

## Council Briefing Agenda

**Date:** Tuesday, 28 May, 2019

**Time:** 10:30 am

**Location:** Council Chamber  
Forum North, Rust Avenue  
Whangarei

**Elected Members:** Her Worship the Mayor Sheryl Mai  
(Chairperson)  
Cr Gavin Benney  
Cr Crichton Christie  
Cr Vince Cocurullo  
Cr Tricia Cutforth  
Cr Shelley Deeming  
Cr Sue Glen  
Cr Phil Halse  
Cr Cherry Hermon  
Cr Greg Innes  
Cr Greg Martin  
Cr Sharon Morgan  
Cr Anna Murphy

For any queries regarding this meeting please contact  
the Whangarei District Council on (09) 430-4200.

**1. Apologies**

**2. Reports**

2.1 Annual Plan 2019 - 2020 update

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**3. Closure of Meeting**

## 2.1 Annual Plan 2019 – 2020 update

**Meeting:** Council briefing  
**Date of meeting:** 28 May 2019  
**Reporting officer:** Dominic Kula (General Manager Strategy and Democracy)

### 1 Purpose

To preview the draft 2019-20 Annual Plan document.

### 2 Discussion

Consultation on amendments to year two of the 2018-2028 Long Term Plan (Annual Plan 2019-2020) was undertaken between 4<sup>th</sup> March and 4<sup>th</sup> April 2019. During consultation:

- 178 written submissions were received
- 61 registered for Council hearings
- 23 engagement events were held
- 111,504 unique views of Council videos were made available on social media.

The 10 topics most frequently raised were:

District wide feedback ranking		
Rank	Group	Activity
1.	Transportation	Seal extensions
2.	Parks and recreation	Parks and reserves
3.	Transportation	Footpaths
4.	Strategy	Spatial
5.	Transportation	Traffic calming
6.	Parks and recreation	Sports facilities
7.	Transportation	Shared paths
8.	Strategy	Environmental impacts
9.	Parks and recreation	Playgrounds and skateparks
10.	Transportation	Vegetation and kerbsides

Five adjustments to the draft annual plan were made as a result of deliberations. Below is a summary of these:

- \$20,000 to allow for the survey of the transit corridor between Parua Bay shopping centre and McLeod Bay.
- \$20,000 to assist the Oakura community with consenting requirements for the Oakura wetland project.
- \$31,667 per annum for Waipu Caledonian Society Sports Facilities
- An \$89,000 underwrite of the community-led Camera Obscura project, being built on Pohe Island.
- An additional \$2m for seal extensions

Given the timeframes since deliberations the attached annual plan document is a rough draft. While this briefing will provide an opportunity to preview the draft Annual Plan document prior to the formal adoption meeting prior to adoption the following reviews or updates will be undertaken;

- references to financial numbers reviewed
- rounding of numbers reported
- final review of the status of projects
- rates information (and FIS) updated
- final review of spelling and grammar
- general information (abbreviations and acronyms, glossary and indexing) updated.

Where possible sections/figures to be updated have been marked or highlighted within the attached document.

### **3 Attachments**

Draft Annual Plan 2019 - 2020



**DRAFT**

**Wednesday 22 May**



**Whangarei**  
District Council



# Your Elected Members



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# *Introduction*

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# Message from the Mayor

I am delighted to introduce Whangarei District Council's Annual Plan for 2019-20. This is year 2 of our Long Term Plan 2018-2028, which outlines all of the projects Council has budgeted for in that 10 year period. This Annual Plan document realigns our short term programme of works, after incorporating feedback from our consultation period.

We received 737 individual comments on our Draft 2019-20 Annual Plan, and 178 submissions. Topics covered in the feedback included everything from seal extensions, footpaths, shared paths, traffic calming and parks and reserves, through to sports facilities, playgrounds, spatial planning and environmental matters.

In addition to all the existing projects in the 2019-20 year, community input has resulted in an extra \$2million towards seal extensions, and prompted a review of our matrix criteria to make sure we will be sealing roads on a fair basis. We also allocated a grant to the Oakura community to cover consenting costs for its wetland project, approved a grant for the Parua Bay community to help with a survey of a transit corridor, and included funds in the Annual Plan for maintenance of the Waipu Caledonian Society sporting facilities.

Whangarei District Council will be underwriting a portion of the Camera Obscura project, which will contribute to the attractions on the Hātea Loop, and complement our exciting Pohe Island developments. In the future, Pohe Island will feature two new carparks, a destination playground, sporting facilities, upgraded skate park and youth zone, bike hub, marine hub and many connecting pathways in addition to the existing attractions.

Our District continues to increase in population and in popularity, both with international and domestic visitors. I encourage you to read this document, as it is a clear indication of where we are heading, what we are hoping to achieve, and what our community outcomes will be. Together we are creating a sustainable, resilient, creative and environmentally conscious District that thrives and grows with our needs.

Her Worship the Mayor

Sheryl Mai



## This is your District



**91,400**

Population as at 30 June 2018

**270,000**

hectares Land area

**\$14.5 billion**

Land value of rateable property in the District (31 December 2018)

**\$28.7 billion**

Capital value of rateable property in the District (31 December 2018)

**43,967**

Rateable properties

**\$1.80 billion**

of assets

**188,059**

Items available for loan in all of our Libraries

**621**

kilometres

Sewerage system



**1049**  
kilometres

Sealed roads

**700**  
kilometres

Unsealed roads



**740**

Reserves and sports parks

**55km**

Maintained walking tracks

**14km**

Walk/cycleways

**763**

kilometres

Water distribution system



## What is the Annual Plan 2019-20

The Annual Plan 2019-20 is Year 2 of our Long Term Plan 2018-28 (LTP), and is our financial forecast for the next 12 months. It identifies Councils activities, how they will be funded and where budget has been allocated from July 2019 to June 2020. You can read about the council activities in pages 27-86 and the detailed financial information in pages 87 to 124.

To find more information on our Long-Term Plan 2018-2028, take a look at our online planning information [www.wdc.govt.nz](http://www.wdc.govt.nz)



# Our vision

## - A vibrant, attractive and thriving District

Everything we do is guided by our vision and community outcomes. These are based on what you told us is important to you, during engagement on the Long Term Plan 2018-28.

We provide core services like roads, footpaths, walking tracks and cycleways so you can get around our District. We provide fresh water to drink, an efficient rubbish service, and resilient stormwater and sewage networks. We provide vibrant parks, libraries and attractive community spaces where people work, live and play. We do these things every day of every year for our community.

But, we must do more than this. We must also think about how we ensure this vision is sustainable now and into the future.

# Our community outcomes

## Efficient and resilient core services



- It is easy and safe for everyone to travel around the District
- There are opportunities to walk and cycle
- The District is well prepared for growth and can adapt to change
- Services are supplied in ways that benefit the environment.

## Positive about the future



- The District has productive land, people and a thriving city centre
- There is a fair urban/rural balance
- Council has clear, simple documents and rules
- The District embraces new technology and opportunities.

## Caring for the environment



- Communities work to keep the environment clean and healthy
- Access to the coast is protected
- Open spaces in parks and streets are places where nature thrives
- The District is positively adapting to climate change.

## Proud to be local



- The District is neat, tidy and looks attractive
- Public areas feel and are safe
- There is always something to do and see
- There are opportunities for people of all abilities, ages and life stages to be active.





# Our Plan at a glance

## Highlights of the 2019-20 Annual Plan

This map gives a snapshot of the wide range of services that Council provides throughout our District and some of the key projects we are getting on with in 2019-20.







## District-wide Council services

- A** Hikurangi Flood Protection Scheme
- B** Cemeteries
- C** Drinking water
- D** Roads and footpaths
- E** Pensioner housing
- F** Working in partnership with Māori
- G** Community-led development
- H** Recycling and rubbish collection
- I** Parks and walking tracks
- J** Civil defence
- K** Wastewater
- L** Servicing high-growth areas
- M** Libraries

## 2019-20 Key projects

- 1** Hikurangi sewer upgrades
- 2** New Whau Valley Water Treatment Plant
- 3** New Northland Football Hub at Tikipunga
- 4** Proposed Springs Flat roundabout
- 5** Shared path network
- 6** New skate parks
- 7** Urban intersection upgrades
- 8** New Town Basin Park and children's playground upgrade
- 9** CCTV upgrades
- 10** Pohe Island carpark development
- 11** Pohe Island redevelopment
- 12** Stormwater system improvements
- 13** New airport site evaluation
- 14** Seal extensions on rural roads
- 15** Kerbside recycling upgrades
- 16** Sportsfield improvements
- 17** More coastal protection and sea walls
- 18** Walkways and tracks
- 19** City Centre Plan
- 20** Civic Centre

# 2019-20 Key projects

## 1. HIKURANGI SEWER UPGRADES

We're replacing this sewer network to reduce sewage spills and get Hikurangi set up for the future.

## 2. NEW WHAU VALLEY WATER TREATMENT PLANT

This new treatment plant will future-proof our supply of fresh drinking water.

## 3. NEW NORTHLAND FOOTBALL HUB AT TIKIPUNGA

We are starting on this **\$1.2 million** investment, supporting the creation of a regional hub for this growing sport and nurturing the development of our future All Whites.

## 4. PROPOSED SPRINGS FLAT ROUNDABOUT

A new roundabout will improve traffic safety and congestion on the intersection linking State Highway One to Kamo (subject to NZTA funding).

## 5. SHARED PATH NETWORK

We want to get people out of their cars and on their bikes. This off-road walking and cycling network will provide students and workers with a safe and direct connection to schools, sportsfields and the city centre.

## 6. NEW SKATE PARKS

We are investing in our young people by building a new skate park at Ngunguru.

## 7. URBAN INTERSECTION UPGRADES

\$2.4 million of upgrades at the Maunu Road and Porowini Avenue intersection, and planning for Central Avenue intersection, will help with congestion on these main routes.

We are also working on improving traffic flow in Dent St. We're looking at some different options and will begin work in 2019-20 if they get the green light.

## 8. NEW TOWN BASIN PARK AND CHILDREN'S PLAYGROUND UPGRADE

The old car park next to the Canopy Bridge will be transformed into an amazing new park linking the waterfront to the city centre, while the existing children's playground will get new equipment.

## 9. CCTV UPGRADES

We will continue the rollout of the fibre optic upgrade in the CBD and furthering wireless capability to the suburbs.

## 10. POHE ISLAND CARPARK DEVELOPMENT

At Pohe Island there will be 270 new carpark spaces plus a new playground.



## 11. POHE ISLAND REDEVELOPMENT

Work here will create an attractive destination for visitors and locals while providing for sporting activities. Projects included in the LTP are two new carparks, a destination playground, public toilets, waterfront area, bike hub, youth zone / skate park upgrade, marine hub area and various connecting paths.

## 12. STORMWATER SYSTEM IMPROVEMENTS

We're putting more money into stormwater to make sure we are set up for the future, meeting the challenges of climate change and improving water quality.

## 13. NEW AIRPORT SITE EVALUATION

We are working hard to find a new site for our airport.

## 14. SEAL EXTENSIONS ON RURAL ROADS

Sealing of unsealed roads to help improve safety and reduce dust from road traffic.

## 15. KERBSIDE RECYCLING UPGRADES

We are now in the procurement process of purchasing new bins that will assist to reduce the waste going to landfill by improving our kerbside recycling service.

## 16. SPORTSFIELD IMPROVEMENTS

New drainage at Hikurangi, Tikipunga and Parua Bay sportfields will improve their playing surfaces and decrease wet weather closures. Fields at Ruakaka and Otangarei will get new lights.

## 17. COASTAL PROTECTION AND SEAWALLS

We will continue to work on coastal protection projects at One Tree Point, Ngunguru and Sandy Bay, Matapouri.

## 18. WALKWAYS AND TRACKS

We live in a District of great natural beauty and our 55km of walking tracks provide plenty of options for getting out in nature. We continually renew our tracks with the Goetzee Track, between Parihaka and Whareora Road, getting a makeover this year.

## 19. CITY CENTRE PLAN

This year we will spend **\$1.2 million** improving the look and feel of city streets to make them even better and to support our local retailers and eateries.

## 20. CIVIC CENTRE

We're in the planning stage of a new Civic Centre.

### *Planning for the future*

As well as working on some major projects for 2019-20 we are also working on strategies for dealing with issues like climate change; making sure we have the right community spaces for sports and active recreation; managing growth; as well as preparing for upcoming events like the 2021 Women's Rugby World Cup.



# Just add water

*We're responsible for providing the "three waters" – drinking water, wastewater and stormwater.*

## Drinking water

We have some of the best drinking water in the country and we want to keep it that way. That's why we are continuing to invest in one of our biggest ever projects this year with a **\$30 million** new Whau Valley Treatment Plant. Our current plant was built in 1953. It has served us well but needs replacing.

Once built, the new plant will process up to **22,000** cubic metres of drinking water per day from the Whau Valley Dam and Hatea River, compared to the current **15,000** cubic metres.

The new plant will future-proof water supply for our growing District, featuring new filtration systems and the latest technology.

### WATER FACTS

- Whangārei has had a public water supply for more than 100 years
- Whangārei residents use **9 million** cubic metres of drinking water a year
- We have seven Water Treatment Plants: Poroti, Maunu Springs, Maungakaramea, Mangapai, Ruakaka, Ahuroa and Whau Valley plus 44 water reservoirs.

## A cleaner harbour

Since we completed the last of our major wastewater upgrades there have been no major sewage spills in the harbour. This is great news but we want to make it even better! This is why we are now focusing on improving our stormwater systems across our District.

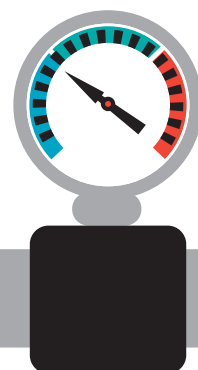
A lot of the services we provide are unseen and stormwater is a great example of this. Our stormwater network is largely hidden underground but plays a vital role, reducing flooding and erosion by diverting run-off from our roofs, roads and footpaths. An increased investment in stormwater will mean cleaner rivers and harbour. It will also help us prepare for the effects of climate change.

### STORMWATER FACTS

- Our stormwater system is made up of **31,000** pipes, channels, inlets and manholes
- It is **579km** in length and worth **\$271 million**, which is around **14%** of Council's total assets.

## Turning methane into electricity

As a Council, we are always looking for ways to save ratepayers money – but it's even better when a solution helps us to save money and is also good for the planet. We have a new Sustainability Strategy that looks at ways we can better care for our environment. This year we will start using a second biogas generator which uses the methane gas from wastewater treatment to generate electricity.







## Going places

*We are all about getting around. In fact, did you know that we spend about 27 cents in every dollar on transportation – sealed roads, gravel roads, cycleways, footpaths, bus shelters, parking and more.*

This year we're resealing **90kms** of our existing network. We're continuing our work upgrading city intersections, making it easier and faster to get to where you want to go. We're investing \$2.4 million in urban intersection upgrades at the Maunu Road/Porowini Avenue intersection; and the Maunu Road/Central Avenue/Walton Street/Water Street intersection. We're also looking at ways to improve the Walton Street/Robert Street intersection in the CBD.

There will also be new bus shelters and \$417,000 spent on new footpaths across the District.

Whangārei is going places – and we want to get there faster, safer and better!

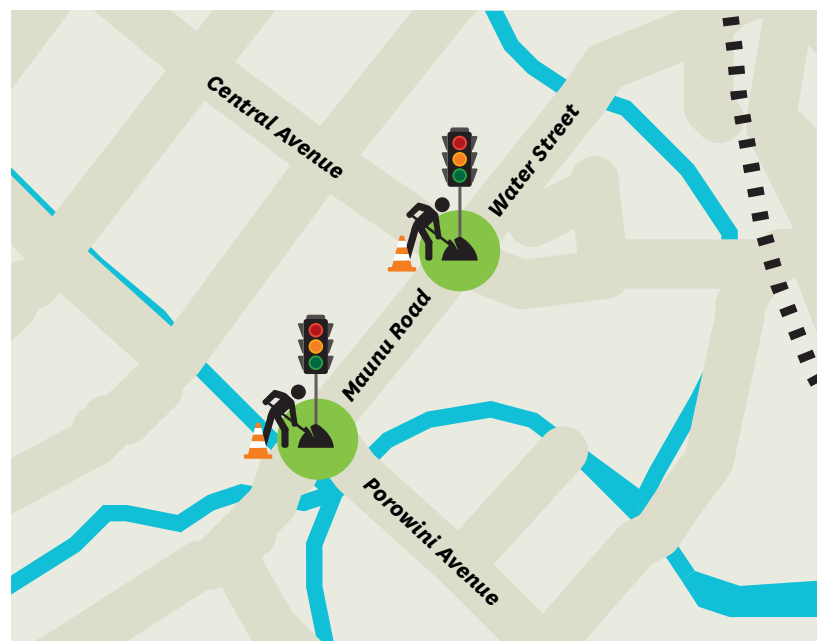
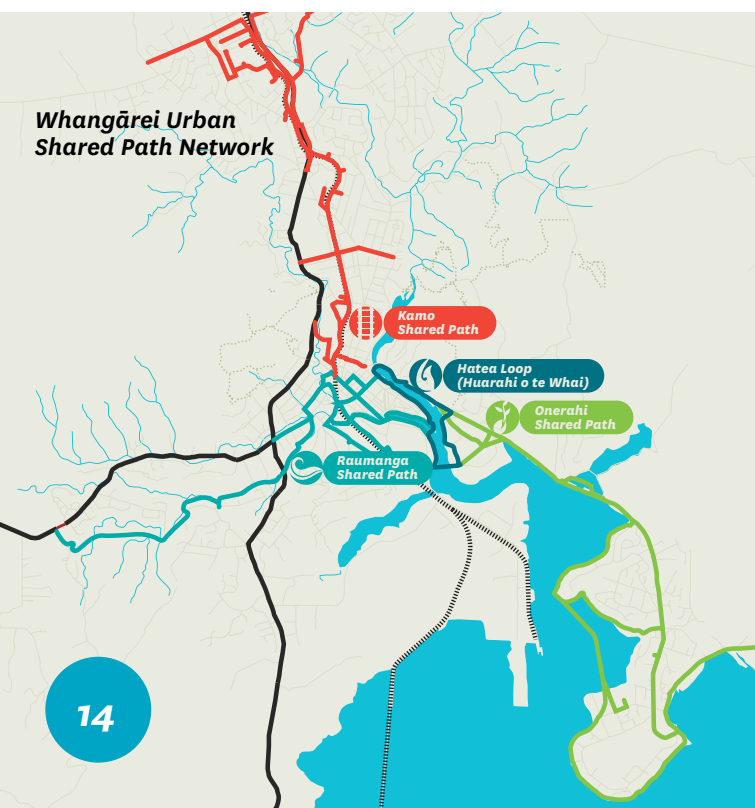
### Our shared path network

Our shared paths will be an off-road walking and cycling network for Whangārei, connecting communities, schools, clubs and sportsfields. We want to create a District where walking and cycling is easy, safe and enjoyable everywhere.

The Kamo Shared Path will be completed and planning will continue on the Raumanga path. Once complete these will, along with the Onerahi shared path, create an off-road network getting kids to school safely and reducing congestion on our roads.

### Road sealing requests

As a District, we have **1049kms** of sealed roads and **700kms** of unsealed roads. Each year we get lots of requests to seal gravel roads. We consider all these requests and make priorities for future sealing. Most seal extensions are not currently funded by NZTA subsidies, so this programme has a limited budget.









## Investing in community

*While most of our money is invested in core services like roads, water, sewage and rubbish, we also set aside money for projects that keep our District attractive and make it an even better place to live.*

We spend about 24 cents in every dollar on services for our community. These include parks, reserves, sportsfields, skate parks, playgrounds, libraries, events, community-led development and more. This year we're investing in a wide range of facilities our community will love and be proud of.

### Highlights from around the District

- Community-led development projects in Tikipunga, Maungatapere and Raumanga.
- Drainage at Hikurangi, Tikipunga and Parua Bay sportsfields will improve their playing surface and decrease closures due to wet weather.
- A new skate park at Ngunguru.
- Northland Football Hub (\$1.2 million total investment) based at Tikipunga.

### What's happening at the waterfront

- An amazing new park next to the Canopy Bridge will link the waterfront to the central city. It will have an amphitheatre for community events; a water feature; a multi-age balance playground; trees for shade; seating and space for the popular Artisans and Night markets.
- The popular Town Basin children's playground will be enhanced with new equipment.
- At Pohe Island there will be 270 new carpark spaces; a new playground and landscaping improvements.

These projects, together with community projects like the Hundertwasser Arts Centre with Wairau Māori Arts Gallery, Hihiaua Cultural Centre and Camera Obscura will continue to transform the Whangārei waterfront into a key visitor destination for both tourists and locals.

People are always telling us how much they love the Hatea Loop (Huarahi o te Whai). It now has around 1000 users a day! This year we will be giving you more reasons to love the Loop with several exciting projects planned for the waterfront area.







# Checking in with our community

Council carried out a month-long consultation on the Annual Plan 2019-20. The consultation focused on informing the public about the major projects planned for the 2019-20 year, as well as the changes from when it was set as part of the LTP 2018-28.

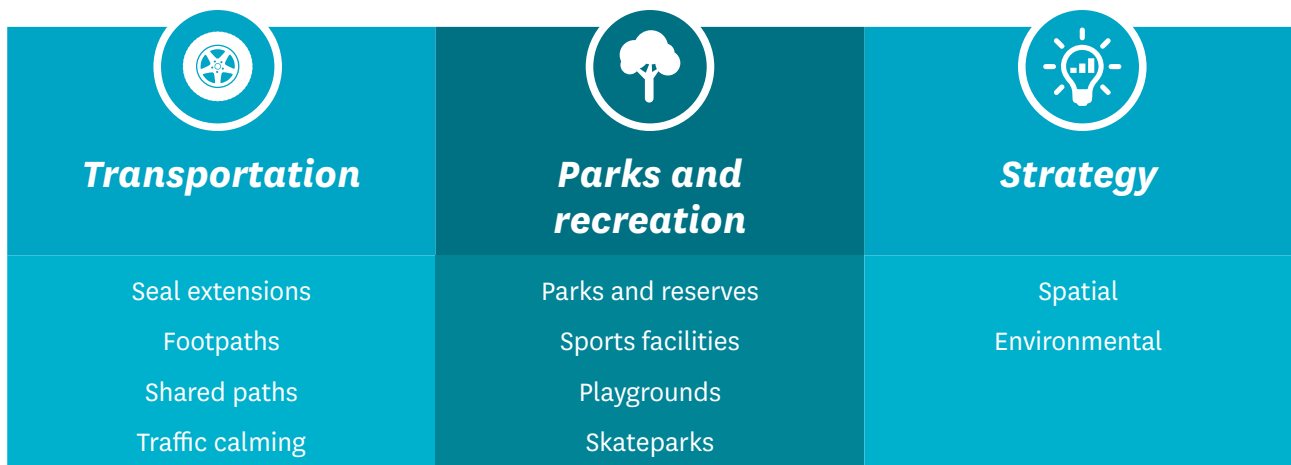
The consultation included 23 engagement events at meetings and community events around the District, a print campaign in the Whangarei Leader, and a social media campaign on Facebook that linked people back to an online submission form on our website.

During the consultation, we received 178 written formal submissions and of these, 61 people asked to present their submissions in person to elected members. On average, most submitters raised three different issues per submission. In total we received 737 individual items of feedback from the community.

We also received informal feedback from our social media campaign which featured local people talking about the projects that matter to them. This series of four videos was viewed by 111,504 people on Facebook and received 133 comments.

## Hot Community Topics

Transportation, including road sealing extensions, footpaths, shared paths and traffic calming was a top issue for our submitters. Parks and recreation, and issues related to future planning were also hot topics, making up the rest of the 10 most frequently raised topics as shown in the diagram below.



## What we said in the LTP

**\$96.8 million**

Capital works programme  
(note this includes some opex)



of capex focused on core infrastructure

**\$160.1 million**

Operational revenues

**\$144.7 million**

Operational spending

**\$172.2 million**

External debt

## What we plan now

**\$86.0 million**

Capital works programme  
(note this includes some opex)



of capex focused on core infrastructure

**\$161.7 million**

Operational revenues

**\$147.6 million**

Operational spending

**\$139.1 million**

External debt

## Changes we consulted on

*Since the LTP was adopted in June 2018, some things have changed. We decided early in 2018, to check in with the community on the following changes we were proposing. These are documented below.*

### We have made minor adjustments to our operating budget

Some notable operating income and expenditure adjustments are:

- increased cost of recycling in response to global market conditions
- increase in insurance premiums that take into account global conditions and additional cover
- increase in electricity pricing
- additional compliance costs associated with Resource Management Act and Building Act.

After these changes, we still have a balanced budget.

### We have tweaked our major projects budget

#### WE HAVE IDENTIFIED SOME SAVINGS AND INCREASES

Some projects cost more and some cost less than planned. Areas of saving include:

- Hikurangi sewer network upgrade
- recycling bin purchases
- Port Road site remediation.

These savings will help us fund other Council projects that will cost more than we originally thought, or are now a priority to complete in the coming year.

#### SOME THINGS WERE NOT IN THE PLAN, BUT NOW HAVE BEEN ADDED

To ensure resilient water services, we will:

- upgrade the Ruakaka treatment plant clarifier
- upgrade the Kamo pump station.

We also have our first cruise ship arriving and will invest in:

- new or upgraded visitor bus facilities
- better signage around the city centre.



### **SOME PROJECTS HAVE BEEN STARTED OR COMPLETED SOONER THAN EXPECTED**

We brought forward in Year 1 of the LTP some work so that we could:

- take advantage of Government subsidies for roading and cycleways
- fill the gaps in our scheduled work created by other projects we have had to delay.

Examples of these projects are:

- Kamo Shared Path
- intersection upgrades.

### **PROJECTS THAT WERE NOT AS WELL PROGRESSED AS WE WOULD HAVE LIKE BY 1 JULY 2019 INCLUDE:**

- the new Whau Valley Water Treatment Plant. The construction start date will commence in late 2019 due to the detailed design taking longer than we thought. There has also been an increase in cost as a result of the tender process.
- we moved out the construction of the planned Pohe Island Bike Hub carpark to align with Bike Northland's expected developments
- stage 2 of the Ngunguru Seawall Renewal is taking longer than planned while we consult with the community and apply for consents
- the Civic Centre planning and procurement stages are taking longer than expected
- due to unexpected site issues, we are now looking at new sites for our new animal shelter
- the airport evaluation is taking longer than planned.

## ***Changes made as a result of consultation***

After checking in with the community, all the changes we told you about were made to the plan. On top of these changes, the community raised other issues that elected members discussed. Considering all the submissions and community feedback elected members made the following additional changes to the plan:

- Increased the budget for seal extensions in the District by an extra **\$2 million**
- A **\$20,000** grant for the Parua Bay community to further investigate a shared path between Parua Bay Shopping Centre and McLeod Bay
- A **\$20,000** grant for the Oakura community to help with consenting requirements for a wetland project
- Provision for mowing and maintenance assistance for the Waipu Caledonian Park
- An **\$89,000** underwrite of the community-led Camera Obscura project, being built on Pohe Island.

# Council and Māori working in partnership

Council is committed to developing stronger relationships with tangata whenua at governance and operational levels. While progress has been made, more work is needed in some areas.

Te Kārearea, our strategic partnership forum with Māori formed in 2012, is made up of hapū representatives of the major hapū groupings from within our District. Together, these representatives advocate for hapū of Whangārei. They meet in their own forum, named Te Huinga, to discuss common issues that are then brought to Te Kārearea.

The purpose of this partnership is to build the relationship between Council and Whangārei hapū and to develop stronger partnerships, over time.

Te Kārearea has the following vision, mission and principles:

## **Te pae tawhiti/vision**

He whenua Rangatira – Whangārei, a District of prosperity, well-being and empowered communities.

## **Te kaupapa/mission**

Ka tutuki te Kawanatanga a-rohe, ka puawai hoki te kotahitanga me ona tini kaupapa – Local Government that works through effective partnerships and provides practical solutions.

## **Nga tikanga/principles**

**He kitenga mutunga kore, mahi tahi, mahi pono** – Strategic partnership working collaboratively and in good faith.

**Kia maia** – Providing leadership through courage.

**Te manawatopu** – Of one heart and mind. We are stronger working together.

**Anga mua** – Progressive and proactive.

**Me korero tika, tau noa nga take** – Open and frank mutually-agreed outcomes.

Whangārei District's iwi and hapū are in a pre-settlement phase for Treaty of Waitangi claims. As these settlements occur Council will continue to incorporate these outcomes into our partnership work with tangata whenua.

Council will continue to meet all its legal obligations to Māori under legislation, including the Resource Management Act and Local Government Act.



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# *Council activities*

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# Introduction

Council's work is grouped into 10 key activities and support services in this *Annual Plan*.

GROUP OF ACTIVITIES	ACTIVITY
 1. Transportation	Transportation
 2. Water	Water
 3. Solid waste	Solid waste
 4. Wastewater	Wastewater
 5. Stormwater	Stormwater
 6. Flood protection	Hikurangi Flood Protection Scheme
 7. Community facilities and services	 Parks and recreation
	 Libraries
	 Community property
	 Community development
	 Venues and events
	 Customer services
 8. Governance and strategy	 Democracy and assurance
	 Strategy
 9. Planning and regulatory services	 District planning
	 Resource consents
	 Building control
	 Health and bylaws
 10. Support services	Support services

The information provided about each of the 10 activities includes:

- purpose and strategic fit across the organisation
- how it relates to the Community Outcomes
- the money we have budgeted for the activity
- Levels of Service (what Council will provide and to what extent)
- performance measures and targets for 2018-28 (how you will be able to tell whether we have done what we said we would do)
- the capital projects associated with each activity.

The performance measures and targets will be used to report Council's achievements back to the community in the Annual Report.



# Prospective summary funding impact statement

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
56,517	General rates, uniform annual general charges, rates penalties	59,540	59,471	69
40,806	Targeted rates	42,237	42,121	116
6,482	Subsidies and grants for operating purposes	6,691	6,691	-
14,144	Fees and charges	15,216	14,863	353
1,488	Interest and dividends from investments	2,058	1,598	461
8,578	Local authorities fuel tax, fines, infringement fees and other receipts	8,540	8,673	(133)
<b>128,014</b>	<b>Total Operating Funding</b>	<b>134,281</b>	<b>133,416</b>	<b>865</b>
<b>Applications of Operating Funding</b>				
95,343	Payments to staff and suppliers	97,763	97,110	653
6,609	Finance Costs	7,345	7,345	-
-	Other operating funding applications	-	-	-
<b>101,952</b>	<b>Total Applications of Operating Funding</b>	<b>105,108</b>	<b>104,455</b>	<b>653</b>
<b>26,061</b>	<b>Surplus / (Deficit) of Operating Funding</b>	<b>29,174</b>	<b>28,961</b>	<b>212</b>
<b>Sources of Capital Funding</b>				
16,042	Subsidies and grants for capital expenditure	19,605	18,848	757
4,640	Development and financial contributions	4,794	4,794	-
12,974	Increase / (decrease) in debt	-	34,623	(34,623)
-	Gross proceeds from sale of assets	-	-	-
-	Other dedicated capital funding	-	-	-
-	Lump sum contributions	-	-	-
<b>33,657</b>	<b>Total Sources of Capital Funding</b>	<b>24,399</b>	<b>58,264</b>	<b>(33,866)</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
7,710	to meet additional demand	12,825	12,951	(126)
17,564	to improve levels of service	32,642	43,331	(10,689)
29,458	to replace existing assets	37,867	35,882	1,985
4,986	Increase / (decrease) in reserves	(29,761)	(4,938)	(24,823)
-	Increase / (decrease) of investments	-	-	-
<b>59,718</b>	<b>Total Applications of Capital Funding</b>	<b>53,572</b>	<b>87,226</b>	<b>(33,654)</b>
<b>(26,061)</b>	<b>Surplus / (Deficit) of Capital Funding</b>	<b>(29,174)</b>	<b>(28,961)</b>	<b>(212)</b>
-	<b>Funding Balance</b>	-	-	-



# 1. Transportation

## Purpose and strategic fit

Easy movement of people and goods is critical to a thriving District. The way we move supports economic transactions, growth and development, social cohesion, health and the day-to-day running of our communities. It is one of the most important functions we provide.

Strategically, as a core service it is important that our transport network is efficient and provides choice. In certain parts of the network, pedestrians and cyclists are the priority while as our District grows, public transport will become more important.

An integrated, safe, responsive, and sustainable land transport system is a fundamental requirement of every district council under the Local Government Act 2002. We are the road-controlling authority for our District and we are responsible for planning, creating, operating and maintaining all roads (except state highways) in a financially responsible manner.

### Potential negative effects

Transportation contributes to several negative environmental effects including, but not limited to, water quality, air quality, noise and safety related issues. To mitigate these effects, we make sure our work meets environmental standards and, where appropriate, resource consent conditions, to ensure that negative impacts on the environment are avoided, remedied or appropriately mitigated.

## Contribution to Community Outcomes



### Efficient and resilient core services

Provide a transportation network that enables a range of transport options to facilitate easy and safe travel around our District.

Transportation also provides safe and connected walking and cycling opportunities.

Road, footpath and cycle networks are managed and planned in a way that ensures it aligns with our District's growth and is supplied in an efficient way.



### Caring for the environment

Street design and landscaping can contribute to our natural environment, particularly in urban areas.

Future transport infrastructure will recognise the need to adapt to effects of climate change.

Walking and cycling can help to protect our environment. They also have significant health and wellbeing benefits.



### Positive about the future

Our transport network is of strategic importance to our future prosperity. Our roads are used by residents to get to and from work, by business to transport goods and by visitors to travel around our District.



### Proud to be local

Maintenance of our local streets helps our District look neat and tidy.

The quality design of our streets can make our District safe and more attractive.



**High contribution**



**Medium contribution**

# Levels of Service

## Mandatory performance measures

### 1.1 Our District's roading network will be maintained in a satisfactory condition and in accordance with national safety and engineering standards.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
The change from the previous financial year in the number of fatalities and serious injury crashes on local road network, expressed as a number.	0	0	0	0	0
Residents' satisfaction with the roading network.	≥61%	≥61%	≥61%	≥61%	≥61%
The average quality of a ride on a sealed local road network, measured by smooth travel exposure.	≥87%	≥87%	≥87%	≥87%	≥87%
The percentage of the sealed local road network that is resurfaced.	≥8%	≥8%	≥8%	≥8%	≥8%
The percentage of the sealed local road network that is rehabilitated.	≥1.2 %	≥0.6%	≥0.6%	≥0.6%	≥0.6%
The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the LTP.	≥95%	≥95%	≥95%	≥95%	≥95%
Note: this is not stated in our District Plan.					

### 1.2 We will support alternative transport methods.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works programme or LTP).	≥ 80% in fair or better condition	≥ 80% in fair or better condition	≥ 80% in fair or better condition	≥ 80% in fair or better condition	≥ 80% in fair or better condition

### 1.3 Travel times in and around the network will be predictable and disruptions to the network will be well managed and communicated.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Residents' satisfaction with the way our District is managing its morning and evening traffic flows.	≥70%	≥70%	≥70%	≥70%	≥70%

## Changes to Levels of Service

Changes to the Levels of Service and performance measures recognise a need for clear and definable measures that more accurately define the expected outcome and target.

## Prospective funding impact statement: Transportation

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
15,874	General rates, uniform annual general charges, rates penalties	16,276	15,901	375
34	Targeted rates	34	34	-
6,422	Subsidies and grants for operating purposes	6,629	6,629	-
1,328	Fees and charges	1,364	1,364	-
-	Internal charges and overheads recovered	-	-	-
645	Local authorities fuel tax, fines, infringement fees and other receipts	862	649	213
<b>24,302</b>	<b>Total Operating Funding</b>	<b>25,165</b>	<b>24,576</b>	<b>589</b>
<b>Applications of Operating Funding</b>				
13,879	Payments to staff and suppliers	14,857	14,356	501
4,070	Finance Costs	4,567	4,270	297
1,107	Internal charges and overheads applied	1,132	1,092	41
-	Other operating funding applications	-	-	-
<b>19,056</b>	<b>Total Applications of Operating Funding</b>	<b>20,556</b>	<b>19,717</b>	<b>838</b>
<b>5,246</b>	<b>Surplus / (Deficit) of Operating Funding</b>	<b>4,609</b>	<b>4,859</b>	<b>(250)</b>
<b>Sources of Capital Funding</b>				
14,820	Subsidies and grants for capital expenditure	16,948	16,191	757
1,957	Development and financial contributions	2,022	2,022	-
3,928	Increase / (decrease) in debt	3,217	10,105	(6,888)
-	Gross proceeds from sale of assets	-	-	-
-	Other dedicated capital funding	-	-	-
-	Lump sum contributions	-	-	-
<b>20,705</b>	<b>Total Sources of Capital Funding</b>	<b>22,187</b>	<b>28,319</b>	<b>(6,132)</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
3,227	to meet additional demand	4,615	4,293	323
3,922	to improve levels of service	10,204	8,641	1,563
16,778	to replace existing assets	18,309	16,764	1,545
2,024	Increase / (decrease) in reserves	(6,333)	3,479	(9,812)
-	Increase / (decrease) of investments	-	-	-
<b>25,951</b>	<b>Total Applications of Capital Funding</b>	<b>26,796</b>	<b>33,178</b>	<b>(6,381)</b>
<b>(5,246)</b>	<b>Surplus / (Deficit) of Capital Funding</b>	<b>(4,609)</b>	<b>(4,859)</b>	<b>250</b>
<b>-</b>	<b>Funding Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Transportation projects

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Transportation</b>					
Bus Shelters	Bus Shelters	94	-	-	94
Coastal Protection	Coastal Protection Structures - Roothing	84	-	-	84
Cycleways	Cycleways - Subsidised	3,182	(1,982)	-	1,200
Footpaths	Footpaths Renewals	372	-	-	372
	New Footpaths	417	-	-	417
Land for Roads	Land for Roads	-	500	-	500
Minor Improvements to Roothing Network	Minor Improvements to Network	5,321	1,400	-	6,721
Other Roothing Projects	Springs Flat Roundabout	4,170	-	-	4,170
Parking	Parking Renewals	230	-	-	230
Roothing Drainage	Drainage Renewals	1,110	-	-	1,110
Roothing Subdivision Works Contribution	Subdivision Works Contribution	52	-	-	52
Seal Extensions	Seal Extensions - Unsubsidised	1,061	-	2,000	3,061
Sealed Road Pavement Rehabilitation	Sealed Road Pavement Rehabilitation	4,134	-	-	4,134
Sealed Road Resurfacing	Sealed Road Resurfacing	4,346	-	-	4,346
Streetlights	LED Streetlight Upgrades	-	1,200	-	1,200
Structures Component Replacement	Structures Component Replacement	1,048	-	-	1,048
Traffic Signs & Signals	Traffic Sign & Signal Renewals	890	-	-	890
Transportation Planning Studies & Strategies	Transport Planning Studies & Strategies	261	-	-	261
Unsealed Road Metalling	Unsealed Road Metalling	840	-	-	840
Urban Intersection Upgrades	Urban Intersection Upgrades	2,085	313	-	2,398
<b>Transportation Total</b>		<b>29,699</b>	<b>1,431</b>	<b>2,000</b>	<b>33,129</b>



## 2. Water

### **Purpose and strategic fit**

We provide fresh, clean, healthy water to our District. Our water supply provides water for households to drink and use and also plays an important role in many industrial, commercial and some agricultural businesses. Water is also provided to fight fires within the spread of our network. The water is delivered via a network of treatment plants, reservoirs, pump stations and pipelines.

Strategically, the focus for the future is on the quality and resilience of this service. We provide water that meets necessary Ministry of Health standards. We also ensure our water supply is resilient to change through water efficiency programmes and infrastructure upgrades.

### **Potential negative effects**

We provide an adequate supply of safe, clean, potable water as needed by the community, with the key driver being health and wellbeing. Water is also provided for fire-fighting purposes within reticulated areas and is available to those with alternate supplies during times of drought via water tankers.

Various statutes set out Council's responsibilities for water supply. These include the Local Government Act 2002, the Resource Management Act 1991 and the Health Act 1956.

Provision of water can contribute to various negative environmental effects through the abstraction of water from bores and dams. However, water use is managed in line with environmental standards. We also invest in new technology and methods reduce some of these environmental impacts.

### **Contribution to Community Outcomes**



#### **Efficient and resilient core services**

Providing water is a core service. It supports our communities and our commercial, industrial and agricultural activities.

Water is supplied in a planned, managed and efficient way to ensure it aligns with our District's growth.



#### **Caring for the environment**

Management of our water supply can support a clean and healthy environment through initiatives such as water conservation.



#### **Positive about the future**

New technology will be used to monitor to the quality of our drinking water.

Providing water to appropriate locations across urban and rural areas of our District enables productivity.



**High contribution**



**Medium contribution**

# Levels of Service

## Mandatory performance measures

### 2.1 We provide safe, high-quality drinking water to all our customers.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Whangarei District's four water supply areas have approved Water Safety Plans as determined by a Ministry of Health drinking water assessor.	New	4	4	4	4
Compliance with the 2005 New Zealand Drinking Water Standards' requirements for bacterial monitoring.	100%	100%	100%	100%	100%
Customer's overall satisfaction with the water quality provided by Council as measured in the annual Customer Satisfaction Survey (excludes 'don't knows').	New	≥95%	≥95%	≥95%	≥95%
The extent to which the local authority's drinking water supply complies with: (a) part 4 of the drinking-water standards (bacteria compliance criteria) and (b) part 5 of the drinking-water standards (protozoal compliance criteria).	Fully complies	Fully complies	Fully complies	Fully complies	Fully complies
The total number of complaints received by the local authority about any of the following: (a) drinking water clarity (b) drinking water taste (c) drinking water odour (d) drinking water pressure or flow (e) continuity of supply; and (f) the LA's response to any of these issues expressed per 1000 connections to the LA's networked reticulation system.	≤17	≤17	≤17	≤17	≤17
Where the local authority (LA) attends a callout in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured:					
(a) attendance for urgent callouts: from the time the LA received notification to the time service personnel reach the site	a) ≤ less than 1hr	a) ≤ less than 1hr	a) ≤ less than 1hr	a) ≤ less than 1hr	a) ≤ less than 1hr
(b) resolution of urgent callouts: from the time the LA received notification to the time that service personnel confirm resolution of the fault or interruption	b) ≤ less than 4hrs c) ≤ less than 12hrs	b) ≤ less than 4hrs c) ≤ less than 12hrs	b) ≤ less than 4hrs c) ≤ less than 12hrs	b) ≤ less than 4hrs c) ≤ less than 12hrs	b) ≤ less than 4hrs c) ≤ less than 12hrs
(c) attendance for non-urgent callouts: from the time that the LA receives notification to the time that service personnel reach the site; and	d) ≤ less than 24 hrs	d) ≤ less than 24 hrs	d) ≤ less than 24 hrs	d) ≤ less than 24 hrs	d) ≤ less than 24 hrs
(d) resolution of non-urgent callouts: from the time that the LA receives notification to the time that service personnel confirm resolution of the fault or interruption.					

### 2.2 The water supplied is continuous and is adequate for customers' use.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Customer's satisfaction with the water flow and pressure provided by Council as measured in the annual Customer Satisfaction Survey.	New	≥95%	≥95%	≥95%	≥95%

### 2.3 In times of emergency there is adequate water supply available.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Whangārei City Water Supply Area can meet a one in 50-year drought (based on 2009-10 event data adjusted for growth and losses).	New	≥81%	≥79%	≥79%	≥79%
Water restrictions imposed due to drought.	New	0	0	0	0

### 2.4 We manage the water supply system in a sustainable way that also caters for growth.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Residents in our District annually adopt water conservation techniques in their homes and/or businesses (as measured in the annual Customer Satisfaction Survey).	New	≥65%	≥65%	≥65%	≥65%
Water restrictions imposed due to drought.	New	0	0	0	0
The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this). <i>WaterNZ Benchloss</i>	≤ Less than 25%	≤ Less than 25%	≤ Less than 25%	≤ Less than 25%	≤ Less than 25%
The average consumption of drinking water per day per resident within the territorial authority district.	≤ Less than 500 litres	≤ Less than 500 litres	≤ Less than 500 litres	≤ Less than 500 litres	≤ Less than 500 litres

## Changes to Levels of Service

The Levels of Service have been amended to separate out the aspects of service. An additional response to customer statement has been added.



# Prospective funding impact statement: Water

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-
15,129	Targeted rates	15,196	15,236	(40)
-	Subsidies and grants for operating purposes	-	-	-
169	Fees and charges	173	173	-
-	Internal charges and overheads recovered	-	-	-
1,416	Local authorities fuel tax, fines, infringement fees and other receipts	1,495	1,366	129
16,714	<b>Total Operating Funding</b>	<b>16,864</b>	<b>16,774</b>	<b>89</b>
<b>Applications of Operating Funding</b>				
7,472	Payments to staff and suppliers	7,612	7,324	288
-	Finance Costs	-	-	-
2,595	Internal charges and overheads applied	2,356	2,590	(234)
-	Other operating funding applications	-	-	-
10,067	<b>Total Applications of Operating Funding</b>	<b>9,968</b>	<b>9,914</b>	<b>54</b>
6,648	<b>Surplus / (Deficit) of Operating Funding</b>	<b>6,896</b>	<b>6,861</b>	<b>35</b>
<b>Sources of Capital Funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-
944	Development and financial contributions	975	975	-
-	Increase / (decrease) in debt	-	-	-
-	Gross proceeds from sale of assets	-	-	-
-	Other dedicated capital funding	-	-	-
-	Lump sum contributions	-	-	-
944	<b>Total Sources of Capital Funding</b>	<b>975</b>	<b>975</b>	<b>-</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
2,326	to meet additional demand	6,084	5,904	180
2,285	to improve levels of service	7,119	5,202	1,917
4,446	to replace existing assets	7,412	7,741	(329)
(1,466)	Increase / (decrease) in reserves	(12,744)	(11,011)	(1,733)
-	Increase / (decrease) of investments	-	-	-
7,591	<b>Total Applications of Capital Funding</b>	<b>7,871</b>	<b>7,836</b>	<b>35</b>
(6,648)	<b>Surplus / (Deficit) of Capital Funding</b>	<b>(6,896)</b>	<b>(6,861)</b>	<b>(35)</b>
-	<b>Funding Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Water projects

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Water</b>					
Property	Water Property Renewals	94	-	-	<b>94</b>
Water Meters	Water Meter Renewals	365	-	-	<b>365</b>
Water Reservoirs	Reservoir Rehabilitation - Programmed Work	188	139	-	<b>327</b>
Water Reservoirs	Three Mile Bush Reservoir Additional Capacity	156	-	-	<b>156</b>
Water Reticulation	Minor Projects - Emergency Works	313	50	-	<b>363</b>
	Reticulation - Programmed Work	1,981	(645)	(292)	<b>1,043</b>
	Trunkmain Condition Assessments	-	62	-	<b>62</b>
	Waipu Water Reticulation	730	-	(730)	<b>-</b>
Water Treatment Plants	SCADA Upgrade	1,042	(392)	-	<b>650</b>
	Treatment Plant Renewals	-	-	250	<b>250</b>
	Treatment Plant Upgrades	21	-	700	<b>721</b>
	Water Treatment Plant & Equipment Replacement	521	-	-	<b>521</b>
Whau Valley Water Treatment Plant	Whau Valley New Water Treatment Plant	13,551	(585)	3,211	<b>16,177</b>
<b>Water Total</b>		<b>18,961</b>	<b>(1,370)</b>	<b>3,139</b>	<b>20,730</b>



## 3. Solid waste

### **Purpose and strategic fit**

We collect, process, dispose of and recycle solid waste in our District. This is essential for keeping our District attractive and vibrant. This core service also supports our District's economic activities supporting our growth and development.

Our aim is to do this in a way that, over time, will reduce the amount of waste we are required to process. Waste management is required by several pieces of legislation, including the Waste Minimisation Act (WMA) 2008, the New Zealand Waste Strategy 2010 and the Local Government Act 2002.

### **Potential negative effects**

Waste can have negative effects on air, land and water. To limit these effects, we comply with consents relating to the operation of our transfer station network. The volumes of rubbish disposed of are minimised through effective recycling.

If not appropriately collected and disposed of, solid waste can have significant negative effects on public health. To reduce the effects of this we have a reliable collection service and transfer station network throughout our District.

### **Contribution to Community Outcomes**



#### **Efficient and resilient core services**

Solid waste is managed and planned for in a way that ensures it aligns with our District's growth and is supplied in an efficient way.



#### **Caring for the environment**

Waste minimisation, recycling and waste collection limits potential adverse effects on our environment.



#### **Proud to be local**

A clean environment across our District is vital to our wellbeing as well as our attractiveness to visitors and investors.



**High contribution**



**Medium contribution**

# Levels of Service

## Mandatory performance measures

### 3.1 Council will provide kerbside refuse and recycling collection services to all properties in our District and transfer stations will be operated throughout our District.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Customer satisfaction with solid waste collection and recycling services and transfer stations (excluding 'don't knows').	≥85%	≥85%	≥85%	≥85%	≥85%

### 3.2 Council will foster waste minimisation by supporting recycling and waste reduction practices so that a continued reduction in refuse sent to landfill occurs.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
To reduce waste disposed of to landfill to below 500 kg per person by 2020. <sup>a</sup>	New	-	-	<500	<500
To recycle at least 35% of waste collected at the roadside from households.	New	≥35%	≥35%	≥35%	≥35%
Council will recycle, compost or reuse at least 50% of materials at transfer stations by 2020. <sup>a</sup>	New	-	-	≥50%	≥50%

### 3.3 Council will provide and empty public rubbish bins and undertake litter control throughout public places in our District.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Residents' satisfaction with litter control.	≥75%	≥75%	≥75%	≥75%	≥75%

#### Notes

<sup>a</sup> These performance measures relate to targets contained in the Whangarei District Waste Management and Minimisation Plan. These targets were set for 2020 and there will be no interim targets set.

## Changes to Levels of Service

The waste reduction target is more representative when calculated for our entire District rather than just for kerbside collections. Where possible, the targets avoid the effects of population growth but they will be factored into results, where necessary. Target Levels of Service have been consulted through consultation on the *Waste Management and Minimisation Plan 2017*.

# Prospective funding impact statement: Solid waste

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-
6,678	Targeted rates	7,031	6,891	140
-	Subsidies and grants for operating purposes	-	-	-
2,922	Fees and charges	2,736	2,986	(250)
-	Internal charges and overheads recovered	-	-	-
370	Local authorities fuel tax, fines, infringement fees and other receipts	379	376	3
9,969	<b>Total Operating Funding</b>	<b>10,147</b>	<b>10,254</b>	<b>(107)</b>
<b>Applications of Operating Funding</b>				
6,861	Payments to staff and suppliers	7,503	7,017	486
296	Finance Costs	118	141	(23)
167	Internal charges and overheads applied	125	170	(45)
-	Other operating funding applications	-	-	-
7,324	<b>Total Applications of Operating Funding</b>	<b>7,746</b>	<b>7,328</b>	<b>419</b>
2,646	<b>Surplus / (Deficit) of Operating Funding</b>	<b>2,400</b>	<b>2,926</b>	<b>(526)</b>
<b>Sources of Capital Funding</b>				
-				-
-	Subsidies and grants for capital expenditure	-	-	-
-	Development and financial contributions	-	-	-
(1,014)	Increase / (decrease) in debt	(1,542)	(2,926)	1,384
-	Gross proceeds from sale of assets	-	-	-
-	Other dedicated capital funding	-	-	-
-	Lump sum contributions	-	-	-
(1,014)	<b>Total Sources of Capital Funding</b>	<b>(1,542)</b>	<b>(2,926)</b>	<b>1,384</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
-	to meet additional demand	-	-	-
1,632	to improve levels of service	858	-	858
-	to replace existing assets	-	-	-
-	Increase / (decrease) in reserves	-	-	-
-	Increase / (decrease) of investments	-	-	-
1,632	<b>Total Applications of Capital Funding</b>	<b>858</b>	<b>-</b>	<b>858</b>
(2,646)	<b>Surplus / (Deficit) of Capital Funding</b>	<b>(2,400)</b>	<b>(2,926)</b>	<b>526</b>
-	<b>Funding Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

## ***Solid waste projects***

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Solid Waste</b>					
Recycling	Recycling Bins Purchase	-	650	-	<b>650</b>
Transfer Stations	Transfer Station Upgrades	-	208	-	<b>208</b>
<b>Solid Waste Total</b>		-	<b>858</b>	-	<b>858</b>



## 4. Wastewater

### **Purpose and strategic fit**

Wastewater management is a core service that keeps our communities safe, healthy and clean. This is essential to being a vibrant, attractive and thriving District.

Our population produces a large amount of wastewater every year. Our job is to develop and manage systems to collect this wastewater, and treat and dispose of it in a way that meets a range of legal standards. This protects the health and wellbeing of our communities and of the environment.

Our wastewater network includes wastewater systems and treatment plants and processes wastewater from over 23,000 connections across our District. We also provide a network of public toilets that contribute to the wellbeing of visitors as well as the local community.

### **Potential negative effects**

Sewage discharges to air, land and water affect the environment and public health. We have invested in targeted programmes to prevent and mitigate the effects of treated and untreated sewage discharges. We have also implemented an ISO 9001 certified system for effective management of the wastewater network. Compliance with resource consent conditions ensures adverse effects to the environment are avoided, mitigated or remedied.

### **Contribution to Community Outcomes**



#### **Efficient and resilient core services**

The management of wastewater is a core service. It supports our communities and our commercial, industrial and agricultural activities.

Wastewater is managed and planned in a way that ensures it aligns with our District's growth and is supplied in an efficient way.



#### **Caring for the environment**

Managing wastewater to agreed standards, with discharges from wastewater treatment plants having no detrimental environmental impact.



#### **Positive about the future**

New technology will be used at our wastewater treatment plants, including waste-to-energy processes.

The management of wastewater in appropriate locations across urban and rural areas of our District enables productivity.



**High contribution**



**Medium contribution**

# Levels of Service

## Mandatory performance measures

**4.1 In defined areas, Council will collect, treat and dispose of wastewater through a reliable wastewater network which is managed to ensure blockages, breaks or spillages are kept to a minimum.**

Performance measure	2017-18 target	2018-19 Target	2019-20 target	2020-21 target	2021-28 target
Compliance with Territorial Authority (TA) resource consents for discharge from its sewerage system measured by the number of:	0	0	0	0	0
(a) abatement notices					
(b) infringement notices					
(c) enforcement orders and					
(d) convictions					
received by the territorial authority in relation those resource consents.					
The number of dry weather sewerage overflows from the TA's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	≤1.35	≤1.35	≤1.35	≤1.35	≤1.35
Residents' satisfaction with sewerage reticulation, treatment and disposal services.	≥70%	≥70%	≥70%	≥70%	≥70%
The total number of complaints received by the TA about any of the following:	≤20	≤20	≤20	≤20	≤20
(a) sewage odour					
(b) sewerage system faults					
(c) sewerage system blockages; and					
(d) the TA's response to issues with its sewerage system expressed per 1000 connections to the TA's sewerage system.					
Where the TA attends to sewerage overflows resulting from a blockage or other fault in the TA's sewerage system, the following median response times measured:					
(a) attendance time: from the time that the TA receives notification to the time that service personnel reach the site; and	≤1 hr	≤1 hr	≤1 hr	≤1 hr	≤1 hr
(b) resolution time: from the time that the TA receives notification to the time that service personnel confirm resolution of the blockage or other fault.	≤7 hr	≤7 hr	≤7 hr	≤7 hr	≤7 hr

**4.2 Council will provide well maintained and accessible public toilets in high use areas.**

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Residents' satisfaction with public toilets.	≥75%	≥75%	≥75%	≥75%	≥75%

## Changes to Levels of Service

Minor adjustments have been made to clarify that the Levels of Service applies to defined service areas.



## Prospective funding impact statement: Wastewater

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-
18,064	Targeted rates	18,985	18,969	16
-	Subsidies and grants for operating purposes	-	-	-
684	Fees and charges	1,007	707	300
-	Internal charges and overheads recovered	-	-	-
345	Local authorities fuel tax, fines, infringement fees and other receipts	8	350	(342)
<b>19,093</b>	<b>Total Operating Funding</b>	<b>20,000</b>	<b>20,025</b>	<b>(26)</b>
<b>Applications of Operating Funding</b>				
5,608	Payments to staff and suppliers	5,950	5,844	106
464	Finance Costs	-	-	-
988	Internal charges and overheads applied	1,778	985	794
-	Other operating funding applications	-	-	-
<b>7,061</b>	<b>Total Applications of Operating Funding</b>	<b>7,729</b>	<b>6,829</b>	<b>900</b>
<b>12,032</b>	<b>Surplus / (Deficit) of Operating Funding</b>	<b>12,271</b>	<b>13,196</b>	<b>(925)</b>
<b>Sources of Capital Funding</b>				
-				
1,172	Subsidies and grants for capital expenditure	2,657	2,657	-
1,131	Development and financial contributions	1,168	1,168	-
(8,911)	Increase / (decrease) in debt	(15,884)	(10,647)	(5,237)
-	Gross proceeds from sale of assets	-	-	-
-	Other dedicated capital funding	-	-	-
-	Lump sum contributions	-	-	-
<b>(6,608)</b>	<b>Total Sources of Capital Funding</b>	<b>(12,059)</b>	<b>(6,822)</b>	<b>(5,237)</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
436	to meet additional demand	667	740	(73)
1,471	to improve levels of service	2,848	4,531	(1,682)
1,727	to replace existing assets	1,718	2,618	(900)
1,790	Increase / (decrease) in reserves	(5,021)	(1,514)	(3,507)
-	Increase / (decrease) of investments	-	-	-
<b>5,424</b>	<b>Total Applications of Capital Funding</b>	<b>212</b>	<b>6,375</b>	<b>(6,163)</b>
<b>(12,032)</b>	<b>Surplus / (Deficit) of Capital Funding</b>	<b>(12,271)</b>	<b>(13,196)</b>	<b>925</b>
-	<b>Funding Balance</b>	-	-	-

## Wastewater projects

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Wastewater</b>					
Laboratory	Laboratory Equipment Renewals & Upgrades	21	-	-	21
Wastewater Asset Management	Wastewater Assessment	44	-	-	44
Wastewater Network	Hikurangi Sewer Network Upgrade	2,085	278	(1,000)	1,363
	Sewer Network Renewal	1,407	(400)	-	1,007
	Sewer Network Upgrades	1,222	(470)	-	752
Wastewater Pump Stations	Wastewater Pump Station Remote Monitoring	110	-	-	110
	Wastewater Pump Station Renewals	405	-	-	405
Wastewater Treatment Plants	Wastewater Reticulation Upgrade	42	-	-	42
	Wastewater Treatment Plant Biogas Generator	-	48	-	48
	Wastewater Treatment Plant Renewals	862	(200)	-	662
	Wastewater Treatment Plant Upgrades	2,339	(950)	-	1,389
<b>Wastewater Total</b>		<b>8,537</b>	<b>(1,694)</b>	<b>(1,000)</b>	<b>5,843</b>



## 5. Stormwater

### Purpose and strategic fit

Our stormwater network prevents flooding to properties and roads. How we manage stormwater can contribute significantly to vibrant and thriving communities through initiatives such as the Blue/Green Network Strategy.

Stormwater management is a core service and needs to align with the following legislative requirements:

- assess, from a public health perspective, the adequacy of stormwater services available to communities – this includes the actual or potential consequences of discharges
- preparing catchment management plans in accordance with the Northland Regional Plan
- adhering to the freshwater quality objectives of the Northland Regional Plan.

### Potential negative effects

Inadequate stormwater services have the potential to increase flood damage to property, incurring costs and elevated insurance premiums. This can be reduced by identification of flood-susceptible land through catchment management and district plans.

Insufficient treatment of stormwater has the potential to adversely affect our environment. This can be addressed by resource consents for stormwater discharges being monitored for compliance against consent conditions. Catchment management plans and environmental engineering standards identify issues and specify treatment, respectively, in relation to the stormwater activities.

### Contribution to Community Outcomes



#### Efficient and resilient core services

The management of stormwater is a core service. It supports our communities as well as enabling commercial, industrial and agricultural activities.

Stormwater is managed and planned in a way that ensures it aligns with our District's growth and is supplied in an efficient way.



#### Caring for the environment

Investment into infrastructure and natural systems seeks to minimise environmental effects of stormwater run-off into our waterways.

Stormwater water management through catchment management plans, resource consents and engineering standards mitigate and manage potential adverse environmental effects.



#### Positive about the future

The management of stormwater in appropriate locations across urban and rural areas of our District enables productivity.



**High contribution**



**Medium contribution**

# Levels of Service

## Mandatory performance measures

### 5.1 Council will manage the stormwater network to minimise flood risks within defined service areas.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Compliance with the territorial authority's (TA) resource consents for discharge from its stormwater system, measured by the number of:	0	0	0	0	0
(a) abatement notices					
(b) infringement notices					
(c) enforcement orders; and					
(d) convictions					
received by the TA in relation to those resource consents.					
Residents' satisfaction with stormwater drainage service.	≥70%	≥70%	≥70%	≥70%	≥70%
The number of complaints received by a TA about the performance of its stormwater system, expressed per 1000 properties connected to the TA's stormwater system. <sup>c</sup>	≤16	≤16	≤16	≤16	≤16
(a) The number of flooding events <sup>a</sup> that occur in a TA district; and	0	0	0	0	0
(b) for each flooding event <sup>a</sup> the number of habitable floors affected <sup>b</sup>	0	0	0	0	0
expressed per 1000 properties connected to the TA's stormwater system.					
The median response time to attend a flooding event, measured from the time that the TA receives notification to the time service personnel reach the site. <sup>a</sup>	≤1 hr	≤1 hr	≤1 hr	≤1 hr	≤1 hr

#### Notes

<sup>a</sup> A flooding event means an overflow of stormwater from a territorial authority's stormwater system that enters a habitable floor (Department of Internal Affairs, 2014). It does not therefore apply outside declared stormwater service areas, or to non-habitable structures such as garages and sheds, or to flooding of yards.

<sup>b</sup> While all flooding events will be recorded as per DIA requirements, the target is immunity from storm events with an annual exceedance probability (AEP) of more than 2% (1 in 50 year ARI). This is consistent with District Plan rules for minimum floor level.

<sup>c</sup> This target expresses per 1000 properties rather than a total, which would have resulted in a target of 15.7 per 1000 properties. In the 2017-18 Annual Plan this was expressed as per 400 properties across the District.

## Changes to Levels of Service

We are proposing some minor changes to the Levels of Service statements to improve clarity.

## Prospective funding impact statement: Stormwater

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
4,284	General rates, uniform annual general charges, rates penalties	3,227	3,837	(610)
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
-	- Fees and charges	-	-	-
-	- Internal charges and overheads recovered	-	-	-
-	- Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
4,284	<b>Total Operating Funding</b>	3,227	3,837	(610)
<b>Applications of Operating Funding</b>				
1,232	Payments to staff and suppliers	1,088	1,233	(145)
-	- Finance Costs	-	-	-
1,250	Internal charges and overheads applied	952	1,244	(293)
-	- Other operating funding applications	-	-	-
2,481	<b>Total Applications of Operating Funding</b>	2,040	2,477	(438)
1,802	<b>Surplus / (Deficit) of Operating Funding</b>	1,187	1,359	(172)
<b>Sources of Capital Funding</b>				
-	- Subsidies and grants for capital expenditure	-	-	-
-	- Development and financial contributions	-	-	-
-	- Increase / (decrease) in debt	-	-	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Other dedicated capital funding	-	-	-
-	- Lump sum contributions	-	-	-
-	<b>Total Sources of Capital Funding</b>	-	-	-
<b>Applications of Capital Funding</b>				
	Capital expenditure			
-	- to meet additional demand	-	-	-
852	- to improve levels of service	583	415	168
951	- to replace existing assets	604	944	(340)
-	- Increase / (decrease) in reserves	-	-	-
-	- Increase / (decrease) of investments	-	-	-
1,802	<b>Total Applications of Capital Funding</b>	1,187	1,359	(172)
(1,802)	<b>Surplus / (Deficit) of Capital Funding</b>	(1,187)	(1,359)	172
-	<b>Funding Balance</b>	-	-	-



## Stormwater projects

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Stormwater</b>					
Stormwater Asset Management	Stormwater Catchment Management Plans & Assessments	500	50	-	550
Stormwater Improvements	Stormwater Renewals	1,070	(400)	-	670
	Stormwater Upgrades	290	-	-	290
<b>Stormwater Total</b>		<b>1,860</b>	<b>(350)</b>	<b>-</b>	<b>1,510</b>



## 6. Flood protection

### **Purpose and strategic fit**

The Hikurangi Flood Protection Scheme helps minimise flooding across the 5,600 hectares of farmland within the Hikurangi Swamp area.

The aim of the scheme is to protect the farming productivity of land within the swamp area. This is highly productive agricultural land that generates considerable economic benefit to the region.

We are responsible for managing, operating and maintaining the Hikurangi Scheme to ensure the required environmental, cultural and economic results are achieved. The scheme is funded by targeted rates from properties within the area.

### **Potential negative effects**

The scheme has little riparian cover and has the potential to increase sedimentation and nutrient loadings into waterways. To lessen this, we have a Scheme Riparian and Oxbow Management Plan detailing remedial works to restore habitat and riparian margins.

The scheme impacts on the native fish population, specifically eels, by presenting barriers to upstream and downstream migration and causing fish fatalities via the pumps. Eels have important cultural value to local iwi. To address this, we have prepared a Fishery Management Plan, which has seen the installation of fish passage floodgates and spat ropes. We are also proposing a future plan to upgrade pumps to fish-friendly pumps. Council is actively engaged with local iwi and other stakeholders.

### **Contribution to Community Outcomes**



#### **Efficient and resilient core services**

Flood protection provides resilience for agricultural land in Hikurangi.



#### **Caring for the environment**

Investment in flood protection assists in the improvements in water quality within the Kaipara Harbour catchment.



**High contribution**



**Medium contribution**

## Levels of Service

### ● Mandatory performance measures

**6.1 Council will provide a reliable and sustainable flood protection scheme, which is managed to mitigate flooding within the Hikurangi Swamp Scheme area to an acceptable level.**

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
The major flood protection and control works that are maintained, repaired and renewed to the key standards defined in the local authority's relevant planning documents (such as its activity management plan, asset management plan, annual works programme or long term plan).	Yes	Yes	Yes	Yes	Yes
The number of infringement or abatement notices issued by Northland Regional Council in relation to the scheme consent.	0	0	0	0	0

### Changes to Levels of Service

No changes are proposed.

## Prospective funding impact statement: Flood Protection

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
-	General rates, uniform annual general charges, rates penalties	-	-	-
1,120	Targeted rates	1,210	1,210	-
-	Subsidies and grants for operating purposes	-	-	-
-	Fees and charges	-	-	-
-	Internal charges and overheads recovered	-	-	-
61	Local authorities fuel tax, fines, infringement fees and other receipts	62	61	1
<b>1,181</b>	<b>Total Operating Funding</b>	<b>1,272</b>	<b>1,271</b>	<b>1</b>
<b>Applications of Operating Funding</b>				
750	Payments to staff and suppliers	760	768	(8)
31	Finance Costs	15	6	9
9	Internal charges and overheads applied	9	9	-
-	Other operating funding applications	-	-	-
<b>790</b>	<b>Total Applications of Operating Funding</b>	<b>784</b>	<b>783</b>	<b>1</b>
<b>392</b>	<b>Surplus / (Deficit) of Operating Funding</b>	<b>488</b>	<b>488</b>	<b>-</b>
<b>Sources of Capital Funding</b>				
-	Subsidies and grants for capital expenditure	-	-	-
-	Development and financial contributions	-	-	-
(392)	Increase / (decrease) in debt	(488)	(488)	-
-	Gross proceeds from sale of assets	-	-	-
-	Other dedicated capital funding	-	-	-
-	Lump sum contributions	-	-	-
<b>(392)</b>	<b>Total Sources of Capital Funding</b>	<b>(488)</b>	<b>(488)</b>	<b>-</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
-	to meet additional demand	-	-	-
-	to improve levels of service	-	-	-
-	to replace existing assets	-	-	-
-	Increase / (decrease) in reserves	-	-	-
-	Increase / (decrease) of investments	-	-	-
-	<b>Total Applications of Capital Funding</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(392)</b>	<b>Surplus / (Deficit) of Capital Funding</b>	<b>(488)</b>	<b>(488)</b>	<b>-</b>
-	<b>Funding Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

## ***Flood Protection projects***

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
Flood Protection					
Flood Protection Total		-	-	-	-



## **7. Community facilities and services**

Community facilities and services are a key part of an attractive, vibrant and thriving District. This includes our parks and recreation spaces, as well as our community buildings. It also includes our services that support our communities through community development, libraries, and venues and events – a key way we add activity to our public spaces. Meanwhile, our customer services team represents our first point of contact with our community.

This profile also includes Civil Defence. Civil Defence provides emergency management services for our District. A comprehensive emergency management organisation is in place that encompasses the management of the Rural Fire Service and is focused around the four phases of the emergency management continuum known as the four R's (reduction, readiness, response and recovery). The intention is to encourage greater self-reliance in the community by developing and maintaining Community Response Plans for prompt and effective recovery in the event of a disaster.





## Parks and recreation

### Purpose and strategic fit

We provide parks and reserves for sport and recreation, landscapes and green places. We administer 20,720 hectares of land as open space, with an asset value of \$46.9 million. This includes:

- sportsfields and playgrounds
- natural areas such as wetlands and mangrove estuaries, coastal areas and esplanade reserves
- city parks and street gardens
- cemeteries
- former quarries and landfills
- forest remnants, pine forests and regenerating bush
- areas reserved for water supply, waste treatment and other public utilities.

Our objective is to create, operate, maintain, renew and dispose of assets to provide for existing and future customers in the most cost-effective manner.

The quality of these spaces and the activities that take place on them contribute to the attractiveness and vibrancy of our District. Our parks and associated facilities are significant assets which are used and appreciated by residents and visitors.

The Reserves Act 1977 requires land administered by Council to be managed in accordance with the Act.

### Potential negative effects

The under-supply of public space could be harmful to the wider community, particularly in urban areas. To address this, Council will develop an open space strategy to guide the provision of public space.

### Contribution to Community Outcomes



#### Efficient and resilient core services

The adequate provision of open space is needed to support the development of an attractive, vibrant and thriving community.

Opportunities for walking and cycling are provided through public spaces.



#### Caring for the environment

Our Parks team supports community initiatives to keep our District clean as well as managing weeds and pests.

Access to the coast is protected through reserves managed by Parks.

Design and landscaping in our public spaces and streets enables nature to thrive.



#### Positive about the future

Open space is distributed across our District, therefore contributing to a fair urban and rural balance.

New technology is improving service delivery, including turf maintenance.



#### Proud to be local

Maintenance of our parks and public spaces ensures our District looks neat and tidy.

Our public spaces and parks are the venue for many community events and activities.

Our parks and sports grounds and walking tracks provide opportunities for people to be active and healthy.



**High contribution**



**Medium contribution**

# Levels of Service

## 7.1 Council will provide and maintain outdoor sporting facilities to support and promote active recreation of the community through participation in both organised and informal sporting activities.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Sports parks will be provided to meet the community's needs. *	≥177 hrs	≥187 hrs	≥196 hrs	≥201 hrs	≥199 hrs

## 7.2 Council will provide and maintain a range of reserves, including built facilities, to meet the needs of the community as well as protecting and enhancing the natural environment.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Average satisfaction rating of sports codes with sports parks.	≥82%	≥84%	≥84%	≥85%	≥86%
Residents' satisfaction with neighbourhood, civic space, cultural heritage, public gardens and recreational and ecological linkages to parks.	≥82%	≥90%	≥90%	≥90%	≥90%

## 7.3 Council will convert or upgrade identified existing open spaces to provide a wider range of high quality recreational and leisure opportunities within our District for our community and visitors.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Hectares of open space land transformed does not drop below. **	0.5ha	0.5 ha	0.5 ha	0.5 ha	0.5 ha
Residents' perception that Council is making sufficient investment in developing a strong sense of place for our District and its communities.	≥70%	≥70%	≥70%	≥70%	≥70%

## 7.4 Council will provide and maintain cemeteries and a crematorium in a satisfactory manner.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Residents' satisfaction with cemeteries.	≥90%	≥90%	≥90%	≥90%	≥90%

\* This measure is expressed as the number of hours available at sports parks per 1000 members of our District population during the winter season.

\*\* This measure relates to parks and reserve lands that have been developed with amenities that promote increased public use.

## Changes to Levels of Service

Minor changes to the Levels of Service statements to improve clarity. Updated targets to reflect investment in Levels of Service.



## Libraries

### Purpose and strategic fit

Libraries provide our community with opportunities for life-long learning, access to information, leisure and reading. This contributes to a vibrant and thriving District.

Public libraries provide free and open access to knowledge and services. They are a neutral, respected gateway to information and a safe place that offers equal access for all community members.

The Local Government Act 2002 requires that, where such a service is provided, residents can join the library free of charge.

#### Potential negative effects

No potential negative effects have been identified for Libraries.

### Contribution to Community Outcomes



#### Positive about the future

Our libraries embrace technology to improve the customer's access to information through initiatives such as providing internet access, e-books and self-service checkouts.



#### Proud to be local

Our libraries are key community facilities providing equitable access to life-long learning as well as fulfilling leisure and recreational needs.



**High contribution**



**Medium contribution**

### Levels of Service

**7.5 Council will provide library services to our District via the central library, the mobile and branch libraries.**

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of population who have used a library in the past year.	≥60%	≥60%	≥60%	≥60%	≥60%
Residents' satisfaction with the resources (books, magazines etc.) the library service provides.	≥95%	≥95%	≥95%	≥95%	≥95%

#### Changes to Levels of Service

There are no proposed changes.



## Community property

### Purpose and strategic fit

Council is committed to providing appropriate pensioner housing and community buildings for our District to use. Our property service helps to build thriving and vibrant communities.

Where community halls are not Council-owned, operational grants may be provided to assist in the maintenance of these important community facilities.

#### Potential negative effects

No potential negative effects have been identified for Community Property.

### Contribution to Community Outcomes



#### Positive about the future

Our community facilities are located across our District to ensure there is a fair urban and rural balance.



#### Proud to be local

Our community facilities ensure activities and facilities are available across our District for people of all abilities, ages and lifestyles.



**High contribution**



**Medium contribution**

## Levels of Service

### 7.6 Council will provide rental accommodation that meets the specific needs of eligible elderly members of the community.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage occupancy rate of pensioner housing.	≥98%	≥98%	≥98%	≥98%	≥98%
Pensioner housing residents' satisfaction with the standard of accommodation.	≥80%	≥80%	≥80%	≥82%	≥82%

### Changes to Levels of Service

Minor changes to show improved performance measures.



## Community development

### ***Purpose and strategic fit***

Council is committed to a community development framework that aims to work with our communities to ensure they are vibrant and thriving as well as cohesive and sustainable. This is achieved through various initiatives including:

- community-led development programmes
- grants and community funding
- crime reduction and community safety programmes such as City Safe
- support for our positive aging, disability and youth advisory groups.

It seeks to help strengthen and enhance our District by ensuring that people feel safe, able to access and participate in activities and are supported in becoming more resilient.

### ***Potential negative effects***

No potential negative effects have been identified for Community Services.

### ***Contribution to Community Outcomes***



#### ***Positive about the future***

Through the Community Development Framework our communities will be involved across both rural and urban parts of our District.



#### ***Proud to be local***

Community development enhances and strengthens our communities to ensure people feel safe and can participate in a range of events and opportunities.



***High contribution***



***Medium contribution***

# Levels of Service

## 7.7 Council will promote and support community safety.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of residents within the community who feel safe within our District.	≥85%	≥85%	≥85%	≥85%	≥85%

## 7.8 Council will support our District's social and cultural wellbeing through its involvement in activities and programmes which support and develop the community.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of grant applicants who understand and are satisfied with the grants application process.	≥80%	≥80%	≥80%	≥80%	≥80%

## 7.9 Council is actively involved in youth, positive ageing, accessibility and other groups of interest issues.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of people active in these sectors who believe Council is achieving strong engagement.	≥80%	≥80%	≥80%	≥80%	≥80%

## Changes to Levels of Service

There are no proposed changes.





## Venues and events

### Purpose and strategic fit

We provide venues, while managing and producing events that contribute to the cultural and social fabric of our community. This contributes to our District's attractiveness and vibrancy and our District's economy.

#### Potential negative effects

No potential negative effects have been identified for venues and events.

### Contribution to Community Outcomes



#### Positive about the future

Venues and events have a District focus, ensuring there is a fair balance between rural and urban areas.



#### Proud to be local

Venues and events provide a wide variety of activities ensuring there is always something to see and do for both residents and visitors.



**High contribution**



**Medium contribution**

## Levels of Service

**7.10** Our venues will encourage increased use and high satisfaction levels of those using our facilities.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Number of attendees over all facilities will increase annually.	≥3%	≥3%	≥3%	≥3%	≥3%
Satisfaction with the quality of venues and events.	≥80%	≥80%	≥80%	≥80%	≥80%

### Changes to Levels of Service

Minor changes are proposed to improve clarity.



## Customer services

### Purpose and strategic fit

Customer services is our interface with our communities and with our visitors. This is where questions are received and where transactions take place. Customer services is delivered through our contact centres, our various customer service centres across our District and our visitor information centres.

A satisfactory customer experience and access to the right information is essential for our District to thrive.

#### Potential negative effects

No potential negative effects have been identified for Customer Services.

### Contribution to Community Outcomes



#### Positive about the future

Customer services assists the community to do business and understand our documents, rules and processes.



#### Proud to be local

Our customer services are a key point of contact with our community. This interface enables us to work with the community to ensure our District is safe, tidy and attractive.



**High contribution**



**Medium contribution**

### Levels of Service

**7.11 The community has access to Council's activities through our service centres and contact centre, which provide a 'first point of contact' service.**

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage annual increased levels of satisfaction with service received by 'first point of contact' customer service.	New	≥1%	≥1%	≥1%	≥1%
Contact centre service calls answered in under 20 seconds.	New	≥85%	≥85%	≥85%	≥85%
Wait time for walk-in customers.	New	No more than 6 mins	No more than 6 mins	No more than 6 mins	No more than 6 mins

**7.12 Council will provide, through the Whangārei visitor centres, an accurate booking and information service which influences more visitors to stay longer and spend more.**

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Visitors' satisfaction with the service provided by the information consultants at our information centres.	New	Very satisfied	Very satisfied	Very satisfied	Very satisfied

### Changes to Levels of Service

This is a new addition to the community facilities and services profile. It recognises the importance of Customer Services in connecting with our communities and delivering an excellent standard of service.

## Prospective funding impact statement: Community facilities and services

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
25,899	General rates, uniform annual general charges, rates penalties	26,556	25,943	613
-	Targeted rates	-	-	-
60	Subsidies and grants for operating purposes	62	62	-
971	Fees and charges	1,057	992	65
2,573	Internal charges and overheads recovered	2,647	2,624	24
3,124	Local authorities fuel tax, fines, infringement fees and other receipts	3,384	3,189	195
<b>32,628</b>	<b>Total Operating Funding</b>	<b>33,707</b>	<b>32,809</b>	<b>897</b>
<b>Applications of Operating Funding</b>				
24,538	Payments to staff and suppliers	24,893	25,149	(256)
4,961	Finance Costs	5,348	5,653	(305)
9,177	Internal charges and overheads applied	8,831	9,223	(392)
-	Other operating funding applications	-	-	-
<b>38,675</b>	<b>Total Applications of Operating Funding</b>	<b>39,073</b>	<b>40,026</b>	<b>(953)</b>
<b>(6,047)</b>	<b>Surplus / (Deficit) of Operating Funding</b>	<b>(5,366)</b>	<b>(7,216)</b>	<b>1,850</b>
<b>Sources of Capital Funding</b>				
50	Subsidies and grants for capital expenditure	-	-	-
608	Development and financial contributions	628	628	-
16,549	Increase / (decrease) in debt	13,959	23,530	(9,571)
-	Gross proceeds from sale of assets	-	-	-
-	Other dedicated capital funding	-	-	-
-	Lump sum contributions	-	-	-
<b>17,208</b>	<b>Total Sources of Capital Funding</b>	<b>14,587</b>	<b>24,159</b>	<b>(9,571)</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
1,163	to meet additional demand	789	936	(147)
3,968	to improve levels of service	8,502	7,738	764
4,006	to replace existing assets	6,264	4,789	1,474
2,024	Increase / (decrease) in reserves	(6,333)	3,479	(9,812)
-	Increase / (decrease) of investments	-	-	-
<b>11,160</b>	<b>Total Applications of Capital Funding</b>	<b>9,221</b>	<b>16,943</b>	<b>(7,721)</b>
<b>6,047</b>	<b>Surplus / (Deficit) of Capital Funding</b>	<b>5,366</b>	<b>7,216</b>	<b>(1,850)</b>
-	<b>Funding Balance</b>	-	-	-

## Community facilities and services projects

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Civil Defence</b>					
Civil Defence & Emergency Management	Civil Defence Emergency Management Equipment Renewals	5	10	-	15
	Tsunami Signage	36	8	-	44
	Tsunami Sirens Renewals	18	-	36	54
<b>Civil Defence Total</b>		<b>59</b>	<b>18</b>	<b>36</b>	<b>113</b>
<b>Community Development</b>					
CCTV Network	CCTV Upgrades & Improvements	136	44	-	179
Council-Owned Community Buildings	Community Buildings Renewals & Improvements	213	31	-	243
Pensioner Housing	Pensioner Housing Renewals & Improvements	688	120	-	808
Sense of Place	Community Led Development	418	82	-	500
<b>Community Development Total</b>		<b>1,454</b>	<b>276</b>	<b>-</b>	<b>1,730</b>
<b>Libraries</b>					
Digital Council	Library IT Equipment	104	59	-	163
Library Asset Renewals	Library Renewals	5	-	-	5
Library Books	Book Purchases	674	-	-	674
<b>Libraries Total</b>		<b>784</b>	<b>59</b>	<b>-</b>	<b>843</b>
<b>Parks &amp; Recreation</b>					
Cemeteries	Cemeteries Renewals	204	-	-	204
Coastal Structures	Coastal Structures Renewal	804	(94)	-	710
Neighbourhood & Public Gardens	Dog Park Upgrades	-	22	-	22
	Neighbourhood & Public Gardens Level of Service	-	153	-	153
	Neighbourhood & Public Gardens Renewals	801	432	-	1,233
Playgrounds & Skateparks	Playgrounds & Skateparks Level of Service	120	523	-	643
	Playgrounds & Skateparks Renewals	188	-	-	188
Sense of Place	Parks Interpretation Information	44	-	-	44
	Pohe Island Development	1,313	246	-	1,560
	Public Art	44	-	-	44
	Town Basin - Conversion of Carpark to Park	3,648	(600)	-	3,048

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
Sense of Place	Waterfront Programme	-	-	570	570
	Whangarei City Centre Plan Implementation	1,188	-	-	1,188
Sportsfields & Facilities	Sport & Recreation Growth	894	(403)	-	491
	Sport & Recreation Level of Service	89	-	-	89
	Sport & Recreation Renewals	1,233	139	-	1,372
	Tikipunga Soccer Hub	52	-	-	52
Walkways and Tracks	Walkway & Track Renewals	489	-	-	489
<b>Parks &amp; Recreation Total</b>		<b>11,112</b>	<b>419</b>	<b>570</b>	<b>12,101</b>
<b>Venue and Events Whangarei</b>					
Forum North Venue	Forum North Venue Renewals	23	290	-	313
	Forum North Venue Upgrades	90	75	-	164
Northland Events Centre	NECT Building Renewals	151	51	-	202
	NECT Field Renewals	-	23	-	23
	NECT Light Tower Renewals	-	-	376	376
<b>Venue and Events Whangarei Total</b>		<b>263</b>	<b>439</b>	<b>376</b>	<b>1,078</b>
<b>Community Facilities and Services Total</b>		<b>13,673</b>	<b>1,210</b>	<b>982</b>	<b>15,865</b>

## 8. Governance and strategy

### **Purpose and strategic fit**

This includes the democratic functions of our organisation which drives robust decision-making through Council meetings, briefings and workshops. Governance functions also include hearings and consultation and engagement opportunities.

This group also sets the strategic direction. The focus is on how our District grows and develops through our District-wide, issue-based or place-based strategies.

District Development encourages economic development and investment in our District including managing Council's commercial property portfolio and marketing our District as a desirable place to visit, work and do business.

Fostering meaningful and sustainable relationships with iwi, hapū and mātāwaka (a term that applies for all Māori who live in our District but who generally whakapapa to an area outside of it) organisations across our District is a crucial function of this group. These relationships also exist through specific programmes of work as well as larger scale projects such as Treaty of Waitangi settlements.

### **Potential negative effects**

Ineffective strategies or the absence of strategic direction could lead to adverse environmental effects. This is mitigated through a review of our growth strategy to ensure it is relevant and based on current information.

### **Contribution to Community Outcomes**



#### **Efficient and resilient core services**

Our strategic planning ensures that core infrastructure is provided to meet the demands of growth in a managed and coordinated way.



#### **Caring for the environment**

Strategic planning ensures our environment is cared for.



#### **Positive about the future**

Democracy functions ensure transparent and robust decision-making.

Strategic planning and implementation of key projects allows our city centre to thrive.



**High contribution**



**Medium contribution**

# Levels of Service

## 8.1 Our democratic functions are transparent and meet the legislative requirements.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Responses to requests for information made under the <i>Local Government Official Information Act 1987</i> and the <i>Privacy Act 1993</i> are provided within relevant statutory timeframes.	New	100%	100%	100%	100%
Percentage of Council, committee and hearing agendas that meet relevant legislative timeframes.	New	100%	100%	100%	100%

## 8.2 We deliver the requirements of the National Policy Statement on Urban Development Capacity.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Meet the statutory timeframes and deliverables as set out in the <i>National Policy Statement on Urban Development Capacity</i> .	New	100%	100%	100%	100%

## Changes to Levels of Service

This is a new profile group that was not in the *LTP 2015-25*. It has been included to highlight the importance of our strategic and democratic functions.



## Prospective funding impact statement: Governance and strategy

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
1,775	General rates, uniform annual general charges, rates penalties	3,034	3,075	(41)
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
-	- Fees and charges	-	-	-
327	Internal charges and overheads recovered	469	334	136
6,149	Local authorities fuel tax, fines, infringement fees and other receipts	5,852	6,316	(464)
<b>8,252</b>	<b>Total Operating Funding</b>	<b>9,356</b>	<b>9,725</b>	<b>(369)</b>
<b>Applications of Operating Funding</b>				
6,028	Payments to staff and suppliers	5,774	7,019	(1,245)
281	Finance Costs	268	268	-
1,881	Internal charges and overheads applied	2,246	1,916	329
-	- Other operating funding applications	-	-	-
<b>8,190</b>	<b>Total Applications of Operating Funding</b>	<b>8,288</b>	<b>9,203</b>	<b>(916)</b>
<b>61</b>	<b>Surplus / (Deficit) of Operating Funding</b>	<b>1,068</b>	<b>521</b>	<b>547</b>
<b>Sources of Capital Funding</b>				
-	- Subsidies and grants for capital expenditure	-	-	-
-	- Development and financial contributions	-	-	-
-	- Increase / (decrease) in debt	-	-	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Other dedicated capital funding	-	-	-
-	- Lump sum contributions	-	-	-
<b>-</b>	<b>Total Sources of Capital Funding</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
-	- to meet additional demand	-	-	-
61	- to improve levels of service	168	521	(353)
-	- to replace existing assets	900	-	900
-	- Increase / (decrease) in reserves	-	-	-
-	- Increase / (decrease) of investments	-	-	-
<b>61</b>	<b>Total Applications of Capital Funding</b>	<b>1,068</b>	<b>521</b>	<b>547</b>
<b>(61)</b>	<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,068)</b>	<b>(521)</b>	<b>(547)</b>
<b>-</b>	<b>Funding Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Governance and strategy projects

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Governance and Strategy</b>					
Commercial Property	Parihaka Transmission Mast Upgrade	-	900	-	<b>900</b>
	Port Road Site Remediation	-	100	-	<b>100</b>
District Development	District Development Projects	271	-	(271)	-
New Airport Evaluation	New Airport Evaluation	2,321	(1,870)	-	<b>451</b>
<b>Governance and Strategy Total</b>		<b>2,592</b>	<b>(870)</b>	<b>(271)</b>	<b>1,451</b>



## 9. *Planning and regulatory services*

We are required to undertake planning, monitoring and enforcement activities that meet the requirements of a wide range of legislation, such as the Resource Management Act (RMA). This includes:

- issuing resource and building consents and ensuring they meet required conditions
- providing health and liquor licences
- monitoring and enforcing bylaws such as animal and noise control, health, liquor and parking
- undertaking district planning.

The functions within this activity are covered by four separate departments: District Planning, Resource Consents, Building Control and Health and Bylaws.

The outcomes of these functions are important in ensuring our District remains attractive and that our communities thrive.



## District planning

### Purpose and strategic fit

The population of Whangārei is growing, creating demand on the District's resources. To manage this we develop long, medium and short term strategies and policies to help set future directions for the resources we manage. Other aspects support this through land use planning, environmental regulation, monitoring and reporting.

#### Potential negative effects

District Plan requirements may inhibit economic activity if they are overly strict. For this reason our District Plan is reviewed within statutory timeframes to reflect the changing nature of our District.

### Contribution to Community Outcomes



#### Efficient and resilient core services

Our District Plan aligns with core infrastructure provision to enable planned and integrated growth in appropriate locations.



#### Caring for the environment

Our District Plan is a key regulatory tool to manage the effects on our environment.

Provisions in our District Plan ensure existing public access to coastal areas are maintained and new opportunities are provided, where appropriate.



#### Positive about the future

Our District Plan enables productive land uses and activities across our District.



#### Proud to be local

Our District Plan supports urban design outcomes which promote activity, safety and attractive built forms and public spaces.



**High contribution**



**Medium contribution**

## Levels of Service

### 9.1 Develop, implement and maintain a District Plan in accordance with the RMA while reflecting the desires of the community and issues of sustainability.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Plan changes are researched, proposed, consulted and reported on as required by Council in accordance with the relevant statutory requirements.	100%	100%	100%	100%	100%

### Changes to Levels of Service

There are no proposed changes from the LTP 2015-25.



## Resource consents

### Purpose and strategic fit

The RMA directs the processes and functions of Council, as well as guiding the overall outcome of the resource consent process which is to:

- promote the sustainable management of natural and physical resources
- ensure our District remains attractive, vibrant and thriving.

This is achieved by processing resource consents and associated applications.

### Potential negative effects

Negative environmental effects can result from poor decision making on resource consent applications. This is reduced by the approval of applications being delegated to senior staff members. Negative economic results can occur if consents are not processed in a timely manner which delays start times. External contractors are used to ensure that statutory timeframes are met during times of high workloads that cannot be met by staff.

### Contribution to Community Outcomes



#### Caring for the environment

Resource consents enact our District Plan and RMA to ensure the long-term maintenance and protection of significant stands of bush, outstanding landscapes and other natural features that contribute to a valued environment.



#### Positive about the future

The resource consent processes are clear and simple, guided by our District Plan and RMA.



#### Proud to be local

Ensuring compliance with District Plan rules and conditions of resource consents contributes to the appearance of our District and a community's enjoyment of places and spaces.



**High contribution**



**Medium contribution**

## Levels of Service

### 9.2 Council will process resource consent and associated applications within statutory timeframes.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of non-notified resource consent applications processed within statutory timeframes.	≥95%	≥95%	≥95%	≥95%	≥95%
Percentage of Section 223 and Section 224 applications for subdivision consents under the RMA within statutory timeframes.	≥95%	≥95%	≥95%	≥95%	≥95%

### 9.3 Council will ensure compliance with land-use consents by monitoring consents issued.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of land-use consent conditions monitored (note: time frames will be dependent on priorities based on potential environmental risk associated with non-compliance).	100%	100%	100%	100%	100%

### Changes to Levels of Service

Level of service 9.3 is a new addition to this profile acknowledging changes in responsibility through a recent organisational review.



## Building control

### Purpose and strategic fit

This department ensures that buildings in our District are designed and constructed to the agreed standards and quality. The healthy design and construction of our homes is important to us and has a direct bearing on our residents' health and perspective on life.

We promote the safe and sanitary use of living and public facilities, as well as access for people with disabilities. We will act against owners of buildings that pose a risk to the general safety and well-being of the public.

This department also has responsibilities to establish buildings that may be earthquake prone, to ensure building owners meet their responsibilities under new legislation.

#### Potential negative effects

Negative effects from not administering the related statutes can range from dangerous and insanitary public use and residential buildings and non-compliant housing stock. Not issuing building consents and failing to meet the requirements of accreditation may result in a loss of confidence and accreditation to perform these functions as a building consent authority.

### Contribution to Community Outcomes



#### Caring for the environment

The building control measures around construction methods ensures our environment is protected.



#### Positive about the future

Building control processes are clear and simple and enable economic activity while appropriately protecting our communities from unsafe and poor quality building practices.



#### Proud to be local

Building compliance ensures that built structures are safe and durable.



**High contribution**



**Medium contribution**

## Levels of Service

### 9.4 Council will responsively and accurately manage the building consents and compliance process.

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of building consent applications processed within statutory timeframes.	≥96%	≥96%	≥96%	≥96%	≥98%
Percentage of inspections completed within two days.	≥95%	≥95%	≥95%	≥95%	≥95%

### Changes to Levels of Service

There are no proposed changes from the *LTP 2015-25*.



## Health and bylaws

### Purpose and strategic fit

This department undertakes monitoring and enforcement functions across a wide cross-section of statutes focussing on the protection of community health, safety and amenity. We have two teams:

- Environmental Health is responsible for registering, monitoring, verifying, inspecting, enforcing and ensuring general compliance in the food, health and liquor licensing work areas
- Armourguard Security is contracted to provide services relating to dog and stock control, parking enforcement, excessive noise control and general bylaw enforcement.

### Potential negative effects

Failure to effectively enforce and monitor can lead to significant adverse environmental, health and nuisance issues across our District. This is mitigated through an appropriate enforcement and monitoring regime.

### Contribution to Community Outcomes



#### Caring for the environment

The enforcement of bylaws ensures our environment is protected.



#### Positive about the future

Regulatory processes are clear and simple and enable economic activity while appropriately protecting our communities from nuisance activities.



#### Proud to be local

Ensuring compliance with our bylaws contributes to the appearance of our District and the community's enjoyment of places and spaces.



**High contribution**



**Medium contribution**

### Levels of Service

**9.5 Council will ensure responses to complaints relating to parking, excessive noise, dogs, stock and bylaws are carried out within contracted timeframes.**

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of complaints responded to within contracted timeframes.	≥85%	≥85%	≥85%	≥85%	≥85%

**9.6 Council will protect and promote public health by monitoring those premises, which under the Health Act 1956 require annual registration and inspection.**

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of Health Act registered premises inspected annually.	New	100%	100%	100%	100%



**9.7 Council will promote food safety by registering and verifying those food businesses which the Food Act 2014 specifies that local authorities can register and verify.**

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of food businesses verified within timeframes as specified by the Food Act 2014.	New	100%	100%	100%	100%

**9.8 Council will aim to reduce alcohol-related harm by annually inspecting alcohol licensed premises to ensure compliance with the Sale and Supply of Alcohol Act 2012 and licensing conditions in general.**

Performance measure	2017-18 target	2018-19 target	2019-20 target	2020-21 target	2021-28 target
Percentage of alcohol licensed premises inspected annually.	New	100%	100%	100%	100%

## **Changes to Levels of Service**

These new measures give greater clarity on Council's role under the Food Act 2014, Sale and Supply of Alcohol Act 2012 and the Health Act 1956.

## Prospective funding impact statement: Planning and regulatory services

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
8,455	General rates, uniform annual general charges, rates penalties	7,803	9,347	(1,543)
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
7,809	Fees and charges	8,248	8,375	(127)
4,254	Internal charges and overheads recovered	4,221	4,259	(38)
1,204	Local authorities fuel tax, fines, infringement fees and other receipts	1,510	1,206	304
<b>21,722</b>	<b>Total Operating Funding</b>	<b>21,783</b>	<b>23,187</b>	<b>(1,404)</b>
<b>Applications of Operating Funding</b>				
10,990	Payments to staff and suppliers	11,213	11,123	90
-	- Finance Costs	-	-	-
10,527	Internal charges and overheads applied	10,374	10,650	(276)
-	- Other operating funding applications	-	-	-
<b>21,518</b>	<b>Total Applications of Operating Funding</b>	<b>21,587</b>	<b>21,772</b>	<b>(185)</b>
<b>204</b>	<b>Surplus / (Deficit) of Operating Funding</b>	<b>196</b>	<b>1,415</b>	<b>(1,219)</b>
<b>Sources of Capital Funding</b>				
-	- Subsidies and grants for capital expenditure	-	-	-
-	- Development and financial contributions	-	-	-
-	- Increase / (decrease) in debt	-	-	-
-	- Gross proceeds from sale of assets	-	-	-
-	- Other dedicated capital funding	-	-	-
-	- Lump sum contributions	-	-	-
-	<b>Total Sources of Capital Funding</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
-	- to meet additional demand	-	-	-
-	- to improve levels of service	-	-	-
204	- to replace existing assets	196	1,415	(1,219)
-	- Increase / (decrease) in reserves	-	-	-
-	- Increase / (decrease) of investments	-	-	-
<b>204</b>	<b>Total Applications of Capital Funding</b>	<b>196</b>	<b>1,415</b>	<b>(1,219)</b>
<b>(204)</b>	<b>Surplus / (Deficit) of Capital Funding</b>	<b>(196)</b>	<b>(1,415)</b>	<b>1,219</b>
-	<b>Funding Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

## ***Planning and regulatory services projects***

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
Planning and Regulatory Services					
Dog Pound	Dog Pound Renewals	1,415	(1,219)	-	<b>196</b>
Planning and Regulatory Services Total		1,415	(1,219)	-	196

## 10. Support services

Support services are focussed on supporting the nine activity areas so that they are best positioned to deliver their various goods and services to the community.

The following provides a brief background to the various support activities.

### **Financial services**

Financial Services plays a key stewardship role. As well as facilitating the development of an effective financial strategy, we support Council in managing its financial resources on a day-to-day basis, as well as in the long-term.

The department provides services in respect of planning, monitoring and reporting to Council's financial and business resources and our treasury function actively manages Council's debt and investment positions for both the short and long-term. We also administer transactional functions including rates, water billing, accounts receivable and receipting, including the efficient administration and maintenance of property records by ensuring the Rating Information Database and other property information systems are kept up to date. Efficient billing processes are undertaken for land and water rates as well as sundry debt and receipting functions for all of Council. Direct debit processing and timely follow up of overdue amounts mean that arrears are kept to a minimum. Another service provided by our team is general procurement advice and management. Our team also supports some Council CCOs by providing shared financial services to them.

### **People and capability**

This team works across the business supporting and leading through day-to-day transactions, including recruitment and payroll and longer-term strategic matters such as employee development and change management. The department's vision is twofold: to have the right people, motivated, engaged and delivering, to enable us to attract the right people into our business, it is important that Council is perceived as a good place to work.

### **Capital projects, planning and development engineering**

This department provides technical and administrative support to the Infrastructure Group. This includes planning, contract and general administration, asset management systems, databases, project and contract management.

### **Information services**

This department supports the technical and informational function requirements of Council. From desktop systems to the management of data and documentation, we ensure accurate information is readily available and can be easily stored and accessed. We also ensure that our technology and systems allow Council to comply with its legislative requirements. Council's website plays a vital role as an interactive service for providing extensive resources for public information, documents and publications, consultations and GIS mapping (including District Plan and hazard overlays).

The team also ensures that the underlying structures for the storage and fast retrieval of all corporate data are stable and available 24/7, with the ability to recover vital systems in the event of a disaster or interruption to services. This includes the ongoing development and enhancement of existing software systems to enable Council to meet the growing consumer demands from our District for faster supply and faster access to information.

### **Commercial property**

Commercial property is responsible for Council-owned properties held as investments and able to provide a commercial return to Council. This includes a mix of commercial freehold and perpetual ground lease sites. Investment portfolio properties will generally not be sold unless Council identifies compelling reasons for re-investment, such as investment in future infrastructure. Non-strategic properties may be sold, provided due process is followed.

## Communications

How we communicate with the community is essential to raising awareness of what Council does and why. It is also key to promoting projects and events that occur across our District. This team drives strategic communications, branding and internal, corporate and daily media communications through various channels to acknowledge our District's diversity.

The department also efficiently produces all written, visual and audio content for increasingly digital but also print publication – ensuring it is aligned to strategy, brand, legislation, media law and our audience's needs. Additionally, we support all Council functions in responding to daily media enquiries and various team members also serve as Public Information Managers in any civil defence event within our District.

# Prospective funding impact statement: Support services

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	Year 2 2019-20 \$000	Variance \$000
<b>Sources of Operating Funding</b>				
1,748	General rates, uniform annual general charges, rates penalties	4,213	2,950	1,263
-	- Targeted rates	-	-	-
-	- Subsidies and grants for operating purposes	-	-	-
259	Fees and charges	630	265	366
23,181	Internal charges and overheads recovered	23,084	23,349	(264)
246	Local authorities fuel tax, fines, infringement fees and other receipts	260	250	10
<b>25,434</b>	<b>Total Operating Funding</b>	<b>28,187</b>	<b>26,814</b>	<b>1,373</b>
<b>Applications of Operating Funding</b>				
19,721	Payments to staff and suppliers	19,902	19,077	824
-	- Finance Costs	242	498	(256)
2,635	Internal charges and overheads applied	2,620	2,687	(67)
-	- Other operating funding applications	-	-	-
<b>22,356</b>	<b>Total Applications of Operating Funding</b>	<b>22,764</b>	<b>22,262</b>	<b>502</b>
<b>3,078</b>	<b>Surplus / (Deficit) of Operating Funding</b>	<b>5,423</b>	<b>4,552</b>	<b>871</b>
<b>Sources of Capital Funding</b>				
-	- Subsidies and grants for capital expenditure	-	-	-
-	- Development and financial contributions	-	-	-
2,814	Increase / (decrease) in debt	740	15,046	(14,306)
-	- Gross proceeds from sale of assets	-	-	-
-	- Other dedicated capital funding	-	-	-
-	- Lump sum contributions	-	-	-
<b>2,814</b>	<b>Total Sources of Capital Funding</b>	<b>740</b>	<b>15,046</b>	<b>(14,306)</b>
<b>Applications of Capital Funding</b>				
	Capital expenditure			
558	to meet additional demand	669	1,077	(408)
3,373	to improve levels of service	2,360	16,283	(13,923)
1,346	to replace existing assets	2,463	1,611	853
615	Increase / (decrease) in reserves	671	627	44
-	- Increase / (decrease) of investments	-	-	-
<b>5,892</b>	<b>Total Applications of Capital Funding</b>	<b>6,163</b>	<b>19,598</b>	<b>(13,435)</b>
<b>(3,078)</b>	<b>Surplus / (Deficit) of Capital Funding</b>	<b>(5,423)</b>	<b>(4,552)</b>	<b>(871)</b>
-	<b>Funding Balance</b>	-	-	-

## Support services projects

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Support Services</b>					
Business Improvement	Business Improvement Projects	104	92	-	196
	Workflow Systems Development	-	226	-	226
Business Support	Business Support Projects	104	102	-	206
Civic Buildings	Furniture Renewals	21	-	-	21
	Information Centre Upgrade	-	126	-	126
Civic Centre	Civic Centre	15,194	(14,454)	-	740
Council Vehicle Replacements	Council Vehicle Replacements	219	-	-	219
Digital Council	Asset Management Software Upgrade	822	432	-	1,254
	CiA Upgrade	417	772	-	1,189
	Corporate Performance Management	-	150	-	150
	Customer Access - Online Services	466	(466)	-	-
	Decision Support System Development	-	60	-	60
	Digital District Plan and Policies Online	506	(456)	-	50
	Digital Platform	-	600	-	600
	Digitisation of Records	244	300	-	544
	Electronic LIMs	605	(605)	-	-
	IT Equipment New	52	8	-	60
	IT Equipment Replacement	625	(500)	-	125
	IT Network Upgrades	-	-	110	110
	Minor ICT Projects	83	-	100	183
	Mobility Technology - Building	336	(210)	-	126
	Upgrade Kete SharePoint	261	-	-	261
<b>Support Services Total</b>		<b>20,059</b>	<b>(13,823)</b>	<b>210</b>	<b>6,446</b>



# Group entities

## Council Controlled Organisations

Council currently delivers a variety of services through Council Controlled Organisations (CCOs).

Council delivers strategic services or initiatives through a CCO where it considers this is a more effective, efficient and financially viable option compared to other means of delivery.

The Local Government Act 2002 defines a CCO as either:

A company:

- in which equity securities carrying 50% or more of the voting rights at a meeting of the shareholders of the company are:
  - held by one or more local authorities; or
  - controlled, directly or indirectly, by one or more local authorities; or
- in which one or more local authorities have the right, directly or indirectly, to appoint 50% or more of the directors; or

An entity in respect of which one or more local authorities have, whether or not jointly with other local authorities or persons:

- control, directly or indirectly, of 50% or more of the votes at any meeting of the members or controlling body of the organisation; or
- the right, directly or indirectly, to appoint 50% or more of the trustees, directors or managers (however described) of the entity.

Council has responsibility for five organisations that meet these definitions:

- Whangarei Waste Ltd
- Whangarei Art Museum Trust
- Northland Event Centre Trust
- Whangarei District Airport
- Springs Flat Contractors Limited
- Northland Regional Landfill Limited Partnership.

Each of these organisations are required to complete a Statement of Intent (SOI), unless an exemption under the Local Government Act 2002 has been granted. Under the Act if an entity is exempt then it is not a CCO. Whangarei Waste Ltd, Springs Flat Contractors Limited and Northland Event Centre Trust are exempt entities.

The non-exempt entities are:

### Whangarei Art Museum Trust (WAMT)

Due to the progression of the Hundertwasser Wairau Māori Art Centre project, on 14 December 2017 WAMT was de-exempt and is now subject to the reporting requirements under the Local Government Act 2002 (LGA).

WAMT is incorporated as a Trust Board under the Charitable Trusts Act. The board comprises seven trustees, four appointed by Council. WAMT relies on funding from Council and its museum is located in Council-owned premises.

WAMT operates to the following principles, to:

- be responsible for the establishment and management of an art museum

- properly maintain, catalogue, conserve and display works of art including Council's art collection
- support, stimulate and enhance the artistic and cultural life of our District
- purchase, collect and show quality works of art to enhance and enlarge the present collection
- promote the Whangarei Art Museum and to attract touring exhibitions and encourage artists to exhibit their work
- maximise the benefits of an art museum for the people of the Whangarei District and encourage the people of the Whangarei District and elsewhere to visit.

The performance measures below are contained in the draft Statement of Intent (SOI) and will be put to Council for final approval.

### **KEY PERFORMANCE TARGETS AND MEASURES**

- Governance objectives to be met by the Board and performance review of the trustees
- Adherence to legislative and Trust Deed requirements
- Regular governance meetings
- Effective and best practice financial management
- Monitoring of Annual Plan objectives and KPI's
- Risk management
- Statement of Intent, business and budget planning ensures future needs
- Programmes, events plan in place
- Effective marketing and communications.
- Health and safety commitments
- Staff and volunteer engagement and training
- Long-term planning and vision.
- Seeking external funding and financial management
- Increased community and stakeholder engagement
- Operational education centre and facilities.

### **Whangarei District Airport (WDA)**

The Whangarei District Airport is a fully serviceable airport for the use of visitors, residents and ratepayers and is required to meet the needs of scheduled and non-scheduled aviation operators and their customers.

It is a key activity that standards of safety are promoted and maintained, recognising the Civil Aviation Authority (CAA) and other safety and health requirements.

Our District Airport is a joint venture with the Crown through the Ministry of Transport. The principal activity is the provision of airport and landing facilities. The land is owned 100% by the Crown. Council's ownership consists of 100% of buildings and lighting and 50% interest in all other assets, liabilities and net surplus. Council operates the airport as the Airport Authority under the Airport Authorities Act 1966 (S3) and its objectives are to run the airport in a cost effective and efficient manner while meeting Ministry of Transport requirements. Day-to-day management is effected by way of a management contract with Northland Aviation Limited.

### **KEY PERFORMANCE TARGETS AND MEASURES**

- To operate to financial budgets
- To meet or exceed Airport Certification Standards as laid down by the CAA for the airport and reported by random audit

- To conduct a survey of airport users and determine their views on airport facilities and future facility developments
- To implement the new Civil Aviation Authority requirement for a Safety Management System
- Engage third party quality auditor each June
- To implement necessary changes to health and safety policies and procedures to address any changes to legislation
- To explore economic development opportunities in attracting new business and job creation
- Explore existing service providers and encourage expansion and investment.

## **Council Controlled Trading Organisations**

A Council Controlled Trading Organisation (CCTO) is a CCO that operates a trading operation for making profit. Council has responsibility for one CCTO: the Northland Regional Landfill Limited Partnership.

### **Northland Regional Landfill Limited Partnership (NRLLP)**

The NRLLP is operated under a limited partnership agreement between the limited partners – Whangarei District Council and Northland Waste Limited. The General Partner is Whangarei Waste Limited.

The Limited Partnership is a CCTO. On creation, assets owned by Council were sold to the Limited Partnership on a deferred payment basis over four years. Council's Prospective Statement of Financial Position records Council's investment in the Limited Partnership and the remaining balance of the loan for the sale of assets.

The day-to-day operational activities of the Partnership are managed by Quay Contracting Limited, a subsidiary of Northland Waste Limited. The main activity of the Partnership is to provide waste disposal facilities in the Whangarei District.

The scope of activities of the Limited Partnership is to:

- own and operate the Puwera Landfill
- own, operate and manage ReSort Resource Recovery Park
- conduct such other waste collection and waste management and minimisation activities as the parties agree shall be dealt with by the Limited Partnership from time to time.

### **KEY PERFORMANCE TARGETS AND MEASURES**

NRLLP is a 'for profit' entity operating in a very competitive environment. Commercial sensitivity precludes the publication of business performance measures.

# Local Government Funding Agency

The Local Government Funding Agency (LGFA) is not a subsidiary of Council. It is a separate entity, jointly owned by the Crown and 40 local authorities, including Council. The LGFA raises debt funding either domestically and/or offshore in either New Zealand dollars or foreign currency and provides debt funding to New Zealand local authorities.

The LGFA will operate with the primary objective of optimising debt funding terms and conditions for participating Local Authorities. Among other things this includes:

- providing debt to participating local authorities at the lowest possible interest rates commensurate with the relevant maturity
- making longer-term borrowing available to participating local authorities
- enhancing the certainty of access to debt markets for participating local authorities, subject always to operating in accordance with sound business practice.

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# *Financial information*

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# Financial statements

## Prospective Statement of Comprehensive Revenue and Expenditure

LTP Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	LTP Year 2 2019-20 \$000	Variance \$000
<b>Revenue</b>				
97,322	Rates	101,776	101,592	185
4,640	Development and other contributions	4,794	4,794	-
22,524	Subsidies and grants	26,296	25,539	757
14,144	Fees and charges	15,216	14,863	353
53	Interest revenue	548	46	503
13,013	Other revenue	13,050	13,225	(175)
<b>151,696</b>	<b>Total revenue</b>	<b>161,680</b>	<b>160,058</b>	<b>1,622</b>
<b>Expenses</b>				
65,880	Other expenditure	66,991	66,937	(53)
38,720	Depreciation and amortisation	42,453	40,274	(2,179)
6,609	Finance costs	7,345	7,345	-
29,463	Personnel costs	30,772	30,173	(599)
<b>140,672</b>	<b>Total expenses</b>	<b>147,560</b>	<b>144,729</b>	<b>(2,831)</b>
<b>11,024</b>	<b>Surplus / (deficit) before taxation</b>	<b>14,119</b>	<b>15,329</b>	<b>(1,209)</b>
-	Taxation charge	-	-	-
<b>11,024</b>	<b>Surplus / (deficit) after taxation</b>	<b>14,119</b>	<b>15,329</b>	<b>(1,209)</b>
<b>Other comprehensive revenue and expenses</b>				
42,003	Gain / (loss) on infrastructure asset revaluation	17,395	17,395	-
-	Gain / (loss) on other asset revaluations	-	-	-
<b>53,027</b>	<b>Total comprehensive income</b>	<b>31,515</b>	<b>32,724</b>	<b>(1,209)</b>

## ***Prospective Statement of Changes in Net Assets / Equity***

Year 1 2018-19 \$000		Annual Plan 2019-20 \$000	LTP Year 2 2019-20 \$000
1,480,857	Opening balance as at 1 July	1,577,537	1,533,884
53,027	Total comprehensive revenue and expense	31,515	32,724
-	Adjustments and contributions to net assets/equity	-	-
1,533,884	Total recognised net assets/equity as at 30 June	1,609,052	1,566,608

## Prospective Statement of Financial Position

LTP year 1 2018-19 \$000		Annual Plan 2019-20 \$000	LTP year 2 2019-20 \$000
<b>Assets</b>			
<b>Current assets</b>			
300	Cash and cash equivalents	2,894	300
17,057	Debtors and receivables	17,071	18,010
-	Derivative financial instruments	-	-
607	Other financial assets	576	607
822	Other current assets	711	822
-	Assets held for sale	-	-
<b>18,786</b>	<b>Total current assets</b>	<b>21,252</b>	<b>19,739</b>
<b>Non current assets</b>			
10	Derivative financial assets	7	10
	Other financial assets:		
11,589	- Investments held in joint ventures and subsidiaries	12,553	12,601
2,924	- Investments held in other entities	3,137	2,924
1,610,830	Property plant and equipment	1,690,731	1,681,269
8,540	Intangible assets	8,648	10,385
787	Forestry assets	891	787
55,919	Investment properties	56,626	55,919
<b>1,690,599</b>	<b>Total non current assets</b>	<b>1,772,593</b>	<b>1,763,895</b>
<b>1,709,385</b>	<b>Total assets</b>	<b>1,793,844</b>	<b>1,783,634</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
21,615	Payables and deferred revenue	26,159	28,513
283	Derivative financial instruments	304	283
29,000	Current borrowings	23,000	20,000
2,478	Employee benefits liabilities	2,475	2,528
108	Provisions	108	106
<b>53,484</b>	<b>Total current liabilities</b>	<b>52,046</b>	<b>51,430</b>



LTP year 1 2018-19 \$000		Annual Plan 2019-20 \$000	LTP year 2 2019-20 \$000
<b>Non current liabilities</b>			
11,233	Derivative financial instruments	11,881	11,233
108,860	Non-current borrowings	119,000	152,483
399	Employee benefits liabilities	396	407
1,368	Provisions	1,368	1,318
156	Payables and deferred revenue	101	156
<b>122,016</b>	<b>Total non current liabilities</b>	<b>132,746</b>	<b>165,597</b>
<b>175,500</b>	<b>Total liabilities</b>	<b>184,793</b>	<b>217,027</b>
<b>1,533,885</b>	<b>Net assets</b>	<b>1,609,052</b>	<b>1,566,607</b>
<b>Equity</b>			
896,165	Retained earnings	940,266	921,498
71,933	Other reserves	67,155	61,928
565,787	Asset revaluation reserve	601,630	583,180
<b>1,533,885</b>	<b>Total equity attributable to Council</b>	<b>1,609,052</b>	<b>1,566,607</b>

## Prospective Statement of Cash flows

LTP year 1 2018-19 \$000		Annual Plan 2019-20 \$000	LTP year 2 2019-20 \$000
<b>Cash flows from operating activities</b>			
96,625	Receipts from rate revenue	101,064	100,964
22,373	Subsidies and grants received	26,117	25,404
13,107	Other revenue including development contributions	13,239	13,367
14,048	Fees and charges received	15,112	14,777
50	Interest received	548	43
540	Dividends received	40	540
(94,346)	Payments to suppliers and employees	(96,419)	(93,659)
(6,609)	Interest paid	(7,345)	(7,345)
<b>45,788</b>	<b>Net cash flow from operating activities</b>	<b>52,357</b>	<b>54,091</b>
<b>Cash flows from investing activities</b>			
-	Proceeds from fixed assets	-	-
-	Receipts from investments and loans	500	-
(58,763)	Purchase and development of fixed assets	(76,989)	(88,712)
-	Purchase of investments and loans provided	-	-
<b>(58,763)</b>	<b>Net cash flow from investing activities</b>	<b>(76,489)</b>	<b>(88,712)</b>
<b>Cash flows from financing activities</b>			
12,974	Proceeds from borrowings	-	34,623
-	Loan repayments received	-	-
-	Repayment of borrowings	-	-
-	Loans granted	-	-
<b>12,974</b>	<b>Net cash flow from investing activities</b>	<b>-</b>	<b>34,623</b>
(1)	Net increase/(decrease) in cash, cash equivalents and bank overdrafts	(24,132)	1
300	Cash, cash equivalents and bank overdrafts at the beginning of the year	27,026	300
300	Cash, cash equivalents and bank overdrafts at the end of the year	2,894	300

## Reserve funds

		Opening balance July 2019	Transfers in	Transfers out	Estimated closing balance 30 June 2020
	Asset revaluation Reserve	584,235	17,395	-	601,630
<b>Activity</b>	<b>Total Asset Revaluation Reserve</b>	<b>584,235</b>	<b>17,395</b>	<b>-</b>	<b>601,630</b>
Governance and strategy	Fishermans Levy - to fund maintenance and upgrading of marine facilities for use by commercial fishing vessels	112	-	112	-
Community Facilities and services	Trust Funds - bequests held for specific purpose	11	-	-	11
Community Facilities and services	Community Development Fund 1 - to provide funding for land for reserves for community facilities on Council owned reserve land	4,134	124	-	4,258
Community Facilities and services	Community Development Fund 2 - to provide funding for community facilities on non-Council reserve land	6,669	200	-	6,870
Community Facilities and services	Community Development Fund 3 - to provide funding for performing arts activities	322	10	-	331
Community Facilities and services	Art Acquisitions - to fund acquisition of artworks	15	-	-	15
Community Facilities and services	Clock Purchases - to fund purchase of clocks for the Claphams Clocks Museum	51	-	-	51
Community Facilities and services	Leonard Library Reserve - bequest for the purchase of library books	257	-	-	257
Governance and strategy	Property Reinvestment Reserve - to fund property purchases for a commercial return	33,523	670	-	34,194
Water	Water Reserve - to hold any surpluses for future funding of water activities	33,712	-	12,744	20,968
Planning and regulatory services	Dog Reserve - to hold any surpluses for future funding of Dog activities	247	-	47	200
<b>Total Reserves and Special Funds</b>		<b>79,054</b>	<b>1,004</b>	<b>12,903</b>	<b>67,155</b>

# Full list of capital projects planned for 2019-20

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Transportation</b>					
Bus Shelters	Bus Shelters	94	-	-	94
Coastal Protection	Coastal Protection Structures - Roding	84	-	-	84
Cycleways	Cycleways - Subsidised	3,182	(1,982)	-	1,200
Footpaths	Footpaths Renewals	372	-	-	372
	New Footpaths	417	-	-	417
Land for Roads	Land for Roads	-	500	-	500
Minor Improvements to Roding Network	Minor Improvements to Network	5,321	1,400	-	6,721
Other Roding Projects	Springs Flat Roundabout	4,170	-	-	4,170
Parking	Parking Renewals	230	-	-	230
Roding Drainage	Drainage Renewals	1,110	-	-	1,110
Roding Subdivision Works Contribution	Subdivision Works Contribution	52	-	-	52
Seal Extensions	Seal Extensions - Unsubsidised	1,061	-	2,000	3,061
Sealed Road Pavement Rehabilitation	Sealed Road Pavement Rehabilitation	4,134	-	-	4,134
Sealed Road Resurfacing	Sealed Road Resurfacing	4,346	-	-	4,346
Streetlights	LED Streetlight Upgrades	-	1,200	-	1,200
Structures Component Replacement	Structures Component Replacement	1,048	-	-	1,048
Traffic Signs & Signals	Traffic Sign & Signal Renewals	890	-	-	890
Transportation Planning Studies & Strategies	Transport Planning Studies & Strategies	261	-	-	261
Unsealed Road Metalling	Unsealed Road Metalling	840	-	-	840
Urban Intersection Upgrades	Urban Intersection Upgrades	2,085	313	-	2,398
<b>Transportation Total</b>		<b>29,699</b>	<b>1,431</b>	<b>2,000</b>	<b>33,129</b>
<b>Water</b>					
Property	Water Property Renewals	94	-	-	94
Water Meters	Water Meter Renewals	365	-	-	365
Water Reservoirs	Reservoir Rehabilitation - Programmed Work	188	139	-	327
	Three Mile Bush Reservoir Additional Capacity	156	-	-	156

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
Water Reticulation	Minor Projects - Emergency Works	313	50	-	363
	Reticulation - Programmed Work	1,981	(645)	(292)	1,043
	Trunkmain Condition Assessments	-	62	-	62
	Waipu Water Reticulation	730	-	(730)	-
Water Treatment Plants	SCADA Upgrade	1,042	(392)	-	650
	Treatment Plant Renewals	-	-	250	250
	Treatment Plant Upgrades	21	-	700	721
	Water Treatment Plant & Equipment Replacement	521	-	-	521
Whau Valley Water Treatment Plant	Whau Valley New Water Treatment Plant	13,551	(585)	3,211	16,177
<b>Water Total</b>		<b>18,961</b>	<b>(1,370)</b>	<b>3,139</b>	<b>20,730</b>
<b>Solid Waste</b>					
Recycling	Recycling Bins Purchase	-	650	-	650
Transfer Stations	Transfer Station Upgrades	-	208	-	208
<b>Solid Waste Total</b>		<b>-</b>	<b>858</b>	<b>-</b>	<b>858</b>
<b>Wastewater</b>					
Laboratory	Laboratory Equipment Renewals & Upgrades	21	-	-	21
Wastewater Asset Management	Wastewater Assessment	44	-	-	44
Wastewater Network	Hikurangi Sewer Network Upgrade	2,085	278	(1,000)	1,363
	Sewer Network Renewal	1,407	(400)	-	1,007
	Sewer Network Upgrades	1,222	(470)	-	752
Wastewater Pump Stations	Wastewater Pump Station Remote Monitoring	110	-	-	110
	Wastewater Pump Station Renewals	405	-	-	405
Wastewater Treatment Plants	Wastewater Reticulation Upgrade	42	-	-	42
	Wastewater Treatment Plant Biogas Generator	-	48	-	48
	Wastewater Treatment Plant Renewals	862	(200)	-	662
	Wastewater Treatment Plant Upgrades	2,339	(950)	-	1,389
<b>Wastewater Total</b>		<b>8,537</b>	<b>(1,694)</b>	<b>(1,000)</b>	<b>5,843</b>

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
<b>Stormwater</b>					
Stormwater Asset Management	Stormwater Catchment Management Plans & Assessments	500	50	-	550
Stormwater Improvements	Stormwater Renewals	1,070	(400)	-	670
	Stormwater Upgrades	290	-	-	290
<b>Stormwater Total</b>		<b>1,860</b>	<b>(350)</b>	<b>-</b>	<b>1,510</b>
<b>Flood Protection</b>					
<b>Flood Protection Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Community Facilities and Services</b>					
<b>Civil Defence</b>					
Civil Defence & Emergency Management	Civil Defence Emergency Management Equipment Renewals	5	10	-	15
	Tsunami Signage	36	8	-	44
	Tsunami Sirens Renewals	18	-	36	54
<b>Civil Defence Total</b>		<b>59</b>	<b>18</b>	<b>36</b>	<b>113</b>
<b>Community Development</b>					
CCTV Network	CCTV Upgrades & Improvements	136	44	-	179
Council-Owned Community Buildings	Community Buildings Renewals & Improvements	213	31	-	243
Pensioner Housing	Pensioner Housing Renewals & Improvements	688	120	-	808
Sense of Place	Community Led Development	418	82	-	500
<b>Community Development Total</b>		<b>1,454</b>	<b>276</b>	<b>-</b>	<b>1,730</b>
<b>Libraries</b>					
Digital Council	Library IT Equipment	104	59	-	163
Library Asset Renewals	Library Renewals	5	-	-	5
Library Books	Book Purchases	674	-	-	674
<b>Libraries Total</b>		<b>784</b>	<b>59</b>	<b>-</b>	<b>843</b>
<b>Parks &amp; Recreation</b>					
Cemeteries	Cemeteries Renewals	204	-	-	204
Coastal Structures	Coastal Structures Renewal	804	(94)	-	710
Neighbourhood & Public Gardens	Dog Park Upgrades	-	22	-	22
	Neighbourhood & Public Gardens Level of Service	-	153	-	153
	Neighbourhood & Public Gardens Renewals	801	432	-	1,233
Playgrounds & Skateparks	Playgrounds & Skateparks Level of Service	120	523	-	643

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
Playgrounds & Skateparks	Playgrounds & Skateparks Renewals	188	-	-	188
Sense of Place	Parks Interpretation Information	44	-	-	44
	Pohe Island Development	1,313	246	-	1,560
	Public Art	44	-	-	44
	Town Basin - Conversion of Carpark to Park	3,648	(600)	-	3,048
	Waterfront Programme	-	-	570	570
	Whangarei City Centre Plan Implementation	1,188	-	-	1,188
Sportsfields & Facilities	Sport & Recreation Growth	894	(403)	-	491
	Sport & Recreation Level of Service	89	-	-	89
	Sport & Recreation Renewals	1,233	139	-	1,372
	Tikipunga Soccer Hub	52	-	-	52
Walkways and Tracks	Walkway & Track Renewals	489	-	-	489
<b>Parks &amp; Recreation Total</b>		<b>11,112</b>	<b>419</b>	<b>570</b>	<b>12,101</b>
<b>Venue and Events Whangarei</b>					
Forum North Venue	Forum North Venue Renewals	23	290	-	313
	Forum North Venue Upgrades	90	75	-	164
Northland Events Centre	NECT Building Renewals	151	51	-	202
	NECT Field Renewals	-	23	-	23
	NECT Light Tower Renewals	-	-	376	376
<b>Venue and Events Whangarei Total</b>		<b>263</b>	<b>439</b>	<b>376</b>	<b>1,078</b>
<b>Community Facilities and Services Total</b>		<b>13,673</b>	<b>1,210</b>	<b>982</b>	<b>15,865</b>
<b>Planning and Regulatory Services</b>					
Dog Pound	Dog Pound Renewals	1,415	(1,219)	-	196
<b>Planning and Regulatory Services Total</b>		<b>1,415</b>	<b>(1,219)</b>	<b>-</b>	<b>196</b>
<b>Governance and Strategy</b>					
Commercial Property	Parihaka Transmission Mast Upgrade	-	900	-	900
	Port Road Site Remediation	-	100	-	100
District Development	District Development Projects	271	-	(271)	-
New Airport Evaluation	New Airport Evaluation	2,321	(1,870)	-	451
<b>Governance and Strategy Total</b>		<b>2,592</b>	<b>(870)</b>	<b>(271)</b>	<b>1,451</b>
<b>Support Services</b>					
Business Improvement	Business Improvement Projects	104	92	-	196
	Workflow Systems Development	-	226	-	226
Business Support	Business Support Projects	104	102	-	206

Programme	Project	LTP 2019-20 \$000	Net timing differences \$000	New/ (savings) \$000	Annual Plan 2019-20 \$000
Civic Buildings	Furniture Renewals	21	-	-	21
	Information Centre Upgrade	-	126	-	126
Civic Centre	Civic Centre	15,194	(14,454)	-	740
Council Vehicle Replacements	Council Vehicle Replacements	219	-	-	219
Digital Council	Asset Management Software Upgrade	822	432	-	1,254
	CiA Upgrade	417	772	-	1,189
	Corporate Performance Management	-	150	-	150
	Customer Access - Online Services	466	(466)	-	-
	Decision Support System Development	-	60	-	60
	Digital District Plan and Policies Online	506	(456)	-	50
	Digital Platform	-	600	-	600
	Digitisation of Records	244	300	-	544
	Electronic LIMs	605	(605)	-	-
	IT Equipment New	52	8	-	60
	IT Equipment Replacement	625	(500)	-	125
	IT Network Upgrades	-	-	110	110
	Minor ICT Projects	83	-	100	183
	Mobility Technology - Building	336	(210)	-	126
	Upgrade Kete SharePoint	261	-	-	261
Support Services Total		20,059	(13,823)	210	6,446
Projects Total		96,795	(15,828)	5,060	86,028

Breakdown of Net Timing Differences	\$000
Less Brought Forward to 2018/19	(7,234)
Plus Carry Forward to 2019/20	27,506
Plus Brought Forward to 2019/20 from future years	3,436
Less Carry Forward to future years	(39,535)
Total net timing differences	(15,828)







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# *Rates information*

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# Funding impact statement

This statement sets out the information required by clause 20 of Schedule 10 of the Local Government Act 2002 to assist ratepayers in understanding the impact of the Annual Plan. This statement should be read in conjunction with the Revenue and Financing Policy prepared as part of the LTP 2018-28 process.

## Financial disclosures

The Local Government Act requires disclosure of all sources of funding in a prescribed format. The Funding Impact Statement showing the overall sources of funding, the amount of funds expected from each source and how those funds will be applied has been included on page xx of this document, which are to be read together with and form part of this Funding Impact Statement.

## Rates

These rates are based on the funding requirements set out in the Annual Plan together with the land values, capital values and property numbers included in Council's Rating Information Database.

## General rates

General rates are set under Section 13 of the Local Government (Rating) Act 2002. Council proposes to set a general rate for all rateable land in our District.

The general rate will be made up of a uniform annual general charge (UAGC) and a value-based general rate.

### Value based general rates

The value-based general rate will be assessed on the land value of each rateable rating unit in our District.

The general rate will be set on a differential basis based on the category of land use or, in certain circumstances, land zoning. The objective of the differential rate is to achieve the total revenue sought from each category of land use, as set out on page 107.

Where a property is used for more than one purpose the value of the property will be apportioned between the different categories. Subject to legal rights of objection, it shall be at the sole discretion of Council to determine the use or principal use of any rating unit.

The value-based general rate for a given property will be assessed by multiplying the land value of the rating unit by the rate per dollar that applies to the category of land use.

### DIFFERENTIAL BASIS

All rating units in our District are allocated to the most appropriate category based on the use to which the land is put or, in specified circumstances, the land's zone. The categories are:

#### Category 1: Residential

All rating units which are used principally for residential or lifestyle residential purposes, including retirement villages, flats and apartments.

#### Category 2: Multi-unit

All rating units used principally for residential purposes and on which is situated multi-unit type residential accommodation that is used principally for temporary or permanent residential accommodation for commercial purposes, including, but not limited to, hotels, boarding houses, motels, tourist accommodation, residential clubs, hostels, but

excluding any properties which are licensed under the Sale and Supply of Alcohol Act 2012.

#### Category 3: Miscellaneous properties

All rating units being any other property not otherwise categorised.

**Category 4: Rural**

All rating units which are used principally for agricultural, horticultural, forestry, pastoral or aquaculture purposes, or for the keeping of bees, poultry or other livestock. This does not include properties which are used for non-economic lifestyle residential purposes, generally 20 hectares or less and where the value of the land exceeds the value of comparable farmland.

**Category 5: Commercial and industrial**

All rating units used principally for commercial, industrial or related purposes or zoned for commercial, industrial or related purposes and not otherwise categorised. For the avoidance of doubt, this category includes properties licensed under the Sale and Supply of Alcohol Act 2012; and private hospitals and private medical centres.

**Uniform Annual General Charge**

The Uniform Annual General Charge (UAGC) is set under Section 15 of the Local Government (Rating) Act 2002. The UAGC will be charged to each separately used or inhabited part (SUIP) of a rating unit. The effect of this is that where a rating unit has more than one use or occupation, a separate charge will apply to each part.

The UAGC is calculated according to the judgement of Council on what is the proper balance between the fixed and variable parts of the general rate and on any consequential impacts on individuals and groups of ratepayers.

A UAGC of \$476.00 (including GST) will apply per SUIP for 2019-20. This is estimated to produce \$20.544 million (including GST) for 2019-20 and equates to 29 percent of general rates revenue and 17 percent of total rates revenue.

**Definition of separately used or inhabited part of a rating unit**

A separately used or inhabited part is defined as:

- any part of a property (rating unit) that is separately used or occupied, or is intended to be separately used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, license, or other agreement
- any part of a rating unit that is separately used, or occupied, or intended to be separately used or occupied by the ratepayer.

Examples include:

- each separate shop or business activity on a rating unit
- each occupied or intended to be occupied dwelling, flat, or additional rentable unit (attached or not attached) on a rating unit
- individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land on a rating unit
- each block of land for which a separate title has been issued, even if that land is vacant.

## General rates for the 2019-20 financial year

Total general rates required for 2019-20 are \$70.323 million GST inclusive. The differential rate in the dollar for each category of land use is set to achieve the share of the total revenue sought from each category. The percentage share of total general rates allocated to each category of land use for 2019-20 is all:

Residential properties	61.49%
Multi-unit properties	0.21%
Miscellaneous properties	0.30%
Rural properties	9.50%
Commercial and industrial properties	28.50%
<b>Total</b>	<b>100%</b>

The process by which the differential rate in the dollar for each category is calculated is set out below.

The amount projected to be collected from UAGCs in each land category is deducted from the total revenue sought from each category. The balance required from each category is divided by total land value of land in that category to establish the cents in the dollar required to achieve the revenue sought from that category. The relationship or differential between the categories will be the result of these calculations.

Details of charges and the amount of revenue sought for the 2019-20 year is:

TYPE OF RATE	Value-based general rates		Uniform Annual General Charge		Total general rates
	Basis of assessment: Per \$ of land value		Basis of assessment: Per separately used or inhabited part of a rating unit		
	Rate or charge 2019-20 (GST inclusive)	Revenue sought 2019-20 (GST inclusive)	Rate or charge 2019-20 (GST inclusive)	Revenue sought 2019-20 (GST inclusive)	Revenue sought 2019-20 (GST inclusive)
Residential category	\$0.0023036	24,523,000	\$476.00	18,722,000	43,245,000
Multi-Unit category	\$0.0046073	124,000	\$476.00	22,000	146,000
Rural category	\$0.0031177	5,860,000	\$476.00	820,000	6,680,000
Commercial and Industrial category	\$0.0154187	19,144,000	\$476.00	897,000	20,041,000
Miscellaneous category	\$0.0023036	128,000	\$476.00	83,000	211,000
<b>Total</b>		<b>49,779,000</b>		<b>0,544,000</b>	<b>70,323,000</b>

# Targeted rates for the 2019-20 financial year

Targeted rates are set under Section 16 of the Local Government (Rating) Act 2002. Targeted rates are used where a Council service provides a specific activity or a benefit to a specific group of people and consequently it is these beneficiaries that are charged the cost of providing the service. It may apply to all ratepayers or a specific group of ratepayers.

## Roading schemes

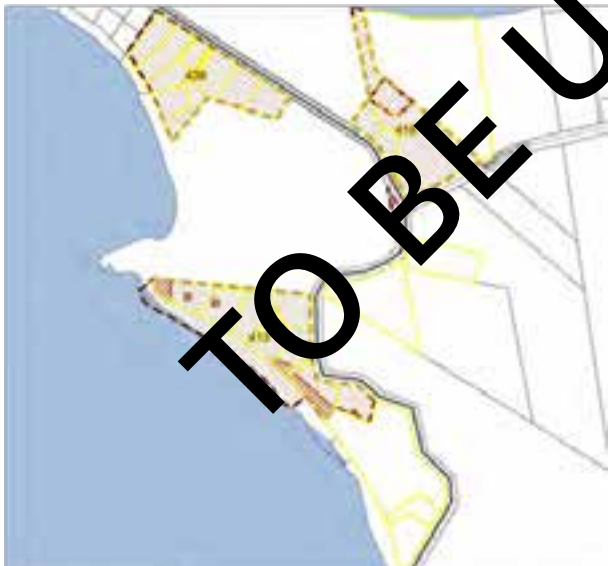
Targeted rates are set for specific activities under Section 16 of the Local Government Rating Act 2002 and apply to properties within a defined area of benefit. Rates for the schemes noted below recover a contribution of the costs of capital works over a five-year period. The maps show the area of benefit and therefore the area of rateable land, in relation to each roading scheme on each map, all properties on the streets marked in yellow are rateable in respect of that roading scheme.

### ROADING – SEAL EXTENSIONS – WHANGARURU NORTH ROAD

The sealing of Whangaruru North Road was undertaken by Council and a portion of the costs were to be recovered by those in the area of benefit.

The costs were to be recovered by way of a targeted rate over five years as a fixed amount per rating unit of \$575.00. This is estimated to produce \$17,250 for 2019-20. 2019-20 is the fifth year of this charge.

#### Whangaruru North Road – Area of benefit



### ROADING – SEAL EXTENSIONS – MCKINLEY ROAD

The sealing of McKinley Road was undertaken by Council and a portion of the costs were to be recovered by those in the area of benefit.

The costs were to be recovered by way of a targeted rate over five years as a fixed amount per rating unit of \$575.00. This is estimated to produce \$22,425 for 2019-20. 2019-20 is the fifth year of this charge.

#### McKinley Road – Area of benefit



## Sewerage disposal rate

The activity for which the targeted rate is set is the operation and maintenance of the sewerage disposal system. The targeted rate will be set and assessed per separately used or inhabited part of a rating unit (as defined on page 99) where the SUIP is connected to Council's wastewater system. The targeted rate is set on a differential basis. Residential connections will pay a fixed amount regardless of the number of toilet pans or urinals. Other premises, i.e. non-residential, will pay a fixed charge per toilet pan or urinal.

Details of rates for and the amount of revenue sought from, targeted rates for sewage disposal are:

TYPE OF RATE	BASIS OF ASSESSMENT	RATE OR CHARGE 2019-2020 (GST INCLUSIVE)	REVENUE SOUGHT 2019-2020 (GST INCLUSIVE)
<b>Total</b>			<b>\$21,833,000</b>
Residential category	Per separately used or inhabited part of a rating unit	\$741.00	\$17,618,000
Other-non residential	Per toilet pan or urinal	\$482.00	\$4,215,000

## District-wide refuse management rate

The activity funded by this targeted rate is the provision of refuse services not funded by user charges at transfer stations or the per bag charge (paid by stickers or official rubbish bags) for refuse collected at the kerbside. The targeted rate will be applied on a uniform basis to all rateable properties and assessed to all separately used or inhabited parts of a rating unit (as defined on page 99).

It funds kerbside and other recycling, litter bins, clearing of refuse from parks/reserves and streets, roadside rubbish, dealing with hazardous wastes, removing abandoned vehicles and the seasonal clean-ups required at beaches and other tourist locations. Costs associated with Council's waste minimisation programme are also included.

Also included is the cost of staffing transfer stations to ensure appropriate waste management of hazardous substances and to recover material such as steel and timber to minimise the items that would normally be dumped as waste through the landfill. These are services that benefit the whole District rather than individual users of our District's rubbish collection and disposal services.

A uniform targeted rate of \$287.00 (including GST) will apply per SUIP (as defined at page 99) for 2019-20. This is estimated to produce \$1.086 million (including GST) for 2019-20.



## Water rate

The activity for which the targeted rate is set is for the catchment, storage, treatment and distribution of water throughout various parts of our District. A targeted rate set under section 19 of the Local Government (Rating) Act 2002 will apply for water consumption based on water consumed as recorded by a water meter on a per cubic metre basis. The targeted rate under section 19 will be calculated as a fixed charge per unit (cubic metre) of water consumed ("Volumetric consumption charge").

A fixed targeted rate set under section 16 of the Local Government (Rating) Act 2002 will apply to all connected and metered properties ("Supply charge"). This is in addition to the volumetric consumption charge.

A fixed targeted rate set under section 16 of the Local Government (Rating) Act 2002 will apply per SUIP of a rating unit for those premises where consumption of water is not recorded through a meter, but the property is connected to any of our District's water supply systems ("Uniform charge (unmetered)"). A further supply charge is not applied where the uniform unmetered water charge is set.

A fixed targeted rate set under section 16 of the Local Government (Rating) Act 2002 will apply per SUIP of a rating unit for availability of water ("Availability charge") where premises are capable of being connected to the water supply as they are situated within 100 metres of any public water supply reticulation system, but are not connected.

Targeted rates for back flow prevention apply to all properties which have a back-flow preventer connected. The revenue will be used for the monitoring and maintenance of the back-flow preventers. The rate will be assessed on the size of the back-flow preventer.

### DETAILS OF RATES FOR AND THE AMOUNT OF REVENUE SOUGHT FROM, TARGETED RATES FOR WATER

Type of rate	Basis of assessment	Rate or charge 2019-20 (GST inclusive)	Revenue sought 2019-20 (GST inclusive)
<b>Water rate</b>			<b>\$17,305,000</b>
Volumetric consumption charge	Volumetric of metered water consumed per cubic metre	\$2.26	N/A
Supply charge (metered)	Provision of service per separately used or inhabited part of a rating unit	\$34.50	\$903,000
Availability charge	Availability of service per separately used or inhabited part of a rating unit	\$34.50	\$7,000
Uniform charge (unmetered)	Provision of service per separately used or inhabited part of a rating unit	\$474.00	\$37,000
Backflow preventer charge	Provision of service per connection based on the nature of connection		N/A
	15/20mm connection	\$80.42	
	25mm connection	\$81.52	
	32mm connection	\$96.44	
	40mm connection	\$98.69	
	50mm connection	\$102.39	
	80/100mm connection	\$257.89	
	150mm connection	\$301.90	
	200mm connection	\$500.01	

## Flood protection rate

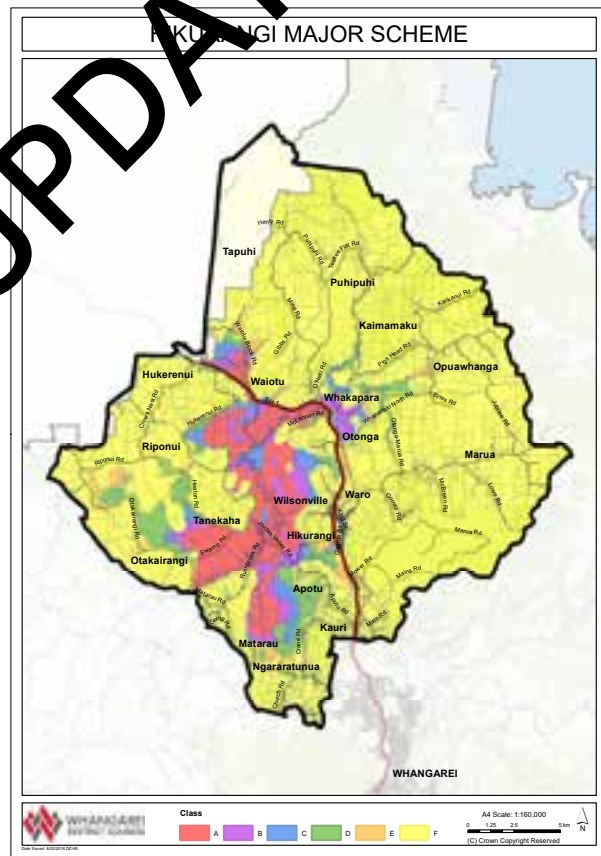
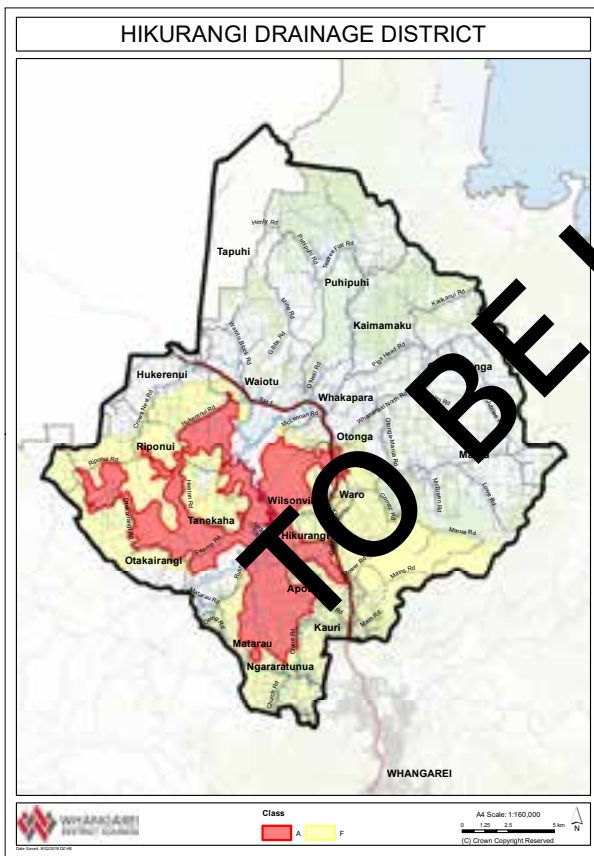
### HIKURANGI SWAMP RATING DISTRICTS

A targeted rate applies to properties in the Hikurangi Swamp Special Rating District. The area of land within this special rating district is divided into classes based on location and area of benefit or effect of the scheme on a property. The activity funded by this targeted rate is to defray the costs of the Hikurangi Swamp Major Scheme set out on page 50 of the LTP.

The targeted rate is based on a differential graduated scale according to the class of the property and the area of land within the rating unit. Some properties may have areas of land which fall into several classes and the rating differentials are applied accordingly. The targeted rate per hectare for each category (class) of land is set out on the diagram below.

A second targeted rate applies to properties in the Hikurangi Swamp Drainage Rating District. The activity funded by this targeted rate is to defray the costs and charges of the Hikurangi Swamp draining scheme. The targeted rate applies differentially to two categories of land: class A and class F as set out on the Drainage District Diagram below. The targeted rate for each category is based on a differential graduated scale according to the class of the property and the area of land within the rating unit. The targeted rate per hectare for each category (class) of land is set out on the diagram below.

The Hikurangi Swamp rates are projected to increase 8% this year to fund additional expenditure required to maintain the effectiveness of the scheme as outlined in the LTP.



BASIS OF ASSESSMENT	RATE OR CHARGE 2019-2020 (GST INCLUSIVE)	REVENUE SOUGHT 2019-2020 (GST INCLUSIVE)
		\$1,391,000
Per hectare of land in the Hikurangi Swamp Special Rating area		\$1,245,000
Class A approx 2935 ha	\$203.13	
Class B approx 1464 ha	\$182.43	
Class C approx 1474 ha	\$142.20	
Class D approx 1860 ha	\$20.36	
Class E approx 991 ha	\$10.24	
Class F approx 31412 ha	\$4.09	
Per hectare of land in the Hikurangi Swamp Drainage Rating District		\$146,000
Class A approx 5021 ha	\$27.50	
Class F approx 11571 ha	\$2.55	

## Lump sum contributions

Lump sum contributions will not be invited or accepted in respect of any targeted rate.

## Discount for full payment of annual rates

Where the total year's land rates and any arrears are paid in full by the due date of the first instalment a discount will apply excluding roading scheme targeted rates. Full details of the actual discount amount available will be included on the rates assessment/invoice.

	Due date	Discount
Full payment of annual land rates and any arrears. (Water rates no longer receive discount for early payment)	20 August 2019	Discount 2.0%

## Due dates for rates

### Due dates and penalty dates for land rates paid by instalments

A 10% penalty will be added to the amount of each instalment which remains unpaid after the due date for payment as shown in the following table:

	Due date	Late payment penalty	Date penalty applied
Instalment one	20 August 2019	Penalty 10%	23 August 2019
Instalment two	20 November 2019	Penalty 10%	25 November 2019
Instalment three	20 February 2020	Penalty 10%	25 February 2020
Instalment four	20 May 2020	Penalty 10%	25 May 2020

## Due dates and penalty dates for water rates

Water accounts are processed monthly, two-monthly or six-monthly. Council agrees that the due dates of these accounts will be relative to the consumer's cyclic billing period and will show on the water rates invoice in accordance with the table that follows. A penalty of 10% will be applied to amounts unpaid after the due date, in accordance with the following table:

Month water rates invoice issued	Due date for payment	Date penalty will be added
July	20 August 2019	23 August 2019
August	20 September 2019	25 September 2019
September	23 October 2019	23 October 2019
October	20 November 2019	25 November 2019
November	20 December 2019	24 December 2019
December	21 January 2020	23 January 2020
January	20 February 2020	25 February 2020
February	20 March 2020	23 March 2020
March	22 April 2020	23 April 2020
April	20 May 2020	25 May 2020
May	20 June 2020	24 June 2020
June	22 July 2020	23 July 2020

## Payment options

Payments for land and water rates can be made:

- by direct debit weekly, fortnightly, monthly, quarterly or annually – our preferred method
- online at [www.wdc.govt.nz/Pay](http://www.wdc.govt.nz/Pay) with a debit or credit card (please note additional charges may apply)
- internet banking
- by posting a cheque to us: Private Bag 9023, Whangārei 0148
- by cheque, cash, EFTPOS or credit card at our offices: Forum North, Rust Avenue, Whangārei or 8 Takutai Place, Ruakaka.
- All payments will be credited first to the oldest amount due.

## Additional charges

### Additional penalty on arrears for land and water rates

All rates (land and water) from the previous rating years that remain unpaid as at 4 July 2019 will have a further 10% penalty added. This penalty will be added on 4 September 2019.

## Remission and postponement policies

Remission and postponement policies are applied where Council has adopted a policy to alter the amount of rates payable in specific circumstances. These policies may be obtained from our website or on request in person or by phone.

## Rating base information

The following information is required to be provided by the Local Government Act 2002, Schedule 10, section 20A:

- the projected number of rating units within Whangarei District at 30 June 2019 is 42,281
- the projected total capital value of rating units within Whangarei District at 30 June 2019 is \$28,746,794,000
- the projected total land value of rating units within Whangarei District at 30 June 2019 is \$14,538,031,000.

## Sample of properties showing rates for 2019-20

Randomly selected sample of properties from each category.

The rates are based on values assigned as at 1 August 2018. Please note – Northland Regional Council rates are not included. Please refer to their Annual Plan for the impact of their rates on your property.

	2018-19	2019-20
<b>Residential property in urban area with a land value of \$154,000 (2018-19 \$102,000)</b>		
General rate - land value	\$352.97	\$354.76
Uniform Annual General Charge	\$458.00	\$476.00
Sewerage disposal rate	\$709.00	\$741.00
District-wide refuse management rate	\$179.00	\$187.00
<b>Total</b>	<b>\$1,698.97</b>	<b>\$1,758.76</b>
<b>Residential property in urban area with a land value of \$448,000 (2018-19 \$280,000)</b>		
General rate - land value	\$968.94	\$1,032.03
Uniform Annual General Charge	\$458.00	\$476.00
Sewerage disposal rate	\$709.00	\$741.00
District-wide refuse management rate	\$179.00	\$187.00
<b>Total</b>	<b>\$2,314.94</b>	<b>\$2,436.03</b>
<b>Residential (lifestyle) property with a land value of \$570,000 (2018-19 \$365,000)</b>		
General rate - land value	\$1,263.08	\$1,313.07
Uniform Annual General Charge	\$458.00	\$476.00
District-wide refuse management rate	\$179.00	\$187.00
<b>Total</b>	<b>\$1,900.08</b>	<b>\$1,976.07</b>
<b>High value residential (lifestyle) property with a land value of \$2,112,000 (2018-19 \$1,320,000)</b>		
General rate - land value	\$3,439.74	\$3,583.79
Uniform Annual General Charge	\$458.00	\$476.00
District-wide refuse management rate	\$179.00	\$187.00
<b>Total</b>	<b>\$4,076.74</b>	<b>\$4,246.79</b>

	2018-19	2019-20
<b>Rural property with a land value of \$806,000 (2018-19 \$733,000)</b>		
General rate - land value	\$2,406.81	\$2,512.87
Uniform Annual General Charge	\$458.00	\$476.00
District-wide refuse management rate	\$179.00	\$187.00
<b>Total</b>	<b>\$3,043.81</b>	<b>\$3,175.87</b>
<b>Rural property with a land value of \$2,570,000 (2018-19 \$2,320,000)</b>		
General rate - land value	\$7,617.72	\$8,012.49
Uniform Annual General Charge	\$458.00	\$476.00
District-wide refuse management rate	\$179.00	\$187.00
<b>Total</b>	<b>\$8,254.72</b>	<b>\$8,675.49</b>
<b>Commercial property with a land value of \$496,000 (2018-19 \$325,000)</b>		
General rate - land value	\$7,310.19	\$7,647.68
Uniform Annual General Charge	\$458.00	\$476.00
Sewerage disposal rate (1 pan)	\$457.00	\$482.00
District-wide refuse management rate	\$179.00	\$187.00
<b>Total</b>	<b>\$8,404.29</b>	<b>\$8,792.68</b>
<b>Industrial property with a land value of \$2,290,000 (2018-19 \$1,400,000)</b>		
General rate - land value	\$33,739.80	\$35,308.82
Uniform Annual General Charge	\$458.00	\$476.00
Sewerage disposal rate (5 pans)	\$2,285.00	\$2,410.00
District-wide refuse management rate	\$179.00	\$187.00
<b>Total</b>	<b>\$36,661.80</b>	<b>\$38,381.82</b>

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# *Supporting information*

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# Financial prudence benchmarks

## Annual plan disclosure statement for period commencing 1 July 2019

### What is the purpose of this statement?

The purpose of this statement is to disclose Council's planned financial performance in relation to various benchmarks to enable the assessment of whether Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its long-term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations ([www.legislation.govt.nz](http://www.legislation.govt.nz)) for more information, including definitions of some of the terms used in this statement.

Benchmark	Limit	Planned	Met
Rates affordability benchmarks			
Income	70%	54%	Yes
Increases	5.3%	5.1%	Yes
Debt affordability benchmarks			
External debt	175%	86%	Yes
Net interest to rates revenue	25%	7%	Yes
External debt per capita	\$2,241	\$1,497	Yes
Balanced budget benchmark	100%	104%	Yes
Essential services benchmark	100%	169%	Yes
Debt servicing benchmark	15%	4.8%	Yes



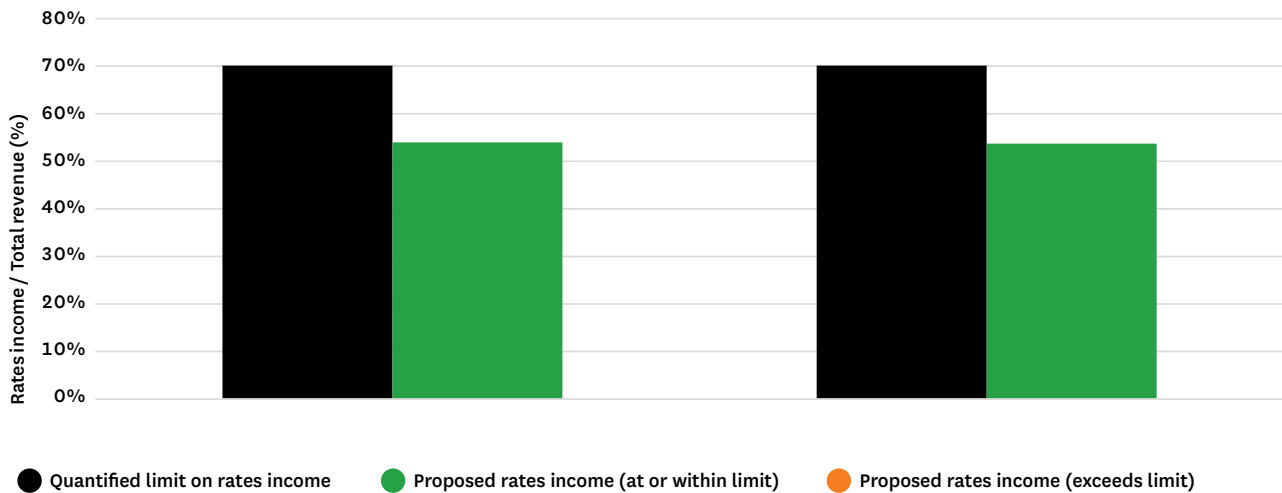
## Rates affordability benchmarks

Council meets the rates affordability benchmark if:

- its planned rates income equals or is less than each quantified limit on rates; and
- its planned rates increases equal or are less than each quantified limit on rates increases.

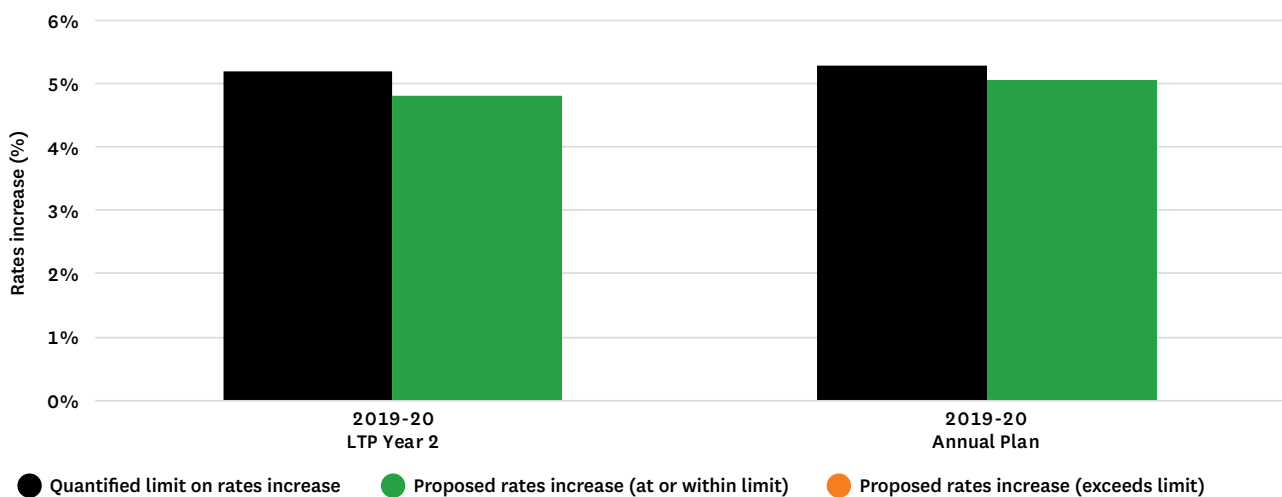
### Rates (income) affordability

The following graph compares Council's planned rates with a quantified limit on rates contained in the financial strategy included in the long-term plan. The quantified limit is that rates income (excluding water) will not exceed 70% of total revenue.



### Rates (increases) affordability

The following graph compares Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in the long-term plan. The quantified limit is that the rates increase should not exceed LGCI plus 2% plus 1% growth annually.

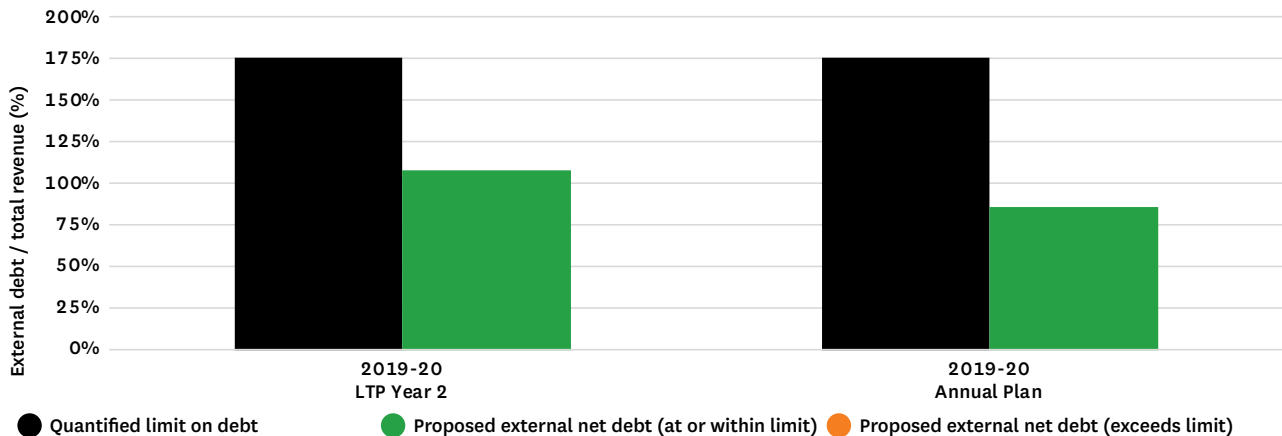


## Debt affordability benchmarks

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

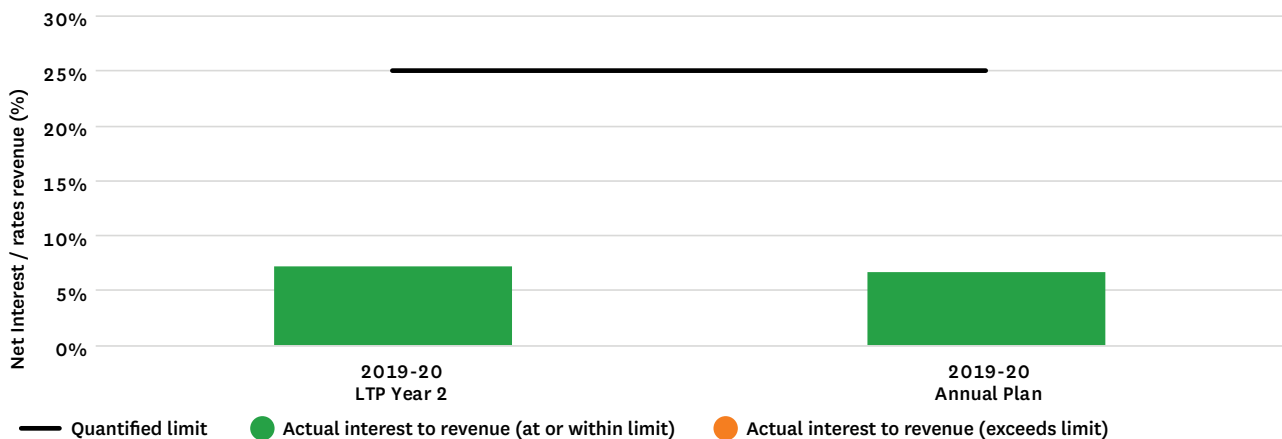
### External debt

The following graph compares Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this long-term plan. The quantified limit is that net debt be no higher than 175% of total revenue.



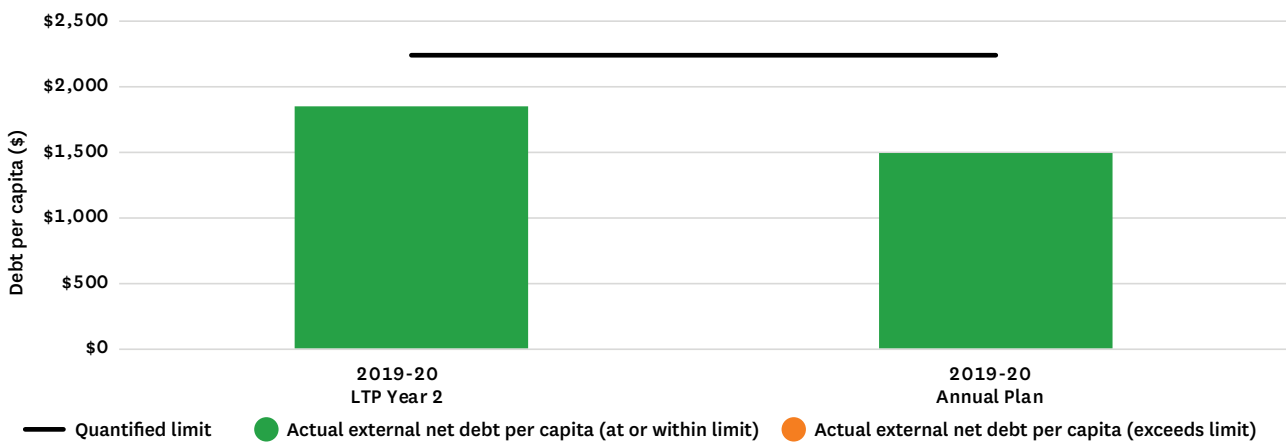
### Net interest to rates revenue

The following graph compares Council's planned interest on debt with a quantified limit on borrowing contained in the financial strategy included in the long-term plan. The quantified limit is that planned net interest should not exceed 25% of total rates revenue.



## External debt per capita

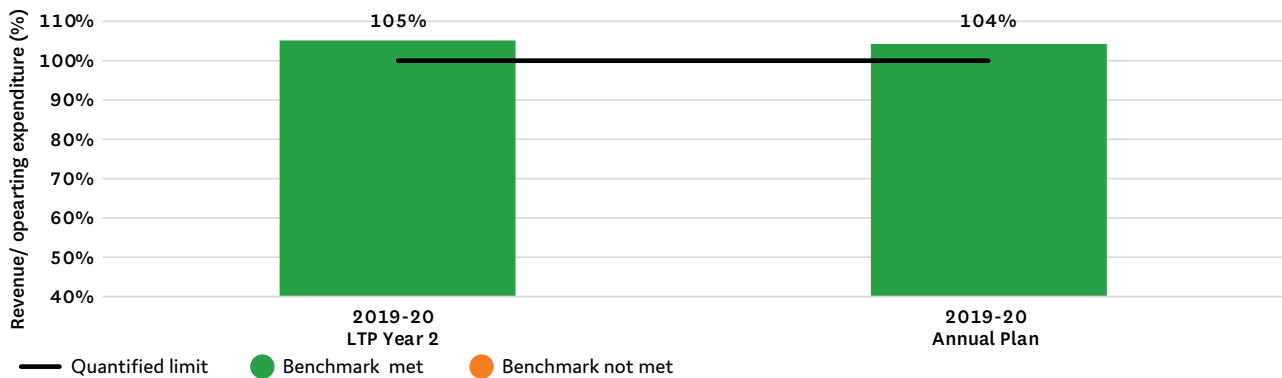
The following graph compares Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in the long-term plan. The quantified limit is that external net debt per capita be less than \$2,241 .



## Balanced budget benchmark

The following graph displays Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment).

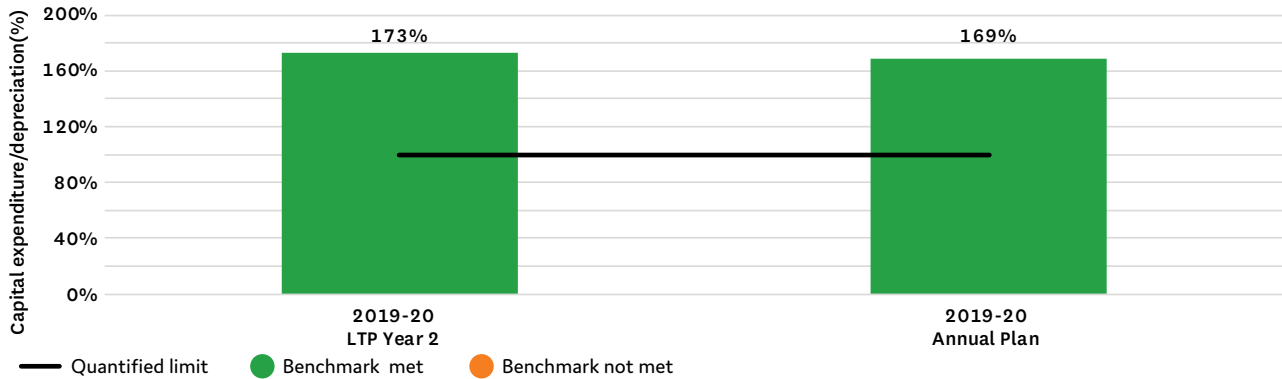
Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



## Essential services benchmark

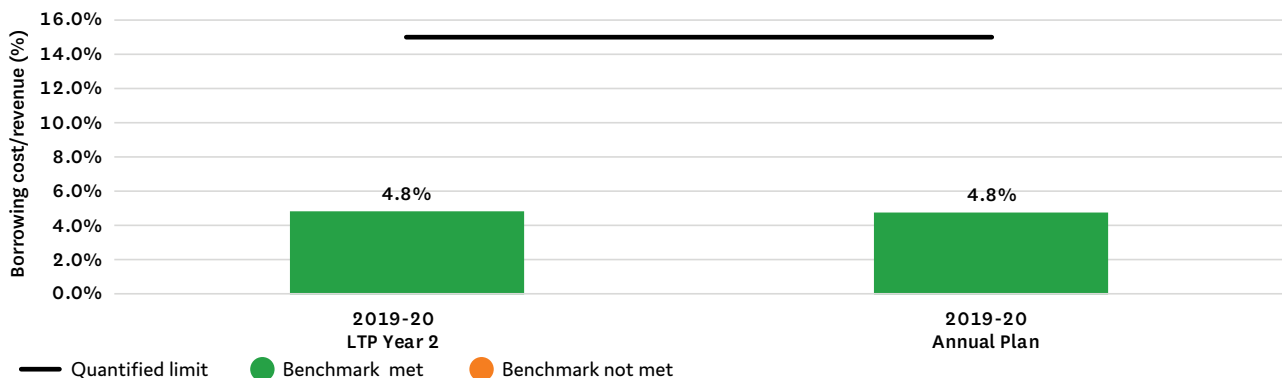
The following graph displays Council's planned capital expenditure on network services as a proportion of expected depreciation on those same network services.

Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



## Debt servicing benchmark

The following graph displays Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects Council's population will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.



# 2019-20 Annual Plan significant forecasting assumptions

	Financial risk	Impact for high financial risk assumptions	Level of uncertainty	Financial impact for assumption with high level of uncertainty
<b>General assumptions</b>				
<p><b>District growth:</b> the number of residential ratepayers in Whangarei is expected to grow each year as more dwellings are built or properties divided – details of expected areas of growth are outlined in Council's Growth Strategy which can be viewed on Council's website.</p> <p><b>Development contributions:</b> the value of development contributions collected is dependent on the number of subdivision lots developed and on the level of new service connections taking place. Development contributions (DC's) are forecast based on historical data with a growth factor applied. Council has assumed no effect from proposed changes to the current DC policy.</p>	High	The level of subdivision and development activity is difficult to forecast and carries a high level of uncertainty. Should Development Contributions revenue drop further in the future there may need to be a corresponding reduction in Council expenditure.	High	Every 1% of Development Contribution revenue not achieved will lead to a reduction in income of approximately \$48k, reducing available funding for Council activity.
<p><b>Rate Increase:</b> the following rates increases have been applied in line with the Financial Strategy contained within the 2018-28 Long Term Plan:</p> <p>Rates (excluding metered water and Flood Protection): LGCI + 2% + growth.</p> <p>Metered Water: Growth</p> <p>Flood Protection: 8%</p> <p>These increases are considered to be necessary in order to ensure that rates income is sufficient for funding purposes.</p>	Low	Not applicable	Low	Not applicable
<p><b>Inflation:</b> The impact of Inflation has been factored into producing the prospective financial statements. This has been achieved by using price level adjusters sourced from BERL. The main financial risk for council is that operating and capital expenditure items rise faster than revenue items but the likelihood of this is considered to be low.</p>	Medium	Not applicable	High	If inflation is 1% more or less than the forecast Local Government Cost Index of 2.3% in year one of the LTP, total revenue would vary by approximately \$1.59M, total expenditure by approximately \$1.48M, and the net surplus would move by approximately \$110k.

	Financial risk	Impact for high financial risk assumptions	Level of uncertainty	Financial impact for assumption with high level of uncertainty
<b>User fees:</b> increases are based on a percentage increase for District Growth, or in line with actual expected cost increase (as disclosed in the price level adjusters table following these assumptions) which is assumed to be sufficient for funding purposes. These will be reviewed annually to ensure compliance with Council's financial policies.	Medium	Not applicable	Medium	Not applicable
<b>Forestry revaluation:</b> Council has not budgeted for fair value movements in forestry due to the uncertainty of prediction. Any fair value movement will be non-cash and have an immaterial impact.	Low	Not applicable	Medium	Not applicable
<b>Rental income:</b> Council has assumed rental increases will be based on the anticipated increases, timed to coincide with rental lease renewals.	Low	Not applicable	Low	Not applicable
<b>Investment property revaluation:</b> Council has not budgeted for fair value movements in investment properties due to the uncertainty of prediction. Any fair value movement will be non-cash and have an immaterial impact.	Low	Not applicable	Medium	Not applicable
<b>Climate change:</b> Council's Activity Management Planning Policy and Practice Document contains the following Policy Statement on Climate Change: 'Whangarei District Council shall consider the effects of climate change on the activity in accordance with the latest Ministry for the Environment guidelines.  The impact on Council's infrastructure over the 10 years of the LTP is considered acceptable when compared with the currently-used design standards for new infrastructure, providing Ministry of Environment predictions are generally accurate.	Low	Not applicable	Medium	Not applicable
<b>Expenditure assumptions</b>				
<b>Interest rates:</b> the average cost of borrowing has been assumed to be 4.46% for existing and new debt. This is based on the weighted average cost of capital calculated across the period of the Annual Plan. Council has a comprehensive interest rate hedging program which protects against interest rate rises through the life of the plan.	Medium	Interest rate risk exposure is managed through long term swaps and forward rate cover.	Medium	A 1% movement in interest, after factoring in the impact of hedging utilising long term swaps would affect the operating budgets by an average of \$428k pa.
<b>Depreciation funding:</b> Capital expenditure to replace assets ('renewals') will be funded by rates collected to cover the cost of depreciation. Any surplus depreciation component will be used to repay borrowings. Any shortfall in funding requirements will be met through subsidies, operating surplus or increased debt. Further information can be found in the Revenue and Financing Policy, the Financial Strategy and the Infrastructure Strategy.	Medium	Not applicable	Medium	Not applicable

	Financial risk	Impact for high financial risk assumptions	Level of uncertainty	Financial impact for assumption with high level of uncertainty
<b>Unfunded depreciation:</b> Council does not fund depreciation on transportation assets to the extent that NZTA funds renewals, and this replacement capital expenditure is based on current NZTA funding rates.	Low	Not applicable	Low	Not applicable
<b>CAPEX borrowings:</b> the borrowings for capital expenditure are assumed to be repaid at the shorter of the life of the asset or 20 years for determining the funding for that asset.	Medium	Not applicable	Low	Not applicable
<b>CAPEX:</b> capital expenditure projects are assumed to be completed in the years in which they are budgeted for.  Any carry forwards in a year are usually at a similar level to the previous year, resulting in a minimal net effect.	Medium	Not applicable	Medium	Not applicable.
<b>Asset assumptions</b>				
<b>Subsidies:</b> New Zealand Transport Agency (NZTA) subsidies have been included based on Central Government contributions to certain Capital Expenditure - subsidies average 53%. All subsidies are disclosed within the operating revenue and are contingent on the applicable capital projects taking place.  Council has assumed that there are no changes to the subsidy rates in this Annual Plan. The granting of subsidies for specific programmes are contingent on being approved by NZTA. Council will not know whether projects for which they have applied for funding from NZTA are approved until after the Annual Plan is adopted.	High	If a planned significant capital project that has a capital subsidy associated with it is not approved by NZTA then this will cause a reduction in capital subsidy income and could possibly cause an existing balanced budget in a given year (from a DIA perspective) to become unbalanced.	High	If a planned significant capital project that has a capital subsidy associated with it is not approved by NZTA then this will cause a reduction in capital subsidy income and could possibly cause an existing balanced budget in a given year (from a DIA perspective) to become unbalanced.
<b>Depreciation:</b> depreciation rates for each asset group have been calculated using rates included in the Accounting Policies.  Depreciation rates on infrastructural assets are based on the 2017 revaluation rate average for each activity. Depreciation expense is reduced by an average rate of renewals, assuming capex built to replace existing assets will only marginally increase depreciation.	Low	Not applicable	Medium	Not applicable
<b>Infrastructural asset revaluation:</b> An assumption has been made that revaluation of infrastructure assets will occur every three years, with the next due 30th June 2019. For each revaluation year an inflationary rate (BERL) has been applied to the previous years' asset value to arrive at an estimated depreciated replacement cost. The depreciation expense has been calculated on the new revaluation balance. Differences in value have been attributed to individual asset revaluation reserves.	Medium	Not applicable	Medium	Not applicable
<b>Roading Asset revaluation:</b> The revaluation of the Roothing Assets will occur yearly.	Low	Not applicable	Low	Not applicable

	Financial risk	Impact for high financial risk assumptions	Level of uncertainty	Financial impact for assumption with high level of uncertainty
<b>Pensioner Housing revaluation:</b> The revaluation of Pensioner housing will remain at 5 year intervals.	Low	Not applicable	Low	Not applicable
<b>Useful lives:</b> useful lives for each asset group have been listed in the Accounting Policies.	Low	Not applicable	Low	Not applicable
<b>Vested Assets:</b> Vested Asset income is inconsistent from year to year and as a consequence is difficult to forecast. It has therefore been reflected at a flat rate of \$3M per year in the Plan. Vested asset income has no cash impact.	Low	Not applicable	Low	Not applicable
<b>Funding sources:</b> future replacement of significant assets is assumed to be funded in line with the Revenue and Financing Policy.	Low	Not applicable	Low	Not Applicable
<b>Other Financial Assets:</b> No movement in the value of Shares held in Civic Assurance Limited and the New Zealand Local Government Funding Agency has been assumed in the forecast nor any movement in the value of investments in subsidiaries.	Low	Not applicable	Low	Not Applicable
<b>Investment Properties:</b> No movement in the value of investment properties has been reflected in the Plan given the difficulty of forecasting future values and also taking into consideration that if values were forecast to change, it would not have an impact on cash requirements.	Low	Not applicable	Low	Not Applicable
<b>Biological Assets and Derivative Financial Assets:</b> No movement in the value of biological assets, intangible assets and derivative financial assets has been reflected in the Plan due to difficulty in forecasting future values. Any movements in these assets would have no cash impact to the Plan.	Low	Not applicable	Low	Not Applicable
<b>Liability assumptions</b>				
<b>Interest:</b> interest calculated on debt is based on historical average monthly movement and the impact of current and forecasted interest rate hedging.	Medium	Not applicable	Medium	Not applicable
<b>Borrowings:</b> it is assumed that Council will have the facilities to secure funding as required.	Low	Not applicable	Low	Not applicable
<b>Derivative Financial Liabilities:</b> No movement in the value of derivative financial liabilities has been reflected in the Plan due to difficulty in forecasting future values. Any movements in these assets would have no cash impact to the Plan.	Low	Not applicable	Low	Not applicable
<b>Strategic</b>				
<b>Resource Consents:</b> The necessary Resource Consents required for capital projects will be applied for in due course to align with the planned project timeframes. We assume conditions for Resource Consents will not alter budgeted project costs significantly.	Low	Not applicable	Low	Not applicable
<b>Other Assumptions</b>				



	Financial risk	Impact for high financial risk assumptions	Level of uncertainty	Financial impact for assumption with high level of uncertainty
<b>Strategic assets:</b> Council has not planned for the ownership of any strategic assets to be transferred to another party. Council receives vested assets in satisfaction of various development contribution charges.	Low	Not applicable	Low	Not applicable
<b>Forecasts:</b> Business and Economic Research Limited (BERL) constructed the forecast increases in revenues (excluding rates) and costs for Local Authorities in September 2018 for use in their budgeting processes for the Plan. It is assumed these factors are appropriate for Council forecasts.	Medium	Not applicable	Medium	Not applicable
<b>Currency Movement:</b> Council does not have any significant exposure to currency movements and consequently has not specifically taken them into account.	Low	Not applicable	Low	Not applicable
<b>Emissions trading scheme:</b> The scheme has been implemented, however until Ministry for the Environment have considered the likely charges to stay and the price increase, Council will assume nil charges.	Medium	Not applicable	Medium	Not applicable
<b>Local Government Reorganisation:</b> Council has developed forecasts based on the assumption that the unitary council is not established and WDC will continue to operate.	Low	Not applicable	Low	Not applicable
<b>Flood and Storm Damage:</b> Council does not budget for storm events, as referred to in the 2018-2048 Infrastructure Strategy. Lack of funding provision for emergency works may result in reduced renewals as renewal funding gets diverted to fund flood damage repairs.	Medium	Not applicable	Medium	Not applicable
<b>Subsidiary assumptions</b>				
<b>NRLLP:</b> it is assumed that council will receive annual distributions from Northland Regional Landfill Limited Partnership throughout the term of the plan.	Low	Not applicable	Low	Not applicable
<b>Northern Transport Alliance (NTA):</b> A shared services agreement between four Northland councils (Kaipara District Council, Far North District Council, Northern Regional Council, Whangarei District Council) and New Zealand Transport Authority (NZTA) was established on 1 July 2016. The activities of the NTA attract subsidy on subsidised projects. Council has made provision for gaining subsidy on the NTA activities for these subsidised projects.	Low	Not applicable	Low	Not applicable

# Accounting policies

## Reporting entity

Whangarei District Council (Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. Council provides local infrastructure, local public services and performs regulatory functions to the community.

The relevant legislation governing Council's operations includes the Local Government Act 2002 and the Local Government (Rating) Act 2002.

The Group financial statements provide the consolidated results of Council and its controlled entities (Springs Flat Contractors Limited, Whangarei Art Museum Trust, Northland Events Centre Trust, Whangarei Waste Limited and Whangarei Quarry Gardens Trust) and the equity accounted results of the joint venture entities in which Council is a venturer (Whangarei District Airport and Northland Regional Landfill Limited Partnership).

Council's accounting policies include reference to Council and its controlled entities. The 2019-20 Annual Plan is prepared only with respect to the parent, Whangarei District Council.

For the purposes of complying with generally accepted accounting practice in New Zealand (NZ GAAP), Council and the Group are public benefit entities (PBEs).

## Basis of preparation

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

### Statement of compliance

The financial statements of Council and the Group have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with and comply with PBE Standards.

### Presentation currency and rounding

The functional currency of Council, each of its subsidiaries and each of the joint ventures in which Council is a venturer, is New Zealand dollars. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

### Budget figures

Budget figures have been prepared in accordance with NZ GAAP as it applies to prospective financial statements (PBE FRS42 Prospective Financial Statements).

# Summary of significant accounting policies

## Critical accounting estimates and assumptions

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

- the assessed useful life of an item of property, plant and equipment impacts the carrying amount of that item and the amount of depreciation recognised in relation to that item
- assumptions and estimates are applied in determining the fair value of infrastructure assets
- the impairment assessment of non-financial assets requires the use of key assumptions and estimates
- the determination of the landfill aftercare provision requires the use of key assumptions and estimates
- Council relies on the assumptions and estimates made by external valuers when performing the investment property revaluation.

## Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies for the budget figures:

- classification of property: Council owns a number of properties held to provide housing to pensioners. The receipt of market based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of Council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property
- revenue from exchange and non-exchange transactions: Council has exercised professional judgement when determining whether the substance of a transaction is that of non-exchange or exchange. Council has reviewed its revenue streams and referred to its Revenue and Financing Policy to identify activities partially funded by rates revenue. When this occurs, the revenue from that activity is treated as non-exchange. Council believes revenue recognition materially complies with the PBE accounting standards
- determine control/joint control: Council has determined in respect to associated entities its control or joint control when deciding inclusion or non-inclusion in Council and the Group's financials. Council considers various factors to determine control including: its capacity to control financing and operating policies, benefits obtained from the activities of the subsidiary, majority voting power on the governing body, trust deeds, as well as external advice.

See Significant Forecasting Assumptions on page XX for additional assumptions applied to the prospective financial information.

## Revenue

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services, excluding Goods and Services Tax (GST), rebates and discounts and after eliminating sales within the Group.

Revenue may arise from exchange or non-exchange transactions. Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange. Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal

value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Where a non-exchange transaction stipulates that the Group must provide specified services in exchange for revenue, the Group determines whether that stipulation constitutes a restriction or a condition:

- a restriction specifies the services that must be performed, but does not require funds to be returned if they are not spent as stipulated. Revenue from a non-exchange transaction with restrictions is recognised when received, or when the Group becomes entitled to it
- a condition specifies the services that must be performed and requires funds to be returned if they are not spent as stipulated. Non-exchange transactions with conditions are recognised as liabilities when received and revenue is recognised and the associated liability extinguished as the specified services are provided.

Revenue from non-exchange transactions that do not stipulate that the Group must provide specified services in exchange for revenue is recognised on receipt.

Pledges are not recognised as revenue as the Group is unable to control the access to the funds.

Pledges are disclosed as a contingent asset when the money is pledged and recognised as revenue when the pledged money is received.

## **RATES**

The following policies for rates have been applied:

- general rates, targeted rates (excluding water-by-meter) and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue
- rates arising from late payment penalties are recognised as revenue when rates become overdue
- revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis
- rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its rates remission policy
- rates collected on behalf of Northland Regional Council (NRC) are not recognised in the financial statements, as Council is acting as an agent for NRC.

## **DEVELOPMENT AND FINANCIAL CONTRIBUTIONS**

Development and financial contributions are recognised as revenue when Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as Council provides, or is able to provide the service.

## **SUBSIDIES AND GRANTS**

Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

## **Fees and charges**

### **BUILDING AND RESOURCE CONSENT REVENUE**

Fees and charges for building and resource consent services are recognised when complete.

### **SALE OF GOODS**

Revenue from the sale of goods is recognised when a product is sold to the customer.

## **Interest revenue and finance costs**

Borrowing costs are expensed in the financial year in which they are incurred.

## **Vested or donated physical assets**

For assets received for no or nominal consideration, the asset is recognised at its fair value when Council obtains control of the asset. The fair value of the asset is recognised as revenue.

The fair value of vested or donated assets is usually determined by reference to Council's most recent valuation rates and useful lives.

## **Superannuation schemes – defined contribution schemes**

Employer contributions to KiwiSaver, the Government Superannuation Fund and other defined contribution superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit when incurred.

## **Grant expenditure**

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria. They are recognised when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants that are awarded at the discretion of Council. They are recognised when a grant has been approved by Council and that approval has been communicated to the applicant. Council's grants awarded have no substantive conditions attached.

## **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. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

## **Income tax**

Council is not subject to income tax except for revenue derived from Council Controlled Organisations (Northland Regional Landfill Limited Partnership and Whangarei District Airport).

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to items recognised in other comprehensive revenue and expense or directly in equity.

## **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

The carrying value of cash at bank and short-term deposits with maturities less than three months approximates their fair value.

## **Debtors and receivables**

Short-term receivables are recorded at the amount due, less any provision for uncollectability.

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

## **Other Financial Assets**

The Group classifies its financial assets in the following categories: financial assets at fair value through surplus or deficit, loans and receivables, held to maturity financial assets and financial assets at fair value through the statement of comprehensive revenue and expense. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

### **FINANCIAL ASSETS AT FAIR VALUE THROUGH SURPLUS OR DEFICIT**

This category has two sub categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of balance date.

The Group's financial assets at fair value through surplus or deficit comprise in the money derivatives (principally interest rate swaps).

### **LOANS AND RECEIVABLES**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after balance date, which are included in non-current assets.

The Group's loans and receivables comprise cash and cash equivalents, trade and other receivables, loans to community organisations and related party loans.

Loans to community organisations at nil or below market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The difference between the face value and present value of expected future cash flows of the loan is recognised in surplus or deficit as a grant.

### **HELD TO MATURITY INVESTMENTS**

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity.

The Group currently has no financial assets classified as held to maturity.

### **FINANCIAL ASSETS AT FAIR VALUE THROUGH THE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE**

Financial assets at fair value through the statement of comprehensive revenue and expense are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of balance date.

The Group's shares in public companies are included in this category as they are not classified in any other category. These are held for strategic purposes and there is no intention to sell.

### **Measurement**

Purchases and sales of financial assets are recognised on trade date (which is the date on which the Group commits to purchase or sell the asset). Financial assets are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit, in which case they are recognised at fair value and the transaction costs are expensed.

After initial recognition, all financial assets are measured at fair value. Council uses a variety of methods to determine fair value of financial assets. Some of these include quoted market prices and estimated discounted cash flows. Realised and unrealised gains and losses arising from changes in the fair value of financial assets are included in surplus or deficit in the period in which they arise.

The Group assesses at each balance date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment is recognised in surplus or deficit.

### **De-recognition**

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

### **Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

### **Investment properties**

Investment properties are properties which are held either to earn rental revenue or for capital appreciation or for both and generate cash flows largely independent of other assets held by the entity.

An investment property is measured initially at its cost, including transaction costs. After initial recognition, investment property is measured at fair value at each reporting date. Gains or losses arising from a change in the fair value of investment property are recognised in surplus or deficit.

Investment properties do not include property held primarily for strategic purposes or to provide a social service (such as pensioner housing), even though such property may earn rentals or appreciate in value. Such properties are instead classified as items of property, plant and equipment.

When the use of a property changes from investment property to owner occupied property, the property is reclassified as owner occupied property and recorded at its fair value at the date of transfer.

### **Forestry assets**

Standing forestry assets are independently revalued to fair value less estimated costs to sell for one growth cycle.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit when incurred.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

### **Property, plant and equipment**

Property, plant and equipment is initially recognised at cost.

The cost of an item of property, plant and equipment includes its purchase/construction price and costs directly attributable to bringing it to the location and condition necessary for it to operate as intended. In the case of landfills, post closure costs and restoring the site on which it is located are included.



Where an item of property, plant and equipment is self-constructed, its construction cost includes the cost of materials and direct labour and an appropriate proportion of production overheads. Costs are recognised as work in progress and are transferred to the relevant asset class only when construction is complete.

Where an item of property, plant and equipment is donated or received at a subsidised amount, it is initially recognised at fair value. This applies to some infrastructure assets and land which has been vested to the Group and as part of the subdivision consent process:

- the vested reserve land has been recognised at the time of transfer at market value, which is recognised as vested asset revenue and deemed to be its initial cost
- vested infrastructure assets have been valued on initial recognition based on the actual quantities of infrastructure components vested and the current 'in the ground' cost of providing identical services.

## REVALUATION

Property, plant and equipment that is carried under the revaluation model is revalued with sufficient regularity to ensure that the carrying amount does not materially differ from fair value. All revalued property, plant and equipment is revalued at least every three years, except for roading which is revalued annually and pensioner housing, which is revalued every five years. The valuation method employed is optimised depreciated replacement cost, except pensioner housing which is valued at market value.

Revaluations are accounted for on a class of asset basis.

An increase in carrying amount is recognised in an asset revaluation reserve in equity, except to the extent that it reverses a revaluation decrement for the same asset class previously recognised in surplus or deficit, in which case the increment is recognised in surplus or deficit. Decreases that offset previous increases of the same asset class are recognised in the asset revaluation reserve in equity; all other decreases are recognised in surplus or deficit. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

## 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 Group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are recognised when the recognition criteria above is met. All other repair and maintenance costs are recognised in surplus or deficit as incurred.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

## DISPOSALS

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

## SUBSEQUENT MEASUREMENT

Subsequent to initial recognition, items of property, plant and equipment are carried under either the cost model (cost less accumulated depreciation and accumulated impairment) or the revaluation model (fair value at the date of the revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses).

When the use of a property changes from owner-occupied to investment property, the property is reclassified as an investment property at its carrying value at the date of the transfer and then revalued annually in line with the investment property accounting policy.



## DEPRECIATION

Depreciation is provided on a straight-line basis on all property, plant and equipment (excluding land and work in progress), at rates that will write-off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Where material parts of an item of property, plant and equipment have different useful lives, or where significant parts of an item of property, plant and equipment are required to be replaced at intervals, they are accounted for as separate items of property, plant and equipment.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Class of PP&E	Estimated useful life	Class of PP&E	Estimated useful life
<b>Operating assets</b>		<b>Water</b>	
Land	Indefinite	Pipes	50-107
Buildings	10-100	Plant and equipment	5-80
Strategic land	Indefinite	Treatment plant	60
Strategic buildings	35-50	<b>Wastewater</b>	
Pensioner housing – land	Indefinite	Pipes	30-101
Pensioner housing – buildings	14-80	Pumps and pump stations	20-100
Library books	5	Manholes	80-101
Motor vehicles	5	Treatment plant	15-100
Office furniture and fittings	3-20	<b>Stormwater</b>	
Plant and equipment	3-80	Pipes	11-125
<b>Infrastructure assets</b>		Manholes	11-100
Land for roads*	Indefinite	<b>Parks and recreation</b>	
<b>Roading network</b>		Walkways, reserves and sportsfields	10-100
Bridges	15-100	<b>Restricted assets</b>	
Carriageways	4-70	Heritage assets**	Indefinite
Formation	Indefinite	Parks and reserve land	Indefinite
Culverts	35-80	Marina structures***	40-44
Footpaths	10-55		
Kerbs and channels	60		
Street and road signs	15		
Traffic services	15-40		

The residual value and useful life of an asset is reviewed and adjusted if applicable, at each financial year end.

\*Land under roads was valued based on fair value of adjacent land, effective 30 June 2005. On transition to NZ IFRS Council elected to use the fair value of land under roads as at 30 June 2007 as deemed cost. Land under roads is no longer revalued.

\*\* Valued at the estimated current market value as at 30 June 2002 by the Art Museum Curator. Subsequent additions are recorded at cost or market value. Donated assets do not form part of the cyclical valuation.

\*\*\* Historical assets situated at Whangarei Marina and Tutukaka Marina (under the management of the Whangarei Harbour Marina Trust and the Tutukaka Marina Management Trust respectively).

## IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment 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. The Group conducts an annual review of asset values, which is used as a source of information to assess for any indicators of impairment.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. Impairment losses for revalued items are recognised in the same manner as revaluation decrements. Impairment losses for items carried at cost are recognised in the surplus or deficit.

### *Value in use for non-cash-generating assets*

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash-generating assets, value in use is determined as the present value of the asset's remaining service potential, which is the depreciated replacement cost of the asset.

### *Value in use for cash-generating assets*

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets is the estimated present value of expected future cash flows.

## *Intangible assets*

### COMPUTER SOFTWARE

Acquired computer software licences are capitalised based on the costs incurred to acquire and prepare the software for use.

Costs directly associated with the development of identifiable and unique software products, where the criteria for capitalisation have been met, are recognised as an asset.

Staff training costs are recognised in the surplus or deficit when incurred.

Computer software assets are amortised using the straight-line method over their estimated useful lives (three to ten years).

### EASEMENTS

Easements are recognised at cost, being the costs directly attributable to bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised, but are instead tested for impairment annually.

### CARBON CREDITS

The Group participates in the New Zealand Emission Trading Scheme (ETS). Purchased New Zealand Units (NZU's) are recognised at cost on acquisition and NZU's which represent carbon credits received from the Government are recognised at fair value as at the date of transfer. NZU's have an indefinite useful life and consequently aren't amortised, but are tested for impairment annually.

After initial acquisition, NZU's are recorded at the NZU spot rate at 30 June. This is considered to be fair value.

### AMORTISATION

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Class of intangible asset	Estimated useful life (years)
Computer software	3-10

## IMPAIRMENT OF INTANGIBLE ASSETS

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

For further details, refer to the policy for impairment of property, plant and equipment. The same approach applies to the impairment of intangible assets.

## Derivative financial instruments

The Group uses derivative financial instruments (principally interest rate swaps) to hedge various risks (principally those associated with borrowing at variable interest rates).

Derivatives are initially recognised at fair value on the date a derivative contract is entered into. Any associated transaction costs are expensed.

Derivatives are subsequently carried at fair value. In the money derivatives are classified as financial assets at fair value through surplus or deficit and out of the money derivatives are classified as financial liabilities at fair value through surplus or deficit.

The method of recognising changes in fair value depends on whether the derivative is designated as a hedging instrument and if so, the nature of the item being hedged. None of the Group's derivatives is designated as a hedging instrument. All changes in the fair value of the Group's derivatives are recognised in surplus or deficit and fair value is assessed annually.

## Payables and deferred revenue

Short-term creditors and other payables are recorded at their face value.

## Provisions

A provision is recognised 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 an outflow of future economic benefits will be required to settle the obligation
- a reliable estimate can be made of the amount of the obligation.

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. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

## Borrowings

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

Borrowings are classified as current liabilities unless Council or the Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

## Employee entitlements

### SHORT-TERM EMPLOYEE ENTITLEMENTS

Employee benefits that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned to, but not yet taken at balance date.

## LONG-TERM EMPLOYEE ENTITLEMENTS

Employee benefits that are due to be settled beyond 12 month after the end of the year which the employee provides the related service, such as long service leave, have been calculated on an actuarial basis.

Loyalty and performance bonuses are one off payments to staff members who have provided 10 or more years of service to Council and have attained the prerequisite performance achievements over the preceding three years of service. The liability is assessed using current rates of pay taking into account years of service, years to entitlement and likelihood that staff will reach the point of entitlement and achieve the targeted performance level. These estimated amounts are discounted to their present value using an appropriate discount rate.

## DEFINED CONTRIBUTION SCHEMES

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

## Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- accumulated funds
- reserves and special funds
- asset revaluation reserve.

## RESERVES AND SPECIAL FUNDS

These reserves and funds 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.

Some reserves and special funds are subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or a third party. Transfers to and from these reserves may be made only for specified purposes or when specified conditions are met.

Also included in reserves and special funds are reserves restricted by Council decision. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

## ASSET REVALUATION RESERVES

This reserve relates to the revaluation of property, plant and equipment to fair value.

## Capital commitments and operating leases

### OPERATING LEASES

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

#### *The Group as a lessee*

The Group is a lessee in operating leases. Lease payments under an operating lease are recognised on a straight-line basis over the term.

#### *The Group as a lessor*

The Group is a lessor in operating leases. Receipts from operating leases (net of incentives provided to lessees) are recognised on a straight-line basis over the term of the lease.

## CAPITAL COMMITMENTS

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

## **Goods and services tax**

Items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from or payable to Inland Revenue is included as part of receivables or payables in the statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

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# *General information*

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# Abbreviations and acronyms

## **AMP**

Activity or Asset Management Plan

## **BERL**

Business and Economic Research Limited

## **CAA**

Civil Aviation Authority

## **CCO**

Council Controlled Organisation

## **CCTO**

Council Controlled Trading Organisation

## **CE**

Chief Executive

## **CO**

Council Organisation

## **CPI**

Consumer Price Index

## **DCP**

Development Contributions Policy

## **FN**

Forum North

## **GAAP**

Generally Accepted Accounting Practice

## **GST**

Goods and Services Tax

## **HWMAC**

Hundertwasser Wairau Māori Art Centre

## **IPSAS**

International Public Sector Accounting Standards

## **LA**

Local Authority

## **LGA**

Local Government Act 2002

## **LGCI**

Local Government Cost Index

## **LGFA**

Local Government Funding Agency

## **LTP**

Long Term Plan

## **NEC**

Northland Events Centre

## **NIF**

Northland Intersectoral Forum

## **NRC**

Northland Regional Council

## **NRLLP**

Northland Regional Landfill Limited Partnership

## **NZIFRS**

New Zealand International Financial Reporting Standards

## **NZTA**

New Zealand Transport Agency

## **OCR**

Official Cash Rate

## **PBE**

Public Benefit Entity

## **PPE**

Property, Plant and Equipment

## **RDF**

Regional Development Fund

## **RPS**

Regional Policy Statement

## **RFP**

Request for Proposal

## **RMA**

Resource Management Act

## **SOI**

Statement of Intent

## **SCP**

Special Consultative Procedure

## **SUIP**

Separately Used or Inhabited Part

## **TA**

Territorial Authority

## **UAGC**

Uniform Annual General Charge

## **WAMT**

Whangarei Art Museum Trust

## **WQGT**

Whangarei Quarry Gardens Trust

# Glossary

## Activity

The goods or services that Council provides to the community.

## Activity Management Plan (AMP)

An operational plan that details policy, financial forecasting, engineering requirements and levels of service for non-asset-related Council activities.

## Arrears

Money that is owed and should have been paid earlier.

## Assets

Physical items owned by Council and used for the purpose of service provision to the community, for example property, plant and equipment.

## Asset Management Plan (AMP)

An operational plan that details policy, financial forecasting, engineering requirements and levels of service for asset-related Council activities.

## Annual Plan

An annual plan must be prepared by a council annually except in an LTP year and it must be adopted before the commencement of the year in which it operates. The purpose of the annual plan is set out in the Local Government Act 2002, section 95 (5).

## Capital expenditure

The category of funding used for building new assets or increasing the value of existing assets.

## Capital Value

The total value of the land including improvements. This is the probable price that would have been paid for the property if it had sold at the date of the last general valuation.

## Community

The people of the area covered by Council.

## Community Outcomes

Outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions. A local authority will consider these outcomes in the course of its decision-making.

## Council Controlled Organisation (CCO)

An organisation for which Council maintains at least 50% voting rights or has the right to appoint at least 50% of the directors or trustees. CCOs are generally operated without the objective of making a surplus or profit and are usually set up to

independently manage Council facilities or deliver specific services.

## Council Controlled Trading Organisation (CCTO)

As for a Council Controlled Organisation but with the objective of making a profit.

## Depreciation

The accounting expense that reflects the annual consumption of an asset's economic life.

## Development Contributions (DC)

Payments received from developers to fund growth-related capital expenditure. These charges recover part of the cost of additional or upgraded infrastructure that is required to service new developments, e.g. roading, water, wastewater.

## General rate

The rates charge against each rateable unit. It comprises the Uniform Annual General Charge (UAGC) and the rate in the dollar calculated in accordance with Council rating policies.

## Inflation

The Consumer Price Index (CPI) is the inflation rate that relates to household price increases while the Local Government Cost Index (LGCI) is the rate that relates to local government cost increases.

## Infrastructure

Fixed utility assets including roads, sewerage, stormwater, water and waste.

## Intergenerational equity

A common term used to express the spread of benefits across time. Much of the expenditure of a local authority is for infrastructure assets that have long service lives (such as roading networks). Current ratepayers should not be expected to fund all the benefits of future users, so costs are spread across current and future users.

## Land Value

The assessment of the probable price that would have been paid for the bare land as at the date of the last general valuation.

## Levels of Service

Describes in measurable terms the standard of services that Council will provide for each activity undertaken.

## Local Authority (LA)

A regional council or territorial authority.



**Local Government Act 2002 (LGA)**

The key legislation that defines what Council's purpose and responsibilities are to the community and how they must be fulfilled and reported on.

**Long Term Plan (LTP)**

A 10-year plan adopted every three years that sets out the planned activities, budgets and service provision of Council.

**Official Cash Rate (OCR)**

The interest rate set by the Reserve Bank to meet the inflation target specified in the Policy Targets Agreement. The Agreement, dated September 2002, requires the Reserve Bank to keep inflation at between 1% and 3% per annum.

**Operating expenditure**

The category of expenditure incurred as a result of Council's normal business operations.

**Penalty (rates)**

A charge that is added to rates that remain outstanding after the due date for payment.

**Rating unit**

One Certificate of Title equals one rating unit which will receive one rates assessment.

**Rates postponement**

A postponement delays the payment of rates until a later time (such as when the property is eventually sold).

**Rates remission**

Policies to provide assistance in the form of rates relief to ratepayers who meet specific criteria.

**Regional Council**

A council charged with managing the natural resources of its region including water, soil and air. Our regional council is the Northland Regional Council which represents the communities of the Far North, Kaipara and Whangarei districts.

**Special Consultative Procedure (SCP)**

The procedure that councils are required to undertake in certain decision-making circumstances, as defined by the Local Government Act 2002 (section 83).

**Strategic asset**

An asset or group of assets that the local authority needs to retain to maintain its capacity to promote any outcome it considers important to the current or future well-being of the community.

**Targeted rate**

A rate collected to fund a specific activity. A rate that is targeted can only be used for the purpose of which it was collected. Targeted rates are only charged to people who will benefit from the activity.

**Territorial Authority (TA)**

A city council or a district council.

**Uniform Annual General Charge (UAGC)**

A rate of fixed dollar amount applied to all properties. This is not related to the value of the property.

**Valuation**

An estimation of a property's worth. Council carries out property revaluations every three years.

# ***Index***

To be inserted at the final stage









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