



# KAWERAU DISTRICT COUNCIL

## Long Term Plan 2012-2022

Incorporating the Annual Plan 2012/2013





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# OVERVIEW





# Introduction from the Mayor and CEO



## ***Welcome to Council's Long Term Plan for 2012-2022***

This is essentially a 'business as usual' plan with a continuing focus on economic and community development initiatives intended to create an environment which encourages job creation and growth in our District. Council's goal is to continue providing high levels of service in the range of infrastructure and community services we have traditionally provided.

The issue of affordability permeates the plan. Council has achieved an average rates increase over the 10 year period of 3.5 percent, while continuing to provide current levels of service. We consider this achieves a good balance. As part of the consultative procedure for the draft plan, Council consulted with the Community about five key proposals. The decisions about those proposals are outlined below.

### **1. Developing the swimming pool complex**

Council's preferred option to develop the swimming pool complex is to install a 'splash pad' wet play area for young children, build an additional pool of 50 metres with a deep end for diving, and upgrade the changing facilities. In the latter part of 2012, Council will engage with interested parties to determine community needs, analyse current usage and investigate the effects of extending pool opening hours and introducing user charges. The information will be used to

develop a comprehensive proposal, including a detailed concept plan and costings, which Council will bring back to the Community for consultation. In the first 12 months of the Long Term Plan, the only cost to ratepayers will be developing the proposal.

### **2. Changes to general rates**

Council reviews its rating policies every year as part of developing the annual plan. For the 2012/13 financial year, Council has made two changes to the General Rate. The General Rate is comprised of a uniform annual general charge (UAGC) plus a differential rate based on the capital value of the property. The changes are:

#### **a) Increased Uniform Annual General Charge**

Council has decided to increase the charge from \$140 to \$300. The Local Government (Rating) Act 2002 permits Councils to charge up to a maximum of 30 percent of total rates as uniform charges. The increase means that for 2012/13, approximately 15 percent of the total rates levied by this Council will be uniform charges.

#### **b) New method to calculate Differential General Rate**

Previously, the UAGC has been deducted from the General Rate and the balance then split at a ratio of 55:45 between commercial/industrial and residential properties. For the 2012/13 year, Council has decided to calculate the amount of the



Differential General Rate for each property inclusive of the UAGC. The change means that there will be a true 55:45 split between commercial/industrial and residential properties. Council sees this as being more equitable.

### **3. Increased rates remission for high value property**

The 'rating cap' applies to the 14 or so residential properties in Kawerau with the highest capital value. Since the policy was first adopted in 2005/06, Council has increased the amount of the cap each year by the same percentage as the overall rate increase.

For the 2012/2013 year, the cap has been increased from \$3,040 to \$3,100. This is an increase of two percent, the same as the increase to rates for the average residential Kawerau property (CV: \$130,000).

### **4. Rates remission for farm properties**

For the purpose of rating, farming property in the Kawerau District is categorised as residential property. There are currently two farms located inside the District. Council has compared the rates charges of these properties with amounts charged for similar farming property by other local authorities in the BOP region. It concluded that it is reasonable to provide a rate remission to these two properties.

In 2011/12, the level of remission was 25 percent of the rates charges for one of the properties and a fixed amount of \$10,850.00 for the other. For 2012/2013, Council has decided to provide a 65 percent rate remission for both properties.

### **5. Significance policy**

Every local authority is required under the Local Government Act to adopt a significance policy. The policy must include a list of the 'strategic' assets which are necessary for the authority to maintain its capacity to achieve or promote any community outcome.

When Council began funding for depreciation some years ago, it decided to fund only those assets which would be replaced with 'like for like'.



Malcolm Campbell  
**MAYOR**

A significance policy listing 10 Council-owned buildings and facilities as strategic assets, not all of which were funded for depreciation, was later adopted. The additional assets were not funded for depreciation because Council had assessed that it could achieve its outcomes without them. Funding depreciation on all the assets would be a cost to ratepayers. Council has therefore decided to return to the original list of strategic assets.

## **Local Government Reform**

The Local Government Act 2002 Amendment Bill had its first reading in Parliament just prior to the adoption of this plan. The Minister of Local Government has advised that a second stage of reforms will take place in 2013. Any changes required to our long term plan will be considered at an appropriate time, once the implications of the changes have been fully considered.

## **Statement of responsibility**

The forecast financial statements are prepared on the basis of best-estimate assumptions as to future events which the Council expects to take place as at 26 June 2012. Council is responsible for the prospective financial statements presented, including appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

## **Estimates**

Opening balances in the balance sheet are based on Council's position as at 30 June 2011 and adjusted for anticipated movements included in the Annual Plan 2011/12, as well as revised budget projections.

## **Cautionary note**

The forecast financial statements are prospective financial information. Actual results are likely to vary from the information presented and the variations may be material.

## **Authorisation for issue**

This document was adopted and authorised for issue by Council and is dated 26 June 2012.



Russell George  
**CHIEF EXECUTIVE OFFICER**



# Financial Strategy

## Introduction

Council has prepared this long term plan on the basis that it needs to be financially sustainable, while meeting the needs of residents.

## Population Change

At the last Census in 2006, the Kawerau District population was 6921. This represented a decline of around 1.2 percent per annum over the previous 10 years, a trend which Statistics NZ predicted would continue so that by 2021, the District would have lost a further 620 people. In June 2011 however, the agency estimated that the population had grown to 6940.

Kawerau has a growing number of older people and a high proportion of young people when compared to New Zealand as a whole. At the 2006 Census, 12.4 percent of the population was aged 65 and over. This represented an increase of over six percent since 1996.

At the other end of the age spectrum, 28.2 percent of the people in Kawerau were aged under 15 years in 2006, almost seven percent higher than the New Zealand average.

The unemployment rate in Kawerau was over 13 percent in 2006 and 19 percent for the more than 60 percent of the population which was Māori. Anecdotal evidence indicates that by late 2011 the proportion of people receiving Work and Income benefits in Kawerau had reached almost 25 percent.<sup>1</sup>

Council has based its financial strategy on these figures and projections, but is attempting to reverse the trends with economic development interventions aimed at stimulating industrial development and employment opportunities in the District and by advocating for high quality local education and training, able to skill local workers for jobs in local industry.

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<sup>1</sup>Ministry of Social Development benefit numbers (unemployment, sickness, invalid and domestic purposes).

## Planned Changes in Land Use

In 2010 approximately 171 hectares of land belonging to the Putauaki Trust was transferred from the Whakatane District to the Kawerau District. The land is currently zoned rural and is used for grazing sheep and beef cattle.

Council intends to rezone 113 hectares of this land to industrial zone and the remaining 58 hectares will be rural lifestyle.

This land is being rezoned because there is very little industrial land available and it is anticipated there will be a demand for the land at least in the medium term. Also Council is partnering with other organisations to promote Kawerau as being a good place to have a business as it has plenty of natural resources.

It is not anticipated that there will be any other significant changes in land use in the next ten years.

## Prudent Financial Management – Balanced Budget Requirement

Council is required under the Local Government Act to ensure that each year's projected operating revenues are set at a level to meet each year's operating costs. However, Council can set projected operating revenue at a different level if it believes it is financially prudent to do so.

Council is further required to manage its revenues, expenses, assets, liabilities, investments and general dealings in a prudent manner that promotes the current and future interests of our Community.

In assessing a financially prudent position, consideration is given to:

- The estimated expenses of maintaining the predicted levels of service contained in the long term plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful lives
- The projected revenue available to fund the estimated expenses associated with delivering services and maintaining the service capacity of assets throughout their useful lives.
- The equitable funding for the provision and maintenance of assets throughout their useful lives.

## Council's Funding and Financial Policies

### *Non funding of depreciation for specific assets*

In 1998/99 Council decided, following consultation with the Community, that it would not fund depreciation on non-critical assets if there was no intention for them to be replaced in their current form. The specific assets that are unlikely to be replaced in their present form include the: Swimming Pool, Town Hall, Concert Chamber, Library/Museum, District Office, Tarawera Park Amenity Building, Recreation Centre, Depot and Pensioner Housing.

These buildings remain non-strategic and in addition, the level of utilisation in many cases is significantly below total availability. As a result, it is unlikely that they would be replaced directly in their present form. Also, their replacement may be by rented accommodation or by buildings funded by way of loans. Some assets may be built with the support of third party funding.

Council has by resolution again confirmed the decision made in 1998/99 to continue this policy of not funding non-critical and non-strategic assets as Council believes the reasons for doing so remain unchanged and that this policy is appropriate for the Kawerau District.

The advantage of not funding depreciation on these buildings is that the Community is not funding depreciation on assets that are unlikely to be replaced with buildings of equivalent value.

At the same time as making decisions about non-strategic buildings, Council also resolved that depreciation would not be fully funded for roads which attract New Zealand Transport Agency subsidies.

The benefit of not funding the portion of depreciation where Council expects Land Transport NZ subsidies on asset renewals is that ratepayers are not funding depreciation which is unlikely to be required in the future.

The risk is that subsidy rates could decrease significantly. Council believes that the risk is low and that if the subsidy did decrease, it would look at alternative funding options such as rating and loans.

The estimated amount of non-funded depreciation on the assets is:

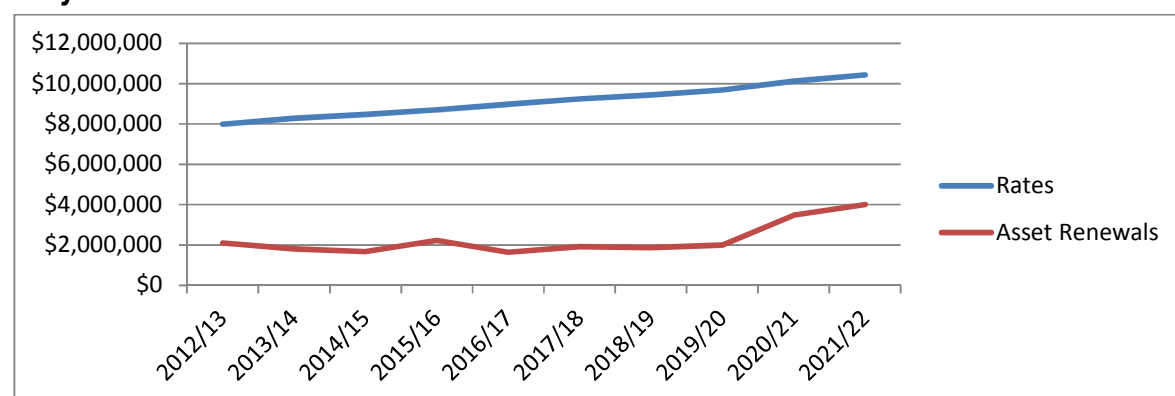
<b>Assets</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
Roads	\$264,150	\$264,150	\$264,150	\$290,760	\$290,760
Stormwater	\$144,020	\$141,860	\$137,440	\$151,330	\$151,330
Buildings	\$180,610	\$180,610	\$180,600	\$198,080	\$198,060
<b>Total</b>	<b>\$588,780</b>	<b>\$586,620</b>	<b>\$582,190</b>	<b>\$640,170</b>	<b>\$640,150</b>
<b>Assets</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
Roads	\$290,760	\$319,810	\$319,810	\$319,810	\$354,970
Stormwater	\$151,330	\$166,450	\$166,450	\$166,450	\$184,740
Buildings	\$198,070	\$216,440	\$216,440	\$216,440	\$238,300
<b>Total</b>	<b>\$640,160</b>	<b>\$702,700</b>	<b>\$702,700</b>	<b>\$702,700</b>	<b>\$778,010</b>

The estimated lives of the non-critical assets are:

Building	Year Built	Gross Replacement Cost 2010 (\$)	Expected Life	End of Life
District Office	1960	917,200	75	2035
Town Hall	1960	2,210,200	75	2035
Concert Chamber	1953	689,800	75	2035
Library/Museum	1953-2008	736,200	75	2028-2081
Tarawera Park Amenity Building	1985	458,800	75	2060
Recreation Centre	1969- 1999	3,745,500	75	2044-2074
Swimming Pool	1957-2006	984,700	50-75	2007-2075
Depot	1955-1980	1,366,800	35-50	1990-2030
Pensioner Housing/BH Hall	1965-1984	1,887,800	50-75	2015-2059
Dog pound	1998-2006	188,000	75	2070
Sexton Shed	1990	57,600	75	2065
Toilet Blocks – various	1975-1985	192,500	50	2025-35
Netball/Tennis Pavilion	1970	642,000	75	2045
Cricket/Athletics Pavilion	1976	304,100	75	2051
Landfill/Recycling buildings	1975-2006	339,500	50	2025-56
Information Centre	1956-2000	319,600	75	2031

The graph below shows the trend for rate and asset renewal expenditure which are the key financial aspects of this plan. Inflationary figures have been provided by BERL – see significant forecast, which are included in all figures in the Plan.

### ***Projected Rates and Asset Renewals 2012 – 2022***



Council is forecasting that its operating expenditure will increase from \$9,783,240 to \$12,813,000 between 2012 and June 2022. These increases are as a result of:

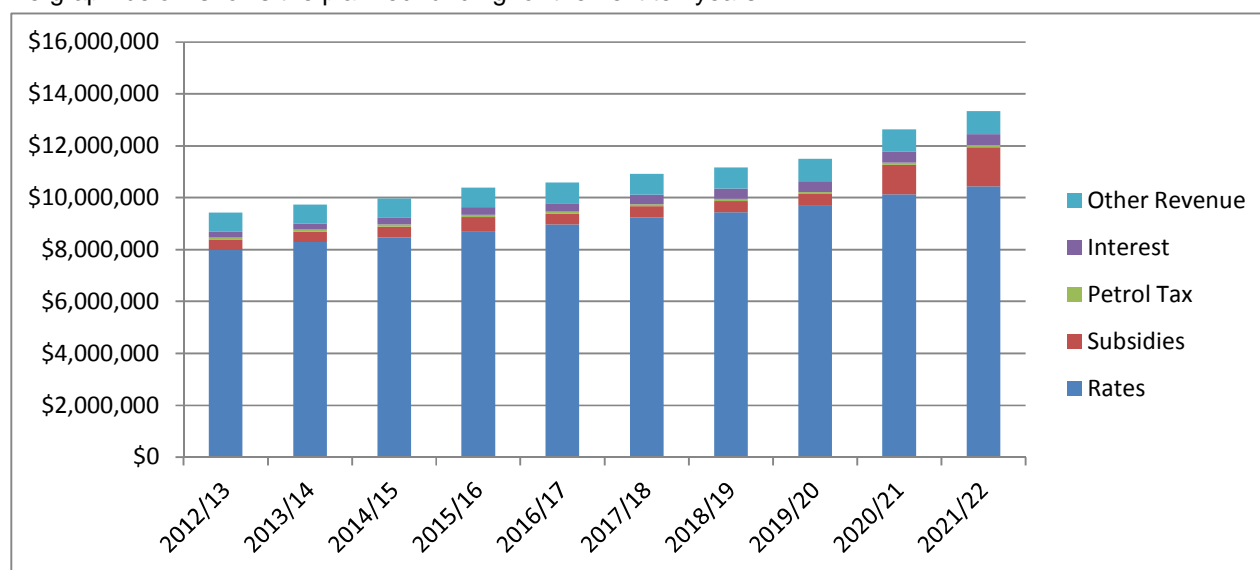
**Price increases** – inflation and the factors that influence it will mean that it costs more to do business.

**Depreciation and interest payments** – the increased capital expenditure programme means corresponding increases in costs in these areas.

Council is comfortable that any changes made as a consequence of the consultation process will not disadvantage ratepayers, nor exceed the limits stated in this strategy.

Council has adopted strategies to ensure that over the period of this plan, it continues to be financially sustainable.

The graph below shows the planned funding for the next ten years.



## Rates and Rates Increase

The plan shows a rates increase of 7.1% for 2012/13 and between 2.2% and 4.4% for each of the next nine years. Given the current economic environment and the financial pressures our community is facing, Council has endeavoured to keep the rates increase over the period of this plan to the underlying rate of inflation applied to Council costs. The reason the rate increase is higher for 2012/13 than the subsequent years is principally because Council no longer has surpluses to reduce the rate increase (\$300,000 was used to reduce the rate increase for 2011/12).

Council charges the general rate to every rateable property and a Uniform Annual General Charge (UAGC) for every separately used or inhabited part of a property.

There is a different general rate charge for residential and commercial properties which recognises the different levels of services provided to these categories of property. Council also charges targeted rates for the following services:

- Water supply
- Waste water disposal
- Refuse collection

All properties in the Kawerau district are revalued every three years. The last revaluation of the district was completed in September 2009, and the next revaluation will be undertaken in 2012.

Council will undertake a comprehensive review of its rating policy following the next revaluation of the district to ensure that the rates charged to individual properties are fair and reasonable.

## What is a Reasonable Level of Rates?

In setting rates at the appropriate level Council must balance what is affordable for both Council and the community. This is a delicate balancing act which needs to take account of the services that Council delivers and whether the current or future ratepayers should pay for them. This is sometimes referred to as intergenerational equity. This is particularly important for Council given that many of its assets have long service lives and the benefits that these assets provide are over a long period of time.

In assessing the appropriate funding level Council has to consider the following:

- Have we set revenues at a level to cover all our expenses?
- Have we set our revenue at a level so that we can afford an ongoing asset renewal and replacement programme?
- Are the rates and fees affordable for residents?
- Have we considered the needs of current and future ratepayers?
- Overall have we balanced our budget?

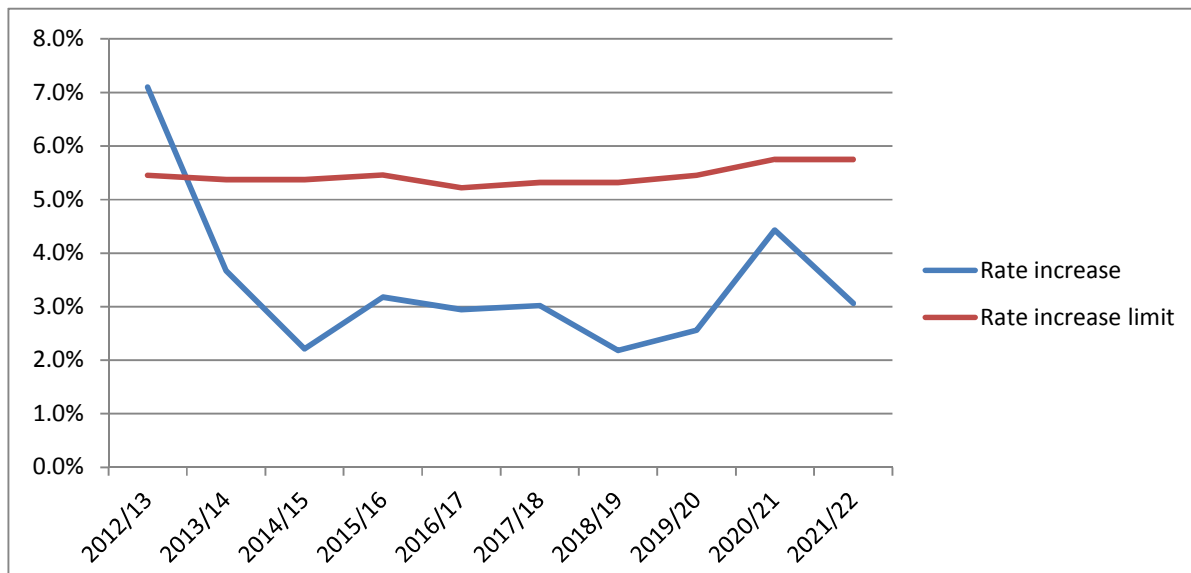
After taking the above factors into consideration, the proposed rate increases for 2012 - 2022 range from 2.2% to 7.1% per annum.

Council has set the following limits on rates for the period of the long term plan:

- Total rates charged in any one year will not exceed \$11.0 million.
- Total rates will not exceed 88% of total budgeted revenue.
- The total rate increase in any one year will not exceed the underlying average rate of inflation (for Council costs) plus 2%.

NB: Council will exceed the third limit for 2012/13 as a result of using surpluses for the previous year.

### Rate increases and rate increase limit (%)



## Debt and Issuing Securities

As at 30 June 2012 Council has virtually no external debt. It does have internal loans funded from depreciation reserves which total approximately \$0.9 million. Internal loans are when Council uses the surplus funds in the Depreciation Reserves to fund capital projects (e.g. renovating the library building). The activity will then have included in the budget each year an amount for interest and also a portion of the principal for repayment.

The interest rate for internal loans is set annually based on current interest rates for investment. The advantage to Council of using internal loans is that it saves the margin between the cost of borrowing and the return on money invested.

Council does not anticipate it will need to raise any loans for the period of this long term plan. Therefore Council is proposing to have no external loans. As Council is not raising any external loans it does not need to issue any securities.

## Financial and Equity Security Investments

It is anticipated that Council will have financial investments totalling approximately \$5.0 million (including short term deposits) at 30 June 2012.

These funds are mostly depreciation reserves which will be used to fund the programmed renewal of Council's assets. These assets are critical to enabling Council to continue to provide current levels of service. The interest earned on the invested depreciation reserves are credited to each respective reserve account, so that sufficient funds are available when the assets require renewing.

Council also invests surplus general funds at various times throughout the year. The interest earned from the investment of general funds is used to reduce the amount required from rates.

Council has budgeted to earn \$224,490 in interest for 2012/13, and approximately 10% of this amount will be interest on general funds. Council's financial investments are invested in accordance with Council's investment policy which lists where Council can invest funds and limits the amount that can be invested in a single institution. The anticipated average return is 4.5% per annum.

Council also holds equity securities in Civic Assurance (31,161 shares) and BOPLASS Ltd (1,000 shares). Council holds shares in these organisations to participate in the operation and to secure the benefits of being a shareholder.

## Asset Renewals

Council currently has fixed assets worth \$57.2 million and during the next 10 year Council is planning to undertake renewals of \$22.8 million. For each asset category, an asset management plan is in place. Asset management plans are the key planning tool for the maintenance and future renewals to meet current levels of service. They also inform how planned expenditure will be paid.

Council has developed the asset renewal programme assuming that all projects will be completed in the year identified in the Plan. However, due to a number of factors there can be delays in the renewal of assets. Renewals that are delayed in one year of the Plan will be completed in the following years.

Renewals of assets are generally funded from depreciation reserves and have been set at a level to ensure that renewals can be funded from this source. This is an important intergenerational issue as the current and future ratepayers benefit from the asset use and are paying the appropriate contribution towards the cost of renewing the asset.

Most transport renewal expenditure receives a New Zealand Transport Agency subsidy of between 63 per cent and 67 per cent. Council does not anticipate there will be any growth in the district for the next 10 years. Subsequently there are no capital projects budgeted to provide increased levels of service or cater for growth.

Council has asset management plans for roading, water supply, stormwater, wastewater, and community facilities and property. Robust condition assessments have been conducted for roading, and water supply and at the time of writing, had not been completed for stormwater and wastewater. The current deterioration model is based on best practice from the International Infrastructure Management Manual 2011. Provision has been made in the budget for the remaining condition assessments to be completed by 2014.

### Asset Renewal Expenditure by Activity Group

Year	2012/13 \$	2013/14 \$	2014/15 \$	2015/16 \$	2016/17 \$	2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$
Democracy	0	0	0	0	0	0	0	0	0	0
Economic Development	9,770	0	0	1,750	0	12,110	0	0	0	0
Environmental Services	0	2,200	4,530	9,330	0	2,470	0	0	2,700	0
Roading	431,020	419,250	456,950	729,510	490,380	523,690	518,270	546,600	1,599,420	575,280
Stormwater	60,000	63,800	65,000	0	0	0	0	0	0	1,631,000
Water Supply	615,850	837,980	666,730	683,320	721,140	744,070	812,340	935,580	922,150	994,510
Wastewater	62,300	69,700	85,500	137,500	32,600	76,200	108,400	49,500	375,100	264,300
Solid Waste	19,000	0	0	0	0	0	3,180	0	0	0
Leisure & Recreation	600,870	138,960	167,330	283,710	164,690	268,400	149,790	140,380	132,120	120,300
Non-Significant Activities	386,700	277,680	228,580	386,640	224,760	282,510	283,780	327,310	439,980	413,650
<b>Total Asset Renewals</b>	<b>2,185,510</b>	<b>1,809,570</b>	<b>1,674,620</b>	<b>2,231,760</b>	<b>1,633,570</b>	<b>1,909,450</b>	<b>1,875,760</b>	<b>1,999,370</b>	<b>3,471,470</b>	<b>3,999,040</b>

## Operating Expenditure

Operating expenditure covers Council's day-to-day operations and services, from collecting rubbish and providing street lighting to maintaining gardens and issuing building consents.

The majority of the operating expenditure is spent on transport followed by parks, wastewater and water.

The table below splits out the rates funding for the major activity areas for the 2012/13 year, for the average residential ratepayer.

### Contribution to activity costs by average residential ratepayer (CV \$130,000)

#### Rates 2012/13

Rates Charged	\$
UAGC	300.00
General Rate	1033.37
Water Supply	61.69
Wastewater Charge	186.34
Refuse	166.49
<b>Total</b>	<b>\$1,747.89</b>

### Contribution to cost of Council Activities

Activity Group	\$
Democracy	81.22
Economic Development	96.25
Environmental Services	117.51
Roading	170.14
Stormwater	12.95
Water Supply	213.68
Wastewater	326.46
Solid Waste	272.24
Leisure & Recreation	457.44
<b>Total</b>	<b>\$1,747.89</b>

## Changes from 2009-2019

There are no significant changes to this long term plan when compared to the plan for 2009/19. Council has made those changes that are required following the enactment of the Local Government Amendment Act 2010. It has also reviewed its major policies and rating policy which can be seen in this Plan.



# Balancing the Budget

Council is required under the Local Government Act to manage its revenues, expenses, assets, liabilities, investments and general dealings in manner that is prudent and which promotes the current and future interests of our Community.

Council is further required to ensure that its projected operating revenues each year are set at a level to meet the year's operating costs. However, Council may set projected operating revenues at a different level if it believes that doing so is financially prudent.

In assessing a financially prudent position, Council gives consideration to:

- The estimated cost of maintaining planned levels of service, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful lives
- The projected revenue available to fund the estimated expenses associated with delivering services and maintaining the service capacity of assets throughout their useful lives
- The equitable funding for the provision and maintenance of assets throughout their useful lives
- Council's funding and financial policies

Council has not set its operating revenue at a level that meets the operating costs for the period of the Long Term Plan 2012/2022. The reason operating revenue does not meet operating costs is because in 1998/99 Council decided not to fund depreciation on certain assets. Council resolved

that depreciation would not be fully funded for roads subject to New Zealand Transport Agency subsidies and for buildings and facilities assessed as being individually non-critical, as these are unlikely to be replaced in their present form if destroyed. The non-critical assets included the Swimming Pool Complex, Town Hall, Concert Chamber, Library/Museum, District Office, Tarawera Park Amenity Building, Ron Hardie Recreation Centre, Council Depot and pensioner housing.

Council has again confirmed this decision. Council believes the reasons for the policy remain unchanged and that it is appropriate for the Kawerau District. The non-critical assets remain non-critical. Because of excess capacity the level of utilisation in many cases is significantly below total availability. Replacement could be by rented accommodation, by third party contribution or funded by way of loans.

The advantage of not funding depreciation on non-critical buildings is that the Community is not funding depreciation on assets that are unlikely to be replaced with buildings of equivalent value. The benefits of not funding the portion of depreciation where Council expects Land Transport NZ subsidies on asset renewals, is that ratepayers are not funding depreciation that it believes is unlikely to be required in the future. There is a risk that the subsidy rate could decrease below the rate identified in this Plan, however Council believes that the risk is low and that it could look at alternative funding options such as rating and loans if this were to occur.

The estimated amount of non-funded depreciation on assets subject to this policy is set out below.

Asset	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Roading and Stormwater	\$408,170	\$406,010	\$401,590	\$442,090	\$442,090	\$442,090	\$486,260	\$486,260	\$486,260	\$539,710
Buildings	\$180,610	\$180,610	\$180,600	\$198,080	\$198,060	\$198,070	\$216,440	\$216,440	\$216,440	\$238,300
<b>Total</b>	<b>\$588,780</b>	<b>\$586,620</b>	<b>\$582,190</b>	<b>\$640,170</b>	<b>\$640,150</b>	<b>\$640,160</b>	<b>\$702,700</b>	<b>\$702,700</b>	<b>\$702,700</b>	<b>\$778,010</b>

The estimated lives of non-critical assets are set out below.

Building	Year Built	Gross Replacement Cost 2010 \$	Expected Life (years)	End of Life (year)
District Office	1960	917,200	75	2035
Town Hall	1960	2,210,200	75	2035
Concert Chamber	1953	689,800	75	2035
Library/Museum	1953-2006	736,200	75	2028 -2081
Tarawera Park Amenity Building	1985	458,800	75	2060
Recreation Centre	1969-1999	3,745,500	75	2044-2074
Swimming Pool	1957-2006	984,700	50-75	2007-2075
Depot	1955-1980	1,366,800	35-50	1990-2030
Pensioner Housing/BH Hall	1965-1984	1,887,800	50-75	2015-2059
Dog pound	1989-2006	188,000	75	2070
Sexton Shed	1990	57,600	75	2065
Toilet Blocks – various	1975-1985	192,500	50	2025-2035
Netball/Tennis Pavilion	1970	642,000	75	2045
Cricket/Athletics Pavilion	1976	304,100	75	2051
Landfill/Recycling buildings	1975-2006	339,500	50	2025-2056
Information Centre/Toilets	1956-2000	319,600	75	2031

Council believes it is acting prudently and in the interests of the Community by not funding for the replacement of these assets.



# Rates Charges



## Rates for 2012/13

Annual Plan 2011/12	Rates (includes GST)	Long Term Plan 2012/13
\$	<b>General Rates</b>	\$
140.00	Uniform Annual General Charge	300.00
	(Charged per separately used or inhabited part of a rating unit)	
408,520	Total revenue from UAGC	811,800
.008986	Residential Rates (per dollar of capital value)	.007949
3,224,661	Total revenue from residential rates	2,857,620
.015440	Commercial/Industrial Rates (per dollar of capital value)	.017399
3,898,474	Total rates from commercial/industrial rates	4,384,570
	<b>Targeted Rates</b>	
61.28	Water Rate (per connected property)	61.69
174.30	Wastewater Rate (per connected property)	186.34
164.12	Refuse Collection (per serviced property) 60L bin	166.49
224.12	Refuse Collection (per serviced property) 120L bin	226.49
0.138	Water by meter (per m <sup>3</sup> )	0.139
3,040	<b>Residential Rate Cap</b>	3,100
	<b>Capital Value</b>	
358,852,830	Residential Capital Value	359,509,000
252,494,000	Commercial/Industrial Capital Value	252,000,000
<b>\$611,346,830</b>	<b>Total Capital Value</b>	<b>\$611,509,000</b>

## Rates for Example Properties 2012/13

The following table showing the impact of the 7.1% total rate increase and also the changes to Councils' rating policy, for some example properties:

Capital Value \$	Rates 2011/12 \$	Rates 2012/13 \$	Increase in Rates \$	Increase in Rates %	Cost per week 2011/12 \$	Cost per week 2012/13 \$
<b>Residential:</b>						
32,000	827	969	142	17.20%	16	19
100,000	1,438	1,509	71	4.92%	28	29
130,000	1,707	1,748	41	2.40%	33	34
150,000	1,888	1,907	19	1.00%	36	37
175,000	2,112	2,106	- 6	-0.28%	41	40
200,000	2,337	2,304	- 33	-1.41%	45	44
225,000	2,562	2,503	- 59	-2.30%	49	48
250,000	2,786	2,702	- 84	-3.02%	54	52
275,000	3,011	2,900	- 111	-3.69%	58	56
300,000	3,040	3,099	59	1.94%	58	60
<b>Commercial:</b>						
155,000	2,769	3,245	476	17.19%	53	62
340,000	5,625	6,464	839	14.91%	107	124
800,000	12,728	14,467	1,740	13.67%	244	278
1,650,000	25,852	29,195	3,405	13.17%	496	561
17,400,000	269,032	303,291	34,259	12.73%	5,173	5,845
32,800,000	506,808	571,235	64,428	12.71%	9,745	10,985
130,000,000	2,007,576	2,262,418	254,842	12.69%	38,606	43,508

## Rates and Service Fees

		(\$)
Residential	(c)	0.007949
Commercial	(c)	0.017399
Water Supply Rate	(e)	61.69
Wastewater Disposal Rate	(f)	186.34
Refuse Collection Rate (small)	(g)	166.49
Refuse Collection Rate (large)	(g)	226.49



## How much will my Rates be for 2012/13?

### Rates Calculator

(\$)

Write in your Capital Value here (available from your last rate instalment invoice or by going to [www.kaweraudc.govt.nz](http://www.kaweraudc.govt.nz) and accessing 'Your Property')

.....

Uniform Annual General charge	(b)	300.00
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Rating factor from Rates and Service Fees table (Residential or Commercial)

.....

Multiply the annual value by the rating factor	(d)=(a)x(c)	.....
--	-------------	-------

Water Supply Rate	(e)	.....
-------------------	-----	-------

Wastewater Disposal Rate	(f)	.....
--------------------------	-----	-------

Annual Refuse Collection Rate (small or large)	(g)	.....
--	-----	-------

Add all the different rate types together (this is the total projected rates for your property)

(h)=(b)+(d)+(e)+(f)+(g)

\$ .....

NB: If your property has separately used parts you will need to add additional UAGC (d), Water supply (e), Wastewater (f) and Refuse Collection (g) charges for each separately used part.





# WHO WE ARE







# The District of Kawerau

The Kawerau area is thought to have been first settled by Māori people soon after the first waka migration from Hawaiiki in 1350AD. The original inhabitants were known as Te-Tini-O-Kawerau tribe. Tuwharetoa was born in the area and the early people of Kawerau formed the Tuwharetoa tribe. There was intermarriage with Ngāti Awa to the east and Te Arawa to the west. Over time the rohe of Tuwharetoa was defined with the Tarawera River to the east, with Matata as the seaboard. The territory extended along the coast to Otamarakau and then roughly to the south east, skirting Lake Rotoma to where the town of Kawerau now stands.

Large scale planting of radiata pine on the Kaingaroa Plains was started by the NZ Forest Service in the 1920s and increased with the use of unemployed men during the Great Depression of the 1930s. The Kaingaroa Forest became the world's largest manmade forest and by the late 1940s, trees were nearing maturity. The Government wanted to use the wood to establish a pulp and paper industry. It planned to build an integrated mill at Murupara which would manufacture pulp, newsprint and sawn timber.

In 1951 the Government called for worldwide tenders for the use of 20 million cubic feet of softwood timber. The only tender received was from the Fletcher group of companies of New Zealand. The Government accepted the tender and together with the Fletcher group formed the Tasman Pulp & Paper Company Limited as a joint venture. By this time it had been decided to build the mill at Onepu, near the Tarawera River. A town of 3500 people was planned nearby. By October 1953 the first house was completed. The name 'Kawerau' was chosen for the new town as the result of a competition. A town would also be constructed at Murupara to house the loggers and other workers who would supply the Kawerau mills with timber from the Kaingaroa Forest.

Early in 1953 the Government offered the Whakatane County Council a role in the administration of Kawerau. The County Council declined the offer and suggested that the town should be totally independent of the County. The Kawerau Borough was officially created on 31 March 1954 by Order in Council. The Borough had a population of 2740 people. An area of 1330 acres was taken out of the territory of the Whakatane County, to which a further 388 acres was added in 1956. Local government control of Kawerau was

exercised by a Town Commissioner. The Minister of Internal Affairs advised the appointment of Mr Francis Prideaux, CBE, ED, to the role by a notice in The New Zealand Gazette in April 1954. Mr Prideaux was also the Town Commissioner of Murupara.

In November 1955 Mr Prideaux appointed an Advisory Committee of five Kawerau residents to help in the town's administration. After an initial term of two years an election was held and the same five members were returned. At the next elections in 1959 Mr Prideaux stepped down as Town Commissioner and was replaced by Kawerau's first elected Mayor, Mr CB Boyce. For the following nine years Kawerau was governed by an elected Mayor and five elected Commissioners plus a further three Commissioners appointed by the Tasman Company. From 1968 the Board of Commissioners structure became a full Borough Council comprising an elected Mayor and ten elected Councillors. The second Mayor of Kawerau, Mr Roy Stoneham, was elected to the position in 1965, returned in 1968 and remained in office until he passed away in 1983.

The period of Mr Stoneham's Mayoralty coincided with an era of sustained growth in Kawerau. At the 1966 Census the population was 5845. It grew to 6687 in 1971 and increased by a further 1900 people in the following 10 years. The Borough had to expand in size to accommodate the growing population. An additional area of 462 acres was added in 1970. The Local Government Commission rejected a further approach in 1974 on the basis that it would make no more piecemeal adjustments. Council was required to submit a plan to accommodate projected growth over the next two decades. The outcome was the gazetting in 1976 of a further boundary adjustment: this time of 1251 hectares. This brought the area of the Kawerau Borough to the size of 2174 hectares.

After Mr Stoneham passed away in 1983, the other members of Council unanimously invited Ron Hardie to accept the office of Mayor for the remainder of the term. Mr Hardie was returned as Mayor at the elections in October of that year. Mr Hardie stood down at the 1986 elections and Lyn Hartley, who had been Deputy Mayor since 1980, was elected Mayor. For the first time in 1986 the Census showed a drop in the Borough's population.

From its peak of 8595 in the 1981 Census, the population had fallen to 8310 people.

The enactment of new local government legislation which included the reconstitution of counties and boroughs into districts and cities underpinned a process of nationwide council restructuring by the Local Government Commission during 1988/89. Many small councils were forced to amalgamate into bigger units of local government and initial indications from the Commission were that Kawerau was likely to be integrated into the Whakatane District. Kawerau people were intent on remaining independent and Council was able to satisfy the Commission's efficiency, service delivery and community of interest criteria to retain independence. From 1 April 1989, the Kawerau Borough became the Kawerau District.

The late 1980s was also the beginning of a sustained period of restructuring and retrenchment at the Kawerau mills. The changes affected both the number and demographic character of people living in the District.

As job numbers were reduced and a number of redundant workers moved away, some of the people still working in Kawerau also started moving out of the town to nearby lifestyle properties, coastal townships and bigger centres. By the 1996 Census the Kawerau population had fallen to 7660. As total numbers fell, the proportion of unemployed workers and other people receiving benefits in Kawerau increased. A Council review of its size led to a decision to reduce the number of Councillors from 10 to eight with effect from the 1998 elections.

At the 2001 elections Lyn Hartley stepped down as Mayor and Malcolm Campbell was elected to the position. The size of the population continued decline to 6921 by the 2006 Census. During this period Council was able to conduct major upgrades to public buildings and infrastructure, which were by then starting to age. More recently, Council has invested money and increased staff numbers to extend its activities into events management, youth development and economic development. The boundary between Whakatane and Kawerau districts was adjusted in March 2011 to create a new industrial park on SH34 opposite the existing mill site. The excess capacity and improved condition of Kawerau's public infrastructure provide a platform for renewed industry and population growth, development and diversification in the District.



# About the Council

## Council Structure

### **Regulatory and Services Committee**

Council has one standing committee, to which all elected members belong. Called the Regulatory and Services Committee, it has delegated responsibility for decisions about Council's services and regulatory functions. The Regulatory and Services Committee meets monthly, usually on the Tuesday two weeks before the Council meeting.

### **Council**

The Council is made up of nine elected members: a Mayor and eight Councillors. The Council is responsible for making decisions about the overarching objectives, strategies and policies which determine the day to day running of Council's operations. Council meets monthly, usually on the last Tuesday of the month.

The responsibilities of the two Council bodies are shown in the tables below.

## Council Responsibilities

Making Bylaws	Funding and Financial Policies
Setting Policy	Property Sale and Acquisition
Long Term Plan	Rating
Annual Planning and Reporting	Democracy
Consultation and Community Engagement	Governance
Relationship with Māori	Strategic Issues
Community Outcomes	Audit

## Regulatory and Services Committee Responsibilities

REGULATORY		SERVICES	
Resource Management <ul style="list-style-type: none"> <li>District Plan</li> <li>Submissions on Regional Plans</li> <li>Resource Consents</li> <li>Subdivisions</li> </ul>		Swimming Pools	Economic Development
		Parks and Reserves	Public Library
		Cemetery	Museum
		Roading	Public Halls and Facilities
		Footpaths	Leases
Public Health	Bylaws	Water Supply	Facility Rentals
Building	Dog Control	Stormwater	Asset Management
Plumbing	Noise Control	Wastewater	Investments
Drainage	Stock Control	Refuse and Recycling	Loans
Sale of Liquor	Civil Defence	Plant and Equipment	Accounting
Gambling Venues		Public Toilets	Grants

## Elected Members of Council



Mayor Malcolm Campbell, JP  
323 7772 (residential)  
0274 576 122  
[Mayor@kaweraudc.govt.nz](mailto:Mayor@kaweraudc.govt.nz)



Deputy Mayor Bernie Joyes  
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021 031 3589  
[joyes@slingshot.co.nz](mailto:joyes@slingshot.co.nz)



Cr R G K (Rex) Savage  
323 7287 (residential)  
[Jonda.Smith@compassnet.co.nz](mailto:Jonda.Smith@compassnet.co.nz)



Cr R J (Russell) Chase  
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027 329 7226  
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Cr A J (Alistair) Holmes  
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Cr C J (Carolyn) Ion  
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Cr B J (Berice) Julian  
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Cr A L (Anita) Moore, QSM, JP  
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Cr S H (Stephen) Tuhoro  
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[tuhoroz@xtra.co.nz](mailto:tuhoroz@xtra.co.nz)

# Operational Structure

## Leadership Team

Chief Executive Officer



Russell George, CA

(07) 306 9009

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Manager, Operations and Services



Tom McDowall, BE (Civil),  
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Manager, Regulatory and Planning



Chris Jensen

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Manager, Finance and Corporate Services



Peter Christophers, BBS  
ACA

(07) 306 9009

[Peter.Christophers@kaweraudc.govt.nz](mailto:Peter.Christophers@kaweraudc.govt.nz)

## Council Appointments

Council appoints elected members to sit on the internal committees and external bodies shown in the table below:

Committee	Representatives
Council Hearings Subcommittee	3
Council Economic Development Working Party	3
Kawerau Seniors Forum	2
Kawerau Youth Council (Mentor)	1
Creative NZ Creative Communities Assessment Committee	3
Kawerau Enterprise Agency	1
Kawerau Social Services Trust Board (Mountain View Rest Home)	1
Eastern Bay Access Committee	1
Eastern Bay Road Safety Advisory Committee	1
Regional Land Transport Committee	1

## Departmental Structure







# PLANNING AND DECISION MAKING







# Council's Planning Framework

The Local Government Act sets out the purpose of local government, the role of local authorities and the principles with which a local authority must act in accordance in performing its role. Council is augmented these statutory requirements with a vision, mission statement and statement of principles. Together, these make up Council's planning framework.

## Purpose of local government

- To enable local decision making by and on behalf of communities, and
- promote the social, economic, environmental and cultural well-being of communities, now and in the future.

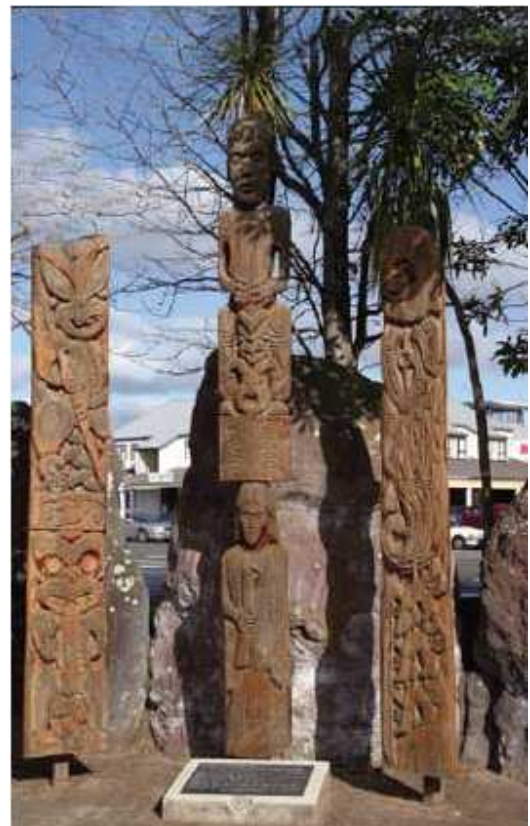
## Role of local authorities

- To give effect to the purpose outlined above, and
- perform the duties and exercise the rights conferred by legislation.

## Principles relating to local authorities

- To conduct business in an open, transparent, and democratically accountable manner; and
- To give effect to identified priorities and desired outcomes in an efficient and effective manner:
- To make itself aware of, and have regard to, the views of all of its communities; and
- When making a decision, take account of:
  - the diversity of the community, and the community's interests, within its district or region; and
  - the interests of future as well as current communities; and
  - the likely impact of any decision on each of four well-beings.
- Councils should provide opportunities for Māori to contribute to decision-making processes:
- Collaborate and co-operate with other local authorities and bodies as considered appropriate to promote or achieve priorities and desired outcomes, and make efficient use of resources; and

- Should undertake any commercial transactions in accordance with sound business practices; and
- Should periodically—
  - assess the expected returns from investing in, or undertaking, a commercial activity; and
  - satisfy itself that the expected returns are likely to outweigh the risks inherent in the investment or activity; and
- Ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region; and
- Take into account—
  - the social, economic, and cultural well-being of people and communities; and
  - the need to maintain and enhance the quality of the environment; and
  - the reasonably foreseeable needs of future generations.



## Council's Vision

"To be the best Council in New Zealand"

### Mission Statement

1. To represent the interests and aspirations of the Kawerau Community, within and beyond the District.
2. To promote the social, economic, environmental and cultural wellbeing of the Kawerau Community.
3. To continue to provide an industrial base within the District for established industries and their supporting businesses.
4. To promote the advantages of Kawerau in order to grow the District population and to further encourage industrial investment and development.
5. To ensure that the independence of the District is maintained.

## Statement of Principles

To achieve its mission, Council will:

1. Provide services, facilities and infrastructure that can support a high quality of life in Kawerau.
2. Engender an attitude of cost effectiveness, customer service and Community responsiveness.
3. Engage with all sectors of the Community to determine their needs and priorities.
4. Maintain a fair system of rating to ensure that Council services are sustainable and satisfy Community needs.
5. Inform and seek feedback from the Community about Council's current and planned activities.
6. Work cooperatively with government agencies, territorial authorities, and other stakeholders to maintain or improve Council services.
7. Maintain relationships with industry and business groups represented in the District.
8. Promote the District to attract development.



# The Long Term Plan

The long term plan is a high level, strategic document which sets out Council's proposed programme of work and budgets for a ten year period.

The purpose of the long term plan is to:

- Describe the community outcomes for the District
- Describe Council's activities
- Provide integrated decision making and co-ordination of Council's resources
- Give a long-term focus to Council's decisions and activities
- Provide an opportunity for the Community to participate in Council decisions about activities to be undertaken; and
- Provide a basis for Council to be accountable to the Community.

This long term plan has been developed in accordance with Part 6 of the Local Government Act. It incorporates the Annual Plan 2012/2013.

The prescribed content and process requirements for long term plans include:

- Council must have a long term plan at all times and review the plan every three years
- The plan must be reasonably detailed
- The plan must include certain information set out in Schedule 10 of the Local Government Act
- The special consultative procedure must be used in adopting the plan
- The plan must contain a report from Council's Auditor.



# Community Outcomes

Community outcomes are the outcomes for the present and future social, economic, environmental and cultural wellbeing of a Community. When the Local Government Act was first enacted in 2002, local authorities were required to identify community outcomes using a process which involved the Community in discussions about their desired outcomes. Local authorities were required to monitor and report on progress toward achieving the outcomes and it was envisaged they would make that progress through coordination and collaboration with other groups, organisations and the broader Community.

In 2010 a number of amendments were made to the Local Government Act. The requirements for local authorities to involve the Community in identifying community outcomes, to work with others toward achieving outcomes and to monitor and report on progress were repealed. The concept of the four well-beings has been retained, but community outcomes were redefined to mean the outcomes a local authority aims to achieve. These changes mean that community outcomes for Kawerau have become Council-owned outcomes.

As part of making this plan, Council conducted a process to identify the outcomes it aims to achieve for the District. In keeping with the Local Government Act amendments these new outcomes closely relate to the activities and the levels of service that Council delivers, and plans to deliver, to promote the four well-beings for this Community.

## Council Community Outcomes

1. **Council provides effective governance and leadership** which represent Community interests and help maintain the ongoing viability of the District.
2. In partnership, **Council encourages economic and employment opportunities** for the Community.
3. **Council promotes Community identity and cohesion** by facilitating creative, cultural and recreational activities.
4. **Council infrastructure and services are effective, efficient and sustainable.**
5. **Council recognises and encourages the contributions of all sectors of the Community** in its structures and processes.
6. **Council sustainably manages the use, development and protection of Kawerau's urban and natural environment** through its stewardship, planning and consents.
7. **Council aims to prevent harm and nuisance and protect people's health and safety** in the District with regulation, monitoring and action.





# Contribution to Community Well-being

How Council's groups of activities contribute toward achieving the community outcomes and promoting the four Community well-beings is demonstrated in the table below.

## Contribution of Council activities to the four Community well-beings

Council Activity	Community Outcome	Well-being
Democracy	Council provides effective governance and leadership	Social
Democracy	Council recognises and encourages the contributions of all sectors of the Community	Social
Economic and Community Development	Council encourages economic and employment opportunities	Economic
Environmental Services Roding Stormwater Water Supply Wastewater Solid Waste	Council infrastructure and services are effective, efficient and sustainable	Economic/Environmental
Environmental Services Water Supply	Council aims to prevent harm and nuisance and to protect people's health and safety	Environmental/Social
Environmental Services Leisure and Recreation	Council sustainably manages the use, development and protection of Kawerau's urban and natural environment	Environmental
Leisure and Recreation Economic and <u>Community</u> Development	Council promotes Community identity and cohesion	Cultural



# Working with Others

Council remains committed to listening to and working with others toward providing effective, sustainable activities and services to progress Community wellbeing.

## Consultation Policy

Council's consultation policy supplements minimum legal requirements to provide the framework for seeking input into Council bylaws, policies and plans. A review of the policy in 2011 led to the Community consultation provisions being extended and additional organisations being recognised as consultation partners.

Council has established formal structures to facilitate regular input and dialogue with key sectors of the Community. These include:

## K-Oper-8

Established in 2006, this group is chaired by the Mayor and meets at least once each month to discuss and find practical local solutions to social and youth-related issues. Membership was extended in 2011 to include representatives from the Kawerau Committee, the Kawerau Youth Council and two Community representatives. Other members are from Tuwharetoa ki Kawerau Health, Education and Social Services, Work and Income, the Ministry of Social Development Youth Trials pilot programme, New Zealand Police, Grey Power, the Kawerau Principals Association and Te Wānanga o Aotearoa.

## Kawerau Youth Council

The Kawerau Youth Council was established in 2008 with the objective of creating self confident youth leaders who will go on to mentor successive generations. The Youth Council meets monthly and is involved in activities such as organising youth events and competitions. Members are selected annually at the beginning of the school year from among young people aged between 8 and 24 years. Council appoints one of its members as a mentor to the Youth Council and engages with the group over matters concerning young people.

## Kawerau Seniors Forum

A review of Council's positive ageing strategy in 2011/12 led to the establishment of a forum for people in the Community aged 65 and older. Still in its formative stages at the time of writing, the Seniors Forum has adopted as its purpose "To work with and between Council and the older Community to facilitate solutions to relevant issues". The Seniors Forum will be a conduit for two way communication and engagement with older people about Council policies and plans.

Council has collaborative relationships and works in partnership with other groups and organisations focused on economic development in the Kawerau District. These are described below.

## Toi EDA

Whakatane, Opotiki and Kawerau District Councils are joint owners of Toi EDA, the economic development agency for the Eastern Bay of Plenty. A description of the organisation is contained in the section on Council Controlled Organisations later in this plan.

## Industrial Symbiosis Project

The IS project began in 2011 with the purpose of creating shared opportunities for local industrial development through the smart and sustainable use of Kawerau's resources. Council sits on the steering group with members from NZ Trade and Enterprise, Scion Crown Research Institute, the Kawerau Enterprise Agency, Ngati Tuwharetoa Settlement Trust, the Putauaki Trust (Ngāti Awa affiliated) and local industry representatives from Norske Skog, Allied Industrial Engineering and Kajavala Forestry. The Ministry of Social Development has funded the employment of a project coordinator and marketing, including the development of a website.

Council also works closely with other local and central government organisations to improve service delivery and foster wellbeing for the Kawerau Community, as outlined on the following page.



## **Collaboration Bay of Plenty (COBoP)**

COBoP is a network of all Bay of Plenty local authorities and 26 central government agencies with Bay of Plenty responsibilities. Initially started in 2005, a review in 2007 shifted focus to economic and Māori development, integrated infrastructure, working together efficiently and effectively and maintaining relationships with central government in Wellington to support these priorities. Council participates in the plenary group and in the social and economic clusters.

## **Triennial Agreement**

After each local body election the local authorities in each region enter into an agreement for communication and coordination over the coming three year period. The purpose of the agreements is to promote coordination of responsibilities and collaboration of services. The Bay of Plenty Triennial Agreement is between the BOP Regional Council, Tauranga City Council, Western BOP District Council, Rotorua District Council, Taupo District Council, Whakatane District Council, Opotiki District Council and Kawerau District Council.

The 2010-2013 agreement identifies nine specific areas of collaboration, including regional economic development; energy generation, distribution and conservation; information services, information technology and rating; planning including preparation, change and review of the Regional Policy Statement and district plans; waste minimisation and staff secondment and knowledge transfer. To view the agreement, visit the BOP Regional Council website:

<http://www.boprc.govt.nz/knowledge-centre/policies/bay-of-plenty-triennial-agreement/>

## **Bay of Plenty Local Authority Shared Services (BOPLASS) Ltd**

BOPLASS Ltd is a company owned by the Bay of Plenty local authorities and the Gisborne District Council. Established in 2007, it promotes shared services between local authorities in those regions and elsewhere. BOPLASS aims to improve levels of service, reduce cost, improve efficiency and/or increase value for local authorities and their stakeholders. It does this primarily through joint procurement and shared services. Further information is contained in the section on Council Controlled Organisations later in this plan.

# Māori Contribution to Council Decision-Making

Council undertakes a range of activities to establish and maintain processes to provide opportunities for Māori to contribute to Council decision-making.

Council acknowledges Ngāti Tuwharetoa ki Kawerau as tangata whenua of Kawerau. When the rūnanga ceased to exist some years ago a governance structure emerged which consists of three separate entities: a Treaty of Waitangi claims settlement trust, a hauora and a combined marae committee.

Council recognises all three organisations as consultation partners under its consultation policy. Consultation partners are the groups and organisations considered to represent or reflect key interests or elements of the make-up of the Kawerau Community. As part of its Community consultation process, Council may seek to meet with consultation partners to seek their views on matters under consideration before drafting a proposal for wider consultation. Pre-consultation meetings have been sought in the development of high level strategic plans including the annual plan and the long term plan.

Other activities to foster the involvement of Ngāti Tuwharetoa have included securing hauora representation on the K-Oper8 youth and social issues forum chaired by the Mayor and facilitating settlement trust representation on the steering group of the Industrial Symbiosis Project.

Over recent years, Council has also had an increased level and range of contact with Ngāti Awa, which has a historical tribal interest and owns some land in the District. Recently, Council has also recognised Te Rūnanga o Ngāti Awa as a consultation partner and worked closely with one of its land trusts over a boundary alteration to make more industrial land available in the District.

In addition to our tangata whenua, significant numbers of the Māori people who live in Kawerau are from other iwi. One of the means by which Council provides opportunities for those people to contribute to decision-making is to engage with the committee of Rautahi Marae, an urban marae in the District. The marae committee is another of Council's consultation partners.

Statistics from the 2006 census show that 59 percent of the people who live in Kawerau are Māori. This makes Māori a significant group in the Kawerau Community. To reflect this, Council increasingly involves Māori within mainstream decision-making rather than identifying and engaging with them as a separate group. Another significant group in Kawerau are young people and young Māori people. The census showed that 40 percent of the Kawerau population is aged under 25 years and that within the Māori population, 37.5 percent are aged under 15 years. Council established the Kawerau Youth Council in 2009 and provides processes for the group to contribute to Council decision-making.





# COUNCIL ACTIVITIES





# Council's Activity Structure

The work that Council does is combined into what are known as 'groups of activities'. The 2010 Local Government Amendment Act contains a new section setting out five groups of activities that local authorities must identify and report on in long term and annual plans. One of the new groups was Water Supply, which Council already had. The others, Sewerage, Stormwater Drainage, Flood Protection and Control Works and Roads and Footpaths, are sub-sets of the activity groups that Council previously used. Whereas Council's work was formerly structured into seven groups of activities, the effect of separating the new activity groups has been to increase the number of groups to nine. The new activity structure is shown below.

Activity Group	Activities
1: Democracy	- Democracy
2: Economic and Community Development	- Economic Development - Events Management - Grants and Funding - Information Centre - Youth Development
3: Environmental Services	- Resource Management - Building Control - Environmental Health - Dog Registration and Control - Civil Defence
4: Roading	- Roads and Footpaths
5: Stormwater	- Stormwater Drainage and Flood Protection and Control Works
6: Water Supply	- Water Supply
7: Wastewater	- Sewerage and Sewage Treatment and Disposal
8: Solid Waste	- Refuse Collection and Disposal - Recycling (Zero Waste)
9: Leisure and Recreation	- Public Library - Museum - Swimming Pools - Public Halls and Facilities - Parks and Reserves

This section of the plan reports on Council's nine groups of activities by identifying the individual activities within each group, explaining the reasons why Council delivers each group, including the community outcomes it contributes to, outlining any significant negative effects any activity may have, providing a statement of the intended levels of service, a funding impact statement and any capital expenditure. The content of each sub-section is described in the table below.

Sub-section	Content
Description of Activities	A description of each of the activities that make up the group of activities.
Rationale for Delivery	Why Council delivers the group of activities. Council's aims for the group, any legislative requirements, and the community outcomes to which it principally contributes.
Programme for the Next 10 Years	An overview of any major work planned for the next 10 years.
Statement of Intended Service Provision	For each activity a table sets out the following: Levels of service:- The outputs that Council expects to be generated by the activity Performance measures: - The means used to determine whether the levels of service are actually being delivered. Performance targets:- the desired levels of performance against the performance measures.
Significant Negative Effects	Any significant negative effects of the activity in relation to social, economic, environmental and cultural well-being and mitigation measures
Cost of Service (including Capital Expenditure)	Cost of service forecast statement and capital expenditure forecast statement for 10 years as per activity budgets. Figures are adjusted for inflation.
Other information	Where information is required in addition to that outlined above.



# Satisfaction with Council Activities

Council aims to provide a range and level of services that meet Community needs and what the Community considers to be effective. For a number of years, Council has used National Research Bureau community satisfaction surveys as one of the measures of how effective Council services are. Recent performance and current targets are shown in the table below.

Measure	2013/14 Target %	2011 Result %	2009 Result %	2008 Result %	2007 Result %
Community satisfaction with Mayor and Councillors	83	91	78	85	78
Community satisfaction with the way rates are spent	87	93	89	85	84
Community satisfaction with Council consultation	70	76	71	79	71
Community satisfaction with Dog Control Service	73	79	78	66	71
Community satisfaction with roads	90	89	91	96	91
Community satisfaction with footpaths	80	80	73	84	82
Community satisfaction with water supply	96	99	97	96	95
Community satisfaction with wastewater disposal	96	96	99	96	97
Community satisfaction with rubbish collection	85	95	79	73	74
Community satisfaction with refuse disposal	65	72	65	66	58
User satisfaction with refuse disposal	80	85	-	-	-
Community satisfaction with public library	86	89	84	89	84
User satisfaction with public library	96	98	-	-	-
Community satisfaction with museum	60	New measure	-	-	-
User satisfaction with museum	70	New measure	-	-	-
Community satisfaction with public swimming pools	90	94	91	89	91
User satisfaction with public swimming pools	95	97	-	-	-
Community satisfaction with public halls	80	82	80	82	78
User satisfaction with public halls	94	89	-	-	-
Community satisfaction with flowerbed displays	90	97	-	-	-
Community satisfaction with cemetery	78	83	77	80	-
Visitor satisfaction with cemetery	94	96	-	-	-

No survey was conducted in 2010. Surveys will be conducted every three years in 2014, 2017 and 2020.

# Activity Group 1: Democracy

## Description of Activities

Democracy is the political arm of Council. It involves the Mayor and Councillors making decisions to promote the social, economic, environmental, and cultural well-being of the Kawerau Community both in the present and for the future.

The Mayor and Councillors are elected every three years by a postal vote of registered electors in the District.

## Rationale for Delivery

The aim of the Democracy group of activities is to represent the Kawerau District by making decisions and advocating on behalf of the needs and interests of the Community. The objectives of the group are to conduct Council affairs in a democratic and representative manner and to provide the Community with quality democracy and representation.

The Democracy group contributes principally toward Council achieving the Community outcome to provide effective governance and leadership which represents Community interests and helps maintain the ongoing viability of the District. It also contributes toward the outcome to recognise and encourage the contributions of all sectors of the Community. Through these outcomes, Democracy promotes the social, economic and cultural wellbeing of the Kawerau Community.

## Programme for the Next 10 Years

- Representation Reviews (2015/16) or earlier if required.
- Triennial elections: Mayor and Councillors (2013, 2016 and 2019)
- Community satisfaction surveys (three-yearly NRB Communitrak surveys (2014, 2017, 2020)
- Updates of Council's long term plan (2015, 2018 and 2021)
- Re-identification of Kawerau's community outcomes (part of long term plan development)
- Support for the Mayor's Taskforce for Jobs goal that all young people under the age of 25 should be engaged in appropriate education, training, work or other options which will lead to long term economic independence and wellbeing.

## Statement of Intended Service Provision

### Democracy

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council provides quality democracy and representation to the Community	Number of public meetings held (Committee and Ordinary Council)	21	At least 20	At least 20	At least 20	At least 20 p.a.
Council informs the Community about key issues and activities	Public notification of meetings	100%	100%	100%	100%	100% p.a.
	Number of newsletters	4	At least 11	At least 11	At least 11	At least 11 p.a.
Council encourages the Community to contribute to Council decision-making	Provision of a public forum at public Council and Committee and meetings	New measure	Every meeting	Every meeting	Every meeting	Every meeting

## Significant Negative Effects

The Democracy activity includes balancing the needs and wants of many Community members to help achieve overall Community wellbeing for the District. Some Council decisions made for the wider public good might at times have a negative effect on the wellbeing of particular individuals or groups.

A potential negative effect of any representative system or process is that some portion of the relevant population is not adequately represented. This would impact on the social wellbeing of that group.

## Funding Impact Statement: Democracy

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	474,530	479,310	564,990	510,350	515,590	597,960	552,950	561,990	645,420	586,300	608,920
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	1,890	2,110	2,570	3,260	4,000	4,780	5,580	6,410	7,280	8,170	9,100
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	16,410	0	0	18,110	0	0	20,000	0	0
<b>Total Operating Funding (A)</b>	<b>476,420</b>	<b>481,420</b>	<b>583,970</b>	<b>513,610</b>	<b>519,590</b>	<b>620,850</b>	<b>558,530</b>	<b>568,400</b>	<b>672,700</b>	<b>594,470</b>	<b>618,020</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	282,120	287,530	350,540	302,270	310,600	380,780	327,510	335,690	412,800	354,760	364,910
Finance Costs	1,090	1,190	1,210	1,370	1,680	1,980	2,490	2,870	2,870	2,840	2,780
Internal charges and overheads applied	170,020	170,420	208,480	186,990	181,250	211,390	202,520	201,750	227,270	208,870	219,160
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding (B)</b>	<b>453,230</b>	<b>459,140</b>	<b>560,230</b>	<b>490,630</b>	<b>493,530</b>	<b>594,150</b>	<b>532,520</b>	<b>540,310</b>	<b>642,940</b>	<b>566,470</b>	<b>586,850</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>23,190</b>	<b>22,280</b>	<b>23,740</b>	<b>22,980</b>	<b>26,060</b>	<b>26,700</b>	<b>26,010</b>	<b>28,090</b>	<b>29,760</b>	<b>28,000</b>	<b>31,170</b>





# Activity Group 2: Economic and Community Development

## Description of Activities

### ***Economic Development***

Council is involved in economic development activity at the sub-regional level and is also taking a leadership role in local economic development initiatives.

Council works closely with the Whakatane and Opotiki District Councils and the BOP Regional Council as an active member of the Eastern BOP economic development agency, Toi EDA.

Council is also a primary driver of the Kawerau Industrial Symbiosis project, which is based on the principles of creating shared opportunities through the smart and sustainable use of resources and waste streams. The project aims to stimulate external investment interests; demonstrate the benefits of the Kawerau District to regional, national and global audiences; increase the prosperity and resilience of the Community and provide an efficient, sustainable platform for industries looking to lower their carbon footprint.

### ***Events Management***

Council supports a diverse range of events in the District and provides a strategic framework to meet future needs and demands. The purpose of Council's involvement in events management is to take advantage of and showcase the natural resources of the District and to build capability and capacity of Community volunteers.

### ***Grants and Funding***

Council administers various grants which help achieve its desired community outcomes by:

- Supporting Community organisations to help maintain Community services
- Assisting event organisers to organise new and innovative Community-run events, and
- Funding small business entrepreneurs to conduct feasibility studies of proposed new business ventures in the District.

### ***Information Centre***

The Information Centre provides services to residents and visitors ranging from tourism information, event information, internet access, travel bookings and forest permits and information. The Centre also maintains the town centre public toilets.

### ***Youth Development***

Council's youth development activities include selecting recipients and presenting Young Achievers Awards, providing school holiday activities and supporting Kawerau Youth Council activities (operated with funding from the Ministry of Youth Development).

## Rationale for Delivery

Activities in this group are focused on promoting and encouraging industrial development, marketing the District as a desirable place to live and developing and extending event activity. The specific aims of each activity are outlined below.

### ***Economic Development***

To facilitate the development of Kawerau as a place which supports a diverse, resilient industry base capable of providing a wide range of job opportunities for people of all ages and skill levels.

### ***Events Management***

To enhance public perceptions about Kawerau and to maintain and further develop cohesion and a strong sense of identity within the Community.

### ***Grants and Funding***

To provide funding which will enable recipients to be self sufficient in their endeavours.

### ***Information Centre***

To ensure the delivery of a range of relevant services to visitors and the local residents.

## Youth Development

To find and celebrate examples of youth achievement in our Community to provide positive examples for other young people to follow.

The Economic and Community Development group of activities contributes mainly to the Community outcomes for economic and employment opportunities and Community identity and cohesion. Achieving these outcomes will primarily help promote the economic and social wellbeing of the Community.

## Programme for the Next 10 Years

### ***Economic Development***

Council plans to continue:

- Active participation in Toi EDA
- Maintaining a leadership role in the Kawerau Industrial Symbiosis project
- Promoting the development of social infrastructure to support industry workforce needs, particularly education to enable local workers to take up employment opportunities within the District.

## ***Events Management***

Council's strategy for Events Management is to consolidate existing events, increase Community ownership of events, increase volunteer involvement and capability, instigate systems to monitor and evaluate the benefits of events and to identify opportunities to enhance the overall programme of events.

Council regularly evaluates the Grants and Funding, Information Centre and Youth Development activities against Community needs and expectations and contracted outcomes. Service provision is adapted or modified where required.

Council intends to continue to deliver current levels of service in the Grants and Funding and Information Centre activities.

## Statement of Intended Service Provision

### **Economic Development**

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council economic development activity contributes to Kawerau having a diverse and sustainable industry base	Council is actively involved in the Eastern Bay of Plenty Regional Economic Development Agency	New measure	Representation at monthly meetings	Representation at monthly meetings	Representation at monthly meetings	Representation at monthly meetings
	Council is actively involved in the Industrial Symbiosis Project	New measure	Representation on Steering Group	Representation on Steering Group	Representation on Steering Group	Representation on Steering Group

### **Events Management**

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council contributes to the continuation of successful events	Council employs an Events Coordinator	New measure	Events Coordinator employed	Events Coordinator employed	Events Coordinator employed	Events Coordinator employed

## Grants and Funding

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council distributes funding for Community projects and initiatives	Facilitation of applications for Council Community Grants and distribution of designated funds	New measure	Grants allocated in accordance with fund criteria. Budget \$16,550	Grants allocated in accordance with fund criteria. Budget \$17,080	Grants allocated in accordance with fund criteria. Budget \$17,630	Grants allocated in accordance with fund criteria each year. Budget indexed for inflation.
	Facilitation of Creative Communities Scheme in accordance with fund criteria	2 funding rounds held	2 funding rounds held	2 funding rounds held	2 funding rounds held	2 funding rounds held each year.

## Information Centre

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council provides a local information centre	Number of days open each year	New measure	At least 360	At least 360	At least 360	At least 360 p.a.

## Youth Development

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council supports young people to develop skills and attitudes needed to take a positive part in society	Youth Council in place	Annual appointments made	Annual appointments made	Annual appointments made	Annual appointments made	Annual appointments made each year
	Youth Council activity	12 meetings held	At least 9 meetings held	At least 9 meetings held	At least 9 meetings held	At least 9 meetings held annually
	Annual selection and presentation of Young Achievers Awards	New measure	Awards presented	Awards presented	Awards presented	Awards presented each year

## Significant Negative Effects

Significant negative effects in this group of activities could be caused by:

- Inappropriate industrial development – which would impact on environmental wellbeing.
- Local groups becoming less active and sustainable because they have become dependent on grants funding. This would impact on social wellbeing.
- The information centre not delivering contracted services required by the Community, affecting social and cultural wellbeing; and
- Government funding for youth development being withdrawn and Community expectation requiring Council to continue the same level of activity, which would have negative economic impacts.

## Funding Impact Statement: Economic Development

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	528,120	565,050	563,340	589,270	596,060	630,260	643,740	655,650	671,570	685,190	717,560
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges, and targeted rates for water supply	12,640	17,120	17,390	17,780	17,900	18,220	18,680	18,820	19,140	19,360	19,880
Internal charges and overheads recovered	1,320	610	590	580	580	580	580	580	580	580	580
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>542,080</b>	<b>582,780</b>	<b>581,320</b>	<b>607,630</b>	<b>614,540</b>	<b>649,060</b>	<b>663,000</b>	<b>675,050</b>	<b>691,290</b>	<b>705,130</b>	<b>738,020</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	392,010	428,670	428,140	440,370	453,830	479,640	481,890	495,750	510,380	526,860	543,570
Finance Costs	1,250	1,210	1,250	1,090	960	830	910	1,010	820	630	440
Internal charges and overheads applied	136,610	141,520	140,670	154,550	146,390	155,900	167,380	164,580	166,200	164,570	179,140
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding (B)</b>	<b>529,870</b>	<b>571,400</b>	<b>570,060</b>	<b>596,010</b>	<b>601,180</b>	<b>636,370</b>	<b>650,180</b>	<b>661,340</b>	<b>677,400</b>	<b>692,060</b>	<b>723,150</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>12,210</b>	<b>11,380</b>	<b>11,260</b>	<b>11,620</b>	<b>13,360</b>	<b>12,690</b>	<b>12,820</b>	<b>13,710</b>	<b>13,890</b>	<b>13,070</b>	<b>14,870</b>





# Activity Group 3: Environmental Services

## Description of Activities

Council has regulatory and enforcement duties and powers under several acts of Parliament including the Local Government Act, the Health Act, the Building Act, the Dog Control Act and the Resource Management Act. Warranted officers work autonomously and in conjunction with enforcement authorities such as the police and public health to uphold environmental, health and safety standards.

### ***Resource Management***

**Resource Management Planning** principally involves providing advice and facilitating land use which is structured and logical. Implementation of Council's resource management functions relies on the District Plan, which identifies resource management issues and provides objectives, policies and rules to address them. This activity also involves Council monitoring to enable consistent review and reporting of the state of the environment and the suitability and effectiveness of the District Plan, and Council consultation and advocacy on regional and national resource management issues and policies.

**Resource Management Consents** involves the processing of land use and subdivision consents under the RMA. It is primarily concerned with implementing the District Plan and sustainably managing the environment by balancing development opportunities against the need to ensure there are no long term adverse effects on the environment.

### ***Building Control***

This activity involves the regulation of building work to ensure high standards of public health and safety. Council is accredited and registered as a Building Consent Authority (BCA) and has other statutory roles for building regulation under the Building Act 2004.

As a BCA, Council provides public information on the building consent process, processes building consents, inspects and certifies completed building work and issues compliance schedules for specified systems within buildings.

Council has statutory compliance monitoring and enforcement responsibilities for building activity which include ensuring that swimming pools are properly fenced, administering annual building warrants of fitness for specified systems, and identifying earthquake-prone, dangerous or insanitary buildings and ensuring these are brought up to acceptable standards.

As part of this activity Council also participates in the Building Control Cluster, which comprises all the Bay of Plenty territorial authorities plus two others, which is exploring shared service arrangements in building control.

### ***Environmental Health***

The Environmental Health activity promotes, safeguards and enhances the health of people in the District by achieving compliance with environmental health standards including food safety, liquor licensing, noise control and drinking water. Council carries out monitoring and enforcement activities under the Health Act, Food Act, Sale of Liquor Act, Resource Management Act, Litter Act, Building Act, Local Government Act and relevant Regulations, Council bylaws and policies.

### ***Dog Registration and Control***

Dog Registration activity is a statutory obligation under the Dog Control Act for Council to keep a register of all registered dogs in the District.

Dog Control activity is a community safety service focused on the control of dogs in the District and the enforcement of the Dog Control Act 1996 and Council's Dog Control Bylaw.

The prime focus is on minimising the potential for danger and intimidation to the Community from uncontrolled dogs.

Council's services include education of dog owners, incident response and investigation of dog complaints, enforcement activities 24-hours per day and the provision of a dog pound.

## ***Civil Defence***

Council is responsible for civil defence emergency management (CDEM) in the District under the CDEM Act 2002. The responsibilities are in relation to reduction, readiness, response and recovery. Council takes a collaborative approach to this activity by working collaboratively with the Opotiki and Whakatane District Councils and is an active member of the Bay of Plenty CDEM Group. The latter involves participating in the governance, contributing a share of the costs of maintaining regional CDEM capability, and participating in group exercises and training programmes.

## **Rationale for Delivery**

The Environmental Services group of activities contribute mainly to the Council Community outcomes to prevent harm and nuisance and protect people's health and safety and to sustainably managing the use, development and protection of Kawerau's urban and natural environment.

The group also contributes to the outcome to provide effective, efficient and sustainable infrastructure and services. Achieving these outcomes will promote the social, economic and environmental wellbeing of the Kawerau Community.

## **Programme for the Next 10 Years**

### ***Resource Management Planning***

Council's priority for this Activity in the 2012/13 year is to progress the Putauaki Industrial Zone change. Other programmed work will include:

- Ongoing review of the District plan to ensure compliance with national environmental standards and any legislative changes;
- Keep the District Plan under continuous review to allow for incremental changes to be made to objectives, policies and rules rather than a full review after 10 years.

### ***Building Control***

Council's programme of work will focus on maintaining quality assurance systems so that accreditation reassessments are successful and BCA accreditation and registration is retained. We will also continue participating in the regional cluster group so as to optimise the delivery of building consent functions to our Community.

### ***Environmental Health***

In addition to the continuation of business as usual, Council will respond to proposed legislative changes for food safety and the sale of liquor, and carry out policy and bylaw reviews as they become due.

### ***Civil Defence***

Council will continue to work closely with the Eastern BOP Councils and the wider BOP CDEM Group to improve capability.

## Statement of Intended Service Provision

### Resource Management

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Resource consents processes comply with statutory requirements	Resource consents are processed within the timeframes set out in the Resource Management Act 1991	5/5(100%)	100%	100%	100%	100%

### Building Control

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council provides in-house building consent, inspection and approval services	Bi-annual Building Consent Authority accreditation re-assessment	Accreditation and registration retained	Accreditation and registration retained	Accreditation and registration retained	Accreditation and registration retained	Accreditation and registration retained
Service users consider Council's Building Control Activity to be effective	Satisfaction survey of service users – Building inspections processes	100%	90%	90%	90%	90%
	Satisfaction survey of service users – Building consents processes	100%	90%	90%	90%	90%
Building control functions are delivered within statutory timeframes	Time taken to process building consent applications	113/113 (100%)	100% within 20 working days	100% within 20 working days	100% within 20 working days	100% within 20 working days
	Time taken to process multi-proof building consent applications	New measure	100% within 10 working days	100% within 10 working days	100% within 10 working days	100% within 10 working days
	Time taken to issue project information memoranda (PIMs)	None applied for	100% within 20 working days	100% within 20 working days	100% within 20 working days	100% within 20 working days
	Time taken to process code compliance certificate applications	90/90 (100%)	100% within 20 working days	100% within 20 working days	100% within 20 working days	100% within 20 working days
	Time taken to notify compliance schedules	1/1 (100%)	100% within 5 working days	100% within 5 working days	100% within 5 working days	100% within 5 working days
Buildings comply with Building Warrant of Fitness requirements	BWOF renewals checked	65/65 (100%)	100%	100%	100%	100% each year
	Buildings audited for BWOF requirements	New measure	35%	35%	35%	35% each year
Swimming pools comply with statutory	Survey to identify swimming pools in	New measure	Survey conducted	Survey conducted	Survey conducted	Survey conducted

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
requirements	the District					annually
	Inspection of fencing - newly notified/identified swimming pools	4/4 (100%)	100%	100%	100%	100% each year
	Inspection of fencing - existing registered swimming pools	15/46 (33%)	35%	35%	35%	35% each year

## Environmental Health

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
The Community considers Council's Environmental Health Activity to be effective	Satisfaction of service users – Environmental health inspections processes	100%	90%	90%	90%	90% each year
Registered premises comply with statutory requirements	Inspection of food premises operating under the Food Hygiene Regulations 1974 - non-mobile	New measure	100% twice-yearly	100% twice-yearly	100% twice-yearly	100% twice-yearly
	Inspection of food premises operating under the Food Hygiene Regulations 1974 - mobile	New measure	100% annually	100% annually	100% annually	100% annually
	Audit of food premises operating Food Control Plans under the voluntary implementation programme	8/8 (100%)	100% annually	100% annually	100% annually	100% annually
	Inspection of registered premises for compliance with relevant standards	New measure	100% annually	100% annually	100% annually	100% annually
Council responds to service requests for environmental health conditions	Response to nuisance conditions and health risks	17/17 (100%)	100% within 1 working day	100% within 1 working day	100% within 1 working day	100% within 1 working day
	Response to noise complaints	398/399 (99.5 %))	80% within 20 minutes and 100% within 30 minutes <sup>2</sup>	80% within 20 minutes and 100% within 30 minutes	80% within 20 minutes and 100% within 30 minutes	80% within 20 minutes and 100% within 30 minutes
	Response to fire risk	New measure	100% within	100% within	100% within	100% within 1

<sup>2</sup> The response to a service request received while the officer/contractor is responding to another callout may be delayed for up to 2 hours.

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
	complaints		1 working day	1 working day	1 working day	working day
Liquor licences comply with statutory and District Licensing Authority requirements	Time taken to process applications	55/55 (100%)	100% within 5 working days of receiving all required information	100% within 5 working days of receiving all required information	100% within 5 working days of receiving all required information	100% within 5 working days of receiving all required information
Council keeps public places free of litter	Weekday litter patrols	New measure	At least 480 weekday patrols	At least 480 weekday patrols	At least 480 weekday patrols	At least 480 weekday patrols annually
	Removal of notified litter and abandoned cars	8/8 (100%)	100% within 2 working days of notification /identification	100% within 2 working days of notification /identification	100% within 2 working days of notification /identification	100% within 2 working days of notification /identification

### Dog Registration and Control

Level of service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
The level of dog registration is maximised	Frequency of dog patrols	498 weekday and 397 after hours patrols	At least 480 weekday and 345 after hours patrols	At least 480 weekday and 345 after hours patrols	At least 480 weekday and 345 after hours patrols	At least 480 weekday and 345 after hours patrols p.a.
	District survey to detect unregistered dogs	All residential properties surveyed	All residential properties surveyed	All residential properties surveyed	All residential properties surveyed	All residential properties surveyed each year
	Number of dogs on Council's register of known dogs that are unregistered	1290 registered (none unregistered)	None as at 30 April <sup>3</sup>	None as at 30 April	None as at 30 April	None as at 30 April each year
Service requests about public nuisance and intimidation by uncontrolled dogs are actioned	Adherence to complaint response process to respond, investigate and record the complaint and advise complainant of progress or the outcome within 24 hours	771/771 (100 %)	100% adherence	100% adherence	100% adherence	100% adherence

<sup>3</sup>Date chosen to coincide with beginning of cycle for the ensuing year's registration programme.



## Civil Defence

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council plans and provides for civil defence emergency management as required by the Civil Defence Emergency Management Act	Civil Defence Centre audits	New measure	Conducted 4 monthly	Conducted 4 monthly	Conducted 4 monthly	Conducted 4 monthly
	Civil Defence training exercises	New measure	N/a	Exercise conducted (bi-annually)	N/a	Exercises in 2015/2016, 2017/2018, 2019/2020, 2021/2022
	Support for the Eastern BOP Civil Defence Emergency Management (CDEM) operating structure	New measure	Agreed funding is made	Agreed funding is made	Agreed funding is made	Agreed funding is made each year
Council has made preparations to enable it to function to the fullest possible extent during and after an emergency	Participation in BOP CDEM Group Coordinating Executive Group and Joint Committee	New measure	100%	100%	100%	100%
	Participation in BOP CDEM Group exercises		100%	100%	100%	100%

## Significant Negative Effects

**Resource Management** (both planning and consents) can have significant negative effects. Planning which does not reflect Community expectations and RMA provisions could result in ad hoc, uncontrolled or unsustainable development. This could have negative effects on the social, economic and environmental wellbeings of this Community. Not providing resource management services (particularly monitoring) from within the District could have the effect of unconsented activities being undertaken. This has the potential for negative social, economic, and environmental impacts.

**Building Control** Not retaining accreditation could have the negative social and economic effect that members of the Community would be forced to travel outside the District for building advice and services. Not having local control over the activity could also increase the risk of unconsented building work being undertaken.

**Dog Registration and Control** Not meeting legislative requirements or Community expectations could create a significant risk to Community safety and hence social wellbeing from uncontrolled dogs in the District.

**Environmental Health** Unclean and uncontrolled food, liquor, gambling and other registered or licensed premises would pose a significant risk to Community health and safety, affecting social and environmental wellbeing.

**Civil Defence** Being unprepared to respond to an emergency would pose serious risk to human life.

## Funding Impact Statement Environmental Services

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	682,220	690,780	730,450	724,540	754,350	755,230	808,040	794,290	835,850	933,270	887,410
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges, and targeted rates for water supply	146,690	177,160	181,450	189,450	192,400	198,470	206,940	211,110	216,390	221,750	231,150
Internal charges and overheads recovered	26,470	28,470	29,380	30,310	31,340	32,430	33,540	34,640	36,050	37,650	39,280
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>855,380</b>	<b>896,410</b>	<b>941,280</b>	<b>944,300</b>	<b>978,090</b>	<b>986,130</b>	<b>1,048,520</b>	<b>1,040,040</b>	<b>1,088,290</b>	<b>1,192,670</b>	<b>1,157,840</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	537,000	568,650	598,500	591,960	625,490	624,610	659,850	657,450	694,910	777,850	735,280
Finance Costs	830	2,040	1,810	1,820	2,030	2,170	2,250	2,240	2,200	2,160	2,120
Internal charges and overheads applied	291,730	301,520	316,290	325,790	321,320	331,790	358,110	349,860	360,070	381,860	386,510
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding (B)</b>	<b>829,560</b>	<b>872,210</b>	<b>916,600</b>	<b>919,570</b>	<b>948,840</b>	<b>958,570</b>	<b>1,020,210</b>	<b>1,009,550</b>	<b>1,057,180</b>	<b>1,161,870</b>	<b>1,123,910</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>25,820</b>	<b>24,200</b>	<b>24,680</b>	<b>24,730</b>	<b>29,250</b>	<b>27,560</b>	<b>28,310</b>	<b>30,490</b>	<b>31,110</b>	<b>30,800</b>	<b>33,930</b>



# Activity Group 4: Roading

## Description of Activities

Kawerau's roading network comprises approximately 40 kilometres of sealed roads and associated infrastructure including footpaths, bridges, street lights, kerbing, signs and markings and car parks. Control over the roading network is vested in local authorities by the Local Government Act. Also integral to the roading network is the stormwater system, which was designated as a separate group of activities by Local Government Act amendments in 2010. Council's Roading activity involves being responsible for the maintenance, repair and upgrading of the roads, footpaths and associated infrastructure in the District.

## Rationale for Delivery

Council's aim for the Roading group of activities is to provide and maintain a network of roads/footpaths for the safe and comfortable passage of vehicles and vulnerable road users such as pedestrians, cyclists and mobility scooters, in and through the District.

The Roading group of activities contributes mainly to the Council Community outcomes to provide effective, efficient and sustainable infrastructure and services and to prevent harm and nuisance and protect people's health and safety. By working toward these outcomes, Council promotes the economic and social wellbeing of the Community.

## Programme for the Next 10 Years

Over the period of this Plan, Council intends to:

- Maintain existing infrastructure
- Renew or replace infrastructure (including kerb replacement, street light upgrades, reseals, pavement treatment and minor safety improvements such as speed humps) in accordance with the asset management plan
- Continue to be involved in the Committee of Road Safety Eastern Bay of Plenty
- Support industrial development as it occurs.

## Statement of Intended Service Provision

### Roading

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council provides a network of roads which facilitates the safe movement of people and vehicles around the District	Repair time for notified/identified potholes	Repairs undertaken within timeframes	90% within 14 days and 100% within 28 days	90% within 14 days and 100% within 28 days	90% within 14 days and 100% within 28 days	90% within 14 days and 100% within 28 days
	Number of vehicle accidents where road condition was a contributing factor	New measure	None	None	None	None
	Road roughness rating (0 = flat, 400 = dangerous)	83.6	Average rating is less than 90	Average rating is less than 90	Average rating is less than 90	Average rating is less than 90 each year

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council provides an adequate network of footpaths for pedestrian use	Response and repair time for CBD footpaths classed as dangerous <sup>4</sup>	Repairs undertaken within timeframes	100% isolated within 1 day and repaired within 5 working days	100% isolated within 1 day and repaired within 5 working days	100% isolated within 1 day and repaired within 5 working days	100% isolated within 1 day and repaired within 5 working days
	Response and repair time for other footpaths classed as dangerous <sup>5</sup>	Repairs undertaken within timeframes	100% isolated within 1 working day and repaired within 1 month	100% isolated within 1 working day and repaired within 1 month	100% isolated within 1 working day and repaired within 1 month	100% isolated within 1 working day and repaired within 1 month

## Significant Negative Effects

The Roding group of activities delivers an efficient transport network that has minimal negative impact on the environment. The significant negative effects of Council providing roads are that traffic accidents sometimes occur. To reduce the number and severity of accidents, Council undertakes safety audits, provides street lighting, signage and pavement marking, and is a member of Road Safety Eastern BOP, which is involved in various community road safety programmes.

## Breakdown of Capital Expenditure

	Annual Plan 2011-2012 \$	Forecast 2012-2013 \$	Forecast 2013-2014 \$	Forecast 2014-2015 \$	Forecast 2015-2016 \$	Forecast 2016-2017 \$	Forecast 2017-2018 \$	Forecast 2018-2019 \$	Forecast 2019-2020 \$	Forecast 2020-2021 \$	Forecast 2021-2022 \$
Kerb replacement	29,150	32,100	28,000	28,900	29,800	30,700	31,700	32,800	34,000	35,200	36,400
Street Light renewals	71,580	59,200	61,000	86,200	88,900	91,600	94,500	97,800	101,400	104,900	108,600
Reseals	105,220	165,200	170,200	176,200	181,600	187,100	193,100	199,900	207,200	214,300	221,800
Pavement Treatment	33,230	35,700	36,800	38,100	297,800	40,500	64,700	43,200	44,800	1,089,900	48,000
Minor Safety Improvements	31,020	32,500	33,500	34,700	35,700	36,800	38,000	39,300	40,800	42,200	43,600
Reseal Carparks	13,640	13,100	13,600	14,000	14,500	14,900	15,400	15,900	16,500	17,100	17,700
Footpath Repairs	56,820	54,300	56,000	58,000	59,800	61,600	63,500	65,800	68,200	70,500	73,000
Rubbish bin Replacements	13,290	13,640	14,060	14,550	15,000	15,450	15,940	16,500	17,110	17,690	18,310
District Seating	1,090	1,120	1,160	1,200	1,240	1,280	1,320	1,360	1,400	1,450	1,500
Direction & Location signs	2,000	2,060	2,130	2,200	2,270	2,350	2,430	2,510	2,590	2,680	2,770
Video Camera renewals	3,230	10,100	2,800	2,900	2,900	8,100	3,100	3,200	12,600	3,500	3,600
Cobblestone Renewals		8,000									
Decorative Lighting Renewals		4,000									
<b>Total Capital Expenditure</b>	<b>360,270</b>	<b>431,020</b>	<b>419,250</b>	<b>456,950</b>	<b>729,510</b>	<b>490,380</b>	<b>523,690</b>	<b>518,270</b>	<b>546,600</b>	<b>1,599,420</b>	<b>575,280</b>

<sup>4</sup>and<sup>5</sup>“Dangerous” means the path has a lip of over 20 mm.

## Funding Impact Statement: Roading

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	988,920	999,180	1,070,650	1,114,270	1,212,560	1,169,710	1,213,230	1,248,360	1,266,200	1,540,240	1,375,340
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	91,560	135,590	137,590	138,060	142,030	146,300	151,060	156,040	161,620	166,820	172,760
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	54,120	58,200	63,630	68,920	72,250	75,770	80,960	86,670	92,840	90,400	88,030
Local authorities fuel tax, fines, infringement fees, and other receipts	69,900	71,720	73,940	76,530	78,900	81,270	83,870	86,810	90,020	93,080	96,340
<b>Total Operating Funding (A)</b>	<b>1,204,500</b>	<b>1,264,690</b>	<b>1,345,810</b>	<b>1,397,780</b>	<b>1,505,740</b>	<b>1,473,050</b>	<b>1,529,120</b>	<b>1,577,880</b>	<b>1,610,680</b>	<b>1,890,540</b>	<b>1,732,470</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	415,360	430,540	485,620	498,900	511,830	525,080	539,050	554,160	570,360	586,920	604,200
Finance Costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	479,630	484,310	509,380	547,010	600,270	561,200	602,300	598,340	614,490	863,010	656,680
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding (B)</b>	<b>894,990</b>	<b>914,850</b>	<b>995,000</b>	<b>1,045,910</b>	<b>1,112,100</b>	<b>1,086,280</b>	<b>1,141,350</b>	<b>1,152,500</b>	<b>1,184,850</b>	<b>1,449,930</b>	<b>1,260,880</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>309,510</b>	<b>349,840</b>	<b>350,810</b>	<b>351,870</b>	<b>393,640</b>	<b>386,770</b>	<b>387,770</b>	<b>425,380</b>	<b>425,830</b>	<b>440,610</b>	<b>471,590</b>





# Activity Group 5: Stormwater

## Description of Activities

Kawerau's stormwater system is a network of pipes, manholes and cesspits which collects stormwater from roads and transports it to natural water courses. The network is divided into six zones based on the estimated average date at which each zone was developed. Each zone is given the same installation date and the same replacement date.

The Stormwater Activity involves:

- Disposal of stormwater from the roading network
- Repairing or replacing unsound pipes and other stormwater structures
- Cleaning pipes and cesspits
- Planning to meet future requirements, and improving operations.

Most of the stormwater network is made of concrete pipes and the rate of deterioration is very slow. To resist corrosion in the small geothermal area in the CBD, the network has a mixture of glazed earthenware and High Density Polyethylene (HDPE) black plastic pipes, which are more resistant to the sulphur.

Although it supports and is part of the transport network, stormwater is now treated as a separate group of activities to reflect its designation as such in 2010 amendments to the Local Government Act. Another new group of activities created by the amendments is flood protection and control. In Kawerau there is no separable Council flood protection activity. Flood protection is provided by the stormwater system.

## Rationale for Delivery

The aim of the Stormwater group of activities is to dispose of stormwater in a manner which protects the Community from flooding and minimises negative impacts to the environment.

The Stormwater group of activities contributes mainly to the Council Community outcome to provide effective, efficient and sustainable infrastructure and services. Working toward this outcome will help promote the economic and environmental wellbeing of the Kawerau Community.

## Programme for the Next 10 Years

In years 1 – 3 of this Plan, Council will:

- Maintain existing infrastructure
- Review asset life expectancy
- Renew pipework in Zone 1
- Support industrial development as required. (NB The new industrial park will have a stormwater system using soakage into the ground. It will be constructed by the developer and vested in Council.)

No specific projects have been identified as yet for years 4-10 but as a minimum, required maintenance levels will be continued.

## Significant Negative Effects

The collection and discharge of stormwater has a negative environmental effect. It does contain contaminants (grit, organic material, and chemicals) from road surfaces, but the receiving water (Tarawera River) is large, clear and fast flowing and capable of dealing with the discharges. The water quality deteriorates significantly downstream due to the mill activities.

Flooding from the stormwater network can cause property damage which would in turn affect the social and environmental wellbeing of the Community.

## Statement of Intended Service Provision

### Stormwater

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council provides an effective stormwater network which removes stormwater to protect dwellings from flooding	Number of rain events for which service requests about stormwater system problems are received	New measure	No more than 10	No more than 10	No more than 10	No more than 10 each year
	Time within which urgent stormwater system problems are remediated	New measure	100% by the end of the next working day	100% by the end of the next working day	100% by the end of the next working day	100% by the end of the next working day
	Number of dwellings flooded because of stormwater system problems	New measure	None	None	None	None



## Funding Impact Statement: Stormwater

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	75,060	76,100	76,070	78,300	83,240	79,440	75,750	80,570	76,390	72,120	91,330
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	3,350	3,300	3,350	3,360	3,470	3,580	3,690	3,820	3,960	4,100	4,240
Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	1,140	3,510	5,950	9,130	13,040	16,960	21,060	25,370	29,670	21,450
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>78,410</b>	<b>80,540</b>	<b>82,930</b>	<b>87,610</b>	<b>95,840</b>	<b>96,060</b>	<b>96,400</b>	<b>105,450</b>	<b>105,720</b>	<b>105,890</b>	<b>117,020</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	5,000	5,000	5,160	5,340	5,510	5,680	5,860	6,070	6,290	6,500	6,730
Finance Costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads applied	1,300	1,260	1,310	1,440	1,340	1,410	1,560	1,520	1,560	1,530	1,670
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding (B)</b>	<b>6,300</b>	<b>6,260</b>	<b>6,470</b>	<b>6,780</b>	<b>6,850</b>	<b>7,090</b>	<b>7,420</b>	<b>7,590</b>	<b>7,850</b>	<b>8,030</b>	<b>8,400</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>72,110</b>	<b>74,280</b>	<b>76,460</b>	<b>80,830</b>	<b>88,990</b>	<b>88,970</b>	<b>88,980</b>	<b>97,860</b>	<b>97,870</b>	<b>97,860</b>	<b>108,620</b>



# Activity Group 6: Water Supply

## Description of Activity

The Water Supply group of activities is concerned with sourcing, treating and supplying potable (drinkable) water to more than 2400 households, four large industries and approximately 200 other businesses. The source of Kawerau's water supply is two springs on privately owned land, one in town and the other 3.5 km to the south west. From where it is sourced, water is pumped to a treatment plant for UV disinfection to comply with DWSNZ (Drinking Water Standards of NZ) guidelines. Water is then pumped to three reservoirs situated on Monika Lanham Reserve and above Beattie Road. From here it is gravity-fed to premises around Kawerau. In times of peak demand, additional water can be obtained from a bore field in Tarawera Park.

The Water Supply activity also involves:

- Maintenance, renewal and replacement of water supply pipes, structures and plant
- Monitoring and reporting water quality
- Planning to meet future requirements and improve operations

## Rationale for Delivery

Council is involved in the water supply activity because it recognises that a reliable water supply is a vital part of the public infrastructure necessary to sustain a Community of Kawerau's size.

Territorial authorities have numerous responsibilities relating to the supply of water. One such responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health. This implies that, in the case of the provision of potable water, councils have an obligation to identify where such a service is required, and to either provide it directly themselves or maintain an overview if it is provided by others.

The water supply activity contributes mainly to the Council Community outcomes to provide effective, efficient and sustainable infrastructure and services and to prevent harm and protect people's health and safety. Through these outcomes, the Water Supply group of activities promotes the economic, environmental and social well-being of the Kawerau Community.

## Programme for the Next 10 Years

The main focus of Councils work in the next three years is to improve the grading of Kawerau's water from Ee to a Bb grading. The physical work associated with improving the grading has been undertaken. Over the next 12 months the Drinking Water Assessor will review the historical data that has been collected about catchment area security, contamination events, monitoring processes and UV plant certification and will give the water supply a new grading for the treatment plant and reticulation.

Other areas of work in the next 10 years will include:

- Reviewing asset life expectancy
- Producing a programme and budget for condition monitoring
- The regular assessment and ongoing renewal of pipes and valves that are reaching the end of their useful lives (i.e. testing for deterioration)
- Maintaining and renewing other existing infrastructure as provided by the asset management plan
- Maintaining security of supply from the springs from where water is sourced
- Support industrial development as required. (A 3 km service line to the new industrial park on SH34 will need to be constructed when/if industrial development occurs there).



## Statement of Intended Service Provision

### Water Supply

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council supplies the Community with healthy, good tasting water	Water supply health risk grading	Ee	Bb	Bb	Bb	Bb
	Level of compliance with Ministry of Health Drinking Water Standards for NZ - 2005	Not achieved. One instance of non-compliance (E.coli)	100%	100%	100%	100%
	Frequency of bacteriological monitoring	At least 2 per month (Target increased)	At least 1 per calendar week	At least 1 per calendar week	At least 1 per calendar week	At least 1 per calendar week
	Adherence to service request response process to respond, investigate and record complaints about water quality and advise complainant of progress or the outcome	New measure	100% by the end of the next working day	100% by the end of the next working day	100% by the end of the next working day	100% by the end of the next working day
Water is sourced with minimal environmental effects	Level of compliance with BOP Regional Council water supply resource consents as reported in annual Consents and Compliance Field Sheet	Achieved	High	High	High	High each year
The water supply is of adequate pressure and flow	Water pressure samples <sup>6</sup>	All samples above 40 psi	At least 40 psi <sup>7</sup>	At least 40 psi	At least 40 psi	At least 40 psi
	Adherence to service request response process to respond, investigate and record complaints about water pressure and advise complainant of progress or the outcome	95.6 % by the end of the next working day.  100% within 5 working days is a new measure	95% by the end of the next working day and 100% within 5 working days	95% by the end of the next working day and 100% within 5 working days	95% by the end of the next working day and 100% within 5 working days	95% by the end of the next working day and 100% within 5 working days

<sup>6</sup> Samples are taken at Blundell Avenue and the Kawerau Cemetery (known potential low pressure zones) between 3.00 p.m. and 5.00 p.m. (the known high flow rate period) on days when the town's total water consumption exceeds 12,000 m<sup>3</sup> (80% capacity).

<sup>7</sup> The metric conversion is 275 kpa (kilopascals)

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
The water supply is reliable and has minimal disruptions	Number of unplanned shutdowns - reticulation	None	No more than 12	No more than 12	No more than 12	No more than 12 p.a.
	Number of unplanned shutdowns - pump stations	None	None	None	None	None
	Number of water main breaks	None	No more than 12	No more than 12	No more than 12	No more than 12 p.a.
	Adherence to service request response process to respond, investigate and record complaints about water supply and advise complainant of progress or the outcome	95 % within 2 hours.  100% within 8 hours is a new measure.	95% within 2 hours and 100% within 8 hours	95% within 2 hours and 100% within 8 hours	95% within 2 hours and 100% within 8 hours	95% within 2 hours and 100% within 8 hours

## Assessment of Water and Sanitary Services

An Assessment of Water and Sanitary Services was conducted as part of developing the Long Term Plan 2006/2016. There are no significant differences between the Assessment and this Plan.

## Significant Negative Effects

In general terms, significant negative effects can arise out of providing either an inadequate supply of water, or a water supply of poor quality which does not meet required standards (DWSNZ). Both of these could have negative effects to Community social and economic wellbeing.

The water taken from the two springs for Kawerau's water supply would otherwise flow into the Tarawera River through tributary streams. Arguably doing so reduces the flow of the river and thereby the volume of water available for other uses, primarily recreational or commercial. This could be regarded as a negative effect to social, environmental and economic wellbeing.

## Breakdown of Capital Expenditure

	Annual Plan 2011-2012 \$	Forecast 2012-2013 \$	Forecast 2013-2014 \$	Forecast 2014-2015 \$	Forecast 2015-2016 \$	Forecast 2016-2017 \$	Forecast 2017-2018 \$	Forecast 2018-2019 \$	Forecast 2019-2020 \$	Forecast 2020-2021 \$	Forecast 2021-2022 \$
Pipework Replacement	481,000	577,830	816,850	625,570	660,570	676,620	719,300	763,570	908,280	868,030	964,070
Toby Replacement	6,290	6,890	7,200	7,460	7,750	8,070	8,440	8,840	9,300	9,810	10,370
Value Refurbishment	6,290	6,890	7,200	7,460	7,750	8,070	8,440	8,840	9,300	9,810	10,370
Refurbish Pumps	5,780	6,450	6,730	6,980	7,250	7,550	7,890	8,270	8,700	9,180	9,700
UV Tube Replacements	-	17,790	-	19,260	-	20,830	-	22,820	-	25,320	-
<b>Total Capital Expenditure</b>	<b>499,360</b>	<b>615,850</b>	<b>837,980</b>	<b>666,730</b>	<b>683,320</b>	<b>721,140</b>	<b>744,070</b>	<b>812,340</b>	<b>935,580</b>	<b>922,150</b>	<b>994,510</b>





# Activity Group 7: Wastewater

## Description of Activity

Council is involved in the collection and disposal of wastewater (including sewage) to fulfil a range of duties imposed by legislation including the Health Act, the Building Act and the Local Government Act. Council's wastewater system is a network of pipes, manholes, cleaning eyes, pumps and a treatment plant. Wastewater is collected from almost all properties in the District and treated and disposed of in accordance with consent conditions.

The Wastewater Activity involves:

- The treatment of wastewater from properties in the District
- Repairing or replacing unsound pipes and other wastewater structures
- Cleaning pipes
- Planning to meet future requirements, and improving operations.

## Rationale for Delivery

The Wastewater group of activities contributes mainly to the Council Community outcomes to provide effective, efficient and sustainable infrastructure and services and to prevent harm and nuisance and protect people's health and safety.

The Wastewater group of activities thereby contributes to the Community's economic, social and environmental well-being.

## Programme for the Next 10 Years

In years 1-3 of this plan Council will:

- Maintain existing infrastructure
- Review asset life expectancy
- Test pipes and manholes for deterioration
- Renew and replace pipes in accordance with the asset management plan

No specific projects have been identified as yet for years 4 – 10 but as a minimum, required maintenance levels will be continued.

## Assessment of Water and Sanitary Services

An Assessment of Water and Sanitary Services was conducted as part of developing the Long Term Plan 2006/2016. The significant differences between this Plan and the Assessment are that the previous arrangement with Carter Holt Harvey to treat effluent has been renegotiated and Council now treats the District wastewater.



## Statement of Intended Service Provision

### Wastewater

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council provides a reliable domestic wastewater collection and disposal service	Continuity of wastewater collection	Service provided every day	Service runs every day	Service runs every day	Service runs every day	Service runs every day
	Number of disruptions to wastewater collection service	38 disruptions	No more than 50	No more than 50	No more than 50	No more than 50 p.a.
The wastewater treatment plant operates effectively	Level of compliance with BOP Regional Council wastewater treatment plant resource consents as reported in annual Consents and Compliance Field Sheet	Achieved	High	High	High	High each year
Council acts promptly to ensure public health and safety are not compromised by problems in the wastewater system	Response time to service requests about wastewater collection	38/38 notifications responded to within 1 hour	Within 1 hour on 95% of notifications	Within 1 hour on 95% of notifications	Within 1 hour on 95% of notifications	Within 1 hour on 95% of notifications

### Significant Negative Effects

A potential negative effect of the Wastewater group of activities is the potential overflow of sewage due to pipe blockages. This would have environmental and potential health effects (i.e. environmental and social wellbeing).

Potential significant negative effects would also occur if the treatment plant failed to operate for a period in excess of one day. This would negatively affect health and the environment (social and environmental wellbeing).

### Breakdown of Capital Expenditure

	Forecast 2011-2012 \$	Forecast 2012-2013 \$	Forecast 2013-2014 \$	Forecast 2014-2015 \$	Forecast 2015-2016 \$	Forecast 2016-2017 \$	Forecast 2017-2018 \$	Forecast 2018-2019 \$	Forecast 2019-2020 \$	Forecast 2020-2021 \$	Forecast 2021-2022 \$
Pipework Replacement	107,000	54,520	56,930	69,850	97,510	13,070	61,230	95,570	33,000	318,120	245,890
Refurbish Pumps		5,560	10,450	13,240	37,490	16,930	12,250	9,980	13,500	53,810	15,060
Milliscreen Bearings		2,220	2,320	2,410	2,500	2,600	2,720	2,850	3,000	3,170	3,350
<b>Total Capital Expenditure</b>	<b>107,000</b>	<b>62,300</b>	<b>69,700</b>	<b>85,500</b>	<b>137,500</b>	<b>32,600</b>	<b>76,200</b>	<b>108,400</b>	<b>49,500</b>	<b>375,100</b>	<b>264,300</b>



## Funding Impact Statement: Wastewater

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	810,350	820,910	826,670	833,750	882,230	889,970	899,400	960,920	961,370	972,570	1,076,520
Targeted rates (other than a targeted rate for water supply)	423,620	456,440	454,250	484,260	474,000	509,460	515,360	544,210	541,120	573,260	580,290
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges, and targeted rates for water supply	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
<b>Internal charges and overheads recovered</b>	78,060	90,870	102,690	114,910	127,690	142,570	158,930	174,870	192,690	204,980	213,920
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>1,313,030</b>	<b>1,369,220</b>	<b>1,384,610</b>	<b>1,433,920</b>	<b>1,484,920</b>	<b>1,543,000</b>	<b>1,574,690</b>	<b>1,681,000</b>	<b>1,696,180</b>	<b>1,751,810</b>	<b>1,871,730</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	518,740	563,250	568,650	594,190	601,650	637,120	644,340	680,560	685,540	727,400	737,780
Finance Costs	5,130	3,250	1,280	0	0	0	0	0	0	0	0
<b>Internal charges and overheads applied</b>	398,620	413,380	425,320	449,800	444,880	468,330	492,590	501,660	511,840	526,420	550,460
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding (B)</b>	<b>922,490</b>	<b>979,880</b>	<b>995,250</b>	<b>1,043,990</b>	<b>1,046,530</b>	<b>1,105,450</b>	<b>1,136,930</b>	<b>1,182,220</b>	<b>1,197,380</b>	<b>1,253,820</b>	<b>1,288,240</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>390,540</b>	<b>389,340</b>	<b>389,360</b>	<b>389,930</b>	<b>438,390</b>	<b>437,550</b>	<b>437,760</b>	<b>498,780</b>	<b>498,800</b>	<b>497,990</b>	<b>583,490</b>



# Activity Group 8: Solid Waste

## Description of Activity

Refuse collection involves the weekly collection of residual waste and the fortnightly collection of green waste from residential properties. Recycling collection from both residential and commercial properties is undertaken on a weekly basis. Council also provides a transfer station where waste can be taken.

Disposal involves the transfer of residual waste out of the District to a consented landfill. Recycled material is sent to a further processing plant where it is sorted and then becomes part of the relevant recycled waste stream. Green waste is disposed of by making it into compost.

## Rationale for Delivery

The purpose of the refuse collection is to provide the Community with a convenient method to remove unwanted materials from their properties, thereby upholding public health and hygiene standards. The aim of refuse disposal is to dispose of refuse in an environmentally acceptable manner.

The recycling/zero waste activity aims to reduce the volume of waste going to landfill by maximising the material going to reusable waste streams, thereby minimising some of the negative environmental effects of human consumption.

The Solid Waste group of activities contributes mainly to the Council Community outcomes to provide effective, efficient and sustainable infrastructure and services, to prevent harm and nuisance and protect people's health and safety and to sustainably manage the use, development and protection of Kawerau's urban and natural environment. By working toward these outcomes, Council contributes toward the economic, social and environmental well-being of the Community.

## Programme for the Next 10 Years

Council will continue to work toward the goal of reducing the volume of waste going to landfill by:

- Increasing Community education activity
- Reviewing collection operation to improve sorting
- Reviewing transfer station fees
- Keeping abreast of new developments and investigating the use of new technology.



## Statement of Intended Service Provision

### Refuse Collection and Disposal

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council's refuse collection and disposal services meet the needs of the Kawerau Community and help maintain public health and a clean environment	Frequency of residual refuse collection from residential properties	52 weekly collections undertaken	52 weekly collections	52 weekly collections	52 weekly collections	52 weekly collections p.a.
	Level of compliance with BOP Regional Council refuse disposal resource consents as reported in annual Consents and Compliance Field Sheets	Achieved	High	High	High	High each year

### Recycling (Zero Waste)

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Material which would otherwise go to landfill as household refuse is collected by the recycling collection service	Percentage of solid waste received by Council which is sent to landfill	New measure	No more than 72%	No more than 72%	No more than 72%	No more than 72% p.a.

## Significant Negative Effects

Both refuse collection and disposal services and the recycling activity can cause:

- Odour
- Health risks
- Vermin infestation
- Visual pollution

These can impact on social and environmental wellbeing of the Community. The regularity and effectiveness of the collection and disposal services minimises these impacts.

## Funding Impact Statement: Solid Waste

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	593,660	619,090	635,020	681,350	666,400	689,130	727,330	732,170	749,030	754,360	799,110
Targeted rates (other than a targeted rate for water supply)	384,740	392,340	404,890	423,740	429,680	446,220	467,950	477,490	491,740	503,200	527,610
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges, and targeted rates for water supply	249,790	256,460	264,660	273,130	282,420	292,300	302,220	312,200	322,180	333,780	345,470
<b>Internal charges and overheads recovered</b>	16,960	17,660	18,460	19,570	20,770	22,060	23,350	24,620	25,930	27,400	28,940
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>1,245,150</b>	<b>1,285,550</b>	<b>1,323,030</b>	<b>1,397,790</b>	<b>1,399,270</b>	<b>1,449,710</b>	<b>1,520,850</b>	<b>1,546,480</b>	<b>1,588,880</b>	<b>1,618,740</b>	<b>1,701,130</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	893,540	929,690	957,960	997,860	1,018,880	1,052,630	1,088,090	1,119,810	1,154,300	1,193,750	1,233,640
Finance Costs	10,340	12,200	11,930	11,530	11,100	10,650	10,200	9,710	9,190	8,670	8,110
<b>Internal charges and overheads applied</b>	295,600	301,220	310,330	344,500	318,950	338,340	373,530	362,970	370,840	363,950	398,300
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding (B)</b>	<b>1,199,480</b>	<b>1,243,110</b>	<b>1,280,220</b>	<b>1,353,890</b>	<b>1,348,930</b>	<b>1,401,620</b>	<b>1,471,820</b>	<b>1,492,490</b>	<b>1,534,330</b>	<b>1,566,370</b>	<b>1,640,050</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>45,670</b>	<b>42,440</b>	<b>42,810</b>	<b>43,900</b>	<b>50,340</b>	<b>48,090</b>	<b>49,030</b>	<b>53,990</b>	<b>54,550</b>	<b>52,370</b>	<b>61,080</b>





# Activity Group 9: Leisure and Recreation

## Description of Activity

### **Public Library**

The public library holds a collection of items available for public use or borrowing, offers free internet and wifi use and supports literacy and lifelong learning by running activities and programmes including internet, research and school holiday programmes. The library is open six days per week.

### **Museum**

The Sir James Fletcher Kawerau Museum is a repository for historical items and information, predominantly paper records, from and about Kawerau and the surrounding local area. Two particular areas of work at this stage of developing the museum include properly cataloguing and preserving material and recording oral histories from early Kawerau residents.

### **Swimming Pools**

Council provides a year-round swimming pool complex to enhance leisure opportunities. The Maurie Kjar Memorial Swimming Pool Complex is a free, geothermally heated facility in the middle of town. There is a large 30m pool divided by a bulkhead into a 25m pool and separate 5m pool, with two smaller pools for children and a spa pool. The complex is surrounded by large recreation and play areas where barbecue and picnic tables are available for families and larger groups.

The pools are used by local schools, clubs, fitness groups, lane swimmers, recreational swimmers. Outside Council operating hours the complex is available for private hire. During the colder months the water temperature of all the pools is kept in around 35 degrees centigrade.

The pool complex is one of the assets not currently funded for depreciation, as explained in the Financial Strategy at the front of this plan.

As a result of consultation for this plan, Council has adopted a preferred option to develop the swimming pool complex by installing a 'splash pad' wet play area for young children, building an additional pool of 50 metres with a deep end for diving, and upgrading the changing facilities. In the latter part of 2012, Council will engage with interested parties to determine community needs, analyse current usage and investigate the effects of extending pool opening hours and introducing user charges. The information will be used to develop a comprehensive proposal, including a detailed concept plan and costings, which Council will bring back to the Community for consultation. In the first 12 months of the Long Term Plan, the only cost to ratepayers will be developing the proposal.

### **Public Halls and Facilities**

Council owns and maintains three large public halls for entertainment and recreation, a range of buildings on reserves for use by various sporting codes and a number of public toilet facilities on reserves. All these halls and facilities are available for hire.

### **Parks and Reserves**

Council owns and maintains a number of recreation reserves which include:

- Sports fields for sports and recreational use and are available for hire
- Passive reserves which provide for green space (treed and grassed areas) and general recreation; and
- Playgrounds with open space and play equipment for children.

Council provides the Kawerau Cemetery to accommodate the interment needs of the local Community.

Specimen trees and flowerbeds on roadside and amenity reserves are planted and maintained to enhance the visual beauty of the District.

## Rationale for Delivery

Council maintains sporting, leisure and recreational facilities to enhance the nature of Kawerau as a recreation and leisure-conscious Community and to maximise opportunities for our Community to participate in leisure pursuits. Because the activity group can potentially improve the quality of life of all the people of Kawerau in some way, it is important to Council that a wide range of quality of services is provided.

The Leisure and Recreation group of activities contributes mainly to the Council Community outcomes to sustainably manage the use, development and protection of Kawerau's urban and natural environment and to promote Community identity and cohesion. By providing this group of activities, Council helps promote the social and environmental well-being of the Community.

## Programme for the Next 10 Years

Council plans to continue providing current levels of service in this group of activities and to explore opportunities to develop new or enhance existing facilities to support its objectives. The significant areas of work will be:

- In the short term, Council's major focus will be on developing a comprehensive proposal for consultation about developments at the pool complex.

- Undertaking roofing iron replacement and foundation repairs at the Ron Hardie Recreation Centre in the 2012/2013 financial year (Budgeted cost \$70,000)
- Acquiring additional land for cemetery development in the medium term
- Ongoing development of services at the Museum, to properly catalogue and keep the growing collection of records and other historical material
- Continued collaboration with current partners to encourage active recreation as a healthy lifestyle option for members of the Kawerau Community
- Ongoing management of large trees.



## Statement of Intended Service Provision

### Public Library

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
The library is accessible to the public	Number of weeks open each year <sup>8</sup>	52 weeks	50	50 s	50	50 p.a
Council provides public library services and resources which suit Community needs	Number of school holiday programmes offered	New measure	4	4	4	4 times p.a
	Average number of items <sup>9</sup> issued per capita	New measure	9	9	9	9 per annum

<sup>8</sup> The library opening hours are 10.00 a.m. to 5.00 p.m. Monday to Friday and 10.00 a.m. to 1.00 p.m. Saturday, closed public holidays.

<sup>9</sup> Items include books, magazines, CDs, DVDs, videos and cassette tapes.

## Museum

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
The museum is accessible to the public	Number of weeks open each year	51	50	50	50	50 p.a.
Council provides a museum service which reflects Community interests	Number of exhibitions held	New measure	8	8	8	8 p.a.
	Number of historical articles produced <sup>10</sup>	New measure	15	15	15	15 p.a.

## Swimming Pools

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council provides a Swimming Pool Complex which is accessible to the Community	Weeks open per year	50	At least 48	At least 48	At least 48	At least 48 p.a.
Swimming pool water meets water quality standards	Water quality checks	350 daily checks	At least 336 daily checks	At least 336 daily checks	At least 336 daily checks	At least 336 daily checks p.a.
	Level of compliance with standards	95% compliance	Full compliance in 95% of tests	Full compliance in 95% of tests	Full compliance in 95% of tests	Full compliance in 95% of tests

## Public Halls and Facilities

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Three Community halls are available for hire: Ron Hardie Recreation Centre, Town Hall and the Concert Chambers.	Number of weeks public halls available for hire	New measure	Each hall is available for 50 weeks <sup>11</sup>	Each hall is available for 50 weeks	Each hall is available for 50 weeks	Each hall is available for 50 weeks p.a.
Clean public toilets are provided in the central business district	Council provides town centre public toilets	New measure	Open at least 360 days	Open at least 360 days	Open at least 360 days	Open at least 360 days p.a.

<sup>10</sup>Historical articles include a mix of oral histories, exhibition booklets and special event DVDs.

<sup>11</sup>Each hall is closed for scheduled maintenance for up to two weeks per year.

## Parks and Reserves

Level of Service	Measure	Current performance (2010/2011)	2012/2013	2013/2014	2014/2015	2015/2016 – 2021/2022
Council provides an adequate number of reserves for Community leisure and recreation	Percentage of households situated within 500 metres of a reserve	New measure	At least 95%	At least 95%	At least 95%	At least 95%
Playing surfaces at sports fields are maintained to the requirements of the codes for which they are used	Frequency of grass mowing	New measure	At least 48 times	At least 48 times	At least 48 times	At least 48 times p.a.
Road reserves are well-maintained and street trees managed to balance private needs with public interests	Frequency of grass mowing grass berms and other road reserves	Mowed 16 times	At least 14 times	At least 14 times	At least 14 times	At least 14 times p.a.
Bedding displays are attractive and updated to suit the season	Number of bedding displays	New measure	2 (1 summer and 1 winter)	2 (1 summer and 1 winter)	2 (1 summer and 1 winter)	2 each year (1 summer and 1 winter)
Playground equipment is safe for children to use	Bi-monthly inspections of all play-ground equipment	Inspected at least every 2 months	6 inspections conducted	6 inspections conducted	6 inspections conducted	6 inspections conducted p.a.
	Remediation of all identified problems	New measure	All repairs completed within 2 weeks	All repairs completed within 2 weeks	All repairs completed within 2 weeks	All repairs completed within 2 weeks
	Investigation of safety-related service requests and if necessary, isolation of the hazard	New measure	100% within 1 working day	100% within 1 working day	100% within 1 working day	100% within 1 working day
The Kawerau Cemetery meets Community interment needs in the present and the medium term	Number of complaints about Council cemetery services	0	0	0	0	0 each year
	Number of burial plots available	New measure	At least enough for the next 5 years <sup>12</sup>	At least enough for the next 5 years	At least enough for the next 5 years	At least enough for the next 5 years

## Significant Negative Effects

Negative social effects may be caused in this group of activities by people creating noise or nuisance, or posing danger to other people and property. Significant negative social and economic effects can be caused by shading, injury or property damage caused by trees which have grown very large. Kawerau has a large area of parks and reserves relative to the population of the town. The cost of maintaining these could be regarded as having a negative economic impact.

<sup>12</sup> Based on the average number of sales in the previous two financial years

## Breakdown of Capital Expenditure

	Forecast 2011- 2012 \$	Forecast 2012- 2013 \$	Forecast 2013- 2014 \$	Forecast 2014- 2015 \$	Forecast 2015- 2016 \$	Forecast 2016- 2017 \$	Forecast 2017- 2018 \$	Forecast 2018- 2019 \$	Forecast 2019- 2020 \$	Forecast 2020- 2021 \$	Forecast 2021- 2022 \$
Library and Museum											
-Collection Renewals	46,270	50,370	51,980	53,640	55,460	57,400	59,350	61,310	63,270	65,550	67,840
-Office Equipment	5,300	56,000	770	8,470	-	850	11,230	1,940	-	-	-
-Fixtures and Fittings	4,500	-	-	6,770	7,000	-	11,610	7,740	8,000	-	-
-Building	9,080	9,640	10,200	7,360	29,850	15,280	12,980	-	1,960	-	2,090
-Software (museum)	-	13,000									
Swimming Pool	57,690	75,410	14,300	4,750	61,800	30,430	40,790	-	-	-	-
Recreation Centre	100,340	97,900	1,320	15,060	23,320	-	49,440	-	-	-	-
Town Hall	50,590	3,770	-	13,580	1,400	2,410	12,360	12,710	13,090	-	-
Concert Chambers	14,400	53,060	11,450	2,260	7,710	1,200	12,870	5,080	7,080	1,350	-
Sportsfield Buildings & Amenities	11,920	46,800	10,330	2,040	55,970	-	13,690	-	-	-	-
Passive Reserve Renewals	22,560	150,100	19,710	33,890	21,030	36,250	22,510	38,730	23,990	41,410	25,720
Playground Renewals	17,800	18,320	18,900	19,510	20,170	20,870	21,570	22,280	22,990	23,810	24,650
Cemetery (Building & Carpark)	4,000	26,500									
<b>Total Capital Expenditure</b>	<b>344,450</b>	<b>600,870</b>	<b>138,960</b>	<b>167,330</b>	<b>283,710</b>	<b>164,690</b>	<b>268,400</b>	<b>149,790</b>	<b>140,380</b>	<b>132,120</b>	<b>120,300</b>



## Funding Impact Statement: Leisure and Recreation

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	2,649,060	2,700,490	2,782,770	2,845,200	2,897,550	2,992,610	3,117,510	3,101,680	3,152,460	3,194,460	3,342,950
Targeted rates (other than a targeted rate for water supply)	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	1,020	1,020	1,050	1,080	1,120	1,160	1,200	1,240	1,280	1,330	1,380
Fees, charges, and targeted rates for water supply	56,960	103,910	60,530	62,890	63,980	66,110	68,670	70,070	71,990	73,680	76,650
Internal charges and overheads recovered	32,130	29,970	32,550	37,640	42,170	47,270	53,010	58,920	66,540	74,430	84,990
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding (A)</b>	<b>2,739,170</b>	<b>2,835,390</b>	<b>2,876,900</b>	<b>2,946,810</b>	<b>3,004,820</b>	<b>3,107,150</b>	<b>3,240,390</b>	<b>3,231,910</b>	<b>3,292,270</b>	<b>3,343,900</b>	<b>3,505,970</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	1,566,850	1,639,680	1,646,810	1,692,520	1,727,080	1,787,800	1,835,840	1,864,890	1,909,600	1,963,040	2,024,430
Finance Costs	33,340	45,300	46,860	40,850	36,450	33,550	30,920	27,380	22,010	17,000	15,720
Internal charges and overheads applied	721,610	747,100	777,830	805,000	793,130	838,730	922,620	852,970	870,890	874,850	930,050
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding (B)</b>	<b>2,321,800</b>	<b>2,432,080</b>	<b>2,471,500</b>	<b>2,538,370</b>	<b>2,556,660</b>	<b>2,660,080</b>	<b>2,789,380</b>	<b>2,745,240</b>	<b>2,802,500</b>	<b>2,854,890</b>	<b>2,970,200</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>417,370</b>	<b>403,310</b>	<b>405,400</b>	<b>408,440</b>	<b>448,160</b>	<b>447,070</b>	<b>451,010</b>	<b>486,670</b>	<b>489,770</b>	<b>489,010</b>	<b>535,770</b>





# Council Controlled Organisations (CCOs)

## Introduction

This section presents information about every council-controlled organisation (CCO) in which Council is a shareholder. A CCO is a company or organisation in which a council or councils hold 50% or more of the voting rights or can appoint 50% or more of the trustees, directors or managers. CCOs are essentially any company with a majority Council shareholding, or a trust or similar organisation with a majority of council-controlled votes or council-appointed trustees.

In order to achieve its objectives, Council is a shareholder in two CCOs: Bay of Plenty Local Authority Shared Services Limited (BOPLASS Ltd), which is jointly owned by all eight councils in the Bay of Plenty Region, and the Eastern BOP Economic Development Agency, Toi EDA, which is jointly owned by the Kawerau, Whakatane and Opotiki district councils.

## BOPLASS Ltd

BOPLASS Ltd was set up during 2007/08 to foster shared services between the participating councils. It provides an umbrella group to investigate, procure, develop and deliver shared services where a business case shows this can provide benefits (e.g. in terms of reduced costs, improved efficiency and/or increased value through innovation). Council is involved in BOPLASS Ltd primarily to improve services to the Community and to achieve economies of scale through group purchasing.

## Ownership and Control

Each of the following eight local authorities in the region holds a 12.5% share:

- Bay of Plenty Regional Council
- Kawerau District Council
- Opotiki District Council
- Rotorua District Council
- Taupo District Council
- Tauranga City Council
- Western Bay of Plenty District Council
- Whakatane District Council

At an operational level, each operational shared service is managed or 'directed' by an Advisory Group, nominated by the shareholding councils in that particular service. Each such service is subject to a formal service level agreement between BOPLASS Ltd and the service shareholders, outlining the services and activities provided, where, when and how; and reflecting the capital and operational costs being met by each service shareholder.

All shared services are operated and accounted for as separate business units under the overall umbrella of BOPLASS Ltd. As such, the Board oversees and approves nominations to the Advisory Groups and all of their material decisions – there is only one Board of Directors and that remains at the umbrella or holding company level.

Subject to the approval of shareholders in accordance with the shareholder agreement the directors may decide that a particular activity is best managed as a subsidiary company and proceed accordingly. The draft Statement of Intent for any such subsidiary shall be circulated to the shareholders of BOPLASS Ltd together with the request for a Special Shareholder resolution as provided for in section 6 of the shareholder agreement.

## ***Nature and Scope of Activities***

The principal nature and scope of the activity of BOPLASS Ltd is to:

- Use joint procurement to add value to goods and services sourced for constituent councils.
- Facilitate shared services that benefit councils and their stakeholders through improved levels of service, reduced costs, improved efficiency, innovation and/or increased value.
- Pursue best practice in the management of all activities to obtain best value and minimise risk.
- Demonstrate fiduciary responsibility by ensuring that activities are adequately funded from savings achieved, levies, council contributions, or government funding where available.
- Allow other councils or organisations to participate in activities where this will benefit constituent councils directly or indirectly.
- Represent the collective views of shareholders in matters with which BOPLASS Ltd is associated.

## ***CCO Performance Measures and Targets***

BOPLASS Ltd has made good progress against performance targets. To ensure the company continues to operate effectively in both governance and management terms, targets over the next three years are to:

- Initiate at least one shared service each year and no less than two shared services successfully implemented within three years.
- Implement shared services demonstrating best practice and added value to participating councils and stakeholders.
- Facilitate Joint Procurement of goods and services from sources offering best value, service and or continuity of supply.
- Communicate with each shareholding council at appropriate levels.
- Ensure sufficient income is available from activities to sustain a viable company.

Further information is available at:

<http://www.boplass.co.nz/>

## ***Toi-EDA (Economic Development Agency)***

### ***About Toi-EDA***

Toi-EDA is the Eastern Bay of Plenty Regional Economic Development Agency set up by three territorial authorities (Kawerau, Opotiki and Whakatane) and Te Rūnanga o Ngāti Awa on behalf of the Mataatua Iwi Forum.

The primary objective of the Toi-EDA is to make a positive difference to the Eastern Bay of Plenty economy by supporting sustainable business and industry and increasing productivity by focusing on the region's natural and human resources.

Toi-EDA provides goods or services for the Community of social benefit rather than making a financial return. Accordingly, it is designated as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

### ***Toi-EDA as an Exempt CCO***

On 30 March 2010, the Council resolved that Toi-EDA would become an exempt Council Controlled Organisation (CCO) under the LOCAL GOVERNMENT ACT. As a CCO, Toi-EDA was required by legislation to meet a number of reporting requirements that were considered onerous and expensive in relation to its size. Exemption from these requirements allows Toi-EDA to focus more of its limited resources on economic development. As an exempt CCO, the reporting requirements of Toi-EDA will be similar to those of other Council activities.

This change has not affected the nature or delivery of the services delivered by Toi-EDA.

## ***Trustees***

Toi-EDA operates under a Trust Deed. Toi-EDA's trustees are experienced business people and community leaders who play a vital role in leading and guiding the organisation. They bring with them a wealth of experience and skills spanning commercial, finance, governance and business development, as well as entrepreneurial skills.

The role of Trustees is to:

- Provide strategic leadership and oversee strategy.
- Meet and network with key stakeholders.
- Provide advocacy.
- Ensure sustainable economic development.
- Monitor progress.
- Provide governance.
- Generate ideas / foster growth.
- Influence the community and stakeholders.
- Support staff.
- Take positions / prepare submissions on major developments.
- Perform a custodial role over resources

## ***Significant Policies and Objectives in regard to Ownership and Control***

- To attract people to work, live and play in the Eastern Bay of Plenty.
- To align Toi-EDA with regional and national economic development activity.
- To encourage alignment with Maori economic development.
- To support and develop industry.
- To align training and education with employment needs.
- To advocate for improved infrastructure and transportation.
- To foster communication with the community and partners.
- To secure and diversify the Toi-EDA funding base.

## ***Nature and Scope of Activities***

- Developing and implementing a co-ordinated marketing strategy to attract more people to visit and live in the region.
- Identify, support and grow events that attract visitors and promote the Eastern Bay of Plenty.
- Advocate for new facilities and event resources.
- Promote conference opportunities.
- Implementing economic development projects.

## ***Performance Measures and Targets 2012/13***

### **Financial**

- Manage Toi-EDA's operations within budgets agreed by stakeholders and within the terms of the Trust Deed. The operational expenditure budget for the 2012/2013 financial year is \$175,000

### **Non-financial**

- Promote forestry processing locally and internationally
- Support and promote the Kawerau Industrial Symbiosis project
- Assist with the implementation of the 'Bay of Connections' strategy ensuring that Eastern BOP projects are supported
- Continue a web based immigration campaign
- Promote Chinese and Korean investment into the region
- Promote, support and facilitate projects that have economic benefits.





# FINANCIAL STATEMENTS





# Significant Forecasting Assumptions, Risks and Possible Implications

Financial estimates form part of the long term plan. These estimates are based on assumptions about future conditions and events, which may or may not occur. A financial estimate's quality is therefore dependent on the appropriateness, completeness and reasonableness of the underlying assumptions as well as on the underlying information. Actual results may differ from these assumptions and variations may be material. The information in these financial statements may not be appropriate for purposes other than that of Council consulting with the Community on the spending priorities outlined in this Plan.

The Local Government Act requires these assumptions to be disclosed. This allows the readers to make their own judgement on the assumptions' quality and reliability. To further assist readers make an informed judgement, it is also necessary to provide information about the sensitivity (to change) of financial estimates. The Local Government Act describes these financial estimates as being based on assumptions that 'involve a high level of uncertainty'. The act requires an Auditor to provide an audit report on the long term plan and this attestation specifically covers the quality of the information and assumptions that underlie the forecast information. The long term plan must clearly identify:

- All the significant forecasting assumptions and risks underlying the financial estimates
- The assumptions of the Council concerning the useful life of significant assets and the sources of funds for future replacement of significant assets
- In any case where significant forecasting assumptions involve a high level of uncertainty, the fact of that uncertainty and an estimate of the potential effects of that uncertainty on the financial estimates provided

The following assumptions underlying the preparation of these forecasts were made in preparing this Plan:

## 1. Useful Lives of Significant Assets

Asset	Estimated Economic Life (years)
<b>Operational</b>	
Buildings	40-67
Computers/electronic office equipment	3-5
Fixtures, fittings and equipment	5
Plant (vehicles)	5
Library lending matter (excluding special collections)	7
<b>Infrastructural</b>	
Transport Management:	
Street lighting	6-30
Kerb, channel and footpath	28-95
Pavement surface	1-13
Pavement structure	6-74
Stormwater	4-62
Water Supply:	
Collection and storage	5-79
Local distribution	7-79
Wastewater:	
Reticulation system	4-68
Pumping and treatment	2-70
<b>Restricted</b>	
Buildings	40-53



## 2. Sources of Funds for Future Replacement of Significant Assets

Some buildings are non-strategic and the level of utilisation in many cases is significantly below availability. As a result, it is unlikely these buildings would be replaced in their present form. Also their replacement may be by rented accommodation or by buildings funded by way of loans. The advantage of not funding depreciation on these buildings is that the Community is not rated for depreciation on assets that are unlikely to be replaced with buildings of equivalent value.

Buildings that are unlikely to be replaced in their present form include the Council Buildings (including Town Hall, Concert Chamber, Library/Museum and Offices), Tarawera Park Amenity Building, Recreation Centre, Swimming Pool, Depot and Pensioner Housing.

## 3. Projected Growth Change Factors (population and development)

Based on population projections published by Statistics New Zealand, the District is experiencing (and is expected to continue to experience) zero to very low growth in demand for additional infrastructural services. The existing infrastructural network will cope with a District population of at least 10,000. Growth is monitored to determine any potential additional demand on infrastructural services.

## 4. Cost Factors (inflation)

The forecasts in this Plan have been adjusted for inflation using projections of price level change adjusters specifically for local government costs. These have been prepared for the Society of Local Government Managers by Business and Economic Research Limited (BERL) and are contained in the table below.

### *Inflation adjusters: Percent change per annum*

Year ending	Roading	Property	Water	Energy	Staff	Other
June 2013	3.8%	3.0%	4.2%	4.8%	2.5%	2.4%
June 2014	3.1%	2.9%	3.9%	4.7%	2.4%	3.2%
June 2015	3.5%	2.9%	3.5%	4.7%	2.4%	3.2%
June 2016	3.1%	3.0%	3.7%	5.0%	2.6%	3.4%
June 2017	3.0%	3.1%	3.8%	5.1%	2.6%	3.5%
June 2018	3.2%	2.8%	3.5%	4.6%	2.4%	3.4%
June 2019	3.5%	2.8%	3.5%	4.5%	2.3%	3.3%
June 2020	3.7%	3.0%	3.8%	5.0%	2.6%	3.3%
June 2021	3.4%	3.3%	4.1%	5.4%	2.7%	3.6%
June 2022	3.5%	3.3%	4.1%	5.4%	2.7%	3.5%

Source: BERL SEPT 2011

## 5. New Zealand Transport Agency (NZTA) Subsidy Rates

NZTA contributes significantly to the costs of maintaining and renewing the roads. The assumption has been made that when roads are due for renewal, NZTA will contribute towards the cost on the currently agreed rates.

The agreed subsidy rates are:	2012/13	66%
	2013/14	65%
	2014/15	63%

After this period a further review of subsidies will be undertaken by NZTA. However, for the purposes of providing estimates 63% subsidy is used for subsequent years. The budgeted Land Transport Subsidies for the period of this plan are outlined in the table below:

2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
\$389,490	\$396,590	\$411,760	\$544,790	\$393,500	\$420,610	\$420,050	\$435,340	\$1,107,430	\$1493,320

### ***Sensitivity in subsidy revenue to a 5% change in subsidy rates***

Risk:	Change in rate
Likelihood:	Moderate
Impact:	See table below

2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
\$29,066	\$30,506	\$32,680	\$43,237	\$31,230	\$33,382	\$33,337	\$34,550	\$87,891	\$118,517

Council would continue the existing level of service if the subsidy rate was reduced by up to 5%. The shortfall would be funded from rates, which would add up to a further 0.4% increase to Council's rates for 2012/13.

If NZTA stopped subsidising roading entirely, Council would need to consult with the Community about different service levels and the costs of maintaining roads at those different levels. If the projected subsidy for 2012/13 had to be funded from rates, this would add a further 5.2% to total rates.

Council considers it very unlikely that NZTA would stop subsidising qualifying roading work entirely.

## 6. Revaluation of Non-current Assets

Council's current accounting policy is that Infrastructural assets (including land and buildings) are revalued on a three-yearly basis. The last revaluation was as at 30 June 2010. Under the current policy, revaluations will occur as at 30 June in the years 2013, 2016, 2019 and 2022. The effect of the revaluations has been estimated using the forecasts of price level change adjusters prepared for the Society of Local Government Managers by Business and Economic Research Limited (BERL).

## 7. Forecast Return on Investments

The interest rates on invested funds assumed for the ten-year planning period are shown in the table below. These are based on interest rates on current investments as at March 2012.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Interest rate	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Average investments	\$4,953,300	\$4,964,300	\$5,259,200	\$5,489,800	\$5,843,200	\$6,321,400	\$6,754,800	\$7,258,400	\$7,315,000	\$6,985,000

### Sensitivity in interest revenue to a 1% change in interest rates

Risk: Change in rate  
Likelihood: High  
Impact: See table below

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	\$49,533	\$49,643	\$52,592	\$54,898	\$58,432	\$63,214	\$67,548	\$72,584	\$73,150	\$69,850

## 8. Expected Interest Rates on Internal Borrowing

Council uses its reserves to fund new capital projects. Internal borrowing is utilised where there is no foreseeable requirement for the original purpose of the reserve funds during the term of the internal loan. The primary objective of funding internally is to use reserves efficiently and create operational savings by eliminating the interest rate margin between separately investing and borrowing externally.

The following parameters apply to internal loans in addition to those applying to external loans:

- The term of the internal loan will be determined after considering the original purpose of the reserve fund
- Principal amounts are repaid in quarterly instalments on the due date of each rates instalment. Amounts are agreed upon at the commencement of the loan and determined on a table mortgage basis
- Interest is charged to the activity centre based upon the average rate of Council's investments on the date it resolves to lend internally
- Council has the ability to reset interest rates annually during the preparation of the annual plan

It is anticipated that all borrowing will be done internally from depreciation reserves during the life of the long term plan. The expected interest rates on borrowing are therefore based on the forecast interest rates for investments.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Interest rate	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Average borrowing	\$753,586	\$604,960	\$473,099	\$371,361	\$297,605	\$240,519	\$199,837	\$176,311	\$151,709	\$132,721

### Sensitivity in interest expense to a 1% change in interest rates

Risk: Change in rate  
Likelihood: High  
Impact: See table below

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	\$7,536	\$6,050	\$4,731	\$3,714	\$2,976	\$2,405	\$1,998	\$1,763	\$1,517	\$1,327

## 9. Climate Change

Council has assumed that the excess capacity in the District's infrastructure will cope with any effects of climate change such as changing weather patterns (extreme weather events).

## 10. Insurance

Council has assumed that it will be able to obtain insurance cover for all existing policies over the period of the Long Term Plan 2012/22 and that the cost for insurance will be similar to that for the current year plus inflation.

## 11. Societal Changes

Council has assumed that there will be no significant changes to the makeup of the District population over the Period of the Plan, and therefore has not made any provision for additional (or reduced) services.

## 12. Possible Impact of Future Legislative Changes

The Local Government Act 2002 Amendment Bill had its first reading in Parliament just prior to the adoption of this plan. The Minister of Local Government has advised that a second stage of reforms will take place in 2013. Any changes required to our long term plan will be considered at an appropriate time, once the implications of the changes have been fully considered.



# Prospective Statement of Accounting Policies

## Reporting Entity

Council is a local authority in terms of the Local Government Act and designates itself to be a Public Benefit Entity with the primary objective of providing goods and services for the benefit of its Community rather than for a financial return. The purpose of prospective financial statements in the long term plan is to provide users with information about the core services that Council intends to provide to the Community, the expected cost of those services and, as a result, how much Council requires by way of rates to fund the intended levels of service.

## Statement of Compliance and Basis of Preparation

In September 2011, the External Reporting Board issued a position paper and consultation papers proposing a new external reporting framework for public benefit entities (PBEs). The papers proposed that accounting standards for PBEs would be based on International Public Sector Accounting Standards, modified as necessary. The proposals in these papers do not provide certainty about any specific requirements of future accounting standards. Therefore, the accounting policies on which the forecast information for 2012-22 has been prepared are based on the current New Zealand equivalents to International Financial Reporting Standards. The financial statements comply with FRS42 prospective financial statements as appropriate for public benefit entities.

## Measurement Base

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of certain classes of Property, Plant and Equipment. The preparation of financial statements that conform to NZ GAAP requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenditure.

The estimates and associated assumptions are based on historical experience and other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets that are not readily apparent from other sources.

Estimates and assumptions are reviewed on an ongoing basis and revisions to the accounting estimates recognised in the period of the revision, or in that period and any future periods that are affected by the revision. It should be noted that actual results may vary from these estimates. The accounting policies set out below have been applied consistently to all periods presented in the prospective financial statements.

## Revenue

### ***Rates revenue***

Rates are set annually by a Council resolution and rates revenue is recognised in the financial year for which the rates have been set.

### ***Government grants and subsidies***

Council receives government grants from the New Zealand Transport Agency (formerly Land Transport New Zealand), which subsidises part of Council's costs to maintain the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

### ***Petrol tax***

Petrol tax is recognised as revenue on receipt.

### ***Interest revenue***

Interest is recognised as revenue using the effective interest method.

## **Other revenue**

Water meters are read, and the usage billed, on the last day of each quarter. Unbilled usage at the year end is accrued based on the actual reading at 30 June. 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 are recognised when a product is sold to the customer and the recognised revenue is the gross amount of the sale. 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 Council are recognised as revenue when control over the asset is obtained. Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction. Dividends are recognised when the right to receive payment has been established.

## **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 in the financial year for which they are granted.

## **Support Activity Costs**

Support activity costs are allocated to significant activities on the basis of relative total direct costs.

## **Leases**

### ***Finance leases***

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

## **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 includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

## **Trade and Other Receivables**

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

## **Inventories**

Inventories include all goods held for the purpose of eventual consumption. They are measured at the lower of cost (using the FIFO method) and current replacement cost.



## Investments

Investments represent Council's shareholdings in New Zealand Local Government Insurance Corporation Limited and BoP LASS Ltd and are held at cost. Council classifies its financial assets into four categories: financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and financial assets at fair value through equity. The classification depends on the purpose for which the investments were acquired. Management determines the classifications of Council's investments at initial recognition and re-evaluates this designation at every reporting date.

## Impairment of Financial Assets

At each balance date, Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Statement of Financial Performance.

## Non-Current Assets 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 statement of financial performance.

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.

## Impairment of Non-Financial Assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

## Property, Plant and Equipment

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

### **Operational assets**

These include land, buildings, library books, plant and equipment and motor vehicles.

### **Infrastructure assets**

This comprises the fixed utility systems (roads, water, wastewater and stormwater) owned by Council. Each asset class includes all items that are required for the network to function, for example, wastewater reticulation includes reticulation piping and sewer pump stations.

### **Restricted assets**

These include 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.

### **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, i.e. vested in Council, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### **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 statement of financial performance. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.



### Subsequent costs

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

### Depreciation of Property, Plant and Equipment

Depreciation is provided on either the straight-line (SL) or diminishing value (DV) basis on all property, plant and equipment other than land and pavement formation, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The estimated useful lives, associated depreciation rates and depreciation basis for each major class of assets are as outlined in the table below.

### Depreciation of Property, Plant and Equipment

Assets	Estimated Useful Life (years)	Depreciation Rate (%)	Method
<b>Operational:</b>			
Buildings	40-67	1.5 - 2.5	SL
Computers/electronic office equipment	3-5	20.0 - 33.3	SL
Fixtures, fittings and equipment	5	20.0	DV
Plant (vehicles)	5	20.0	DV
Library collections (excluding special collections)	7	15.0	DV
<b>Infrastructural:</b>			
<b>Roading Network:</b>			
Street lighting	6-30	3.3 - 16.0	SL
Kerb, channel and footpath	28-95	1.1 - 3.6	SL
Pavement surface	1-13	7.7 - 100	SL
Pavement structure	6-74	1.4 - 16.7	SL
Stormwater	4 - 62	1.6 - 25.0	SL
<b>Water Systems:</b>			
Collection and storage	5-79	1.3% - 20.0%	SL
Local distribution	7-79	1.3% - 14.0%	SL
<b>Wastewater System:</b>			
Reticulation system	4-68	1.5 - 25.0	SL
Pumping and treatment	2-70	1.4 - 50.0	SL
<b>Restricted:</b>			
Buildings and other	40-53	1.9 - 12.5	SL

Notes: SL = straight-line method of depreciation. DV = diminishing value method of depreciation. Pavement formation is not depreciated.

### Revaluation

Land, buildings and infrastructural assets are revalued every three years, which will occur as at 30 June in the years 2013, 2016, 2019 and 2022 during the life of this long term plan.

Those asset classes that are revalued are valued on the basis described over. All other asset classes are carried at depreciated historical cost.

### Operational land and buildings

At fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed as at 30 June 2010.

## Infrastructural assets

These are valued at fair value on a depreciated replacement cost basis by an independent valuer. The most recent valuation was performed as at 30 June 2010. Infrastructural asset classes: Roads, water reticulation, wastewater reticulation and stormwater systems.

## Restricted land and buildings

These are valued at fair value on a depreciated replacement cost basis by an independent valuer. The most recent valuation was performed as at 30 June 2010.

## Land under roads

Land under roads, was valued based on fair value of adjacent land, effective 1 July 2004. Under NZ IFRS, Council has elected to use the fair value of land under roads as at 30 June 2005 as deemed cost. Land under roads is no longer revalued.

## Library collections

Library books were valued at deemed cost as at 1 July 1991. Library additions are recorded at cost less accumulated depreciation on the diminishing value basis.

## Accounting for revaluations

Council accounts for revaluations of property, plant and equipment on a class of asset basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Financial Performance. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the Statement of Financial Performance will be recognised first in the Statement of Financial Performance up to the amount previously expensed, then credited to the revaluation reserve for that class of asset.

## Intangible Assets

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as shown in the following table.

Assets	Estimated Useful Life (years)	Amortisation Rate	Method
Computer software	3-8	12.5% - 33.3%	SL

## Employee Benefits

### Short-term benefits

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date; annual leave earned, but not yet taken at balance date; retiring and long service leave entitlements expected to be settled within 12 months; and sick leave.

### Long-term benefits

Entitlements that are payable beyond 12 months, such as long service leave, retirement leave and superannuation schemes, have been calculated on an actuarial basis.

## 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 expenditure 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 pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Any increase in the provision due to the passage of time is recognised as an interest expense.

## **Landfill**

Council has a responsibility under its resource consent to provide ongoing maintenance and monitoring of the Kawerau landfill after the site closed. This responsibility is estimated to last until 30 June 2025.

Council recognises a liability for these costs, but the long term nature of the liability means that there are inherent uncertainties in estimating what costs will be incurred. The provision has been estimated taking account of existing technology and using a discount rate equivalent to Council's public debt weighted average interest rate.

## **Financial guarantee**

A financial guarantee is a contract that requires Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Council has provided one financial guarantee to the Kawerau Bowling Club, which had a loan balance of \$8,656 at 31 June 2011.

## **Borrowings**

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

## **Ratepayer Equity**

Equity is the Community's interest in Council and is measured as the difference between total assets and total liabilities. The components of equity are:

- Retained earnings
- Council created reserves
- Restricted reserves
- Asset revaluation reserves

## **Council Created Reserves**

Council created reserves are reserves established by Council resolution. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

## **Restricted Reserves**

Restricted 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.

Legally restricted reserves are those 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.

## **Goods and Services Tax (GST)**

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis.

The net amount of GST recoverable from or payable to the IRD is included in receivables or payables in the Statement of Financial Position.

The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

## **Estimates and Assumptions**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are also discussed later earlier in the 'Significant Forecasting Assumptions' section.

# Prospective Statement of Comprehensive Income

	Annual Plan 2011/12 \$	Forecast 2012/13 \$	Forecast 2013/14 \$	Forecast 2014/15 \$	Forecast 2015/16 \$	Forecast 2016/17 \$	Forecast 2017/18 \$	Forecast 2018/19 \$	Forecast 2019/20 \$	Forecast 2020/21 \$	Forecast 2021/22 \$
<b>Revenue</b>											
General Rates	6,518,830	7,012,160	7,291,010	7,418,180	7,689,830	7,889,070	8,125,180	8,285,810	8,511,700	8,894,670	9,163,780
Separate Rates											
- Water Supply	147,490	148,860	153,840	161,600	163,940	170,630	179,270	182,920	189,000	193,600	204,000
- Wastewater	423,620	456,440	454,250	484,260	474,000	509,460	515,360	544,210	541,120	573,260	580,290
- Refuse Collection	384,740	392,340	404,890	423,740	429,680	446,220	467,950	477,490	491,740	503,200	527,610
<b>Total Rates</b>	<b>7,474,690</b>	<b>8,009,800</b>	<b>8,303,990</b>	<b>8,487,780</b>	<b>8,757,450</b>	<b>9,015,380</b>	<b>9,287,760</b>	<b>9,490,430</b>	<b>9,733,560</b>	<b>10,164,730</b>	<b>10,475,680</b>
Government Grants & Subsidies	321,530	398,310	405,550	421,110	558,090	403,430	431,190	430,660	446,330	1,133,580	1,505,080
Petrol Tax	69,900	71,720	73,940	76,530	78,900	81,270	83,870	86,810	90,020	93,080	96,340
Interest Revenue	217,020	224,490	225,310	247,740	266,990	287,860	313,620	341,260	373,590	385,730	382,940
Other Revenue	648,240	740,740	729,460	736,200	751,830	792,090	799,850	818,270	859,300	861,400	891,260
<b>Total Revenue</b>	<b>8,731,380</b>	<b>9,445,060</b>	<b>9,738,250</b>	<b>9,969,360</b>	<b>10,413,260</b>	<b>10,580,030</b>	<b>10,916,290</b>	<b>11,167,430</b>	<b>11,502,800</b>	<b>12,638,520</b>	<b>13,351,300</b>
<b>Expenditure</b>											
Employee benefit expenses	3,261,320	3,450,770	3,533,690	3,616,150	3,707,650	3,801,400	3,890,260	3,977,530	4,078,310	4,186,260	4,296,350
Depreciation	2,348,520	2,333,940	2,338,590	2,344,410	2,609,370	2,595,800	2,602,400	2,885,290	2,892,120	2,899,480	3,259,920
Finance Costs	9,670	9,070	6,740	4,090	7,310	12,740	9,510	6,270	6,270	6,270	6,270
Other Costs	3,817,000	3,989,460	4,190,190	4,316,600	4,329,810	4,566,620	4,788,420	4,740,850	4,959,040	5,312,700	5,250,460
<b>Total Operating Expenditure</b>	<b>9,436,510</b>	<b>9,783,240</b>	<b>10,069,210</b>	<b>10,281,250</b>	<b>10,654,140</b>	<b>10,976,560</b>	<b>11,290,590</b>	<b>11,609,940</b>	<b>11,935,740</b>	<b>12,404,710</b>	<b>12,813,000</b>
Operating surplus (shortfall)	(705,130)	(338,180)	(330,960)	(311,890)	(240,880)	(396,530)	(374,300)	(442,510)	(432,940)	233,810	538,300
<b>Other Comprehensive Income</b>											
Gain on Asset Revaluation	0	4,056,870	0	0	5,578,290	0	0	6,000,500	0	0	7,325,960
<b>Total Comprehensive Income</b>	<b>(705,130)</b>	<b>3,718,690</b>	<b>(330,960)</b>	<b>(311,890)</b>	<b>5,337,410</b>	<b>(396,530)</b>	<b>(374,300)</b>	<b>5,557,990</b>	<b>(432,940)</b>	<b>233,810</b>	<b>7,864,260</b>

# Prospective Statement of Changes in Equity

	<u>Annual Plan</u> <u>2011/12</u> \$	<u>Forecast</u> <u>2012/13</u> \$	<u>Forecast</u> <u>2013/14</u> \$	<u>Forecast</u> <u>2014/15</u> \$	<u>Forecast</u> <u>2015/16</u> \$	<u>Forecast</u> <u>2016/17</u> \$	<u>Forecast</u> <u>2017/18</u> \$	<u>Forecast</u> <u>2018/19</u> \$	<u>Forecast</u> <u>2019/20</u> \$	<u>Forecast</u> <u>2020/21</u> \$	<u>Forecast</u> <u>2021/22</u> \$
<b>Total Equity</b>											
Opening Balance	62,231,300	61,764,090*	65,482,780	65,151,820	64,839,930	70,177,340	69,780,810	69,406,510	74,964,500	74,531,560	74,765,370
Total Comprehensive Income	(705,130)	3,718,690	(330,960)	(311,890)	5,337,410	(396,530)	(374,300)	5,557,990	(432,940)	233,810	7,864,260
<b>Closing Balance</b>	<b>61,526,170</b>	<b>65,482,780</b>	<b>65,151,820</b>	<b>64,839,930</b>	<b>70,177,340</b>	<b>69,780,810</b>	<b>69,406,510</b>	<b>74,964,500</b>	<b>74,531,560</b>	<b>74,765,370</b>	<b>82,629,630</b>
<i>Made up of:</i>											
<b>Retained Earnings</b>											
Opening Balance	41,138,100	40,234,460*	40,064,290	39,504,290	38,757,110	38,273,320	37,202,420	36,398,270	35,235,110	34,184,750	34,594,340
Total Comprehensive Income	(705,130)	(338,180)	(330,960)	(311,890)	(240,880)	(396,530)	(374,300)	(442,510)	(432,940)	233,810	538,300
Movements in Depreciation Reserve	(195,780)	168,010	(229,040)	(435,290)	(242,910)	(674,370)	(429,850)	(720,650)	(617,420)	175,780	31,290
<b>Closing Balance</b>	<b>40,237,190</b>	<b>40,064,290</b>	<b>39,504,290</b>	<b>38,757,110</b>	<b>38,273,320</b>	<b>37,202,420</b>	<b>36,398,270</b>	<b>35,235,110</b>	<b>34,184,750</b>	<b>34,594,340</b>	<b>35,163,930</b>
<b>Asset Revaluation Reserve</b>											
Opening Balance	15,877,640	15,877,630	19,934,500	19,934,500	19,934,500	25,512,790	25,512,790	25,512,790	31,513,290	31,513,290	31,513,290
Asset Revaluation	0	4,056,870	0	0	5,578,290	0	0	6,000,500	0	0	7,325,960
<b>Closing Balance</b>	<b>15,877,640</b>	<b>19,934,500</b>	<b>19,934,500</b>	<b>19,934,500</b>	<b>25,512,790</b>	<b>25,512,790</b>	<b>25,512,790</b>	<b>31,513,290</b>	<b>31,513,290</b>	<b>31,513,290</b>	<b>38,839,250</b>
<b>Depreciation Reserve</b>											
Opening Balance	5,215,560	5,652,000*	5,483,990	5,713,030	6,148,320	6,391,230	7,065,600	7,495,450	8,216,100	8,833,520	8,657,740
Movements	195,780	(168,010)	229,040	435,290	242,910	674,370	429,850	720,650	617,420	(175,780)	(31,290)
<b>Closing Balance</b>	<b>5,411,340</b>	<b>5,483,990</b>	<b>5,713,030</b>	<b>6,148,320</b>	<b>6,391,230</b>	<b>7,065,600</b>	<b>7,495,450</b>	<b>8,216,100</b>	<b>8,833,520</b>	<b>8,657,740</b>	<b>8,626,450</b>

\*Revised figures based on anticipated balanced @ 30 June 2012

# Prospective Statement of Financial Position

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>ASSETS</b>											
<b>Current Assets</b>											
Cash & Cash Equivalents	4,495,770	4,853,790	5,074,860	5,443,550	5,536,050	6,150,320	6,492,470	7,017,170	7,499,680	7,130,390	6,839,760
Trade & Other Receivables	991,220	1,076,090	1,109,500	1,135,830	1,186,400	1,205,400	1,243,710	1,272,330	1,310,540	1,439,930	1,521,140
Inventories	49,070	52,540	55,190	56,850	57,030	60,140	63,070	62,440	65,310	69,970	69,150
Other Financial Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>5,536,060</b>	<b>5,982,420</b>	<b>6,239,550</b>	<b>6,636,230</b>	<b>6,779,480</b>	<b>7,415,860</b>	<b>7,799,250</b>	<b>8,351,940</b>	<b>8,875,530</b>	<b>8,640,290</b>	<b>8,430,050</b>
<b>Non-Current Assets</b>											
Property, Plant and Equipment	57,616,290	61,193,810	60,664,790	59,995,000	65,195,690	64,233,460	63,540,520	68,531,490	67,638,740	68,210,730	76,275,810
Intangible Assets	97,900	62,590	68,470	72,930	77,800	83,180	88,950	95,070	101,550	108,630	116,450
Investments	32,160	32,160	32,160	32,160	32,160	32,160	32,160	32,160	32,160	32,160	32,160
<b>Total Non-Current Assets</b>	<b>57,746,350</b>	<b>61,288,560</b>	<b>60,765,420</b>	<b>60,100,090</b>	<b>65,305,650</b>	<b>64,348,800</b>	<b>63,661,630</b>	<b>68,658,720</b>	<b>67,772,450</b>	<b>68,351,520</b>	<b>76,424,420</b>
<b>Total Assets</b>	<b>63,282,410</b>	<b>67,270,980</b>	<b>67,004,970</b>	<b>66,736,320</b>	<b>72,085,130</b>	<b>71,764,660</b>	<b>71,460,880</b>	<b>77,010,660</b>	<b>76,647,980</b>	<b>76,991,810</b>	<b>84,854,470</b>
<b>LIABILITIES</b>											
<b>Current Liabilities</b>											
Trade & Other Payables	1,086,230	1,155,000	1,213,110	1,249,710	1,253,530	1,322,090	1,386,310	1,372,530	1,435,700	1,538,090	1,520,070
Provisions	9,070	9,070	9,290	9,490	9,700	9,920	10,150	10,390	10,650	10,920	10,920
Employee Benefit Liabilities	397,400	396,590	406,120	415,600	426,110	436,890	447,100	457,130	468,710	481,120	493,770
Borrowings	2,250	280	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>1,494,950</b>	<b>1,560,940</b>	<b>1,628,520</b>	<b>1,674,800</b>	<b>1,689,340</b>	<b>1,768,900</b>	<b>1,843,560</b>	<b>1,840,050</b>	<b>1,915,060</b>	<b>2,030,130</b>	<b>2,024,760</b>
<b>Non-Current Liabilities</b>											
Provisions	109,150	109,150	103,680	97,820	91,540	84,830	77,650	69,970	61,770	53,020	53,020
Employee Benefit Liabilities	151,830	118,110	120,950	123,770	126,910	130,120	133,160	136,140	139,590	143,290	147,060
Borrowings	310	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>261,290</b>	<b>227,260</b>	<b>224,630</b>	<b>221,590</b>	<b>218,450</b>	<b>214,950</b>	<b>210,810</b>	<b>206,110</b>	<b>201,360</b>	<b>196,310</b>	<b>200,080</b>
<b>Total Liabilities</b>	<b>1,756,240</b>	<b>1,788,200</b>	<b>1,853,150</b>	<b>1,896,390</b>	<b>1,907,790</b>	<b>1,983,850</b>	<b>2,054,370</b>	<b>2,046,160</b>	<b>2,116,420</b>	<b>2,226,440</b>	<b>2,224,840</b>
<b>Net Assets</b>	<b>61,526,170</b>	<b>65,482,780</b>	<b>65,151,820</b>	<b>64,839,930</b>	<b>70,177,340</b>	<b>69,780,810</b>	<b>69,406,510</b>	<b>74,964,500</b>	<b>74,531,560</b>	<b>74,765,370</b>	<b>82,629,630</b>
<b>RATEPAYER EQUITY</b>											
Retained Earnings	40,237,190	40,064,290	39,504,290	38,757,110	38,273,320	37,202,420	36,398,270	35,235,110	34,184,750	34,594,340	35,163,930
Reserves	21,288,980	25,418,490	25,647,530	26,082,820	31,904,020	32,578,390	33,008,240	39,729,390	40,346,810	40,171,030	47,465,700
<b>Total Ratepayer Equity</b>	<b>61,526,170</b>	<b>65,482,780</b>	<b>65,151,820</b>	<b>64,839,930</b>	<b>70,177,340</b>	<b>69,780,810</b>	<b>69,406,510</b>	<b>74,964,500</b>	<b>74,531,560</b>	<b>74,765,370</b>	<b>82,629,630</b>

# Prospective Statement of Cash Flows

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>											
<b>Cash will be provided from</b>											
General Rates	6,451,390	6,930,800	7,257,600	7,391,850	7,639,260	7,870,070	8,086,870	8,257,190	8,473,490	8,765,280	9,082,570
Separate Rates	955,860	997,640	1,012,980	1,069,600	1,067,620	1,126,310	1,162,580	1,204,620	1,221,860	1,270,060	1,311,900
Subsidies	321,530	398,310	405,550	421,110	558,090	403,430	431,190	430,660	446,330	1,133,580	1,505,080
Other Fees & Charges	698,830	812,460	803,400	812,730	830,730	873,360	883,720	905,080	949,320	954,480	987,600
Interest Income	217,020	224,490	225,310	247,740	266,990	287,860	313,620	341,260	373,590	385,730	382,940
<b>Total cash provided</b>	<b>8,644,630</b>	<b>9,363,700</b>	<b>9,704,840</b>	<b>9,943,030</b>	<b>10,362,690</b>	<b>10,561,030</b>	<b>10,877,980</b>	<b>11,138,810</b>	<b>11,464,590</b>	<b>12,509,130</b>	<b>13,270,090</b>
<b>Cash will be spent on</b>											
Payments to Suppliers and Employees	6,964,440	7,367,590	7,667,180	7,895,630	8,031,110	8,300,450	8,616,860	8,732,080	8,976,440	9,400,680	9,555,410
Interest Paid on Debt	9,670	9,070	6,740	4,090	7,310	12,740	9,510	6,270	6,270	6,270	6,270
<b>Total cash spent</b>	<b>6,974,110</b>	<b>7,376,660</b>	<b>7,673,920</b>	<b>7,899,720</b>	<b>8,038,420</b>	<b>8,313,190</b>	<b>8,626,370</b>	<b>8,738,350</b>	<b>8,982,710</b>	<b>9,406,950</b>	<b>9,561,680</b>
<b>Net Cash Flow from Operations</b>	<b>1,670,520</b>	<b>1,987,040</b>	<b>2,030,920</b>	<b>2,043,310</b>	<b>2,324,270</b>	<b>2,247,840</b>	<b>2,251,610</b>	<b>2,400,460</b>	<b>2,481,880</b>	<b>3,102,180</b>	<b>3,708,410</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>											
<b>Cash will be provided from</b>											
Loan Principal repaid to Council	-	-	-	-	-	-	-	-	-	-	-
<b>Total cash provided</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash will be spent on</b>											
Purchase & Development of Property, Plant and Equipment	1,760,510	2,185,500	1,809,570	1,674,620	2,231,770	1,633,570	1,909,460	1,875,760	1,999,370	3,471,470	3,999,040
Net Purchase of Investments	(40,000)										
<b>Total cash spent</b>	<b>1,720,510</b>	<b>2,185,500</b>	<b>1,809,570</b>	<b>1,674,620</b>	<b>2,231,770</b>	<b>1,633,570</b>	<b>1,909,460</b>	<b>1,875,760</b>	<b>1,999,370</b>	<b>3,471,470</b>	<b>3,999,040</b>
<b>Net Cash Flow from Investing</b>	<b>(1,720,510)</b>	<b>(2,185,500)</b>	<b>(1,809,570)</b>	<b>(1,674,620)</b>	<b>(2,231,770)</b>	<b>(1,633,570)</b>	<b>(1,909,460)</b>	<b>(1,875,760)</b>	<b>(1,999,370)</b>	<b>(3,471,470)</b>	<b>(3,999,040)</b>



## Prospective Statement of Cash Flows (cont'd)

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>											
Cash will be provided from											
Loans Raised											
Total cash provided	-	-	-	-	-	-	-	-	-	-	-
Cash will be spent on											
Debt Repayment	500	540	280	-	-	-	-	-	-	-	-
Total cash spent	500	540	280	-	-	-	-	-	-	-	-
Net Cash Flow from Financing	(500)	(540)	(280)	-	-	-	-	-	-	-	-
Net Total Cash Inflow (Outflow)	(50,490)	(199,000)	221,070	368,690	92,500	614,270	342,150	524,700	482,510	(369,290)	(290,670)
Plus Projected Opening Cash Balances 1 July	4,546,260	5,052,790*	4,853,790	5,074,860	5,443,550	5,536,050	6,150,320	6,492,470	7,017,170	7,499,680	7,207,860
Projected Closing Cash Balances 30 June	4,495,770	4,853,790	5,074,860	5,443,550	5,536,050	6,150,320	6,492,470	7,017,170	7,499,680	7,130,390	6,917,190

\*Revised figure based on anticipated balance @ 30 June 2012

# Funding Impact Statement

	<b>Annual Plan 2011-2012</b>	<b>Forecast 2012-2013</b>	<b>Forecast 2013-2014</b>	<b>Forecast 2014-2015</b>	<b>Forecast 2015-2016</b>	<b>Forecast 2016-2017</b>	<b>Forecast 2017-2018</b>	<b>Forecast 2018-2019</b>	<b>Forecast 2019-2020</b>	<b>Forecast 2020-2021</b>	<b>Forecast 2021-2022</b>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	6,518,830	7,012,200	7,291,020	7,418,190	7,689,830	7,889,070	8,125,160	8,285,820	8,511,720	8,894,660	9,163,780
Targeted rates (other than a targeted rate for water supply)	955,860	982,950	997,720	1,053,810	1,051,240	1,109,300	1,144,970	1,186,400	1,202,950	1,250,380	1,291,410
Subsidies and grants for operating purposes	102,980	147,710	149,900	150,770	158,800	159,810	165,330	170,470	176,570	197,070	188,760
Fees, charges, and targeted rates for water supply	648,240	755,430	728,300	751,990	768,220	791,000	817,450	836,490	858,200	881,080	911,750
Interest and dividends from investments	217,020	224,470	225,330	247,740	267,000	287,860	313,610	341,260	373,570	385,740	382,940
Local authorities fuel tax, fines, infringement fees, and other receipts	69,900	71,720	90,350	76,530	78,900	99,380	83,870	86,810	110,020	93,080	96,340
<b>Total Operating Funding (A)</b>	<b>8,512,830</b>	<b>9,194,480</b>	<b>9,482,620</b>	<b>9,699,030</b>	<b>10,013,990</b>	<b>10,336,420</b>	<b>10,650,390</b>	<b>10,907,250</b>	<b>11,233,030</b>	<b>11,702,010</b>	<b>12,034,980</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	7,078,320	7,440,230	7,723,880	7,932,750	8,037,460	8,368,030	8,678,670	8,718,380	9,037,350	9,498,960	9,546,810
Finance Costs	9,670	9,070	6,740	4,090	7,310	12,730	9,520	6,270	6,270	6,270	6,270
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total applications of operating funding (B)</b>	<b>7,087,990</b>	<b>7,449,300</b>	<b>7,730,620</b>	<b>7,936,840</b>	<b>8,044,770</b>	<b>8,380,760</b>	<b>8,688,190</b>	<b>8,724,650</b>	<b>9,043,620</b>	<b>9,505,230</b>	<b>9,553,080</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>1,424,840</b>	<b>1,745,180</b>	<b>1,752,000</b>	<b>1,762,190</b>	<b>1,969,220</b>	<b>1,955,660</b>	<b>1,962,200</b>	<b>2,182,600</b>	<b>2,189,410</b>	<b>2,196,780</b>	<b>2,481,900</b>
<b>Sources of capital funding</b>											
Subsidies and grants for capital expenditure	218,550	250,600	255,650	270,340	399,290	243,620	265,860	260,190	269,760	936,510	1,316,320
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(139,460)	(145,840)	(152,230)	(111,780)	(91,700)	(55,820)	(58,360)	(23,000)	(24,060)	(25,150)	(26,310)
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
<b>Total sources of capital funding (C)</b>	<b>79,090</b>	<b>104,760</b>	<b>103,420</b>	<b>158,560</b>	<b>307,590</b>	<b>187,800</b>	<b>207,500</b>	<b>237,190</b>	<b>245,700</b>	<b>911,360</b>	<b>1,290,010</b>

## Funding Impact Statement (cont'd)

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
<b>Applications of capital funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	1,770,640	2,185,510	1,809,570	1,674,620	2,231,760	1,633,570	1,909,450	1,875,760	1,999,370	3,471,470	3,999,040
Increase (decrease) in reserves	33,290	(335,570)	45,850	246,130	45,050	509,890	260,250	544,030	435,740	(363,330)	(227,140)
Increase (decrease) of investments	(300,000)	0	0	0	0	0	0	0	0	0	0
<b>Total applications of capital funding (D)</b>	<b>1,503,930</b>	<b>1,849,940</b>	<b>1,855,420</b>	<b>1,920,750</b>	<b>2,276,810</b>	<b>2,143,460</b>	<b>2,169,700</b>	<b>2,419,790</b>	<b>2,435,110</b>	<b>3,108,140</b>	<b>3,771,900</b>
<b>Surplus (deficit) of capital funding (C – D)</b>	<b>(1,424,840)</b>	<b>(1,745,180)</b>	<b>(1,752,000)</b>	<b>(1,762,190)</b>	<b>(1,969,220)</b>	<b>(1,955,660)</b>	<b>(1,962,200)</b>	<b>(2,182,600)</b>	<b>(2,189,410)</b>	<b>(2,196,780)</b>	<b>(2,481,900)</b>
<b>Funding balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The funding impact statement is required under the Local Government Act Schedule and conforms to clause 5 of the Local Government (Financial Reporting) Regulations 2011. They cover the 10-year period from 2012/2013 to 2021/2022 and outline the council's sources of funding and our plan to apply them. Generally accepted accounting practice does not apply to the preparation of the funding impact statements as stated in section 111(2) of the Local Government Act. The key divergences from generally accepted accounting practice are the non inclusion of depreciation and the inclusion of internal charges.

# Reconciliation from Operating Funding to Operating Surplus/Deficit

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
Operating Funding Surplus/(Deficit)	1,424,840	1,745,180	1,752,000	1,762,190	1,969,220	1,955,660	1,962,200	2,182,600	2,189,410	2,196,780	2,481,900
Plus subsidy for capital expenditure	218,550	250,600	255,650	270,340	399,290	243,620	265,860	260,190	269,760	936,510	1,316,320
Less depreciation	2,348,520	2,333,960	2,338,610	2,344,420	2,609,390	2,595,810	2,602,360	2,885,300	2,892,110	2,899,480	3,259,920
Operating Surplus/(Deficit)	(705,130)	(338,180)	(330,960)	(311,890)	(240,880)	(396,530)	(374,300)	(442,510)	(432,940)	233,810	538,300

# Prospective Revenue by Activity

	<u>Annual Plan</u> <u>2011-2012</u> \$	<u>Forecast</u> <u>2012-2013</u> \$	<u>Forecast</u> <u>2013-2014</u> \$	<u>Forecast</u> <u>2014-2015</u> \$	<u>Forecast</u> <u>2015-2016</u> \$	<u>Forecast</u> <u>2016-2017</u> \$	<u>Forecast</u> <u>2017-2018</u> \$	<u>Forecast</u> <u>2018-2019</u> \$	<u>Forecast</u> <u>2019-2020</u> \$	<u>Forecast</u> <u>2020-2021</u> \$	<u>Forecast</u> <u>2021-2022</u> \$
Democracy	1,890	2,110	18,980	3,260	4,000	22,890	5,580	6,410	27,280	8,170	9,100
Economic and Community Development	13,960	17,730	17,980	18,360	18,480	18,800	19,260	19,400	19,720	19,940	20,460
Environmental Services	173,160	205,620	210,830	219,760	223,730	230,910	240,480	245,750	252,450	259,400	270,440
Roading	437,480	476,510	489,340	512,900	692,470	546,960	581,750	589,710	614,240	1,286,810	645,920
Stormwater	0	44,040	48,330	50,260	12,600	16,620	20,650	24,880	29,330	33,770	1,053,220
Water Supply	260,350	272,980	266,180	261,680	255,080	253,830	253,620	246,730	240,150	229,410	226,630
Wastewater	502,690	548,310	557,940	600,170	602,690	653,030	675,290	720,080	734,810	779,240	795,210
Solid Waste	651,500	666,470	688,010	716,440	732,870	760,580	793,520	814,310	839,850	864,380	902,020
Leisure and Recreation	90,110	134,930	94,170	101,730	107,440	114,780	123,220	131,050	140,810	150,580	164,660
Sundry	188,420	169,580	161,250	166,140	171,440	168,910	173,790	178,710	183,650	199,910	187,500
Eliminations	(107,010)	(105,380)	(105,770)	(99,520)	(97,370)	(96,350)	(96,050)	(95,410)	(91,190)	(87,760)	(87,640)
<b>Sub-total</b>	<b>2,212,550</b>	<b>2,432,900</b>	<b>2,447,240</b>	<b>2,551,180</b>	<b>2,723,430</b>	<b>2,690,960</b>	<b>2,791,110</b>	<b>2,881,620</b>	<b>2,991,100</b>	<b>3,743,850</b>	<b>4,187,520</b>
General Rates	6,518,830	7,012,160	7,291,010	7,418,180	7,689,830	7,889,070	8,125,180	8,285,810	8,511,700	8,894,670	9,163,780
<b>Total Revenue</b>	<b>8,731,380</b>	<b>9,445,060</b>	<b>9,738,250</b>	<b>9,969,360</b>	<b>10,413,260</b>	<b>10,580,030</b>	<b>10,916,290</b>	<b>11,167,430</b>	<b>11,502,800</b>	<b>12,638,520</b>	<b>13,351,300</b>

# Prospective Expenditure by Activity

	Annual Plan 2011/12 \$	Forecast 2012/13 \$	Forecast 2013/14 \$	Forecast 2014/15 \$	Forecast 2015/16 \$	Forecast 2016/17 \$	Forecast 2017/18 \$	Forecast 2018/19 \$	Forecast 2019/20 \$	Forecast 2020/21 \$	Forecast 2021/22 \$
Democracy	511,450	524,520	628,450	559,510	567,050	669,970	609,320	620,870	726,850	650,570	676,080
Economic and Community Development	624,420	665,120	663,660	689,970	704,350	738,870	752,820	772,950	789,190	803,030	845,550
Environmental Services	855,380	896,380	941,290	944,300	978,080	986,140	1,048,520	1,040,040	1,088,300	1,192,670	1,157,850
Roading	1,736,310	1,528,840	1,609,960	1,661,930	1,796,500	1,763,810	1,819,880	1,897,690	1,930,490	2,210,350	2,087,440
Stormwater	0	224,570	224,780	225,090	247,170	247,390	247,730	271,900	272,170	272,340	301,770
Water Supply	1,090,060	1,164,720	1,132,770	1,167,190	1,230,520	1,257,500	1,292,270	1,378,020	1,404,260	1,428,190	1,561,140
Wastewater	1,313,040	1,369,220	1,384,610	1,433,920	1,484,920	1,543,000	1,574,690	1,681,000	1,696,180	1,751,810	1,871,730
Solid Waste	1,245,150	1,285,550	1,323,030	1,397,790	1,399,270	1,449,710	1,520,850	1,546,480	1,588,880	1,618,740	1,701,130
Leisure and Recreation	2,823,150	2,933,640	2,975,040	3,044,870	3,112,790	3,214,990	3,348,170	3,350,240	3,410,580	3,462,160	3,636,740
Sundry	13,710	3,630	21,460	9,760	9,520	7,340	5,700	6,530	7,730	21,760	12,700
Eliminations	(776,160)	(812,950)	(835,840)	(853,080)	(876,030)	(902,160)	(929,360)	(955,780)	(978,890)	(1,006,910)	(1,039,130)
<b>Total Expenditure</b>	<b>9,436,510</b>	<b>9,783,240</b>	<b>10,069,210</b>	<b>10,281,250</b>	<b>10,654,140</b>	<b>10,976,560</b>	<b>11,290,590</b>	<b>11,609,940</b>	<b>11,935,740</b>	<b>12,404,710</b>	<b>12,813,000</b>

# Prospective Operational Shortfall by Activity

	Annual Plan 2011/12 \$	Forecast 2012/13 \$	Forecast 2013/14 \$	Forecast 2014/15 \$	Forecast 2015/16 \$	Forecast 2016/17 \$	Forecast 2017/18 \$	Forecast 2018/19 \$	Forecast 2019/20 \$	Forecast 2020/21 \$	Forecast 2021/22 \$
<b>Operating shortfall by activity:</b>											
Economic Development	82,340	82,340	82,340	82,340	89,810	89,810	89,810	97,900	97,900	97,900	107,530
Roading	126,160	53,150	49,970	34,760	(108,530)	47,140	24,900	59,620	50,050	(616,700)	66,180
Stormwater	108,690	104,430	100,380	96,530	151,330	151,330	151,330	166,450	166,450	166,450	(842,780)
Leisure & Recreation	87,940	98,260	98,270	98,260	108,270	108,250	108,260	118,540	118,540	118,540	130,770
Sundry	300,000	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Shortfall</b>	<b>705,130</b>	<b>338,180</b>	<b>330,960</b>	<b>311,890</b>	<b>240,880</b>	<b>396,530</b>	<b>374,300</b>	<b>442,510</b>	<b>432,940</b>	<b>(233,810)</b>	<b>(538,300)</b>
<b>Made up of:</b>											
<b>Smoothing of Rates-funded from surplus (A)</b>	<b>300,000</b>	-	-	-	-	-	-	-	-	-	-
:											
<b>Depreciation not funded</b>											
Economic Development	82,340	82,340	82,340	82,340	89,810	89,810	89,810	97,900	97,900	97,900	107,530
Roading	264,150	264,150	264,150	264,150	290,760	290,760	290,760	319,810	319,810	319,810	354,970
Stormwater	146,210	144,020	141,860	137,440	151,330	151,330	151,330	166,450	166,450	166,450	184,740
Leisure and Recreation	87,940	98,270	98,270	98,260	108,270	108,250	108,260	118,540	118,540	118,540	130,770
<b>Total depreciation not funded (B)</b>	<b>580,640</b>	<b>588,780</b>	<b>586,620</b>	<b>582,190</b>	<b>640,170</b>	<b>640,150</b>	<b>640,160</b>	<b>702,700</b>	<b>702,700</b>	<b>702,700</b>	<b>778,010</b>
<b>NZTA subsidy for asset renewal:</b>											
Roading	(137,990)	(211,000)	(214,190)	(229,320)	(399,290)	(243,620)	(265,860)	(260,190)	(269,760)	(936,510)	(288,780)
Stormwater	(37,520)	(39,600)	(41,470)	(40,980)	-	-	-	-	-	-	(1,027,530)
<b>Total subsidy for asset renewal (C)</b>	<b>(175,510)</b>	<b>(250,600)</b>	<b>(255,660)</b>	<b>(270,300)</b>	<b>(399,290)</b>	<b>(243,620)</b>	<b>(265,860)</b>	<b>(260,190)</b>	<b>(269,760)</b>	<b>(936,510)</b>	<b>(1,316,310)</b>
<b>Total operating shortfall/(surplus) : (A+B-C)</b>	<b>705,130</b>	<b>338,180</b>	<b>330,960</b>	<b>311,890</b>	<b>240,880</b>	<b>396,530</b>	<b>374,300</b>	<b>442,510</b>	<b>432,940</b>	<b>(233,810)</b>	<b>(538,300)</b>



# Prospective Capital Programme

	<u>Annual Plan</u> <u>2011/12</u> \$	<u>Forecast</u> <u>2012/13</u> \$	<u>Forecast</u> <u>2013/14</u> \$	<u>Forecast</u> <u>2014/15</u> \$	<u>Forecast</u> <u>2015/16</u> \$	<u>Forecast</u> <u>2016/17</u> \$	<u>Forecast</u> <u>2017/18</u> \$	<u>Forecast</u> <u>2018/19</u> \$	<u>Forecast</u> <u>2019/20</u> \$	<u>Forecast</u> <u>2020/21</u> \$	<u>Forecast</u> <u>2021/22</u> \$
Democracy	0	0	0	0	0	0	0	0	0	0	0
Economic and Community Development	0	9,770	0	0	1,750	0	12,110	0	0	0	0
Environmental Services	10,130	0	2,200	4,530	9,330	0	2,470	0	0	2,700	0
Roading	360,270	431,020	419,250	456,950	729,510	490,380	523,690	518,270	546,600	1,599,420	575,280
Stormwater	56,000	60,000	63,800	65,000	0	0	0	0	0	0	1,631,000
Water Supply	499,360	615,850	837,980	666,730	683,320	721,140	744,070	812,340	935,580	922,150	994,510
Wastewater	107,000	62,300	69,700	85,500	137,500	32,600	76,200	108,400	49,500	375,100	264,300
Solid Waste	0	19,000	0	0	0	0	0	3,180	0	0	0
Leisure and Recreation	344,450	600,870	138,960	167,330	283,710	164,690	268,400	149,790	140,380	132,120	120,300
Plant and Office Equipment	393,430	386,700	277,680	228,580	386,640	224,760	282,510	283,780	327,310	439,980	413,650
<b>Total Asset Renewals</b>	<b>1,770,640</b>	<b>2,185,510</b>	<b>1,809,570</b>	<b>1,674,620</b>	<b>2,231,760</b>	<b>1,633,570</b>	<b>1,909,450</b>	<b>1,875,760</b>	<b>1,999,370</b>	<b>3,471,470</b>	<b>3,999,040</b>
<b>Funded by:</b>											
Government Subsidies	218,550	250,600	255,650	270,340	399,290	243,620	265,860	260,190	269,760	936,510	1,316,320
Depreciation Reserves	1,552,090	1,934,910	1,553,920	1,404,280	1,832,470	1,389,950	1,643,590	1,615,570	1,729,610	2,534,960	2,682,720
	<b>1,770,640</b>	<b>2,185,510</b>	<b>1,809,570</b>	<b>1,674,620</b>	<b>2,231,760</b>	<b>1,633,570</b>	<b>1,909,450</b>	<b>1,875,760</b>	<b>1,999,370</b>	<b>3,471,470</b>	<b>3,999,040</b>

NOTE: Capital expenditure is funded from Depreciation Reserves for those activities where depreciation is funded. Depreciation on some buildings is not fully funded and therefore capital expenditure on these assets is funded from general rates. The buildings where depreciation is not fully funded are Council Buildings (including Town Hall, Concert Chamber, Library/Museum and Offices), Tarawera Park Amenity Building, Recreation Centre, Swimming Pool, Depot and Pensioner Housing. Subsidised Roothing Expenditure is subsidised by the New Zealand Transport Agency (formerly Land Transport New Zealand). A detailed breakdown of the capital items is in the Activity section of this long term plan.

# Depreciation Expense by Activity

Activity:	Annual Plan 2011/12 \$	Forecast 2012/13 \$	Forecast 2013/14 \$	Forecast 2014/15 \$	Forecast 2015/16 \$	Forecast 2016/17 \$	Forecast 2017/18 \$	Forecast 2018/19 \$	Forecast 2019/20 \$	Forecast 2020/21 \$	Forecast 2021/22 \$
Democracy	23,180	22,280	23,740	22,980	26,060	26,710	26,010	28,100	29,760	28,020	31,170
Economic Development	94,530	93,720	93,600	93,960	103,180	102,510	102,630	111,620	111,790	110,970	122,410
Environmental Services	25,820	24,180	24,650	24,710	29,260	27,580	28,320	30,510	31,130	30,820	33,940
Roading	835,000	614,000	614,960	616,020	684,400	677,530	678,530	745,190	745,640	760,420	826,560
Stormwater	-	218,310	218,310	218,320	240,320	240,300	240,310	264,310	264,320	264,310	293,360
Water Supply	428,500	428,100	427,510	427,890	481,030	480,220	480,550	547,610	547,840	547,060	641,380
Wastewater	390,540	389,340	389,360	389,930	438,390	437,550	437,760	498,780	498,800	497,990	583,480
Solid Waste	45,670	42,450	42,810	43,900	50,330	48,090	49,030	53,980	54,550	52,360	61,080
Leisure and Recreation	505,280	501,560	503,650	506,700	556,400	555,310	559,260	605,190	608,290	607,530	666,540
<b>Total Depreciation Expense</b>	<b>2,348,520</b>	<b>2,333,940</b>	<b>2,338,590</b>	<b>2,344,410</b>	<b>2,609,370</b>	<b>2,595,800</b>	<b>2,602,400</b>	<b>2,885,290</b>	<b>2,892,120</b>	<b>2,899,480</b>	<b>3,259,920</b>

# Reserve Funds

Reserves are held to ensure that funds received for a particular purpose are used for that purpose. Surpluses held in reserves are credited with interest.

Council currently does not hold any restricted reserves, which are reserves that have rules set by legal obligation that restrict the use towards which Council may put those funds.

Council-created reserves are discretionary reserves which Council has established for the fair and transparent use of monies. These reserves are held in cash and internal loan investments. The funds are invested in accordance with Council's treasury management policy.

Also, Council has revaluation reserves which record the amount that Council's asset have increased in value.

Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates, together with summary financial information across the ten years of the long term plan:

Restricted Reserve – Purpose of Fund	Balance @ 1 July 2012 \$	Deposits \$	Expenditure \$	Balance @30 June 2022 \$
<b>Council created Reserves – Purpose of Fund</b>	<b>Balance @ 1 July 2012 \$</b>	<b>Deposits \$</b>	<b>Expenditure \$</b>	<b>Balance @30 June 2022 \$</b>
<b>Asset Renewal Reserve (All Activities)</b> To set funds aside for the renewal of assets utilised by the following activities:				
Democracy	45,500	172,400	0	217,900
Building & Inspection	500	200	0	700
Environmental Health	3,800	900	0	4,700
Dog Control	(29,100)	77,000	21,200	26,700
Roading/Footpaths	1,265,500	3,790,700	2,971,800	2,084,400
Stormwater	0	899,700	670,300	229,400
Water Supply	1,790,800	4,922,600	7,933,700	(1,220,300)
Wastewater	1,931,900	4,432,100	1,349,300	5,014,700
Refuse Disposal	(50,400)	105,000	164,800	(110,200)
Zero Waste	45,200	160,500	16,200	189,500
Library	(191,400)	865,200	939,500	(265,700)
Museum	(15,900)	0	13,000	(28,900)
Swimming Pool	(70,600)	499,600	354,800	74,200
Rec Centre	(106,200)	606,900	382,700	118,000
Town Hall	115,500	426,900	59,300	483,100
Concert Chamber	59,700	164,800	102,100	122,400
Town Centre Toilets	36,000	38,800	0	74,800
Sportfields	244,700	572,900	128,800	688,800
Passive Reserves	(24,000)	554,500	413,300	117,200
Road Berms	200	0	0	200
Street Trees	9,800	7,400	0	17,200
Bedding Displays	1,100	400	0	1,500

<b>Council created Reserves – Purpose of Fund</b>	<b>Balance @ 1 July 2012 \$</b>	<b>Deposits \$</b>	<b>Expenditure \$</b>	<b>Balance @ 30 June 2022 \$</b>
Playgrounds	177,000	504,600	213,100	<b>468,500</b>
Pensioner Housing	19,900	43,300	27,700	<b>35,500</b>
Cemetery	32,700	56,800	26,500	<b>63,000</b>
Commercial Rental Buildings	(29,800)	0	0	<b>(29,800)</b>
Depot and Nursery	0	0	0	<b>0</b>
District Office	(70,200)	443,600	397,000	<b>(23,600)</b>
Finance	142,900	1,157,400	950,200	<b>350,100</b>
Operations & Services	6,000	0	0	<b>6,000</b>
Plant	310,900	1,509,600	1,904,000	<b>(83,500)</b>
<b>Total</b>	<b>5,652,000</b>	<b>22,013,800</b>	<b>19,039,300</b>	<b>8,626,500</b>
<b>Revaluation Reserve – Purpose of Fund</b>	<b>Balance @ 1 July 2012 \$</b>	<b>Additions \$</b>	<b>Expenditure \$</b>	<b>Balance @ 30 June 2022 \$</b>
Revaluation Reserve - records the amount that Council's assets have increased in value.	15,877,630	22,961,420	0	38,839,250



# POLICIES





# Introduction

The Local Government Act requires the long term plan to include certain financial policies and a summary or full version of Council's policy on significance.

Council's financial strategy is in the overview section at the front of the plan. Included in this section are three financial policies previously adopted by Council:

- Revenue and Financing Policy
- Rating Policy
- Statement concerning Balancing of Budget

Council's rates remissions and postponement policies are contained in Appendix A.

The following financial policies are no longer included in the long term plan:

- Liability Management Policy
- Investment Policy
- Financial Contributions Policy

An amended version of Council's policy on significance and a copy of Council's Consultation Policy are also included in this section.





# Revenue and Financing Policy

## Policy Objectives

The objectives of the Revenue and Financing Policy are to explain who pays and why, outline how Council's activities are funded and to meet the requirements of the Local Government Act.

## Principles

This policy is based on the principles that:

- Council has a responsibility to exercise prudent financial management.
- The cost of providing Council services should be borne equitably by the Community and those who use the service.
- Fees and charges should be fair.
- Council will consider affordability when determining the level of fees and charges.

## Definitions

### Community outcomes

The outcomes a local authority aims to achieve in order to promote the economic and cultural well-being of its district in the present and for the future. They define the desired future of the District. Kawerau's community outcomes are described earlier in this plan.

### Distribution of benefits

Identifying who benefits from an activity provided by Council is important when considering who should pay for the service. Generally, if only individuals receive the benefits of an activity (private benefits), user-pays systems should be considered. If the benefits of an activity are shared by a large group within the Community then an appropriate funding option for that activity would be a targeted rate. Alternatively, if the benefits of an activity are shared by the whole Community (public benefits) then an appropriate funding option for that activity would be the general rate.

### Industrial/Commercial

All properties other than those classified as "Residential".

**Residential** - Properties zoned "Residential", "Rural Lifestyle" and "Reserve" in terms of Council's Operative District Plan and properties situated in any zone which are used solely for residential purposes.

### Period of benefits

The legislative requirement to assess the period over which the benefits from each activity will flow, aids in identifying the period over which the operating and capital expenditure should be funded.

For all activities, operating costs are directly related to providing benefits in the year of expenditure. As such, they are appropriately funded annually.

Assets provide benefits over more than one year - benefits are derived over the useful life of each asset. Useful lives range from a few years in the case of computer equipment through to many decades for infrastructural assets such as the water supply network. This introduces the concept of intergenerational equity whereby costs of any expenditure should be recovered at the time the benefits of that expenditure accrue. This is particularly relevant for larger assets such as the wastewater, stormwater, roading and water supply networks.

To ensure that each year's ratepayers pay for the benefits that are received the depreciation charges that are associated with an asset are funded by that year's ratepayers. This results in infrastructural costs being spread more evenly across the life of the asset and the different ratepayers who benefit from it.

### Funding of capital expenditure

Capital expenditure that needs to be funded relates predominantly to three things – the purchase of new assets, the replacement of existing assets and the repayment of loan principal on debt previously raised by Council.

Depreciation reserves are funded from general rates that are collected to fund depreciation.

Capital expenditure is funded from the Depreciation Reserves for those activities where Depreciation is funded. Internal borrowing is used when there is insufficient reserve funds for that particular activity.

It is estimated that from the mid 2020s, Council will need to borrow externally to fund infrastructure asset renewals. A table of these renewals expenditures is included in the financial statements of this Plan.

The Local Government Act requires that operating revenues in any one financial year should be set at an adequate level to meet all projected operating expenses. The Act states that expenditure must include the cost of depreciation.

Depreciation on some assets is not fully funded (see financial strategy) and therefore capital expenditure on these assets is funded from general rates or internal loans.

### **Contributors to the need for an activity (polluter pays)**

The 'polluter pays' principle is that if a person creates a problem which incurs costs for Council, that person should contribute some or all of the funding required to meet those costs. For example, dog owners who allow their dogs to roam should pay a fine to cover the costs of impounding. However, this is not always practical, as identifying and charging the offender is not always possible. For instance, people who create graffiti or dump rubbish illegally are not always caught. Council's policy is to recover costs where practical.

### **Costs and benefits of funding the activity distinctly from other activities**

Council is required to consider the costs and benefits when selecting a particular funding mechanism. It is possible to establish specific charges or rates for each service, however this is not the best approach if the cost of establishing and administering a charging system outweighs the benefits or the revenue gained. This has to be assessed on a case-by-case basis. Council is also required to consider alternative funding mechanisms in terms of transparency and accountability. For instance, a funding mechanism that is targeted at specific cost items is more transparent to users of the activity, whereas a general or aggregated funding approach is less transparent. However, if the targeted charging

approach excessively increases administrative costs then an aggregated charging approach may be better.

### **Overall impact of the method of funding**

In addition to all of the issues explained above, Council is required to consider the overall impact that any allocation of charges and costs may have on the current and future social, economic, environmental and cultural well-being of the Community.

## **Background**

Council has broken its business down to activity level. In some cases, it has looked at activities from two points of view - availability of the service and use of the service. Activities have been separated in this way where they benefit different groups in the Community. In general, Council has assessed the availability of an activity as a public benefit and the use of an activity as a private benefit.

'Availability' relates to the costs incurred to keep a service or asset in such a condition that it can become operational within a short start up period (e.g. keeping library items up to date). 'Use' relates to costs incurred as a result of the asset being used (e.g. staff costs of issuing library items).

## Legislative requirements

The Local Government Act sets out a process consideration. The first step is to determine, for each activity to be funded, appropriate funding sources having regard to:

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

The second stage is to take the combined results of the allocations from the first stage and to assess the overall impact of that on the current and future social, economic, environmental, and cultural well-being of the Community.

## Policy Statement

### General rate

Council funds general rates through a Uniform Annual General Charge (UAGC) on each separately used or inhabited part of a property and rates charged on capital value in accordance with Council's Differential Rating System.

The purpose of the UAGC is to spread the effect of general rates on all ratepayers more evenly. The higher the UAGC, the higher the rates on lower valued properties. The UAGC level has been selected because Council believes this produces the fairest and most equitable overall result for the Community.

Council charges its general rates on a differential basis in accordance with the Local Government (Rating) Act 2002. Council introduced differential rating 1978. The objective of Council's system of differential rating is primarily to retain a ratio between commercial and industrial ratepayers on the one hand and residential ratepayers on the other. The general (including the UAGC) is apportioned on a ratio of 55:45 Industrial/Commercial: Residential.

## Targeted rates

**Water** Council charges a uniform fixed amount for the provision of water supply. The rate is charged to each separately used or inhabited part of a property to which Council supplies water, except for properties on metered water supply.

**Wastewater** Council charges a uniform fixed amount for the collection and treatment of wastewater.

The rate is charged to each separately used or inhabited part of a property that is connected to Council's wastewater disposal network.

**Refuse Collection** Council charges a uniform fixed amount for the collection of residual refuse. The rate is charged to each separately used or inhabited part of a property from which Council is prepared to remove residual refuse.

## Grants and subsidies

A large part of Council's expenditure on roads is subsidised by the New Zealand Transport Agency (NZTA). Subsidies contribute to the long-term maintenance of the carriageways and their associated drainage and lighting systems, together with part of the costs of street cleaning.

## Interest and dividends

Council has minimal equity investments and therefore receives no dividend income of any consequence.

Council receives interest from its financial investments. Significant replacement of infra-structural assets will not occur until the years 2020/30. Until this time, Council's cash balances will increase as the funding of depreciation leads to growth in the depreciation reserves. These reserves are invested in accordance with Council's Investment Policy and will be retained for expenditure on asset replacement.

As the depreciation reserves grow, increased interest revenue from the investment of these reserves lowers the amount of depreciation funding that is required from general rates.

## ***Fees and charges***

Council places fees and charges on a wide range of its activities. A number of considerations are taken into account by Council when setting fees. These include:

- The cost of the service provided and the private benefits received
- The ability of users to pay and the possible exclusionary effects on people with low incomes
- The risks of people not using Council services if charges for those services are perceived as too high
- In appropriate cases, whether the user lives in the District or outside the District

## ***Proceeds from asset sales***

Proceeds from asset sales will be used for the repayment of debt or the acquisition of new assets.

## ***Reserve funds***

Most Council reserve funds are associated with depreciation reserves.

## ***Financial contributions***

Council has the ability to collect financial contributions as per its Financial Contributions Policy.

## ***Assessment of the overall impact of allocation of revenue needs***

Council believes that its selection of funding tools leads to the most equitable funding of Council's activities in terms of:

- The distribution of benefits amongst the Community
- The period in, or over which those benefits are expected to occur
- The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
- Being affordable

While some activities would normally be funded by user fees and charges due to the level of private benefit that they provide, Council wishes to enhance the well-being of Kawerau residents by encouraging them to use various Council services. It is felt that the inability to pay for various services should not stop or restrict access to those services.

Council has therefore determined that the following activities will be funded through general rates:

- Subsidised access to the Library/Museum for Kawerau residents and property owners
- Subsidised access to the Swimming Pool
- Partial waivers of rentals of the Town Hall, Concert Chambers, Recreation Centre and Passive Reserves for groups who achieve the outcomes desired by this policy
- Free access to the Town Centre Toilets
- Free access to the Refuse Disposal Site for people acting charitably

## Summary – Allocation of Costs

Significant Activity		Funding Ratio	
		Public Benefit (%)	Private Benefit (%)
<b>Democracy</b>		100	0
<b>Economic and Community Development</b>			
Economic Development		100	0
Pensioner Housing		0	100
Community, Cultural and Social	Availability	100	0
Community, Cultural and Social	Use	10	90
Commercial Rental Buildings		0	100
<b>Environmental Services</b>			
Resource Management - Planning	Availability	100	0
Resource Management - Planning	Use	100	0
Resource Management - Consents		30	70
Building and Inspection	Availability	100	0
Building and Inspection	Use	20	80
Environmental Health	Availability	100	0
Environmental Health	Use	50	50
Dog Control		100	0
Dog Registration		0	100
Civil Defence		100	0
<b>Roading</b>			
<b>Stormwater</b>		100	0
<b>Water Supply</b>			
Water Supply	Availability	100	0
Water Supply	Use	0	100
<b>Wastewater</b>			
Wastewater	Availability	100	0
Wastewater	Use	0	100
<b>Solid Waste</b>		10	90
Refuse Collection			
Refuse Disposal	Availability	100	0
Refuse Disposal	Use	0	100
Zero Waste		100	0
<b>Leisure and Recreation</b>			
Library/Museum	Availability	100	0
Library/Museum	Use	0	100
Swimming Pools	Availability	100	0
Swimming Pools	Use	0	100
Public Halls			
Recreation Centre	Availability	100	0
Recreation Centre	Use	30	70
Town Hall	Availability	100	0
Town Hall	Use	30	70
Concert Chamber	Availability	100	0
Concert Chamber	Use	30	70
Parks and Reserves			
Sports Fields		100	0
Passive Reserves		100	0
Road Berms		100	0
Street Trees		100	0
Annual Bedding Displays		100	0
Playgrounds		100	0
Cemetery		100	0
Cemetery		0	100

## Summary – Mix of Funding Mechanisms for the District

Activity Group		Public Benefit	Private Benefit
<b>Democracy</b>		General Rates	
<b>Economic and Community Development</b>			
Economic Development		General Rates	User Fees and Charges
Commercial Rental Buildings			User Fees and Charges
Community, Cultural and Social	Availability	General Rates	
Community, Cultural and Social	Use		User Fees and Charges
Pensioner Housing			User Fees and Charges
<b>Environmental Services</b>			
Resource Management - Planning	Availability	General Rates	
Resource Management - Planning	Use	General Rates	
Resource Management - Consents		General Rates	User Fees and Charges
Building and Inspection	Availability	General Rates	
Building and Inspection	Use	General Rates	User Fees and Charges
Environmental Health	Availability	General Rates	
Environmental Health	Use	General Rates	User Fees and Charges
Dog Control		General Rates	
Dog Registration			User Fees and Charges
Civil Defence		General Rates	
<b>Roading</b>		General Rates	Transport Management Subsidies
<b>Stormwater</b>		General Rates	Subsidies
<b>Water Supply</b>			
Water Supply	Availability	General Rates	
Water Supply	Use		Separate Rate and User Fees and Charges
<b>Wastewater</b>			
Wastewater	Availability	General Rates	Targeted Rate and
Wastewater	Use		User Fees and Charges
<b>Solid Waste</b>			
Refuse Collection		General Rates	Targeted Rate
Refuse Disposal	Availability	General Rates	
Refuse Disposal	Use		User Fees and Charges
Zero Waste		General Rates	
<b>Leisure and Recreation</b>			
Library/Museum	Availability	General Rates	
Library/Museum	Use		User Fees and Charges
Swimming Pools	Availability	General Rates	
Swimming Pools	Use		User Fees and Charges
Public Halls			
Recreation Centre	Availability	General Rates	
Recreation Centre	Use	General Rates	User Fees and Charges
Town Hall	Availability	General Rates	
Town Hall	Use	General Rates	User Fees and Charges
Concert Chamber	Availability	General Rates	
Concert Chamber	Use	General Rates	User Fees and Charges
Town Centre Toilets	Availability	General Rates	
Town Centre Toilets	Use		User Fees and Charges
<b>Parks and Reserves</b>			
Sports Fields		General Rates	
Passive Reserves		General Rates	
Road Berms		General Rates	
Street Trees		General Rates	
Annual Bedding Displays		General Rates	
Playgrounds		General Rates	
Cemetery	Availability	General Rates	
Cemetery	Use		User Fees and Charges

# Rating Policy

## Policy Objectives

The objectives of this policy are:

- To generate sufficient rates revenue to ensure that Council activities are adequately funded
- To operate a rating system which is fair and equitable to the Community of Kawerau
- To charge rates which are affordable to ratepayers

## Principles

This policy is based on the principles of fairness, equity and affordability.

## Definitions

### Capital value

The value of land plus improvements, as assessed by the Valuer General.

### Differential rating system

Where the amount of rates charged differs (i.e. is 'differential') according to any of the matters used to define categories of rateable land under the Local Government (Rating) Act 2002.

### Industrial/commercial land

All rateable land other than that classified as residential.

### Rating unit

For land for which there is a certificate of title, a rating unit is the land comprised in the certificate of title. Where there is no certificate of title, what constitutes a rating unit is either the land described in an instrument which exists or if there is no instrument, the land that the Valuer General considers would be appropriate to sell or transfer as a separate property or, for crown land, to treat as if comprised in a certificate of title. If land in a rating unit is in two or more districts, the part in each district constitutes a separate rating unit.

### Residential land

Land which is zoned as residential, rural lifestyle or reserve under Council's operative district plan and any other land located in a zone used solely for residential purposes.

### Residual waste

Waste collected from residential properties which is not separated into green waste or recycling collection bins.

### Separately used or inhabited part of a property

Any portion of land or a building that is used or inhabited by a person who has the right to do so by virtue of a tenancy, lease, licence or other agreement.

## Background

Council has used a differential rating system since 1978. The matters it uses to differentiate categories of rateable land are:

- Where the land is situated (its zoning under Council's operative district plan), and
- The use to which the land is put (industrial/commercial or residential).

## Policy Statement

### General Rates

Council will levy general rates which comprise: A uniform annual general charge (UAGC) of \$300 (incl GST), and A differential rate based on the capital value of the rating unit.

The UAGC is charged on every separately used or inhabited part of a property and the purpose is to spread the cost of general rates more evenly across all ratepayers.

The differential general rate will be set so as to retain the ratio between commercial/industrial and residential general rates revenue of 55:45.



## ***Water Rates***

Council will levy a uniform fixed amount on each separately used or inhabited part of a property to which Council supplies water, except those on a metered water supply. This amount is known as the water rate.

## ***Metered Water Charges***

A rate per cubic meter of water used will be levied on each separately used or inhabited part of a property with a metered water supply. The charge is levied on a quarterly basis at a minimum of \$20.00 (incl. GST).

## ***Wastewater Rates***

Council will levy a uniform fixed amount on each separately used or inhabited part of a property which is connected to Council's wastewater disposal network.

## ***Refuse Collection Rates***

Council will levy a uniform fixed amount on each separately used or inhabited part of a property from which Council collects refuse.

## ***Levying and Collecting***

Council will set and charge rates for the year 1 July to 30 June. The due dates for the payment of instalments in the 2012/2013 year are shown below.

Instalment no.	Due date
1	Friday 24 August 2012
2	Friday 23 November 2012
3	Friday 22 February 2013
4	Friday 24 May 2013

Rates for the year may be paid in full at any time provided each instalment is paid on or before the due date.

## ***Rates Penalty Charges***

Council also charges the following penalties:

### ***Rates Instalment Penalty***

A penalty of 10 percent of the value of any part of a rates instalment for the current year which is not paid by the due date.

### ***Rates Arrears Penalty***

A penalty of 10 percent of the value of any part of the rates for the previous year which remains outstanding on 1 October, and a further 10 percent penalty on any portion of this amount (including arrears penalties) which are still not paid by 1 April.

# Significance Policy

## Background

Council is required to have a policy on significance under section 90 of the Local Government Act 2002 (the Act). The policy, and any amendment to it, must be made using the special consultative procedure in the Act.

## Policy Objectives

The objectives of this policy are:

- To outline the process and considerations required to determine whether an issue, proposal, decision or other matter is significant
- To support Council decision making by ensuring that sufficient information is provided to enable significance to be assessed
- To help Council determine the appropriate level of Community engagement on any issue, proposal, decision or other matter.

## Principles

The degree of significance of a given issue, proposal, decision or other matter will determine whether, and to what extent Council will observe the provisions of the Act relating to decision making and consultation, and other applicable Council policy, such as the consultation policy. It is therefore important that Council has sufficient information on which to base an assessment of significance.

## Definitions

### Significance

In relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:

- a) The current and future social, economic, environmental, or cultural well-being of the district or region;
- b) Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;
- c) The capacity of the local authority to perform its role, and the financial and other costs of doing so.

### Significant

In relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

### Special consultative procedure

Means the procedure set out in section 83 of the Local Government Act 2002.

### 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:

- a) any asset or group of assets listed in accordance with section 90(2) by the local authority; and
- b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- c) any equity securities held by the local authority in—
  - (i) a port company within the meaning of the Port Companies Act 1988;
  - (ii) an airport company within the meaning of the Airport Authorities Act 1966.

## Policy Statement

### General Approach

The general approach that Council will use to determine the significance of any issue, proposal, decision or other matter is to assess the likely impact and consequences it will have on:

The current and future social, economic, environmental and cultural wellbeing of the Community; and

Any persons who are likely to be particularly affected by or interested in the matter; and  
The associated financial and other costs and implications of the matter, having regard to Council's capacity to perform its role.

### Thresholds and Criteria

Any issue, proposal, decision or other matter is likely to be significant if it satisfies one or more of the following thresholds or criteria:

#### Financial

- a. A transfer of ownership or control, or the construction, replacement or abandonment of a strategic asset as defined by the Act or listed in this policy
- b. The sale of Council's shareholding in any council-controlled trading organisation or council-controlled organisation
- c. A significant effect on the costs to Council of carrying out any activity identified in the long term plan
- d. Unbudgeted expenditure which would exceed 5 percent of the total annual operational budget for that year
- e. Capital expenditure exceeding either:-
  - i) 2.5 percent of the total value of Council's fixed assets; or
  - ii) Where spent on a strategic asset, 25 percent of the gross value of that asset.

#### Other

- f. All or a relatively large proportion of the Community will be substantively affected
- g. A broad range of people and/or groups who reflect the make-up of the Community will be substantively affected

- h. A decision on the issue, proposal or other matter does not flow logically and consequentially from a significant decision already made or from a decision in the long term plan or the annual plan
- i. The decision will have a significant effect on Council's capacity to carry out any activity identified in the long term plan

Council will also consider the degree to which a decision, once made, would be difficult to reverse.

Notwithstanding the above thresholds and criteria, Council may assess any issue, proposal, decision or other matter as significant, which is expected to generate strong Community sentiment.

### Procedures

Reports to Council that require consideration of an issue, proposal, decision or other matter in order to decide a course of action, will include a statement indicating that the issue of significance has been considered and a recommended assessment of likely significance.

Where the recommendation is that the issue, proposal, decision or other matter is likely to be significant, the report will also include a statement outlining the appropriate adherence to the parts of the Act relating to decision making and consultation, and to other applicable Council policy.

Irrespective of any assessment of significance, Council may choose to consult on any issue, proposal, decision or other matter which it considers of sufficient importance to the Kawerau Community to warrant such an approach.

### Strategic Assets

For the purposes of section 90(2) of the Act, Council considers the following assets to be strategic assets:

- Roading network
- Stormwater network
- Water Supply system as a whole
- Wastewater treatment and disposal system as a whole

# Consultation Policy

## Background

Part 6 of the Local Government Act 2002 (the Act) creates obligations for Council to consider Community views in its decision-making and to consult with certain persons under certain circumstances. It sets out procedures for Council decision-making and consultation. It also requires Council to provide opportunities and to consider how to foster the development of Māori capacity to contribute to its decision-making processes.

Council values and is committed to effective consultation. Council recognises that consultation is one of the ways in which it can interact and engage with the Community. This policy outlines how Council will meet its obligations and give effect to that commitment. There are close links between this policy and Council's policy on significance.

## Policy Objectives

The objectives of this policy are:

- To ensure that lawful and appropriate consultation processes are used to support Council decision-making
- To ensure that Community involvement in Council decision-making is meaningful and relevant
- To promote good Council decision-making by ensuring that Community views are known and considered as appropriate

## Principles

Council's approach to consultation is underpinned by a set of principles, of which some have been taken from Act and others have been developed by Council. The principles are:

### Access to information

Affected or interested people should have reasonable access to information which is relevant, meaningful and appropriate to their preferences and needs.

### Encouragement to present views

All affected or interested people should be encouraged to present their views.

### Transparency

Information should be provided about the purpose of the consultation, the scope of the decisions to be made, those who will make the decisions and how decisions will be made.

### Opportunity to present views

Every person who wishes to have his/her views considered should be provided with a reasonable opportunity to present those views in a way which is appropriate to his/her preferences and needs. A flexible range of delivery means should be allowed.

### Recognising diversity

Views should be sought from a broad range of people and/or groups who reflect the make-up of the Community.

### Contributions by Māori

Processes that will provide opportunities for Māori to contribute to decision-making should be established and maintained.

### Openness

Presented views should be received with an open mind and given due consideration. Community input into decisions should be valued.

### Feedback

Information should be provided to affected or interested people about the outcome of the decision-making process and the reasons for decisions.

### Timeliness

Consultation should be a planned component of, and conducted early in, the decision-making process. Sufficient time should be given to allow for considered responses from all affected or interested people.

## Definitions

### Community

Means persons who are likely to be affected by, or to have an interest in the issue, proposal, decision or other matter subject to consultation and who either live or otherwise have a strong connection with Kawerau.

### Consultation

Setting out a concept or proposal not fully decided upon; providing relevant information; seeking information and perspectives which may otherwise not have been taken into account; genuinely listening to what submitters have to say with an open mind; considering responses and then making a decision.

### Consultation partners

Those groups/organisations which represent or reflect key interests or elements of the make-up of the Community. Consultation partners are listed in the Schedule.

### Key stakeholders

Those individuals or groups/organisations who are or will become substantively affected by the issue, proposal, decision or other matter subject to consultation.

### Pre-consultation

Means Council consultation with any individual, group or organisation to seek input before the development or release of a draft document or proposed course of action about any issue, proposal, decision or other matter subject to consultation.

### Significance

In relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:

- a) the current and future social, economic, environmental, or cultural well-being of the district or region;
- b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;
- c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

### Significant

In relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

### Special consultative procedure

The procedure set out in section 83 of the Local Government Act 2002.

## Policy Statement

### ***Decisions involving Consultation***

Council will use a consultation process as part of its decision making about any of the following:

- Making a Long Term Plan or Annual Plan
- Amending a Long Term Plan
- Making, revoking, reviewing or amending a Council bylaw
- Making, reviewing or amending a Council policy
- Reviewing a strategic asset
- Every decision assessed as being significant
- Any other issue, proposal, decision or other matter where Council considers consultation is appropriate

### ***Parties to Consultation***

Council may consult with any or all of the following:

- The Community
- Tangata whenua
- Consultation partners as defined in this policy
- Key stakeholders
- Community groups or organisations
- Government agencies and/or local authorities
- Individual(s) or group(s) who are interested in or affected by the decision
- Any other individual(s) or group(s) which Council considers to be appropriate

### **Consultation partners**

- Kawerau Business Association
- Kawerau Industrial Symbiosis Steering Committee
- Kawerau Enterprise Agency
- Tuwharetoa ki Kawerau Health, Education and Social Services
- Ngati Tuwharetoa (BOP) Settlement Trust
- TOHU Marae Trust
- Te Rūnanga o Ngāti Awa
- Rautahi Marae Committee
- Kawerau Grey Power
- Kawerau Youth Council
- Kawerau College
- Kawerau Principals' Association

- Kawerau Ministers' Association
- Kawerau Committee
- Disabilities Resource Centre
- Kawerau Social Services Trust Board
- Kawerau Seniors Forum

## ***Consultation Processes***

### **Community consultation**

Council's Community consultation process may include any or all of the following steps:

- Media releases or statements
- Articles in print media
- Pre-consultation with key stakeholders
- Inviting each of the consultation partners listed in the Schedule to a pre-consultation meeting with Council to share their views
- 'Consult-a-Councillor' sessions in Tarawera Mall
- Calling for submissions from the public
- Making a draft document or proposal available for public inspection
- Providing an opportunity for submitters to be heard
- Hearing and considering submissions in an open meeting
- Following up with submitters about Council decisions and reasons
- Publicly notifying the final decision
- The Community consultation process may be used for the review and development of Council policy and in other circumstances which Council considers to be appropriate.

### **Special consultative procedure**

Council will use the special consultative procedure as prescribed by the Act when any issue, proposal, decision or other matter is assessed as being significant, when developing or reviewing Long Term Plans, Annual Plans and bylaws and when required by other legislation.

Council may choose to augment or otherwise enhance the special consultative procedure, for example by including steps from the Community consultation process, and may choose to use the special consultative procedure in circumstances other than when required.

## Independent Auditor's Report

### To the readers of Kawerau District Council's Long-Term Plan for the ten years commencing 1 July 2012

The Auditor-General is the auditor of Kawerau District Council (the District Council). The Auditor-General has appointed me, Clarence Susan, using the staff and resources of Audit New Zealand, to report on the Long-Term Plan (LTP), on her behalf. We have audited the District Council's LTP dated 26 June 2012 for the ten years commencing 1 July 2012.

The Auditor-General is required by section 94(1) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the LTP complies with the requirements of the Act; and
- the quality of information and assumptions underlying the forecast information provided in the LTP.

## Opinion

### Overall opinion

**In our opinion the District Council's LTP dated 26 June 2012 provides a reasonable basis for long-term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.**

In forming our overall opinion, we considered the specific matters outlined in section 94(1) of the Act which we report on as follows.

### Opinion on specific matters required by the Act

In our view:

- **the District Council has complied with the requirements of the Act in all material respects demonstrating good practice for a council of its size and scale within the context of its environment; and**
- **the underlying information and assumptions used to prepare the LTP provide a reasonable and supportable basis for the preparation of the forecast information.**

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 26 June 2012. This is the date at which our opinion is expressed.



The basis of the opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

## **Basis of opinion**

We carried out the audit in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 : Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and the Auditor General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information.

Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTP does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves performing procedures to obtain audit evidence about the forecast information and disclosures in the LTP. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the information in the LTP. In making those risk assessments we consider internal control relevant to the preparation of the District Council's LTP. We consider internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

Our audit procedures also include assessing whether:

- the LTP provides the community with sufficient and balanced information about the strategic and other key issues, and implications it faces and provides for participation by the public in decision making processes;
- the District Council's financial strategy, supported by financial policies is financially prudent, and has been clearly communicated to the community in the LTP;
- the presentation of the LTP complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the LTP are compliant with the decision-making and consultation requirements of the Act;
- the information in the LTP is based on materially complete and reliable asset or activity information;
- the agreed levels of service are fairly reflected throughout the LTP;
- the District Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the LTP are based on best information currently available to the District Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;

- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the District Council's service delivery and performance; and
- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the LTP.

We do not guarantee complete accuracy of the information in the LTP. Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTP and determining compliance with the requirements of the Act. We evaluated the overall adequacy of the presentation of information. We obtained all the information and explanations we required to support our opinion above.

### **Responsibilities of the Council**

The Council is responsible for preparing a LTP under the Act, by applying the Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The Council is also responsible for such internal control as it determines is necessary to enable the preparation of a LTP that is free from material misstatement

The Council's responsibilities arise from section 93 of the Act.

### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the LTP and reporting that opinion to you based on our audit. This responsibility arises from section 15 of the Public Audit Act 2001 and section 94(1) of the Act.

It is not our responsibility to express an opinion on the merits of any policy content within the LTP.

### **Independence**

When reporting on the LTP we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than this report and in conducting the audit of the LTP Statement of Proposal and the annual audit, we have no relationship with or interests in the District Council.



Clarence Susan  
Audit New Zealand  
On behalf of the Auditor-General  
Tauranga, New Zealand

# Glossary

**Activity** A good or service provided by, or on behalf of, a local authority or a council-controlled organisation, to the Community.

**Annual plan** A document adopted each year by Council that outlines its significant policies (including indicative costs and sources of funds) and the objectives and measures by which Council's performance in undertaking each of its significant activities will be judged.

**Annual report** A document that provides the public with information on the performance of the local authority during the year (both in financial and non-financial terms).

**Asset** A resource controlled by Council. Generally accepted accounting practice defines assets as service potential or future economic benefits controlled by an entity as a result of past transactions or other past events.

**Community outcomes** The outcomes that a local authority aims to achieve in order to promote the social, economic, environmental and cultural well-being of its district in the present and for the future.

**Council-Controlled Organisation (CCO)** A company or organisation in which a council or councils hold 50% or more of the voting rights or can appoint 50% or more of the trustees, directors or managers.

**Financial strategy** A document to facilitate prudent financial management by providing a guide for future funding and expenditure. Also the document will show the overall level of rates, debt and investments.

**Funding Impact Statement (FIS)** A document that sets out the funding mechanisms that Council will use, their level, and the reason for their selection.

**Generally Accepted Accounting Practice (GAAP)** Approved financial reporting standards that apply to Council or statements which are not approved, but which are appropriate to Council and have the authoritative support of the accounting profession in New Zealand.

**Levels of service** The defined service requirements for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost of the service.

**Local authority** A regional council or territorial authority.

**Local Government Act 2002 ("the act")** The legislation which states the purpose of local government and provides a framework for the roles, responsibilities and powers of local authorities.

**Long term plan** A plan covering ten years that describes the activities that Council will engage in over the life of the Plan, why Council plans to engage in those activities and how those activities will be funded.

**Postponement of rates** When the payment of rates is not waived in the first instance, but delayed until a certain time, or until certain events occur.

**Remission of rates** Reducing the amount owing, or waiving collection of rates altogether.

**Separately used or inhabited part of a rating unit** Any portion of a property or building that is used or inhabited by a person who has the right to do so by virtue of a tenancy, lease, licence or other agreement (refer Council's Rates Relief for High Value Properties Policy).

**Significance** – In relation to any issue before Council, significance means the degree of importance of the issue, as assessed by Council in terms of its likely impact on and likely consequences for:

- The current and future well-being of the District
- Any persons who are likely to be particularly affected by, or interested in the issue
- The financial and other costs of doing so

**Significant** – In relation to any issue, significant means that the issue has a high degree of significance (as per Council's Significance Policy).

**Special consultative procedure** A formal consultation process that sets out a series of steps that Council must follow when consulting on particular types of decisions.

**Statement of proposal** A document that provides the basis for consultation with the Community under the Special Consultative Procedure by setting out Council's proposals with respect to a particular matter.

**Strategic asset** An asset or group of assets that Council needs to retain to maintain its capacity to promote any community outcome it considers important to the current or future well-being of the Community. The key is whether the assets are essential to the continued delivery of the community outcome. Strategic assets are listed in Council's Significance Policy.

**Territorial authority** A city council or a district council named in Schedule 2, Part 2 of the Local Government Act 2002.

**Wastewater** Sewage and other waste disposed of through the wastewater system.

**Wastewater disposal network** Sewerage system.





# APPENDIX A: RATES REMISSION AND POSTPONEMENT POLICIES







# Rates Remission for High Value Property Policy

## Policy Objectives

The objective of this policy is to cap residential rates by way of a rate remission.

## Principles

Council believes that disproportionately high rates would discourage residential development in the District and act as a disincentive for improvement to existing homes. It also considers that they would place an unfair burden on a small group of ratepayers.

## Definitions

### Capital Value:

The value of land plus improvements, as determined by the Valuer General.

### Rating Unit:

For land for which there is a certificate of title, a rating unit is the land comprised in the certificate of title. Where there is no certificate of title, what constitutes a rating unit is either the land described in an instrument which exists or if there is no instrument, the land that the Valuer General considers would be appropriate to sell or transfer as a separate property or, for crown land, to treat as if comprised in a certificate of title. If land in a rating unit is in two or more districts, the part in each district constitutes a separate rating unit.

### Separately used or inhabited part of a rating unit:

Any portion of a property or building that is used or inhabited by a person who has the right to do so by virtue of a tenancy, lease, licence or other agreement.

## Background

Council's rating system is based on capital value. In the case of residential rating units this led to a small number of residential rating units with high capital values incurring disproportionately high annual rates, up to \$3,000 for the rating year 2005/06.

Council first adopted the Rates Relief for High Value Properties policy to cap rates for the 2005/06 rating year. At that time, the cap was set at \$2,000 (including GST) per rating unit. For each subsequent year the level of the cap rose by the percentage increase in total rates. For the 2012/13 year, the cap is \$3,100.

Year	Maximum Rates (Incl. GST)
2005/06	\$2,000
2006/07	\$2,180
2007/08	\$2,300
2008/09	\$2,480
2009/10	\$2,640
2010/11	\$2,860
2011/12	\$3,040
2012/13	\$3,100

## Policy Statement

All residential rating units, or separately used or inhabited parts thereof, that incur rates above the cap will have the excess rates remitted automatically. The cap applies to the sum of the general rate, one uniform annual general charge and one standard targeted rate for each service rated in that way.

The following charges will be payable in addition to the cap:

1. Targeted rates for all services provided to each separately used or inhabited part of a rating unit.
2. Additional residual refuse bins supplied to any rating unit or separately used or inhabited part of a rating unit.
3. All rates levied by Bay of Plenty Regional Council and collected on its behalf.

# Rates Remission for Farm Properties Policy (including land transferred from Whakatane District)

## Policy Objectives

The objectives of this policy are to ensure that the rates charged to farming properties are not unreasonably high and that they are comparable to the rates charged by other Councils for farming properties of similar value.

## Principle

The level of rates charged for farming property should be fair and equitable.

## Background

Council's rating system has two differentials for the general rate:

- Residential (which includes rural lifestyle) and
- Industrial/Commercial

Farming property is classified as 'residential' for the purposes of charging the general rate, but following the last revaluation, it has been recognised that the rates charged to these properties would not be reasonable if they were charged the rates applicable to residential property in full.

## Policy Statement

Council will grant a 65% remission in 2012/13 for the general rate charged to farming properties comprising the following assessment numbers:

07284/904.00

07284/906.00

07284/057.00

07281/008.00

This remission is conditional on the properties remaining farming (as the principal use).

It will apply only to the general rate which is charged on capital value. The remission will not apply to the Uniform Annual General Charge nor to any other rates charged.

The policy will be reviewed following the triennial revaluation of the District in 2012, for implementation in the 2013/14 financial year.

# Rates Remission and Postponement for Development Policy

## Policy Objective

The objective of this policy is to encourage land development in the Kawerau District to stimulate employment opportunities and enhance the economic wellbeing of the Community.

## Definitions

### Development

The development or re-development of any land in the District:

- By constructing, erecting, or altering any one or more buildings on the land for the purpose of providing at least 10 new, or 9 additional household units; or
- By constructing, erecting, or altering any building or buildings, fixed plant and machinery, or other works, intended to be used solely or principally for industrial or commercial or administrative purposes (including hotels, motels and other transient accommodation), or any combination of those purposes; but
- Does not include the sub-division of land.

### Employment opportunities

Employment creation, employment growth or employment retention in the Kawerau District.

## Policy Statement

### Eligibility Criteria

Council will consider any application for development in the District which can demonstrate that it will be likely to lead to employment opportunities.

## Forms of Rates Relief

Council may remit or postpone (or a combination of these), part or all of the rates otherwise payable on a property for any period subject to an annual application being made.

Council may impose conditions on the remission of rates and may cancel any remission for non-compliance, or if a project ceases to operate. In those circumstances, Council may require payment of full rates in respect of any year in which rates have been remitted.

Council does not consider that granting rates relief according to a strict formula or code is either practical or desirable. This policy is considered to constitute adequate guidelines for the consideration of applications.

## Factors to be Considered

Council will have regard to the following matters when considering applications for rates relief:

- Whether and to what extent, the development will create employment opportunities. (NB: While actual job creation will be a strong factor in favour of granting rates relief, potential for job creation will also be a positive factor).
- Whether and to what extent, the granting of rates relief would be of material benefit to the development and the developer.
- Such other matters as Council may consider relevant.

Council does not consider rates to be of themselves a significant factor in a decision to carry out a new development. However, Council shall take into account the fact that rating relief may use this policy to assist the viability of a development and may use this policy to assist in expediting such a development.

## ***Procedures***

Applications for rates relief should be addressed to the Chief Executive Officer. Applications will be required to provide statements of intent, supporting critical statistics and such other information as is reasonably necessary to enable Council to assess the application in relation to this policy. Every decision of Council shall be publicly notified and the notice shall include:

- The reasons for the decision to approve or decline the application; and
- If the application is approved, the identity of the occupier of the land and the estimated amount of the rates remitted or postponed.

## ***Council Policy Affecting Applications***

The provisions of this policy constitute guidelines for the consideration of applications, as the granting of rates relief according to a strict formula is neither practical nor desirable. The ability of an applicant to meet the above requirements does not in itself constitute a right to rates relief. Council will consider each application on its merits in relation to Council's Economic Development Strategy.



# Rates Remission and Postponement Policy for Māori Freehold Land

## Policy Objective

The objective of this policy is to ensure the fair and equitable collection of rates from all ratepayers, recognising that certain Māori owned lands have particular conditions, features, ownership structures or other circumstances which make it appropriate to provide relief from rates.

## Principles

The principles which underpin this policy are:

- That, as provided by section 91 of the Local Government (Rating) Act 2002, Māori freehold land is liable for rates in the same manner as if it were general land.
- That Council will decide on the provision of rate relief on Māori Freehold Land should any applications be received.
- That the policy does not provide for the permanent remission or postponement of rates on the land concerned.

## Definitions

### **Māori freehold land**

Means land whose beneficial ownership has been determined by the Māori Land Court by freehold order (that is; the Court has created a title for the land and determined the beneficial owners to that land).

## Background

The LGA requires Council to adopt a policy on the remission and postponement of rates on Māori freehold land. A policy adopted under this requirement does not need to provide for the remission and postponement of rates on Māori freehold land, but in determining a policy, Council must consider the following matters:

1. The desirability and importance within the District of each of the objectives listed below.
2. Whether and to what extent, the attainment of any of those objectives could be prejudicially affected if there is no remission of rates or postponement of the requirement to pay rates on Māori freehold land.
3. Whether and to what extent, the attainment of those objectives is likely to be facilitated by the remission of rates or postponement of the requirement to pay rates on Māori freehold land.
4. The extent to which different criteria and conditions for rates relief may contribute to different objectives.

The objectives that Council must consider are:

- a) Supporting the use of the land by the owners for traditional purposes.
- b) Recognising and supporting the relationship of Māori and its culture and traditions with its ancestral lands.
- c) Avoiding further alienation of Māori freehold land.
- d) Facilitating any wish of the owners to develop the land for economic use.
- e) Recognising and taking account of the presence of waahi tapu that may affect the use of the land for other purposes.

- f) Recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere).
- g) Recognising and taking account of the importance of the land for community goals relating to:
  - i. The preservation of the natural character of the coastal environment.
  - ii. The protection of outstanding natural features.
  - iii. The protection of significant indigenous vegetation and significant habitats of indigenous fauna.
- h) Recognising the level of community services provided to the land and its occupiers.
- i) Recognising matters related to the physical accessibility of the land.

## Policy Statement

Applications for rates remission or postponement should include the following information:

- Details of the rating unit or units involved.
- Documentation that shows that the land qualifies as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court.

The Council may, of its own volition, investigate and grant remission or postponement of rates on any Māori freehold land in the District.

Relief and the extent thereof, are at the sole discretion of the Council and may be cancelled and reduced at any time.

Council will give a remission or postponement of up to 100% of all rates for the year for which it is applied, based on the extent to which the remission or postponement of rates will achieve objectives a – i described in the background section of this policy, and in addition will consider how an application would provide for an efficient collection of rates and the removal of rating debt.

# Rates Penalty Remission Policy

## Policy Objective

The objective of this policy is to enable Council to act fairly and reasonably when considering applications for the remission of penalties on rates that have not been received by Council.

## Background

Council presently charges the following penalties on unpaid rates:

- Penalties on current rates that not paid by the due date during the year.
- Further penalties on rates charged in the previous year which remain outstanding on the 1 October and 1 April each year.

Council has adopted a remission policy to remit rates penalties as long as specific criteria are met and the ratepayer has settled the outstanding rates.

## Policy Statement

All applications for the remission of rates penalties must be in writing.

Rates must be paid in full before Council remits the penalties charged.

Council will consider applications for the remission of rates penalties in circumstances where:

- Significant disruption to the ratepayer such as the death of a family member; or
- Matters outside the ratepayers' control such as a late sales notice, have contributed to a late payment and it is reasonable to remit the penalty; or
- The ratepayer is new to the District and for whatever reason did not receive a rate invoice; or
- The ratepayer (that is in arrears) entered into an acceptable payment arrangement and complied with those arrangements for the payment of all current rates and arrears.

(NB: A ratepayer who has been in arrears and has had penalties remitted will not be eligible for a further remission of rate penalties for a period of 3 years.)







## APPENDIX B: FEES AND CHARGES





# Fees and Charges

## 1. Finance and Corporate Services

- 1.1 Cemetery
- 1.2 Plans/Reports
- 1.3 Facilities for Hire
- 1.4 Library Fees

## 2. Operations and Services

- 2.1 Landfill and Solid Waste
- 2.2 Miscellaneous
  - Rubbish Bin Hire
  - Residual Refuse Bin Charges
  - Replacement Lost or Stolen bins

## 3. Regulatory and Planning Services

- 3.1 Annual Premises Licence and Registration Fees
- 3.2 Building and Other Inspection Fees
- 3.3 Dog Control
- 3.4 Environmental Health
- 3.5 Liquor Licensing
- 3.6 Noise Control
- 3.7 Resource Management Activity
- 3.8 Miscellaneous
  - Event fees and charges
  - Impoundment of bikes etc
  - Stock impounding fees

**NB: All fees and charges include GST**

# 1. Finance and Corporate Services

## 1.1 Cemetery

### Purchase of Plots

#### **Adults**

Purchase of each plot 2.45mx 1.25m with Right of Burial in perpetuity \$560.00

#### **Children (under 10 years)**

Purchase of each plot 1.52mx 1.37m with Right of Burial in perpetuity \$305.00

#### **Stillborn Infants/Ashes**

Plot 1.25m x 1.90m provided \$155.00

#### **RSA**

Plots in the RSA section of the Cemetery No Charge

### Burial Fees

Adults \$410.00

Children (under 10 years) \$185.00

Stillborn Infants \$75.00

Second Interment \$410.00

Ashes \$75.00

RSA \$410.00

Weekend or Public Holiday \$100.00

### Miscellaneous

Exhumation of Casket \$510.00

Re-interment of any Casket \$360.00

Scatter Ashes in Garden of Remembrance No Charge

Out of District Fee (for non-resident/non-ratepayer) \$510.00

Purchase Niche in Wall of Remembrance \$55.00

Purchase of Plaque with the Standard Inscription \$135.00

Permit Fee to install a Plaque In Wall of Remembrance \$5.00

Headstone Permit \$5.00

## 1.2 Plans/Reports

NB: These charges apply to non-ratepayer non-residents only

Annual Plan (per copy) \$20.00

Annual Report (per copy) \$20.00

Long Term Plan (per copy) \$20.00

## 1.3 Facilities for Hire

A refundable bond of \$500.00 is payable prior to the hire of the Circus Paddock.

### BoycePark

Casual Hire (per day) \$20.00

### Circus Paddock

Hire (per day) \$40.00  
Power Charge (per day) Actual Cost

### Concert Chambers

Seats 260 – 270 people

### **Discounted**

Casual Hire (per hour) \$11.20

Bulk Hire (20 hours or more – per hour) \$5.60

Kitchen Hire (per hour) \$20.00

Piano (per hour) \$2.00

### **Not discounted**

Casual Hire (per hour) \$38.00

Bulk Hire (20 hours or more – per hour) \$19.00

Kitchen Hire (per hour) \$68.00

Piano (per hour) \$2.00

### Firmin Field

Casual Hire (per field per day) \$20.00

**Maurie Kjar Memorial Swimming Pool Complex**

Private Hire (per hour)	\$25.00
BBQ Hire (per BBQ)	\$5.00

**Prideaux Park**

Casual Hire (per day)	\$20.00
Pavilion (per hour)	\$10.00
Floodlights (per hour)	\$10.00

**Stoneham Park**

Casual Hire (per field per day)	\$20.00
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**Tarawera Park**

Casual Hire (per field per day)	\$20.00
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A refundable bond of \$200.00 is payable prior to the hire of any other Council facility.

**Toilets**

Service Fee (per toilet block)	\$40.00
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**Town Hall**

Seats maximum of 530 people or 250 seated with tables

**Discounted**

Casual Hire (per hour)	\$13.20
Bulk Hire (20 hours or more – per hour)	\$6.40
Heating (per hour)	\$12.00
Kitchen Hire (per hour)	\$20.00
Spotlights (per day)	\$20.00

**Not Discounted**

Casual Hire (per hour)	\$44.00
Bulk Hire (20 hours or more – per hour)	\$22.00
Heating (per hour)	\$40.00
Kitchen Hire (per hour)	\$68.00
Spotlights (per day)	\$20.00

**Ron Hardie Recreation Centre**

Tiered seating for 360 people

**Discounted**

Casual Hire (per hour)	\$20.00
Bulk Hire (20 hours or more – per hour)	\$10.00
Kitchen Hire (per hour)	\$20.00

**Not Discounted**

Casual Hire (per hour)	\$66.50
Bulk Hire (20 hours or more – per hour)	\$31.00
Kitchen hire (per hour)	\$68.00

**1.4 Library Fees**

Local Requests (per item)	\$0.50
Interloan Requests (per item)	\$1.50
Lost Book fee	Actual Cost
Replacement Library Cards (per card)	\$2.00
Photocopying/Printing (per page)	\$0.20

**Overdue Fines**

DVDs/Videos (per item per day)	\$1.00
All other items (per item per day)	\$0.10
Administration Fee	\$5.00
(For billed overdue items/per item)	

**Withdrawn Library Items for Sale**

Hardback Books	\$1.00
Softback Books	\$0.50
Children's Books	\$0.50
Magazines	\$0.50
Cassette Tapes	\$1.00
Videos/DVDs	\$2.00
Computer CDs	\$5.00

**Printing/Photocopying**

Black and White A4	\$0.20 per copy
Colour A4	\$1.00 per copy
Black and White A3	\$0.40 per copy
Colour A3	\$2.00 per copy

## 2. Operations and Services

### 2.1 Landfill and Solid Waste

#### Cars

Fully recyclable loads	\$3
Partially recyclable loads	\$6
No recycling	\$10

#### All other vehicles

Residual Waste (Trucks, trailers, utes vans and station wagons with back folded down)	\$200/tonne or minimum fee \$10
Fully recyclable loads	\$5/m <sup>3</sup>

#### Green Waste

Trailers	\$5/m <sup>3</sup>
Trucks (Council trucks and wheelie bin collection)	\$7/m <sup>3</sup>

#### Other Materials

Soil	\$6/m <sup>3</sup>
Broken Concrete	\$6/m <sup>3</sup>
Tyres	\$5 each

### 2.2 Miscellaneous

#### Rubbish Bin Hire

(set of 5 bins per event)

Serviced	\$75.00
Unserviced	\$40.00

#### Residual Refuse Bin Charges

Residual Refuse Bin Upgrade to 120 litre	
Full Year Cost	\$61.00

Month Requested	Months Chargeable	Pro Rata Cost
July	12	\$61.00
August	11	\$56.00
September	10	\$51.00
October	9	\$46.00
November	8	\$41.00
December	7	\$36.00
January	6	\$30.50
February	5	\$25.50
March	4	\$20.00
April	3	\$15.00
May	2	\$10.00
June	1	\$5.00

#### **Notes:**

1. The above charges apply only to additional bin requests that are made after 1 July. In future years the full year cost will be charged as part of the property rates until there is a change of either tenant or ownership.
2. The full year cost will be set each year by Council during the annual plan/long term plan process.
3. A bin request received part way through a month will be charged for the whole of that month.

#### Replacement Lost or Stolen Bins

120 litre residual wheelie bin	\$10.00
60 litre residual wheelie bin	\$10.00
240 litre green wheelie bin	\$10.00
60 litre recycle bin	\$10.00



## 3. Regulatory and Planning

### 2.3 Annual Premises Licence and Registration Fees

Hairdresser's Registration (per annum) \$86.00

Offensive Trade Registration (per annum) No charge fixed

#### Licensed Premises

Hotels, Taverns, Tourist Houses (per annum) \$217.00

Premises with Off-Licence (per annum) \$130.00

Sports Club Licence (per annum) \$51.00

### 2.4 Building and other Inspection Fees

Building – minor works (carport) \$346.00

Building – minor works (carport) - multiproof \$242.00

Building – minor works (garage) \$432.00

Building – minor works (garage) - multiproof \$302.00

Building – low risk \$558.00

Building – low risk - multiproof \$391.00

Building – medium risk \$1,223.00

Building – medium risk – multiproof \$856.00

Building – high risk \$1,940.00

Building – high risk - multiproof \$1,358.00

Code Compliance Certificate \$98.00

Code Compliance Schedule (WoF or CCS) \$117.00

Footpath Damage Bond (refundable) \$511.00

House Demolition Fee \$230.00

Land Information Memorandum \$153.00

Project Information Memorandum \$60.00

Plumbing and Drainage \$57.00

Re-inspection fee \$57.00

Solid fuel heater and other minor repairs \$163.00

#### Specific Design:

Deposit \$200 (see RMA fees)

Application Fee Actual Costs

Inspection fee Actual Costs

Certificate of acceptance Relevant building fee + 10%

Certificate of title fee \$15.00

Abandoned vehicles \$184.00

Private Swimming Pool inspection \$57.00

Services not otherwise listed Actual Cost

Specific expertise Actual Cost

#### Building Infringement Offences and Fees

**Provision under Building Act (section, description)** **Infringement Fee**

s40 Failing to comply with the requirement that building work must be carried out in accordance with a building consent \$750

s42 Failing to apply for certificate of acceptance for urgent work as soon as reasonably practicable after completion of building work \$500

s101 Failing to comply with requirement to obtain a compliance schedule \$250

s108(5)(a) Failing to display a building warrant of fitness required to be displayed \$250

s108(5)(b) Displaying a false or misleading building warrant of fitness \$1,000

s108(5)(c) Displaying a building warrant of fitness other than in accordance with section 108 \$1,000

s116B(1)(a) Using, or knowingly permitting the use of, a building for a use for which it is not safe or not sanitary \$1,500

s116B(1)(b) Using, or knowingly permitting the use of, a building that has inadequate means of escape from fire \$2,000

s124 Failing to comply with a notice, within the time stated in the notice, requiring work to be carried out on a dangerous, earthquake-prone, or insanitary building \$1,000

<b>Provision under Building Act (section, description)</b>	<b>Infringement Fee</b>
s128 Using or occupying a building, or permitting another person to do so, contrary to a territorial authority's hoarding, fence, or notice	\$2,000
s168 Failing to comply with a notice to fix	\$1,000
s363 Using, or permitting use of building having no consent or code compliance certificate or certificate for public use for premises for public use	\$1,500
s367 Wilfully obstructing, hindering, or resisting a person executing powers conferred under the Act or its regulations	\$500
s368 Wilfully removing or defacing a notice published under the Act or inciting another person to do so	\$500

## 2.5 Dog Control

### Registration Charges for Puppies and Pro-rata Refunds for Disposals

<b>Month</b>	<b>General Fee</b>	<b>General Fee if Dog Spayed/Neutered</b>	<b>Approved Owner Fee</b>	<b>Approved Owner Fee if Dog Spayed/ Neutered</b>
July	\$102.00	\$61.50	\$66.30	\$25.50
August	\$93.50	\$56.10	\$60.78	\$23.38
September	\$85.00	\$51.00	\$55.25	\$21.25
October	\$76.50	\$45.90	\$49.73	\$19.13
November	\$68.00	\$40.80	\$44.20	\$17.00
December	\$59.50	\$35.70	\$38.68	\$14.88
January	\$51.00	\$30.60	\$33.15	\$12.75
February	\$42.50	\$25.50	\$27.63	\$10.63
March	\$34.00	\$20.40	\$22.10	\$8.50
April	\$25.50	\$15.30	\$16.58	\$6.38
May	\$17.00	\$10.20	\$11.05	\$4.25
June	\$8.50	\$5.10	\$5.53	\$2.13

**Late Penalty Fee** – 50% addition to the original fee charged.

**NB:** All new dogs registered MUST be microchipped.

<b>Replacement Tag Fee</b>	\$1.00
Microchipping Fee	\$36.00
<b>Impound Fees</b>	
First Impound Fee	\$77.00
Second and Subsequent Impounding Fee	\$102.00
Sustenance Fee (daily)	\$5.00

**Infringement Offences and Fees**

Wilful obstruction of Dog Control Officer or Ranger	\$750.00
Failure or refusal to supply information or wilfully providing false particulars	\$750.00
Failure to supply information or wilfully providing false particulars about a dog	\$750.00
Failure to comply with any bylaw authorised by the section	\$300.00
Failure to undertake dog owner education programme or dog obedience course (or both)	\$300.00
Failure to comply with obligations of probationary owner	\$750.00
Failure to comply with effects of disqualification	\$750.00
Failure to comply with effects of classification of dog as dangerous dog	\$300.00
Fraudulent sale or transfer of dangerous dog	\$500.00
Failure to comply with effects of classification of dog as menacing dog	\$300.00
Failure to advise person of muzzle and leashing requirements	\$100.00
Failure to implant microchip transponder in dog	\$300.00
False statement relating to dog registration	\$750.00
<b><u>Infringement Offences and Fees</u></b>	
Falsely notifying death of dog	\$750.00
Failure to register dog	\$300.00
Fraudulent procurement or attempt to procure replacement dog registration label or disc	\$500.00
Failure to advise change of dog ownership	\$100.00
Failure to advise change of address	\$100.00
Removal, swapping or counterfeiting of registration label or disc	\$500.00
Failure to keep dog controlled or confined	\$200.00
Failure to keep dog under control	\$200.00
Failure to provide proper care and attention, to supply proper and sufficient food, water and shelter and to provide adequate exercise	\$300.00
Failure to carry leash in public	\$100.00
Failure to comply with barking dog abatement notice	\$200.00
Allowing a dog known to be dangerous to be at large unmuzzled or unleashed	\$300.00
Failure to advise of muzzle and leashing requirements	\$100.00
Releasing dog from custody	\$750.00

**2.6 Environmental Health****Trading in Public Places Fees Liquor Licensing**

Blanket Food Hygiene Registration e.g. Market Days (per annum)	\$130
Food Premises:	
High Risk (per annum)	\$217
Low Risk (per annum)	\$130
Hawkers Licences (issued per Bylaws)	\$26
Mobile Shops Bylaw Licence (per annum)	\$256
- If trading within the Kawerau District more than once a fortnight on average.	
Mobile Shops Bylaw Licence (per annum)	\$123
Mobile Shops Bylaw Licence (per month)	\$10
- If trading within the Kawerau District less than once a fortnight on average.	
Mobile Shops Food Hygiene Registration (per annum)	\$25
- Where primary registration is with another territorial authority.	
Mobile Shops Food Hygiene Registration (per annum)	\$130
- Where full inspection and registration with Kawerau District Council is required.	

**2.7 Liquor Licensing**

On Licence	\$776
Off Licence	\$776
Club Licence	\$776
Manager's Certificate	\$132
Temporary Authority	\$132
Special Licence	\$63
Variations	\$776
Redefinitions	No Cost

**2.8 Noise Control**

Impounded stereo release fee	\$100.00
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**NB: Stereos are kept for a minimum of one month**

## 2.9 Resource Management Activity

<b>Land Use Consent</b>	<b>Deposit*</b>
Notified application (ex cost of advertisement)	\$1,200.00*
Limited notified	\$300.00
Non-notified	\$220.00*
Change or cancellation of conditions (S127)	\$220.00*
Extension of approval period (S125)	\$220.00*
Review of consent conditions (S128)	\$220.00*
Cost of commissioning report and other costs	Actual cost
Compliance monitoring (per inspection)	\$55.00
Certificates of Compliance (S139)	\$120.00
Existing use certificate	\$120.00
<b>Subdivision Consents</b>	<b>Deposit*</b>
Notified application 1-3 lots (ex cost of advertisement)	\$1,200.00*
Limited notified 1-3 lots	\$300.00
Non-notified 1-3 lots	\$300.00*
Each additional lot	\$50.00
Company leases, cross leases, unit title plans	\$300.00*
Certification of survey plans (S223)	\$55.00
Issue of compliance certificate (S224(c))	\$75.00
Combined survey plans and compliance certificates	\$100.00
Inspections to confirm compliance with conditions S224(c) or S224(f)	\$55.00
Extension, re-approval or variation of scheme plan or land transfer plan	\$300.00*
Certificate under S226	\$55.00
Preparation of bond documents, consent notices, other legal costs as agreed	\$200.00*
Engineering plan checking and inspection	\$60.00 per hour
Right of way	\$220.00*

\*Deposit

Council officers, consultants plus disbursements. Where the cost of processing is less than the deposit paid, a refund will be made to the applicant.

## 2.10 Miscellaneous Fees

<b>Plan Changes, Designations, Heritage Orders</b>	<b>Deposit*</b>
Request for plan change	\$2,000.00*
Notice of requirement for designation/heritage order	\$2,000.00*
Alteration, review, renewal of designation/heritage order	\$500.00*
<b>Miscellaneous Charges</b>	<b>Deposit*</b>
Copy of Operative District Plan (Mail List Print Version – Includes Updates)	\$160.00
Planning certificate sale of liquor	\$120.00*
Certificates requiring Council Seal	\$55.00*
Overseas investment certificate	\$120.00*
Marquee Building Consent (exceeding 100m <sup>2</sup> )	\$58
<b><u>Impoundment of Bicycles, Skateboards or Scooters</u></b>	
Impoundment Fee	Maximum \$50
<b><u>Events Fees and Charges</u></b>	
Amusement Device Permit (one device)	\$11.50
Additional amusement devices	\$2.30
<b>NB: The devices certificate of registration must be provided</b>	
Food Sale Licence (each)	\$10

