the aforementioned IAP2 scale

Inform	Consult	Involve	Collaborate	Empower
<ul style="list-style-type: none"> • letter • letterbox drop • advertise in local papers • media releases • Council newsletters • open letters • community newsletters 	<ul style="list-style-type: none"> • advertise in local papers • iwi, hui, community leaders • media • social media • open letters • committees 	<ul style="list-style-type: none"> • iwi, hui, community leaders • media • social media • personal briefings • focus groups • committees • public meetings 	<ul style="list-style-type: none"> • iwi, hui, community leaders • personal briefings • focus groups • committees • social media 	<ul style="list-style-type: none"> • committees • advisory panels • public meetings

In addition to the toolbox as outlined, additional methods of consultation and engagement can be potentially included such as:

- | | | |
|--|---|---|
| <ul style="list-style-type: none"> • public meetings • stakeholder contact list • posters • electronic newsletter • community roadshows • cinema advertising | <ul style="list-style-type: none"> • resident and ratepayer survey • street survey (targeting demographic) • rates notice • brochures • radio advertising • editorial | <ul style="list-style-type: none"> • telephone survey • texting • sports groups • displays (e.g. pastoral shows) • targeted education (e.g. schools) • user interface |
|--|---|---|

Appendix 1 – Information requirements, Council-provided feedback and length of engagement

1.1 Information requirements

At a minimum, Council will provide the following information when conducting consultation or engagement activities:

- what is being proposed;
- why it is being proposed;
- what the options and consequences are for the proposal;
- if a plan or policy or similar document is proposed to be adopted – a draft of the proposed plan, policy or other document;
- 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;
- what impacts (if any) may occur if the proposal goes ahead;
- how submitters and participants can provide their views;
- the timeframe for consultation and engagement; and
- how submitters and participants will be informed about the outcome.

1.2 How Council will provide feedback to the community

Council will make available to submitters clear records, or descriptions of relevant decisions, made on an issue or matter. Explanatory material relating to the decision will be included e.g. references to reports used to reach a decision. Submitters will be notified of decisions or by letter, email, Council newsletter, media statement or public notice. Decisions and reports will be made available on the Council website, or hard copies supplied upon request, unless they contain confidential matters that are not able to be made available to the public.

1.3 Length of engagement

The length of engagement can and does differ. It will be directed by:

- The level of significance or timeframes, as determined by legislative obligations;
- The decision-making requirements and the possible effects of the decision that have not been deemed highly significant;
- The extent to which Council is already aware of the issue or views of the community;
- The level of community interest in proposed Council decisions; and/or
- The structure and demands of the decision-making process.

Revenue and Financing Policy

The Revenue and Financing Policy sets out how Council funds each activity it is involved in and why. Council is required to have this policy to provide predictability and certainty to customers about the sources and levels of funding.

The policy is set out in four sections with one attachment, as follows:

- 1 Introduction
- 2 Our Funding Approach
- 3 Description of Funding Mechanisms
- 4 Funding of Activities

This Revenue and Financing Policy is required by section 102 and Part 1 of Schedule 10 of the Local Government Act 2002 (LGA) to be included as part of Council's Long Term Plan. Other funding and financial policies required to be adopted by Council under section 102(2) of the Act are not required to be included as part of Council's Long Term Plan.

Council has however elected to include the following policies as part of its Long Term Plan:

- a) a Liability Management Policy
- b) an Investment Policy
- c) policies on development or financial contributions
- d) rating policies

Review

The Revenue and Financing Policy will be reviewed three-yearly as part of the Long Term Plan process.

Supporting Documentation Available

The following supporting documentation is available on Council's website at www.kaipara.govt.nz

- Long Term Plan 2018/2028 – Revenue and Financing Policy - Activity Analysis

Introduction

The purpose of the Revenue and Financing Policy is to describe how Council funds its operating and capital expenses from the funding sources available to Council and why it chooses the various mechanisms to fund the operating and capital expenditure of Council.

Summary of Key Changes

The key changes from the Long Term Plan 2015/2025 are:

1 The 2017 General Property Revaluation

The Rating Valuations Act 1998 requires local authorities to update property valuations used for setting rates no later than every three years. Kaipara District Council has for the last three rating years applied rates based on valuations as at 01 September 2014. These valuations have been the basis of general and other targeted rates for the 2015/2016, 2016/2017 and 2017/2018 rating years.

Quotable Value recently undertook the 2017 general property revaluation for Kaipara District Council. The approved changes to property values take effect from 01 July 2018, and will be the basis for value-based rates for the following three rating years: 2018/2019, 2019/2020 and 2020/2021.

Further details are available in the Funding Impact Statement (Rating Tools).

2 Rural Fire

Following a governmental review of urban and rural fire services local government responsibility for rural fire services was moved to the new Fire and Emergency New Zealand. These activities are now not included in the Long Term Plan 2018/2028.

Our Funding Approach

In determining how activities are funded Council is obliged to equitably share the costs of delivering services across different users as well as ensuring equity between current and future generations. In deciding how to fund each activity, Council considers the nature of the services provided and who benefits from those services.

It considers²:

- The community outcomes to which an activity primarily contributes;
- The distribution of benefits between the community as a whole, identifiable parts of the community and individuals;
- The period during which the benefits are expected to occur;
- The extent to which actions, or inactions, of individuals or groups contribute to the need to undertake the activity; and

² A copy of this assessment, required by LGA(101(3)(a)), is located on Council's website www.kaipara.govt.nz

- The costs and benefits of funding the activity distinctly from other activities.

It then considers the overall impact of any allocation of liability for revenue needs on the current and future well-being of the district and determines whether it needs to modify any of its earlier decisions.

Description of Funding Mechanisms

Types of Expenditure

Broadly speaking Council has two types of expenses: **operating expenditure and capital expenditure.**

Operating expenditure is used to fund the ongoing day to day activities and services of Council.

Capital expenditure is money spent in acquiring or upgrading a business asset such as equipment or buildings. Council has three categories of capital expenditure spread across its activities:

- *Renewals* – capital expenditure that increases the life or replaces an existing asset with no increase in service level;
- *Increased Level of Service (ILOS)* – capital expenditure that increases the service level delivered by the asset; and
- *Additional Capacity (AC)* – capital expenditure that is required to provide additional capacity in whole or part necessary to accommodate growth.

Funding Mechanisms

Different funding sources are used for different types of expenditure. Council funds its expenditure using the following funding mechanisms.

User Fees and Charges are fees charged to individuals or groups who are directly using a Council service. In this case, there is a direct benefit to an individual or group. User fees and charges also include rental income. For a user charge to be charged, the beneficiaries must be able to be identified and charged directly for the service they receive. Council also considers issues like the affordability of user charges or how they compare to the market rate for services. The use of user charges may be balanced with other funding sources where the Council believes that a charge set too high will reduce use and therefore diminish the value of the service to the community and impose a greater cost on ratepayers.

Rates

There are two main types of rates:

- General Rates, which can be distinguished according to
 - Value base rates;
 - Differentials;

- Uniform Annual General Charge (UAGC); and
- Targeted Rates

General Rate is a rate assessed across all rateable properties in the district based on a property valuation system. It is used to fund those services where Council believes there is a public benefit to the whole of the community across the district and where a fixed charge per Rating Unit is not considered appropriate. In so doing, Council acknowledges that a rate based on property value does not necessarily match ability to pay.

By law, the General Rate must be based on a property valuation system. Council currently uses a land valuation system.

Council has two differentials to its General Rate, (100 per cent for residential and lifestyle land under 2 hectares; [10 x % for Mangawhai and](#) 155 per cent for all other land use categories). The use of these differentials is to recognise that in addition to the public good element of the services funded by General Rates where everyone benefits and can use them there is a difference, which we have assessed by using land use categories, as to how much ratepayers characterised by each category benefit from the service, primarily the roading network and the extent to which they contribute to the costs of that service.

The Uniform Annual General Charge (UAGC) is a proportion of the General Rate set at a fixed amount per Rating Unit in the district. It is used to ensure a fair distribution across ratepayers given the marked difference in land values across the district. This mitigates the impact of a value-based rate which would otherwise place an unfair burden on higher value properties. The level of the UAGC represents a base level for the cost of benefits received from the services Council provides. Council's policy is to set the UAGC at close to the maximum allowable by law. This policy has been developed following consideration of the impacts of the overall allocation of rating liability required under section 101(3)(b) of the Local Government Act 2002.

Targeted Rates (Area of Service) are rates that are charged to particular communities or groups of ratepayers. They are used to fund services where a particular community or group benefits from the activity being funded. Targeted rates may be assessed on the land value (LV), applied on a uniform basis to each ratepayer (UAC) or charged based on the ratepayer's consumption of the service (consumption). The following activities currently utilise targeted rates funding mechanisms:

- Flood protection and control works (LV);
- Stormwater drainage (LV);
- Sewerage and the treatment of sewage (UAC);
- Water supply (Consumption);
- Mangawhai Harbour Restoration (UAC);
- Halls and Community Housing (Ruawai Tokatoka Hall) (UAC);
- Provision of Roads and Footpaths (LV); and
- Forestry Targeted Rate (LV).

Council will charge each Rating Unit (see **the explanatory note at the end of this Policy**) for each targeted rate. The wastewater targeted rate is to be charged per Separately Used or Inhabited Part (SUIP) except for non-residential properties which will be assessed based on rating units and pan charges.

Proceeds from Asset Sales are the funding received from selling physical assets, such as plant and equipment. They are initially used to repay debt associated with that asset or funding catchment. Any remaining proceeds will be used to fund other capital expenditure within the activity that funded the acquisition of the asset sold.

Financial and Development Contributions can be required from developers where the effects of developments is to require Council to incur capital expenditure to provide new or additional assets or assets of increased capacity or to mitigate their direct effects. Council considers that it is appropriate for developers to meet the resulting costs and that these costs should not fall to the existing ratepayer body.

Council's Policies on Development Contributions and Financial Contributions set out the methods by which contributions are calculated and required.

Development Contributions required under the Local Government Act 2002 are generally used to fund growth related capital expenditure on infrastructure provided by the Council as part of its normal capital programme.

Financial Contributions are required under the Resource Management Act 1991. They are usually imposed to fund local works in the vicinity of developments, which should normally be provided by individual developers but which Council decides to provide and fund in order to achieve more satisfactory outcomes for all parties concerned.

Although Council can require both Development Contributions and Financial Contributions, it cannot require both from the same development for the same purpose.

Grants and Subsidies are funding received from other agencies, usually for a specific purpose. As such, they are used to fund those purposes.

Depreciation Reserves are funds in which the probable replacement cost of assets is accumulated each year over the life of the assets, so that they can be replaced readily when they become obsolete. Depreciation in turn is funded from rates and other operating revenues.

Other Reserves are funds for specific purposes. *Retained earnings* are used to fund operating or capital expenses at the Council's discretion. *Special reserves* will be used to fund either operating or capital expenses according to the policy applying to those reserves.

Investment Interest and Dividends are used to reduce the amount of General Rate required.

Borrowing is not a source of revenue. Rather it is a 'bridging' mechanism to assist with the financing required for the construction of long term assets. The debt still needs to be repaid from other sources of revenue (e.g. rates). The use of debt allows us to enjoy the asset in the present while paying for it over time as the debt is paid back. In this sense it is much the same as a home mortgage. Borrowing is usually called upon to fund capital works and assets built or provided now before future new consumers use those services. It is used to ensure fairness or intergenerational equity so that current ratepayers pay for the services they use now, and future ratepayers pay their share too. It is generally used where other available funding sources are exhausted. Council only uses borrowing to fund operational expenditure when it is financially

prudent to do so and where there are clearly benefits that are delivered beyond the immediate financial year in which the expenditure is incurred. An example is where there is a significant single year spike in operational costs in delivering a particular activity (such as desludging the wastewater ponds), where the ongoing benefits of the work outweigh the financial costs of borrowing.

Lump Sum contributions are where ratepayers are asked to pay a capital (or lump sum) payment towards meeting the cost of providing a particular asset in their community (e.g. upgrading of a water supply) rather than pay for these capital costs via an annual targeted rate. These contributions will be used to fund the retirement of debt for specific capital activity from time to time.

Application of Funding Mechanisms to Expenditure

Different funding sources are used for different types of expenditure.

Council uses the funding mechanisms as follows:

Funding Mechanism	Operating Expenditure	Capital Expenditure		
		Additional Capacity	Increased Level of Service	Renewals
General Rates, including the Uniform Annual General Charge	✓		✓*	✓*
Targeted Rates	✓		✓*	✓*
Lump Sum Contributions	✓	✓*	✓*	✓*
Fees and Charges	✓		✓*	✓*
Borrowing	✓**	✓	✓	✓
Asset Sales			✓	✓
Development Contributions		✓		
Financial Contributions		✓		
Grants and Subsidies	✓		✓	✓
Depreciation			✓	✓

* Application depends on how the activity to which capital expenditure relates is funded.

** used in exceptional circumstances where the expenditure does not create an asset but benefits of the expenditure accrue over more than one year, e.g. desludging

Rating Act

The Local Government (Rating) Act 2002 places some restrictions on the use of rating tools.

The Act limits total fixed charges (excluding water and wastewater charges) to 30 per cent of total rates revenue. Fixed charges include the Uniform Annual General Charge and targeted rates set at a fixed amount.

When setting the General Rate, the Local Government (Rating) Act 2002 allows a choice of one valuation system from three options:

- 1 The annual value of the land; or
- 2 The capital value of the land; or
- 3 The land value.

Currently, Council's General Rate is based on land value.

Funding of Activities

In determining how activities are funded Council is obliged to equitably share the costs of delivering services across different users as well as ensuring equity between current and future generations. In deciding how to fund each activity, Council considers the nature of the services provided and who benefits from those services.

Council has reviewed each individual activity with a view to determining a fair and equitable funding policy. In doing so Council considered:

- The community outcomes to which the activity primarily contributes
- The distribution of benefits between the community as a whole, identifiable parts of the community and individuals
- The period during which the benefits are expected to occur
- The extent to which actions, or inactions, of individuals or groups contribute to the need to undertake the activity
- Costs and benefits of funding the activity distinctly from other activities.

Council has considered how to apply the available funding mechanisms to its activities. The following table is a summary of this approach. A copy of the detailed assessment, titled *Supporting Document: Activity Analysis* is available on Council's website at www.kaipara.govt.nz. This document sets out the analysis for sources of funding for each of its activities in accordance with section 101(3) of the Local Government Act 2002.

For operational expenditure, funding portions contributing to each activity are expressed as ranges, from low to high. These ranges equate to the following percentages:

Low:	0-33%
Medium:	34-66%
High:	67-100%

Capital expenditure funding contributions are identified. The proportion of capital costs funded from each source will vary depending upon the nature of each capital works project.

Activity	Funding of Operating Expenditure				Funding of Capital Expenditure	Catchment(s)**
	General Rates	Targeted Rates	Fees and Charges	Grants Subsidies and other Funding Sources		
Community Assistance	High			Low	Not applicable	District
Reserves and Open Spaces	High	Low	Low		Financial Contributions, Borrowing, Asset Sales, General Rate	District
Halls and Community Housing	Medium	Low	Med		Financial Contributions, Borrowing, Asset Sales, General Rate, Targeted Rates	District
Libraries	High		Low		Financial Contributions, Borrowing, Asset Sales, General Rate, Targeted Rates, Fees and Charges	District
Building Control (including Land Information Memorandums (LIMs))	Low		High		Not applicable	User pays, District
Resource Consents	Low		High		Not applicable	User pays, District
Environmental Health	Low		High		Not applicable	User pays, District
Animal Management	Low		High		Borrowing, Asset Sales, General Rate	User pays, District
Civil Defence	High				Borrowing, Asset Sales, General Rate	District
Land Drainage	Low	High	Low		Not applicable	Area of Service (Scheme)
Governance	High				Borrowing, Asset Sales, General Rate	District
Community Planning	High				Not applicable	District
Corporate Services	High		Low		Borrowing, Asset Sales, General Rate	District
Solid Waste	High		Low		Financial Contributions, Borrowing, Asset Sales, General Rate, Fees and Charges, Lump Sum Contributions	User pays, District
Roads and Footpaths	Medium	Low		Low	Development and Financial Contributions, Borrowing, Asset Sales, General Rate, Grants and Subsidies	District

Activity	Funding of Operating Expenditure				Funding of Capital Expenditure	Catchment(s)**
	General Rates	Targeted Rates	Fees and Charges	Grants Subsidies and other Funding Sources		
Wastewater - Other		High			Development and Financial Contributions, Borrowing, Asset Sales, General Rate, Targeted Rates, Lump Sum Contributions, Grants and Subsidies	Area of Service (Scheme)
Wastewater - Mangawhai	Low	High			Development and Financial Contributions, Borrowing, Asset Sales, Targeted Rates, Lump Sum Contributions, General Rate	District Area of Service
Stormwater	Low	High			Development and Financial Contributions, Borrowing, Asset Sales, General Rate, Targeted Rates	District Area of Service (Scheme) NB: Development Contributions are Scheme Area of Service only
Water Supply		High	Low		Development and Financial Contributions, Borrowing, Asset Sales, Targeted Rates, Lump Sum Contributions	Area of Service (Scheme)

* There are a variety of Targeted Rates

**Unless otherwise stated, Development Contribution catchments are the same as the capital expenditure catchments indicated in the table

Explanatory Note

Separately Used or Inhabited Parts of a Rating Unit (SUIP)

Separately Used or Inhabited Part of a Rating Unit includes any portion inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, license or other agreement. For the purpose of this policy, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

Background

Under the Local Government (Rating) Act 2002 charging Separately Used or Inhabited Parts of a Rating Unit is a factor that may be used to determine liability for both a Uniform Annual General Charge and for targeted rates. The following are examples of where there may be application of multiple charges for Separately Used or Inhabited Parts of a Rating Unit:

- Single dwelling with flat attached
- Two or more houses, flats or apartments on one Certificate of Title (Rating Unit)
- Business premise with flat above
- Commercial building leased to multiple tenants
- Farm property with more than one dwelling
- Council property with more than one lessee

Policy Statement

In setting its rates for the year, the Council will charge each Separately Used or Inhabited Part of a Rating Unit for the following charges:

- Any targeted rate set on a uniform basis for wastewater for residential properties.

Development Contributions Policy

1 Introduction

1.1 Purpose

The purpose of this Policy is to provide predictability and certainty about the funding required and development contributions payable to meet the increased demand for community facilities resulting from growth and new development in the Kaipara District by enabling the Council to recover from persons undertaking development a fair, equitable, and proportionate share of the total cost of capital expenditure necessary to service growth over the long term..

1.2 Statutory Context

1.2.1 The Council has resolved to use a combined policy on Development and Financial Contributions to fund its long term growth related capital expenditure but intends to remove financial contribution provisions from its District Plan by no later than 18 April 2022 as required by Schedule 4 of the Resource Legislation Amendment Act 2017 and in doing so:

- a) will amend this Policy to remove all references to financial contributions; and
- b) may consider funding through development contributions, capital expenditure previously intended to be funded by financial contributions.

1.2.2 This policy is the policy on Development Contributions and is prepared under section 102 and 108 of the Local Government Act 2002 ("the Act").

1.2.3 The policy is adopted as one of the source documents that will form part of the Kaipara District's final 2018/2028 Long Term Plan referred to in this Policy as the "*Long Term Plan*".

1.2.4 Council, in addition to determining matters of content in this Policy, has determined:

- c) that the decision to adopt the Development Contributions Policy is a significant decision;
- d) that it believes it has met the decision-making and consultation requirements of the Act to the extent required.

1.2.5 The operative financial contribution provisions are in Chapter 22 of the Kaipara District Plan.

1.3 Effect of the Policy

1.3.1 The effect of this Policy is to require the payment of Development Contributions where:

- a) "*development*" as defined by the Act, occurs; and

- b) the effect of that development, either alone or in combination with other developments, is to require new or additional assets or assets of increased capacity including additional asset capacity already provided and as a consequence Council incurs capital expenditure to provide appropriately for reserves, network infrastructure or *community infrastructure*; and
- c) that capital expenditure will not be otherwise funded or provided for; and
- d) the policy provides for the payment of Development Contribution for that type of development

The Council will not require the payment of a Development Contribution for any capital expenditure relating to reserves or community infrastructure.

1.4 Approach to Growth and Development

- 1.4.1 The approach of Council to growth and associated new development is one that welcomes and encourages growth but seeks to apply Development Contributions selectively to particular activities or areas, meeting any funding shortfalls in other activity areas from other sources of funding.
- 1.4.2 In spite of relatively small population growth in the past, residential and business growth has continued steadily in the District over the years as evidenced by the growing rating base. District rating units rose from 9,900 in 2001 to 13,960 in 2013, an increase of over 300 units per annum. Another 540 rating units were created after 2013 to bring total rating units in 2017 to just over 14,500 units.
- 1.4.3 This growth must be accompanied by the timely provision of community facilities, the funding of which should not be a burden on the existing community as a whole. In some cases, Council has already incurred capital expenditure for growth and needs to recover this.
- 1.4.4 Council will use this Policy to fund that part of total capital expenditure associated with growth and development.

Terms used in this Policy shown in *italics* are defined in **Appendix 3** of this Policy.

2 Development Contributions Policy

Council has considered all matters it is required to consider under the Act when making a Development Contributions Policy. The policies resulting from these considerations are set out in this section. The way in which the Policy will be applied in practice is set out in **section 3.0**.

2.1 Requirement to Pay Development Contributions

- 2.1.1 A Development Contribution will be payable when development is carried out, the effect of which is to require new or additional assets or assets of increased capacity and as a consequence Council incurs capital expenditure to provide appropriately for those assets and that capital expenditure is not otherwise funded or provided for.

- 2.1.2 Council through its Revenue and Financing Policy has determined that Development Contributions are an appropriate source of funding for the activities listed in **section 2.1.3** and **section 2.1.5** below.
- 2.1.3 In terms of this Policy, Development Contributions will be sought to meet the growth related component of capital expenditure in selected areas on the following activities:
- a) Roading;
 - b) Wastewater Treatment;
 - c) Water Supply; and
 - d) Stormwater Management.
- 2.1.4 A number of other Council activities show little or no proposed capital spending for growth. If the Council does not propose to incur capital spending for growth on those activities in its Long Term Plan, then it is unable to include requirements for these in its Development Contributions Policy.
- 2.1.5 Activities for which Development Contribution will not be required are:
- a) Reserves; and
 - b) Community infrastructure.
- 2.1.6 However, developers may still be required to provide works under the Kaipara District Plan and pay financial contributions until these are removed from the District Plan for any Council activities including those in **section 2.1.5** as conditions of resource consent in order to meet the costs of mitigating the effects of their developments.
- 2.1.7 In keeping with the principle in section 197AB(d) of the Act, development contributions will be used:
- (a) for or towards the purpose of the activity or the group of activities for which the contributions were required; and
 - (b) for the benefit of the district or the part of the district that is identified in this Policy in which the development contributions were required.
- 2.2 Limitations on Contributions**
- 2.2.1 While Council is able to seek both Development Contributions for infrastructure under the Local Government Act 2002 and financial contributions under the Resource Management Act 1991, section 200 of the Local Government Act 2002 prevents Council from requiring a Development Contribution where it has imposed a contribution requirement on the same development under the Resource Management Act 1991 or where developers or other parties fund the same infrastructure for the same purpose.

- 2.2.2 Although under the Kaipara District Plan, Council may, until no later than 18 April 2022, impose a financial contribution as a condition of resource consent, it shall ensure that no condition of resource consent is imposed that would require work to be done or funded that is identified in the Long Term Plan and funded in whole or in part by Development Contributions.
- 2.2.3 Nothing in this Policy, including the amounts of Development Contribution payable in **Table 1**, will diminish from any other legal requirement to make a payment for community facilities other than a Development Contribution, including connection fees or any other fee required to be paid pursuant to any other policy or bylaw or by agreement with Council.
- 2.3 Limitations on Costs Eligible for Inclusion in Development Contributions**
- 2.3.1 In calculating Development Contributions under this policy, the contributions shall not include the cost of any project or work or part of any project or work required for:
- a) Rehabilitating or renewing an existing asset; or
 - b) Operating and maintaining an existing asset.
- 2.3.2 In accordance with section 200(1) of the Act, no Development Contribution calculated under this Policy shall include the value of any funding obtained from third parties, external agencies or other funding sources in the form of grants, subsidies or works. This limitation shall not include the cost of works provided by a developer on behalf of Council and paid for by Council, which Council may then seek to recover from other developers through Development Contributions.
- 2.3.3 The value of any subsidy or grant toward the cost of any project or work shall be deducted prior to the allocation for funding of the balance portion of project cost between Development Contributions and other sources of Council funding.
- 2.4 Vested Assets and Local Works**
- 2.4.1 The cost of assets vested or expenditure made by a developer, pursuant to a requirement under the Resource Management Act 1991, shall not be used to off-set Development Contributions payable on a development unless all or a portion of such assets or expenditure can be shown to avoid or reduce the need for Council to incur costs providing an asset that is included in its capital works programme, for which Development Contributions are sought.
- 2.4.2 The cost of assets vested or expenditure made voluntarily by a developer to enhance a development shall not be used to offset Development Contributions payable on development.

2.5 Past Surplus Capacity Provided

- 2.5.1 In accordance with section 199(2) of the Act, Development Contributions may be required to fund capital expenditure already incurred by Council in anticipation of development, prior to the adoption of this Policy.
- 2.5.2 Council has in recent years incurred expenditure to undertake works or acquire land in anticipation of development. Council will seek to recover this expenditure from Development Contributions yet to be made. Council may include the cost of *past surplus capacity* in its calculation of Development Contributions, where that cost was incurred in anticipation of development.

2.6 Service Standards

- 2.6.1 There is no requirement under this Policy for new development to be serviced above the *service standard*.
- 2.6.2 Where new developments are serviced to levels above the *service standard* and Council is required to fund any portion of such works that will improve the levels of service to existing communities, it shall not be required to fund more than is required to meet the *service standard*.
- 2.6.3 Council aims over time to raise the service levels in existing communities where this is below the *service standard*.
- 2.6.4 Council may vary the *service standards* normally set for a project where the *service standard* may not be immediately attainable or economically efficient.

2.7 Cumulative and Network Effects

- 2.7.1 In accordance with section 199(3) of the Act, Development Contributions may be required under this Policy, where a development, in combination with other developments, have a cumulative effect including the cumulative effects of developments on network infrastructure.

2.8 Appropriate Sources of Funding

- 2.8.1 Council incurs capital works expenditure in order to:
- a) provide additional capacity in assets to cater for new development;
 - b) improve the level of service to existing households and businesses;
 - c) meet environmental and other legislative requirements; and
 - d) renew assets to extend their service life.
- 2.8.2 Section 101(3)(a) of the Act states that the funding needs to meet these expenditure requirements must be met from sources that Council determines to be appropriate, following a consideration, in relation to each activity, of a number of matters. Council's consideration of these matters as it relates to the funding of capital expenditure is outlined in the Revenue and Financing Policy. The analysis contained in the Revenue and Financing Policy is also applicable to this Development Contributions Policy.

- 2.8.3 Council has had regard to and made the following determinations under each activity in relation to the matters set out under section 101(3)(a)(i) to (v) of the Act:
- a) That Development Contributions are an appropriate source of funding for providing additional capacity in assets for each of the activities listed in **section 2.1.2**;
 - b) That capital works undertaken as a result of the need to provide additional asset capacity for new development and having no benefit to existing households and ratepayers be appropriately funded by Development Contributions. Council will classify these as *additional capacity projects (AC projects)* and ensure they are funded accordingly.
 - c) That while existing households and businesses may make use of and have an *AC project* intended to service new development, available to them, it is a principle of this Policy that, where those existing households and businesses are already serviced to the service standard and:
 - i. their assets have remaining service life equivalent to that offered by the *AC project*; and
 - ii. they are not part of the cause of the work;they should not be required to make a significant contribution toward its cost through rates or other sources of funding given that the benefit they receive is minimal and that they did not create the need for the work.
 - d) That capital works undertaken as a result of the need for improving the levels of service to existing households and businesses, visitors, tourists and other parties and having no benefit to new development be appropriately funded by sources other than Development Contributions, such as rates and depreciation reserves. Council will classify these as *improved level of service projects (ILOS projects)* and ensure they are funded accordingly.
 - e) That for any capital works providing both additional asset capacity and improved level of service, the portion of expenditure incurred on improving levels of service to existing households and businesses will be excluded from the calculation of Development Contributions and funded from appropriate sources such as rates and depreciation reserves. The funding from these sources shall not however exceed an amount that would have been incurred to correct service level deficiencies. Council will classify these as *combined projects (AC/ILOS projects)* and will allocate the costs of such projects among the appropriate sources of funding.
 - (f) That Development Contributions for particular capital works be appropriately sourced according to the extent (including the cumulative extent) to which new development contributes to the need for and benefits from the activity. On this basis, Council has determined activity-funding areas for each activity.
 - (g) That the cost of surplus capacity in any asset remaining at the end of the 10 year *Development Contributions calculation period*, that will benefit future development occurring after that period, shall be funded more appropriately by future development. Council will exclude the cost of such *remaining surplus capacity* at the end of the calculation period from the Development Contribution calculation.
- 2.8.4 Section 101(3)(b) of the Act states that the funding needs to meet expenditure requirements must be met from sources that the local authority determines to be appropriate, following a consideration of the *overall impact* of any allocation of liability for revenue on the community. Council's consideration of these matters as

it relates to the funding of capital expenditure is outlined in the Revenue and Financing Policy. The analysis contained in the Revenue and Financing Policy is also applicable to this Development Contributions Policy.

2.8.5 Council has had regard to section 101(3)(b) and made the following determinations:

- a) That it does not wish to discourage new development and will use an allocation methodology in this Policy to ensure that incoming households and businesses occupying new development, in the Long Term Plan period, do not fund:
 - benefits to existing households and businesses through Development Contributions;
 - the cost of *remaining surplus capacity* in assets at the end of the Long Term Plan period that will benefit future households and businesses.
- b) That, unless appropriate to do so in certain circumstances to achieve the Community Outcomes, it does not wish to burden current households and businesses by making them fund additional capacity in capital assets that will benefit new and future ratepayers. The Council will use an appropriate allocation methodology to ensure that this does not occur.

2.9 Activity-Funding Areas

2.9.1 In keeping with the principle in section 197AB(g) of the Act, Council considers that Development Contributions should be required from new development on a geographic basis using activity-funding areas, those being determined:

- a) in a manner that balances practical and administrative efficiency with considerations of fairness and equity; and
- b) avoids, wherever practical, grouping across the entire district.

2.9.2 An activity-funding area is an area within which growth and development is occurring, which is likely, either solely or cumulatively, to create the need for, or benefit from, particular activities.

2.9.3 This Policy uses a District-wide *activity-funding area* for the recovery of Development Contributions for roading projects because of the wide benefit created by the roading network and a Roding East *activity-funding area* to take account of particular additional demands on the eastern roading network due to high levels of development activity there.

2.9.4 This Policy uses separate water supply, wastewater and stormwater *activity-funding areas* in which assets provided directly benefit those using them and connected to them. It is considered reasonably practical to administer the policy using local scheme-by-scheme *activity-funding areas*.

2.9.5 The *activity-funding areas* used in this Policy are summarised in **Appendix 1** of this Policy.

2.10 Principles of Cost Allocation

2.10.1 In keeping with the principle in section 197AB(a) of the Act, no project will be considered for cost allocation for development contribution purposes, unless it provides new or additional assets or assets of increased capacity to service development.

- 2.10.2 In keeping with the principle in section 197AB(c) of the Act, the cost of any *combined project (AC/ILOS project)* or work identified in the Long Term Plan will, after deductions for subsidies and other sources of funding, be allocated between:
- The costs for improving levels of service to existing households and businesses by bringing assets up to the *service standard* and/or by providing additional service life, to be expressed as the *ILOS cost*; and
 - The costs for providing additional capacity to service the development of new households and businesses, to be expressed as the *AC Cost*.
- 2.10.3 Council will allocate project cost between *ILOS costs* and *AC costs*, in the manner described in **section 5.0 – Procedures for cost allocation**.
- 2.10.4 The methodology used to allocate costs is a cause/benefits matrix approach.
- 2.11 Development Contributions Calculation Period**
- 2.11.1 In keeping with the principle in section 197AB(b) of the Act, Council has considered the period over which the benefits of capital expenditure for new development are expected to occur. It considers that capital expenditure on infrastructure during the Long Term Plan period should be recovered over the full take-up period of each asset, from all development that created the need for that expenditure or will benefit from capacity it provides, including development occurring after the Long Term Plan period.
- 2.11.2 Council has determined that:
- new development occurring in the Long Term Plan period will contribute only to that proportion of additional asset capacity that it is expected to consume;
 - future development occurring after the Long Term Plan period will contribute toward the *remaining surplus capacity* in assets at the end of that period.
- 2.11.3 In calculating the Development Contributions payable by new development for each activity type, Council will:
- include the cost of any *past surplus capacity* in assets provided after 1 July 2001 that is expected to be consumed by new development, where this can be identified and where it can be shown to have been provided in anticipation of growth;
 - include the cost of capacity in assets to be provided in the Long Term Plan period, that is expected to be consumed by new development; and
 - exclude the cost of *remaining surplus capacity* in assets at the end of the Long Term Plan period, which is likely to be consumed by future development.
- 2.11.4 Recovery of the whole of a project's cost from only those households and businesses establishing in the Long Term Plan period may place an unfair burden on them. Households and businesses developing after the period will arrive to a fully paid up asset with spare capacity for their developments.
- 2.11.5 This Policy uses a *Development Contributions calculation period* extending from 1 July 2018 (to include *past surplus capacity*) to 30 June 2048 - 30 years after the adoption of the Policy to ensure more equitable attribution under Schedule 13 of the Act. The 30 year future outlook is to take account of major infrastructure projects that may retain spare capacity for up to 30 years, particularly as a result of prolonged periods of slow growth.

2.12 Significant Assumptions

- 2.12.1 Section 201(1)(b) of the Act requires this policy to set out the significant assumptions underlying the calculation of the schedule of Development Contributions, including an estimate of the potential effects, if there is a significant level of uncertainty as to the scope and nature of the effects.
- 2.12.2 The significant assumptions underlying the calculation of the schedule of Development Contributions are that:
- a) The rate, level and location of growth will occur as forecast in the rating growth projections accompanying the Long Term Plan;
 - b) Capital expenditure will be in accordance with the capital works programme in the Long Term Plan;
 - c) No significant changes to service standards are expected to occur in the Long Term Plan period other than those planned for in the Asset Management Plan;
 - d) The level of third party funding (such as NZ Transport Agency subsidies) will continue at predicted levels for the period of the Long Term Plan;
 - e) There will be no significant variations to predicted rates of interest and inflation to those set out in the Long Term Plan.
- 2.12.3 An assessment of effects, if there is a significant level of uncertainty as to the scope and nature of the effects, is set out in **Appendix 2** of this Policy.

2.13 Policy on Existing Lots or Development

- 2.13.1 Existing *lots* or development already *legally established* on a site subject to an application for consent or authorisation for connection, shall be deemed to have had a Development Contribution paid for them. When calculating a Development Contribution, Council will assess the extent of *lots* or development on completion of the consent or connection and deduct the extent of *lots* or development already *legally established* at the date of granting the consent or authorisation, subject to **sections 2.13.2, 2.13.3 and 2.13.5** below.
- 2.13.2 **Section 2.13.1** shall apply to any *lot* or development that:
- a) was already *legally established* at the date on which this Policy became operative, on 1 July 2018; or
 - b) has been *legally established* since the date on which this Policy became operative and for which a Development Contribution has been paid; or
 - c) is not yet *legally established* but for which a Development Contribution has been paid (and not refunded).
- 2.13.3 *Legally established* development includes buildings and structures which can be shown to have been in existence on but have been demolished since this Policy became operative on 1 July 2018.
- 2.13.4 **Section 2.13.1** shall not apply to any *lot* or development for which a contribution has been required and has not yet been paid.
- 2.13.5 Council may still require a Development Contribution to be paid for any existing *legally established lot* or development, in a water supply or wastewater area, with no connection to the service, which is to be connected for the first time or seeks connection to either a water supply network or a wastewater network, as the case

may be, where no Development Contribution or other such payment for these services can be shown to have been previously paid. This requirement shall not apply to any existing *legally established lot* or development in the Mangawhai Community Wastewater Scheme area for which a targeted rate to fund capital costs for the scheme has or will be paid.

2.13.6 Council may require a Development Contribution to be paid for development occurring on any existing *legally established lot* that has previously been prevented from being developed by any open space covenant or by any other restriction registered against the title of the *lot* and that covenant or restriction has been removed.

2.13.7 In considering *legally established* developments already on a development site, the Council will use the current or most recent use of the site and not its zoning to determine the units of demand that will be credited against the Development Contribution.

2.14 Use of Development Contributions

2.14.1 Development Contributions will be used for the capital expenditure for which they were required in accordance with section 204(1) of the Act.

2.15 Network Infrastructure

2.15.1 Council acknowledges that under section 197 of the Act, the term *development* excludes the pipes and lines of any network utility operator. Council will not seek Development Contributions for the installation or expansion of network infrastructure, (including the pipes, lines, roads, water supply, wastewater and stormwater networks) by network utility operators.

2.15.2 **Section 2.15.1** does not apply to development by network utility operators carried out in order to run their normal business such as offices, industrial buildings, warehouses and storage areas, which may be liable for the payment of Development Contributions.

2.16 Policy on Remissions and Postponements of Development Contributions

2.16.1 In accordance with section 201(1)(c) of the Act, this Policy includes provisions that will enable Council to consider remissions and postponements of Development Contributions (**section 3.5**).

2.17 Policy on Refunds

2.17.1 Council will refund Development Contributions in accordance with the requirements of sections 209 and 210 of the Act.

2.18 Best Available Knowledge

2.18.1 The capital expenditure amounts used in this Policy for the calculation of Development Contributions for all activity types are in keeping with the Long Term Plan and are based on the best available knowledge of projects and their costs, staging, timing and other related information, at the time of adoption of this Policy.

2.18.2 The absence of any particular information on any asset or work at any given time, shall not be deemed to be reason for not including that asset or work for consideration in the calculation of a Development Contribution, provided that all the requirements of this Policy, for determining any Development Contribution payable, are complied with.

2.19 Schedules

2.19.1 In keeping with principles in section 197AB(e) and (f) of the Act and in accordance with:

- a) section 201 and section 202 of the Act, **Table 1** shows the schedule of Development Contributions payable for each activity in each part of the District, the amounts shown excluding GST;
- b) section 201A of the Act, **Appendix 5** shows a schedule of assets for which development contributions will be used; and
- c) section 106(2) of the Act, **Table 2** summarises capital expenditure in the Long Term Plan that Council expects to incur to meet the increased demand for community facilities resulting from growth and the proportion of that expenditure to be funded from various sources including Development Contributions.

TABLE 1 - SCHEDULE OF DEVELOPMENT CONTRIBUTIONS 2018-2028					
MAIN PRICE	Stormwater	Wastewater treatment	Water supply	Roading	TOTAL
Mangawhai	\$ 359	\$ 22,316	\$ -	\$ 570	\$ 23,245
Dargaville	\$ -	\$ -	\$ -	\$ 108	\$ 108
Te Kopuru	\$ -	\$ -	\$ -	\$ 108	\$ 108
Maungaturoto	\$ -	\$ -	\$ -	\$ 108	\$ 108
Kaiwaka	\$ -	\$ -	\$ -	\$ 570	\$ 570
Baylys Beach	\$ 315	\$ -	\$ -	\$ 108	\$ 423
Glinks Gully	\$ -	\$ -	\$ -	\$ 108	\$ 108
Ruawai	\$ -	\$ -	\$ -	\$ 108	\$ 108
District	\$ -	\$ -	\$ -	\$ 108	\$ 108
Roading East	\$ -	\$ -	\$ -	\$ 463	\$ 463

For all Development Contributions required in **Table 1**, all or any of the following events give rise to the requirement for a Development Contribution:

- a) the granting of a resource consent under the Resource Management Act 1991;
- b) the granting of a building consent under the Building Act 2004;
- c) the granting of an authorisation for a service connection;

- d) the granting of a certificate of acceptance under section 98 of the Building Act 2004.

TABLE 2 - CAPITAL EXPENDTURE IDENTIFIED TO MEET INCREASED DEMAND RESULTING FROM GROWTH AND SOURCES OF FUNDING BY ACTIVITY									
	2018-2028 LTCCP					SURPLUS CAPACITY			
	TOTAL CAPITAL LTP COSTS	DEVELOPMENT CONTRIBUTIONS (NEW)	DEVELOPMENT CONTRIBUTIONS (FUTURE)	RATES	SUBSIDIES / GRANTS	TOTAL CURRENT VALUE OF SUPPLUS CAPACITY PROJECTS	DEVELOPMENT CONTRIBUTIONS (NEW)	DEVELOPMENT CONTRIBUTIONS (FUTURE)	RATES
Roading	\$129,001,395	\$ 530,070	\$ 3,974,462	\$50,929,175	\$73,567,688	\$ 12,211,043	\$ 116,154	\$ 270,474	\$ 11,824,415
Wastewater Treatment	\$ 34,253,119	\$ 8,836,459	\$ 11,615,638	\$13,801,022	\$ -	\$ 65,217,577	\$ 10,429,721	\$ 16,766,712	\$ 38,021,143
Stormwater	\$ 9,749,403	\$ 43,568	\$ 234,357	\$ 9,471,479	\$ -	\$ 873,768	\$ 18,365	\$ 41,317	\$ 814,087
Water Suply	\$ 26,380,688	\$ -	\$ -	\$22,865,701	\$ 3,514,988	\$ 1,382,993	\$ 262	\$ 574	\$ 1,382,157
TOTAL	\$199,384,606	\$ 9,410,097	\$ 15,824,457	\$97,067,376	\$77,082,676	\$ 79,685,381	\$ 10,564,502	\$ 17,079,077	\$ 52,041,802

Note: **Table 2** summarises capital expenditure incurred that is to be funded through Development Contributions. The Financial Contributions Policy provides information on the level of capital expenditure to be funded through financial contributions.

2.20 Development Agreements

- 2.20.1 The Council may enter into development agreements with developers for the provision, supply, or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves the district or a part of the district. The provisions of sections 207A to 207F shall apply to such agreements.

3 Practical Application

3.1 Requirement for Development Contributions

3.1.1 Upon granting

- a resource consent under the Resource Management Act 1991
- a building consent under the Building Act 1991
- an authorisation for a service connection
- the granting of a certificate of acceptance under section 98 of the Building Act 2004;

Council will determine whether the activity to which the consent or authorisation relates is a “*development*” under the Act, which:

- a) has the effect of requiring new or additional assets or assets of increased capacity (including assets which may already have been provided by Council in anticipation of development); and
 - b) as a consequence requires (or has required) Council to incur capital expenditure to provide appropriately for those assets; and
 - c) that capital expenditure is not otherwise funded or provided for.
- 3.1.2 Upon determining that the activity is a “*development*”, Council may require a Development Contribution to be made towards the activity associated with that development, according to the *activity-funding areas* in which the development is located, including:
- a) Roading
 - b) Wastewater treatment
 - c) Water supply
 - d) Stormwater.
- 3.1.3 Council shall calculate the Development Contribution payable at the time of granting the consent or authorisation and issue an assessment of Development Contributions payable.
- 3.1.4 A Development Contribution may be paid at any time from the date of assessment up to the date when the contribution is required to be paid as a result of Council issuing an invoice.
- 3.1.5 Council will invoice a Development Contribution at the following times:
- a) In the case of a resource consent for subdivision, at the time of application for a certificate under section 224(c) of the Resource Management Act 1991, with payment required prior to the issue of the certificate;
 - b) in the case of a resource consent for land use, at the time of notification of commencement or commencement of the consent, whichever is the earlier, with payment required prior to commencement of the consented activity;
 - c) in the case of a building consent, at the time the first building inspection is carried out with payment required no later than 60 days of the issue of the invoice;
 - d) in the case of a service connection, at the time of approval of the service connection with payment prior to connection;
 - e) in the case of granting a certificate of acceptance under section 98 of the Building Act 2004.
- 3.1.6 In accordance with section 198(2A) of the Act, a development contribution must be consistent with the content of the policy that was in force at the time that the application for a resource consent, building consent, or service connection was submitted
- 3.1.7 In accordance with section 208 of the Local Government Act 2002, if contributions are not paid at the times required in **section 3.1.5**, the Council may:
- a) withhold a certificate under section 224(c) of the Resource Management Act 1991 in the case of a subdivision;

- b) prevent the activity commencing in the case of a land use consent;
- c) withhold a code compliance certificate in the case of a building consent;
- d) withhold a service connection to the development;
- e) withhold a certificate of acceptance under section 98 of the Building Act 2004;
- f) in each case register a charge on the land under the Statutory Land Charges Registration Act 1928.

If, after exercising its powers under section 208 of the Act, any Development Contribution remains unpaid, the Council may take debt recovery action to recover that Development Contribution.

- 3.1.8 In the case of a resource consent for land use only, where a building consent is required to give effect to the resource consent, the applicant may apply for a postponement of payment under **section 3.5** of this Policy. If this is granted the Council will only issue an invoice in accordance with **section 3.1.5 c)** at the time of the first building inspection.
- 3.1.9 If a grantee of consent is in possession of two Development Contribution invoices for different consents relating to the same lot, both invoices will continue to have effect until payment is made of one of those invoices. When the first invoice is paid, the second invoice will be withdrawn and a reassessment of Development Contributions payable for the subdivision or development, as the case may be, relating to the second invoice will be made under **section 3.2.1**. If any Development Contribution is payable on re-assessment, a new invoice will be issued.
- 3.1.10 Except as provided for in **section 3.1.5**, no consented activity or building work shall commence prior to the payment of the Development Contribution and where such activity or work has commenced prior to such payment, Council shall require this to cease until payment has been made.
- 3.1.11 In accordance with section 252 of the Act, a development contribution is recoverable as a debt.

3.2 Amount of Total Development Contribution

- 3.2.1 The total amount of Development Contribution payable when issuing any consent or authorisation for subdivision or development, shall be the sum of the Development Contribution payable for each activity, calculated as:

$$[(a) \times [\Sigma(n) - \Sigma(x)]] + \text{GST}$$

Where:

- (a) = the applicable Development Contribution per *unit of demand* determined from **Table 1** and the *activity-funding area* for each type of community facility in which the subdivision or development lies.

Σ = the sum of the terms inside the brackets.

(n) = for each *lot* at the completion of the consent or authorisation application, the total *lot units of demand* OR the total *activity units of demand*, determined by **Table 3**, whichever is the greater.

(x) = for each *lot* in existence (or for which a section 224 certificate under the Resource Management Act 1991 has been issued) prior to the date of the consent or authorisation application, the total *lot units of demand* OR the total *activity units of demand* for the existing development, determined by **Table 3**, whichever is the greater.

3.2.2 The development contribution per unit of demand in **Table 1** may be increased for any Producers Price Index Outputs for Construction adjustment in accordance with section 106(2B) of the Act.

3.3 Determination of Units of Demand

3.3.1 In accordance with Schedule 13 of the Act, the additional capacity (*AC cost*) component of capital expenditure associated with new development in any *activity-funding area* will be allocated equally between the numbers of new *units of demand* expected to occur in that *activity-funding area* during the *Development Contributions calculation period*.

3.3.2 Council has determined that *units of demand* generated by different land use types shall be those reflected in **Table 3**.

3.3.3 Demand for services may be necessitated by the creation of new *lots (lot units of demand)* that are required to be serviced in advance of their occupation. Demand for services may also be generated by the use and development of *lots (activity units of demand)*, including the intensification or expansion of activity on those *lots*.

Table 3 Units of Demand Generated by Subdivision and Development	
Lot Unit of Demand	Units of demand
One residential or rural lot.	1.0
One mixed-use residential/commercial lot.	1.0
One commercial or industrial lot with an area of less than 1,000m ²	Lot area divided by 1,000 per square metre.
One commercial or industrial lot with an area of 1,000m ² or more.	1.0

Table 3	
Units of Demand Generated by Subdivision and Development	
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any <u>existing</u> <i>legally established lot</i> not connected to either the water supply network or the wastewater network as the case may be, excluding any existing <i>legally established lot</i> in the Mangawhai Community Wastewater Scheme area for which a targeted rate to fund capital costs for the scheme has or will be paid.	0
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any <u>proposed</u> <i>lot</i> not to be connected to either the water supply network or the wastewater network as the case may be.	0
One <i>serviced site</i> .	Special assessment
One <i>lot</i> : <ul style="list-style-type: none"> ▪ wholly covenanted in perpetuity as provided for by section 22 of the Queen Elizabeth the Second National Trust Act 1977 ▪ the title of which prevents any form of development on the <i>lot</i>. 	0
Activity Unit of Demand	Units of demand
One <i>dwelling unit</i> (including any <i>accommodation unit</i>) of two or more <i>bedrooms</i> per unit	1.0
One commercial or industrial unit including the commercial part of any activity but excluding any part that comprises accommodation units	The <i>gross business</i> area on the <i>lot</i> (or in the case of calculating contribution for stormwater, the <i>impervious area</i>) multiplied by the applicable <i>unit of demand</i> factors in this table.
Any <i>dwelling unit</i> or <i>accommodation unit</i> of one or fewer <i>bedrooms</i> per unit	0.5
Any <i>retirement unit</i> for purposes of calculating the roading contribution only	0.3
Any <i>retirement unit</i> for purposes of calculating the water supply and wastewater contributions only	0.5
Any <i>aged care room</i> for purposes of calculating the roading contribution only	0.2
Any <i>aged care room</i> for purposes of calculating the water supply and wastewater contributions only	0.4

Table 3	
Units of Demand Generated by Subdivision and Development	
Any development including <i>dwelling units</i> or <i>accommodation units</i> , situated in attached or multiple storey complexes of more than three units and any retirement unit or aged care room	For stormwater ONLY, the <i>impervious area</i> multiplied by the applicable <i>unit of demand</i> factor in this table.
Other activity (Activity not specified elsewhere in this table).	Special assessment
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any <u>existing</u> <i>legally established</i> development not connected to either the water supply network or the wastewater network as the case may be, excluding any <i>existing legally established</i> development in the Mangawhai Community Wastewater Scheme area for which a targeted rate to fund capital costs for the scheme has or will be paid.	0
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any <u>proposed</u> development not to be connected to either the water supply network or the wastewater network as the case may be.	0
Network infrastructure, including pipes, lines and installations, roads, water supply, wastewater and stormwater collection and management systems	0
Farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crop production.	0

Unit of Demand Factors Commercial or Industrial Development	Calculated in Appendix 4
Roading	0.0020 per square metre of <i>gross business area</i> on the lot used principally for commercial or industrial purposes.
Water Supply	0.00446 per square metre of <i>gross business area</i> on the <i>lot</i> used principally for commercial or industrial purposes.
Sewerage	0.00446 per square metre of <i>gross business area</i> on the <i>lot</i> used principally for commercial or industrial purposes.
Stormwater	0.00278 per square metre of the <i>impervious area</i> on the lot.

- 3.3.4 The different *units of demand* generated by a unit of commercial or industrial activity, as compared with a unit of residential activity, arise mainly from the scale of activity. This Policy uses *lot size* in the case of subdivision and *gross business area* in the case of business development as a proxy for assessing the different *units of demand* on services, likely to be generated respectively by residential and business activity.
- 3.3.5 Further, this Policy assumes that as well as the *scale of activity*, business activity has the potential to place greater demands on services as compared to residential activity, as a result of the *nature of the activity* (e.g. as a result of higher and heavier traffic volumes, higher *impervious area*). This Policy incorporates multipliers (*unit of demand* factors) that are intended to take account of the likely additional effect of business activity on service infrastructure.
- 3.3.6 The assumptions used in this Policy to derive the *unit of demand* factors for business in **Table 3** are described in **Appendix 4** of this Policy.

3.4 Information Requirements

- 3.4.1 The applicant for any consent or authorisation shall provide all information necessary for Council to calculate the amount of a Development Contribution, including the *gross business area* and the *impervious area* of the development if required for purposes of an assessment under **Table 3**.
- 3.4.2 The applicant shall be responsible for providing proof of the legal establishment of existing *units of demand* for purposes of an assessment under **Table 3**.
- 3.4.3 Existing *units of demand* may include *legally established* buildings and structures existing when this Policy became operative on 1 July 2018 but since demolished.

3.5 Remissions, Reductions and Postponements of Development Contributions

- 3.5.1 In addition to rights to reconsideration provided for by section 199A and 199B of the Local Government Act 2002, the Council will consider applications for remission, reduction or postponement of development contributions.
- 3.5.2 Council will grant a remission or reduction of any Development Contribution where the applicant has provided and/or funded the same infrastructure that a Development Contribution has been required for but that remission or reduction shall be limited to the cost of infrastructure provided or funded and be subject to Council procurement procedures. In cases where the cost of infrastructure provided or funded exceeds the Development Contribution payable, the Council shall meet the excess costs by separate agreement with the applicant subject to Council procurement procedures.
- 3.5.3 Council will consider applications for and may grant a postponement of the payment of a Development Contribution in the case of resource consent for land use only, where a building consent is required to give effect to that resource consent. At the discretion of the Council, the payment of a Development Contribution on the resource consent may be postponed until a building consent is granted.

- 3.5.4 Council will consider applications for a postponement of the payment of a Development Contribution in the case of a subdivision consent. If it grants a postponement it may do so on whatever terms the Council thinks fit, including that it may:
- a) issue a certificate under section 224(c) of the Resource Management Act 1991, prior to the payment of a Development Contribution; and
 - b) register the Development Contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the Development Contribution was required.
- 3.5.5 An applicant may formally request Council to review the Development Contribution required and remit or postpone the Development Contribution payment.
- 3.5.6 Any such request shall be made in writing no later than 15 working days after the date on which Council issues an invoice under **section 3.1.5**, setting out the reasons for the request.
- 3.5.7 Prior to accepting any such request for review, Council shall require the applicant to provide specific details of the manner in which its proposals qualify for a remission or postponement.
- 3.5.8 In undertaking the review, Council or a Committee of Council or an officer so delegated:
- a) shall, as soon as reasonably practicable, consider the request;
 - b) may determine whether to hold a hearing for the purposes of the review and if it does, give at least five working days notice to the applicant of the date, time and place of the hearing;
 - c) may at its discretion uphold, remit in whole or in part or postpone (as the case may be) the original Development Contribution required and shall advise the applicant in writing of its decision within ten working days of making that decision;
 - d) may charge such fee as determined in its annual schedule of fees, to consider the request.
- 3.6 Reconsideration process**
- 3.6.1 As required by section 202A of the Local Government Act 2002, this policy must set out the process for requesting reconsideration of a requirement for a development contribution under section 199A of the Act. The process for reconsideration must set out:
- a) how the request can be lodged with the Council; and
 - b) the steps in the process that the territorial authority will apply when reconsidering the requirement to make a development contribution.
- 3.6.2 An applicant who is required to make a development contribution may request a reconsideration of that requirement if they believe that:
- a) the development contribution was incorrectly calculated or assessed under this policy; or
 - b) the Council incorrectly applied this policy; or

c) the information used to assess the applicant's development against this policy, or the way the Council has recorded or used it when requiring the development contribution, was incomplete or contained errors.

3.6.3 Any request for reconsideration shall be made in writing, no later than 10 working days after the date on which the applicant receives notice from the Council of the level of development contribution required.

3.6.4 Any request for review must include the reasons under **section 3.6.2** for reconsideration and provide sufficient information to enable the Council to reconsider the development contribution.

3.6.5 The Council (or a Committee of Council or an officer so delegated) will limit its considerations to matters set out in Section 199A of the Act (**section 3.6.2** of this policy).

3.6.6 In accordance with section 199B(1) of the Act, the Council must, 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 applicant who made the request.

3.6.7 In accordance with section 199B(2) of the Act, an applicant who requested a reconsideration may object to the outcome of the reconsideration under the applicable provisions in section 199C - 199P and Schedule 13 of the Act.

3.7 Special Assessment

3.7.1 Where, in **Table 3**, a special assessment of *units of demand* generated by a development is required, the Council will consider the nature and scale of the development and its relative effects on each Council activity, as compared to other development types listed in **Table 3** and the *units of demand* attributed to them.

3.8 Statement on GST

3.8.1 Any Development Contribution referred to in this Policy or in the accompanying Development Contributions Model and any Development Contribution required in the form of money, pursuant to this Policy, is exclusive of Goods and Services Tax.

4 Audit

This policy shall be subject to the audit procedures under section 94 of the Act.

5 Procedures for Cost Allocation

The calculation of the separate portions of the cost of any *combined project (AC/ILOS project)* between that for improving levels of service to existing households and businesses (*ILOS costs*), and that for providing additional capacity to accommodate new development of households and businesses (*AC costs*) under this Policy, is carried out using the following procedure.

5.1 Listing Projects and Information Required

- 5.1.1 Every project in the capital works programme of the Long Term Plan for the activities for which the Council intends to require Development Contributions is listed in the Project Allocation Schedule of the Development Contributions Model which may be examined on request at any office of the Council.
- 5.1.2 Every surplus capacity project is listed in the Surplus Capacity Schedule.
- 5.1.3 Where possible, distinct stages of a project or distinct parts of a project are listed in the schedules as separate components and separate calculations carried out for each.
- 5.1.4 For each project in the schedules, the following information is provided:
- the year in which the project or component is to be carried out in the Long Term Plan, or in the case of each *surplus capacity project (SC project)*, the year it was completed;
 - the total project cost;
 - the amount of any subsidy or grant toward each project from any other source of funding, which is deducted from the total project cost to give the net project cost;
 - the *activity-funding area* which the project will serve.
- 5.1.5 Each project in the Project Allocation Schedule is categorised “Yes” or “No” in answer to the question – “*Is this capital expenditure required at least partly to provide appropriately for new or additional assets or assets of increased capacity in order to address the effects of development?*” By answering:
- “No” - the project is treated as a pure renewal or level of service project and the cost of the project is removed from the Development Contribution calculation;
 - “Yes” - the project is treated as either a *combined project (AC/ILOS project)* or an *additional capacity for growth project (AC project)* and is subject to further analysis.
- 5.1.6 For each project in the Project Allocation Schedule, where the answer to the question in **section 5.1.5** is “Yes”, the following information is provided:
- the expected distribution of benefits of the project between the existing community as a whole or identified parts of it or individuals;
 - the period over which benefits of the project are expected to occur, determined by stating the year in which capacity take up is expected to start and the year in which the project capacity is expected to be fully consumed;
 - the cause of the project;
 - any supporting information or reference to information describing the reasons for the project.

- 5.1.7 Each project in the Surplus Capacity Schedule is categorised “Yes” or “No” in answer to the question – “*Was capital expenditure on this project incurred, at least partly, in anticipation of development?*” By answering:
- (a) “No” - the project is treated as a pure renewal or level of service project and the cost of the project is removed from the Development Contribution calculation;
 - (b) “Yes” - the project is treated as either a *combined project (AC/ILOS project)* or an *additional capacity for growth project (AC project)* and is subject to further analysis.

5.2 Analysis of Combined and Additional Capacity for Growth Projects

- 5.2.1 Using the information provided on *combined projects (AC/ILOS projects)* and *additional capacity for growth projects (AC projects)* in the project schedules, a cause/benefits matrix analysis is carried out by which it is required to state for each project:
- (a) the degree, on a scale of 0 to 1 to which growth creates the need for the project to be undertaken;
 - (b) the degree on a scale of 0 to 1 to which the growth community will benefit from the project being undertaken.
- 5.2.2 The value is chosen in each case from the cause/benefits matrix in the model which produces an estimated percentage of cost attributable to growth.
- 5.2.3 The matrix generates fifty different cause/benefit combinations. The percentage derived is applied to the net project cost to determine the *AC cost*. The remainder of the net project cost is the *ILOS cost*.

5.3 AC Cost Allocation between New and Future Units of Demand

- 5.3.1 Using information provided on the year in which capacity take up of a project is expected to start and the year in which the project capacity is expected to be fully consumed, the *AC cost* of the project is divided between new *units of demand (N)* arriving in the *activity-funding area* in the Long Term Plan period and future *units of demand (F)* arriving after the end of the Long Term Plan period, as follows:
- (a) the *AC cost to F* is the *AC cost* determined in **section 5.2** above multiplied by the years of capacity take up after the Long Term Plan period divided by total years of capacity take-up;
 - (b) the *AC cost to N* is the *AC cost* less the *AC cost to F*.
- 5.3.2 For *surplus capacity projects (SC projects)*, the *AC cost to N* from the previous Long Term Plan is adjusted for any development contributions received in the three years since adoption of the last Long Term Plan and for any additional *AC cost to N* expenditure incurred in those 3 years. The total is adjusted for interest.
- 5.3.3 For each *activity-funding area*, the combined *AC cost to N* from all projects in the Long Term Plan period and combined *AC cost to N* from all Surplus Capacity projects is divided by the projected new *units of demand (N)* that will consume capacity in those projects in the Long Term Plan period to give the development

contribution amounts in **Table 1**.

5.3.4 The *AC Cost to F* from the previous Long Term Plan is adjusted for any additional *AC Cost to F* expenditure in the last 3 years and is adjusted for interest.

5.3.5 To deal with asset capacity life requirements in the Act, the assumption is that *surplus capacity projects (SC projects)* have capacity for 30 years for all infrastructure except Mangawhai Wastewater projects which have a capacity for 40 years, noting however that when doing the calculations above, if development contributions received exceed the cost of surplus capacity, then the asset will be assumed to have been consumed and play no further part in the calculation.

6.0 Growth Assumptions

6.1 In order to calculate the amount of new development to which the growth related portion of capital expenditure (*AC costs*) for infrastructure will be attributed, area-by-area projections of new and future *units of demand* for services in the period 2018 to 2048 are required.

6.2 Council maintains a detailed rating database that provides the numbers of Rating Units for all parts of the district.

6.3 Subject to **section 6.8**, the numbers of Rating Units provide a close correlation with numbers of *lots* in the district and the number of multiple units of activity on any *lot* where this is the case. They are considered to provide a reasonably sound measure of the *units of demand* for infrastructure and services.

6.4 The growth projection worksheet of the Development Contributions Model, *Projections Schedule*, contains the number of Rating Units (*units of demand*) for each activity type existing at the time of the 2017/2018 rates year. Rating data is available for the whole district, and each of the water supply, wastewater and stormwater scheme areas.

6.5 Long Term Plan assumptions have been used to determine the expected annual increase in the numbers of Rating Units and hence *units of demand* to 2028, in each of these areas.

6.6 The *Projections Schedule* also provides long-term estimates for future Rating Units (*units of demand*) after the Long Term Plan period to 2048, in order to ensure that any portion of remaining surplus capacity at the end of the period may be attributed to future development.

6.7 On the basis of decisions made by Council on the Development Contribution *activity-funding areas* that will apply to each activity type, *Projections Schedule* provides Rating Units at 2018 and projected Rating Units for each *activity-funding area* to 2048.

6.8 For calculation of the Mangawhai Wastewater Development Contribution, projections of new and future connections to the wastewater scheme are used as the measure of the *units of demand* for that infrastructure. Adjustments are also made to deduct - from total projected new and future connections - new connections on properties for which a development contribution has already been paid or for which a rate to fund capital costs for the scheme has or will be paid.

7.0 Interest and Inflation

- 7.1 The Development Contributions model includes interest on growth related capital expenditure in the calculation of the Development Contribution amounts, seeking to recover all interest by the end of the Development Contribution calculation period.
- 7.2 Interest estimates can be prepared based on the amount of outstanding (growth related) debt over time and the ongoing reduction of that debt by Development Contribution revenue.
- 7.3 With the exception of the Mangawhai Community Wastewater Scheme interest incurred for projects carried out in the past in anticipation of growth has already been incurred and has been funded as an operating expense by rates on the existing community. Council has been unable to recover this past interest from development or financial contributions. In relation to the Mangawhai Community Wastewater Scheme the interest and finance costs incurred during construction of the scheme have been included as part of the total cost of the scheme to be funded from existing users and growth.
- 7.4 Council does not intend to recover past interest that has been funded from rates from Development Contributions and has not included it in the Development Contribution calculation
- 7.5 The Development Contributions model uses the inflated capital costs in the Long Term Plan to calculate Development Contributions. In order to ensure equity, separate Development Contribution amounts in **Table 1** are calculated for each of the first three years of the Long Term Plan period to take account of price variations over the three year period.

Appendix 1 – Development Contribution Activity-Funding Areas

Community Facility	Activity-Funding Areas	Development to which Development Contribution Applies
Roading	District	Development anywhere in the District
Roading	Roading East	Development in the area indicated in Map 1
Wastewater Treatment	Mangawhai Community Wastewater Scheme area	Development at Mangawhai where the service is available
Wastewater Treatment	Dargaville, Kaiwaka, Glinks Gully, Te Kopuru and Maungaturoto Scheme areas	Development in any separate wastewater scheme
Water Supply	Dargaville/Baylys, Glinks Gully, Ruawai, Mangawhai and Maungaturoto Scheme areas	Development in any separate water supply scheme
Stormwater Management	Mangawhai, Dargaville, Te Kopuru, Maungaturoto, Kaiwaka and Baylys Scheme areas	Development in any separate urban stormwater scheme



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MAP 1 - ROADING EAST ACTIVITY FUNDING AREA

A4 Scale: 1:140,000
0 1 2 4 Km
NORTH

Appendix 2 – Assessment of Significant Assumptions

Assumption	Level of Uncertainty	Potential Effects
The rate, level and location of growth will occur as forecast in the rating growth projections accompanying the Long Term Plan	High	Lower than forecast growth will result in a significant under-recovery of Development Contributions revenue
Capital expenditure will be in accordance with the capital works programme in the Long Term Plan	Moderate	In current circumstances significant changes to the capital programme are unlikely
No significant changes to service standards are expected to occur other than those planned for in the Asset Management Plans	Low	No significant effects anticipated
The level of third party funding (such as NZ Transport Agency subsidies) will continue at predicted levels for period of the Long Term Plan	Low	No significant effects anticipated
There will be no significant variations to predicted rates of interest and inflation to those set out in the Long Term Plan	Moderate/High	Significant past spending on the Mangawhai Community Wastewater Scheme through loans, presents a significant risk for a number of years to come if interest rates rise

Appendix 3 – Glossary of Terms

“**AC cost**” means the cost for providing additional capacity to service the development of new households and businesses.

“**Accommodation units**” has the meaning given to it in section 197(2) of the Local Government Act 2002 (See definitions below).

“**Activity-funding area**” means the whole or any part of the District as defined in this Policy, which will be served by a particular activity type.

“**Activity unit of demand**” means the demand for a community facility generated by development activity other than subdivision.

“**Additional capacity project**” or “**AC project**” means a capital project in the Long Term Plan intended only to provide additional capacity to service new and future households and businesses.

“**Aged care room**” means any residential unit in a “rest home” or “hospital care institution” as defined in section 58(4) of the Health and Disability Service (Safety) Act 2001.

“**Allotment**” or “**lot**” has the meaning given to the term “allotment” in section 218(2) of the Resource Management Act 1991. (See definitions below).

“**Bedroom**” means a room used for sleeping, normally accommodating no more than three persons.

“**Combined project**” or “**AC/ILOS project**” means a project in the Long Term Plan intended to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the *service standard* and/or by providing additional service life, and to provide capacity for further growth.

“**Commercial**” for the purposes of this Policy, means the provision of goods, services and travellers accommodation principally for commercial gain, including camping grounds, caravan/trailer home parks, a depot for the maintenance, repair and storage of vehicles, machinery, equipment and materials and the storage and use of hazardous substances but does not include stalls or produce markets or farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crops production.

“**Community infrastructure**” has the meaning given to it in section 197 of the Local Government Act 2002 (See definitions below).

“**Development**” has the meaning given to it in section 197 of the Local Government Act 2002. (See definitions below).

“**Development contributions calculation period**” means the period between 1 July 2018 and a date 30 years after the date of adoption of this Policy.

“**Dwelling unit**” means any building or group of buildings or any part of those buildings, used or intended to be used solely or principally for residential purposes and occupied or intended to be occupied by not more than one household – and includes a minor household unit, a utility building or any unit of commercial accommodation.

“**Gross business area**” means:

- (a) the *gross floor area* of any building, including the gross floor area of all floors of a multi-storey building; plus
- (b) the area of any part of the *lot* used solely or principally for the storage, sale, display or servicing of goods or the provision of services on the *lot* but not including permanently designated vehicle parking, manoeuvring, loading and landscaping areas, the conversion of which to another use would require resource consent.

The *gross business area* excludes the area of network infrastructure including pipes, lines and installations, roads, water supply, wastewater and stormwater collection and management systems, but includes the area of buildings occupied by network service providers, including offices, workshops, warehouses and any outside areas used for carrying out their normal business.

“**ILOS cost**” means the cost of improving levels of service to existing households and businesses by bringing assets up to the *service standard* and/or by providing additional service life.

“**Impervious Area**” means that part of the *lot* which is already covered or is to be covered by any impermeable artificial surface but excludes any impervious areas created without a building or resource consent.

“**Improved level of service project**” or “**ILOS project**” means a capital project in the Long Term Plan intended only to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the *service standard* and/or by providing additional service life.

“**Industrial**” means for the purposes of this Policy, any land, building or part of a building used for the processing, assembly, servicing, testing, repair, packaging, storage or manufacture of a product or produce, including the maintenance, repair and storage of vehicles, machinery, equipment and materials, and the storage of hazardous substances associated with the activity, but does not include mineral extraction or farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crops production.

“**Legally established**” means, in relation to any *lot* or development, any *lot* for which a title has been issued, or any dwelling, commercial or industrial unit for which a code compliance certificate has been issued. *Legally established* development includes buildings and structures that can be shown to have been in existence when this policy became operative on 1 July 2018, but have since been demolished.

“**Lot unit of demand**” means the demand for a community facility generated by the creation of lots through subdivision.

“**Past surplus capacity**” means capacity in assets provided as a result of capital expenditure made in anticipation of development since 1 July 2001.

“**Remaining surplus capacity**” means the estimated remaining capacity in capital assets at the end of the Long Term Plan period, available to service future development occurring after the Long Term Plan period.

“**Retirement unit**” means any residential unit other than an aged care room, in a “*retirement village*” as defined in section 6 of the Retirement Villages Act 2003.

“**Serviced Site**” means any site dedicated for the location of a vehicle or tent for the accommodation of persons, which is provided with utility services such as water supply, wastewater disposal, solid waste disposal, electricity or gas, either directly to the site or in the immediate vicinity.

“**Service standard**” means a level of service for any Council activity set by Council and stated in the Asset Management Plan for the activity concerned, (available for inspection on request at any office of the Council) having due regard to one or more of the following factors:

- (a) demand data based on market research;
- (b) widely accepted and documented engineering or other minimum standards;
- (c) politically endorsed service levels based on community consultation;
- (d) safety standards mandated by local or central government;
- (e) environmental standards mandated by local or central government;
- (f) existing service levels, where these are recognised by all concerned parties to be adequate but have no formal ratification;
- (g) efficiency considerations where the *service standard* must take account of engineering and economic efficiency requirements which require a long term approach to optimality.

“**Surplus capacity project**” or “**SC project**” means a past capital expenditure project carried out since 1 July 2001 in anticipation of new development and providing surplus capacity for further development.

“**Unit of demand**” is a unit of measurement by which the relative demand for an activity, generated by different types of development (existing or proposed), can be assessed. A *unit of demand* may be expressed as a *lot unit of demand* or an *activity unit of demand*.

“**Utility Building**” is a structure containing facilities (such as toilet, shower, laundry, hot water cylinder, laundry tub) that make the site habitable prior to or during the erection of a dwelling.

Definitions Under Acts

“Accommodation units” is defined in section 197(2) of the Local Government Act 2002 to mean *“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.”*

“Allotment” is defined under section 218(2) of the Resource Management Act 1991 as follows:

- (a) *any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not:
 - (i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or
 - (ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or*
- (b) *any parcel of land or building or part of a building that is shown or identified separately—
 - (i) on a survey plan; or
 - (ii) on a licence within the meaning of Part 7A of the Land Transfer Act 1952; or*
- (c) *any unit on a unit plan; or*
- (d) *any parcel of land not subject to the Land Transfer Act 1952.”*

“Community infrastructure” is defined under section 197 of the Local Government Act 2002 to mean *“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.”*

“Development” is defined under section 197 of the Local Government Act 2002 as follows:

- (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.”*

Appendix 4 – Demand Factors for Business Development

D.1. Roading

Assumptions

Average business site size = 1,500m²

Gross business area is 60% of site = 1,000m²

Employees per hectare of business = 30 FTEs per ha (FTE (Full Time Equivalent). Employment figures may be amended subject to further sampling)

Average Household Unit Trip generation = 9 trips per day = 1 *Unit of Demand*

Sites per net hectare = 5 (7,500m² sites, 2,500m² roads)

Gross business area per hectare = 5 X 1,000 = 5,000m²

Each site of 1,500m² and each 1,000m² of gross business area has = 30/5 FTE's = 6 FTE's

Minimum trip generation = 3 trips per FTE per day = 18 trips per day

Unit of Demand Factor = 18/9 = 2 per 1,000m² of business area OR 0.002 per m² of business area.

D.2 Water Supply and Wastewater Treatment

Assumptions:

Residential consumption 200 litres per person per day = 1 *Unit of Demand*

Average household occupancy = 2.8 persons

Average business water consumption = 15,000 litres per hectare of business land per day (Consumption figures may be amended subject to further sampling)

1 Household Unit uses 200 litres X 2.8 = 560 litres per day = 1 *Unit of Demand*

1,000m² business land area uses 15,000 litres / 10 = 1,500 litres per day

Unit of Demand Factor = 1,500/560 = 2.67 per 1,000m² land area

Assume gross business area is 60% of land area i.e. 1,000m² site has 600m² gross business area and uses 1,500 litres per day.

Unit of Demand factor = 1,500/560/600 = 0.00446 per m² of gross business area.

Unit of Demand factor is 4.46/1,000m² of gross business area for water and wastewater OR 0.00446 per m² of gross business area.

D.3 Stormwater

Assumptions

Average residential site = 600m²

Runoff co-efficient for greenfields = 0.40ⁱ = C₁

Runoff co-efficient for residential areas = 0.55ⁱⁱ = C₂

Runoff co-efficient for business use = 0.65ⁱⁱⁱ = C₃

Unit of Demand Factor for business land

$$= \begin{matrix} C_3 - C_1 & \times & 1,000\text{m}^2 \\ C_2 - C_1 & & 600\text{m}^2 \end{matrix}$$

$$= \begin{matrix} 0.65 - 0.40 & \times & 1,000\text{m}^2 \\ 0.55 - 0.40 & & 600\text{m}^2 \end{matrix}$$

$$= \begin{matrix} 0.65 - 0.40 & \times & 1,000\text{m}^2 \\ 0.55 - 0.40 & & 600\text{m}^2 \end{matrix}$$

$$= \begin{matrix} 0.65 - 0.40 & \times & 1,000\text{m}^2 \\ 0.55 - 0.40 & & 600\text{m}^2 \end{matrix}$$

$$= 2.78 \text{ per } 1,000\text{m}^2 \text{ site OR } 0.00278 \text{ per } \text{m}^2 \text{ of } \textit{impervious area}.$$

Surface Water, Building Industry Authority, December 2000, Table 1, Run-off Co-efficients

ⁱ Heavy clay soil types – pasture and grass cover.

ⁱⁱ Residential areas in which *impervious area* is 35% to 50%.

ⁱⁱⁱ Industrial, commercial, shopping areas and town house developments.

Appendix 5 – Schedule of Assets

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
ROADING	19	District Roading	Roads to be Determined 25/26 272 Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	1,941,806	0%	100%
ROADING	19	District Roading	Roads to be Determined 26/27 272 Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	1,994,234	0%	100%
ROADING	19	District Roading	Roads to be Determined 27/28 272 Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	2,050,073	0%	100%
ROADING	19	District Roading	Internal professional services 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	734,601	0%	100%
ROADING	19	District Roading	Rehabs 18/19 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	1,288,000	0%	100%
ROADING	19	District Roading	Rehabs 19/20 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	1,316,336	0%	100%
ROADING	19	District Roading	Rehabs 20/21 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	2,277,393	0%	100%
ROADING	19	District Roading	Rehabs 21/22 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	1,671,145	0%	100%
ROADING	19	District Roading	Rehabs 22/23 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	1,711,253	0%	100%
ROADING	19	District Roading	Rehabs 23/24 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	1,752,323	0%	100%
ROADING	19	District Roading	Rehabs 24/25 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	1,796,131	0%	100%
ROADING	19	District Roading	Rehabs 25/26 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	1,842,830	0%	100%
ROADING	19	District Roading	Rehabs 26/27 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	1,892,587	0%	100%
ROADING	19	District Roading	Rehabs 27/28 275 Road Works - Sealed	LTP Capital Project	Renewal/ILOS	1,945,579	0%	100%
ROADING	19	District Roading	Internal professional services 281 Traffic Services	LTP Capital Project	Renewal/ILOS	33,391	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 18/19 281 Traffic Services	LTP Capital Project	Renewal/ILOS	172,000	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 19/20 281 Traffic Services	LTP Capital Project	Renewal/ILOS	175,784	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 20/21 281 Traffic Services	LTP Capital Project	Renewal/ILOS	179,651	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 21/22 281 Traffic Services	LTP Capital Project	Renewal/ILOS	183,783	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 22/23 281 Traffic Services	LTP Capital Project	Renewal/ILOS	188,194	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 23/24 281 Traffic Services	LTP Capital Project	Renewal/ILOS	192,711	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 24/25 281 Traffic Services	LTP Capital Project	Renewal/ILOS	197,528	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 25/26 281 Traffic Services	LTP Capital Project	Renewal/ILOS	202,664	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 26/27 281 Traffic Services	LTP Capital Project	Renewal/ILOS	208,136	0%	100%
ROADING	19	District Roading	Traffic Services Renewals 27/28 281 Traffic Services	LTP Capital Project	Renewal/ILOS	213,964	0%	100%
ROADING	19	District Roading	Bagnal Road 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	834	0%	100%
ROADING	19	District Roading	Bridge Replacements18/19 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	817,249	0%	100%
ROADING	19	District Roading	Bridge Replacements19/20 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	835,228	0%	100%
ROADING	19	District Roading	Bridge Replacements20/21 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	854,074	0%	100%
ROADING	19	District Roading	Bridge Replacements21/22 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	581,268	0%	100%
ROADING	19	District Roading	Bridge Replacements22/23 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	601,042	0%	100%
ROADING	19	District Roading	Bridge Replacements23/24 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	609,504	0%	100%
ROADING	19	District Roading	Bridge Replacements24/25 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	624,741	0%	100%
ROADING	19	District Roading	Bridge Replacements25/26 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	640,984	0%	100%
ROADING	19	District Roading	Bridge Replacements26/27 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	658,291	0%	100%
ROADING	19	District Roading	Bridge Replacements27/28 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	676,723	0%	100%
ROADING	19	District Roading	Estuary Drive 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	22,900	0%	100%
ROADING	19	District Roading	FC programme 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	169,166	0%	100%
ROADING	19	District Roading	Garbalino Road 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	3,741	0%	100%
ROADING	19	District Roading	Grove Road 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	6,485	0%	100%
ROADING	19	District Roading	Internal professional services 135 Road Works - Minor Improvements	LTP Capital Project	Combined	1,654,017	7%	93%
ROADING	19	District Roading	Jack Boyd Drive 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	20,690	0%	100%
ROADING	19	District Roading	King Road 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	20,410	0%	100%
ROADING	19	District Roading	Minor Improvements/Safety/Resilience19/20 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	1,761,913	0%	100%
ROADING	19	District Roading	Minor Improvements/Safety/Resilience20/21 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	1,801,145	0%	100%
ROADING	19	District Roading	Minor Improvements/Safety/Resilience21/22 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	1,418,285	0%	100%
ROADING	19	District Roading	Minor Improvements/Safety/Resilience22/23 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	1,069,871	0%	100%
ROADING	19	District Roading	Minor Improvements/Safety/Resilience23/24 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	1,487,180	0%	100%
ROADING	19	District Roading	Minor Improvements/Safety/Resilience24/25 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	1,524,359	0%	100%
ROADING	19	District Roading	Minor Improvements/Safety/Resilience25/26 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	1,563,993	0%	100%
ROADING	19	District Roading	Minor Improvements/Safety/Resilience26/27 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	1,606,220	0%	100%
ROADING	19	District Roading	Minor Improvements/Safety/Resilience27/28 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	1,651,194	0%	100%
ROADING	19	District Roading	Molesworth Drive 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	6,633	0%	100%
ROADING	19	District Roading	Morrison Road 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	2,055	0%	100%
ROADING	19	District Roading	New Footpath 18/19 135 Road Works - Minor Improvements	LTP Capital Project	Combined	55,200	10%	90%
ROADING	19	District Roading	New Footpath 19/20 135 Road Works - Minor Improvements	LTP Capital Project	Combined	60,809	10%	90%
ROADING	19	District Roading	New Footpath 20/21 135 Road Works - Minor Improvements	LTP Capital Project	Combined	62,147	10%	90%
ROADING	19	District Roading	New Footpath 21/22 135 Road Works - Minor Improvements	LTP Capital Project	Combined	63,576	10%	90%
ROADING	19	District Roading	New Footpath 22/23 135 Road Works - Minor Improvements	LTP Capital Project	Combined	65,102	10%	90%

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
ROADING	19	District Roading	New Footpath 23/24 135 Road Works - Minor Improvements	LTP Capital Project	Combined	66,664	10%	90%
ROADING	19	District Roading	New Footpath 24/25 135 Road Works - Minor Improvements	LTP Capital Project	Combined	68,331	10%	90%
ROADING	19	District Roading	New Footpath 25/26 135 Road Works - Minor Improvements	LTP Capital Project	Combined	70,108	10%	90%
ROADING	19	District Roading	New Footpath 26/27 135 Road Works - Minor Improvements	LTP Capital Project	Combined	72,001	10%	90%
ROADING	19	District Roading	New Footpath 27/28 135 Road Works - Minor Improvements	LTP Capital Project	Combined	74,017	10%	90%
ROADING	19	District Roading	Oneri Road 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	8,049	0%	100%
ROADING	19	District Roading	Tara/Kaiwaka-Mangawai Road 135 Road Works - Minor Improvements	LTP Capital Project	Renewal/ILOS	3,990	0%	100%
ROADING	19	District Roading	Walking and Cycling22/23 135 Road Works - Minor Improvements	LTP Capital Project	Combined	218,090	10%	90%
ROADING	19	District Roading	Walking and Cycling24/25 135 Road Works - Minor Improvements	LTP Capital Project	Combined	222,794	10%	90%
ROADING	19	District Roading	Walking and Cycling26/27 135 Road Works - Minor Improvements	LTP Capital Project	Combined	234,758	10%	90%
ROADING	19	District Roading	Internal professional services 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	83,477	0%	100%
ROADING	19	District Roading	Structures Component Replacements 18/19 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	742,500	0%	100%
ROADING	19	District Roading	Structures Component Replacements 19/20 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	758,835	0%	100%
ROADING	19	District Roading	Structures Component Replacements 20/21 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	775,529	0%	100%
ROADING	19	District Roading	Structures Component Replacements 21/22 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	793,367	0%	100%
ROADING	19	District Roading	Structures Component Replacements 22/23 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	812,407	0%	100%
ROADING	19	District Roading	Structures Component Replacements 23/24 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	831,905	0%	100%
ROADING	19	District Roading	Structures Component Replacements 24/25 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	852,703	0%	100%
ROADING	19	District Roading	Structures Component Replacements 25/26 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	874,873	0%	100%
ROADING	19	District Roading	Structures Component Replacements 26/27 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	898,495	0%	100%
ROADING	19	District Roading	Structures Component Replacements 27/28 106 Bridges and Structures	LTP Capital Project	Renewal/ILOS	923,652	0%	100%
ROADING	19	District Roading	Forestry Related Metalling 18/19 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	500,000	0%	100%
ROADING	19	District Roading	Forestry Related Metalling 19/20 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	511,000	0%	100%
ROADING	19	District Roading	Forestry Related Metalling 20/21 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	522,242	0%	100%
ROADING	19	District Roading	Heavy Metalling 18/19 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	1,940,000	0%	100%
ROADING	19	District Roading	Heavy Metalling 19/20 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	1,982,680	0%	100%
ROADING	19	District Roading	Heavy Metalling 20/21 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	2,026,299	0%	100%
ROADING	19	District Roading	Heavy Metalling 21/22 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	2,607,157	0%	100%
ROADING	19	District Roading	Heavy Metalling 22/23 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	2,669,729	0%	100%
ROADING	19	District Roading	Heavy Metalling 23/24 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	2,733,803	0%	100%
ROADING	19	District Roading	Heavy Metalling 24/25 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	2,802,148	0%	100%
ROADING	19	District Roading	Heavy Metalling 25/26 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	2,875,004	0%	100%
ROADING	19	District Roading	Heavy Metalling 26/27 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	2,952,629	0%	100%
ROADING	19	District Roading	Heavy Metalling 27/28 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	3,035,302	0%	100%
ROADING	19	District Roading	Internal professional services 120 Road Works - Unsealed	LTP Capital Project	Renewal/ILOS	667,819	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 18/19 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	180,000	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 19/20 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	183,960	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 20/21 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	188,007	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 21/22 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	192,331	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 22/23 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	196,947	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 23/24 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	201,674	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 24/25 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	206,716	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 25/26 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	212,090	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 26/27 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	217,817	0%	100%
ROADING	19	District Roading	Emergency Works (local share only) 27/28 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	223,916	0%	100%
ROADING	19	District Roading	Internal professional fees 164 Emergency Works and Preventative Maintenance	LTP Capital Project	Renewal/ILOS	222,606	0%	100%
ROADING	19	District Roading	KDC client request projects 250 Roading District Wide Operations	LTP Capital Project	Renewal/ILOS	156,132	0%	100%
ROADING	19	District Roading	Drainage Renewals 18/19 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	784,000	0%	100%
ROADING	19	District Roading	Drainage Renewals 19/20 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	801,248	0%	100%
ROADING	19	District Roading	Drainage Renewals 20/21 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	818,875	0%	100%
ROADING	19	District Roading	Drainage Renewals 21/22 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	823,568	0%	100%
ROADING	19	District Roading	Drainage Renewals 22/23 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	842,521	0%	100%
ROADING	19	District Roading	Drainage Renewals 23/24 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	861,201	0%	100%
ROADING	19	District Roading	Drainage Renewals 24/25 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	880,908	0%	100%
ROADING	19	District Roading	Drainage Renewals 25/26 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	900,640	0%	100%
ROADING	19	District Roading	Drainage Renewals 26/27 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	920,397	0%	100%
ROADING	19	District Roading	Drainage Renewals 27/28 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	940,179	0%	100%
ROADING	19	District Roading	Internal professional fees 252 Road Works - Drainage	LTP Capital Project	Renewal/ILOS	112,025	0%	100%
ROADING	19	District Roading	Internal professional services 272 Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	478,771	0%	100%
ROADING	19	District Roading	Roads to be Determined 18/19 272 Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	2,136,000	0%	100%

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
ROADING	19	District Roading	Roads to be Determined 19/20 272/Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	2,284,170	0%	100%
ROADING	19	District Roading	Roads to be Determined 20/21 272/Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	2,129,703	0%	100%
ROADING	19	District Roading	Roads to be Determined 21/22 272/Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	1,865,613	0%	100%
ROADING	19	District Roading	Roads to be Determined 22/23 272/Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	1,910,388	0%	100%
ROADING	19	District Roading	Roads to be Determined 23/24 272/Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	1,846,437	0%	100%
ROADING	19	District Roading	Roads to be Determined 24/25 272/Road Works - Sealed Resurfacing	LTP Capital Project	Renewal/ILOS	1,892,598	0%	100%
ROADING	19	District Roading	10071 Estuary Road- Seal Extension	Surplus Capacity Project	Combined	333,442	50%	50%
ROADING	19	District Roading	10702 Brooks Motors	Surplus Capacity Project	Renewal/Growth	22,486	0%	100%
ROADING	19	District Roading	10235 Settlement Road	Surplus Capacity Project	Combined	72,000	50%	50%
ROADING	19	District Roading	10237 Settlement Road - Seal Extension	Surplus Capacity Project	Combined	45,250	50%	50%
ROADING	19	District Roading	10548 Settlement Road Seal Extension 2017/18	Surplus Capacity Project	Combined	654,090	50%	50%
ROADING	19	District Roading	10058 Estuary Drive	Surplus Capacity Project	Combined	242,207	50%	50%
ROADING	19	District Roading	10130 Moir Point Road - Seal widening	Surplus Capacity Project	Combined	154,577	50%	50%
ROADING	19	District Roading	10611 Golden Stairs Road	Surplus Capacity Project	Renewal/Growth	66,006	0%	100%
ROADING	19	District Roading	10085 Jack Boyd	Surplus Capacity Project	Combined	23,794	50%	50%
ROADING	19	District Roading	10069 Estuary Drive	Surplus Capacity Project	Combined	19,835	50%	50%
ROADING	19	District Roading	10544 Cycleway signs 2015/16	Surplus Capacity Project	Renewal/Growth	3,662	0%	100%
ROADING	19	District Roading	322 Improvements Bridge Replacements	Surplus Capacity Project	Combined	39,947	2%	98%
ROADING	19	District Roading	341 Improvements Minor Improvements & Safety Projects	Surplus Capacity Project	Combined	322,046	2%	98%
ROADING	19	District Roading	Ordered - Drainage - Rural	Surplus Capacity Project	Renewal/Growth	513,904	0%	100%
ROADING	19	District Roading	Ordered - Drainage - Urban	Surplus Capacity Project	Renewal/Growth	54,178	0%	100%
ROADING	19	District Roading	4324 Improvements Road reconstruction -Otamatea Ward DC	Surplus Capacity Project	Combined	893,178	2%	98%
ROADING	19	District Roading	432 Improvements Road Safety Promotion (Roadsafe Northland)	Surplus Capacity Project	Renewal/Growth	68,450	0%	100%
ROADING	19	District Roading	211 Renewals Unsealed Road Metaling	Surplus Capacity Project	Combined	325,984	2%	98%
ROADING	19	District Roading	212 Renewals Reseals (Chip Seals & Thin AC Surfacing)	Surplus Capacity Project	Combined	981,202	2%	98%
ROADING	19	District Roading	213 Renewals Drainage Renewals- (Major Drainage Control)	Surplus Capacity Project	Combined	354,551	2%	98%
ROADING	19	District Roading	214 Renewals Sealed Road Pavement Rehabilitation	Surplus Capacity Project	Combined	1,150,221	2%	98%
ROADING	19	District Roading	215 Renewals Structures Strengthening	Surplus Capacity Project	Combined	174,534	2%	98%
ROADING	19	District Roading	222 Renewals Signs and markings renewals	Surplus Capacity Project	Combined	19,533	2%	98%
ROADING	19	District Roading	231 Renewals Associated Improvements	Surplus Capacity Project	Combined	97,035	2%	98%
ROADING	19	District Roading	241 Renewals Emergency Works (Preventative maintenance)	Surplus Capacity Project	Combined	8,118	2%	98%
ROADING	19	District Roading	6 Non Subsidised Footpaths	Surplus Capacity Project	Renewal/Growth	60,604	0%	100%
ROADING	19	District Roading	341 Improvements Minor Improvements & Safety Projects	Surplus Capacity Project	Combined	725,566	2%	98%
ROADING	19	District Roading	Ordered - Drainage - Rural	Surplus Capacity Project	Renewal/Growth	219,412	0%	100%
ROADING	19	District Roading	4324 Improvements Road reconstruction -Otamatea Ward DC	Surplus Capacity Project	Combined	1,560	2%	98%
ROADING	19	District Roading	432 Improvements Road Safety Promotion (Roadsafe Northland)	Surplus Capacity Project	Renewal/Growth	18,160	0%	100%
ROADING	19	District Roading	211 Renewals Unsealed Road Metaling	Surplus Capacity Project	Combined	419,468	2%	98%
ROADING	19	District Roading	212 Renewals Reseals (Chip Seals & Thin AC Surfacing)	Surplus Capacity Project	Combined	700,494	2%	98%
ROADING	19	District Roading	213 Renewals Drainage Renewals- (Major Drainage Control)	Surplus Capacity Project	Combined	245,917	2%	98%
ROADING	19	District Roading	214 Renewals Sealed Road Pavement Rehabilitation	Surplus Capacity Project	Combined	1,246,333	2%	98%
ROADING	19	District Roading	215 Renewals Structures Strengthening	Surplus Capacity Project	Combined	101,575	2%	98%
ROADING	19	District Roading	222 Renewals Signs and markings renewals	Surplus Capacity Project	Combined	58,075	2%	98%
ROADING	19	District Roading	231 Renewals Associated Improvements	Surplus Capacity Project	Combined	489,888	2%	98%
ROADING	19	District Roading	241 Renewals Emergency Works (Preventative maintenance)	Surplus Capacity Project	Combined	162,749	2%	98%
ROADING	19	District Roading	6 Non Subsidised Footpaths	Surplus Capacity Project	Renewal/Growth	45,602	0%	100%
ROADING	19	District Roading	322 Improvements Brdge Replacements	Surplus Capacity Project	Combined	423,000	2%	98%
ROADING	19	District Roading	341 Improvements Minor Improvements & Safety Projects	Surplus Capacity Project	Combined	1,792,000	2%	98%
ROADING	19	District Roading	Ordered - Drainage - Rural	Surplus Capacity Project	Renewal/Growth	477,000	0%	100%
ROADING	19	District Roading	Ordered - Drainage - Urban	Surplus Capacity Project	Renewal/Growth	84,000	0%	100%
ROADING	19	District Roading	4324 Improvements Road reconstruction -Otamatea Ward DC	Surplus Capacity Project	Combined	994,000	2%	98%
ROADING	19	District Roading	432 Improvements Road Safety Promotion (Roadsafe Northland)	Surplus Capacity Project	Renewal/Growth	88,000	0%	100%
ROADING	19	District Roading	211 Renewals Unsealed Road Metaling	Surplus Capacity Project	Combined	1,767,000	2%	98%
ROADING	19	District Roading	212 Renewals Reseals (Chip Seals & Thin AC Surfacing)	Surplus Capacity Project	Combined	1,062,000	2%	98%
ROADING	19	District Roading	213 Renewals Drainage Renewals- (Major Drainage Control)	Surplus Capacity Project	Combined	723,000	2%	98%
ROADING	19	District Roading	214 Renewals Sealed Road Pavement Rehabilitation	Surplus Capacity Project	Combined	7,494,400	2%	98%
ROADING	19	District Roading	215 Renewals Structures Strengthening	Surplus Capacity Project	Combined	400,000	2%	98%
ROADING	19	District Roading	222 Renewals Signs and markings renewals	Surplus Capacity Project	Combined	257,000	2%	98%
ROADING	19	District Roading	231 Renewals Associated Improvements	Surplus Capacity Project	Combined	1,102,000	2%	98%
ROADING	19	District Roading	241 Renewals Emergency Works (Preventative maintenance)	Surplus Capacity Project	Combined	570,000	2%	98%
ROADING	19	District Roading	6 Non Subsidised Footpaths	Surplus Capacity Project	Renewal/Growth	102,000	0%	100%
		District Roading Total				137,369,637		

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
ROADING	21	Roading East	Growth and Demand Improvements21/22 135 Road Works - Minor Improvements	LTP Capital Project	Combined	1,542,924	24%	76%
ROADING	21	Roading East	Growth and Demand Improvements22/23 135 Road Works - Minor Improvements	LTP Capital Project	Combined	1,585,779	24%	76%
ROADING	21	Roading East	Growth and Demand Improvements23/24 135 Road Works - Minor Improvements	LTP Capital Project	Combined	1,617,873	24%	76%
ROADING	21	Roading East	Growth and Demand Improvements24/25 135 Road Works - Minor Improvements	LTP Capital Project	Combined	1,658,320	24%	76%
ROADING	21	Roading East	Growth and Demand Improvements25/26 135 Road Works - Minor Improvements	LTP Capital Project	Combined	1,701,437	24%	76%
ROADING	21	Roading East	Growth and Demand Improvements26/27 135 Road Works - Minor Improvements	LTP Capital Project	Combined	1,747,375	24%	76%
ROADING	21	Roading East	Growth and Demand Improvements27/28 135 Road Works - Minor Improvements	LTP Capital Project	Combined	1,796,302	24%	76%
ROADING	21	Roading East	Minor Improvements/Safety/Resilience18/19 135 Road Works - Minor Improvements	LTP Capital Project	Combined	1,806,736	15%	85%
ROADING	21	Roading East	Walking and Cycling21/22 135 Road Works - Minor Improvements	LTP Capital Project	Combined	207,290	10%	90%
ROADING	21	Roading East	Walking and Cycling23/24 135 Road Works - Minor Improvements	LTP Capital Project	Combined	217,360	10%	90%
ROADING	21	Roading East	Walking and Cycling25/26 135 Road Works - Minor Improvements	LTP Capital Project	Combined	228,586	10%	90%
ROADING	21	Roading East	Walking and Cycling27/28 135 Road Works - Minor Improvements	LTP Capital Project	Combined	241,331	10%	90%
ROADING	21	Roading East	Seal extension programme 248 Roading Infrastructure - Unsubsidised	LTP Capital Project	Combined	5,751,478	19%	82%
		Roading East Total				20,102,792		
ROADING Total						157,472,429		

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
STORMWATER	7	Baylys Beach stormwater	Chases Gorge 131 Baylys Stormwater Scheme	LTP Capital Project	Combined	311,036	6%	94%
STORMWATER	7	Baylys Beach stormwater	Chases Gorge Investigation 131 Baylys Stormwater Scheme	LTP Capital Project	Combined	20,000	6%	94%
STORMWATER	7	Baylys Beach stormwater	Cynthia Place Investigation 131 Baylys Stormwater Scheme	LTP Capital Project	Combined	21,475	6%	94%
STORMWATER	7	Baylys Beach stormwater	Cynthia Place SW 131 Baylys Stormwater Scheme	LTP Capital Project	Combined	222,651	6%	94%
STORMWATER	7	Baylys Beach stormwater	5.2.3.1.1 Cap Dev (Los Enh) Piped Network Baylys Beach Upgrade Reticulation	Surplus Capacity Project	Combined	44,000	6%	94%
		Baylys Beach stormwater Total				619,162		
STORMWATER	3	Dargaville stormwater	Dargaville SW 101 Dargaville Stormwater Scheme	LTP Capital Project	Renewal/LOS	153,679	0%	100%
STORMWATER	3	Dargaville stormwater	Dargaville SW Renewals 101 Dargaville Stormwater Scheme	LTP Capital Project	Renewal/LOS	4,963,652	0%	100%
STORMWATER	3	Dargaville stormwater	3.1.2.1 Ren Piped Network Dargaville Kauri Street + Extension Pipe Renewal	Surplus Capacity Project	Renewal/Growth	70,000	0%	100%
STORMWATER	3	Dargaville stormwater	3.1.2 Ren Piped Network Dargaville	Surplus Capacity Project	Combined	19,220	6%	94%
STORMWATER	3	Dargaville stormwater	3.1.2 Ren Piped Network Dargaville	Surplus Capacity Project	Combined	21,425	6%	94%
STORMWATER	3	Dargaville stormwater	3.1.2 Ren Piped Network Dargaville	Surplus Capacity Project	Combined	211,000	6%	94%
		Dargaville stormwater Total				5,438,975		
STORMWATER	20	District stormwater	Capital Development (LOS Enhancement) - Network improvements AMP Improvements	Surplus Capacity Project	Renewal/Growth	45,000	0%	100%
STORMWATER	20	District stormwater	5.2.1.1.4 Cap Dev (Los Enh) Network Improvements Asset Man Dev Amp Imps	Surplus Capacity Project	Renewal/Growth	45,000	0%	100%
STORMWATER	20	District stormwater	4.2 Cap Dev (Growth) District Wide District Wide	Surplus Capacity Project	Combined	6,712	19%	82%
		District stormwater Total				96,712		
STORMWATER	6	Kaiwaka stormwater	5.2.1.1.4 Cap Dev (Los Enh) Network Improvements Asset Man Dev Amp Imps Kaiwaka	Surplus Capacity Project	Renewal/Growth	20,000	0%	100%
		Kaiwaka stormwater Total				20,000		
STORMWATER	2	Mangawhai stormwater	Mangawhai 246 Mangawhai Stormwater Scheme	LTP Capital Project	Combined	593,182	6%	94%
STORMWATER	2	Mangawhai stormwater	Mangawhai 246 Mangawhai Stormwater Scheme	LTP Capital Project	Combined	3,463,728	6%	94%
STORMWATER	2	Mangawhai stormwater	B10724 Addition Cap Growth - Council Contribution 2017/2018	Surplus Capacity Project	Combined	89,700	38%	63%
STORMWATER	2	Mangawhai stormwater	Mangawhai Stormwater Discharge Consent Renewal	Surplus Capacity Project	Combined	58,000	31%	69%
STORMWATER	2	Mangawhai stormwater	5.1.4.1 Cap Dev (Los Enh) Compliance Mangawhai Stormwater Discharge Consent Renewal	Surplus Capacity Project	Combined	58,000	31%	69%
STORMWATER	2	Mangawhai stormwater	5.2.1.1.4.1.5 Cap Dev (Los Enh) Network Improvements Asset Man Dev Mangawhai Stormwater Management Plan	Surplus Capacity Project	Renewal/Growth	169,000	0%	100%
STORMWATER	2	Mangawhai stormwater	5.1.4.1 Cap Dev (Los Enh) Compliance Mangawhai	Surplus Capacity Project	Renewal/Growth	6,712	0%	100%
STORMWATER	2	Mangawhai stormwater	5.1.4.1 Cap Dev (Los Enh) Compliance Mangawhai	Surplus Capacity Project	Renewal/Growth	10,000	0%	100%
STORMWATER	2	Mangawhai stormwater	5.2.3.4.2 Cap Dev (Los Enh) Piped Network Mangawhai Upgrade Reticulation	Surplus Capacity Project	Combined	169,000	6%	94%
		Mangawhai stormwater Total				4,617,323		
STORMWATER Total						10,792,172		

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
WASTEWATER TREATMENT	15	Dargaville wastewater	Safety Grills Pump Stations 202 Dargaville Wastewater Scheme	LTP Capital Project	Renewal/ILOS	10,368	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	Environmental Compliance 202 Dargaville Wastewater Scheme	LTP Capital Project	Renewal/ILOS	55,937	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	Treatment 202 Dargaville Wastewater Scheme	LTP Capital Project	Renewal/ILOS	284,917	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	PumpStation1 & 2 upgrade 202 Dargaville Wastewater Scheme	LTP Capital Project	Renewal/ILOS	2,121,149	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	PS1/PS2 Rising main from Pump Station 2 to Pump station 1 202 Dargaville Wastewater Scheme	LTP Capital Project	Renewal/ILOS	596,000	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	Pipe Renewal from Condition assessment 202 Dargaville Wastewater Scheme	LTP Capital Project	Renewal/ILOS	5,155,309	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	Pump Stations and rising mains 202 Dargaville Wastewater Scheme	LTP Capital Project	Renewal/ILOS	497,898	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	316,920	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE Renewals AMP Improvements	Surplus Capacity Project	Renewal/Growth	12,580	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE LOS Improvement Onsite Discharge Review, Hyd Modelling Imp	Surplus Capacity Project	Renewal/Growth	20,000	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	109,625	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE Renewals AMP Improvements	Surplus Capacity Project	Renewal/Growth	3,415	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE New Assets - Council Funded Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Renewal/Growth	615	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	328,473	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE Renewals AMP Improvements	Surplus Capacity Project	Renewal/Growth	6,006	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	315,000	0%	100%
WASTEWATER TREATMENT	15	Dargaville wastewater	DARGAVILLE Renewals AMP Improvements	Surplus Capacity Project	Renewal/Growth	99,000	0%	100%
		Dargaville wastewater Total				9,933,211		
WASTEWATER TREATMENT	17	Glinks Gully wastewater	Pump stations and rising Mains 253 Glinks Gully Wastewater Scheme	LTP Capital Project	Renewal/ILOS	18,486	0%	100%
WASTEWATER TREATMENT	17	Glinks Gully wastewater	GLINKS GULLY Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	3,600	0%	100%
WASTEWATER TREATMENT	17	Glinks Gully wastewater	GLINKS GULLY Renewals AMP Improvements	Surplus Capacity Project	Renewal/Growth	1,313	0%	100%
		Glinks Gully wastewater Total				23,399		
WASTEWATER TREATMENT	14	Kaiwaka wastewater	Pipe Renewals from Condition assessment 219 Kaiwaka Wastewater Scheme	LTP Capital Project	Renewal/ILOS	338,931	0%	100%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	Pump Stations and Rising Mains 219 Kaiwaka Wastewater Scheme	LTP Capital Project	Renewal/ILOS	26,361	0%	100%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	Treatment 219 Kaiwaka Wastewater Scheme	LTP Capital Project	Renewal/ILOS	46,252	0%	100%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	Pump Stations SCADA Upgrade 219 Kaiwaka Wastewater Scheme	LTP Capital Project	Renewal/ILOS	20,736	0%	100%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	Pond Curtain 219 Kaiwaka Wastewater Scheme	LTP Capital Project	Renewal/ILOS	45,080	0%	100%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	Environmental Compliance 219 Kaiwaka Wastewater Scheme	LTP Capital Project	Renewal/ILOS	27,968	0%	100%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	KAIWAKA Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	20,300	0%	100%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	KAIWAKA Renewals AMP Improvements	Surplus Capacity Project	Renewal/Growth	2,625	0%	100%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	KAIWAKA LOS Improvement Desludging	Surplus Capacity Project	Renewal/Growth	150,000	0%	100%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	KAIWAKA Renewals All Asset Groups	Surplus Capacity Project	Combined	2,063	0%	94%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	KAIWAKA Renewals AMP Improvements	Surplus Capacity Project	Combined	3,193	6%	94%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	KAIWAKA New Assets - Council Funded Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Combined	7,733	44%	57%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	KAIWAKA Renewals All Asset Groups	Surplus Capacity Project	Combined	2,825	6%	94%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	KAIWAKA Renewals AMP Improvements	Surplus Capacity Project	Combined	278	6%	94%
WASTEWATER TREATMENT	14	Kaiwaka wastewater	KAIWAKA Renewals All Asset Groups	Surplus Capacity Project	Combined	12,000	6%	94%
		Kaiwaka wastewater Total				706,345		

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
WASTEWATER TREATMENT	18	Mangawhai wastewater	Extend Irrigation System 280 Mangawhai WW development	LTP Capital Project	Growth	950,000	100%	0%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Upgrade Existing Reticulation 280 Mangawhai WW development	LTP Capital Project	Combined	1,225,000	88%	13%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Extend Reticulation (8years) 280 Mangawhai WW development	LTP Capital Project	Growth	12,132,087	100%	0%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Upgrade WWTP 280 Mangawhai WW development	LTP Capital Project	Combined	7,800,852	75%	25%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Additional Capacity for Growth- Council Contribution 280 Mangawhai WW development	LTP Capital Project	Growth	447,496	100%	0%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Renewals 207 Mangawhai Wastewater Scheme	LTP Capital Project	Renewal/ILOS	1,780,655	0%	100%
WASTEWATER TREATMENT	18	Mangawhai wastewater	10515 Estuary Drive Pumping Station	Surplus Capacity Project	Combined	8,400	75%	25%
WASTEWATER TREATMENT	18	Mangawhai wastewater	10624 Additional Capacity for Growth - Council Contr 2015/16	Surplus Capacity Project	Renewal/Growth	1,300	0%	100%
WASTEWATER TREATMENT	18	Mangawhai wastewater	10059 Effluent Discharge Options	Surplus Capacity Project	Combined	150,000	75%	25%
WASTEWATER TREATMENT	18	Mangawhai wastewater	10769 Upgrade PS-VA	Surplus Capacity Project	Growth	350,000	100%	0%
WASTEWATER TREATMENT	18	Mangawhai wastewater	B10776 Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Growth	40,000	100%	0%
WASTEWATER TREATMENT	18	Mangawhai wastewater	10462 Wastewater Reticulation Extension 2015/2016	Surplus Capacity Project	Growth	176,372	100%	0%
WASTEWATER TREATMENT	18	Mangawhai wastewater	10413 Additional Capacity for Growth-Council Contribution 2015/16	Surplus Capacity Project	Growth	16,797	100%	0%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Pre June 2002 costs	Surplus Capacity Project	Renewal/Growth	521,674	0%	100%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Reticulation Construction subcontract	Surplus Capacity Project	Combined	12,782,443	50%	50%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Interest capitalised - as per Mikes workpaper sent by Bruce	Surplus Capacity Project	Combined	2,117,828	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Committed fees capitalised - as per Mikes workpaper sent by Bruce	Surplus Capacity Project	Combined	497,902	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Hedging Close Out Cost Drawn - as per Mikes workpaper sent by Bruce	Surplus Capacity Project	Combined	45,000	38%	63%

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
WASTEWATER TREATMENT	18	Mangawhai wastewater	Financer fees	Surplus Capacity Project	Combined	300,000	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Legal fees	Surplus Capacity Project	Combined	25,000	31%	69%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Reticulation Reticulation Pumps	Surplus Capacity Project	Combined	177,025	50%	50%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Mangawhai New Assets - Council Funded Additional Capacity for Growth	Surplus Capacity Project	Combined	240,000	31%	69%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Treatment Civil Works & Building	Surplus Capacity Project	Combined	4,224,364	50%	50%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Treatment Electrical Works	Surplus Capacity Project	Combined	1,610,465	50%	50%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Treatment Mechanical Works	Surplus Capacity Project	Combined	3,194,828	50%	50%
WASTEWATER TREATMENT	18	Mangawhai wastewater	General Tools and equipment	Surplus Capacity Project	Combined	209,699	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Geotechnical Investigation of Storage Site	Surplus Capacity Project	Combined	51,238	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Financial year 2002/03	Surplus Capacity Project	Combined	173,927	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Assessment of Disposal Options	Surplus Capacity Project	Combined	79,828	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Agronomic Assessment of Reuse Site	Surplus Capacity Project	Combined	21,756	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Survey - Retic & Reuse	Surplus Capacity Project	Combined	13,440	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Resource Consent Planner	Surplus Capacity Project	Combined	197,360	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees NRC Application Fee	Surplus Capacity Project	Combined	65,871	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Mangawhai New Assets - Council Funded Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Combined	14,155	44%	57%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Noise Specialist	Surplus Capacity Project	Combined	2	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Mangawhai LOS Improvement Treatment Plant Modifications	Surplus Capacity Project	Combined	11,004	6%	94%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Mangawhai New Assets - Council Funded Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Combined	20,978	44%	57%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Survey for new WWTP Site	Surplus Capacity Project	Combined	13,432	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Mangawhai LOS Improvement Treatment Plant Modifications	Surplus Capacity Project	Combined	280,000	6%	94%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Mangawhai New Assets - Council Funded Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Combined	143,000	44%	57%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Detailed Reticulation Survey	Surplus Capacity Project	Combined	72,392	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Geotec Reticulation Area	Surplus Capacity Project	Combined	43,544	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Financial year 2003/04	Surplus Capacity Project	Combined	225,499	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Geotec at original WWTP Site	Surplus Capacity Project	Combined	22,823	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Geotec at new WWTP Site	Surplus Capacity Project	Combined	14,129	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Site Clearing at original WWTP Site	Surplus Capacity Project	Combined	590	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Specialist Subconsultants & Fees Hydro Geological Investigation at Farm	Surplus Capacity Project	Combined	39,187	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Earth Tech Direct Costs Detailed design (original scope)	Surplus Capacity Project	Combined	679,261	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Earth Tech Direct Costs Investigation Costs - New Subdivisions & Disposals	Surplus Capacity Project	Combined	206,799	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Earth Tech Direct Costs Resource Consents	Surplus Capacity Project	Combined	128,100	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Earth Tech Direct Costs Management of Surveyors, etc.	Surplus Capacity Project	Combined	79,053	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Financial year 2004/05	Surplus Capacity Project	Combined	81,500	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Earth Tech Direct Costs Commissioning	Surplus Capacity Project	Combined	2,776	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Earth Tech Direct Costs Construction Project Management	Surplus Capacity Project	Combined	3,786,398	50%	50%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Earth Tech Direct Costs Project Development Management	Surplus Capacity Project	Combined	246,556	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Miscellaneous Bidding, Legal etc	Surplus Capacity Project	Combined	379,954	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Transfer Pipeline Design Costs - Transfer Pipeline	Surplus Capacity Project	Combined	38,097	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Transfer Pipeline Survey - Transfer Main	Surplus Capacity Project	Combined	14,350	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Transfer Pipeline Construction subcontract	Surplus Capacity Project	Combined	2,865,400	50%	50%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Financial year 2005/06	Surplus Capacity Project	Combined	241,273	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Provisional Sums Steel sleeves at estuary crossings in lieu fibreglass	Surplus Capacity Project	Combined	126,395	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Provisional Sums Archaeological Survey Monitoring	Surplus Capacity Project	Combined	10,798	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Provisional Sums IW1 Monitoring	Surplus Capacity Project	Combined	10,193	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 1 Jack Boyd Drive	Surplus Capacity Project	Combined	1,067,260	50%	50%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Financial year 2006/07	Surplus Capacity Project	Combined	427,831	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 2 Dune View Drive	Surplus Capacity Project	Combined	73,863	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 3 House Connection Design	Surplus Capacity Project	Combined	346,675	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 4 Thelma Road Upgrade	Surplus Capacity Project	Combined	128,579	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 5 Anchorage Development	Surplus Capacity Project	Combined	35,953	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 6 Butlers Development	Surplus Capacity Project	Combined	55,406	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 9 Norfolk Drive	Surplus Capacity Project	Combined	10,088	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 10 Nautical Heights	Surplus Capacity Project	Combined	9,267	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 13 Ruby Lane & Heron's Keep	Surplus Capacity Project	Combined	101,320	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 14 Hermes Stage 1	Surplus Capacity Project	Combined	35,715	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 18 Quail Way	Surplus Capacity Project	Combined	33,784	38%	63%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Financial year 2007/08 (Less costs reimbursed by ABN AMRO)	Surplus Capacity Project	Combined	1,154,862	12%	88%
WASTEWATER TREATMENT	18	Mangawhai wastewater	Modifications (As per EPS) Mod 19 Bayleys Beach; Design Cost	Surplus Capacity Project	Renewal/Growth	28,153	0%	100%

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
WASTEWATER TREATMENT	18	Mangawai wastewater	Modifications (As per EPS) Mod 20 Grinder Number Change	Surplus Capacity Project	Combined	2,087,428	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Modifications (As per EPS) Mod 21 Storage and Irrigation to Client Risk (see above)	Surplus Capacity Project	Combined	4,639,532	50%	50%
WASTEWATER TREATMENT	18	Mangawai wastewater	Modifications (As per EPS) Mod 22 House Connections	Surplus Capacity Project	Renewal/Growth	5,171,810	0%	100%
WASTEWATER TREATMENT	18	Mangawai wastewater	Modifications (As per EPS) Mod 23 Final House Connection	Surplus Capacity Project	Renewal/Growth	342,179	0%	100%
WASTEWATER TREATMENT	18	Mangawai wastewater	Modifications (As per EPS) Mod 24 Treatment Plant Site Relocation	Surplus Capacity Project	Renewal/Growth	341,790	0%	100%
WASTEWATER TREATMENT	18	Mangawai wastewater	Modifications (As per EPS) Mod 26 Walters Estate	Surplus Capacity Project	Combined	70,127	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Modifications (As per EPS) Mod 27 Estates Design	Surplus Capacity Project	Combined	344,736	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Modifications (As per EPS) Share of contingency	Surplus Capacity Project	Combined	173,553	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Financial year 2008/09	Surplus Capacity Project	Combined	473,365	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Modifications (As per EPS) Sands and Molesworth invoice as per EPS	Surplus Capacity Project	Combined	77,273	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Additional costs - 1/7/2010 - 30/6/2011- as per transaction listing BECA costs	Surplus Capacity Project	Combined	22,893	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Additional costs - 1/7/2010 - 30/6/2011- as per transaction listing Wharehine Contractors	Surplus Capacity Project	Combined	181,857	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Additional costs - 1/7/2010 - 30/6/2011- as per transaction listing Other costs	Surplus Capacity Project	Combined	8,975	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Additional costs - 1/7/2009 - 30/6/2010 - as per transaction listing BECA costs	Surplus Capacity Project	Combined	612,792	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Additional costs - 1/7/2009 - 30/6/2010 - as per transaction listing Other costs	Surplus Capacity Project	Combined	1,561	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Initial drawdown - as per contract ET funding costs	Surplus Capacity Project	Combined	228,176	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Initial drawdown - as per contract ABN commitment fees to 6 December	Surplus Capacity Project	Combined	268,643	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Initial drawdown - as per contract Financier legal fees	Surplus Capacity Project	Combined	145,000	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Initial drawdown - as per contract Certifier costs	Surplus Capacity Project	Combined	5,000	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Additional payments - as per contract Payment to KDC for costs	Surplus Capacity Project	Combined	800,000	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Additional payments - as per contract Additional financier legal fees	Surplus Capacity Project	Combined	42,000	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	Farm purchase	Surplus Capacity Project	Combined	7,222,178	50%	50%
WASTEWATER TREATMENT	18	Mangawai wastewater	Additional certifier cost	Surplus Capacity Project	Combined	500	38%	63%
WASTEWATER TREATMENT	18	Mangawai wastewater	ABN facility establishment fee	Surplus Capacity Project	Combined	587,500	38%	63%
		Mangawai wastewater Total				88,783,867		
WASTEWATER TREATMENT	13	Maungaturoto wastewater	Reticulation 232 Maungaturoto Wastewater Scheme	LTP Capital Project	Renewal/ILOS	99,326	0%	100%
WASTEWATER TREATMENT	13	Maungaturoto wastewater	Pump Stations and Rising Mains 232 Maungaturoto Wastewater Scheme	LTP Capital Project	Renewal/ILOS	159,213	0%	100%
WASTEWATER TREATMENT	13	Maungaturoto wastewater	Treatment 232 Maungaturoto Wastewater Scheme	LTP Capital Project	Renewal/ILOS	164,825	0%	100%
WASTEWATER TREATMENT	13	Maungaturoto wastewater	Pump Station Storage 232 Maungaturoto Wastewater Scheme	LTP Capital Project	Renewal/ILOS	65,198	0%	100%
WASTEWATER TREATMENT	13	Maungaturoto wastewater	Environmental Compliance 232 Maungaturoto Wastewater Scheme	LTP Capital Project	Renewal/ILOS	27,968	0%	100%
WASTEWATER TREATMENT	13	Maungaturoto wastewater	Safety Grills On Pump Stations 232 Maungaturoto Wastewater Scheme	LTP Capital Project	Renewal/ILOS	5,125	0%	100%
WASTEWATER TREATMENT	13	Maungaturoto wastewater	MAUNGATUROTO Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	98,300	0%	100%
WASTEWATER TREATMENT	13	Maungaturoto wastewater	MAUNGATUROTO Renewals AMP Improvements	Surplus Capacity Project	Renewal/Growth	2,625	0%	100%
WASTEWATER TREATMENT	13	Maungaturoto wastewater	MAUNGATUROTO New Assets - Council Funded Additional Capacity for Growth - Aerators	Surplus Capacity Project	Renewal/Growth	30,000	0%	100%
		Maungaturoto wastewater Total				652,580		
WASTEWATER TREATMENT	16	Te Kopuru wastewater	Reticulation 165 Te Kopuru Wastewater Scheme	LTP Capital Project	Renewal/ILOS	67,879	0%	100%
WASTEWATER TREATMENT	16	Te Kopuru wastewater	Environmental Compliance 165 Te Kopuru Wastewater Scheme	LTP Capital Project	Renewal/ILOS	27,968	0%	100%
WASTEWATER TREATMENT	16	Te Kopuru wastewater	Treatment 165 Te Kopuru Wastewater Scheme	LTP Capital Project	Renewal/ILOS	33,398	0%	100%
WASTEWATER TREATMENT	16	Te Kopuru wastewater	Treatment Plant Modifications 165 Te Kopuru Wastewater Scheme	LTP Capital Project	Renewal/ILOS	20,736	0%	100%
WASTEWATER TREATMENT	16	Te Kopuru wastewater	TE KOPURU Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	20,000	0%	100%
WASTEWATER TREATMENT	16	Te Kopuru wastewater	TE KOPURU Renewals AMP Improvements	Surplus Capacity Project	Renewal/Growth	1,312	0%	100%
		Te Kopuru wastewater Total				171,293		
WASTEWATER TREATMENT Total						100,270,696		

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
WATER SUPPLY	8	Dargaville/Bayllys water supply	Bayllys trunk main Stage 3: Replace 1.5km 100mm ID from Duck Creek to Colville RD 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	300,000	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Beach Road 480m watermain renewal stage 2 - upgrade to 150mm ID including connecting to Bayllys Trunk main	LTP Capital Project	Renewal/ILOS	352,000	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Montgomery Ave: Replace Ridermain with 360m of 50mm ID 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	120,000	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Main under Dargaville High School : Reroute and replace 850m of 250mm ID pipe 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	637,500	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Compliance with Drinking Water Standards 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	27,968	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Water Take Consent Compliance 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	27,968	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Racecourse SH14 watermain : Replace 2km 100mm ID from Awakino River bridge to race course gate 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	410,000	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Normanby St Between Hokianga Intersection and Gladstone intersection 550m watermain renewal - upgrade to 150mm ID 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	225,500	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Victoria St: Replace 150m of 100mm ID pipe from Kaipia St to Hokianga Rda nd tap into the 150mm from across	LTP Capital Project	Renewal/ILOS	30,750	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Dargaville raw watermain river crossing Stage 1 of 2 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	205,000	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Pirika St: Replace 515m of 100mm ID water main, 300m of 50mm ID Rider main loop 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	170,918	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Lorne St: Replace 335m of 100mm ID water main, 215m of 50mm ID Rider main loop 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	115,343	0%	100%

Activity	Rating area	Rating area	Project name	Project Source	Type	Project Cost	Proportion recovered through Development Contributions	Proportion recovered through Other Sources
WATER SUPPLY	8	Dargaville/Bayllys water supply	Dargaville raw watermain river crossings Stage 2 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	796,917	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Dargaville Renewals 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	12,158,592	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	WTP 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	622,008	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	Waiatua Dam to Rotu Pipe 127 Dargaville Water Supply	LTP Capital Project	Renewal/ILOS	2,988,221	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	DARGAVILLE & BAYLYS Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	518,640	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	DARGAVILLE & BAYLYS Renewals AMP Improvement Plan	Surplus Capacity Project	Renewal/Growth	8,575	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	DARGAVILLE & BAYLYS ILOS Improvement Upgrade Treatment Plant	Surplus Capacity Project	Renewal/Growth	166,140	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	DARGAVILLE & BAYLYS ILOS Improvement Improved Supply Security Bayly	Surplus Capacity Project	Renewal/Growth	120,000	0%	100%
WATER SUPPLY	8	Dargaville/Bayllys water supply	DARGAVILLE & BAYLYS New Assets - Council Funded Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Combined	2,079	44%	57%
WATER SUPPLY	8	Dargaville/Bayllys water supply	DARGAVILLE & BAYLYS New Assets - Council Funded Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Combined	4,515	44%	57%
		Dargaville/Bayllys water supply Total				20,008,635		
WATER SUPPLY	9	Glinks Gully water supply	Water take Consent Compliance 239 Glinks Gully Water Supply	LTP Capital Project	Renewal/ILOS	16,781	0%	100%
WATER SUPPLY	9	Glinks Gully water supply	WTP 239 Glinks Gully Water Supply	LTP Capital Project	Renewal/ILOS	15,710	0%	100%
WATER SUPPLY	9	Glinks Gully water supply	GLINKS GULLY Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	3,700	0%	100%
WATER SUPPLY	9	Glinks Gully water supply	GLINKS GULLY Renewals AMP Improvement Plan	Surplus Capacity Project	Renewal/Growth	875	0%	100%
		Glinks Gully water supply Total				37,067		
WATER SUPPLY	12	Mangawhai water supply	Reticulation 158 Mangawhai Water Supply	LTP Capital Project	Renewal/ILOS	33,940	0%	100%
WATER SUPPLY	12	Mangawhai water supply	Take Consent Compliance 158 Mangawhai Water Supply	LTP Capital Project	Renewal/ILOS	16,781	0%	100%
WATER SUPPLY	12	Mangawhai water supply	WTP and Reservoir renewal 158 Mangawhai Water Supply	LTP Capital Project	Renewal/ILOS	35,350	0%	100%
WATER SUPPLY	12	Mangawhai water supply	Mangawhai Renewals All Asset Groups - ESTIMATED ONLY	Surplus Capacity Project	Renewal/Growth	20,000	0%	100%
WATER SUPPLY	12	Mangawhai water supply	Mangawhai Renewals AMP Improvement Plan	Surplus Capacity Project	Renewal/Growth	1,050	0%	100%
WATER SUPPLY	12	Mangawhai water supply	Mangawhai New Assets - Council Funded Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Combined	1,094	44%	57%
		Mangawhai water supply Total				108,216		
WATER SUPPLY	11	Maungaturoto water supply	Raw Watermain Renewal: Replace 200mm ID pipe 154 Maungaturoto Water Supply	LTP Capital Project	Renewal/ILOS	5,021,411	0%	100%
WATER SUPPLY	11	Maungaturoto water supply	NZDWS Compliance 154 Maungaturoto Water Supply	LTP Capital Project	Renewal/ILOS	16,781	0%	100%
WATER SUPPLY	11	Maungaturoto water supply	Water Take Consent 154 Maungaturoto Water Supply	LTP Capital Project	Renewal/ILOS	16,781	0%	100%
WATER SUPPLY	11	Maungaturoto water supply	WTP Renewals 154 Maungaturoto Water Supply	LTP Capital Project	Renewal/ILOS	366,403	0%	100%
WATER SUPPLY	11	Maungaturoto water supply	MAUNGATUROTO Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	79,300	0%	100%
WATER SUPPLY	11	Maungaturoto water supply	MAUNGATUROTO Renewals AMP Improvement Plan	Surplus Capacity Project	Renewal/Growth	4,200	0%	100%
WATER SUPPLY	11	Maungaturoto water supply	MAUNGATUROTO New Assets - Council Funded Treatment Capacity Assessment (growth)	Surplus Capacity Project	Renewal/Growth	10,870	0%	100%
WATER SUPPLY	11	Maungaturoto water supply	MAUNGATUROTO New Assets - Council Funded Additional Capacity for Growth - Council Contribution	Surplus Capacity Project	Renewal/Growth	1,376	0%	100%
WATER SUPPLY	11	Maungaturoto water supply	MAUNGATUROTO New Assets - Council Funded Treatment Capacity Assessment (growth)	Surplus Capacity Project	Renewal/Growth	12,744	0%	100%
WATER SUPPLY	11	Maungaturoto water supply	MAUNGATUROTO New Assets - Council Funded Reservoir Capacity Increase (growth)	Surplus Capacity Project	Renewal/Growth	50,000	0%	100%
		Maungaturoto water supply Total				5,579,866		
WATER SUPPLY	10	Ruawai water supply	Replace Balance (Stage 4) of 2.3km reticulation of 100 to 150mm ID to meet fireflow 161 Ruawai Water Supply	LTP Capital Project	Renewal/ILOS	988,444	0%	100%
WATER SUPPLY	10	Ruawai water supply	NZDWS Compliance 161 Ruawai Water Supply	LTP Capital Project	Renewal/ILOS	16,781	0%	100%
WATER SUPPLY	10	Ruawai water supply	WTP and reservoir 161 Ruawai Water Supply	LTP Capital Project	Renewal/ILOS	646,840	0%	100%
WATER SUPPLY	10	Ruawai water supply	RUAWAI Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	68,500	0%	100%
WATER SUPPLY	10	Ruawai water supply	RUAWAI Renewals AMP Improvement Plan	Surplus Capacity Project	Renewal/Growth	2,800	0%	100%
WATER SUPPLY	10	Ruawai water supply	RUAWAI Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	42,054	0%	100%
WATER SUPPLY	10	Ruawai water supply	RUAWAI Renewals AMP Improvement Plan	Surplus Capacity Project	Renewal/Growth	10,870	0%	100%
WATER SUPPLY	10	Ruawai water supply	RUAWAI Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	43,332	0%	100%
WATER SUPPLY	10	Ruawai water supply	RUAWAI Renewals AMP Improvement Plan	Surplus Capacity Project	Renewal/Growth	278	0%	100%
WATER SUPPLY	10	Ruawai water supply	RUAWAI Renewals All Asset Groups	Surplus Capacity Project	Renewal/Growth	190,000	0%	100%
WATER SUPPLY	10	Ruawai water supply	RUAWAI Renewals AMP Improvement Plan	Surplus Capacity Project	Renewal/Growth	20,000	0%	100%
		Ruawai water supply Total				2,029,898		
WATER SUPPLY Total						27,763,681		
Grand Total						296,298,978		

Financial Contributions Policy

The Local Government Act 2002 requires Council to have a policy outlining how it intends to fund additional or new infrastructure which is required by growth.

Financial contributions under the Resource Management Act 1991, mainly consider the marginal impact of developments based primarily on environment effects assessments. Development contributions are Council's primary source of funding growth. However, from time to time financial contributions may be sought instead.

Development contributions under the Local Government Act 2002 consider the wider impacts of multiple developments on the infrastructure of the district (cumulative effect). Development contributions under the Local Government Act 2002 are in addition to, and separate from financial contributions. The development contributions and financial contributions cannot be taken for the same purpose (refer to s.200 of the Local Government Act 2002). Council's policy on development contributions will be included in the Long Term Plan (LTP).

Financial Contributions

The Resource Management Act 1991 was amended in April 2017 requiring the removal of financial contribution within five years by 2022. The budgets in this LTP reflect this. In the next LTP review in 2020/2021 it is intended for the Development Contributions Policy to be reviewed, and activities currently funded by financial contributions to be funded through development contributions.

Council's Policy on Financial Contributions is set out in its District Plan which was prepared under the Resource Management Act 1991.

Summary of Financial Contributions

Chapter 22 of the Plan sets out the financial contribution provisions. Section 22.1.1 states that Council has developed a policy on development and financial contributions in Council's LTP which gives effect to the Local Government Act 2002. Development contributions under the Local Government Act 2002 are in addition to, and separate from financial contributions.

Council considers that financial contributions will generally only be imposed in areas of the district where the Development Contributions Policy does not apply or where the Development Contributions Policy does not address the type of adverse effects generated by the development or activity.

Financial contributions will not be required to mitigate effects of subdivision and development on those arterial and collector roads that are already covered by Council's Development Contributions Policy.

Financial contributions may be required for:

- a) the protection and/or enhancement of significant heritage or natural features

- b) the protection or enhancement of riparian areas
- c) the establishment and/or upgrading the transport network (including roads)
- d) the establishment and/or upgrading of reserves and public open space areas
- e) the installation and/or upgrading of any network utility including sewerage, stormwater disposal and water supply.

District Plan

Plan chapter	Reference	Purpose
22	22.10.2	Significant Heritage or Ecological Features
	22.10.3	Renewable Energy Activities
	22.10.4	Enhancement or Riparian Protection (Land use activities)
	22.10.5	Transport Networks (including roads)
	22.10.6	Reserves
	22.10.7	Network Utilities

In addition to the capital expenditure identified in the Development Contributions Policy, Council expects to incur the following levels of capital expenditure over the ten year period covered by this Long Term Plan:

Activity Group	Total Capital Expenditure (\$000)	Financial Contributions (\$000)	Rates (\$000)	Loans (\$000)
Community Activities	\$7,359	\$5,703	\$1,506	\$150

(The above amounts are shown at 2018/2019 price levels.)

Included within the Community Activities Group is \$5.626 million forecast to be received for reserve contributions. These contributions are budgeted to be spent on reserve development and occasional acquisitions

Treasury Policy (incorporating the Liability Management and Investment Polices)

1.0 Introduction

1.1 Policy purpose

The purpose of the Treasury Policy is to outline approved policies and procedures in respect of all treasury activity to be undertaken by Kaipara District Council (“Council”). The formalisation of such policies and procedures will enable treasury risks within Council to be prudently managed.

As circumstances change, the policies and procedures outlined in this policy will be modified to ensure that treasury risks within Council continue to be well-managed. In addition, regular reviews will be conducted to test the existing policy against the following criteria:

- Industry “best practices” for a Council the size and type of Kaipara;
- The risk bearing ability and tolerance levels of the underlying revenue and cost drivers;
- The effectiveness and efficiency of the Treasury Policy and treasury management function to recognise, measure, control, manage and report on Council’s financial exposure to market interest rate risks, funding risk, liquidity, investment risks, counterparty credit risks and other associated risks;
- The operation of a pro-active treasury function in an environment of control and compliance;
- The robustness of the policy’s risk control limits and risk spreading mechanisms against normal and abnormal interest rate market movements and conditions; and
- Assistance to Council in achieving strategic objectives relating to ratepayers.

It is intended that the policy be distributed to all personnel involved in any aspect of Council’s financial management. In this respect, all staff must be completely familiar with their responsibilities under the policy at all times.

2.0 Scope and Objectives

2.1 Scope

This document identifies the policy and procedures of Council in respect of treasury management activities.

The policy has not been prepared to cover other aspects of Council’s operations, particularly transactional banking management, systems of internal control and financial management. Other policies and procedures of Council cover these matters.

2.2 Risk Appetite

Council's overriding obligation is to manage its affairs prudently and in the interests of its community and is guided by the obligations imposed by the Local Government Act 2002.

Accordingly Council's philosophy on the conduct of its treasury activities is to ensure that the risks associated are properly identified, quantified and managed to ensure it meets the obligations under the Act and that there is minimal negative impact on the Council arising from such risks. Council is a risk averse entity, and does not wish to seek risk from its treasury activities. Accordingly activity that may be construed as speculative in nature is expressly forbidden.

2.3 Objectives

The objective of this Treasury Policy is to control and manage costs and investment returns that can influence operational budgets and public equity. Specifically:-

Statutory and principal objectives

- All external borrowing, investments and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet requirements of all relevant legislation including but not limited to:
 - Local Government Act 2002, in particular Part 6 including sections 101,102, 104 and 105, and incorporate the Liability Management Policy and Investment Policy;
 - Local Government (Financial Reporting and Prudence) Regulations 2014, in particular Schedule 4;
 - Trustee Act 1956. When acting as a trustee or investing money on behalf of others, the Trustee Act highlights that trustees have a duty to invest prudently and that they shall exercise care, diligence and skill that a prudent person of business would exercise in managing the affairs of others. Details of relevant sections can be found in the Trustee Act 1956 Part II Investments.
- All projected external borrowings are to be approved by Council as part of the Annual Plan or the Long Term Planning process (LTP) or resolution of Council before the borrowing is affected;
- All legal documentation in respect to external borrowing and financial instruments will be approved by Council's solicitors prior to the transaction being executed;
- Council will not enter into any borrowings denominated in a foreign currency;
- Council will not transact with any Council Controlled Trading Organisation (CCTO) on terms more favourable than those achievable by Council itself;
- Hire Purchase, Deferred Purchase, Trade Credit - for the purposes of sub-paragraph (c)(ii)(B) of the definition of "borrowing" in section 112 of the LGA 2002, "borrowing" does not include:

- Debt incurred in connection with hire purchase of goods, the deferred purchase of goods or services, or the giving of credit for the purchase of goods or services, if the goods or services are obtained in the ordinary course of Council's performance of its lawful functions, on terms and conditions available generally to parties of equivalent credit-worthiness, for amounts not exceeding in aggregate \$250,000; or
- The deferred purchase of goods or services or the giving of credit for the purchase of goods or services through the mechanism of contract retentions held for periods less than 365 days.
- Other - Instruments not specifically referred to in this policy may only be used with specific Council approval; and
- Council routinely defers payment following completion of construction or other large scale engineering contracts in accordance with standard industry practices. Although this practice may mean that these deferred payments fall within the definition of borrowing for the purposes of the Act and this policy, these contractual arrangements create very little risk for Council. There is no interest exposure on these payments; the credit-worthiness of the contracting party is not relevant; and the deferred period is sufficiently long that no impact on liquidity is anticipated, as payments can be programmed in advance through the Annual Plan process or standard cash flow procedures. Therefore, Council will enter into these contracts in accordance with its standard procurement procedures, and deferred payment conditions will not require any additional approval by Council.

General objectives

- To manage investments to optimise returns in the long term whilst balancing risk and return considerations;
- Minimise Council's costs and risks in the management of its borrowings;
- Minimise Council's exposure to adverse interest rate movements;
- Monitor, evaluate and report on treasury performance;
- Borrow funds and transact risk management instruments within an environment of control and compliance under the Council approved Treasury Policy so as to protect Council's financial assets and manage costs;
- Arrange and structure external long term funding for Council at a favourable margin and cost from debt lenders. Optimise flexibility and spread of debt maturity terms within the funding risk limits established by this Policy statement;
- Monitor and report on financing/borrowing covenants and ratios under the obligations of Council's lending/security arrangements;
- Comply with financial ratios and limits stated within this policy;
- Monitor Council's return on investments;
- Ensure the Council, management and relevant staff are kept abreast of the latest treasury products, methodologies, and accounting treatments through training and

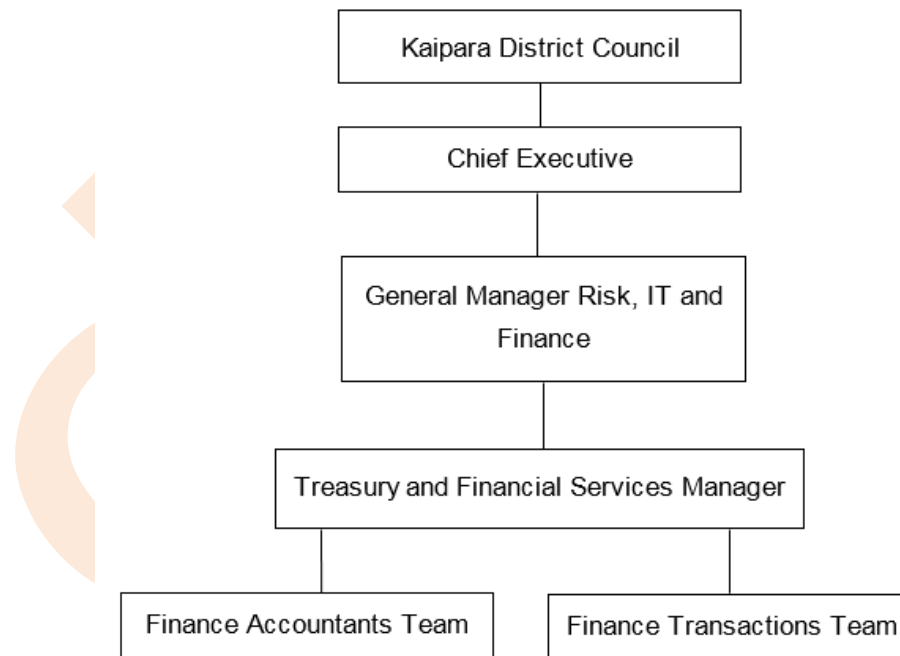
in-house presentations;

- Maintain appropriate liquidity levels and manage cash flows within Council to meet known and reasonable unforeseen funding requirements;
- To minimise exposure to credit risk by dealing with and investing in credit worthy counterparties;
- Ensure that all statutory requirements of a financial nature are adhered to;
- Ensure that financial planning will not impose an unequitable spread of costs/benefits over current and future ratepayers;
- To ensure adequate internal controls exist to protect Council's financial assets and to prevent unauthorised transactions; and
- Develop and maintain relationships with financial institutions, investors and investment counterparties.

3.0 Management Responsibilities

3.1 Overview of management structure

The following diagram illustrates those positions or functions that have treasury responsibilities.



3.2 Council

Council has ultimate responsibility for ensuring that there is an effective Policy for the management of its risks. In this respect Council decides the level and nature of risks that are acceptable, given the underlying objectives of Council.

Council is responsible for approving the Treasury Policy. While the Policy can be reviewed and changes recommended by other persons, the authority to make or change Policy cannot be delegated.

In this respect, Council has responsibility for:

- Approving the long term financial position of Council through the 10 year LTP and the adopted Annual Plan;
- Approving new debt through the adoption of the Annual Plan, specific Council resolution and approval of this policy;
- Approving the Treasury Policy incorporating the following:
 - Counterparties and credit limits;
 - Risk management methodologies and benchmarks;
 - Guidelines for the use of financial instruments; and
 - Receive a triennial review report on the policy.
- Evaluating and approving amendments to policy;
- Approving budgets and high level performance reporting;
- Approve opening and closing of bank accounts; and
- Approval for one-off transaction falling outside Policy.

Council should also ensure that:

- It receives regular information from management on risk exposure and financial instrument usage in a form, that is understood, and that enables it to make informed judgements as to the level of risk undertaken;
- Issues raised by auditors (both internal and external) in respect of any significant weaknesses in the treasury function are resolved in a timely manner; and
- Submissions are received from management requesting approval for one-off transactions falling outside policy guidelines.

3.3 Chief Executive (CE)

While Council has final responsibility for the policy governing the management of Council's risks, it delegates overall responsibility for the day-to-day management of such risks to the Chief Executive.

4.0 Liability Management Policy

Council's liabilities comprise borrowings and various other liabilities. Council maintains borrowings in order to:

- Fund working capital requirements and short term funding gaps;
- Raise specific debt associated with projects and capital expenditures; and
- Fund assets whose useful lives extend over several generations of ratepayers.

4.1 Debt ratios and limits

Debt will be managed within the following macro limits.

Ratio	KDC Policy Limits	LGFA Lending Covenants
Net debt as a percentage of total revenue	<170%	<175%
Net interest as a percentage of total revenue	<15%	<20%
Net interest as a percentage of annual rates income (debt secured under debenture)	<20%	<25%
Liquidity (External debt + committed loan facilities + liquid investments to existing external debt)	>110%	>110%

- Total Revenue is defined as cash earnings from rates, government grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets);
- Net debt is defined as total debt less liquid investments;
- Liquidity is defined as external term debt plus committed loan facilities plus available liquid investments divided by existing external debt. Liquid investments are assets defined as being:
 - Overnight Bank cash deposits;
 - Wholesale/retail bank term deposits no greater than 30 days;
 - Bank registered certificates of deposit issued less than 181 days; and
 - Wholesale/retail bank term deposits linked to pre funding of maturing term debt exposures.
- Net Interest is defined as the amount equal to all interest and financing costs less interest income for the relevant period;

- Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received from other local authorities for services provided (and for which the other local authorities rate).

Debt will be repaid as it falls due in accordance with the applicable loan agreement. Subject to the debt limits, a loan may be rolled over or re-negotiated as and when appropriate.

Disaster recovery requirements are to be met through the liquidity ratio.

4.2 Asset Management Plans

In approving new debt Council considers the impact on its borrowing limits as well as the economic life of the asset that is being funded and its overall consistency with Council's LTP.

4.3 Borrowing mechanisms

Council is able to borrow through a variety of market mechanisms including issuing stock/bonds, commercial paper (CP) and debentures, direct bank borrowing, accessing the short and long term wholesale and retail capital markets directly or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the following is taken into account:

- Available terms from banks, LGFA, debt capital markets and loan stock issuance;
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time;
- Prevailing interest rates and margins relative to term for loan stock issuance, LGFA, debt capital markets and bank borrowing;
- The market's outlook on future credit margin and interest rate movements as well as its own;
- Legal documentation and financial covenants together with security and credit rating considerations;
- For internally funded projects, to ensure that finance terms for those projects are at similar terms to those from external borrowing; and
- Alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration, ownership, redemption value and effective cost of funds.

Council's ability to readily attract cost-effective borrowing is largely driven by its ability to rate, maintain a strong financial standing and manage its relationships with its investors, LGFA and financial institutions/brokers.

Council has the ability to pre-fund up to 18 months of forecast debt requirements including re-financings.

4.4 Security

Council's borrowings and interest rate risk management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed.

Under the Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government Rating Act. The security offered by Council ranks equally or 'Pari Passu' with other lenders.

Council offers deemed rates as security for general borrowing programmes. From time to time, with prior Council approval, security may be offered by providing a charge over one or more of Council's assets.

Physical assets will be charged only where:

- There is a direct relationship between the debt and the purchase or construction of the asset, which it funds (e.g. an operating lease, or project finance);
- Council considers a charge over physical assets to be appropriate; and
- Any pledging of physical assets must comply with the terms and conditions contained within the Debenture Deed.

4.5 Debt repayment

The funds from all asset sales, operating surpluses, grants and subsidies will be applied to the reduction of debt and/or a reduction in borrowing requirements once any direct debt obligations are repaid, unless Council specifically directs that the funds will be put to another use.

Debt will be repaid as it falls due in accordance with the applicable loan agreement. Subject to the appropriate approval and debt limits, a loan may be rolled over or re-negotiated as and when appropriate.

Council will manage debt on a net portfolio basis and will only externally borrow when it is commercially prudent to do so.

4.6 Guarantees/contingent liabilities and other financial arrangements

Council may act as guarantor to financial institutions on loans or enter into incidental arrangements for organisations, clubs, Trusts, local communities or Business Units, when the purposes of the loan are in line with Council's strategic objectives. Before entering into a guarantee Council officers shall conduct due diligence and be satisfied of the ability of the organisation to service the loan.

Council is not allowed to guarantee loans to Council-controlled trading organisations under Section 62 of the Local Government Act.

Financial arrangements include:

- Advances to community organisations.

Council will ensure that sufficient funds or lines of credit exist to meet amounts guaranteed. Guarantees given will not exceed NZ\$1 million in aggregate or attached to a property.

4.7 Internal borrowing of special and general reserve funds

Given that Council may require funding for capital expenditure over the remaining life of the existing special and general reserve funds, where such funds are deemed necessary they should be used for internal borrowing purposes when external borrowing is required. Accordingly Council maintains its funds in short term maturities emphasising counterparty credit worthiness and liquidity. The interest rate yield achieved on the funds therefore is a secondary objective.

Liquid assets will not be required to be held against special funds or reserve funds unless such funds are held within a trust requiring such, instead, Council will manage these funds using available borrowing facilities.

No interest is payable unless Council so directs or there is an agreement in place.

New Zealand Local Government Funding Agency Limited investment

Despite anything earlier in this Policy, Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:-

- Contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA. For example, Borrower Notes;
- Provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself;
- Commit to contributing additional equity (or subordinated debt) to the LGFA if required;
- Secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over Council's rates and rates revenue; and
- Subscribe for shares and uncalled capital in the LGFA.

5.0 Investment Policy and Limits

5.1 General policy

Council is currently a net borrower and is likely to remain so for the foreseeable future. Council should internally borrow from special reserve funds in the first instance to meet future capital expenditure requirements, unless there is a compelling reason for establishing external debt. Investments are maintained to meet specified business reasons.

Such reasons can be:

- For strategic purposes consistent with Council's LTP;
- To reduce the current ratepayer burden;
- The retention of vested land;
- Holding short term investments for working capital and liquidity requirements;
- Holding investments that are necessary to carry out Council operations consistent with Annual Plans, to implement strategic initiatives or to support inter-generational allocations;
- Holding assets (such as property) for commercial returns;
- Provide ready cash in the event of a natural disaster. The use of which is intended to bridge the gap between the disaster and the reinstatement of normal income streams and assets; and
- Invest amounts allocated to accumulated surplus, Council created restricted reserves and general reserves.

Council recognises that as a responsible public authority all investments held, should be low risk. Council also recognises that low risk investments generally mean lower returns.

5.2 Investment mix

Council may maintain investments in the following assets from time to time:-

- Equity investments, including investments held in CCO/CCTO and other shareholdings;
- Property investments incorporating land, buildings, a portfolio of ground leases and land held for development;
- Forestry investments; and
- Financial investments.

5.2.1 Equity investments

Equity investments, including investments held in CCO/CCTO and other shareholdings. Council maintains equity investments and other minor shareholdings.

Council's equity investments fulfil various strategic, economic development and financial objectives as outlined in the LTP. Equity investment may be held where Council considers there to be strategic community value.

Council seeks to achieve an acceptable rate of return on all its equity investments consistent with the nature of the investment and their stated philosophy on investments.

Any purchase or disposition of equity investments requires Council approval. Council may also acquire shares that are gifted or are a result of restructuring. Any purchase or disposition of equity investments will be reported to the next meeting of Council.

Council recognises that there are risks associated with holding equity investments and to minimise these risks Council, through the relevant sub-committee as applicable, monitors the performance of its equity investments on a twice yearly basis to ensure that the stated objectives are being achieved. Council seeks professional advice regarding its equity investments when it considers this appropriate.

5.2.2 Property investments

Council's overall objective is to only own property that is necessary to achieve its strategic objectives. As a general rule, Council will not maintain a property investment where it is not essential to the delivery of relevant services, and property is only retained where it relates to a primary output of Council. Council reviews property ownership through assessing the benefits of continued ownership in comparison to other arrangements which could deliver the same results. This assessment is based on the most financially viable method of achieving the delivery of Council services. Council generally follows similar assessment criteria in relation to new property investments.

Council reviews the performance of its property investments on a regular basis.

5.2.3 Financial investments

Financial investment objectives

- Council's primary objectives when investing is the protection of its investment capital. Accordingly, Council may only invest in approved creditworthy counterparties. Creditworthy counterparties and investment restrictions are covered in section 6.5.
- Council may invest in approved financial instruments as set out in section 6.2. These investments are aligned with Council's objective of investing in high credit quality and highly liquid assets.

Council's investment portfolio will be arranged to provide sufficient funds for planned expenditures and allow for the payment of obligations as they fall due.

- Council's net investment interest rate profile will be managed within the parameters outlined in section 6.0.

Special funds, sinking funds, reserve and endowment funds

Liquid assets are not required to be held against special funds and reserve funds. Instead Council will internally borrow or utilise these funds wherever possible.

Sinking Funds will no longer be maintained by Council.

No interest is payable on internal borrowing to/from reserves, unless otherwise directed by Council or in accordance with the fund agreements.

Trust funds

Where Council holds funds as a trustee or manages funds for a Trust then such funds must be invested on the terms provided within the Trust. If the Trust's investment policy is not specified then this policy should apply.

5.3 New Zealand Local Government Funding Agency Limited investment

Despite anything earlier in this Policy, Council may invest in shares and other financial instruments of the New Zealand Local Government Funding Agency Limited (LGFA), and may borrow to fund that investment.

Council's objective in making any such investment will be to:

- Obtain a return on the investment; and
- Ensure that the LGFA has sufficient capital to become and remain viable, meaning that it continues as a source of debt funding for the Council.

Because of these dual objectives, Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments. Notwithstanding the Counterparty Credit Risk Limits (set out in Section 6.3 of this policy), Council may invest in financial instruments issued by the LGFA up to a maximum of \$5 million (i.e. borrower notes). If required in connection with the investment, Council may also subscribe for uncalled capital in the LGFA and be a Guarantor.

6.0 Risk Management

The definition and recognition of interest rate, liquidity, funding, investment, counterparty credit, market, operational and legal risk of Council will be as detailed below and applies to both the Liability Management policy and Investment policy.

6.1 Risk recognition

Interest rate risk is the risk that investment returns or funding costs (due to adverse movements in market interest rates) will materially exceed or fall short of projections included in the LTP and Annual Plan so as to adversely impact revenue projections, cost control and capital investment decisions/returns/and feasibilities.

The primary objective of interest rate risk management is to reduce uncertainty relating to interest rate movements through fixing of investment returns or funding costs. Certainty around funding costs is to be achieved through the active management of underlying interest rate exposures.

6.2 Approved financial instruments

Dealing in interest rate products must be limited to financial instruments approved by Council.

Approved financial instruments are as follows:

Category	Instrument
Cash management and borrowing	Bank overdraft Committed cash advance and bank accepted bill facilities (short term and long term loan facilities) Uncommitted money market facilities Loan stock/bond issuance <ul style="list-style-type: none"> • Floating Rate Note (FRN) • Fixed Rate Note (MTN) Commercial paper (CP) /Bills / Promissory notes Finance Leases
Investments	Short term bank deposits Bank registered certificates of deposit (RCDs) NZ Government, LGFA, Local Authority stock or State Owned Enterprise (SOE) bonds and FRNs (senior) Corporate bonds (senior) Corporate Floating Rate Notes (senior) Promissory notes/Commercial paper (senior) Corporate/SOE/Other Local Authority Bonds NZLGFA Borrower Notes Bank term deposits linked to pre funding maturing debt
Interest rate risk management	Forward rate agreements ("FRAs") on: <ul style="list-style-type: none"> • Bank bills • Government bonds Interest rate swaps including: <ul style="list-style-type: none"> • Forward start swaps and collars (start date <24 months, unless linked to existing maturing swaps and collars) • Amortising swaps (whereby notional principal amount reduces) • Swap extensions and shortenings

Category	Instrument
	Interest rate options on: <ul style="list-style-type: none"> • Bank bills (purchased caps and one for one collars) • Government bonds • Interest rate swaptions (purchased swaptions and one for one collars only)

Any other financial instrument must be specifically approved by Council on a case-by-case basis and only be applied to the one singular transaction being approved.

All investment securities must be senior in ranking. The following types of investment instruments are expressly excluded:

- Structured debt where issuing entities are not a primary borrower/ issuer; and
- Subordinated debt, junior debt, perpetual notes and hybrid notes such as convertibles.

6.3 Interest rate risk control limits

Net debt/borrowings

Council debt/borrowings should be within the following fixed/floating interest rate risk control limit:

Debt Interest Rate Policy Parameters (calculated on a rolling monthly basis):		
Debt Period Ending	Minimum Fixed	Maximum Fixed
Less than 12 months	50%	95%
12 – 36 months	40%	90%
37 – 60 months	30%	80%
Greater than 60 months	Nil	50%

“Fixed Rate” is defined as an interest rate repricing date beyond 12 months forward on a continuous rolling basis.

“Floating Rate” is defined as an interest rate repricing within 12 months.

The percentages are calculated on the rolling projected net debt level calculated by management (signed off by the CE or equivalent). Net debt is the amount of total debt net of liquid short term financial assets/investments. This allows for pre-hedging in advance of projected physical drawdown of new debt. When approved forecasts are changed, the amount of fixed rate cover in place may have to be adjusted to ensure compliance with the policy minimums and maximums.

- A fixed rate maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this Policy. However, maintaining a maturity profile beyond 90-days requires specific approval by Council;
- The above interest rate risk control limits apply when external debt exceeds \$25 million;
- Floating rate debt may be spread over any maturity out to 12 months. Bank advances may be for a maximum term of 12 months;
- Any interest rate derivatives or interest rate fixing with a maturity beyond 16 years must be approved by Council. The exception to this will be if Council raises LGFA funding as fixed rate and this maturity is beyond 16 years;
- Interest rate options must not be sold outright. However, 1:1 collar option structures are allowable, whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, only the sold side of the collar can be closed out (i.e. repurchased) otherwise, both sides must be closed simultaneously. The sold option leg of the collar structure must not have a strike rate "in-the-money";
- Purchased borrower swaptions mature within 12 months;
- Interest rate options with a maturity date beyond 12 months that have a strike rate (exercise rate) higher than 2.00% above the appropriate swap rate, cannot be counted as part of the fixed rate cover percentage calculation; and
- Forward start period on swaps and collar strategies to be no more than 24 months, unless it extends the maturity of existing interest rate fixing (via either derivatives or fixed rate borrowing).

Sinking funds, special and general reserve funds

Given that Council may require funding for capital expenditure cash shortfalls over the remaining life of the existing special and general reserve funds, where such funds are deemed necessary they should be used for internal borrowing purposes when external borrowing is required. Accordingly, Council maintains its funds in short term maturities emphasising counterparty credit worthiness and liquidity. The interest rate yield achieved on the funds therefore is a secondary objective.

This will negate counterparty credit risk and any interest rate repricing risk that occurs when Council borrows at a higher rate compared to the investment rate achieved by Special/Reserve Funds.

Liquid assets will not be required to be held against special funds or reserve funds unless such funds are held within a trust requiring such, instead, Council will manage these funds using internal borrowing facilities.

Foreign currency

Council has minor foreign exchange exposure through the occasional purchase of foreign exchange denominated services, plant and equipment.

Generally, all significant commitments for foreign exchange are hedged using foreign exchange contracts, once expenditure is approved. Both spot and forward foreign exchange contracts can be used by Council.

Council shall not borrow or enter into incidental arrangements, within or outside New Zealand, in currency other than New Zealand currency.

Council does not hold investments denominated in foreign currency.

All foreign currency hedging must be approved by the GMF.

6.4 Liquidity risk/funding risk

6.4.1 Risk recognition

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of cash, financial investments, loans and bank facilities. Liquidity risk management focuses on the ability to access committed funding at that future time to fund the gaps. Funding risk management centres on the ability to re-finance or raise new debt at a future time at the same or more favourable pricing (fees and borrowing margins) and maturity terms of existing loans and facilities.

The management of Council's funding risks is important as several risk factors can arise to cause an adverse movement in borrowing margins, term availability and general flexibility including:

- Local government risk is priced to a higher fee and margin level;
- Council's own credit standing or financial strength as a borrower deteriorates due to financial, regulatory or other reasons;
- A large individual lender to Council experiences financial/exposure difficulties resulting in Council not being able to manage their debt portfolio as optimally as desired;
- New Zealand investment community experiences a substantial "over supply" of Council investment assets; and
- Financial market shocks from domestic or global events.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that if any of the above events occur, the overall borrowing cost is not unnecessarily increased and desired maturity profile compromised due to market conditions.

6.4.2 Liquidity/funding risk control limits

- Alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration, ownership, redemption value and effective cost of funds;

- External term loans and committed debt facilities together with available unencumbered liquid investments must be maintained at an amount exceeding 110% of existing total external debt;
- Council has the ability to pre-fund up to 18 months forecast debt requirements including re-financings. Debt re-financings that have been pre-funded, will remain included within the funding maturity profile until their maturity date;
- The CE has the discretionary authority to re-finance existing debt on more favourable terms. Such action is to be reported and ratified by the Council at the earliest opportunity;
- The maturity profile of the total committed funding in respect to all loans and committed facilities, is to be controlled by the following system and apply when external debt exceeds \$25 million:

Period	Minimum Cover	Maximum Cover
0 to 3 years	15%	60%
3 to 5 years	15%	60%
5 years plus	10%	60%

- A funding maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this Policy. However, maintaining a maturity profile beyond 90-days requires specific approval by Council; and
- To minimise concentration risk the LGFA require that no more than the greater of NZD 100 million or 33% of a Council's borrowings from the LGFA will mature in any 12 month period.

6.5 Counterparty credit risk

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument where Council is a party. The credit risk to Council in a default event will be weighted differently depending on the type of instrument entered into.

Credit risk will be regularly reviewed by Council. Treasury related transactions would only be entered into with organisations specifically approved by Council.

Counterparties and limits can only be approved on the basis of long term credit ratings (Standard & Poor's, Fitch or Moody's) being A and above or short term rating of A 1 or above.

Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

The following matrix guide will determine limits.

Counterparty/Issuer	Minimum long term / short term credit rating – stated and possible	Investments maximum per counterparty (\$m)	Interest rate risk management instrument maximum per counterparty (\$m)	Total maximum per counterparty (\$m)
NZ Government	N/A	Unlimited	none	Unlimited
Local Government Funding Agency	N/A	Unlimited	none	Unlimited
NZD Registered Supranationals	AAA	10.0	none	10.0
State Owned Enterprises	A+ / A-1	5.0	none	5.0
NZ Registered Bank	A / A-1	15.0	20.0	30.0
Corporate Bonds/ CP	A+ / A-1	2.0	none	2.0
Local Government Stock/ Bonds/FRN/ CP	A+ / A-1 (if rated)	10.0	none	10.0
This summary list will be expanded on a counterparty named basis which will be authorised by the CE.				

In determining the usage of the above gross limits, the following product weightings will be used:

- Investments (e.g. Bank Deposits) – Transaction Notional × Weighting 100%. (Unless a legal right of set-off over corresponding borrowings exist whereupon a 0% weighting may apply);
- Interest Rate Risk Management (e.g. swaps, FRAs) – Transaction Notional × Maturity (years) × 3%; and
- Foreign Exchange – Transactional principal amount x the square root of the Maturity (years) x 15%.

Investments are normally held to maturity date. Where investments are liquidated before legal maturity date, approval is obtained from the CE, who also approves guidelines for a minimum acceptable sale price. The General Manager Risk, IT and Finance (GMF) evaluates quotes based on these instructions and proceeds with the transaction.

Local Government Funding Agency

Borrower Notes. On occasion when Council borrows from the LGFA it will be required to contribute part of that borrowing back as equity in the form of “Borrower Notes”. A Borrower Note is a written, unconditional declaration by a borrower (in this instance the LGFA) to pay a sum of money to a specific party (in this instance Council) at a future date (in this instance upon the maturity of the loan). A return is paid on the Borrower Notes and can take the form of a dividend if the Borrower Notes are converted to redeemable preference shares.

Risk management

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of approved counterparties as possible. Maturities should be well spread. The approval process must take into account the liquidity of the market the instrument is traded in and re-priced from.

6.6 Operational risk

Operational risk is the risk of loss as a result of human error (or fraud), system failures and inadequate procedures and controls.

Operational risk is very relevant when dealing with financial instruments given that:

- Financial instruments may not be fully understood;
- Too much reliance is often placed on the specialised skills of one or two people;
- Most treasury instruments are executed over the telephone; and
- Operational risk is minimised through the adoption of all requirements of this policy.

6.6.1 Dealing authorities and limits

Transactions will only be executed by those persons and within limits approved by Council.

6.6.2 Segregation of duties

As there are a small number of people involved in borrowing and investment activity, adequate segregation of duties among the core borrowing and investment functions of deal execution, confirmation, settling and accounting/reporting is not strictly achievable. The risk will be minimised by the following process:-

- The GMF reports directly to the CE;
- There is a documented approval process for borrowing, interest rate and investment activity;
- Any execution activities undertaken by the GMF will be checked by the Treasury and Financial Services Manager (FSM) and the FSM will report any irregularities direct to the CE. Any execution activities undertaken by the FSM and the Finance Accountants Team (FSM and Assistant Accountant (AA)) will be checked by the Finance Transactions Team (Finance Officer and Finance Administrator) and any irregularities reported to the GMF and CE; and
- In the absence of the FSM, the FSM's deal execution delegated authority moves to the Revenue Manager.

6.6.3 Procedures

All treasury instruments should be recorded and diarised within a treasury spreadsheet, with appropriate controls and checks over journal entries into the general ledger. Deal capture and reporting must be done immediately following execution/confirmation. Details of procedures including templates of deal tickets should be compiled in a treasury procedures manual separate to this policy.

Procedures should include:

- Regular management reporting;
- Regular risk assessment, including review of procedures and controls as directed by Council or appropriate sub-committee of Council; and
- Organisational, systems, procedural and reconciliation controls to ensure:
 - All borrowing, interest rate and investment activity is bona fide and properly authorised;
 - Checks are in place to ensure Council accounts and records are updated promptly, accurately and completely; and
 - All outstanding transactions are revalued regularly and independently of the execution function to ensure accurate reporting and accounting of outstanding exposures and hedging activity.

Organisational controls

- The GMF or equivalent has responsibility for establishing appropriate structures, procedures and controls to support borrowing, interest rate and investment activity; and
- All borrowing, investment, cash management and interest rate risk management activity is undertaken in accordance with approved delegations authorised by Council.

Cheque/electronic banking signatories

- Positions approved by the CE as per register;
- Dual signatures are required for all cheques and electronic transfers; and
- Cheques must be in the name of the counterparty crossed "Not Negotiable, Account Payee Only", via Council's bank account.

Authorised personnel

- All counterparties are provided with a list of personnel approved to undertake transactions, standard settlement instructions and details of personnel able to receive confirmations.

Recording of deals

- All deals are recorded on properly formatted deal tickets by the Finance Accountants Team and approved as required by the FSM, GMF or CE. Deal summary records for borrowing, investments, interest rate risk management and cash management transactions (on spreadsheets) are maintained and updated promptly following completion of transaction.

Confirmations

- All inward letter confirmations including registry confirmations are received and checked by the Finance Transactions Team against completed deal tickets and the treasury spread sheet records to ensure accuracy;
- All deliverable securities are held in Council's safe;
- Deals, once confirmed, are filed (deal ticket and attached confirmation) by the Finance Transactions Team in deal date/number order; and
- Any discrepancies arising during deal confirmation checks which require amendment to Council records are signed off by the FSM, GMF or CE.

Settlement

- The majority of borrowing, interest rate and investment payments are settled by direct debit authority; and
- For electronic payments, batches are set up electronically. These batches are checked by the FSM to ensure settlement details are correct. Payment details are authorised by two approved signatories as per Council registers.

Reconciliations

- Bank reconciliations are performed monthly by the Finance Transactions Team and checked and approved by the FSM. Any unresolved un-reconciled items arising during bank statement reconciliation which require amendment to Council's records are signed off by the GMF;
- A monthly reconciliation of the treasury spread sheet to the general ledger is carried out by the FSM and reviewed by the GMF; and
- Interest income from the treasury spreadsheet is reconciled to bank statements.

6.7 Legal risk

Legal and regulatory risks relate to the unenforceability of a transaction due to an organisation not having the legal capacity or power to enter into the transaction usually because of prohibitions contained in legislation. While legal risks are more relevant for banks, Council may be exposed to such risks with Council unable to enforce its rights due to deficient or inaccurate documentation.

Council will seek to minimise this risk by adopting policy regarding:-

- The use of standing dealing and settlement instructions (including bank accounts, authorised persons, standard deal confirmations, contacts for disputed transactions) to be sent to counterparties;
- The matching of third party confirmations and the immediate follow-up of anomalies; and
- The use of expert advice.

6.8 Agreements

Financial instruments can only be entered into with banks that have in place an executed ISDA Master Agreement with Council.

Council's internal/appointed legal counsel must sign off on all documentation for new loan borrowings, re-financings and investment structures.

6.9 Financial covenants and other obligations

Council must not enter into any transactions where it would cause a breach of financial covenants under existing contractual arrangements.

Council must comply with all obligations and reporting requirements under existing funding facilities and legislative requirements.

6.10 Specific Council Approval

Any activity outside the limits set in section 6 will require specific Council approval.

7.0 Cash Management

The Finance Accountants Team has the responsibility to carry out the day-to-day cash and short term debt management activities. All cash inflows and outflows pass through bank accounts controlled by the finance function.

- The Finance Accountants Team will calculate and maintain comprehensive cash flow projections on a daily (two weeks forward), weekly (four weeks forward) and monthly (12 months forward) basis. The Long Term Planning process completed every three years looks forward for 10 years. These cash flow forecasts determine Council's borrowing requirements and surpluses for investment;
- On a daily basis, electronically download all Council bank account information;
- Co-ordinate Council's operating units to determine daily cash inflows and outflows with the objective of managing the cash position within approved parameters;
- Undertake short term borrowing functions as required, minimising overdraft costs;
- Ensuring efficient cash management through improvement to accurate forecasting using spreadsheet modelling;

- Minimise fees and bank/Government charges by optimising bank account/facility structures;
- Match future cash flows to smooth overall timeline;
- Provide reports detailing actual cash flows during the month compared with those budgeted;
- Maximise the return from available funds by ensuring significant payments are made within the vendor's payment terms, but no earlier than required, unless there is a financial benefit from doing so; and
- Cash is invested for a term of no more than three months and in approved instruments and counterparties.

8.0 Measuring Treasury Performance

In order to determine the success of Council's treasury management function, the following benchmarks and performance measures have been prescribed.

Those performance measures that provide a direct measure of the performance of treasury staff (operational performance and management of debt and interest rate risk) are to be reported to Council or an appropriate sub-committee of Council on a quarterly basis.

8.1 Operational performance

All treasury limits must be complied with including (but not limited to) counterparty credit limits, dealing limits and exposure limits.

All treasury deadlines are to be met, including reporting deadlines.

8.2 Management of debt and interest rate risk

The actual funding cost for Council (taking into consideration costs of entering into interest rate risk management transactions) should be below the budgeted interest cost.

Since senior management is granted discretion by Council to manage debt and interest rate risk within specified limits, the actual funding rate achieved must be compared against an appropriate external benchmark interest rate that assumes a risk neutral position within existing policy. **Note:** in this respect, a risk neutral position is one that is always precisely at the mid-point of the minimum and maximum percentage limits specified within the policy.

Given current fixed/floating risk control limits and fixed rate maturity profile limits as defined in Section 6.3 of the Treasury Policy, the market benchmark (composite) indicator rate will be calculated as follows:

- The wholesale interest rate is the mid-point policy benchmark rate. Council's policy mid-point represents an average term of seven-years. The market benchmark rate will be calculated every month and represent the seven-year swap rate monthly rolling average over a seven-year period.

The micro-benchmark rate used to measure performance is the aggregate of the composite benchmark indicator rate calculated above and the margin that applies to existing funding facilities.

Accordingly, the actual weighted average interest rate for the financial year to date (that incorporates all issuance margins and derivative settlements) must be compared against the micro-benchmark rate on a monthly basis, with historical comparison reported graphically over the previous 12 months.

9.0 Reporting

When budgeting forecast interest costs/returns, the actual physical position of existing loans, investments and interest rate instruments must be taken into account.

9.1 Treasury reporting

The following reports are produced:

Report Name	Frequency	Prepared By	Recipient
Daily Cash Position Treasury Spreadsheet	Daily	AA/FA	FSM
Treasury Exceptions Report	As required	FSM	GMF
Treasury Report <ul style="list-style-type: none"> • Policy limit compliance • Borrowing limits • Funding and Interest Position • Funding facility • New treasury transactions • Cost of funds vs budget • Cash flow forecast report • Liquidity risk position • Counterparty credit • Treasury performance Debt maturity profile • Treasury investments 	Monthly (ELT)/ Quarterly (Council)	AA/FA	ELT/Council

Report Name	Frequency	Prepared By	Recipient
Quarterly Treasury Strategy Paper	Quarterly	GMF	Council
Statement of Public Debt	Monthly	FSM	Council
Revaluation of financial instruments	At least Annually	FSM	Council

9.2 Accounting treatment of financial instruments

Council uses financial market instruments for the primary purpose of reducing its exposure to fluctuations in interest rates. The purpose of this section is to articulate Council's accounting treatment of derivatives in a broad sense.

Under NZ IPSAS accounting standards changes in the fair value of derivatives go through the Income Statement unless derivatives are designated in an effective hedge relationship.

Council's principal objective is to actively manage Council's interest rate risks within approved limits and chooses not to hedge account. Council accepts that the mark-to-market gains and losses on the revaluation of derivatives can create potential volatility in Council's annual accounts.

The FSM is responsible for advising the GMF and CE of any changes to relevant NZ IPSAS which may result in a change to the accounting treatment of any financial derivative product.

All treasury financial instruments must be revalued (mark-to-market) at least once annually for risk management purposes. Banks can confirm valuation of financial instruments at least six monthly and during periods of significant change quarterly.

9.3 Valuation of treasury instruments

All treasury financial instruments must be revalued (mark-to-market) at least annually. This includes those instruments that are used only for hedging purposes.

Underlying rates to be used to value treasury instruments are as follows:-

Official daily settlement prices for established markets;

Official daily market rates for short term treasury instruments (e.g. FRA settlement rates calculated by Reuters from price maker quotations as displayed on the BKBM page);

Relevant market mid-rates provided by the company's bankers at the end of the business day (5.00pm) for other over-the-counter treasury instruments; and

For markets that are illiquid, or where market prices are not readily available, rates calculated in accordance with procedures approved by the GMF.

10.0 Policy Review

This Treasury Policy is to be formally reviewed on a triennial basis.

The CE has the responsibility to prepare a review report that is presented to Council or Council sub-committee. The report will include:

- Recommendation as to changes, deletions and additions to the policy;
- Overview of the treasury management function in achieving the stated treasury objectives, including performance trends in actual interest cost against budget (multi-year comparisons);
- Summary of breaches of policy and one-off approvals outside policy to highlight areas of policy tension;
- Analysis of bank and lender service provision, share of financial instrument transactions etcetera;
- Comments and recommendations from Council's external auditors on the treasury function, particularly internal controls, accounting treatment and reporting;
- An annual audit of the treasury spreadsheets and procedures should be undertaken; and
- Total net debt servicing costs and debt should not exceed limits specified in the covenants of lenders to Council.

Council receives the report, approves policy changes and/or reject recommendations for policy changes.

Rating Policies

Rates Postponement and Remission Policy

1.1 Overview and Background

Section 102(3) of the Local Government Act 2002 provides that a Council may adopt a rates remission policy and/or a rates postponement policy. The two policies have been combined into a single Rates Postponement and Remission Policy.

The objective of this scheme is to:

- provide financial assistance and support to ratepayers
- address rating anomalies
- address matters related to wastewater charges
- cover other objectives.

The Council must consult on a draft policy or amendment in a manner that gives effect to section 82 of the Local Government Act 2002 to adopt and amend this Policy.

The Council's Rates Postponement and Remission Policy is set out in four parts, each containing a number of schemes.

Part One - Financial Assistance and Support

- Rates Postponement for Financial Hardship
- Rates Remission for Financial Hardship
- Rates Remission of Penalties Only.

Part Two - Addressing Anomalies

- Rates Remission of Multiple Uniform Annual General Charges and other Uniform Charges on Rating Units
- Rates Remission for Community, Sporting and Other Organisations
- Rates Postponement or Remission for Miscellaneous Purposes.

Part Three - Addressing Matters Related to Wastewater Charges

- Rates Remission for School Sewerage Charges

Part Four - Other Schemes

- Water Supply Rates Remission for Excessive Water Rates due to a Fault.

1.2 Full details of each rates remission and postponement scheme

Part One - Financial Assistance and Support Schemes

Rates Postponement for Financial Hardship

Objective

The objective of this scheme is to assist ratepayers experiencing financial hardship which affects their ability to pay rates.

Criteria

The ratepayer must meet the following criteria to be considered for rates postponement for hardship:

- 1 The ratepayer must be the current owner of the rating unit and owned the property for at least five years.
- 2 The rating unit must be used solely by the ratepayer as his/her residence.
- 3 No person entered on the Council's rating information database as the "ratepayer" must own any other rating units or investment properties (whether in the District, in New Zealand or overseas) or have significant interests or ownership of a businesses or shares.
- 4 The current financial situation of the ratepayer must be such that he/she is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day-to-day living expenses.
- 5 The ratepayer (or authorised agent) must make an application to Council on the prescribed form (copies can be obtained from the Council Offices, at either Dargaville or Mangawhai, or on Council's website www.kaipara.govt.nz).

Conditions

The Council will consider, on a case-by-case basis, all applications received that meet the above criteria.

- 1 For the rates to be postponed, written confirmation of the ratepayer's financial situation must be provided from the ratepayer's budget advisor. Additionally, Council reserves the full right to have the question of hardship addressed by any outside agency with relevant expertise e.g. budget advisors or the like.
- 2 For the rates to be postponed, the Council will require a statutory declaration:
 - a) that the ratepayer does not own any other property or have significant interest in a business or shares; and

- b) containing the value of the ratepayer's property insurance and the value of encumbrances against the property, including mortgages and loans.
- 3 For the rates to be postponed, the Council will require the ratepayer to first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
- 4 The Council will add a postponement fee each year to the postponed rates. The fee will cover the period from when the rates were originally due to the date that they are paid. This fee will not exceed the Council's administrative and financial costs of the postponement.
- 5 The postponement will apply from the beginning of the rating year in which the application is made, although the Council may consider backdating to before the rating year in which the application is made depending on the circumstances.
- 6 Any postponed rates will be postponed until:
- a) the death of the ratepayer(s); or
 - b) the ratepayer/s cease/s to be the owner or occupier of the Rating Unit; or
 - c) the ratepayer/s cease/s to use the property solely as his/her residence; or
 - d) the postponed rates are 80% of the available equity in the property; or
 - e) a date specified by Council.
- 7 All or part of the postponed rates may be paid at any time. The applicant may also elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this scheme.
- 8 Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

Delegation of decision-making

Decisions relating to the postponement of rates will be made by the General Manager Finance or Chief Executive.

Rates Remission for Financial Hardship

Objective

The objective of this Policy is to assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

Criteria

The ratepayer must meet the following criteria to be considered for a rates remission for financial hardship:

- a) The ratepayer must be the current owner of the rating unit and owned the property for at least five years.
- b) The rating unit must be used solely by the ratepayer as his/her residence.
- c) No person entered on the Council's rating information database as the "ratepayer" must own any other rating units or investment properties (whether in the District, in New Zealand or overseas) or have significant interests or ownership of a businesses or shares.
- d) The current financial situation of the ratepayer must be such that s/he is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day-to-day living expenses.
- e) The ratepayer (or authorised agent) must make an application to Council on the prescribed form (copies can be obtained from the Council Offices, at either Dargaville or Mangawhai, or on Council's website www.kaipara.govt.nz).

Conditions

The Council will consider, on a case by case basis, all applications that meet the above criteria.

- a) For the rates to be remitted, the ratepayer's financial situation must be such that the ratepayer is eligible for, and has applied for, the Government rates rebate scheme. Additionally, Council reserves the full right to have the question of hardship addressed by any outside agency with relevant expertise e.g. budget advisors or the like.
- b) For the rates to be remitted, the Council will require a statutory declaration that the ratepayer does not own any other property or have significant interest in a business or shares.
- c) The remission will apply from the beginning of the rating year in which the application is made, although the Council may consider backdating to before the rating year in which the application is made depending on the circumstances.

Delegation of decision-making

Decisions relating to the remission of rates for financial hardship will be made by the General Manager Finance or Chief Executive.

Rates Remission of Penalties Only

Objective

The objective of this scheme is to enable the Council to act fairly and reasonably in relation to penalties applied when rates have not been received by the due date.

Criteria

- 1 Where the ratepayer meets the payment conditions agreed with the Council to resolve a rates arrears, the Council can remit any part of the penalties already

incurred or yet to be incurred.

- 2 The penalties incurred on the first instalment of each financial year will be remitted if the ratepayer pays the total amount of rates due for the year, excluding the penalty on the first instalment, but including any arrears owing at the beginning of the financial year, by the second instalment due date.
- 3 There are extenuating circumstances.
- 4 The ratepayer has paid after the penalty date, but has not received a rates penalty remission under this scheme within the past two years.

Conditions

- 1 If the ratepayer stops paying rates then the Council is able to reinstate the penalties.
- 2 The remission will apply from the beginning of the rating period in which the application is approved and may not necessarily be backdated to prior years.

Treatment of Penalties on Small Overdue Balances

When a small balance is overdue which is uneconomical to collect, the Revenue Manager, the General Manager Finance or the Chief Executive may write-off the balance in line with other Council procedures. Penalties will not be applied in these circumstances.

Delegation of decision-making

Decisions relating to the remission of rates penalties will be made as follows:

- for meeting condition/criterion 1 (enters payment conditions to resolve rate arrears) - General Manager Finance or Chief Executive
- for meeting condition/criterion 2 (pays outstanding rates by instalment 2) - Revenue Manager, General Manager Finance or Chief Executive
- for meeting condition/criterion 3 (extenuating circumstances) - General Manager Finance or Chief Executive
- for meeting condition/criterion 4 (late payment but first in two years) - Revenue Manager, General Manager Finance or Chief Executive
- for meeting condition/criterion 6 (backdating remission to prior years) - General Manager Finance or Chief Executive.

Part Two - Addressing Anomalies

Rates Remission of Uniform Annual General Charges and other Uniform Charges on Rating Units

Objective

To enable Council to act fairly and equitably with respect to the imposition of uniform charges on to two or more separate rating units that are contiguous, and used jointly for a single residential or farming use but do not currently meet section 20 of the Local Government (Rating) Act 2002.

Conditions and Criteria

- 1 The Council may remit multiple sets of Uniform Annual General Charges and relevant targeted rates set as a fixed amount per rating unit or Separately Used or Inhabited Part of Rating Unit (SUIP) in the following circumstances:
 - a) Where a ratepayer owns and resides on two separate residential rating units that are contiguous and used jointly as a single residential property;
 - b) Where a farming operation consists of a number of separate Certificates of Title or rating units that are contiguous, the occupier of all rating units is the same and operated jointly as a single farm, but is owned by a number of separate owners. In some case the rating units may have different property categories.
- 2 Properties that have been subdivided for sale are not eligible for remission of Annual General Charges and relevant targeted rates.
- 3 Targeted rates set as a fixed amount for a service actually provided or made available to each separate part of the rating unit, such as water and wastewater rates, shall not be eligible for remission.
- 4 Owners wishing to claim a remission under this scheme may be required to make a written application or declaration using the appropriate application form and to supply such evidence as may be requested to verify that a remission should be granted under this scheme.

Delegation of decision-making

Decisions relating to the remission of rates will be made by the Revenue Manager, General Manager Finance or Chief Executive.

Rates Remission for Community, Sporting and Other Organisations**Objective**

To enable Council to act fairly and equitably with respect to the imposition of rates on land used or occupied by societies or association of persons for organisations that have a strong community focus, but do not currently meet the 100% and 50% non-rateable criteria under Schedule 1 of the Local Government (Rating) Act 2002.

Criteria

- 1 Council may remit all or part of rates to land that is being used or occupied under the following circumstances:
 - a) Land owned or used by a society or association of persons, whether incorporated or not, for the purposes of a public hall, library, museum or other similar institution.
 - b) Land owned or used by a society or association of persons, whether incorporated or not, for games or sports other than galloping races, harness races and greyhound races, and does not meet the 50% non-rateable definition as a club licence under the Sale and Supply of Alcohol Act 2012 is for the time being in force.

- c) Land owned or used by a society or association or persons, whether incorporated or not, the object or principal object of which is to conduct crèches or to conserve the health or well-being of the community or to tend the sick or injured.
- d) Land owned or used by a society or associations of persons, whether incorporated or not for sporting, recreation, or community purposes that does not meet the 100% and 50% non-rateable criteria under Schedule 1 of the Local Government (Rating) Act 2002.

2 In all cases, land that is used for the private pecuniary profit of any members of the society or association shall not be eligible for a rates remission.

Conditions

1 The rates remission for the following uses is:

Land use	Remission
Public halls, libraries, museums	100%
Sports Clubs	50%
Other community groups	50%

2 The remission of rates does not extend to rates set for water supply, wastewater services and (if applicable) refuse services.

Delegation of decision-making

Decisions relating to the remission of rates will be made by the Revenue Manager, General Manager Finance or Chief Executive.

Rates Postponement or Remission for Miscellaneous Purposes

Objective

The objective of this scheme is to enable the Council to postpone or remit rates and/or penalties on rates in circumstances that are not specifically covered by other schemes in the Rates Postponement and Remission Policy, but where the Council considers it appropriate to do so.

Criteria

- 1 The Council may postpone or remit rates and/or penalties on rates on a rating unit where it considers it just and equitable to do so because:
 - a) There are special circumstances in relation to the rating unit, or the incidence of the rates (or a particular rate) assessed for the rating unit, which mean that the unit's rates are disproportionate to those assessed for comparable rating units;
 - b) The circumstances of the rating unit or the ratepayer are comparable to those where a postponement or remission may be granted under the Council's other rates postponement or remission schemes, but are not actually covered by any of those schemes;

- c) There are exceptional circumstances that the Council believes that it is equitable to postpone or remit the rates and/or penalties on rates.

Conditions

- 1 Where the Council and the ratepayer have agreed to postpone rates and/or penalties on rates:
 - a) Applications must be received in writing by Council from the ratepayer.
 - b) Applicants may elect to postpone a lesser amount than the maximum they would be entitled to under the scheme.
 - c) Postponed rates will be registered as a Statutory Land Charge on the Certificate of Title.
 - d) Council will add a postponement fee to the postponed rates for the period between the due date and the date the rates are paid. This fee is to cover Council's administrative and financial costs and may vary from year to year.
 - e) Any postponement is valid for the year in which the application was made.
 - f) Ratepayers will be encouraged to obtain financial and/or legal advice about the rates postponement from an appropriate independent person.
- 2 The Council has the final discretion to decide whether to grant a rates postponement or rates and/or penalties on rates remission under this scheme.

Delegation of decision-making

Decisions relating to the remission of rates and/or penalties on rates will be made by the Chief Executive.

Part Three - Addressing Matters Related to Wastewater Charges

Rates Remission for School Sewerage Charges

Objective

To maintain the intent in providing relief and assistance to educational establishments that are subject to multiple pan charges for wastewater services as defined in the since repealed Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001.

Conditions and Criteria

- 1 This part of the scheme will apply only to educational establishments as defined in the repealed Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001. The scheme does not apply to any schoolhouse, or any part of a school used for residential purposes.
- 2 The calculated number of pans of any educational establishment in any one year subject to the relevant wastewater targeted rate will be the lesser of:
 - a) The **actual** number of toilet pans in the establishment, or

- b) The **notional** number of toilet pans in the establishment. The notional number is calculated as one pan per 20 pupils/staff. A part thereof a notional pan will attract no charge.
- 3 The charging regime to apply to these educational establishments will be the same as for commercial ratepayers with multiple pans. That is a fixed amount per rating unit of the education establishment will apply for the first two pans, with the third or more pans attracting a charge for each pan at 50% of the corresponding fixed amount.

Delegation of decision-making

Decisions relating to the remission of rates will be made by the Revenue Manager, General Manager Finance or Chief Executive.

Part Four - Other schemes

Water Supply Rates Remission for Excessive Water Rates due to a Fault

Objective

The objective of this scheme is to provide relief to ratepayers who have excessive water rates due to a fault (leak) in the internal reticulation serving their rating unit.

Conditions and Criteria

- 1 Definitions:
 - a) Remission means the partial or total write-off of water rates owed to the Council;
 - b) The boundary between the Council maintained water system and the privately maintained water system is taken as being the water meter.
- 2 Council may remit the whole or part of water rates where the application meets the following criteria:
 - a) A remission will only be considered where immediate action to repair or minimise water loss is taken on notification. Any remission will only apply up to the date the ratepayer became aware of or was notified of the leak.
 - b) A remission will not normally be granted where the leak is the result of poor workmanship or incorrect installation.
 - c) All applicants are requested to submit their application in writing, using an 'Excess Water Charges Remission Application Form'.
 - d) Details of the location and the repairs to the reticulation be submitted for verification (e.g. receipt or supplier's invoice) and information supplied showing due diligence in the repair of the leak.
 - e) Any remission under this scheme is a "one-off" and any further remissions for subsequent leaks on the same reticulation supply line may only be granted if the full reticulation system is replaced. Where there are special circumstances which prevent this any remission will only be given at the discretion of the General Manager Finance.

Delegation of decision-making

Unless otherwise specified, decisions relating to the remission of rates will be made by the Revenue Manager, General Manager Finance or Chief Executive.

Early Payment of Current Year Rates Policy

In accordance with section 55 of the Local Government (Rating) Act 2002, which empowers councils to accept early payment of rates, Council will accept payment in full of all rates assessed in the current year on or before the due date for the first instalment of the year. Early payment of rates will attract neither a discount, nor interest on the sum paid.

Early Payment of Rates for Subsequent Years Policy

2.1 Overview and Background

The objective of this policy scheme is to assist ratepayers who want to make payment of specified rates (Wastewater - Mangawhai Capital Contribution targeted rates A, D, E and F) in anticipation of liability for the specified rates in subsequent financial years. This Policy is made under section 56 of the Local Government (Rating) Act 2002. Its effect is to provide ratepayers with the opportunity to extinguish their liability in relation to the Mangawhai Wastewater Capital Contribution sooner than under the long term rating option, and at a discount to the amount payable over time.

This policy is limited to the rates listed under the conditions and criteria. Council will accept payment of other rates for subsequent financial years not listed in the conditions and criteria below. However, early payment of these rates will attract neither a discount, nor interest on the sum paid.

2.2 Conditions and Criteria

- 1 Definition: "specified rates" means any one of the following targeted rates:
 - Wastewater – Mangawhai Capital Contribution A
 - Wastewater – Mangawhai Capital Contribution D
 - Wastewater – Mangawhai Capital Contribution E
 - Wastewater – Mangawhai Capital Contribution F
- 2 As long as a rating unit is subject to one of the specified rates, the ratepayer may, at any time before the due date for the last instalment of rates payable in that financial year, pay an amount calculated in accordance with this Policy to clear the rating unit's liability for the specified rate for all future years.

- 3 The sum to clear the rating unit's liability will equal the original principal amount (excluding GST) applying to that specified rate, less the principal paid (excluding GST), divided by the number of rating units liable for the targeted rate in the financial year (plus GST).
- 4 In the financial years 2018/2019, 2019/2020 and 2020/2021 the amount of the payment to clear a rating unit's liability will be:

Schedule of Wastewater – Mangawhai Capital Contribution Targeted Rates	Liability per unit if paid in 2018/2019 financial year (GST incl)	Liability per unit if paid in 2019/2020 financial year (GST incl)	Liability per unit if paid in 2020/2021 financial year (GST incl)
Wastewater – Mangawhai Capital Contribution A	\$7,884.98	\$7,660.13	\$7,626.56
Wastewater – Mangawhai Capital Contribution D	\$5,429.50	\$5,239.07	\$5,035.33
Wastewater – Mangawhai Capital Contribution E	\$5,946.06	\$5,755.38	\$5,551.38
Wastewater – Mangawhai Capital Contribution F	\$6,481.11	\$6,290.88	\$6,087.35

- 5 Elections must be in writing and addressed to the General Manager Finance or Finance Manager.
- 6 The Council will credit the payment in accordance with the Policy.
- 7 The discount offered by electing to make a payment in accordance with this Policy equals the Council's estimate of the cost of interest (plus GST) over the estimated term of the specified rate.

2.3 Delegation of decision-making

Decisions about applying the discount will be made by the Revenue Manager, General Manager Finance or Chief Executive.

Maori freehold Land Rates Postponement an Remission Policy

1.1 Overview, Background and Objectives

Section 102(2) of the Local Government Act 2002 provides that a Council must adopt a policy on the postponement and remission of rates on Māori freehold land.

This Policy is to ensure the fair and equitable collection of rates occurs from all sectors of the community. It is important to also recognise that Māori freehold land has particular conditions, and ownership structures which may make it appropriate to provide relief from rates.

Specifically this Policy considers the matters set out in schedule 11 of the LGA 2002 and is intended to support the following objectives:

- Recognise matters related to the physical accessibility of the land;
- Facilitate development or use of the land.

This Policy also has an objective to recognise situations where there is no occupier, or person gaining an economic or financial benefit from the land.

1.2 Conditions

1.2.1 Remission for undeveloped and inaccessible Māori Freehold Land

- 1 Council may remit rates penalties and/or current year or arrears of rates on Māori freehold land where the land has been unoccupied for the period which the remission is requested;
- 2 To be eligible for remission no person may, during the course of the year for which the remission is granted:
 - a) lease the land;
 - b) do one or more of the following things on the land, for profit or other benefit:
 - i. reside on the land;
 - ii. de-pasture or maintain livestock on the land;
 - iii. store anything on the land;
 - iv. use the land in any other way.

1.2.2 Remission to facilitate development of Māori Freehold Land

Council may remit the previous years' arrears and penalties provided the person or entity requesting the remission will pay for the annual rates for the current and previous two years and has agreed to contract to Council to keep all future rates paid in full.

1.3 Criteria

Application for land to be granted remission of rates must be made by the owners or trustees, Council or any person(s) who has gained a right to occupy through the Māori Land Courts and is the authorised occupier(s).

- 1 The land is Māori freehold land as defined in the Local Government (Rating) Act 2002.
- 2 Owners or trustees or any authorised occupier(s) must include the following information in their application:
 - a) The details of the property for which the application for remission is being made;
 - b) The objectives (as outlined under Overview, Background and Objectives above) that will be achieved by providing a remission, together with an

explanation as to how the land fits within the objectives;

- c) Documentation that proves the land which is the subject of the application is Māori freehold land, as defined above.

1.4 Delegation of decision-making

Decisions about applying a remission of rates will be made by the General Manager Finance or Chief Executive.

1.5 Rates Postponement

This Policy does not provide for the postponement of the requirement to pay rates.

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Statements of Comparison

Water and Sanitary Services Assessment

Under Part 7 of the Local Government Act 2002, Council is required to undertake an assessment of water services and other sanitary services from time to time. The Water and Sanitary Services Assessment (WSSA) is required to include all areas within the district, both Council serviced and unserved areas. The Assessment satisfies Council's requirement under Schedule 10 of the Local Government Act 2002 which requires Council to explain any variation between proposals in the Long Term Plan and the WSSA. While the WSSA fulfils Council's obligations under the Local Government Act, it will also go some way to performing Council's obligations under section 35 of the Resource Management Act 1991, where Council is required to gather information, monitor and keep records on the environment. The WSSA also supports Council in formulating District Plans and in development forecasting.

The WSSA was undertaken in 2005 and was the result of a qualitative research process that gathered and analysed Council and public documents, and the local knowledge of community members. While Council has records relating to the larger reticulated communities, for the smaller un-served communities in which residents supply their own services, Council may have very little information.

Overall, the Assessment found that Council supplied water and sanitary services adequately and met the present needs of the specific urban communities in which they are located. The services were also capable of being upgraded to meet forecast future demands driven by development or expected changes in use. Residents in rural communities without reticulated water and sanitary services also appeared to be adequately meeting their needs.

In late 2017 Council identified that some residents in the Kaihu and Maungaturoto areas adjacent to Council's raw water supply watermains were inappropriately using the raw water as potable water. These raw water supplies are provided as extraordinary supplies for agricultural purposes i.e. they are not potable water connections. Council is working with affected residents to provide alternative private potable water supplies.

Council will undertake a new Water and Sanitary Services Assessment over the next three years.

1 Key Issues

The key issues identified in the WSSA and the changes since then are summarised below:

Water Supply

Quantity

There were no issues identified with either reticulated or non-reticulated communities in the 2005 WSSA report. The research identified no issues with access to adequate water supplies. They are generally in good condition and have adequate capacity to meet present and forecast future demands, notwithstanding that some communities require new sources of water or modifications to their abstraction resource consents.

In some communities, the Kaipara district has a high level of absentee homeowners and significant summertime transient populations especially on the east coast, namely at Mangawhai. This results in dramatically fluctuating populations and high peak demand periods over the summer months, which requires careful water resource management. Water conservation and demand management is recognised as being increasingly important to ensuring long term sustainable water supplies in the District.

There have been instances of raw water shortage for Dargaville water supply in 2012/2013 (during drought periods). Due to unavailability of easily accessible raw water and cost-benefit analysis, it was decided to manage the raw water shortage by implementing a Drought Management Plan.

Quality

Council's public water supplies are treated in accordance with the New Zealand Drinking Water Standards (NZDWS). All the district water supply systems are filtered, chlorinated, and with the exception of Ruawai, Ultra Violet disinfected. As part of NZDWS, continuous monitoring of various parameters is required. In order to monitor and control water quality, Council has implemented SCADA at the Dargaville and Maungaturoto Water Treatment Plants. Annual water supply pipe renewals are done mainly in Dargaville, Maungaturoto and Ruawai. In 2016 the Council also built a new water treatment plant in Mangawhai. This means that all reticulated supplies in the district are designed and operated to meet the Drinking Water Standards for New Zealand 2005 (revised 2008).

The findings of the Havelock North enquiry may require Council to provide additional monitoring, reporting or some other change in the operation of drinking water schemes especially in catchment management and development and use of Water Safety Plans.

There are many small communities that are not on a public reticulated water supply scheme. These communities, if consuming untreated water from streams and shallow bores, may be at risk of contracting water borne diseases. Water contamination can come from several sources such as farm runoff, excrement from local fauna and septic tank runoff. Contaminants such as cryptosporidium, campylobacter, giardia and e-coli can cause serious illnesses, which can be particularly dangerous for infants, elderly people and those with weak immune systems. In late 2017, when Council became aware that some residents connected to the raw water mains in Kaihu and Maungaturoto were using this extraordinary agricultural supply for human consumption, Council responded to rectify the situation by providing bottled water to residents while taking steps to ensure the property owners provide alternative private potable water supplies.

Wastewater

There are six reticulated wastewater systems operated by Council. Management and maintenance of Council's wastewater systems, including renewals, is undertaken by contractors engaged by Council.

The Council-owned reticulated systems are generally in sound condition and are operating satisfactorily.

Many properties within the Kaipara are used seasonally. Often holiday homes are vacant for the majority of the year and then used very heavily over summer. This can lead to unreasonable strain being placed upon the septic system and can lead to system failure and resulting contamination of the environment. Monitoring of septic tank management is underway by the Health Team of Council.

Council has implemented SCADA system to all its wastewater pumping stations at Dargaville. SCADA helps in monitoring, functioning and operations of pump stations efficiently and ultimately reduction of sewer overflows.

Pipe renewals by relining and open cut have been implemented annually and studies of the system capacities of the wastewater schemes will commence within the first three years of the Long Term Plan 2018/2028.

Stormwater

Council operates five reticulated stormwater systems in the main towns and settlements within the District. Management and maintenance of the Council's stormwater systems is undertaken by contractors engaged under the main Operations and Maintenance Contract.

Dargaville is subject to flooding periodically due to storm events coinciding with high tides in the Northern Wairoa River.

Council is in the process of updating its Stormwater Management Plan for Dargaville. The outcomes of the study will be assessed and improvements will be planned accordingly.

The assessment of the other main towns and settlements within the district has found that overall, the environmental and public health risks of flooding and stormwater contamination are judged as being no more than minor. Mangawhai is currently experiencing growth, and its stormwater infrastructure is under-developed.

In smaller communities there is generally no formal reticulated stormwater systems apart from the drainage associated with the roads. Aside from communities where onsite wastewater systems may pose a contamination risk, the assessment has found that the environmental and public health risks in these communities are judged as being no more than minor.

Cemeteries/Crematoria

Council's cemeteries have adequate capacity for at least the next 10 years; provisions are therefore considered to be satisfactory.

Some deaths occurring in the district are dealt with by either cremation or burial outside the District. Whilst there are no crematoria within Council's area, facilities in Whangarei and Auckland are used and have ample capacity to meet the demands from the Kaipara.

Public Toilets

The existing facilities operated by Council and the Department of Conservation are of adequate quantity and quality, and consequently, it is assessed that public health is adequately protected. A Toilet Strategy needs to be developed over the next three years to identify the future needs of public toilets, particularly in growth areas such as Mangawhai, and also to meet growing demands at some district parks and reserves such as the Taharoa Domain.

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Development of Maori capacity to contribute to decision-making processes

Council recognises its obligations to Maori and continues to look for ways to facilitate Maori input into decision-making.

Council has a Memorandum of Understanding (MOU) with Te Uri o Hau which reflects the relationship between the two parties and formalises the way with the two parties work together on a wide range of issues. This document was renegotiated in 2016 and has the provision for annual reviews. Council has a Mana Enhancing Agreement (MEA) with Te Roroa. This agreement was negotiated over a number of years to reflect the joint aspirations between the two parties and signed in 2018.

Both the MOU and MEA provide for regular funding towards services provided by Te Uri o Hau and Te Roroa which allows for the ongoing development of capacity within these organisations.

Co-governance arrangements are in place for both Taharoa Domain Governance Committee and the Harding Park/Pou Tu Te Rangi Joint Committee.

Kaipara District Council is one of four councils that have formed the Kaipara Moana Working Party to work closely with Ngati Whatua on the future governance arrangements for the Kaipara Harbour once the treaty settlement process has been completed.

Council has an agreed procedure in place to provide for iwi input into resource consent processing as well as ensuring that iwi have the opportunity for input into the Long Term Plan and Annual Plans during the draft Plan consultation process. These are covered in the MOU and MEA.

Council holds regular Tangata Whenua Hui with staff and kuia/ kaumatua from local iwi and hapu attending.

Council remains open to considering further ways of supporting iwi to improve their ability to contribute to decision-making processes that is mutually beneficial to both parties. Internally Council has an Iwi Liaison Officer and a staff Maori Advisory Group.

Asset Management Plans

Council has prepared Asset Management Plans for eight activity areas:

- Northern Area Land Drainage;
- Raupo Land Drainage District;
- Reserves and Open Space;
- The provision of Roads and Footpaths;
- Solid Waste;
- Stormwater;
- Water Supply; and
- Wastewater.

These groups of activities incorporate the delivery of core services that Council provides to the communities. The purpose of these plans is to ensure that Council is prudently managing its assets for the benefit of Kaipara's communities by providing targeted improvements over the longer term. An Asset Management Plan (AMP) describes the assets and details the practices used to manage the assets, including levels of service, demand for additional or different service, maintenance, renewal or replacement of the assets, along with financial requirements of those management practices.

Council proposes to manage and improve these assets through the implementation of its AMPs for each asset type over the 2018/2028 period.

The Provision of Roads and Footpaths Asset Management Plan

The Provision of Roads and Footpaths is the most expensive activity Council undertakes. The purpose of the Provision of Roads and Footpaths Asset Management Plan is to detail in a logical manner, the issues that the transport network will need to meet in the next five to ten years with the next three years in detail, and provides a long term strategic outlook of the transport network until 2048.

The AMP has been created using a business case approach and the guidance provided by the Road Efficiency Group and the One Network Road Classification (ONRC) system. The business case approach consists primarily of two stages; a strategic case which outlines the way we manage assets and details the case for change and what the customers require, and secondly a programme case which assesses the best option to achieve the level of service agreed. The recommended budget in this AMP is built up from an analysis of the cost delivering fit-for-purpose levels of service. Roads will be maintained to a standard which is appropriate to their use, identified using the nationally agreed ONRC. The AMP is a funding plan to both Council and the NZ Transport Agency (NZTA) for managing the transport network. The funding assistance rate (FAR) that Council receives from the NZTA has been confirmed at 61%. This provides the community with sound funding stability.

Water Supply Asset Management Plan

The purpose of the Water Supply Asset Management Plan is to summarise Council's strategic and long term management approach for the provision and maintenance of water supply assets.

The Council operates five community potable water supply schemes:

- Dargaville (including Baylys);
- Glinks Gully;
- Ruawai;
- Maungaturoto; and
- Mangawhai.

The focus of a Water Supply system is to protect public health by providing potable water to the communities with reliable services. The water supply schemes are designed and operated to meet the Drinking Water Standards of New Zealand 2005 (Revised 2008). None of Council's water supply schemes rely on secure aquifers as a water source and so all of the potable water supplied is fully treated and chlorinated.

The focus of the 2018/2028 AMP is to continue with renewals, assess and renew critical assets like large diameter pipes under buildings, capacity studies, and ensuring security of supply for current and future populations.

The AMP provides discussion of the key elements affecting management of Council's Water Supply assets including the legislative framework, links to community outcomes, policies and strategy, the proposed levels of service and performance measures and demand, and environmental and service management. The results of the Havelock North enquiry may trigger legislative changes which require preparedness and Council will respond to any legislative changes as and when they occur.

Stormwater Asset Management Plan

The purpose of the Stormwater Asset Management Plan is to summarise Council's strategic and long term management approach for the provision and maintenance of stormwater assets.

In order to protect people, dwellings, private property and public areas from flooding by managing stormwater, discharges and collecting contaminants in a manner that protects the environment and public health, Council operates five community stormwater schemes:

- Dargaville;
- Baylys;
- Te Kopuru;

- Kaiwaka; and
- Mangawhai.
- The National Policy Statement on Freshwater Management and the Proposed Northland Regional Plan provide stricter guidelines and require more stringent management approaches to stormwater catchments and discharge points in order to protect the environment. Climate change and sea level rise have also been identified in the AMP as issues that need to be investigated.

The AMP provides discussion of the key elements affecting management of Council's stormwater assets including the legislative framework, links to community outcomes, policies and strategy, the proposed levels of service and performance measures and demand, and environmental and service management.

Land Drainage

The purpose of the two Land Drainage Asset Management Plans (Raupo and Northern Area Districts) is to summarise Council's strategic and long term management approach for the provision and maintenance of land drainage assets.

In order to manage the effects of flooding and coastal inundation to mainly rural productive land and the effective drainage thereof, Council works with the local communities and committees.

- The National Policy Statement on Freshwater Management and the Proposed Northland Regional Plan provide stricter guidelines and require more stringent management approaches to drainage catchments and discharge points in order to protect the environment. Climate change and sea level rise have also been identified in the AMP as issues that need to be investigated.

The AMP provide discussion of the key elements affecting management of Council's land drainage assets including the legislative framework, links to community outcomes, policies and strategy, the proposed levels of service and performance measures and demand, and environmental and service management.

Wastewater Asset Management Plan

The purpose of the Wastewater Asset Management Plan is to summarise Council's strategic and long term management approach for the provision and maintenance of wastewater assets.

The Council operates six community wastewater schemes:

- Dargaville;
- Glinks Gully;
- Te Kopuru;

- Maungaturoto;
- Kaiwaka; and
- Mangawhai.

The wastewater systems focus on protecting public and environmental health by collecting and treating wastewater prior to release into receiving environments. The National Policy Statement on Freshwater Management and the Proposed Northland Regional Plan provide stringent approaches to wastewater management and this issue as an example is raised in the Wastewater AMP for 2018/2028. The competing requirements of funding and compliance are apparent especially for smaller schemes within the district.

The AMP provides discussion of the key elements affecting management of Council's wastewater assets including the legislative framework, links to community outcomes, policies and strategy, the proposed levels of service and performance measures and demand, and environmental and service management.

Due to the high growth demands in Mangawhai, the Mangawhai Community Wastewater Scheme is proposed to be extended to provide capacity to service the growth. Options for the future disposal of the treated effluent will also be further investigated and a preferred option identified as the existing land based disposal system has a finite capacity.

Solid Waste Asset Management Plan

The purpose of the Solid Waste Asset Management Plan is to manage the assets prudently. When managing these assets Council must ensure the interests and expectations of stakeholders are considered alongside regulatory compliance requirements. The AMP documents this approach by outlining the asset management processes and practices used to develop optimised lifecycle management strategies.

The scope of the Solid Waste AMP covers the weekly bagged refuse collection, the weekly recycling service, the transfer stations at Dargaville and Hakaru, litter control, management of closed landfills including monitoring, removal of abandoned vehicles and the management of illegally dumped refuse throughout the Kaipara.

The bulk of the costs likely to arise in the 10 year forecast horizon are related to operational costs

Council will investigate options to reduce waste, and to improve recycling across the district.

Reserves and Open Space Asset Management Plan

The purpose of the Reserves and Open Space Asset Management Plan is multiple; it provides discussion of the key elements affecting management of Council's reserves and open space assets, including the legislative framework, links to community outcomes, policies and strategy, the proposed levels of service and performance measures and demand, and environmental and service management.

The Reserves and Open Space Asset Management Plan sets out to:

- demonstrate that asset management strategies support Council's Community Outcomes;
- outline how Council will meet its legal and regulatory obligations;
- provide a long term view on sustainable and cost effective management of reserves and open space demands;
- ensure that the Reserves and Open Space activity and facilities are managed in a cost effective and sustainable manner;
- provide financial forecasts and projections to meet Council's long term management approach for the reserves and open space assets; and
- summarise in one place Council's strategic and long term management approach for the provision and maintenance of its reserves and open space asset.

Council's Reserves and Open Space Strategy will be reviewed in consultation with the community.