

Council Briefing Agenda

Date: Tuesday, 21 November, 2017

Time: 9:00 am

Location: Council Chamber
Forum North, Rust Avenue
Whangarei

Elected Members: Her Worship the Mayor Sheryl Mai
(Chairperson)

Cr Stu Bell

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 Long Term Plan 2018-28 First Draft 1

2.2 LTP Engagement 159

2.3 Rating Structure Review - Consultation Options 163

3. Closure of Meeting

2.1 Long Term Plan 2018-28 First Draft

Meeting: Council Briefing
Date of meeting: 21 November
Reporting officer: Jill McPherson (GM Strategy & Democracy)

1 Purpose

To provide Elected Members with an opportunity to consider the key sections of the Long-Term Plan 2018-28 in draft form, before the drafts of the sections (written as stand-alone documents) are finalised for Audit NZ review. The documents will need to be approved by Council together with the Consultation Document in late February 2018.

2 Background

This is the final of a series of Council briefings on the development of the draft of the Long-Term Plan 2018-28. A Consultation Document will be developed from the information in the attached documents. The 2018 key dates and consultation activities are also on the agenda of this Briefing.

Audit NZ will be on site for a week in January and three weeks in February to audit the documents together with the Development Contributions Policy document, Growth Model, and Asset Management Plans.

The programme reflects the priorities from early engagement with the community and from workshops with Elected Members. Good discipline in budget management from the Long-Term Plan 2015, has allowed Council to be in a good financial position, enabling the inclusion of some significant new projects.

3 Discussion

The proposed services and service levels, and capital projects are all within the budget envelope and debt limit, with the exception of one building and the new theatre. There continues to be a review of operational budgets. We are confident that these reviews will identify where Council can create headroom for changes/additions to the work programme from consultation.

The capital projects list is in its final draft – as a combined list of business as usual and the new requests that have been supported for inclusion within affordability parameters. Project deferrals and some cuts have managed to reduce the cost to fit comfortably under the proposed debt limit.

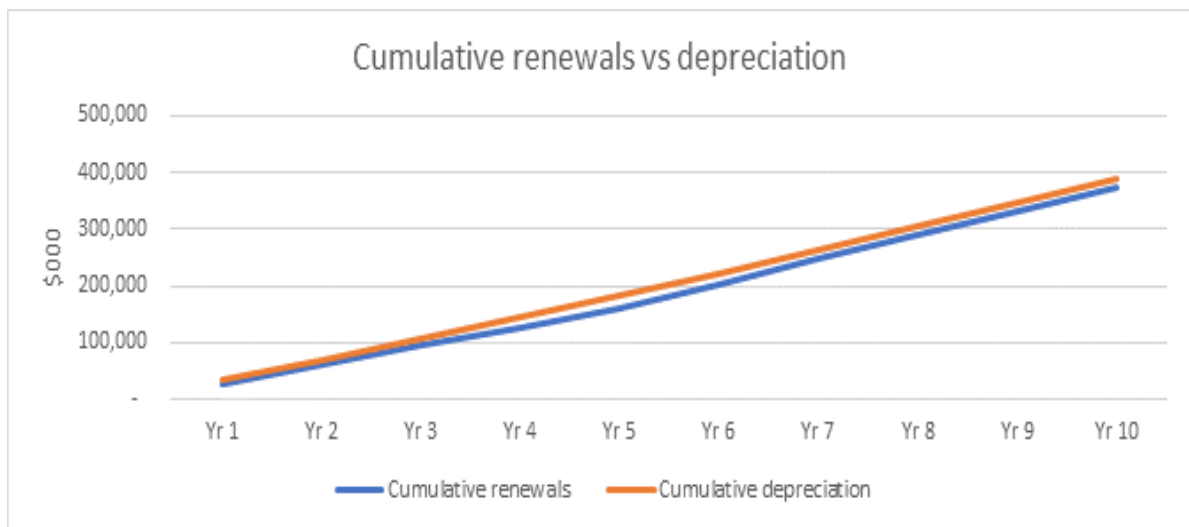
This remains a work in progress. The work that remains includes:

- Finalising the rating policy review is needed before some figures can be included in the attached documents
- The operational budgets are planned to have a further review
- There is an exercise needed to ensure the financial and infrastructure strategies are fully aligned

The main points to note are:

Catching up on the renewals backlog

Increased renewals funding has been prioritised with the biggest gains within the stormwater activity. This has been balanced to some degree with some new works.



Finishing what is already started

For example, the Sense of Place programme has been reduced to only include projects that are already agreed and underway, and have been underfunded in the past. The two key projects included are Pohe Island development and Waiarohia Recreation Corridor blue/green project. Both are planned to be implemented across the ten years of the LTP.

Also, maintenance budgets have been provided for new assets, built or planned without a budget for their future care.

One-building

There is a total of \$36 million budgeted for this project. This is conservative and the costs may be less but this will not be known until the decision is made on the scope and location. The accounting treatment of one building sits outside the debt limit.

The building is proposed to be built in years 1-3 of the Long-Term Plan period. It is funded over 30 years, and debt serviced partially from savings once the building is operational.

New Theatre/Concert Hall

The contribution of \$10 million to a new theatre is included in Year 4 of the Long-Term Plan. This is not the total cost of a theatre and will need to be supplemented through community fundraising. This expenditure on the project also outside the debt limit.

More assistance for communities and community initiatives

Resources for assisting communities and community groups have been increased:

- An increased Community Grants Fund of \$2.4m in year 1 of the LTP, growing to \$2.9m by year 3 (uninflated) compared to \$2.1m in the 17/18 Annual Plan.
- A new facilities partnership fund of \$200k in year 2, increasing to \$400k in year 3 onwards to provide support for community-led facility development, especially in rural areas.
- Community-led development (previously referred to as village planning in the last LTP) has increased to \$301k from year 1 onwards compared to 126k in 17/18 (not including carry forwards).
- Funding to complete “Neighbourhood placemaking” (concept/spatial plans) for Raumanga and Waipu of \$80k per year from years 2-4.

4 Attachments

Draft Long Term Plan

1. Strategic Direction
2. Financial Strategy
3. Infrastructure Strategy
4. Council Activities
 - a. Transportation
 - b. Water
 - c. Solid Waste
 - d. Wastewater
 - e. Stormwater
 - f. Flood Protection & Control Works
 - g. Community Facilities & Services
 - h. Planning & Regulatory Services
 - i. District Governance and Strategy
 - j. Support Services
5. Financial statements
6. Draft Revenue & Financing Policy
 - a. Activity Funding review
7. Capital Projects
 - a. LTP inflated version
 - b. LTP uninflated detail

Attachment 1: Strategy Overview

Vision and Community Outcomes

The community outcomes are positive statements from our community about their vision for our district. They drive every activity of our council.

The way each of our activities contributes to our community outcomes, is described in chapter three.

Vision:

Whangarei District Council will work with the people of Whangarei so we all live in:

A vibrant, attractive and thriving district.

Outcomes:

- Efficient and resilient core services:
 - It is easy and safe to travel around the district for everyone
 - 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 opportunity.
- 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.

Council and Māori working in Partnership

Further developing relationships with tangata whenua is a priority for Council at both the governance and operational levels. While some progress has been made, more work is necessary in the area of meeting agreed priorities.

Te Karearea, our strategic partnership forum with Māori formed in 2012, is made up of hapu representatives of the major hapu groupings from within the District. Together, these representatives advocate for hapu of Whangarei. They meet in their own forum named Te Huinga to discuss common issues that can be brought to the joint Council.

The purpose for the partnership is to achieve the agreed vision, to build the relationship between Council and Whangarei Hapu incrementally, and to develop more robust partnership arrangements over time through learning conversations. The strategic intent of the Te Karearea strategic forum is articulated through the following vision, mission and principles.

Te Pae Tawhiti/Vision

He whenua Rangatira – Whangarei, 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 Manawatapu** – 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.

Whangarei District's Iwi and Hapu are in a pre-settlement phase for Treaty of Waitangi claims. Council is open to considering new ways of working with Māori as a result of these settlements as they occur.

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

Challenges facing Council

The challenges facing council:

- Infrastructure maintenance. The need to continue our focus on ensuring the core assets we have already invested in, are maintained and renewed to maintain existing levels of service.
- A growing district. Population and household growth has increased over the past three years. Whangarei is classified as a “high growth” area under the National Policy Statement for Urban Development Capacity (NPS-UDC). The growth model supporting the LTP (which is largely based on Statistics New Zealand’s NPS-UDC projections) shows a picture of continued population increase beyond what was predicted in earlier models.
- Increased expectation of higher levels of amenity across the district. This expectation relates to adding amenity to what would otherwise be standard infrastructure projects and providing ‘more things to see and do’.
- Funding for growth and high levels of amenity. Growth and increasing expectations for amenity require balance with funding for the maintenance and renewal of core assets.
- Financial envelope. In developing an LTP it is necessary to establish a financial envelope within which to operate, including identifying appropriate levels of debt, rates, capital and operating expenditure, development contributions and fees and charges.
- Council revenue. Each year council receives revenue from rates and other sources to cover all operating expenditure including depreciation (i.e. a balanced budget). Where more funding is needed, that generally comes from either increased debt or assets sales. This situation can arise where there is significant population growth, increased levels of service, or where operating revenue or rates are too low.
- Advances in technology. There is a greater expectation from our communities and our customers that we are able to interact using the latest technology and social media. This impacts on the way we consult and engage, but also the way we deliver our services.

Changes made from community engagement and consultation

Early engagement on the Long Term Plan

We decided to undertake early engagement on our long term plan from June through to August 2017. This provided an opportunity for our communities to engage with us in a more informal way.

Throughout the early engagement period, there were various ways the community could get involved and have their say on the upcoming Long Term Plan. This included 13 public meetings, a Hui, Matariki Festival stall, two Have Your Say events, hardcopy submission and online submission through the 'Here to Where' website.

This early engagement was successful, accumulating over 1,400 items of feedback from over 500 submissions.

Key themes

Key themes identified through the early engagement include:

- Making our public spaces tidy and more attractive
- More walking and cycling options
- Delivering our core services and ensuring they are properly maintained
- Providing things to see and do across our district
- Importance of recreation, sports and community facilities

Submissions

To be updated following formal consultation and hearings in 2018.

Key changes

The key changes are described below:

To be updated following formal consultation and hearings in 2018.

Strategic Projects

This section contains a summary of the strategic projects and programmes that we will deliver over the next 10 years. These projects have been identified due to their contribution to making our district vibrant, attractive and thriving as well as their cost.

A full list of capital projects and funding can be found on page **XX**

Replace Whau Valley Treatment Plant: 2018 - 2020

Funding: Water Reserve / Debt

The Whau Valley Water Treatment Plant was originally constructed in 1953 and supplies potable water to the Whangarei urban area. It is no longer fit for purpose due to varied constraints. This project seeks to replace the existing plant with a modern facility to meet growth and levels of service expectations for the city.

Upgrade Riverside Drive by construction four lanes to Onerahi: 2024 - 28

Funding: Debt / Subsidies

The Whangarei Heads, Parua Bay and Onerahi areas are expected to experience continued growth. Riverside Drive to Onerahi does not have viable diversion routes and is a critical route for the connection of communities. Council is exploring the upgrade of Riverside Drive to four lanes.

Asset Data improvement: 2018 – 28

Funding: Rates

This suite of projects is critical for improving our understanding of the condition of our underground assets across our district. It will enable better decision making and prioritisation for asset maintenance and replacement. It also ensures that our Asset Management Information System remains supported

Waipu Cove/Langs Beach wastewater network improvements: 2023 – 28

Funding: Debt / Targeted Rate / Wastewater Reserve

Necessary improvements to the waste water network for Waipu Cove and Langs Beach, to support growth and make the network more resilient.

Wairua River Source and Treatment at Poroti: 2025 – 28

Funding: Debt / Water Reserve

Upgrade Treatment Plants at Poroti Springs to support the current and new system in time of water shortage.

One building: 2018 -19

Funding: Debt (over and above core debt)

To provide a single building for Council staff and elected members to drive operational efficiencies as well as providing an improved customer experience.

Pohe Island: 2019 – 25

Funding: Debt

A significant upgrade to Pohe Island to create a recreational hub for the district. This will incorporate cycling facilities, play spaces, landscaping and car parking.

Whangarei City Centre Plan implementation: 2018 – 28**Funding: Debt / Rates**

The City Centre Plan was adopted in 2017. It identifies a number of actions to bring activity and vibrancy to our city centre.

Town Basin Development: 2018 – 28**Funding: Debt / Rates**

This incorporates significant developments around our Town Basin and waterfront including physical improvements and projects as well as events.

Community development framework: 2018 – 28**Funding: Debt / Rates**

Funding for working with our communities across the district, to deliver meaningful change through community led development projects and community grants.

New airport investigation: 2018-28**Funding: Rates**

Scoping, planning and engineering considerations for a new airport site for the District. Our current airport will ultimately be unfit for purpose due to changes in airplane and airline operator requirements

Walking and cycling infrastructure: 2018-28**Funding: Debt / Subsidies**

Significant investment in walking and cycling infrastructure across our district, supported by a subsidy from central government.

Blue Green Network: 2018 – 26**Funding: Debt**

Implementation of the Blue Green Network Strategy to give access to our waterways and green spaces across the city, whilst providing flood protection and improving biodiversity.

New theatre: 2021 – 22**Funding: Debt (over and above core debt) or Public Private Partnership**

A new theatre to attract large events and performances. Acknowledging the limitations on capacity in our existing venues.

Digital Council: 2018 -28**Funding: Rates**

Ongoing improvements to our technological capabilities leading to significant improvements to our business and our interactions to our communities.

Strategic overview

The 2015-25 Long Term Plan began a new direction, focused on the need to increase investment in our core services.

To do this Council identified that more money (through rates increase) was needed to maintain and renew assets as well as delivering the desired levels of service.

This updated 2018 Infrastructure Strategy and Finance Strategy are informed by a continuation of themes from our 2015-25 LTP. The strategies are also shaped by the key strategic directions from our new community outcomes, feedback and direction provided through early engagement. This has resulted in a vision to be an attractive, vibrant, attractive and thriving district.

The following strategic issues have been identified:

- **The need to continue focusing on core assets**

There is a continued drive to ensure that the assets we have already invested in, are maintained and renewed to maintain existing levels of service. Complicating this is the fact that Council has an aging asset base, some assets are deteriorating faster than expected and many assets are located underground. This makes it difficult to accurately assess condition. In some areas, notably stormwater, renewals have been historically underfunded. Within the waters (and to a lesser extent Parks and Recreation) there are limitations on the data required to proactively plan for and prioritise the maintenance and renewal of assets.

- **Whangarei is a growing district**

Population and household growth has increased over the past three years. The 2017 Growth Model supporting these strategies shows a picture of continued population increase beyond what was predicted in the 2014 Growth Models. We need to recognize the need to provide sufficient capacity for development to occur and to meet the growing demand.

- **Across the district there is an increased expectation of things to see and do**

This expectation relates to adding amenity to what would otherwise be standard infrastructure projects and providing more things to see and do. This raised expectation is also a result of key amenity projects completed or enhanced within the last three years, such as the Hatea Loop and Pocket Park (which have been broadly supported by the community). As a growing district, there is a greater expectation to see these types of projects across our urban environment and in our rural areas.

Growth and increasing expectations for amenity require balance with funding for the maintenance and renewal of core assets.

These issues require Council to consistently balance limited funding across competing priorities. While Council's preferred option remains to continue to deliver at current level of service through rates increases above inflation over the first 10 years of this strategy, it is proposed enhance this through:

- Increasing self-imposed debt limits above inflation over the first 10 years. This will enable greater investment in renewals in earlier years, while also providing headroom for growth and amenity projects
- Prioritizing renewals spend on stormwater by allocating funding within the 2018 – 28 LTP and building capacity to deliver over the life of the LTP
- Including funding for asset data and systems improvement to improve knowledge and optimise funding prioritisation decisions

- Reviewing the adequacy of infrastructure to meet the National Policy Statement on Urban Development Capacity growth projections through the review of 30/50 Sustainable Futures
- Consolidating Parks and Recreation Sense of Place funding into a dedicated programme primarily focused upon cornerstone projects around Pohe Island and the Hatea Loop and the Blue Green Network.
- Debt level is well below our debt ceiling despite responding to growth on per capita basis.

Managing our Growth

Our District is growing and we expect it to continue to grow by an estimated 1.2% per annum over the next 10 years. The population of the District is projected to increase from 89,900 today to around 100,760 in 2028.

This represents an average annual increase of around 1,000 people per year, and a total increase in population of about 11,000 over the next decade, increasing total dwellings by around 1.3% (or 510 additional dwellings) per year. In some parts of the District growth has the potential to be substantial, particularly in the Marsden Point/Ruakaka area and along the coast. This expected growth in our population requires considerable investment in infrastructure, services and community facilities at substantial cost to Council, the business sector and the community in general.

While this growth is desirable and is to be encouraged it will continue to put pressure on our core infrastructure and community facilities in the medium and long term. Our transportation and roading network, water and wastewater services and parks and recreational facilities need to carry enough capacity to provide for predicted growth, with the anticipation of what has to happen and when it is needed being a significant challenge for Council.

In response to growth the government has introduced a National Policy Statement on Urban Development Capacity. This policy statement directs our Council to respond to and manage growth. This will be achieved through reviewing our adopted Whangarei District Growth Strategy: Sustainable Futures 30/50.

The Growth Strategy determines existing and potential land use patterns. This allows us to manage the impact of growth and assess and plan for infrastructural requirements for our District over a 30-50 year time frame.

Because land use patterns have effects on both the timing and costing of core infrastructure, the Infrastructure Strategy builds on direction set in the Whangarei District Growth Strategy to provide more detailed planning of our network infrastructure needs. Our Activity and Asset Management Plans have also been developed with regard to the Growth Strategy to encourages growth where it has been considered desirable and where infrastructure is capable of meeting increased demand.

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Financial Strategy

Please Note: The Financial strategy is a work in progress so not all figures, tables or graphs have been updated to reflect the latest financials.

Overview

In a nutshell, the financial strategy for the LTP sets the financial parameters or 'envelope' within which Council will operate and fund its operations and capital programme for the next 10 years.

Council wants to continue a 'steady as it goes' approach flowing from what has been achieved in the first 3 years of the 2015 – 25 LTP. Feedback from the community is to keep improving the district's infrastructure and amenities to cope with growth; without ignoring the upkeep of things we have already invested in.

Council needs to recognise that Whangarei District is a high growth area, with population expected to increase to over 100,000 by the end of 2028. A cornerstone of this strategy is providing adequate to meet future requirements for the increased demand on infrastructure, services and extra amenity across the district.

Land use changes through our rural strategy and plan review along with strategic direction from our compliance with the National Policy Statement on Urban Development Capacity will see land appropriately zoned to meet our demands of growth for both housing, commercial and agricultural uses. The focus for urban land uses will be in and around the growth nodes identified in our adopted Whangarei District Growth Strategy: Sustainable Futures 30:50.

While it would be ideal to satisfy everyone's needs and wants council can only fund so much. It needs to work within financial constraints appropriate for our community.

Financial Parameters

Council has set the following financial parameters for the 2018-28 LTP:

1. A balanced budget (as defined in the Financial Prudence Benchmarks) every year, where revenue exceeds expenditure (including depreciation).
2. Land and Targeted rates (other than Flood Protection) increasing by LGCI, plus 2%, plus Growth (1%) over each of the 10 years.
3. Water Rates will only be increased by annual growth of 1% each year as this will provide adequate funding for this activity.
4. Limit overall rates revenue (excluding water) to a maximum of 70% of total revenue.
5. Allow the net 'Core Debt' to increase by LGCI and growth over the 10 years.

Forecast opening Core Debt of \$161.5 million will increase to \$223.2 million by July 2028 to allow the funding of:

- a. uncompleted capital projects carried forward from years 1 to 3 of the 2015-25 LTP
- b. capital projects already identified in years 4 to 10 of the 2015-25 LTP
- c. new projects for years 8 to 10 of the 2018-28 LTP
- d. additional projects identified through engagement on the 2018-28 LTP

Note: Core Debt is defined as capital funding needed for Council's general operations and excludes debt funding for 'special projects' that are identified from time to time.

6. Special Projects will be debt funded over and above Core Debt. To provide intergenerational equity these projects are funded over a notional 30-year timeframe from completion of the project. Special Projects identified in this LTP are:
 - new Council Premises
 - new Theatre Complex

Any future Special Projects will be consulted on as specific initiatives before any debt funding is allocated.

7. Have net Core Debt no higher than 150% of total Revenue and net Total Debt less than 175% of Revenue
8. Have the Total Debt per Capita level less than \$2,150 in 2017/18, with that limit increased by LGCI over each of the 10 years to maintain buying power
9. Have net Interest costs on Total Debt at less than 25% of Rates revenue
10. Provide sufficient funding through Operating Surpluses and Core Debt to complete the planned capital expenditure program (excluding Special Projects) without reliance on asset sales.

Over the next 10 years this allows for:

- a capital works programme of \$723 million
- 74% of capital expenditure focused on core network infrastructure (roading, water, waste, stormwater and flood protection)
- operational revenues of \$1.788 billion
- operational spending of \$1.583 billion.

Building a sustainable financial strategy

This Financial Strategy is based on fulfilling one of the core purposes of local government, which is to “meet the current and future needs of communities for good-quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost-effective for households and businesses”.

We have continued to reflected on the community’s needs and our current financial position to make decisions on what Council believes are appropriate ways to fund the delivery of all the services that our community requires – both now and into the future, taking into consideration our growing population.

We continue to have examine the state of our network infrastructure and community assets, the levels of service that our community expects us to deliver and the funding required to achieve this. This, in turn, has led to an examination of the funding allocation between ratepayers, specific users of services, and debt. This Strategy, together with the Infrastructure Strategy, sets out these issues and our funding model.

This is a sustainable financial strategy. By the end of the 10-year planning period we will have an income base that allows us to provide the services that our community expects, without leaving a large backlog of asset maintenance and renewal for later generations to deal with. While it does mean rates rises beyond the level of inflation, we believe they are necessary to provide the range of quality services our community demands with a focus on increased services i.e. things to see and do and amenity.

Inter-generational equity

The concept of achieving fairness between ratepayers over time is called 'inter-generational equity'.

Council has a responsibility to consider the interests of the community now as well as in the future. As a result, we try to ensure that, as far as possible, today's ratepayers only pay for services they are likely to consume, and not for benefits that will be received by new ratepayers in the future.

We need to make sure that today's ratepayers are paying their fair share of the 'wear and tear' on assets that are used to provide services they receive. While things like roads and water pipelines have useful lives that can span decades, they deteriorate a little every year.

However, because many of our assets have long lives, they will provide benefits to future ratepayers as well. When we build new assets, we need to consider how much of the expenditure required should be funded through current ratepayers (via rates) and how much should be funded through future ratepayers by borrowing now and repaying debt later when future ratepayers become consumers.

Maintaining levels of service

Council has considered additional demand based on predicted growth in the development of Asset Management Plans, as well as other operational activities, after giving regard to the Sustainable Futures 30/50 Growth Strategy. Capital expenditure in this 10-year Plan incorporates our ability to meet targeted levels of service whilst allowing for capacity required for anticipated growth.

For this LTP we have also completed a 30-year Infrastructure Strategy that provides a blueprint for delivery of services through our network infrastructure.

Amenity will be improved in the following areas:

- Pohe Island amenity
- Multi modal transport options – more walking and cycling
- the Blue/Green network and the Town Basin precinct

Level of Service is the service quality which Council expects to meet, or is targeting for each of its activities. The overall long-term strategy of Council is to maintain current Levels of Service within the funding profile of Council.

Council is focussed on ensuring that the Levels of Service identified in the LTP are maintained. The Level of Service encapsulates what the community can expect from Council's infrastructure and services and brings together a combination of:

- The quality of infrastructure that will be provided by Council
- The standard to which infrastructure is maintained
- The services that assets, staff and contractors provide to the community

The appropriate level of service has been carefully considered by Council in each activity area taking into consideration effects of each decision. There have inevitably been tensions or conflicts between the desired level of service and the level that can be provided within the financial parameters outlined in this Strategy.

The resulting Asset and Activity Management Plans upon which this Plan is based have generally been prepared with a capital expenditure programme that is intended to maintain current levels of service throughout the 10-year timeline of the Plan. This 'hold and maintain' strategy will be managed by seeking efficiencies where funding is applied across operations, maintenance, renewal and capital upgrades. We will also review operational practices to identify efficiencies that can be gained from altering intervention levels or response times without adversely impacting on service level delivery.

There are no instances where current LTP level of service targets have reduced from the last LTP.

Funding

Throughout the 10 years of this Financial Strategy, Council will rely on funding from a variety of sources, with rates being the largest portion

Funding sources

General rates	40%
Targeted rates	17%
User charges	15%
NZTA subsidies	13%
Water	9%
Development contributions	3%
Other	3%

*Other = petrol tax, fines and infringements, interest received, dividends received.

A key activity within the development of this Strategy was confirming levels at which revenues need to be set based on the following principles. Where possible:

- revenues are sufficient to cover expenses
- asset renewals and replacements are affordable within the available funding envelope
- funding allows for major capital projects the community wants
- current service level targets are achieved
- the needs of current and future ratepayers have been considered
- we have balanced our budget each year
- rates increases are affordable.

Rates

This section will not be inserted until the Rating Policy Review is completed.

It will include

- ***a general commentary on rating issues***
- ***a description of the rating policies and overall system***
- ***Rates comparisons – 17/18 compared to 18/19***

Debt, interest and internal funding

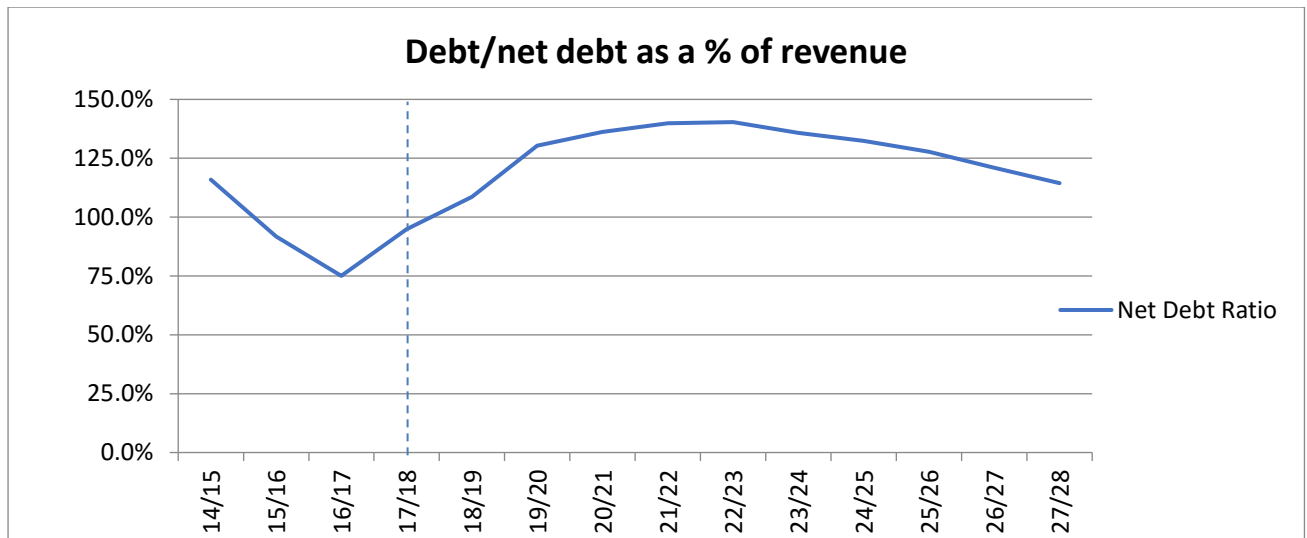
Debt

This Strategy sees total Core Debt (excluding special projects) increasing by \$50.6 million over the Plan, peaking at \$194.0 million. Total Net Debt (including special projects) increases by \$117.1 million over the Plan, peaking at \$252.7 million.

Inclusion of the two proposed Special Projects (new Council Premises and Theatre Complex), Total Debt would peak at \$xxx million.

The graph below compares net debt to revenue and shows an improving trend over the 10 years of the Plan.

Debt/net debt as a % of revenue



Until the end of the 2014-15 year, Council managed its debt from a gross debt perspective. From the 2015-16 year, measurement will be from a net debt perspective.

Finance Costs

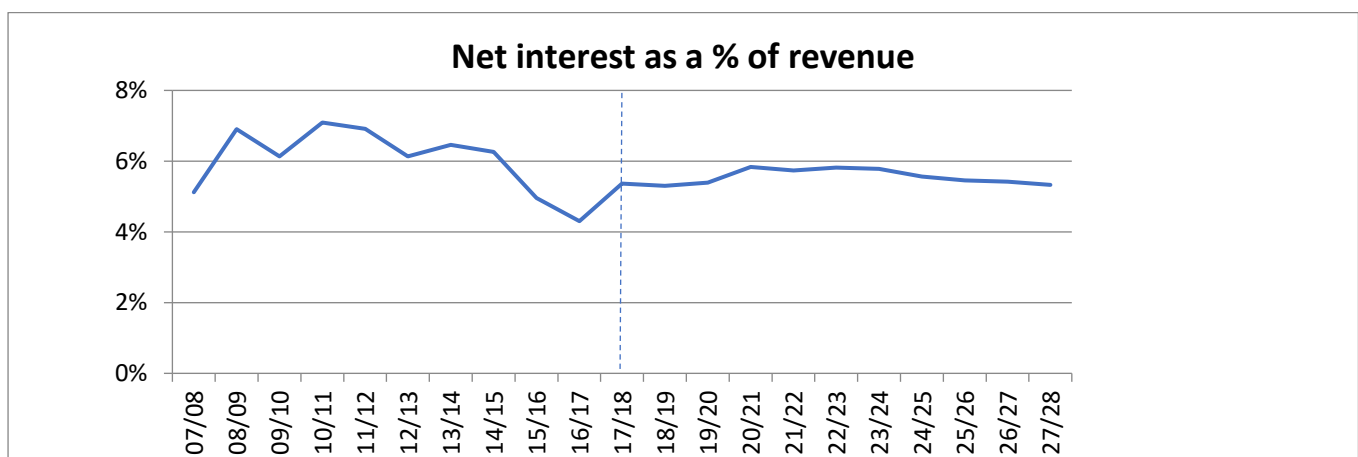
Council minimises its cost of debt through active treasury management, using interest rate swaps to protect against underlying interest rate or margin increases. Debt maturities are spread over both short and long terms, as well as a mixture of fixed and variable interest rates.

To minimise financing costs, Council is a shareholding member of the Local Government Funding Agency (LGFA). This means Council can borrow at better rates than are available through direct lending from trading banks.

In May 2016, Council had its credit rating upgraded to AA by Standard and Poors with a credit rate outlook of 'stable', primarily in recognition of our strong financial management and very strong budgetary flexibility. This AA credit rating was reconfirmed in May 2017. An AA credit rating assists to reduce our financing costs.

The LTP assumes an interest rate averaging 4.66% across the 10 years, after taking all factors outlined above into account.

Interest as a % of revenue



Internal Funding

As part of its treasury management, Council seeks to minimise its overall interest costs by using funds held in reserve as 'internal borrowing,' i.e. rather than keeping funds on deposit while borrowing all the money needed to fund capital works, reserve funds are used in the short term, noting that they need to be repaid in future as they are needed. Council intends to continue this approach into the future.

The largest reserve fund is the Property Reinvestment Reserve (PRR). This was created through the sale of Council's interests in leasehold land to incumbent lessees since 2010. Because of funding challenges and a reluctance by council from a prudence perspective to increase its net debt beyond \$161.5 million this fund had built to \$28 million by 30 June 2015. Council decided that from 1 July 2015 that all future sales of property would be set aside and actually used on purchases that met Councils' property objectives as stated in its Property Policy.

While there are no specific plans to sell more leasehold land in this LTP, if any sales were to take place, sale proceeds would be added to this reserve and be available for reinvestment. An annual Dividend will also be added to the amount available for reinvestment. In the meantime, the original reserve balance of \$28 million will continue to be used to fund other Council activities.

At this point Council has not identified or budgeted for any property purchases in the next 10 years. However, it is recognised that there is a possibility that investment opportunities may arise from time to time. Where there is an identified strategic benefit and/or the predicted return from a potential commercial property investment is greater than the cost of capital, consideration may be given to funding a purchase, thereby reducing the PRR balance. Any such purchases are likely to be debt-funded and dealt with via a Council resolution or future Annual Plan/ LTP process as appropriate.

Property Reinvestment Reserve

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
	2018 - 19	2019 - 20	2020 - 21	2021 - 22	2022 - 23	2023 - 24	2024 - 25	2025 - 26	2026 - 27
Opening Balance	30,742	31,357	31,984	32,624	33,276	33,942	34,620	35,313	36,019
Funding allocated to Council Activities	28,229	28,229	28,229	28,229	28,229	28,229	28,229	28,229	28,229
Funding available for Reinvestment	2,513	3,128	3,755	4,395	5,047	5,713	6,392	7,084	7,788
Dividend 2%	615	627	640	652	666	679	692	706	720
Closing balance	31,357	31,984	32,624	33,276	33,942	34,620	35,313	36,019	36,747

Other significant reserve funds include Community Development Funds (\$10.6 million as at 30 June 2017) and asset reserves that are created when targeted rates for an activity are accumulated before significant capital expenditure. There was a balance of \$26.9 million in the water reserve as at 30 June 2017. This will be eliminated over the life of the LTP as water projects are completed.

At the outset of this LTP Internal Funding will total around \$78 million which is expected to decrease to around \$60 million by 2028.

Notional interest charges will be made to each activity for their share of funds borrowed from reserves, with internal finance costs disclosed in Activity Funding Impact Statements in the line item 'Applications of operating funding – finance costs'. The resulting internal interest revenue is disclosed within Activity Funding Impact Statements line item 'Sources of operating funding – local authorities fuel tax, fines, infringement fees and other receipts'. All internal interest is eliminated in the Prospective Funding Impact Statement for Whangarei District Council.

Fees and charges

Council will increase most fees and charges annually to align with the Local Government Cost Index (LGCI) inflation rate, which ranges from 2.00% to 2.60% across the 10 years of the Plan. In some areas, Council will seek to recover actual costs, e.g., food inspections and liquor licensing, which will result in increases beyond inflation. Council's fees and charges are reviewed on an annual basis.

NZTA subsidies

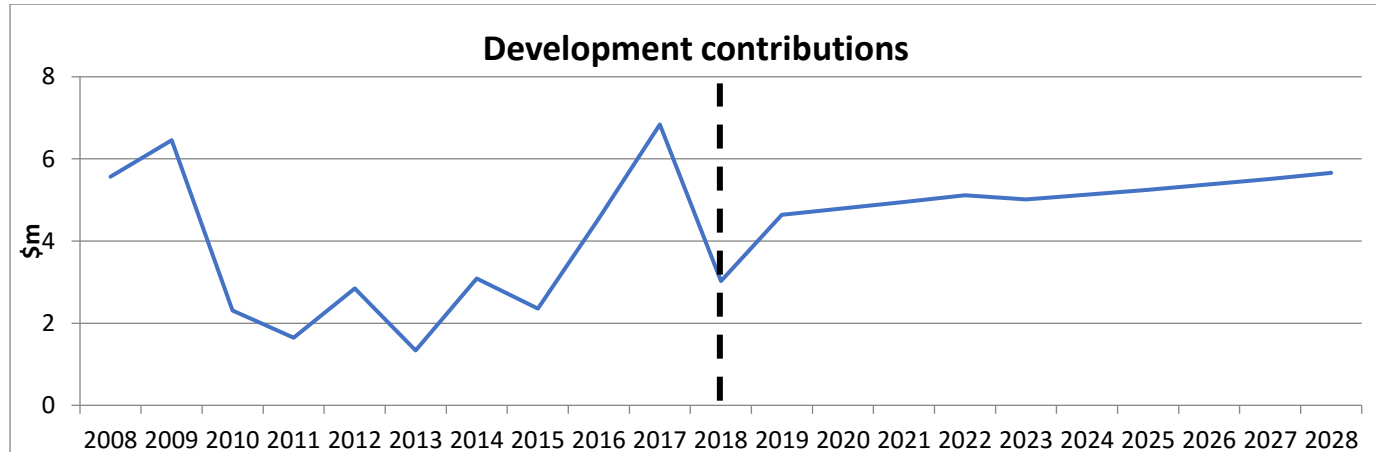
Subsidies from Central Government via New Zealand Transport Agency (NZTA) provide a significant source of funding for our transportation activities. In 2018-19 we expect to receive subsidies of \$19 million, representing 53% of the gross cost of both operating and capital expenditure on a wide range of approved items. At the time of completion of this Plan NZTA had not confirmed the subsidies applied for by Council.

Development Contributions

Council's practice is to fund most of the growth component of capital expenditure through Development Contributions, with the remainder funded through rates. Over the past few years we have experienced positive growth with corresponding higher DC revenue, so Council has taken a more optimistic approach to forecasting revenues in this area.

Across the 10 years of this Plan, we expect to proceed with around \$119 million of growth projects. Forecast income of \$51 million from Development Contributions will cover some of this cost, with the remainder of funding to come from rates and subsidies.

Development contributions



Expenditure

Operational activities

Total annual expenditure is forecast to increase from \$140 million to \$177 million over the 10 years of the Plan, while total annual revenue is expected to increase from \$148 million to \$216 million over the same period. This will provide an operating surplus in every year of the Plan.

Council's approach to forecasting operational expenditure is a balancing act. Local government costs are rising faster than general consumer goods, and as a result, Council must rise to the challenge of meeting levels of service while at the same time looking for efficiencies in order to contain expenditure. We also need to allow for effects of population growth and operating costs associated with new assets in preparing our budgets.

Reviewing our supply chain so that we can purchase at best prices provides one of the best opportunities for limiting costs. Continuous improvement of our processes in many cases will result in less cost but also in best use of available funds (doing more with less). Council constantly reviews its operating costs with regular reviews of items such as bank charges, interest rates and preferred supplier arrangements.

The tables below show the split of total forecast operating costs for each activity and expenditure type for the planning period.

Breakdown by activity	\$000	% of total
Network \$m		
Transportation	350,996	22.3%
Water	142,978	9.1%
Wastewater	129,988	8.2%
Stormwater	45,451	2.9%
Flood Protection & Control Works	10,597	0.7%

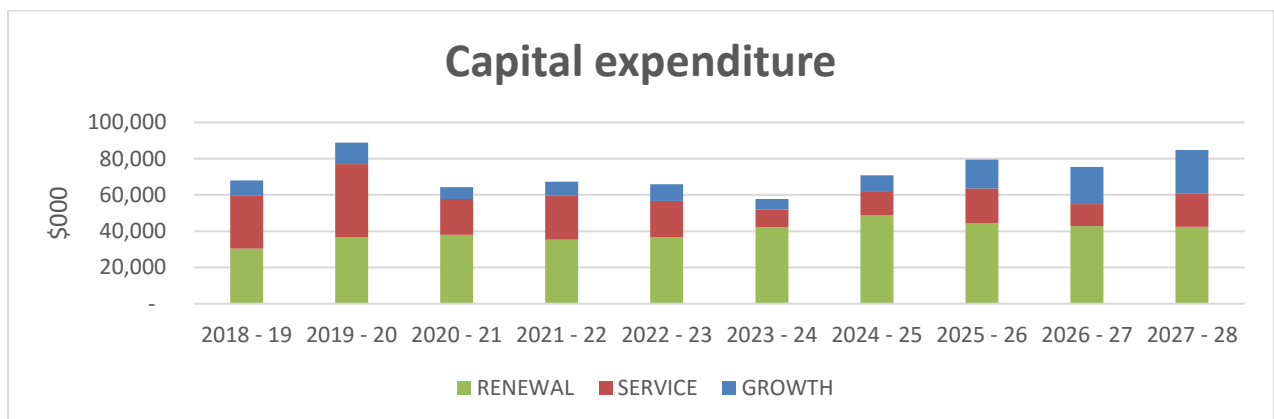
Total	680,010	43.2%
Other		
Solid Waste	83,926	5.3%
Community Facilities	312,705	19.8%
Planning & Regulatory	115,156	7.3%
District Strategy & Governance	56,269	3.6%
Corporate & Finance	327,768	20.8%
Total	895,823	56.8%
Total operating expenditure	1,575,834	100.0%
Breakdown by expenditure type		
Operating expenditure	432,679	27.5%
Professional fees	46,007	2.9%
Repairs and maintenance	222,884	14.1%
Depreciation	452,840	28.7%
Finance costs	99,748	6.3%
Personnel costs	321,676	20.4%
Total	1,575,834	100.0%

Capital expenditure

Total annual capital expenditure ranges from \$58 million to \$89 million. We have assumed carryforwards from 2017-2018 to 2018-2019 of \$15 million. These carryforwards are not included in the capital projects list because the individual projects making this up have not yet been identified.

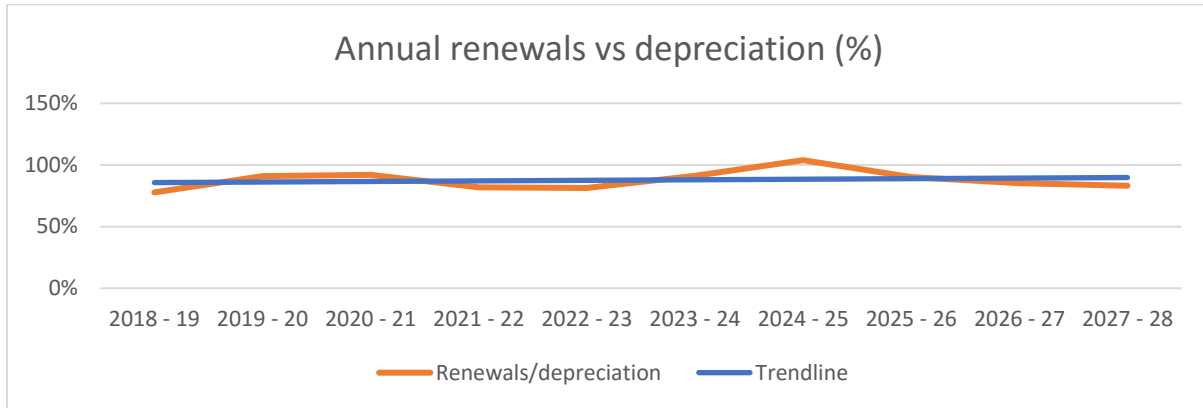
Expenditure is funded by a combination of operating surplus, rates collected for depreciation, development contributions and government subsidies. Council is expected to receive NZTA subsidies for roading expenditure of 53% over the plan.

The graph below illustrates planned capital expenditure over the 10 years of the Plan of \$723 million. 55% of total expenditure is for the renewal of existing assets, with 28% for improving levels of service and the balance of 17% providing for growth.



Just over half the expenditure is for the renewal of existing assets and upgrades to extend their useful life. Each year a depreciation amount is estimated. This represents the portion of an asset's useful life that has been used up through 'wear and tear' in that year by current ratepayers. Depreciation is calculated for all assets, and each year's renewal programme only affects a portion of assets, although all of them are replaced over time. The graph below shows the relationship between these two amounts over the life of the Plan.

Renewals to depreciation



This shows the average ratio of renewals to depreciation to be 88%. While renewal expenditure should roughly match depreciation expense in the long term, this is a prudent approach that will not compromise service levels in the foreseeable future or leave a significant backlog of asset replacement for future generations. This issue is explored in more depth in the Infrastructure Strategy.

Capital Expenditure by activity type is allocated as shown in the table below.

Network Infrastructure	\$000	% of total
Transportation	295,095	40.8%
Water	108,383	15.0%
Wastewater	91,236	12.6%
Stormwater	39,138	5.4%
Flood Protection	3,711	0.5%
Total	537,564	74.4%
Other		
Solid Waste	622	0.1%
Community Facilities	123,136	17.0%
Planning & regulatory	1,619	0.2%
District Strategy & Governance	2,736	0.4%
Corporate & Finance	56,989	7.9%
Total	185,101	25.6%
Total capital expenditure	722,665	100.0%

Note: Solid Waste expenditure relates solely to transfer stations, which are the only solid waste assets directly owned by Council. The bulk of our refuse management operations (including the landfill and Re-Sort facility) are delivered with our joint venture partner through the Northland Regional Landfill.

As the above table shows, over the life of the Plan, 74% of capital expenditure is focused on network infrastructure, reflecting Council's recognition that we still have to invest considerable amounts in our core assets to meet the service levels our community expects.

However, community facilities (like boat ramps, playgrounds, walking tracks or theatres) are a critical component of a balanced and sustainable community, and form an important part of our aspirations to enhance our District in terms of Sense of Place and improved economic social, health and education statistics. While some consider these projects as 'nice to have', Council views them just as important as core infrastructure in achieving our overall outcomes, while recognising that expenditure on them needs to be kept in balance.

Assets

Council holds a range of fixed assets valued as at 30 June 2017 at \$1.5 billion. A total of \$1.4 billion (92%) of these comprise our core network assets such as transportation, water systems, wastewater, stormwater and flood protection infrastructure.

Asset Management Plans have been prepared for infrastructure assets, setting out required maintenance and renewal expenditure to ensure they are appropriately managed and maintained to provide our targeted levels of service. Council intends to maintain these assets in accordance with these plans.

Council also holds various operational and investment assets including property (incorporating land, buildings, ground leases and land held for development) and small forestry blocks.

The full insurance programme was reviewed in 2016 resulting in a change of brokers and some schedules being managed directly with insurers.

Council's assets are insured in a number of ways via a number of providers. The exception to this are the roading assets which are covered, in part only, by emergency reinstatement funding from NZTA.

All underground assets (previously LAPP) are now covered under a commercial insurance.

Valuations have been completed for most of Council assets during the 2016-17 financial year. Insurance schedules are updated through out the financial year with changes as they occur within Council.

Current insurance levels are:

- full value for Underground assets, In line with recent valuations
- commercial Insurance around 90% asset values
- roading via NZTA at 53%

Insurance levels are reviewed annually in line with schedule renewal dates.

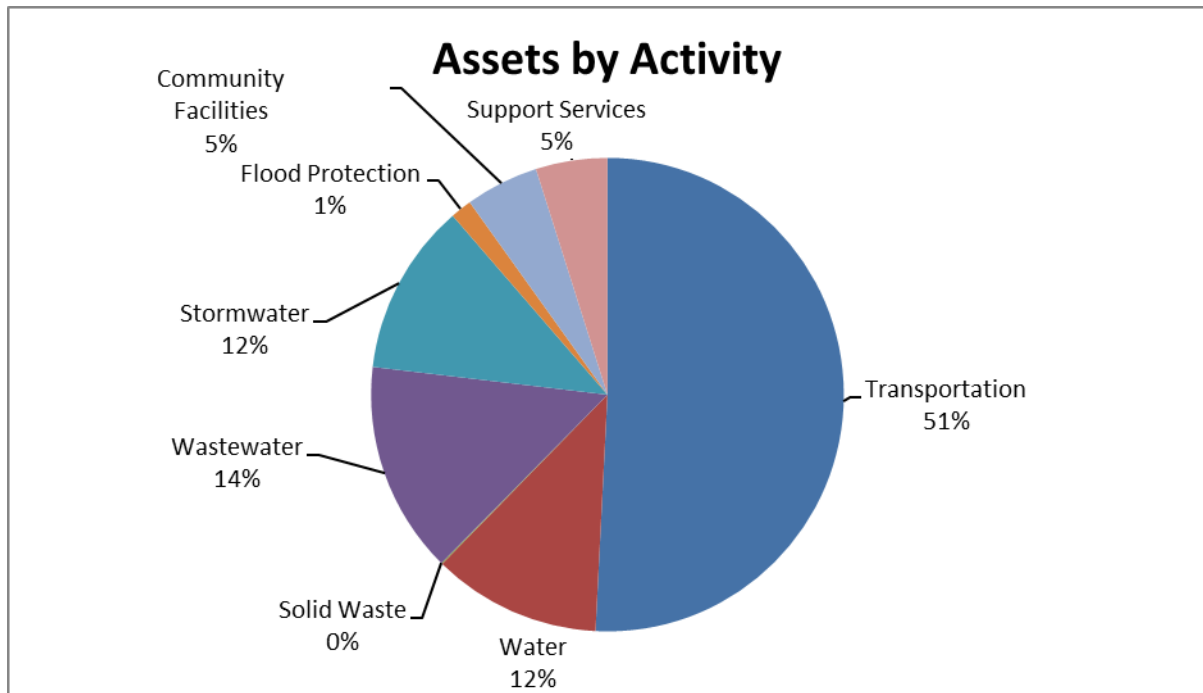
A full review of insurance providers was undertaken in 2016-17 and this will be reviewed again in 2019-20.

2017 was a revaluation year. Revaluation data was not available until after the placement of the 2017-18 insurance programme and, because of this, Council's insurance schedules were again subject to a full review. This process involves an assessment to determine whether costs of asset replacement across Council should be met by commercial insurers, LAPP and NZTA, or self-insurance. Following this review, the insurance schedule was finalised with adjustments being notified to respective insurers.

Direct equity investments in Council Controlled Organisations/Council Controlled Trading Organisations and other shareholdings (in the form of land, buildings, airport assets and artwork) make up the remainder of Council's assets. These investments are reviewed on a regular basis to ensure that they are still appropriate for Council to retain.

Over the period of this Plan, the value of assets is expected to rise considerably as capital works projects will establish new assets of significant value and existing assets are revalued every three years.

Assets by Activity



Minimising Risk

In preparing this Plan Council had to make some assumptions about what will happen in the future, but this will always bring with it a level of risk. We have identified four major areas of risk that could impact our ability to deliver on our Financial Strategy.

- Our District is susceptible to extreme weather events which requires funding for unplanned repair works. The main impacts are felt in our roading network, but there is often damage to other infrastructure such as pipelines, walking tracks and coastal structures. While we design and build our infrastructure assets to have resilience to these storm events, we are often faced with unplanned repairs. Council has considered the establishment of a reserve fund to cover storm damage, but has chosen not to do so now. Council would fund maintenance and capital works by utilising its headroom to its debt limit. If this was not possible then council would defer operating and capital spend to accommodate the work required to make good the damage.
- No provision has been made for catastrophic events such as tsunamis, as this would be so disruptive that a business continuity plan based on the current operating model would be impractical and other interventions (such as central government support) would be required.
- We know that population growth and development will continue, but we cannot accurately quantify exactly when, where or to what extent it will occur. Our Asset Management Plans, and Infrastructure and Financial Strategies are all based on historical trends and future growth forecasts to give us the best prediction of our District's needs into the future. While several projects that support growth are included in our LTP, we will review actual growth patterns and infrastructure needs each year and adjust the programme accordingly.
- Adverse global economic conditions can also have a negative impact on Council's financial resources, as well as those of our ratepayers and residents. The last six years have been particularly challenging, as Council has balanced issues of rates affordability against the desire to continue spending on infrastructure projects, which provide a significant input to the local economy through employment and financial stimulus.
- Conversely, buoyant global economic conditions can lead to higher interest rates. Given the level of Council's external debt, every 1% increase in interest rates represents about 2.4% of general rates. However, we manage our exposure to interest movement through a hedging programme that gives us a high degree of insulation from global or national events i.e. we have effectively capped our interest rates for many years into the future at current rates between 3.86% and 6%.
- We also take a conservative approach to our debt levels, meaning that we have considerable capacity to raise debt to deal with abnormal events and emergencies. While there is no intention to increase debt beyond the

levels shown elsewhere in this Strategy, it is important to note that we have access to more funding in the unlikely event that it is needed.

Limits and Policies

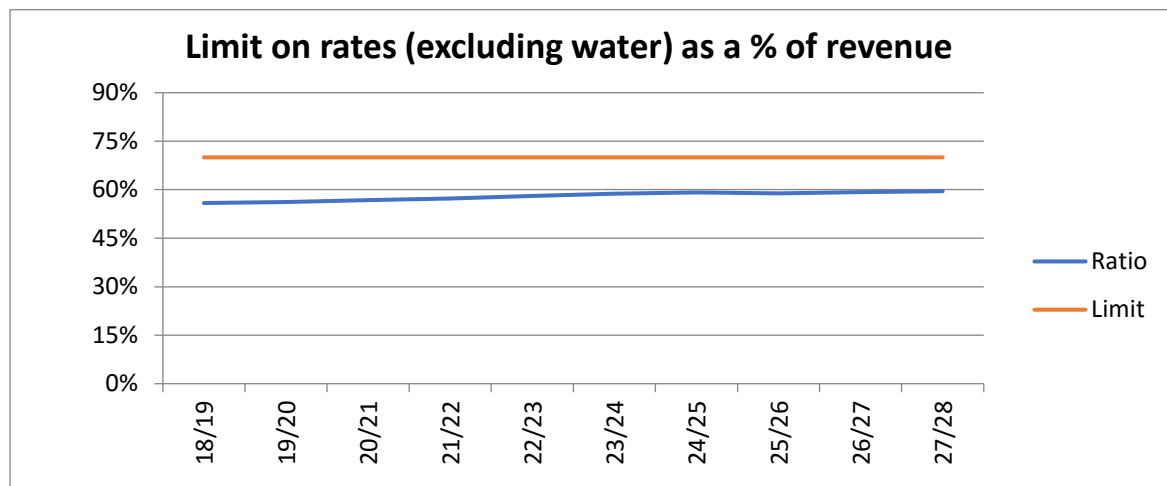
Limit on rates

Council does not have a particularly diverse income stream, with the main sources being rates, fees and charges, development contributions and government subsidies (e.g. for transportation). There is limited scope to add new revenue sources without allocating funds to new investments, so the reliance on rates as a revenue source will remain relatively high.

While Council will continue its approach of allocating rates as a funding proportion based on who causes, and benefits from, its activities, it will also endeavour to limit rates (excluding water)* collected each year to a maximum of 70% of total Council revenue, with the long term average below this limit.

This limit will be reconsidered as part of every Annual Plan and LTP to ensure that it remains a practical target given Council's financial position and broader economic conditions at that time.

Limit on rates (excluding water) as a % of revenue



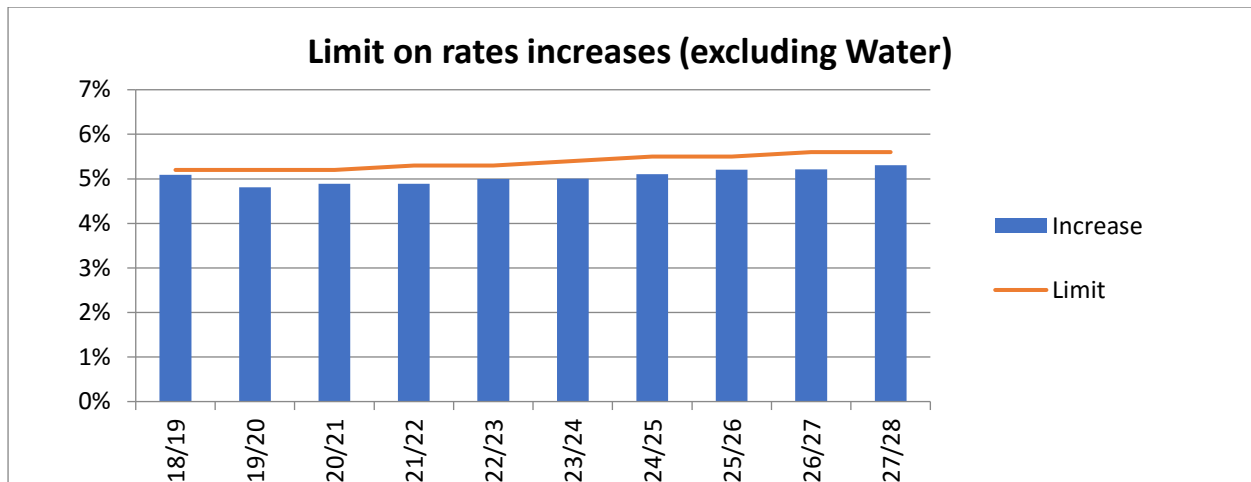
* For the purpose of this limit, rates are defined as all revenue derived from general rates and targeted rates, but excluding water rates, which are effectively a consumption charge and are therefore out of Council's direct control.

Limit on rate increases

As noted in the Rates section above, Council intends to apply an increase of 2% above inflation to all rating types apart from water.

The inflation factor used is the Local Government Cost Index.

Rating revenue will also increase through natural growth in the rating base i.e. as our population grows. An allowance of 1% per annum is made for rates levied on all ratepayers, and 0.8% for wastewater, and 0.6% water as some growth will be outside the reticulated area.



The target set for reporting purposes will be reviewed and possibly reset in each year's Annual Plan based on the latest LGCI predictions.

From time to time there may be extraordinary events that mean Council may have to go outside these limits. For instance, there may be a need to fund the cleanup after a catastrophic event. However, these situations are considered to be unlikely and have not been provided for in this Plan.

Limits on borrowing

The debt limit increases over the life of the plan from \$161.5 million on 1 July 2018, by LGCI and growth over the 10 years. This means that the debt limit increases to \$223.2 million by July 2028.

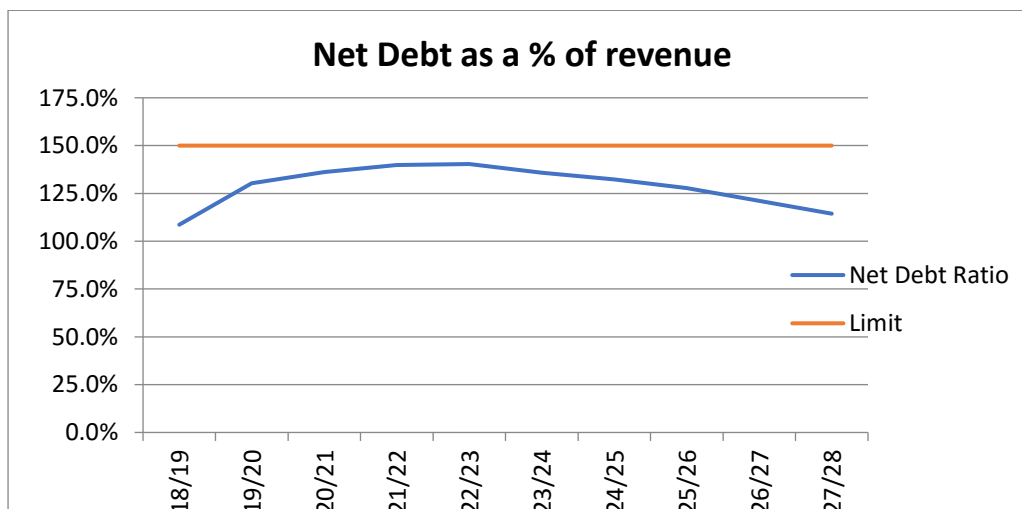
There are two other limits on borrowing:

- external net debt less than 150% of revenue, and
- net debt per capita level below \$2,150 in 17/18 dollars growing by LGCI plus 1% growth over the 10 years.

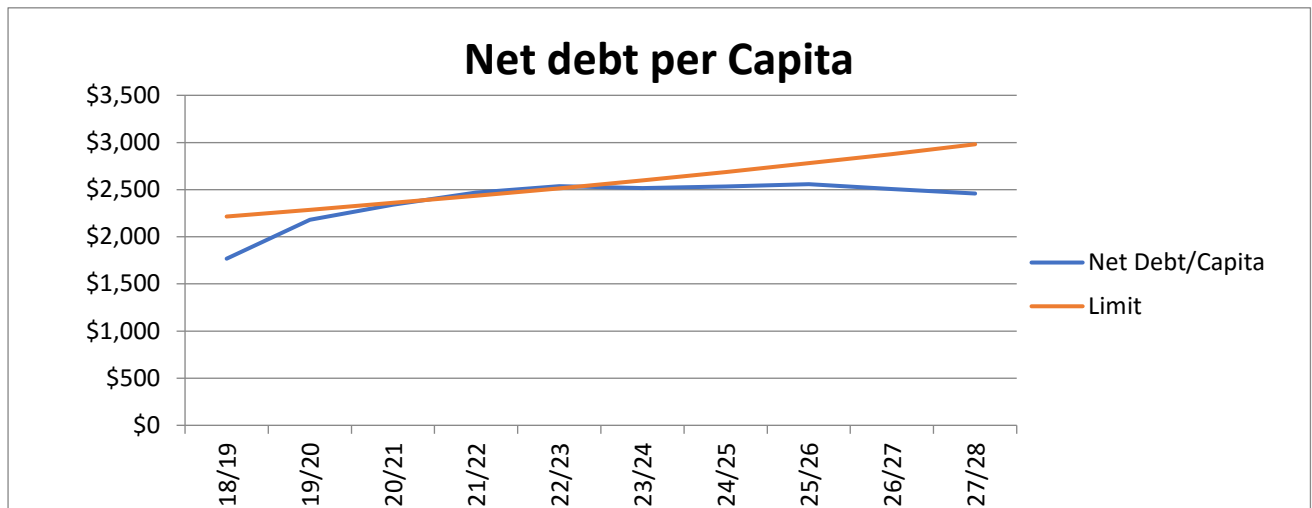
Details on how Council's debt is managed are set out in the Treasury and Risk Management Policy which is available on request.

Council also utilises internal funding which is not subject to the above limits.

Net debt as a % of revenue Graph (Nathan) ✓



Net debt per capita



Council Organisations

Council currently delivers a variety of services through Council Organisations (CO's) where it considers this is a more effective, efficient and financially viable option compared to other means of delivery.

There are four Council Controlled Organisations:

- Whangarei Waste Ltd
- Whangarei Art Museum Trust
- Northland Event Centre Trust
- Whangarei District Airport.

There is also one Council Controlled Trading Organisation:

- Northland Regional Landfill Limited Partnership.

There is one Council Organisation:

- Whangarei Quarry Gardens Trust

Council also has a small (3.3%) shareholding in the NZ Local Government Funding Agency, which is owned by 30 councils and the Crown.

Council does not intend to make any significant changes to the current funding arrangements for these CO's throughout the 2018-2028 LTP.

Monitoring and reviewing the strategy

As part of business as usual we constantly scan the financial environment and our own performance to monitor:

- sustainability of our financial performance and position
- emerging risks
- whether the Strategy is being implemented
- trends in the community's ability to pay.

The Strategy will be reviewed tri-annually as part of the LTP process. Consideration will also be given to the impacts of any significant changes in local, national or global economic conditions during each year's Annual Plan process.

Supporting documentation available

The policies listed below have been developed in conjunction with this LTP, and are available upon request:

- Revenue and Financing Policy (page xx)
- Treasury and Risk Management Policy
- Development Contributions Policy.

Infrastructure Strategy

2018 - 2028

INFPLAN-1596125988-258

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1 Introduction

1.1 Purpose and Scope

The purpose of an Infrastructure Strategy is to identify the significant infrastructure issues for Council over a 30 year management period, along with the principal options for managing those issues and the implications of those options.

The Infrastructure Strategy provides a high-level tool for ensuring that Council's infrastructure is properly managed throughout its life cycle, and to ensure that the needs of current and future generations are met. This Strategy applies to the following infrastructure groups:

- Water
- Wastewater
- Stormwater
- Flood protection
- Roads and footpaths
- Solid waste
- Parks and recreation

Of note is the inclusion of the solid waste and parks and recreation which, while not statutorily required, have been included due to the resources they consume and their contribution to community outcomes.

In accordance with Section 101B of the Local Government Act 2002 (the LGA), this Strategy sets out the following matters:

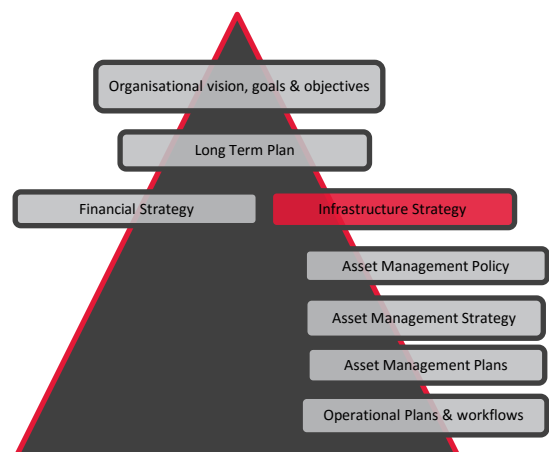
- How Council will manage infrastructure assets, considering the need for renewals, response to growth and maintaining Levels of Service. *[Sections 2 and 6 - 12]*
- The overall financial strategy to manage assets *[Section 5]*
- The significant decisions *[Section 4]*
- Overall assumptions relating to lifecycle, demand and Levels of Service *[Sections 3 and 6 - 13]*
- Significant issues, options and responses associated with the long-term management of Councils infrastructure *[Sections 2 - 4 and 6 - 12]*

1.2 Strategic Framework

The Strategy is part of a suite of long, medium and short term strategies, plans and policies that contribute to the long term sustainable management of Council's infrastructure.

Along with the Financial Strategy the Infrastructure Strategy is a key supporting document to Council's Consultation Document for the Long-term Plan 2018-2028 (the LTP), sitting above the Asset Management System.

While the Infrastructure Strategy identifies the significant infrastructure issues over the 30 year horizon Asset Management System documents guide not only how we produce Activity Management Plans (AMPs), but how we improve over time. Notable within these is the Asset Management Strategy which sets the Policies, Objectives and Actions for Asset Management. These underpin the improvements required to address a number of strategic issues identified within this document, and have been included in Appendix B.



1.3 Using this document

Part 1 of the Strategy outlines the Strategic Direction and Decisions of Council (including the Strategic Direction, Context, Significant Decisions and Funding Strategies). Part 2 provides the Activity Analysis and Assumptions underpinning Part 1. This Strategy is supported by, AMPs which provide detailed analysis of the issues and options facing each activity.

It is intended that Part 1 will provide the reader with a sound overview of the Strategy, with more detailed information available in Part 2 and the supporting AMPs (if required).

Part 1: Strategic Direction and Decisions

2 Council's Strategy

While this Infrastructure Strategy has been informed by, and is a continuation of, the hold and maintain strategy from our 2015-25 Long Term Plan, it is also shaped by the key strategic direction from our new community outcomes, feedback and direction provided through early engagement and the resulting vision to be an attractive, vibrant, and thriving District. Through these processes the following significant issues have been identified:

- **The need to continue to focus on core assets:** This is a continued drive to ensure that assets we have already invested in are maintained and renewed, in order to maintain existing Levels of Service. Complicating this is the fact that Council has an aging asset base, some assets are deteriorating faster than expected and, particularly within the “three waters”, many assets are located underground making it difficult to accurately assess condition. In some areas, notably stormwater, renewals have been historically underfunded, and within the three waters (and to a lesser extent parks and recreation), there are limitations on the data that is required to proactively plan for, and prioritise the maintenance and renewal of assets.
- **Whangarei is a growing District:** Population and household growth has increased over the past three years. The growth model supporting this Strategy is largely based on Statistics New Zealand's (SNZ) projections supporting Whangarei District's classification as a high growth area under the National Policy Statement on Urban Development Capacity (the NPS). The model shows a picture of continued population increase beyond what was predicted in earlier models. In adopting SNZ's medium projection (with modifications for known areas of growth above the projection), this Strategy recognizes the need to provide sufficient capacity to enable development to occur, and to meet growing demand.
- **Across the District there is an increased expectation of higher levels of amenity:** This expectation relates to adding amenity to what would otherwise be standard infrastructure projects and providing ‘more things to see and do’. It is also a result of key amenity projects completed or enhanced within the last three years, such as the Hatea Loop and Pocket Park, which have been broadly supported by the community. As a growing District, there is a greater expectation to see these types of projects across our urban and rural areas.

Growth since the last Strategy, and increasing expectations for amenity, compete with the desire to prioritize funding for the maintenance and renewal of core assets. These community expectations require Council to balance limited funding across competing priorities. In adopting the 2015 Infrastructure Strategy, Council considered three options:

- **Deliver at current Levels of Service:** increase investment in core services through an initial step change in rates in year one of the 2015-25 LTP, followed by increases above inflation in the remaining years.
- **Delivering current Levels of Service without sufficient funding;** through a lesser rate increase beyond inflation, allowing some assets to run down, and debt funding capital expenditure.
- **Focus on meeting selected community expectations;** through focussing on necessities, increasing rates by inflation, focusing on core infrastructure and potentially reducing service levels.

While Council's preferred option remains to deliver current Levels of Service with rates increases above inflation over the first 10 years, it is proposed to address issues identified since 2015 through the following enhancements:

- Increasing Council's self-imposed debt limits above inflation for the first 10 years. This will enable prioritised investment in renewals in the early years while providing for growth and amenity projects.
- Prioritizing renewals spend on stormwater and building capacity to deliver over the life of the LTP.
- Including funding for asset data and systems improvement (i.e. data validation, condition assessment and upgrade or replacement of the Hansen database) to improve prioritisation and funding decisions.
- Continuing to review the adequacy of infrastructure to service NPS growth projections.
- Consolidating Sense of Place funding into a dedicated programme primarily focused upon cornerstone projects around Pohe Island and the Hatea Loop, and on the ‘Blue Green Network’.

3 Strategic Context

In determining the strategic direction of infrastructure management, it is necessary consider a range of matters, including:

- Growth and Demographics – influencing future demand on, and the ability to pay for infrastructure services
- Environment – influencing future upgrades to meet new environmental demands and consent conditions
- Climate Change and Hazards – influencing the design and location of infrastructure to help develop resilience
- Community Drivers – influencing Council's response to the aspirations of the community, and expected Levels of Service

3.1 Growth and Demographics

Demand on the District's infrastructure is driven by growth in the permanent residential (and business) population, as well as the level of temporary spikes in holiday populations.

Growth in the permanent residential and business population has a sustained impact on all infrastructure services.

The challenge is to ensure that there is sufficient capacity located in areas of growth, to enable that growth, or to provide suitable infrastructure in areas where growth is planned or considered desirable.

Ongoing changes in population demographics also have the potential to affect the ability of the community to fund infrastructure.

3.1.1 Growth

Council's spatial pattern for growth is set through 'Whangarei District Growth Strategy: Sustainable Futures 30/50'. While Council has historically produced an in-house growth model in support of this spatial pattern in May 2017 SNZ provided population projections in support of the NPS.

As Council has been identified as 'high growth' under the NPS it has utilised the medium population projections from SNZ as the base for the 2017 Growth Model, with the following adjustments made to reflect known areas of higher growth within the District:

- **Marsden Point / Ruakaka:** which has experienced higher than projected growth in the last five years in wastewater connections, a trend which is expected to continue with future subdivision growth and building consents. As a result Council has adopted a higher growth projection for this area. Within this Area Unit Business Floor Area has also been adjusted to normalize the effect of existing refinery floor area.
- **Port Limeburners;** where it is anticipated that the Port Nikau development will occur in the next 30 year period. The development will result in gradual growth of up to 3,000 people, and 1,500 dwellings, by 2048.

As at 10 June	2018	2023	2028	2033	2038	2043	2048
Population	89,900	95,500	100,800	104,200	107,200	109,900	112,800
Total Dwellings	37,980	40,580	43,080	44,660	46,080	47,380	48,730
Business Floor Area (m²)	1,274,600	1,319,800	1,367,000	1,416,600	1,468,400	1,522,600	1,579,300

Table 3.1.1.1: Estimated Residential Population, total Dwellings and Business Floor Areas 2018-2048

Overall the District's population is projected to exceed 100,000 people in the next ten years, with an average annual growth rate of 1.2% over the life of the LTP. By 2048, the total resident population is projected to be 112,800. Although it is expected that the rate of population growth will slow from year 11 through 30, the average annual rate of growth will remain steady, just below 1%. Total dwellings in the District is forecast to increase from 37,980 in 2018 to 43,080 in 2028, resulting in an extra 5,100 dwellings, averaging 510 additional dwellings per year.

The highest increases in population between 2018-2028 are expected to be in Marsden Point/Ruakaka, Port Limeburner, Waipu, Bream Bay and Te Hihi. Although most coastal areas are not identified as high growth areas these areas do have seasonal variations in population.

3.1.2 Demographics

The District is comprised of the urban area (approximately 64% of the population), coastal settlements (14% of the population) and rural areas (22% of the population). The overall make-up of the District's population did not significantly change between the 2006 and the 2013 census data, although there are likely to have been changes since that time due to sustained growth in recent years.

The estimated resident population of the District is older than New Zealand overall, with more residents outside the 'working age' cohort (15-65 years).

It is estimated that within 10 years, the working age group will make up approximately 56% of the population. Children will comprise 20% and seniors will make up 24%. During this time, the population aged 65-84 years will have increased by almost 5,900 or 38%. The population over the age of 85 years will have increased by almost 950 or 45%.

3.1.3 Growth and Demographics Response

The District is identified as a high growth area in accordance with the NPS. The High Growth status under the NPS requires, among other things, that there must be sufficient housing and business land development capacity, with that capacity having the infrastructure required to service it.

The updated Growth Model utilises the best available statistics, and has been prepared based on SNZ modelling in order to be consistent with the NPS. Amendments to the Growth Model reflect known local issues and have the effect of providing a more accurate model.

Although there will be a gradually increasing population, and a greater number of rateable residential dwellings, it is expected that there will be fewer people of working age, and a gradual increase in retired permanent residents. The effect of this will be to increase the number of residents on fixed income. This may result in changes to how people utilize some infrastructure, particularly parks and public transport.

To address these issues Council has provided for the following:

- Servicing of growth as road transport links with Auckland improve
- Reviewing 30/50 as part of the requirements for a Development Strategy under the NPS
- Verifying growth models with confirmed data, particularly updated Census data, once available
- Ongoing consideration of the effect of an aging population on parks and public transport

3.2 Environment

3.2.1 Environmental Regulation

The most direct effect of regulation on infrastructure is the consenting process. This process is driven by Regional and District Plans that implement the Regional Policy Statement and National Environmental Standards.

The Northland Regional Policy Statement (RPS) provides the environmental framework for the region and undergoes a full review every 10 years. With the last full review being completed in 2016, it is reasonable to assume that the RPS will be reviewed up to three times within the lifetime of this Strategy.

While the RPS does not set consent conditions, there are clear Objectives to improve the overall quality of coastal and freshwater, particularly in relation to micro-biological contamination. These Objectives are reflected within the relevant Regional Plans. It is therefore reasonable to expect that, as consents are renewed, there will be greater emphasis on investing in improved water quality outcomes, treatment options, and better technology.

In addition, Council is subject to national regulation through legislation and Standards.

3.2.2 Environmental Regulation Strategic Context

All infrastructure activities have assets that are subject to resource consents. Most consents are managed through the AMPs and the consenting process. However, consents that involve significant water takes, significant discharges or have the potential for substantive environmental impacts are of strategic importance. Strategically important consents are associated with:

- Wastewater – treatment and discharge options, including land discharge and any ocean outfall
- Stormwater – treatment options at stormwater outlets

- Water – low flow water take provisions
- Flood Protection – scheme renewal
- Solid Waste – discharges from landfills and consents for ReSort and Purewa Landfill

The timing for renewals of major consents is outlined in the table below.

Description	2018	2021	2024	2027	2030	2033	2036	2039	2042	2045	2048
Water											
Wastewater											
Stormwater											
Flood Protection											
Solid Waste											

Table 3.2.2: Timing of Major Consent Renewals

Also of note over the life of this Strategy are the potential implications of changes to Drinking Water Standards, and the potential for fluoridation of water supply.

3.2.3 Environmental Regulation Strategic Response

Consent renewals may require upgrades of some wastewater treatment plants, installation of treatment devices on stormwater outfalls and the identification of additional alternative water sources where low flows are an issue. In addition Council may be subject to national regulatory changes, particularly in the water activity. To address this issue Council will:

- Continue monitoring consent compliance, including long term performance and environmental impacts, so that future consent conditions can be negotiated with stakeholders and authorities based on sound information
- Plan on a staged installation of treatment devices for stormwater network outfalls
- Monitor the potential to Drinking Water Standards and include strategic funding to respond where necessary

3.3 Climate Change and Hazards

Climate Change encompasses global warming and the associated changes in climate that result, including an increase in more extreme climate events such as floods, storms, cyclones and droughts. The Ministry for the Environment Climate Change Projections for the Northland Region include:

- An increase in average temperature of between 0.7° – 1.1° Celsius by 2040
- Up to 75 additional days where temperatures exceed 25° Celsius by 2090
- An overall reduction in annual rainfall
- A similar number of ex-tropical cyclones, but these will be more severe, resulting in greater damage and flooding

Climate change is not expected to create new hazards that are not already being experienced, however, it is expected that the frequency and intensity of some hazards such as storm events (wind damage), flooding, coastal erosion and inundation will increase.

3.3.1 Climate Change and Hazards Strategic Context

The District is largely coastal in nature with the majority of residents and population centers located along the east coast. Whangarei is located along an estuarine environment, with the Hatea River being tidal at the center of the City. There are numerous smaller coastal settlements, including Langs Beach, Ruakaka, Ngunguru and Tutukaka. All of these settlements are at risk of sea level rise in the long term and potential inundation as a result of storm surge.

The effect of Climate Change and hazards on Council's infrastructure over the next 30 year period, and beyond is expected to include:

Drought

- An increase in peak demands for water, with more hot days per year. This has the potential to impact on water storage volumes
- A reduction in water availability due to a reduction in annual rainfall, including potentially greater restrictions on water takes where there are low-flow restrictions in place; and/or less water entering reservoirs and dams. This could have long-term impacts on where, and how the District sources its water supplies

Flooding

- Increased damage to the road network, particularly where flooding arises from more intensive storm events, resulting in the re-allocation of maintenance and repair funding
- Stormwater networks reaching or exceeding capacity more regularly
- A reduction in the economic benefit of the Hikurangi Swamp flood protection works as the design capacity will be exceeded more often, resulting in more flooding, and potential pressure to upgrade the scheme

Sea-Level Rise and Coastal Inundation

- Increased damage to coastal assets, particularly wharves, jetties, pontoons and coastal protection works resulting from increased intensity of storm events and sea level rise
- Loss of coastal reserve areas due to increased coastal erosion

3.3.2 Climate Change and Hazards Strategic Response

Climate Change has the potential to affect a wide range of Council assets across all the infrastructure activities. While the full impact of climate change will not become fully apparent for some time, infrastructure assets are long term, and new, replaced or upgraded assets will need to be designed and located to take account of potential hazards and climate change impacts. To address this issue Council will:

- Continue to incorporate the most up to date hazard and climate change data into standards dictating the design of assets, and take account of that data when determining the location of some assets.
- Develop a Climate Change Strategy to consider how as a District we adapt to the impacts of climate change, including overarching considerations to inform the design, location of, and need for, infrastructure.

3.4 Community Drivers

3.4.1 Community Drivers Strategic Context

Community Outcomes

Community outcomes guide everything that Council does, as a set of aspirational goals that the community has identified as being important. All seven activities contribute to at least one community outcome:

Outcome	Water	Wastewater	Stormwater	Roads and Footpaths	Flood	Solid Waste	Parks and Recreation
Efficient and resilient core services	High	High	High	High	Medium	Medium	Medium
Positive about the future	Medium	Medium	Medium	High			
Caring for the environment		High	High	Medium	Medium	High	Medium
Proud to be local				Medium		High	Medium

Table 3.4: Infrastructure Contribution to Community Outcomes

Levels of Service

Level of Service is the service quality for an activity, which Council expects to meet, or is targeting. The Level of Service encapsulates what the community can expect from Council's infrastructure and activities and brings together a combination of:

- The quality of infrastructure that will be provided by Council

- The standard to which infrastructure is maintained
- The services that assets, staff and contractors provide to the community

LTP Levels of Service, and supporting performance measures, are provided in Appendix D. Council's overarching Strategy is focussed on ensuring that Levels of Service identified in the LTP are maintained.

3.4.2 Community Drivers Strategic Response

Part 2 of this Infrastructure Strategy addresses strategic options and anticipated response required to maintain Levels of Service across the individual activities given overall asset condition and the funding environment.

The anticipated responses to key issues, along with the renewals profile that makes up each Activity Funding Strategy, are targeted at maintaining current Levels of Service.

However, of note is the stormwater activity where Council has prioritised renewals funding to ensure the Levels of Service are maintained. To address this issue Council will:

- Allocate \$32 million of additional renewals funding in the first 10 years of the Strategy (\$1 million in year one increasing to \$5.5 million in year 10).

4 Significant Decisions

This Infrastructure Strategy also addresses significant infrastructure issues, assets and decisions. Significance is determined in accordance Council's Significance and Engagement Policy 2017.

The Policy includes considerations for making a decision with a matter being deemed significant if, in Council's judgement, two or more of the following criteria / measures are triggered:

Criteria	Measure
Impact on Council's direction	Major and long-term
Change in Council's current level of service	Major and long-term
Level of public impact and/or interest	Major and District-wide, or Major for an identified community of interest
Impact on Council's capability (non-cost)	Major and long-term
Net financial cost/revenue of implementation, excluding any financial impact already included in a Long-term Plan / Annual Plan	Net Capital Expenditure >10% of Total Rates in year commenced. and/or Net Operating Expenditure >2.5% of Total Rates in year commenced

Table 4.0: Significance Criteria

4.1 Significant Capital Expenditure Decisions

4.1.1 Whau Valley Water Treatment Plant

While the Whau Valley Water Treatment Plant replacement is important to the community the project has not received a high level of public interest, with only one submitter seeking to be heard through the consenting and designation stages. Expenditure on the project is likely to trigger one of the Policy criteria however and given the scale and importance of the project it was considered prudent to include it in this section.

Whau Valley Treatment Plant Renewal – Options		
Options	Implications	Alternatives
Do nothing	<ul style="list-style-type: none"> • Risk of failure • Insufficient capacity for growth • Does not comply with Building Act earthquake requirements • Loss of investment and design already undertaken and land already purchased 	Utilise other treatment plants, which would result in: <ul style="list-style-type: none"> • Increased operational cost • High risk of water restrictions at peak periods
Upgrade the existing plant	<ul style="list-style-type: none"> • Capacity cannot be extended with upgrades alone • Insufficient room for delivery vehicles • Will only achieve 67% compliance with Building Act • Ongoing risk of hazardous substances 	Demolish the existing plant and rebuild on the same site. This alternative does not address the major site constraints. This option would also require the acquisition of some neighbouring land to implement

Whau Valley Treatment Plant Renewal – Options

Build a new plant on a new site	<ul style="list-style-type: none"> • Addresses capacity issues • Meets Building Act requirements • Reduces risk to residential properties • New site can be fit for purpose 	Construct a new plant on the existing site, and accept higher risk and potentially a lower Level of Service
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Whau Valley Treatment Plant Renewal – Most Likely Scenario

Description	Timing	Est Uninflated Cost
Replace the Whau Valley Treatment Plant on a new site <p>The Whau Valley Water Treatment Plant was originally constructed in 1953 and supplies potable water to the Whangarei urban area. The Treatment Plant is surrounded by residential dwellings and has the following constraints:</p> <ul style="list-style-type: none"> • The existing Plant requires earthquake strengthening under the Building Act, but will only achieve 67% compliance • There is no additional space available to construct a new plant alongside the existing plant • There is insufficient access and manoeuvring room • Storage and use of hazardous substances (Chlorine Gas) close to residential dwellings is a risk 	2018 - 2020	<p>Most Likely Scenario \$21.3 million over a three-year period</p> <p>This Project is currently at an advanced stages of the decision-making process in relation to cost</p>

4.1.2 Ruakaka Ocean Outfall

While in the later years of the Strategy, and as such subject to uncertainty around the impacts of growth, available capacity, timing and cost, a decision to proceed with the Ruakaka Ocean Outfall is likely to be significant due to the level of public interest and the net financial cost of implementation.

Ruakaka Ocean Wastewater Outfall – Options

Options	Implications	Alternatives
No Upgrades	<ul style="list-style-type: none"> • Growth not catered for • Non-compliance with consent conditions • Loss of current investment in consent negotiations 	Utilise planning regulation and other mechanisms to slow growth in the Ruakaka area, resulting in loss of economic opportunity.
Land Disposal	<ul style="list-style-type: none"> • High cost of land • Appropriate land may not be available • New consenting requirements 	Construct a new ocean outfall as part of the overall upgrade of the wastewater Treatment Plant.
Ocean Outfall	<ul style="list-style-type: none"> • Compliance with existing consent conditions • Allows for a staged upgrade within the current treatment and discharge framework • Provides for growth 	Utilise land disposal as the principal discharge medium. This could be undertaken in conjunction with a smaller ocean outfall, but overall costs would be higher.

Ruakaka Ocean Wastewater Outfall – Most Likely Scenario

Description	Timing	Estimated Uninflated Cost
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Ruakaka Ocean Wastewater Outfall – Most Likely Scenario		
<p>Construct a new ocean outfall with associated treatment of wastewater.</p> <p>The Ruakaka and One Tree Point area is expected to experience high growth over the foreseeable future. Growth is expected to result in a need for a 16,000m³/day discharge of treated wastewater. Given the volume, the option of land disposal is not feasible, given the land area required, and the lack of suitable land.</p> <p>The most likely scenario is to undertake a staged upgrade of the Ruakaka Wastewater Treatment Plant to keep pace with growth in the interim, with a major investment in a new ocean outfall in 2038.</p>	2038	<p>Most Likely Scenario \$60 million</p> <p>This cost estimate is based on the current known information and technology</p>

4.1.3 Riverside Drive Four Lane

Upgrading Riverside Drive to Onerahi road by increasing to four lanes to meet growth in the Whangarei Heads / Parua Bay / Onerahi areas is expected to have a high level of public interest as there will be few options for alternative routes whilst work is underway. While detailed design and costings are yet to be confirmed it may also meet the financial threshold.

Riverside Drive Four Laning – Options		
Options	Implications	Alternatives
Do Nothing	<ul style="list-style-type: none"> Increased congestion over time Increased maintenance costs Loss of economic productivity due to delays 	Undertaking a partial upgrade to three lanes, or introducing overtaking lanes will cause the same level of temporary disruption as four lanes, but will not have a long-term reduction in congestion
Four Laning	<ul style="list-style-type: none"> Temporary disruption during construction Increased transport efficiency in the long-term Reduced congestion 	Do nothing and maintain the road. This will result in increased maintenance costs resulting from more traffic movements over the same pavement, and will not reduce congestion.

Riverside Drive Four Laning – Most Likely Scenario		
Description	Timing	Estimated Uninflated Cost
<p>Upgrade Riverside Drive by construction four lanes to Onerahi</p> <p>The Whangarei Heads / Parua Bay / Onerahi areas are expected to experience continued growth. Riverside Drive to Onerahi does not have viable diversion routes and is a critical route for the connection of communities.</p> <p>The most likely scenario is to upgrade Riverside Drive to four lanes, commencing in 2024</p>	2024 - 2028	<p>Most Likely Scenario \$20 million</p>

5 Funding Strategy

Note: Section in rough draft format and needs to be finalised/reviewed following the briefing

The Whangarei District Council currently owns a wide range of assets for delivering the seven infrastructure activities. These assets range from in-ground pipes, pumping stations and treatment plants to roads, parks and recreational facilities. The long-term management of Council's infrastructure is funded through a combination of community rates (general and targeted rates), Council borrowing (debt) and returns on investments.

In developing the 2015 Infrastructure Council considered three primary options for addressing issues:

- Deliver at current Levels of Service

- Delivering current Levels of Service without sufficient funding
- Focus on meeting selected community expectations

However, growth and increasing expectations for amenity have emerged as strategic issues since the last Strategy. These, along with increased information around the renewals backlog in stormwater, compete with funding to look after what we have.

As a result of this Council considered a fourth option in the development of this Strategy, to deliver at current levels of service while meeting increased amenity expectations and growth pressure. The four options are summarised as follows:

	Option	This option broadly involves	Reasons
1	Deliver at current level of service	<ul style="list-style-type: none"> • Increasing total rates beyond inflation for the first 10 years through rating a 'step change' of LGCI plus 5% in the first year followed by inflation plus 2% • Debt remaining relatively static over the 10 years 	<ul style="list-style-type: none"> • Meets community expectations • Enables Council to return to a sustainable and prudent financial position • Asset condition better maintained
2	Deliver current Levels of Service without sufficient funding	<ul style="list-style-type: none"> • Increasing total real rates beyond inflation, but to a lesser extent • Allowing some assets to run down • Utilising debt to fund capital projects • 	<ul style="list-style-type: none"> • Overall Levels of Service would drop • Increases the potential for inter-generational inequity with future generations paying for a lack of funding now • Greater long term cost
3	Meeting selected community expectations, focusing on necessities	<ul style="list-style-type: none"> • Increasing real rates by inflation only • Focus spending on core infrastructure like roads, water and waste • Reduce spending on community initiatives 	<ul style="list-style-type: none"> • Levels of Service will reduce, particularly in recreational areas • Whangarei District will become less desirable to live and work in • Potential increased use of targeted rates • Long term cost implications
4	Deliver at current levels of service while meeting increased amenity expectations and growth pressure	<ul style="list-style-type: none"> • Increasing total rates by inflation plus 2% for the first 10 years (with some exceptions) • Increasing debt by inflation plus 2% for the first 10 years 	<ul style="list-style-type: none"> • Provides for best for asset renewals over the life of the Strategy • Prioritises stormwater renewals to maintain Levels of Service • Provides for asset data improvement • Meets community expectations for increased amenity • Provides for growth projects

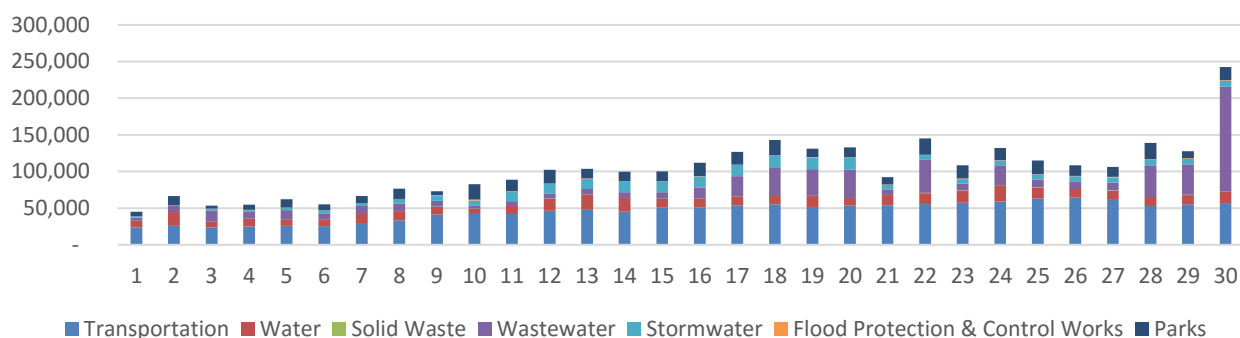
When considered against the activity analysis in Part 2 of this Strategy, the direction of our new community outcomes and feedback received from the community through early engagement Council's preferred option is to deliver at current levels of service while meeting increased amenity expectations and growth pressure.

In modelling this option Council has used the LTP budget for years 1 – 10, with years 11 – 30 coming from programmes and projects identified within AMPs. This ensures that any projects not included within the 10 years of the LTP are considered over the 30 year life of the Strategy.

Note: all graphs in the document need to be updated to indicate values are in millions

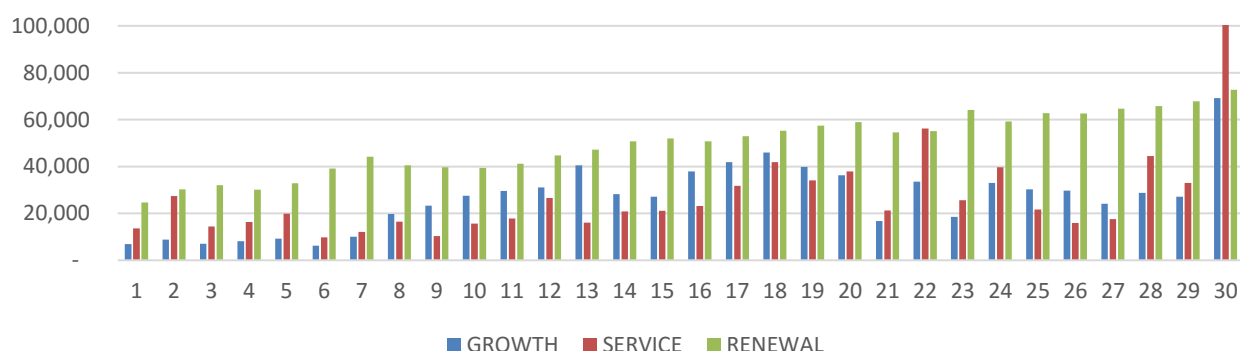
Over the 30 years this option results in the following consolidated capex profile:

Infrastructure capital expenditure investment for years 2018-2048 by activity



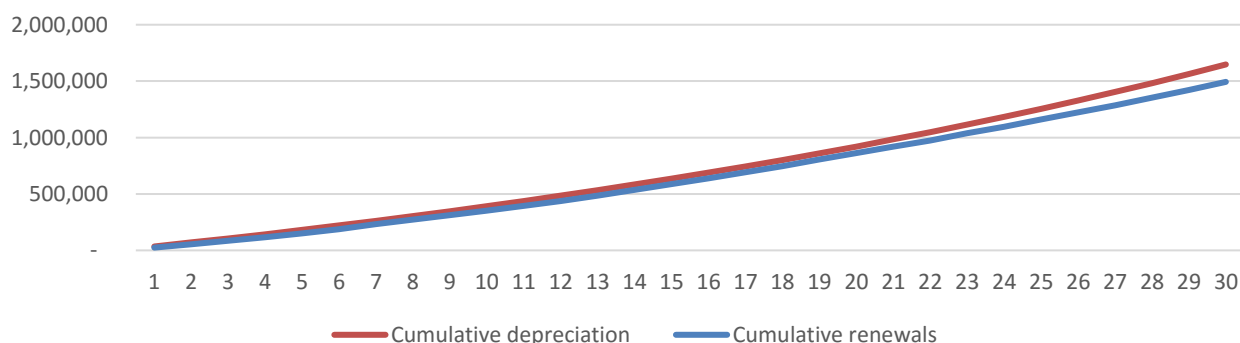
When split by driver this shows a strong investment in renewals throughout the life of the Strategy, which is balanced against growth and Level of Service projects. Of note are a number of 'spikes' across the life of the Strategy, where growth or Level of Service projects are required to meet anticipated demand (i.e. the Ruakaka Ocean Outfall in year 30).

Infrastructure capex investment for years 2018-2048 by splits

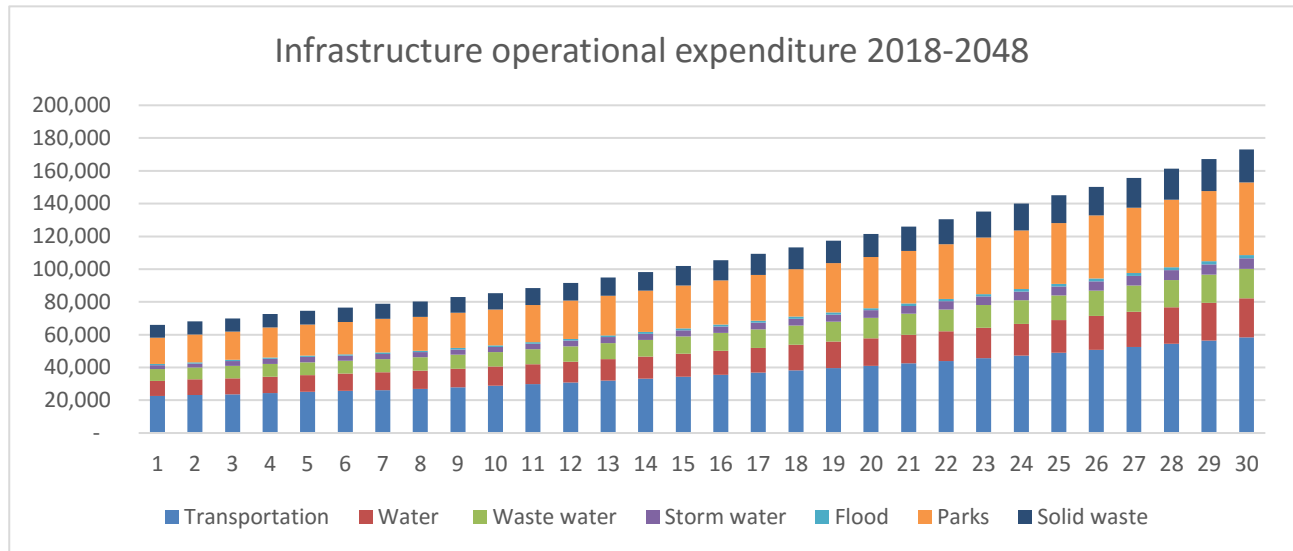


When viewed at a cumulative level the investment in renewals is also evident, with renewals to depreciation tracking over 90% over the life of the Strategy. Key deviations are driven by roads and footpaths (where asset renewals are based on actual condition data) and wastewater (where modelling will be validated), both of which are discussed in Part 2 of this report.

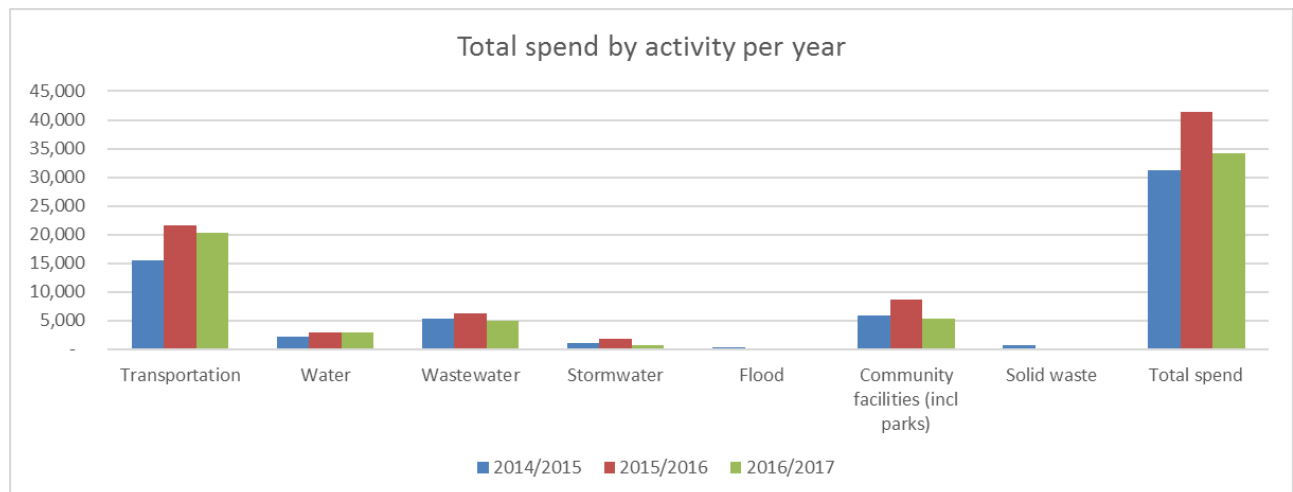
Cumulative forecast asset renewal expenditure to depreciation 2018-2048



Also of note from the modelling is the opex trend over the 30 year period, which shows a corresponding increase in the funding available to maintain what we have. Of particular note through this modelling round is inclusion of consequential opex required to complete and maintain capex projects.



Council's delivery on the Strategy is in part driven by our ability resource the capex programme with staff and contractors. In considering this risk Council has compared the capex programme against previous expenditure in previous years



While the historic trend is below projected capex the first two years of the Strategy include material funding for the upgrade of the Whau Valley Treatment Plant, a renewal project in the advanced stages of planning. When normalised the 2018 budget is much closer to the actual spend delivered in 2015. Also of note is that the capex programme progressively builds in the first 10 years providing both Council and the market time to respond.

Part 2: Activity Analysis and Assumptions

6 Water

6.1 Overview

The water activity covers the collection of raw water and the treatment and distribution of water to the community. Assets include water storage facilities, dams and water tanks, as well as treatment plants and pipelines. Water has:

- 45 reservoirs
- Nine water sources
- Seven treatment plants
- 763 km reticulation network
- 26,100 metered customers
- \$350 million optimised replacement cost

6.2 Asset Condition and Risk

Condition assessment of above ground assets is based on physical inspection. As a result of this Council has good data on dams, reservoirs, buildings and other above ground assets. Underground assets, such as water pipelines are more difficult to assess however as detailed CCTV imaging is not possible. Pipeline condition assessment is therefore primarily age based, coupled with sampling of failed or replaced pipe.

Based on current information and age, the total kilometres of distribution pipes (including mains, distribution and trunk) requiring replacement will increase from year 10 with:

- Most critical trunk mains approaching end of life
- Other pipelines at approximately half of expected life

It is noted that the failure of a water main does not generally result in environmental harm, but may have a short term localised impact on the community. As such, the actual condition of pipelines does not give rise to any strategic risk, provided there is ongoing resource to maintain the projected renewals programme.

Technology, electronics and mechanical assets like pumps and valves are increasingly dated, for example, the SCADA monitoring system. Older technology and electronics increases the risk of failure and non-compliance with Drinking Water Standards, but also of compatibility with newer technology. Mechanical and electronic equipment is generally run to failure as the overall lifespan is relatively short, and improvements in technology is rapid.

Asset Condition	Risk / Implication
Aged Pipeline	<ul style="list-style-type: none"> • High rate of replacement required in years 10 – 30. • Requirement to factor age and condition assessments into the long-term renewals programme
Some Outdated Materials	<ul style="list-style-type: none"> • Repairs not practicable due to incompatibility of materials • Extending lifecycle of asset more difficult • Increased replacements as repairs are less feasible
Some Obsolete Technology	<ul style="list-style-type: none"> • Expensive unplanned replacement and upgrade costs from failures • Inability to prove water is safe • Reliance on institutional knowledge to keep assets functioning

6.3 Key Strategic Issues

Issue	Options	Implications
Information available is insufficient for proactive asset management purposes	Do nothing	<ul style="list-style-type: none"> • Failure to maximise expenditure decisions • Increased costs as renewal programme may not be based on accurate information • Increased unexpected failure of network
	Rely on modelling only	<ul style="list-style-type: none"> • Modelling alone may over or under state asset condition and capacity • Asset modelling relies on the best information available at the time, which may be incomplete • Increased long-term cost
	Fund asset data and systems improvement	<ul style="list-style-type: none"> • The accuracy of models improves as data is collected • Reduced cost as maintenance and renewal expenditure is prioritised based on best available information • Provides baseline information for long-term planning

Issue	Options	Implications
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Commentary and Anticipated Response:

There are limitations on historic data relating to asset location, condition and usage. Council prefers to extend and verify the information currently available in the asset database so that it can be better utilised for proactive asset management purposes. To address this issue Council will:

- Undertake a data improvement/validation programme
- Increase funding for condition assessments and modelling on network assets
- While not a factor in the adequacy of data Council has also funded the upgrade or replacement of the Asset Management Information System (AMIS), which is now unsupported

Issue	Options	Implications
Aging reticulation pipes are in poor condition, with many older pipelines constructed from out of date materials such as Asbestos Cement	Do nothing	<ul style="list-style-type: none"> • Ongoing deterioration and failure of the water supply network • Increasing lost water from leakage • Inability to deliver an appropriate Level of Service
	Maintain existing pipes	<ul style="list-style-type: none"> • Increased difficulty and cost of repair • Some materials may not be repairable due to unavailability of older materials • Leakage and increased cost • Reduction in Levels of Service
	Upgrade pipes using new materials	<ul style="list-style-type: none"> • Extends uniformity of network pipelines • Ability to use "fit for purpose" materials • Lower long term maintenance costs • More reliable water supply network • Maintains Levels of Service

Commentary and Anticipated Response:

The remaining Alkathene and Galvanised Steel rider mains are operating past their predicted life and are in poor condition, with leakage and breakage rates that directly contribute to higher than desirable unaccounted for water figures and maintenance costs. Many of the distribution mains are asbestos cement (AC) and may be nearing the end of their predicted life. Older Cast Iron pipes in residential areas become severely encrusted inside and several cannot meet fire-flow requirements. Council prefers to upgrade distribution pipes as they start to fail utilising new "fit for purpose" materials. To address this issue Council will:

- Undertake condition assessments as part of its renewal strategy, particularly for older assets
- Continue a programme of operating a lower water pressure in some areas to reduce strain on ageing pipes and reduced leakage until replacement can be implemented
- Upgrade pipes using new materials where required

Issue	Options	Implications
Water treatment plants, particularly the Whau Valley plant, require continuous upgrading and ongoing expenditure to ensure production and maintain water quality standards	Run to failure	<ul style="list-style-type: none"> • Increased maintenance costs • High risk of failure despite redundancies • Potential inability to meet future demand and water quality standards • Potential decrease in Levels of Service for some plants
	Improve maintenance and renewal programme and upgrade where appropriate	<ul style="list-style-type: none"> • Extends useful life • Increased costs overtime • Upgrades alone may not allow a plant to meet increased demand • Does not address site constraints
	Upgrade to utilise technology / best practice as it becomes available and replace where appropriate	<ul style="list-style-type: none"> • Maintenance and upgrade extends useful life • More cost-effective option where plant is reaching the end of useful life, or upgrade costs are becoming untenable • Full replacement enables site constraints to be addressed

Issue	Options	Implications
Commentary and Anticipated Response: <p>There are seven water Treatment Plants in the Whangarei District. To ensure a safe, reliable water supply for the community, Council's preferred option is to upgrade and/or replace them as required. To address this issue Council will:</p> <ul style="list-style-type: none"> • Replace Whau Valley Treatment Plant, utilising an alternative site (considered in more detail under Section 4) • Upgrade Treatment Plants at Poroti Springs to support the current and new system in time of water shortage • Continue with a programme of maintenance and renewal for other Water Treatment Plants • Consider further upgrades/replacements over the life of the Strategy to optimise performance, plant life, and to minimise whole of life cost 		

Issue	Options	Implications
Some critical pumps and drives have exceeded their design life and are now due for either replacement or refurbishment	Run to failure	<ul style="list-style-type: none"> • Additional long term cost • Failure of critical pumps and drives • Increased risk to the delivery of flow and pressure • Reduction in Level of Service
	Effective maintenance regime	<ul style="list-style-type: none"> • Increased backlog of renewals and replacements • Additional long term costs
	Maintain, renew and upgrade before failure	<ul style="list-style-type: none"> • Increased reliability of critical assets • Maintains Level of Service • Ability to address growth issues
Commentary and Anticipated Response: <p>Council prefers to manage critical equipment and reticulation assets through a combination of preventative maintenance, condition assessment and planned renewal programmes. To address this issue Council will:</p> <ul style="list-style-type: none"> • Undertake condition assessments as part of business as usual • Undertake renewals as part of a plant upgrade or planned minor project • Replace electrical and control assets on failure 		

Issue	Options	Implications
Requirements for improved drinking Water Standards, monitoring and/or fluoridation, may increase costs	Do nothing	<ul style="list-style-type: none"> • Changing requirements may result in unplanned expenditure • Non-compliance may result in prosecution
	Monitor changes and respond as required	<ul style="list-style-type: none"> • Measured and timely response to changes • Active participation in any review of Standards • Level of Service maintained over time
	Anticipate Changes	<ul style="list-style-type: none"> • Potential for expenditure where not required • Anticipated response may not address changes • Potential to achieve higher Levels of Service

Commentary and Anticipated Response: <p>Community water standards and monitoring requirements are expected to become more stringent over time, particularly following the 2016 Havelock North gastroenteritis outbreak. There is also an ongoing national debate regarding fluoridation. Council prefers to monitor changes and respond to these issues as necessary. To address this issue Council will:</p> <ul style="list-style-type: none"> • Include some strategic funding to comply with potential changes to drinking water standards • Not undertake fluoridation unless desired by the community, or required by Government • Seek subsidies to off-set the costs of compliance where available 		
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Issue	Options	Implications
Sanitary assessments have not been undertaken for some time	Do nothing	<ul style="list-style-type: none"> Does not meet Councils obligations under the LGA Risk of prosecution
	Meet minimum requirements of Local Government Act	<ul style="list-style-type: none"> Meets requirements of LGA Focusses on key growth areas and areas with high seasonal visitors Informs future LTP processes and allows for investment in infrastructure based on need

Commentary and Anticipated Response:

Sanitary assessments help understand the existing water supply provisions and effectiveness to the community. Sanitary assessments have not been undertaken and/or updated in communities such as Ngunguru, Tutukaka, Matapouri and other coastal areas that have high fluctuations in seasonal populations. Council prefers to undertake sanitary assessments in areas that indicate growth, as well as those areas that have high seasonal populations. To address this issue Council will:

- Meet its obligations under the Local Government Act with respect to Sanitary Assessments for smaller communities and coastal communities
- Focus on those communities that are experiencing growth, or seasonal pressures
- Consider the outputs of Sanitary assessments in the 2021-2031 Long Term Plan

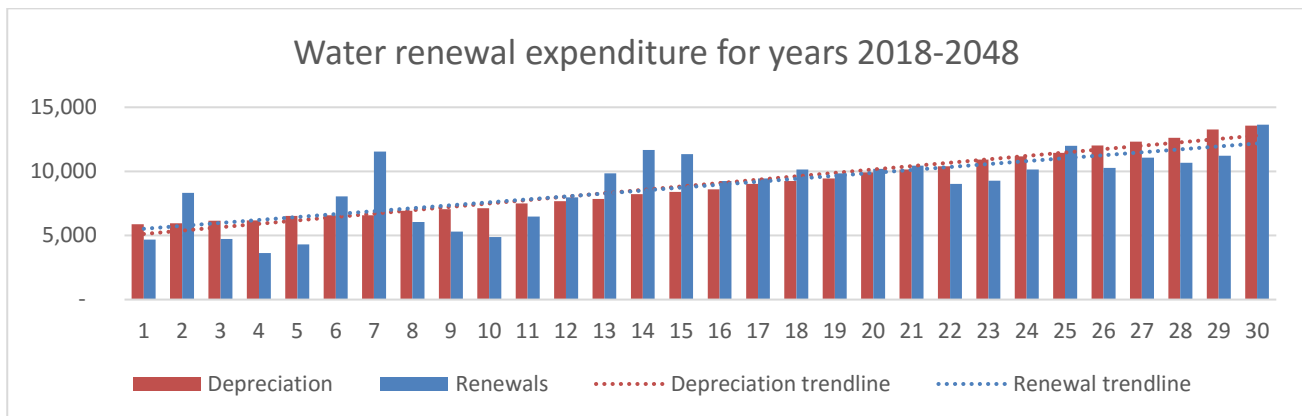
6.4 Critical Infrastructure Assets

Site	Resilience Strategy
Whau Valley Dam WS	The two major Water Supply Areas, Whangarei City and Bream Bay, are principally supplied by Whau Valley Dam and Wilsons Dam.
Wilsons Dam WS	
Maunu Springs WS	All major water supply areas are backed up by alternative water sources, with additional reservoirs providing a two-day buffer for 95% of water customers.
Poroti Springs WS	
Ruakaka WTP	Water Treatment Plants are located in a variety of locations to reduce the risk of multiple failure from a single event.
Whau Valley WTP	
Ruddells WTP	All Water Treatment Plants include contingencies in the event of failure, including either generators, or mobile generators that can be connected in the event of power failure.
Poroti WTP	
Ahuroa WTP	<p>The Ruakaka Water Treatment Plant provides treated water to the Marsden Point Oil Refinery, which is a nationally significant asset. While there is private storage on site which provides for continuity and backup, loss of supply for a period of six hours or more could result in progressive shut-downs. Council would work closely with the Refinery to restore supply as a priority.</p> <p>The Whangarei Base Hospital has private a reservoir directly available to it, which provides for continuity and backup with up to two days storage.</p>
Taroa Street PS	
Kamo PS	All pump stations are fitted with back-up and standby pumps, and the raw water pump stations have generators installed in the event of power failure.
Flygers Road PS	
Fairway Drive PS	

6.5 Activity Funding Strategy

6.5.1 Renewals

The water renewals profile below depicts the budgeted renewals for years 1-10 of the Strategy relative to depreciation. Depreciation is then projected over years 11 – 30 with renewal requirements identified through the AMP also being projected over that period. In doing so the graph gives the reader an understanding of the best for asset renewal budget relative to depreciation over the life of the Strategy.



In preparing the renewals profile for the water activity a range of technical information and asset life data has been considered. These detailed assumptions and parameters are contained within the AMP.

Broadly, optimised decision making was utilised to prepare the long-term renewal profile. For the first 10 years, this decision making is based on the known condition of the assets. Beyond the 10 year timeframe, the renewal profile is based on the age of the asset, with the assumptions applied in accordance with the Activity Management Plan.

While expenditure on renewals is relatively high in the early years of the Strategy as a result of the replacement and upgrade of the Whau Valley Treatment Plant, Council has diverted some funding from reticulation renewals (which can be managed to minimise the event/impact of failure) to upgrade high risk SCADA technology.

Other notable renewals over the first 10 years of the Strategy include the Reservoir and Reticulation Renewal programmes and the Otaika Reticulation and Trunk Renewals in years six and seven. Over the life of the Strategy projected renewals closely track depreciation at 99%.

When projected beyond 30 years there were no significant bow-waves in the water renewal profile.

6.5.2 Other Significant or Major Capital Expenditure

Over the life of the Strategy Water has one potentially significant project, the Whau Valley Treatment Plant which is covered under Section 4, and the following Major projects where non-renewal expenditure exceeds 10% of the total capital for the activity in the year of delivery:

Note: project list below (and timing) to be updated following budget confirmation

Major Capital Expenditure	2018	2024	2030	2036	2042	2048		
Description	2021	2027	2033	2039	2045	Key Driver	Uninflated Cost (\$m)	
Wairoa River Water Source and Poroti WTP upgrade							13.2	

6.6 Levels of Service

The water activity has the following Levels of Service which are supported by performance measures included in Appendix D:

- Our customers receive safe drinking water
- Water is supplied continuously with flow and pressure adequate for customers' use
- Customer requests are responded promptly
- In times of emergency there is water available
- We manage the water supply system in a sustainable way that also caters for growth

While the funding allocated within this Strategy will enable Levels of Service to be maintained over the life of this Strategy, key challenges faced relate to:

- Loss of data through electronic or technological failure (i.e. SCADA)
- Continuity of supply, particularly in the ability to replace pump stations

- Maintaining or upgrading security to avoid wilful damage or contamination
- Compliance with Drinking Water Standards

To address these issues Council will prioritise funding on SCADA, supply assets and security to reduce risk and monitor/respond to changes in Drinking Water Standards.

6.7 Activity Summary

Within the water activity the need to maintain or replace aging assets, including the information required to optimise decisions are key issues to be considered as part of the overarching strategy.

While not a strategic issue the impact of changing standards and regulatory requirements are of note and will be considered as part of the broader Strategic Context under Section 3 of this Strategy.

The Whau Valley Treatment Plant replacement has been identified as a potentially Significant Project under Section 4 of this Strategy.

7 Wastewater

7.1 Overview

The wastewater activity incorporates facilities to collect, treat and discharge wastewater. The main gravity network in Whangarei has been constructed in various stages since 1910, with some pump stations and rising mains exceeding 60 years in age. Wastewater has:

- 32,279 connections (including commercial pan charges)
- 623 km of main pipelines
- 225 km of service lines
- 151 Pump stations (excluding household pressure units)
- Nine treatment Plants
- \$374 million optimised replacement cost

7.2 Asset Condition and Risk

Condition predictions for underground gravity mains and service lines are based on physical inspection of approximately 20% of the network, including a large portion of Tikipunga and all of Hikurangi. The physical inspection process, which includes historic data, has identified 12km of in-service wastewater mains that are currently in a failure condition and require renewal.

The survival model created from this data recognises natural variations in asset life, and provides a more robust statistical estimate of useful life than “nameplate” assumptions. The data indicates that, while some assets will survive beyond their “nameplate” life, others will become unserviceable prior.

While supported by statistical analysis, further physical inspection is required to confirm condition and improve the accuracy of the model. Validation of the model will also assist any future analysis of useful life.

Asset Condition	Risk / Implication
Aged pipeline	<ul style="list-style-type: none"> • High rate of replacement required where assets fail early • Higher risk of failure and environmental harm • Requirement to factor age into long-term renewals programme
Outdated or poor Materials	<ul style="list-style-type: none"> • Some materials are deteriorating faster than expected, therefore requiring earlier renewal
Modelling	<ul style="list-style-type: none"> • Renewal programme is based on condition modelling • Further verification of the current condition modelling through additional physical inspections will enable refinement of the renewals programme over time

7.3 Key Strategic Issues

Issue	Options	Implications
Information available is insufficient for proactive	Do nothing	<ul style="list-style-type: none"> • Failure to maximise expenditure decisions • Increased costs as renewal programme may not be based on accurate information • Increased unexpected failure of network

Issue	Options	Implications
Asset management purposes	Rely on modelling only	<ul style="list-style-type: none"> Modelling alone may over, or under state asset condition and capacity Asset modelling relies on the best information available at the time, which may be incomplete Increased long-term cost
	Fund asset data and systems improvement	<ul style="list-style-type: none"> The accuracy of the model improves as data is collected Reduced cost as maintenance and renewal expenditure is prioritised based on best available information Provides baseline information for long-term planning

Commentary and Anticipated Response:

There are limitations on historic data relating to asset location, condition and usage. Council prefers to extend and verify the information currently available in the asset database so that it can be better utilised for proactive asset management purposes. To address this issue Council will:

- Undertake a data improvement/validation programme
- Increase funding for condition assessments and modelling on network assets
- While not a factor in the adequacy of data, Council has also funded the upgrade or replacement of the Asset Management Information System (AMIS), which is currently unsupported

Issue	Options	Implications
The Discharge Consent for the Whangarei Wastewater Treatment Plant expires in 2021. New water quality standards and environmental regulations may result in new consent conditions that are more stringent than current conditions	Do nothing	<ul style="list-style-type: none"> Consent renewal remains live, but the outcome remains uncertain Potential that a significant upgrade to the Treatment Plant is still required Extent of risk not refined over time
	Monitor / model current discharges and negotiate consent conditions	<ul style="list-style-type: none"> Provides an accurate, evidence based, approach to consent renewal Cost to community can be measured against environmental benefits The risk can be well understood and minimised, with Council able to proactively respond to future upgrade requirements
	Plan an upgrade of the Treatment Plant in anticipation of consent	<ul style="list-style-type: none"> Potential loss of planning investment Potential cost of \$40 million to install a treatment plant that may not be required

Commentary and Anticipated Response:

The Whangarei Wastewater Discharge Consent currently allows for treated wastewater to be discharged to the Whangarei Harbour. Consent renewal may result in changes to discharge quality conditions, resulting in the need to upgrade the existing Wastewater Treatment Plant. Any changes to consent conditions are currently unknown, but could result in the need for minor upgrades to the Plant. In a worst-case scenario (low-med risk) Council could be required to install a new Treatment Plant which could cost \$40 million. To address this issue Council will:

- Undertake an extensive monitoring programme of the existing discharge levels
- Pro-actively manage the issue with Northland Regional Council and stakeholders, including making submissions on Regional Plans where appropriate

Issue	Options	Implications
Wastewater assets subject to early failure require replacement	Do nothing	<ul style="list-style-type: none"> Ongoing deterioration and failure of the wastewater network More expensive reactive maintenance Inability to deliver Level of Service

Issue	Options	Implications
	Continue with renewals and update materials	<ul style="list-style-type: none"> • Ability to use better “fit for purpose” materials • Lower long term maintenance costs • More reliable network • Maintains Levels of Service

Commentary and Anticipated Response:

Council prefers to continue a renewals programme that replaces older materials with “fit for purpose” modern materials, based on physical condition assessments. To address this issue Council will:

- Continue to undertake a renewals programme based on physical condition assessment and modelling
- Increase physical condition assessments
- Identify the causes of faster than expected asset deterioration

Issue	Options	Implications
Sanitary assessments as required by the LG Act have not been undertaken for some time.	Do nothing	<ul style="list-style-type: none"> • Does not meet Councils obligations under the LGA • Risk of prosecution
	Meet minimum requirements of Local Government Act	<ul style="list-style-type: none"> • Meets requirements of LGA • Focusses on key growth areas and areas with high seasonal visitors • Informs future LTP processes and allows for investment in infrastructure based on need

Commentary and Anticipated Response:

The need for sewerage schemes in communities such as Maungatapere, Maungakarama, Matapouri and other coastal areas that have high fluctuations in seasonal populations is not well understood. Sanitary assessments help understand the existing wastewater provisions and effectiveness to the community. Council prefers to undertake sanitary assessments in areas that indicate growth, as well as those areas that have high seasonal populations. To address this issue Council will:

- Meet its obligations under the LGA with respect to Sanitary Assessments for smaller communities and coastal communities, with an emphasis on those communities that are experiencing growth, or seasonal pressures
- Consider the outputs of Sanitary assessments in the 2021-2031 Long Term Plan

Issue	Options	Implications
There is potential for greater than predicted growth in the Ruakaka area, which may bring forward required upgrades, including the need for an Ocean Outfall	Do nothing	<ul style="list-style-type: none"> • Does not provide for growth • Potential effects on the environment and community from poor quality discharges • Unable to comply with consent conditions
	Staged upgrades	<ul style="list-style-type: none"> • Provides for growth, without pre-empting that growth • Ensures consent and regulatory compliance
	Anticipate growth with full upgrade	<ul style="list-style-type: none"> • Does not allow for uncertainty in growth models • Cost is not spread over time

Commentary and Anticipated Response:

Council has a current consent to construct a new ocean outfall for a Wastewater Treatment Plant at Ruakaka as part of a wider upgrade of the Treatment Plant. As wastewater flow increases, there are several trigger levels, where staged upgrades will occur over time, with the full upgrade and outfall planned for 2038. There is a risk that growth in the Ruakaka area will result in planned upgrades being brought forward to an earlier date. To address this issue Council will:

- Monitor growth and wastewater flows at the current Ruakaka Waste Water Treatment Plant
- Undertake staged upgrades as required

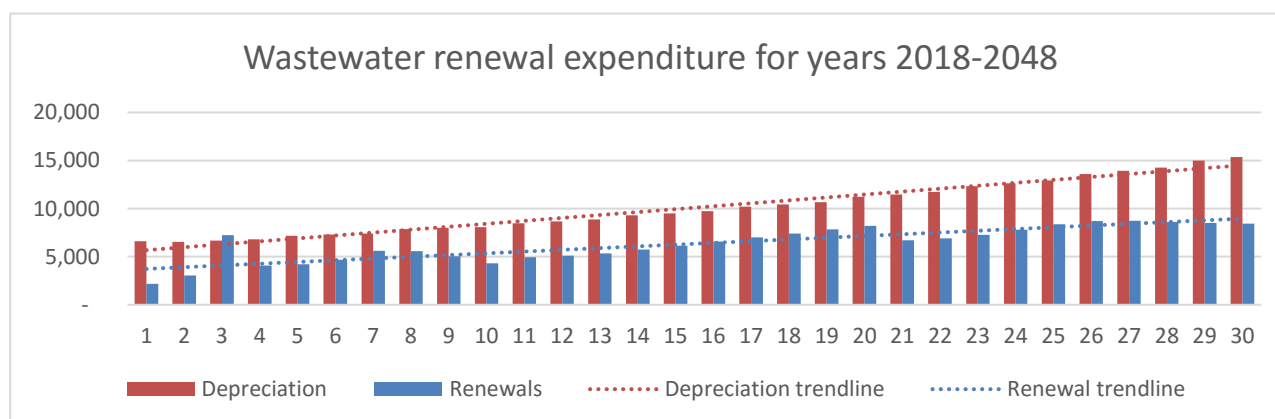
7.4 Critical Infrastructure Assets

Site	Resilience Strategy
Whangarei WWTP	The Whangarei Wastewater Treatment Plant treats all wastewater produced by Whangarei City. Complete failure of the plant would result in untreated discharge to the Harbour. To minimise the risk, the Whangarei Wastewater Treatment Plant has a range of contingencies in place, including equipment redundancies
Onerahi PS	In the event of pump station failure, particularly at the Okara Park Pump Station raw sewage could be discharged to the Whangarei Harbour. To minimise this risk pump stations are equipped for: <ul style="list-style-type: none"> • Back-up/plug in generators to mitigate against power failure; or • Multiple stand-by pumps in case of pump failure; and/or • Telemetry alarm systems to notify against failures In addition, there are storage reservoirs and treatment at Hatea and Tarewa Park (under construction), along with storage at Parua Bay. Most pump stations have four-hours storage capacity
Okara Park PS	
Robert Street PS	
Hatea Road PS	
Waverly Street PS	
Otaika PS	
Kioreroa Road PS	
Trunk Gravity Main – Okara Park	The condition of this Gravity Main has recently been assessed as good and it is monitored regularly
Okara Park PS to Whangarei WWTP rising main	This rising main is the main pipe to the Whangarei Treatment Plant and has redundancy for part of its capacity

7.5 Activity Funding Strategy

7.5.1 Renewal Profile

The wastewater renewals profile below depicts the budgeted renewals for years 1-10 of the Strategy relative to depreciation. Depreciation is then projected over years 11 – 30 with renewal requirements identified through the AMP also being projected over that period. In doing so the graph gives the reader an understanding of the best for asset renewal budget relative to depreciation over the life of the Strategy.



In preparing the renewals profile for wastewater, a range of technical information and asset life data has been considered. These detailed assumptions and parameters are contained within the AMP and LTP Project Sheets. Broadly, the assumption is that renewal requirements will be based on the Council's Asset Survival Model, which uses historical CCTV information to estimate the proportion of assets that survive to a given age (and, by extension, the proportion of assets that will fail at a given age).

Expenditure on renewals is relatively steady in the early years of the Strategy increasing from just over \$2 million in year one to approximately \$4 million in year 10. The majority of this spend is on wastewater treatment plant and network renewals. Over the life of the Strategy the gap between renewals funding and depreciation widens with renewals eventually making up 63% of depreciation.

As indicated above the profile of renewals replacement is largely driven by the findings of the Asset Survival Model which has been used to prioritise renewals funding. Further physical inspection is required to confirm condition and improve the accuracy of the model and validation of the model will assist in refining both future renewals priorities and in analysing useful life.

When projected beyond 30 years there were no significant bow-waves identified in the wastewater renewal profile.

7.5.2 Other Significant or Major Capital Expenditure

Over the life of the Strategy wastewater has one potentially significant project, the Ruakaka Ocean Outfall, which is covered in detail under Section 4, and the following major projects where nonrenewal expenditure exceeds 10% of the total capital for the activity in the year of delivery:

Note: project list below (and timing) to be updated following budget confirmation

Major Capital Expenditure	2018	2024	2030	2036	2042	2048		
Description	2021	2027	2033	2039	2045	Key Driver	Uninflated Cost (\$m)	
Waipu Cove/Langs Beach network						Growth	8.45	
Ruakaka Wastewater Treatment Plant Upgrade						Growth	12.6	
Whangarei Heads Sewerage System Upgrade						LOS	9.2	
Whangarei WWTP Odour Control						LOS	3.7	
Maunu sewer capacity increase						Growth/LOS	4.2	
Consent related plant improvements						LOS	6.26	
Ngunguru sewerage system extension						LOS	2.08	
Tutukaka Wastewater System Upgrades						LOS	12.34	
Kamo wastewater system capacity upgrades						LOS	18.76	
Marsden/Ruakaka wastewater upgrades						LOS	37.05	
Hikurangi wastewater upgrades						LOS	8.2	
Parua Bay wastewater upgrades						LOS	7.62	
Waipu wastewater upgrades						LOS	19.23	
Maungatapere wastewater upgrades						LOS	16.42	
Matapouri wastewater upgrades						LOS	63.31	
Oakura wastewater upgrades						LOS	11.73	
Taurikura/Urquharts wastewater upgrades						LOS	4.46	
Maunu Ln-Keays Rd Sewer Upgrade-Stage 2						LOS	1.7	

7.6 Levels of Service

The wastewater activity has the following Levels of Service which are supported by performance measures included in Appendix D:

- In defined service 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
- Council will provide well maintained and accessible public toilets in high use areas

While the funding allocated within this Strategy will enable Levels of Service to be maintained over the life of this Strategy, key challenges faced relate to:

- The asset survival modelling indicating that there are early failure pipelines requiring renewal. This is expected to increase overall operational cost as reactive repairs are undertaken at the expense of capital renewals.
- Risks associated with meeting consent compliance requirements at wastewater treatment plants

To address these issues Council will prioritise funding on renewals and take a proactive approach to monitoring treatment plants and negotiating consent conditions. Where necessary upgrade funding will be considered in future planning cycles.

7.7 Activity Summary

Within the wastewater activity the need to maintain or replace assets subject to failure, and the information required to optimise decisions in doing so, is a key issue to be considered as part of the overarching Strategy.

While not a strategic issue the impact of changing standards and regulatory requirements are of note and will be considered as part of the broader Strategic Context under Section 3 of this Strategy.

The Ruakaka Ocean Outfall has been identified as a potentially Significant Project under Section 4 of this Strategy.

8 Stormwater

8.1 Overview

The stormwater network comprises a combination of piped systems, access holes and sumps, open channels, treatment devices and rivers and streams. The main stormwater network is predominantly concrete pipes and is relatively new. Stormwater has:

- 11 Major stormwater catchments in Whangarei City
- 17 Smaller settlements with stormwater networks
- 427 km mains and service lines
- A \$260 million optimised replacement cost

8.2 Asset Condition and Risk

Condition predictions for underground mains and service lines are based on physical inspection of approximately 8% of the network by CCTV. The survival model created from this data recognises natural variations in asset life, and provides a more robust estimate of useful life than “nameplate” assumptions. The data indicates that, while some assets will survive well beyond their “nameplate” life, others will become unserviceable prior. The accuracy of the survival model will improve as more pipes are inspected.

Physical inspection has shown that, in some cases, stormwater network infrastructure that has been installed in the past 20 years has a higher failure rate than that which was installed in previous decades.

While supported by statistical analysis, further physical inspection is required to confirm condition and improve the accuracy of the model. Validation of the model will also assist any future analysis of useful life.

Asset Condition	Risk / Implication
Aged pipeline	<ul style="list-style-type: none"> • High rate of replacement required leading to a potential renewal backlog • Requirement to factor age into long-term renewals programme
Outdated or poor Materials	<ul style="list-style-type: none"> • Some materials deteriorating faster than expected and therefore requiring earlier renewal
Condition Modelling	<ul style="list-style-type: none"> • Renewal programme is based on an Asset Survival Model that has limited verified information

8.3 Critical Infrastructure Assets

The stormwater activity does not contain any assets that are considered critical, in terms of requiring immediate restoration following a disaster or other major event.

8.4 Key Strategic Issues

Issue	Options	Implications
Information available is insufficient for proactive asset management purposes	Do nothing	<ul style="list-style-type: none"> • Failure to maximise expenditure decisions • Increased costs as renewal programme may not be based on accurate information • Increased unexpected failure of network
	Rely on modelling only	<ul style="list-style-type: none"> • Modelling alone may over, or under state asset condition and capacity • Asset modelling relies on the best information available at the time, which may be incomplete • Increased long-term cost

Issue	Options	Implications
	Fund asset data and systems improvement	<ul style="list-style-type: none"> • The accuracy of models improves as data is collected • Reduced cost as maintenance and renewal expenditure is prioritised based on best available information • Provides baseline information for long-term planning

Commentary and Anticipated Response:

There are limitations on historic data. Council prefers to extend and verify the information currently available in the asset database so that it can be better utilised for proactive asset management purposes. To address this issue Council will:

- Undertake a data improvement/validation programme
- Increase funding for condition assessments and modelling on network assets
- While not a factor in the adequacy of data Council has also funded the upgrade or replacement of the Asset Management Information System (AMIS), which is currently unsupported

Issue	Options	Implications
Some assets are deteriorating quicker than expected, potentially resulting in a large backlog of stormwater assets requiring replacement	Do nothing	<ul style="list-style-type: none"> • Ongoing deterioration and failure of the stormwater network • Increased operational spend due to reactive repairs • Increases in the extent and frequency of flooding due to failures • Reduction in Levels of Service
	Maintain existing pipelines	<ul style="list-style-type: none"> • Using the same materials will reduce the renewal period • Ongoing failure points in network resulting in flooding • Increased backlog of renewals, with funds diverted from other infrastructure classes • Reduction in Levels of Service
	Renewals and update materials	<ul style="list-style-type: none"> • Ability to use better "fit for purpose" materials • Lower long term maintenance costs • More reliable stormwater network • Maintains Levels of Service

Commentary and Anticipated Response:

Limited condition testing of the stormwater network has been undertaken. However, this is indicating that pipelines are deteriorating more rapidly than expected. Pipelines that have been installed in the past 20 years appear to be deteriorating at a faster than anticipated rate, resulting in a shorter life expectancy. Council prefers to prioritise a renewals programme that replaces older materials with "fit for purpose" modern materials in accordance with evidence based physical condition assessments. To address this issue Council will:

- Continue to undertake a renewals programme based on physical condition assessment and modelling
- Increase physical condition assessments
- Review design standards, construction methods and materials for stormwater systems
- Enhance construction supervision for stormwater assets that are to be vested in Council

Issue	Options	Implications
Effects of extreme storm events on the community are not well understood	Status Quo	<ul style="list-style-type: none"> • Not well prepared for flooding events • Projects required to protect the community are not identified in the 30-year infrastructure plan • Potential adverse impact on Council's overall funding strategy

Issue	Options	Implications
	Undertake flooding assessments	<ul style="list-style-type: none"> • Better asset information to model the effects of flooding • Increased funding to undertake modelling • Interfaces with the Regional Council in relation to river and coastal flooding • Capital projects can be considered in future planning rounds

Commentary and Anticipated Response:

Historically the stormwater system has been designed for a 1:5-year flood event. However, regulatory requirements are increasing and the system is likely to be subject to more frequent and intense events going forward. Council has limited modelling and data to determine the impacts of these trends on the network. To address this issue Council will:

- Increase funding for catchment plans and network modelling
- Work with Northland Regional Council to enhance understanding of the impacts of more frequent and severe events

Issue	Options	Implications
Increased regional environmental and flood protection requirements.	Do nothing	<ul style="list-style-type: none"> • Potential bow-wave of upgrades to install treatment devices once consent conditions are known • Increased cost over time
	Retro-fit treatment devices and negotiate consent conditions	<ul style="list-style-type: none"> • Improved water quality • On-going costs, but a reduction in potential bow-wave of renewals • Regulatory compliance

Commentary and Anticipated Response:

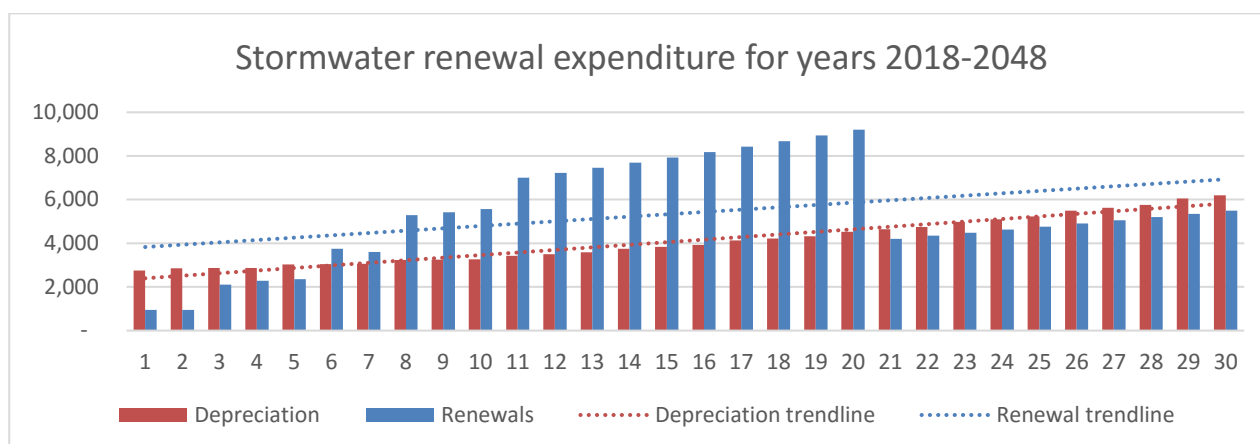
There is an increasing focus on water quality. Improved environmental standards may affect the renewal of some stormwater network discharge consents, resulting in a potential need to install new treatment devices. In addition, increasing regulatory requirements are likely to require new stormwater networks to be designed to a higher standard. Council prefers to actively negotiate consent conditions based on sound environmental information, and to continue a programme of retro-fitting treatment devices on existing stormwater outlets. To address this issue Council will:

- Actively negotiate potential consent conditions well before consents expire to increase certainty and enable funding decisions
- Provide funding for a programme of retro-fitting treatment devices on stormwater outlets
- Actively participate in Regional Plan reviews, particularly relating to flood risk

8.5 Activity Funding Strategy

8.5.1 Renewal Profile

The stormwater renewals profile below depicts the budgeted renewals for years 1-10 of the Strategy relative to depreciation. Depreciation is then projected over years 11 – 30 with renewal requirements identified through the AMP also being projected over that period. In doing so the graph gives the reader an understanding of the best for asset renewal budget relative to depreciation over the life of the Strategy.



In preparing the renewals profile for stormwater, a range of technical information and asset life data has been considered. These detailed assumptions and parameters are contained within the AMP and LTP Project Sheets. Broadly renewal requirements are based on the Council's Asset Survival Model, which uses historical CCTV information to estimate the proportion of assets that survive to a given age (and, by extension, the proportion of assets that will fail at a given age).

To enable Council to build delivery capacity expenditure on renewals is relatively low in the early years of the Strategy, progressively increasing from year three. This increase represents a reprioritisation of renewals funding, recognising that there has been historic underfunding within this asset class. As a result there is a bow-wave of renewals within the first 30 years of the Strategy which, if funding levels continue, will be addressed over the life of the Strategy.

As a result of this reprioritisation projected renewals closely track well over depreciation over the life of the Strategy, at 131%.

8.5.2 Other Significant or Major Capital Expenditure

Over the life of the Strategy stormwater has the following major projects where nonrenewal expenditure exceeds 10% of the total capital for the activity in the year of delivery:

Note: project list below (and timing) to be updated following budget confirmation

Major Capital Expenditure	2018	2024	2030	2036	2042	2048		
Description	2021	2027	2033	2039	2045	Key Driver	Uninflated Cost (\$m)	
Teal Bay						LOS	1.2	
Stormwater Treatment						LOS	9.72	

8.6 Levels of Service

The stormwater activity has the following Level of Service, which is supported by performance measures included in Appendix D:

- Council will provide a stormwater network that minimises flood risks and environmental impacts

The 2015 – 25 LTP included no funding for stormwater renewals, and limited funding for the installation of new treatment devices across the network.

Existing assets do not provide sufficient flood protection to meet the required Level of Service. This is expected to be exacerbated over time with Climate Change.

The current review of the Northland Regional Policy Statement may also lead to changes in environmental regulation and consequential consent condition requirements that cannot currently be met.

To address these issues Council has prioritised funding on stormwater renewals, with \$32 million being provisioned in the first 10 years of the Strategy (\$1 million in year one increasing to \$5.5 million in year 10).

8.7 Activity Summary

Within the stormwater activity the need to maintain or replace aging assets, and the information required to optimise decisions in doing so, is a key issue to be considered as part of the overarching strategy.

Of note are the issues likely to be experienced in maintaining Level of Service, which have resulted in stormwater renewals receiving priority funding.

While not a strategic issue the impact of changing standards and regulatory requirements are of note and will be considered as part of the broader Strategic Context under Section 3 of this Strategy.

9 Roads and Footpaths

9.1 Overview

The roads and footpaths (transportation) network includes all Council formed roads, associated assets, as well as parking and footpaths on State Highways. The network excludes private roads and paper roads. Roading has:

- 1,055 km sealed roads (excludes bridges)
- 693 km un-sealed roads (excludes bridges)
- 400 km Council owned footpaths and shared paths
- 5.5 km bridges
- A \$1.06 billion optimised replacement cost

9.2 Asset Condition and Risk

The condition of the road network is determined in accordance with the standard NZTA deterioration model, DTIMS. This model provides accurate, repeatable measures of rutting, roughness, texture and surface condition.

Overall network condition and performance is considered good, although there are some performance issues relating to sealed pavements, unsealed roads and traffic signals:

- Approximately 10% of the sealed network is in a very poor condition
- Residents satisfaction with the unsealed network is poor
- There are increasing reliability issues due to water ingress on the signal network
- All bridges and culverts are in relatively good condition

Investment in maintenance and renewals and development of new strategies will address these performance issues. While there is a potential bow wave of bridges coming to the end of their design life in 15 – 20 years there will be condition assessment in advance of this to ensure potential risks are managed.

9.3 Critical Infrastructure Assets

Site	Resilience Strategy
Road to Whangarei Heads	<p>The road network provides critical connections in the event of a widespread emergency, providing connections for emergency response, as well as ongoing recovery. The critical roads identified include connections to communities where there are little or no alternative routes available, or the road provides an arterial route. Ranking of criticality and responses is set out in a hierarchy of plans that include:</p> <ul style="list-style-type: none"> • Roading Business Continuity Plan • Northland Civil Defence Emergency Plan • State Highway Detour Plans • WDC Storm Management Plans
Road to Marsden Point	
Bank St	
Kamo Road	
Tarawera Rd	
Port Rd	
Road to Airport – Riverside Dr / Onerahi / Church St	

9.4 Key Strategic Issues

Issue	Options	Implications
Whangarei is geographically constrained, reducing options to grow the road network and address congestion	Do nothing	<ul style="list-style-type: none"> Increased traffic congestion and loss of amenity Loss of productivity for the community Reduction in Level of service
	Road upgrades only	<ul style="list-style-type: none"> Constrained network limits road upgrade options Does not address increased volume of traffic over time Requires major investment
	Promote alternative transport alongside road upgrades	<ul style="list-style-type: none"> Extends lifecycle of existing constrained road network Slows the rate of rising congestion Community health and amenity benefits Environmental benefits, particularly in relation to emissions

Commentary and Anticipated Response:

Whangarei is geographically constrained, restricting the ability to grow the urban road network along already built up routes. This constraint is compounded by high traffic growth, reliance on private vehicle use and an aging traffic signal system. Council prefers to take a multi-pronged, co-ordinated approach to managing congestion by upgrading key intersections and roads, as well as promoting alternative transport options. To address this issue Council will:

- Identify and promote alternative mass transport options, including bus lanes, park and ride facilities and light rail
- Promote walking and cycling, and in particular, develop safe cycle routes along main transport routes

Issue	Options	Implications
Our sealed road network is vulnerable to heavy vehicle traffic which is expected to grow in volume and intensity	Do nothing	<ul style="list-style-type: none"> Sealed pavements on freight routes will deteriorate and no longer be fit for purpose Loss of District and Regional economic benefits Increased bow-wave of renewals Potential loss of NZTA subsidies
	Continue with existing funding levels	<ul style="list-style-type: none"> Maintain economic benefits of getting local goods to market Less funding available for non-freight route renewals
	Even funding across all roads	<ul style="list-style-type: none"> Reduces renewals on heavily utilised roads resulting in pavement deterioration Potential loss of funding under NZTA's ONRC funding model

Commentary and Anticipated Response:

Sealed roads are vulnerable to damage (particularly from heavy vehicles) due to thin/narrow pavements, poor geology, a semi-tropical climate, over-stabilisation and historical under investment in renewals. Council prefers to work with NZTA, industry and neighbouring districts to take a region wide approach to this issue and identify alternative freight routes to reduce the overall impact. To address this issue Council will:

- Continue a programme of pavement renewals to maintain sealed pavements on freight routes in a fit for purpose condition while optimising the long-term maintenance costs
- Continue the forestry road programme
- Identify and maintain other freight routes to a higher standard to cope with the increasing freight loads over time
- Prioritise maintenance including drainage

Issue	Options	Implications
Poor network resilience results in closures	Repair road damage and clear slips as they occur	<ul style="list-style-type: none"> Un-reliable transport routes, particularly important for commercial and freight routes Reduces funding for renewal and capital works Increased community isolation

Issue	Options	Implications
	Increase resilience through pro-active management of risks	<ul style="list-style-type: none"> • Reduced closures over time • Renewal and capital projects are maintained • Improved overall road condition • Reduced impact on Councils overall funds

Commentary and Anticipated Response:

Poor geology and a subtropical climate make our roads susceptible to slips and flooding during heavy rain events. Climate Change is expected to increase the intensity of major rain events over time. Where slips and other road damage occurs, funding is often diverted from other renewals and capital programmes to re-instate the affected road. Council prefer to pro-actively manage slip mitigation by undertaking preventative works where practicable and ensuring there are detours available. To address this issue Council will:

- Address slips and flood mitigation in a proactive manner
- Provide fit for purpose detour routes
- Consider the impacts of climate change in low lying / coastal areas

Issue	Options	Implications
The introduction of ONRC (One Network Road Classification) may see reduced subsidised funding for some activities on certain classes of roads	Do nothing	<ul style="list-style-type: none"> • ONRC will be implemented without Council input • Greater potential for loss of subsidy funding • Reduction in Levels of Service over a wider part of the road network
	Liaise with NZTA and respond	<ul style="list-style-type: none"> • Opportunity to influence implementation of the ONRC system • Maintain maximum available funding • Potential changes in Level of Service over a small area of the road network

Commentary and Anticipated Response:

NZTA are implementing a new One Network Road Classification (ONRC) system for assessing subsidy levels. This may take up to seven years to bed in and has the potential to affect when roads are eligible for funding. Council prefers to work closely with NZTA as the new system is developed. To address this issue Council will:

- Continue to work closely with NZTA in the development and implementation of the ONRC funding model
- Review and revise Levels of Service to align with ONRC requirements as the develop
- Educate the community on any potential changes to Levels of Service

Issue	Options	Implications
The number of fatal and serious injury crashes on our roads is high and continues to trend upward	Do nothing	<ul style="list-style-type: none"> • Continuing upward trend in high severity road crashes • Increasing social and economic impact on the community
	Improve road design	<ul style="list-style-type: none"> • Severity of road crashes can be reduced • Ongoing social cost • Does not address driver behaviour and other contributors to crashes
	Co-ordinated all agency road safety approach, including design solutions	<ul style="list-style-type: none"> • Severity of road crashes can be reduced • Reduced social cost • All contributors to crashes targeted

Commentary and Anticipated Response:

It is recognised that there are often a range of factors that contribute to serious crashes, including road design and condition being one of those. To reduce the number of serious crashes, Council prefers to take a co-ordinated, inter-agency approach to provide a safe road system targeting safer speeds, safe road use, safe vehicles and roadsides. To address this issue Council will:

- Prioritise treatments to evidence based high risk areas
- Continue to work with road partners and develop road safety promotions targeting key risk areas
- Create a more forgiving road system, by developing a safe system approach

Issue	Options	Implications
Future transport technologies, including electric vehicles and autonomous vehicles will have an impact on the roading infrastructure	Do nothing	<ul style="list-style-type: none"> • Potential loss of economic opportunity • Long term cost associated with upgrades needed to “catch-up” with technology
	Watching brief	<ul style="list-style-type: none"> • A need to keep up to speed with developing technologies • A need to future proof infrastructure we install today
	Future proof network	<ul style="list-style-type: none"> • Additional electric charge facilities • Lower costs of installing new technology as provision has already been made

Commentary and Anticipated Response:

Transport technologies are evolving rapidly, with increasing numbers of electric cars on the road, requiring charge points, and the development of autonomous vehicles that are currently being tested on New Zealand roads. The new technology has the potential to reduce emissions and improve safety. However, new technology may also present new challenges that we do not fully understand today. Council prefers to maintain a “watching brief” on emerging technologies and incorporate future proofing into design and development work where practicable. To address this issue Council will:

- Ensure we keep up to speed with developing technologies
- Consider future technologies and how we can future proof infrastructure we install today

Issue	Options	Implications
The proposed relocation of the Whangarei Airport may require upgrades to roads and new transport routes	Watching brief	<ul style="list-style-type: none"> • Provides a long lead in time for expenditure • Cost estimates and funding based on a fully developed project
	Budget for a potential road upgrade	<ul style="list-style-type: none"> • Funding would be for an unknown project with unknown costs • Potential reduction in funding available for other capital projects

Commentary and Anticipated Response:

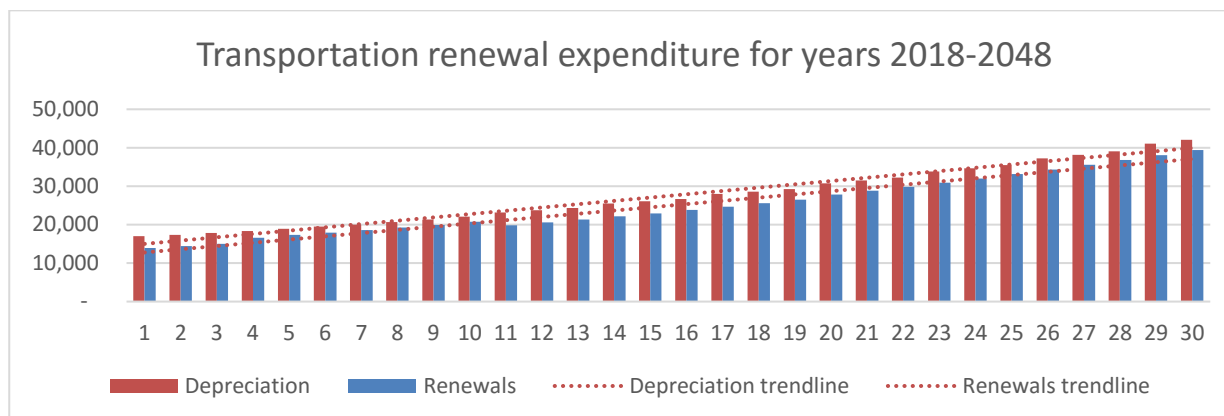
Depending on the proposed location and planned size of the Airport, there may be a requirement to up-grade road infrastructure to enable the construction and ongoing operation. Council prefers to retain the cost of any upgrade as an un-provisioned risk until the proposal is further developed, on the basis that any road upgrade will be provisioned within the overall cost of any Airport proposal. To address this issue Council will:

- 1 Undertake a needs assessment once the proposed Airport location and size is known
- 2 Incorporate the cost of access road upgrades into the overall costing of the project

9.5 Activity Funding Strategy

9.5.1 Renewal Profile

The roads and footpaths renewals profile below depicts the budgeted renewals for years 1-10 of the Strategy relative to depreciation. Depreciation is then projected over years 11 – 30 with renewal requirements identified through the AMP also being projected over that period. In doing so the graph gives the reader an understanding of the best for asset renewal budget relative to depreciation over the life of the Strategy.



Renewals are driven by national standards adopted by NZTA, along with other mandatory non-financial performance standards required by the Department of Internal Affairs (DIA).

The principle condition rating model that determines the overall renewal profile is the NZTA deterioration model DTIMS. This model provides accurate, repeatable measures of rutting, roughness, texture and surface condition and the output is used to inform subsidy applications from NZTA and to help prioritize renewals, alongside an assessment of the overall maintenance costs and the need to intervene on pavements where maintenance is no longer the most economic option.

Renewals will initially focus on forestry and arterial road networks. Local access roads will not be treated unless they meet the criteria set out above and are deemed a high risk to the customers.

While projected renewals closely track depreciation over the course of the Strategy at 91%, it is important to note that roads and footpath condition modelling, and subsequent prioritisation, is based on actual deterioration data.

As a result, there is a relatively high level of confidence in modelling. The funding rate is therefore considered prudent and there are no major bow-waves identified beyond the 30 year period.

9.6 Other Significant or Major Capital Expenditure

Over the life of the Strategy roads and footpaths have one potentially significant project, the Riverside Drive Four Lanning, which is covered in detail under Section 4, and the following major projects where nonrenewal expenditure exceeds 10% of the total capital for the activity in the year of delivery:

Note: project list below (and timing) to be updated following budget confirmation

Major Capital Expenditure	2018	2024	2030	2036	2042	2048		
Description	2021	2027	2033	2039	2045	Key Driver	Uninflated Cost (\$m)	
One Tree Point Road Upgrades							7.58	
Marsden Point Road Upgrades							21.96	
Kamo Route Bus Priority Lanes/4-Laning							12.0	
Riverside Drive 4-Laning							20.0	
Port/Kioreroa RAB and Bridge 4-laning							7.0	
Reyburn St/Okara Dr/Port Rd Bus Priority Lanes/4-Laning							15.0	
SH1 to SH14 Maunu Link Road							15.0	
Hatea Dr 4-Laning							12.0	
Park N Ride Facilities							16.0	
Tikipunga Route Bus Priority Lanes/4-Laning							18.0	
Maunu Rd/Water St Bus Priority Lanes							15.0	
Tarewa Rd Intersection //Walton 4-Laning							11.0	

9.7 Levels of Service

The roads and footpaths activity has the following Levels of Service which are supported by performance measures included in Appendix D:

- The District's Roading Network will be maintained in a satisfactory condition and in accordance with national safety and engineering standards
- We will support alternative transport methods
- Travel times in and around the network will be predictable and disruptions to the network will be well managed and communicated

Funding for the roads and footpaths activity is sufficient to maintain current Levels of Service over the medium to long term. However, the maintenance of existing Levels of Service may not meet increasing customer expectations, the Department of Internal Affairs (DIA) mandatory non-financial performance measures for the safety of local roads and the implementation of ONRC may result in changes to existing Levels of Service.

These issues will be monitored over time with any changes to Levels of Service being considered in future planning rounds.

9.8 Activity Summary

While not a strategic issue the impact of changing network classifications is of note. There is one potentially significant project for roads and transport, the Riverside Drive Four Lanning, which is considered in detail under Section 4 of this Strategy.

10 Flood Protection

10.1 Overview

The Hikurangi Swamp flood protection and control scheme was first implemented in the early 1900's, with a more substantive scheme implemented in the 1970's. The older scheme pumps have relatively low run hours, however, they are supported by older, and potentially outdated electrical control systems. The scheme has:

- 68 km of stopbanks and spillways
- 17 Spillway sensors
- Seven pump stations
- 20 pumps and control equipment
- 15 pumps over 40 years old
- \$41 million optimised replacement cost

10.2 Asset Condition and Risk

The flood protection and control works in the Hikurangi area are functioning adequately and earthworks have recently been completed to raise stop bank levels. Some concrete structures are showing signs of structural wear and will be costly to repair. It is proposed that these be maintained rather than replaced.

10.3 Critical Infrastructure Assets

The Flood Protection Activity does not contain any assets that are considered critical, in terms of requiring immediate restoration following a disaster or other major event.

10.4 Key Strategic Issues

Issue	Options	Implications
The scheme is designed to protect pasture in relatively small stormwater events (1:3.5-year return to 1:20). If large cyclonic events are more regular the investment in the scheme becomes less economic	Do nothing	<ul style="list-style-type: none"> • Slowly reducing level of service from the scheme • Long-term implications on farming sustainability
	Upgrade scheme	<ul style="list-style-type: none"> • High cost, with economic impacts on scheme beneficiaries • Amendments to the current resource consent required

Issue	Options	Implications
Commentary and Anticipated Response: <p>The long term economic viability of the scheme will be affected by more frequent high intensity rainfall events brought about by Climate Change. Greater intensity of storm events may lead to increased requirements for operational and/or capital expenditure. Currently, no contingencies for extreme weather have been included in the LTP budget. To address this issue Council will:</p> <ul style="list-style-type: none"> Monitor the financial, environmental and economic impact of increased flood events, and through a consultative process, evaluate how best to provide additional asset investment as required 		

Issue	Options	Implications
The Hikurangi Flood Protection Scheme is funded by Targeted Rates, and is expected to be debt free by year 3 of the LTP	Continue current rating	<ul style="list-style-type: none"> Debt paid off to Council Funding available for ongoing maintenance Reserve fund built for future maintenance, renewals and upgrades
	Reduce rating	<ul style="list-style-type: none"> Allows for maintenance only Upgrades to the scheme not funded Potential loss of benefits from scheme
Commentary and Anticipated Response: <p>Funding sources for the scheme works are predominantly from targeted rates. The Hikurangi Swamp Major Scheme Rating District contributes approximately 89% percent of the total targeted rates, and the Hikurangi Swamp Drainage Rating District contributes the remaining 11% percent. Some minor additional revenue is provided from land rentals. The flood control scheme is expected to be in credit by 2022. Council prefers to utilise targeted rates to build a reserve fund for future upgrades. To address this issue Council will:</p> <ul style="list-style-type: none"> Build a reserve fund for the scheme to enable future maintenance, renewals and upgrades Through a consultative process, make decisions in relation to long-term funding of OPEX, renewals and the level of upgrade to the flood protection design level 		

Issue	Options	Implications
Land settlement due to peat oxidation has the potential slowly reduce the drainage ability of the Scheme	Do nothing	<ul style="list-style-type: none"> Land owners with peat soils get reduced protection from the scheme Long-term effects on sustainability of the scheme
	Design new pump stations with lower inlet levels	<ul style="list-style-type: none"> High cost Potential cost to scheme beneficiaries directly affected by land settlement
Commentary and Anticipated Response: <p>Approximately 15% of the area within scheme is fertile peat land. Land settlement affects 15% of the scheme protected farmland which decreases the rate at which water drains, resulting in degraded channel flow and siltation and more prolonged flooding and pasture loss. This in turn has a range of effects on the efficiency of the Flood Protection and Drainage Scheme. Council recognises that this issue is one of a range on matters that will need to be considered when making decisions on the long-term funding of the Scheme. To address this issue Council will:</p> <ul style="list-style-type: none"> Develop a long-term action plan and consider adequate resourcing 		

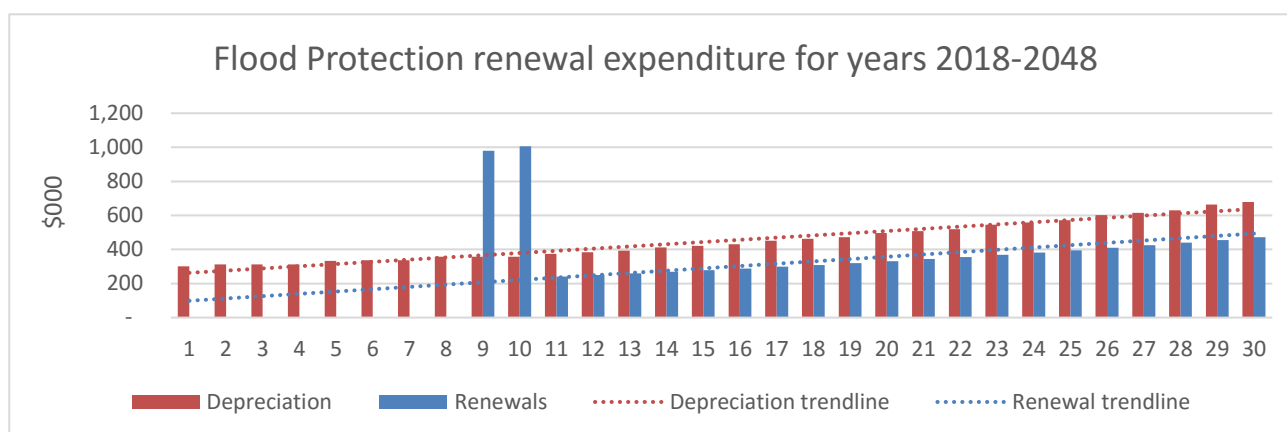
Issue	Options	Implications
There is increasing pressure to mitigate the effects of the scheme on eels and natural habitat	Do nothing	<ul style="list-style-type: none"> Ongoing adverse effects on the environment, particularly on habitat and eels Increasing community pressure on Council
	Contribute to environmental improvement programmes	<ul style="list-style-type: none"> Provides an inter-agency co-ordinated approach with Fonterra, Iwi, NRC and farmers Reduces overall costs Provides wider environmental benefits
	Replace infrastructure to reduce effects	<ul style="list-style-type: none"> High cost Ability to co-ordinate with renewals

Issue	Options	Implications
Commentary and Anticipated Response: <p>The scheme Consent incorporates a condition requiring the enhancement of fish passage and deterrents for the entrainment of fish in the scheme pumps. Over time community and regulatory expectations are increasing. Council prefers to work alongside other agencies and contribute to wider environmental improvement programmes, with the objective of achieving larger environmental gains overall. To address this issue Council will:</p> <ul style="list-style-type: none"> • Fund upgrades to address the impacts of the scheme, particularly on eels, in line with renewals • Identify and contribute to appropriate environmental improvement programmes • Co-ordinate with other relevant agencies, business, iwi, and community initiatives 		

10.5 Activity Funding Strategy

10.5.1 Renewal Profile

The flood protection renewals profile below depicts the budgeted renewals for years 1-10 of the Strategy relative to depreciation. Depreciation is then projected over years 11 – 30 with renewal requirements identified through the AMP also being projected over that period. In doing so the graph gives the reader an understanding of the best for asset renewal budget relative to depreciation over the life of the Strategy (note, depreciation calculated is not charged to the scheme ratepayers).



In preparing the renewals profile for flood protection, a range of technical information and asset life data has been considered. These detailed assumptions and parameters are contained within the Activity Management Plan.

While there is no renewals funding within the early years of the Strategy there is a spike in pump renewals in the later years of the LTP with an escalating renewals profile from that point. Also of note is that all revenue collected from the scheme is ring fenced and a capital programme has been developed that aims to replace the pumps stations with more environmental friendly pumps over a 20-year period.

As a result of this average renewals track under depreciation over the life of the strategy, at 66%

10.5.2 Other Significant or Major Capital Expenditure

Note: projects to be checked/inserted following budget confirmation

There is no significant or major capital expenditure within this activity.

10.6 Levels of Service

The Flood Protection Activity has the following Level of Service which are supported by performance measures included in Appendix D:

- 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

While the funding allocated within this Strategy will enable Levels of Service to be maintained over the life of this Strategy there are increasing expectations to address environmental effects of the scheme, particularly in relation to fish passage, eel management and habitat. Council has provisioned for replacement of pumps over the life of the Strategy.

10.6.1 Activity Summary

While not a strategic issue the impact of climate change is of note and will be addressed as part of the broader Strategic Context under Section 3 of this Strategy.

11 Solid Waste

11.1 Overview

The Solid Waste infrastructure activity provides solid waste (refuse) collection, and disposal services throughout the District, including refuse and recycling collection, litter control, transfer stations, and the Puwera Landfill.

- The Puwera Landfill and Re:Sort facility (through a Joint Venture)
- A rural recycling facility
- Eight transfer stations
- \$1.7 million depreciated replacement cost

11.2 Asset Condition and Risk

Many solid waste assets are in a relatively new condition with sufficient capacity over the thirty-year horizon. However, the sealed pavements and access roads to some transfer stations are aging and will eventually need to be resurfaced.

In addition the activity has a large number of short life/low value items (notably rubbish bins) that will require replacement over the life of the Strategy. As a result approximately 48% of assets within the group will reach the end of their “nameplate life” over the 30 years.

There is a potential risk to public health if some assets are not maintained at an appropriate level, particularly in relation to safety barriers and fences.

11.3 Critical Infrastructure Assets

The solid waste activity does not contain any assets that are considered critical in terms of requiring immediate restoration following a disaster or other major event.

11.4 Key Strategic Issues

Issue	Options	Implications
A long-term renewal and maintenance programme is required to ensure assets do not deteriorate	Deferred maintenance and renewal	<ul style="list-style-type: none"> • Increased rate of asset failure and reduced asset life • Increased reactive maintenance • Lower Levels of Service and customer satisfaction • Eventual bow-wave of renewals
	Maintenance and renewal	<ul style="list-style-type: none"> • Maintains assets at current levels • Spreads costs over a longer period • Maintains Level of Service
	Upgrade now	<ul style="list-style-type: none"> • Greater cost • Investment may exceed capacity requirements • Improved Level of Service

Commentary and Anticipated Response:

Many of Council's solid waste assets are in good to excellent condition with capacity over the next 30 years. However, a reduced asset maintenance and renewal programme will result in these assets deteriorating over time. To address this issue Council will:

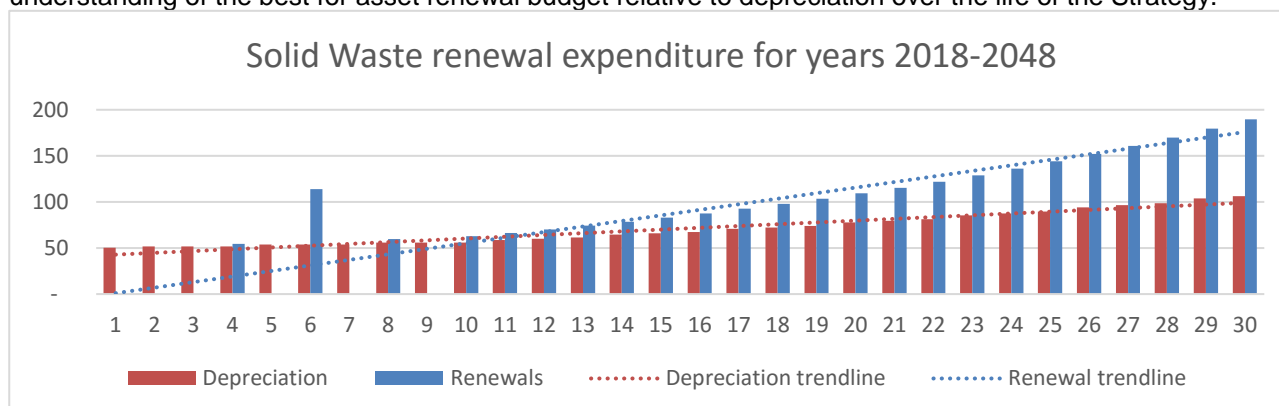
- Review the condition and capacity of solid waste assets each three year LTP cycle
- Provision funding for asset maintenance and renewal
- Where investment for major maintenance or renewal is identified, Council will consider funding through a combination of user charges and level of service funding

Issue	Options	Implications
There are increasing visitor numbers to the District, resulting in an increasing need for seasonal solid waste facilities, particularly in coastal areas	Do nothing	<ul style="list-style-type: none"> • Reduction in Levels of Service • Increased litter and solid waste issues • Reduction in reputation as a destination
	Provide appropriate facilities	<ul style="list-style-type: none"> • Reduction in litter, particularly in busy areas • Higher cost to the community • Maintain Levels of Service
Commentary and Anticipated Response: <p>Council recognises that tourism provides an economic benefit to the community. However, increased seasonal visitor numbers place greater pressure on solid waste collection and disposal, and managing litter. In many cases, visitors do not directly contribute to the management of solid waste. Council prefers to promote the economic benefits of tourism and spread the cost of providing solid waste services that promote a clean and healthy environment across the wider community. To address this issue Council will:</p> <ul style="list-style-type: none"> • Recognise the wider economic benefits of seasonal visitors • Provide public litter bins, particularly in high use areas, and fund these through general rates. 		

11.5 Activity Funding Strategy

11.5.1 Renewal Profile

The solid waste renewals profile below depicts the budgeted renewals for years 1-10 of the Strategy relative to depreciation. Depreciation is then projected over years 11 – 30 with renewal requirements identified through the AMP also being projected over that period. In doing so the graph gives the reader an understanding of the best for asset renewal budget relative to depreciation over the life of the Strategy.



In preparing the renewals profile, a range of technical information and asset life data has been considered. These detailed assumptions and parameters are contained within the AMP. Broadly, the assumptions are that priorities for the solid waste replacement programme will be assessed in terms of frequency of asset failure, ability to meet service level standards and the risk of environmental damage.

While there is no renewals funding within the early years of the Strategy there is a spike in pump renewals in the mid to later years of the LTP with an escalating renewals profile from that point. Also of note is that all revenue collected from the scheme is ring fenced and a capital programme has been developed that aims to undertake progressive renewals over the life of the Strategy.

As a result, average renewals exceed average depreciation over the life of the Strategy, at 167%.

11.5.2 Other Significant or Major Capital Expenditure

Note: projects to be checked/inserted following final budget confirmation

There is no significant or major capital expenditure within this activity.

11.6 Levels of Service

The solid waste activity has the following Levels of Service which are supported by performance measures included in Appendix D:

- Council will provide kerbside refuse and recycling collection services to all properties in the district and transfer stations will be operated throughout the District

- Council will foster waste minimisation by supporting recycling and waste reduction practices
- Council will provide and empty public rubbish bins and undertake litter control throughout public places in the district.

The funding allocated within this Strategy will enable Levels of Service to be maintained over the life of this Strategy.

11.7 Activity Summary

The funding available to solid waste enables Council to maintain Levels of Service over the life of the Strategy and there are no strategic of significant issues requiring further consideration.

12 Parks and Recreation

12.1 Overview

The parks and recreation activity covers a large range of assets including parks, walking tracks, sports fields and other community facilities. Parks and recreation have:

- 55 km of maintained tracks and walkways
- 37 playgrounds
- 57 wharves, jetties and pontoons
- Five skate parks
- \$37 million optimised replacement cost

12.2 Asset Condition and Risk

Parks and recreation manage a wide variety of un-related assets, many of which have uncontrolled public access and usage. In addition, the asset group includes substantial tracts of land making up parks and reserves, which are not given condition ratings.

Overall asset conditions is average to good with:

- Sport and recreation facilities having been upgraded with new technologies in turf management
- Playgrounds, trails, linkages and coastal structures generally in good condition
- The majority of assets in poor condition being low value and low risk items (such as furniture, fences, lights and pavers)
- High use and/or value assets such skate-parks inspected annually as part of an independent safety audit
- Playgrounds being inspected weekly, with high use playgrounds such as the Town Basin playground being inspected three times a week (any maintenance requirements are undertaken as soon as practicable)
- Monthly maintenance inspections being undertaken by contractors to ensure compliance with NZS 5828 – 2004

12.3 Key Strategic Issues

Issue	Options	Implications
Growth requires increased land provision across Parks and Recreation categories	Do nothing	<ul style="list-style-type: none"> • The average number of Hectares per 1000 residents will decrease over time • User experience will be reduced
	Rely on developments only	<ul style="list-style-type: none"> • Smaller greenspaces may be provided locally • The ability to provide suitable sports grounds will be reduced • Major sports fields will become congested impacting on Councils ability to support active participation

Issue	Options	Implications
	Rely on development contributions and seek a major strategic purchase	<ul style="list-style-type: none"> • Smaller greenspaces will continue to be provided locally • Recreational and sporting participation of the community is provided for • Potentially increased travel time to sports facilities

Commentary and Anticipated Response:

Increased numbers of residents, particularly in areas that may experience higher than expected growth, place additional pressure on existing recreational facilities. As growth occurs the availability of suitable land also becomes an issue, making it more difficult and expensive to provide appropriate facilities. To manage this issue, Council prefers to utilise planning techniques to ensure that open space is provided within new developments, whilst investigating a new strategic land acquisition to increase the opportunities provided by Kensington Park. To address this issue Council will:

- Review current parks and recreation sites to determine their area of benefit and capacity
- Consider more strategic land purchases and provide funding for a major strategic land purchase
- Complete strategic planning and identify land acquisition funding requirements for consideration in the next LTP

Issue	Options	Implications
Quality requirements for sports turfs and facilities are increasing over time	Do nothing	<ul style="list-style-type: none"> • Existing sporting facilities will deteriorate over time • High performance local sports teams and individuals may be unable to train and compete locally • The ability of the District to benefit from hosting large national or international events will be lost
	Maintain and renew existing facilities	<ul style="list-style-type: none"> • More difficult to attract high performance sports teams and individuals to the District • Reduced opportunity for hosting events, resulting in lost economic opportunity
	Upgrade facilities as required and develop new facilities	<ul style="list-style-type: none"> • Increased costs to meet quality standards • More development partnerships • Potential District wide economic benefits

Commentary and Anticipated Response:

Hosting national or international sporting events brings a range of social and economic benefits to the District. However, there is a need to provide sports turfs and facilities that are of an appropriate standard. Council recognises that requirements/expectations for facilities and turfs are increasing over time and prefers to develop sporting facilities in partnership with other organisations to as the need arises. To address this issue Council will:

- Continue to assess new technologies, strategies and opportunities
- Consult with the community as these issues arise, with funding options considered within future Long Term Plan programmes
- Consider developing facilities in partnership with other organisations

Issue	Options	Implications
Balancing competing priorities for the renewal of core assets against funding for growth and increased Levels of Service	Focus only on renewals	<ul style="list-style-type: none"> • Loss of amenity and opportunities for the community • Will not meet increasing community expectations • Unlikely to attract visitors and new residents
	Consolidate and prioritise sense of place funding into a dedicated programme	<ul style="list-style-type: none"> • Ability to focus on cornerstone projects • Funding for projects to be completed on time and within budget • Meets increasing expectations

Issue	Options	Implications
Commentary and Anticipated Response: <p>There is an increasing expectation for higher levels of amenity and 'more things to see and do' in both traditional infrastructure projects and as a result of key amenity projects completed or enhanced within recent years (i.e. the Hatea Loop and Pocket Park which have been broadly supported). As a growing District there is a greater expectation to see these types of projects across our urban and rural areas which can compete with renewals funding. To address this issue Council will:</p> <ul style="list-style-type: none"> • Consolidate sense of place funding into a dedicated programme • Focus on cornerstone projects around Pohe Island and the Hatea Loop, and the 'Blue Green Network' 		

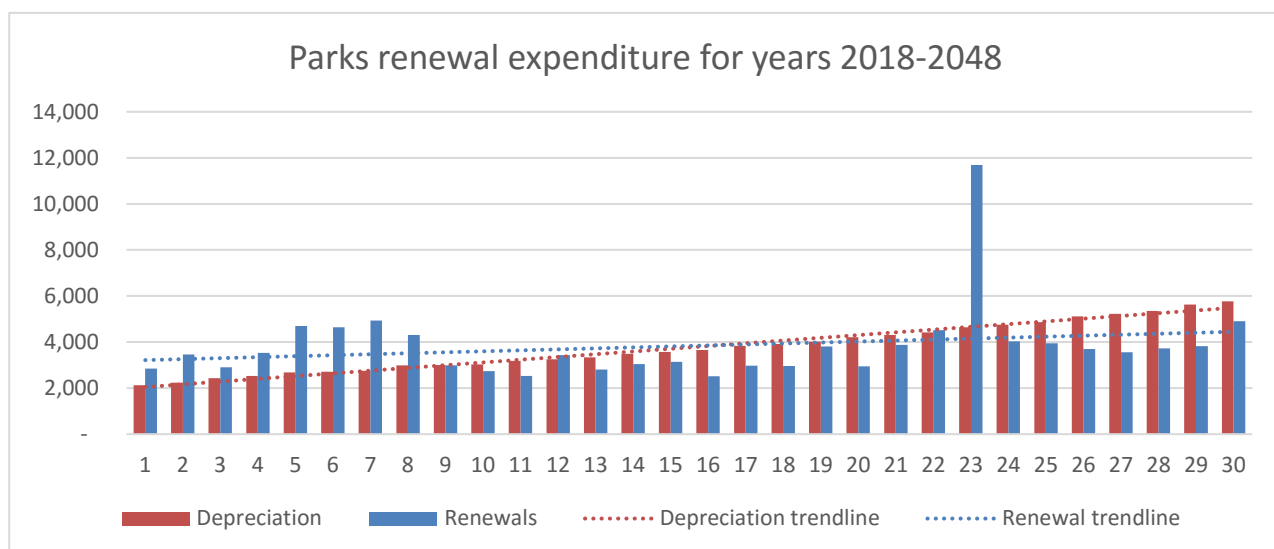
12.4 Critical Infrastructure Assets

The parks and recreation activity does not contain any assets that are considered critical in terms of requiring immediate restoration following a disaster or other major event.

12.5 Activity Funding Strategy

12.5.1 Renewal Profile

The parks and recreation renewals profile below depicts budgeted renewals for years 1-10 of the Strategy relative to depreciation. Depreciation is then projected over years 11 – 30 with renewal requirements identified through the AMP also being projected over that period. In doing so the graph gives the reader an understanding of the best for asset renewal budget relative to depreciation over the life of the Strategy.



In preparing the renewals profile for the parks and recreation activity, a range of technical information and asset life data has been considered. These detailed assumptions and parameters are contained within the AMP. Of note is that renewals for new sense of place projects completed within the life of the Strategy have not been included in the profile.

Over the early years of the Strategy renewals track significantly over depreciation funding, with the trend then balancing out through the middle years of the Strategy to average 102%.

Of note is a spike in coastal structure renewals in year 23, based a large cohort of assets having the same install date. These assets are currently being assessed to determine their actual condition. Once the assessment report is available Council will refine the renewals profile for these assets.

Also of note is that assets in some classes, such as tracks/walkways and sports fields, have not historically been capitalised. This means that these assets will not be within this renewals profile, and projected renewals may be underfunded.

Council is working through the impacts of this and will include any funding requirements within the next planning round.

12.6 Levels of Service

The parks and recreation activity has the following Levels of Service which are supported by performance measures included in Appendix D:

- Provide and maintain outdoor sporting facilities to support and promote active recreation of the community through participation in both organised and informal sporting activities
- Provide and maintain a range of reserves, including built facilities to meet the recreational and leisure needs of the community as well as protecting and enhancing the natural environment for its intrinsic value
- Convert or upgrade identified existing open spaces to provide a wider range of high quality recreational and leisure opportunities within the District for our community and visitors
- Provide and maintain cemeteries and a crematorium in a satisfactory manner

While the funding allocated within this Strategy will enable Levels of Service to be maintained over the life of this Strategy, key challenges faced relate to:

- The acquisition of appropriate land for new or expanded sports fields, playgrounds and other facilities
- The need to develop a new facility similar to Kensington Park
- The rising cost of sports track renewals (any effects on Level of Service can be minimised through prioritisation and maintenance)
- The need to complete assessments of coastal assets (currently underway) to confirm the adequacy of allocated funding
- The need to balance/rationalise funding for growth and Levels of Service against renewals funding to ensure there is sufficient funding for core assets

To address these issues Council has provided for the acquisition of sports field and cemetery land within the first 10 years of the Strategy and will develop a land acquisition strategy to identify other Strategic land acquisition requirements. The outcomes of that Strategy will be considered in the next LTP.

Elsewhere proactive management and prioritisation will be undertaken to maintain Levels of Service, with any additional funding requirements identified (i.e. for coastal assets) being considered in the next LTP.

12.6.1 Other Significant or Major Capital Expenditure

Note: projects to be checked/inserted following budget confirmation

There is no significant or major capital expenditure within this activity.

12.7 Activity Summary

Within the parks and recreation activity the need to balance limited funding across competing priorities is a key strategic issue.

13 Key Assumptions

Description	Assumption	Uncertainty and Risk
Levels of Service	Council will maintain current (LTP 2018-2028) Levels of Service for the duration of this Infrastructure Strategy.	Level of uncertainty: Low - Medium Risk: Any reduction in the levels of funding may result in a loss of service levels.
Growth	Growth will continue at a rate, and in locations that are consistent with current growth models.	Level of uncertainty: Low - Medium Risk: Current growth models only have limited verification through census data. Any swings in growth may place additional pressure on infrastructure funding and/or Levels of Service. Council will mitigate this risk by monitoring growth, updating models with verified data and reprioritising programmes through Annual Plan processes where necessary.
Demand	Peak demand for infrastructure will continue to follow historic patterns.	Level of uncertainty: Medium Risk: Seasonal population increases in some areas may place additional pressure on infrastructure, and could temporarily impact on Levels of Service.
Capacity to Deliver	That Council will be able to secure appropriate resourcing to deliver the increased capex programme.	Level of uncertainty: Medium Risk: Council's ability to deliver on the Strategy is in driven by resourcing the capex programme with staff and contractors. In preparing the LTP capex programme Department Managers have assessed the internal resourcing required to deliver over the life of the LTP and it is anticipated that the market will respond with contractor capacity.
Inflation	Unless stated otherwise modelling, graphs and costs have been inflated by LGCI based on BERL projections in accordance with the financial assumptions and model supporting the LTP.	Level of uncertainty: Medium - High Risk: Inflation may under or over stated
Depreciation	Depreciation rates on infrastructural assets are based on the 2017 revaluation rate average for each activity in accordance with the financial assumptions and model supporting the LTP.	Level of uncertainty: Low Risk: Depreciation may be under or over stated
Vested Assets	Vested assets are fit for purpose and will meet their forecast lifecycle.	Level of uncertainty: Low Risk: Faster than expected deterioration of vested assets could increase the need for renewals
Asset Modelling	Current asset condition modelling is subject to limitations, but reflects the best information available to Council for decision making at this time.	Level of uncertainty: Medium / High Risk: Uncertainty of asset condition may lead to poor prioritisation of funding and renewals. To mitigate this risk Council will target condition assessment funding to areas where works are planned. This risk will also reduce over time as more condition assessments are undertaken and modelling is validated.
Regulatory Compliance	All regulatory requirements are complied with. Forecasting is based on current regulatory requirements, including resource Consents.	Level of uncertainty: Medium Risk: Increasing regulatory requirements can lead to the need for high cost unplanned upgrades or new assets. Changes to the regulatory environment are identified as a potential strategic issue and risk.
National Water Quality Standards	Treated water quality complies with the New Zealand Drinking Water Standards, and approved Public Health Risk Management Plans (Water Safety Plans) and that treatment plants can cope with changes to these standards with only minor upgrades.	Level of uncertainty: Low Risk: There is a risk of prosecution if Drinking Water Standards are not met. Major changes to standards could lead to costly upgrades of treatment plants.
National Policy Statement on Urban Development Capacity	The National Policy Statement on Urban Development Capacity sets out a process for high growth Councils to assess feasible capacity and produce a Development Strategy. While this process will not be completed prior to the adoption of this Strategy Council has assumed that it has sufficient feasible capacity based on initial assessments undertaken.	Level of uncertainty: Medium Risk: Should Council not have sufficient feasible capacity it will need to provide for this through future planning and funding processes.

Description	Assumption	Uncertainty and Risk
Service Delivery Models	Council has recently reviewed the delivery of services under Section 17A of the Local Government Act 2002. In doing so Council has adopted a mixed delivery model with the delivery of many services covered by this Strategy outsourced to contractors and some core services, such as treatment plant operation, retained in house. It is assumed that service models will remain constant over the life of this Strategy	Level of uncertainty: Low Risk: That there will be a major change to the mechanism for infrastructure service delivery, particularly as part of future Section 17A (LGA 2002) reviews. A change in service delivery may affect how infrastructure is managed, resulting in different funding or priorities.
Fluoridation	There is no widespread fluoridation of the Districts water supply and it is assumed that this will not be required over the life of this Strategy.	Level of uncertainty: Low - Medium Risk: A decision to fluoridate would expose Council to unbudgeted upgrade costs.
Regional Airport	That an upgrade to parts of the road network to support and service any new regional airport will be funded as part of the overall Airport proposal.	Level of uncertainty: Medium Risk: The proposed regional airport is currently in the feasibility and site identification stages and roading requirements are not clear. If not included as part of the project these would be an unbudgeted cost to Council.

Appendix A: Glossary

To be included in final draft.

Appendix B: Asset Management System Objectives and Actions

To be included in final draft.

Appendix C: Levels of Service and Performance Measures

To be included in final draft, available in Activity Profiles.

Attachment 4: Council Activities

Activity Profiles

Introduction

Council's work is grouped into nine key activities in this Annual Plan:

Activity number	Group of activities	Activity
1	Transportation	Transportation
2	Water	Water
3	Solid Waste	Solid Waste
4	Wastewater	Wastewater
5	Stormwater	Stormwater
6	Flood Protection & Control Works	Hikurangi Flood Protection Scheme
7	Community Facilities & Services	Parks & Recreation
		Community Services
		Libraries
		Venues & Events
		Community Property
		Customer Services
8	Planning & Regulatory Services	Policy & Monitoring
		Building Compliance
		Resource Consents
		Regulatory Services
		Support Services
9	Governance and Strategy	Democracy and Assurance
		Strategy
		Maori Relationships

The information provided about each of the nine activities includes:

- purpose and strategic fit across the organisation
- how it relates to the Community Outcomes
- the money we have budgeted for the activity in the next year
- 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 performance measures and targets will be used to report Council's achievements back to the community in the Annual Report.

1. Transportation

Purpose and Strategic Fit

The ease of movement of people and goods around our district is of critical importance to our thriving district. It 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. It recognises that in certain parts of the network pedestrians and cyclists are the priority users.

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 the district and we are responsible for planning, creating, operating, maintaining and rehabilitating all roads (except State Highways) in a financially responsible manner.


Potential negative effects

Transportation activities contribute to a number of negative environmental effects including water quality, air quality, noise and safety related issues. However all activities are undertaken in accordance with environmental standards. We invest in walking and cycling to help reduce some of these impacts.

Contribution to Community Outcomes

Community Outcome	How it contributes
Efficient and resilient core services <ul style="list-style-type: none"> It is easy and safe to travel around the district for everyone 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 	<p>A transportation network is provided that enables a range of transport options to enable easy and safe travel around the district.</p> <p>Transportation also provides safe and connected walking and cycling opportunities.</p> <p>Road, footpath and cycle networks are managed and planned in a way to ensure it aligns with our districts growth and is supplied in an efficient way.</p>
Caring for the environment <ul style="list-style-type: none"> Communities work to keep the environment clean and healthy Access to the coast for people is protected Open spaces in parks and streets are places where nature thrives The District is positively adapting to climate change 	<p>Street design and landscaping can contribute to our natural environment, particularly in urban areas.</p> <p>Future transport infrastructure will recognise the need to adapt to effects of climate change.</p> <p>Low impact transport choices, such as walking and cycling can help to protect our environmental qualities.</p>
Positive about the future <ul style="list-style-type: none"> The district has productive land and people, and a thriving City Centre There is a fair urban/rural balance Council has clear and simple documents and rules The district embraces new technology and opportunity 	<p>Our transport network of strategic importance to our future prosperity. Our roads are used by residents to get to and from work as well by business to transport goods and by visitors to travel around our district.</p>

Proud to be local <ul style="list-style-type: none"> The district is neat and 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 	Maintenance of our local streets helps the district look neat and tidy. The quality design of our streets can make our district safe and more attractive.
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 High Contribution  Medium Contribution

Levels of service

Mandatory Performance Measures

1.1 The 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 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.	1.0%	1.0%	1.0%	1.0%	1.0%
The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the Long Term Plan. Note: this is not stated in the district plan.	≥95%	≥95%	≥95%	≥95%	≥95%
The number of journeys impacted by unplanned events.	TBC	TBC	TBC	TBC	TBC

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 program or long term plan).	≥ 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 the 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 recognize a need to clear and definable measures that more clear define the expect outcome and target.

Funding Impact Statement

Transportation	Annual Plan 2017 - 18 \$000	Year 1 2018 - 19 \$000	Year 2 2019 - 20 \$000	Year 3 2020 - 21 \$000	Year 4 2021 - 22 \$000	Year 5 2022 - 23 \$000	Year 6 2023 - 24 \$000	Year 7 2024 - 25 \$000	Year 8 2025 - 26 \$000	Year 9 2026 - 27 \$000	Year 10 2027 - 28 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	14,903	15,161	16,728	17,343	17,588	22,287	23,641	25,010	26,283	28,384	30,367
Targeted rates	35	34	34	34	34	34	34	34	34	34	34
Subsidies and grants for operating purposes	6,569	6,933	7,244	7,560	7,799	8,053	8,282	8,559	8,853	9,156	9,536
Fees and charges	2,540	1,883	1,930	2,085	2,028	2,081	2,249	2,193	2,255	2,441	2,395
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	3,145	2,849	2,901	2,953	3,007	3,064	3,123	3,186	3,253	3,322	3,399
Total Operating Funding	27,193	26,860	28,837	29,974	30,456	35,519	37,329	38,981	40,677	43,337	45,731
Applications of Operating Funding											
Payments to staff and suppliers	16,114	16,717	17,250	17,821	18,350	18,922	19,520	20,028	20,687	21,494	22,199
Finance Costs	4,164	4,673	4,616	4,308	4,390	4,431	4,434	4,392	4,285	4,439	4,529
Internal charges and overheads applied	1,603	1,155	1,275	1,293	1,406	1,456	1,499	1,524	1,548	1,574	1,608
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding	21,882	22,545	23,141	23,422	24,146	24,809	25,453	25,944	26,520	27,507	28,336
Surplus / (Deficit) of Operating Funding	5,311	4,315	5,695	6,552	6,310	10,710	11,875	13,037	14,156	15,830	17,395
Sources of Capital Funding											
Subsidies and grants for capital expenditure	13,312	11,672	12,493	12,009	12,492	12,681	12,914	13,811	17,041	17,925	19,261
Development and financial contributions	1,277	1,957	2,022	2,089	2,157	2,114	2,163	2,214	2,270	2,327	2,387
Increase / (decrease) in debt	4,340	6,703	10,073	4,890	6,196	1,173	350	3,108	724	5,402	2,663
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding	18,929	20,332	24,587	18,987	20,845	15,968	15,427	19,133	20,035	25,653	24,311
Applications of Capital Funding											
Capital expenditure											
to meet additional demand	4,341	3,227	3,897	3,235	3,322	3,478	3,283	4,733	7,302	14,075	13,975
to improve levels of service	5,799	3,820	4,764	3,448	3,116	3,512	2,681	3,299	4,757	5,126	5,231
to replace existing assets	15,800	16,778	16,764	17,439	18,632	19,057	19,675	20,280	21,448	21,894	22,844
Increase / (decrease) in reserves	(1,700)	821	4,858	1,416	2,085	630	1,662	3,858	683	387	(343)
Increase / (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Capital Funding	24,240	24,646	30,283	25,539	27,155	26,677	27,302	32,170	34,191	41,483	41,706
Surplus / (Deficit) of Capital Funding	(5,311)	(4,315)	(5,695)	(6,552)	(6,310)	(10,710)	(11,875)	(13,037)	(14,156)	(15,830)	(17,395)
Funding Balance	(0)	0	(0)	0	0	-	-	-	-	-	-

2. Water

Purpose and Strategic Fit

We provide fresh, clean, healthy water to our district. This core service is essential for our district to thrive and to be vibrant. Our water supply provides water for households to drink and use and it 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 to Ministry of Health standards via a network of treatment plants, reservoirs, pump stations and pipelines.

Potential negative effects

Provision of water can contribute to a number of negative environmental effects through the abstraction of water from bores and dams. However, all activities are undertaken in accordance with environmental standards. We invest in new technology and methods to assist in reducing some of these environmental impacts.

Contribution to Community Outcomes

Community Outcome	How it contributes
Efficient and resilient core services <ul style="list-style-type: none"> It is easy and safe to travel around the District for everyone 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 	The provision of water is a core service. It supports our communities and our commercial, industrial and agricultural activities. Water is supplied in a planned and managed way to ensure it aligns with our Districts growth and is supplied in an efficient way.
Positive about the future <ul style="list-style-type: none"> The District has productive land and people, and a thriving City Centre There is a fair urban/rural balance Council has clear and simple documents and rules The District embraces new technology and opportunity 	New technology will be used to monitor to the quality of our drinking water The provision of water to appropriate locations across urban and rural areas of the district enables productivity.

■ High Contribution □ Medium Contribution

Levels of service

Mandatory Performance Measure (MPM)

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's Drinking Water Assessor.	4	4	4	4	4
Compliance with the New Zealand drinking-water standards 2005 requirements for bacterial monitoring.	100%	100%	100%	100%	100%
Customer's overall satisfaction with the water quality provided by WDC as measured in the annual Customer satisfaction survey. (excludes 'don't knows')	95%	95%	95%	95%	95%
The extent to which the local authority's drinking water supply complies with: (a) bacteria compliance criteria and (b) 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 LAs networked reticulation system	17	17	17	17	17
Where the local authority 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 (b) resolution of urgent callouts: from the time the LA received notification to the time	a) less than 1hr b) less than 4hrs c) less than 12hrs d) less than 24 hrs	a) less than 1hr b) less than 4hrs c) less than 12hrs	a) less than 1hr b) less than 4hrs c) less than 12hrs	a) less than 1hr b) less than 4hrs c) less than 12hrs	a) less than 1hr b) less than 4hrs c) less than 12hrs

that service personnel confirm resolution of the fault or interruption		d)less than 24 hrs	d)less than 24 hrs	d)less than 24 hrs	d)less than 24 hrs
(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) 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.					

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 WDC as measured in the annual Customer satisfaction survey.	95%	95%	95%	95%	95%

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
Whangarei City Water Supply Area has the ability to meet a 1 in 50 year drought. (based on 2009/10 event data adjusted for growth and losses)	83%	81%	79%	79%	79%
Water restrictions imposed due to drought	New	0	0	0	0

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 the 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). WaterNZ Benchloss	Less than 25%	Less than 25%	Less than 25%	Less than 25%	Less than 25%
Average annual consumption per ordinary use connection per day	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:

- We provide safe high quality drinking water to all our customers
- The water supplied is continuous and the pressure is adequate for customers' use
- We respond promptly to customer requests
- In times of emergency there is available supply
- We manage the water supply system in a sustainable way that also caters for growth

Funding Impact Statement

Water	Annual Plan 2017 - 18 \$000	Year 1 2018 - 19 \$000	Year 2 2019 - 20 \$000	Year 3 2020 - 21 \$000	Year 4 2021 - 22 \$000	Year 5 2022 - 23 \$000	Year 6 2023 - 24 \$000	Year 7 2024 - 25 \$000	Year 8 2025 - 26 \$000	Year 9 2026 - 27 \$000	Year 10 2027 - 28 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	14,069	14,621	14,661	14,761	14,862	14,964	15,068	15,172	15,279	15,387	15,497
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	363	387	395	404	413	423	432	443	454	465	477
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	1,227	1,404	1,354	830	834	684	655	593	225	-	1
Total Operating Funding	15,658	16,412	16,411	15,996	16,109	16,070	16,154	16,208	15,958	15,852	15,975
Applications of Operating Funding											
Payments to staff and suppliers	6,615	7,180	7,286	7,452	7,554	7,758	7,932	8,117	8,361	8,541	8,767
Finance Costs	-	-	-	-	-	-	-	-	15	135	147
Internal charges and overheads applied	2,711	2,173	2,336	2,371	2,581	2,636	2,709	2,788	2,801	2,849	2,943
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding	9,327	9,352	9,622	9,824	10,135	10,394	10,642	10,905	11,177	11,525	11,857
Surplus / (Deficit) of Operating Funding	6,331	7,060	6,789	6,172	5,974	5,677	5,512	5,303	4,781	4,327	4,117
Sources of Capital Funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	616	944	975	1,007	1,040	1,019	1,043	1,068	1,095	1,122	1,151
Increase / (decrease) in debt	-	-	-	-	-	-	-	-	4,782	5,270	2,026
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding	616	944	975	1,007	1,040	1,019	1,043	1,068	5,876	6,392	3,177
Applications of Capital Funding											
Capital expenditure											
to meet additional demand	-	2,196	5,665	890	2,099	1,140	203	1,563	4,377	3,812	1,905
to improve levels of service	-	2,155	5,016	2,003	5,050	2,545	336	1,928	1,878	1,606	504
to replace existing assets	3,705	4,686	8,321	4,724	3,629	4,311	8,052	11,546	6,056	5,301	4,885
Increase / (decrease) in reserves	3,242	(1,034)	(11,239)	(438)	(3,764)	(1,300)	(2,035)	(8,666)	(1,654)	-	-
Increase / (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Capital Funding	6,947	8,004	7,764	7,179	7,014	6,696	6,555	6,371	10,657	10,719	7,294
Surplus / (Deficit) of Capital Funding	(6,331)	(7,060)	(6,789)	(6,172)	(5,974)	(5,677)	(5,512)	(5,303)	(4,781)	(4,327)	(4,117)
Funding Balance	(0)	-	-	-	-	-	-	-	(0)	-	-

3. Solid Waste

Purpose and Strategic Fit

We collect, process, dispose and recycle solid waste in our district. This core service is essential for keeping our district attractive and vibrant. This service also support our districts economic activities and therefore supports 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 to meet the requirements of several pieces of legislation, including the Waste Minimisation Act (WMA) 2008, the New Zealand Waste Strategy 2010 and the Local Government Act 2002 and its amendments.

Potential negative effects

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

If not appropriately collected and disposal of, solid waste can have significant negative effects on public health. To mitigate negative effects, Council has a reliable collection service and transfer station network available across the district.

Contribution to Community Outcomes

Community Outcome	How it contributes
Efficient and resilient core services <ul style="list-style-type: none"> It is easy and safe to travel around the District for everyone 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 	Solid waste is managed and planned in a way to ensure it aligns with our Districts growth and is supplied in an efficient way.
Caring for the environment <ul style="list-style-type: none"> Communities work to keep the environment clean and healthy Access to the coast for people is protected Open spaces in parks and streets are places where nature thrives The District is positively adapting to climate change 	Waste minimisation, recycling and waste collection minimises potential adverse effects on our environment.
Proud to be local <ul style="list-style-type: none"> The District is neat and 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 	A clean environment across our district is vital to our wellbeing as well as our attractiveness for visitors and investors.

Levels of service

Highlight Mandatory Performance Measures

3.1 Council will provide kerbside refuse and recycling collection services to all properties in the District and transfer stations will be operated throughout the District.					
Performance Measure	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target	2021-28 Target
Residents' satisfaction with solid waste collection and recycling services and transfer stations.	85%	85%	85%	85%	85%

3.2 Council will reduce the amount waste disposed of to landfill per person each year					
Performance Measure	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target	2021-28 Target
Waste disposed of to landfill per person will reduce each year		-	-	<500	<500
Tonnage collected from Council recycling will increase by 1% each year.	≥1%	≥1%	≥1%	≥1%	≥1%
Council will recycle at least 35% of waste collected at the roadside from households		≥35%	≥35%	≥35%	≥35%
Council will recycle, compost or reuse at least 50% of materials at transfer stations by 2020		-	≥50%	≥50%	≥50%

3.3 Council will reduce illegal dumping.					
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%

Changes to levels of service

The waste reduction target is more representative when calculated for the 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.

Funding Impact Statement

[illegible]

4. Wastewater

Purpose and Strategic Fit

Wastewater management is a core service that keeps our communities safe, healthy and clean, which is essential if we are to be a vibrant, attractive and thriving district.

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

Our wastewater network (sewerage system) comprises nine wastewater systems and treatment plants, and processes wastewater from over 23,000 connections across the District. We also provide a network of public toilets which contribute to the health of our visitors as well as the local community.

Potential negative effects

Sewage discharges to air, land and water affect the receiving environment and public health. Council has invested in targeted programs 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

Community Outcome	How it contributes
Efficient and resilient core services <ul style="list-style-type: none"> It is easy and safe to travel around the District for everyone 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 	<p>The management of waste water is a core service. It supports our communities and our commercial, industrial and agricultural activities.</p> <p>Waste water is managed and planned in a way to ensure it aligns with our Districts growth and is supplied in an efficient way.</p>
Caring for the environment <ul style="list-style-type: none"> Communities work to keep the environment clean and healthy Access to the coast for people is protected Open spaces in parks and streets are places where nature thrives The District is positively adapting to climate change 	<p>Managing wastewater to agreed standards and ensures that discharges from wastewater treatment plants have no detrimental environmental impact.</p>
Positive about the future <ul style="list-style-type: none"> The District has productive land and people, and a thriving City Centre There is a fair urban/rural balance Council has clear and simple documents and rules The District embraces new technology and opportunity 	<p>New technology will be used at our waste water treatment plants, including waste to energy processes.</p> <p>The management of wastewater in appropriate locations across urban and rural areas of the district enables productivity.</p>

Levels of service

Highlight Mandatory Performance Measures

4.1 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
<p>Compliance with TA resource consents for discharge from its sewerage system measured by the number of:</p> <p>(a) abatement notices</p> <p>(b) infringement notices</p> <p>(c) enforcement orders, and</p> <p>(d) convictions.</p>	0	0	0	0	0
The number of dry weather sewerage overflows from the TAs 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%
<p>The total number of complaints received by the TA about any of the following:</p> <p>(a) sewage odour</p> <p>(b) sewerage system faults</p> <p>(c) sewerage system blockages; and</p> <p>(d) the TAs response to issues with its sewerage system expressed per 1000 connections to the TAs sewerage system.</p>	<20	<20	<20	<20	<20
<p>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:</p> <p>(a) attendance time: from the time that the TA receives notification to the time that service personnel reach the site; and</p>	≤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
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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 adjustment have been made to clarify that the level of service applies to defined service areas.

Funding Impact Statement

[illegible]

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 mitigated through identification of flood susceptible land through Catchment Management and District Plans.

Insufficient treatment of stormwater has potential to adversely affect our environment. This can be addressed through 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

Community Outcome	How it contributes
Efficient and resilient core services <ul style="list-style-type: none"> • It is easy and safe to travel around the District for everyone • 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 	The management of waste water is a core service. It supports our communities as well as enabling commercial, industrial and agricultural activities. Waste water is managed and planned in a way to ensure it aligns with our Districts growth and is supplied in an efficient way.
Caring for the environment <ul style="list-style-type: none"> • Communities work to keep the environment clean and healthy • Access to the coast for people is protected • Open spaces in parks and streets are places where nature thrives • The District is positively adapting to climate change 	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 <ul style="list-style-type: none"> • The District has productive land and people, and a thriving City Centre • There is a fair urban/rural balance • Council has clear and simple documents and rules • The District embraces new technology and opportunity 	New technology will be used at our waste water treatment plants, including waste to energy processes. The management of stormwater in appropriate locations across urban and rural areas of the district enables productivity.

■ High Contribution □ Medium Contribution

Levels of service

Highlight Mandatory Performance Measures

5.1 Council will provide a stormwater network that minimises flood risks and environmental impacts.					
Performance Measure	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target	2021-28 Target
5.1.1 Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: (a) abatement notices (b) infringement notices (c) enforcement orders; and (d) convictions received by the TA in relation to those resource consents	0	0	0	0	0
5.1.2 Residents' satisfaction with stormwater drainage service.	70%	70%	70%	70%	70%
5.1.3 The number of complaints received by a TA about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	16	16	16	16	16
5.1.4 (a) The number of flooding events ^a that occur in a territorial authority district; and (b) For each flooding event ^a , the number of habitable floors affected. ^b Expressed per 1000 properties connected to the territorial authority's stormwater system.	0 0	0 0	0 0	0 0	0 0
5.1.5 The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site. ^a	≤1 hr	≤1 hr	≤1 hr	≤1 hr	≤1 hr
Notes ^a 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.					

^b 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.

Changes to levels of service

We are proposing some minor changes to the level of service statements to improve clarity.

Funding Impact Statement

[illegible]

6. Flood Protection & Control

Purpose and Strategic Fit

The Hikurangi Flood Protection Scheme helps to 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 scheme area.

Potential Significant Negative Effects

The scheme has little riparian cover, and has potential to increase sedimentation and nutrient loadings into waterways. To mitigate this council has 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. Eel are an important cultural value to local iwi. To address this, council has prepared a Fishery Management Plan, which has seen the installation of fish passage floodgates and spat ropes. Council is also proposing a long term plan to upgrade pumps to fish-friendly pumps. Council is actively engaged with local iwi and other stakeholders on a wider catchment basis.

Contribution to Community Outcomes

Community Outcome	How it contributes
Efficient and resilient core services <ul style="list-style-type: none"> It is easy and safe to travel around the District for everyone 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 	Flood protection provides resilience for agricultural land in Hikurangi.
Caring for the environment <ul style="list-style-type: none"> Communities work to keep the environment clean and healthy Access to the coast for people is protected Open spaces in parks and streets are places where nature thrives The District is positively adapting to climate change 	Investment in the flood protection assists in the improvements in water quality within the Kaipara Harbour catchment.

Levels of service

Highlight 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
6.1.1 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 program or long term plan).	Yes	Yes	Yes	Yes	Yes
6.1.2 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.

Funding Impact Statement

[illegible]

7. Community Facilities & Services

Community facilities and services are a key contributor to an attractive, vibrant and thriving district. This activity includes our parks and recreation spaces, as well as our community buildings. It also includes our services which support our communities through community development and libraries. This incorporates venues and events, a key function to add activity to our public spaces. Customer services represents councils first point of contact with our community.

Parks and Recreation

Purpose and Strategic Fit

Council provides parks and reserves for sport and recreation, landscapes and green places. 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 overall 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 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 of detriment to the wider community, particularly in urban areas. To address this we will develop an open space strategy to help guide the provision of public space.

Contribution to Community Outcomes

Community Outcome	How it contributes
Efficient and resilient core services <ul style="list-style-type: none"> It is easy and safe to travel around the District for everyone 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 	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 <ul style="list-style-type: none"> Communities work to keep the environment clean and healthy Access to the coast for people is protected Open spaces in parks and streets are places where nature thrives The District is positively adapting to climate change 	Our parks team support 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.
Proud to be local <ul style="list-style-type: none"> The District is neat and 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 	Maintenance of our parks and public spaces ensures the 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

Highlight Mandatory Performance Measures

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.*	177hrs	177 hrs	177 hrs	177 hrs	177 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.	84%	84%	84%	85%	85%
Residents satisfaction with neighbourhood, civic space, cultural heritage, public gardens, and recreational and ecological linkages parks.	84%	83%	84%	85%	85%

7.3 Council will convert or upgrade identified existing open spaces to provide a wider range of high quality recreational and leisure opportunities within the 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 the 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 the 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 level of service statements to improve clarity. Update targets to reflect investment in levels of service.

Libraries

Purpose and Strategic Fit

Libraries provide the people in our community with opportunities for life-long learning, access to information, leisure, and reading. This all 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 are able to join the library free of charge.

Potential negative effects

No potential negative effects have been identified for Libraries.

Contribution to Community Outcomes

Community Outcome	How it contributes
Proud to be local <ul style="list-style-type: none"> The District is neat and 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 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

Highlight Mandatory Performance Measures

7.5 Council will provide library services to the 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 from the 2015-25 LTP

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 will help 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

Community Outcome	How it contributes
Proud to be local <ul style="list-style-type: none"> The District is neat and 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 community facilities ensure activities and facilities are available across the district for people of all abilities ages and lifestyles.

 High Contribution  Medium Contribution

Levels of service

Highlight Mandatory Performance Measures

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%	80%	80%

Changes to levels of service

No changes to the recommended level of service.

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 the district by ensuring that people feel safe, able to access and participate in activities and are supported in becoming more vibrant and resilient.

Potential negative effects

No potential negative effects have been identified for Community Services.

Contribution to Community Outcomes

Community Outcome	How it contributes
Proud to be local <ul style="list-style-type: none"> • The District is neat and 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 	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

Highlight Mandatory Performance Measures

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 the District.	85%	85%	85%	85%	85%

7.8 Council will support the 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 from the 2015-25 LTP

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. These venues and events form a prominent contribution to our districts attractiveness and vibrance. This helps to create opportunities for residents and visitors who contribute to the district's economy.

Potential negative effects

No potential negative effects have been identified for Venues and Events.

Contribution to Community Outcomes

Community Outcome	How it contributes
Proud to be local <ul style="list-style-type: none"> The District is neat and 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 	Venues and Events provides a wide variety of activities across the district to ensure there always something to see and do for both residents and visitors.

 High Contribution  Medium Contribution

Levels of Service

Levels of service

Highlight Mandatory Performance Measures

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 the districts 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

Community Outcome	How it contributes
Positive about the future <ul style="list-style-type: none"> The District has productive land and people, and a thriving City Centre There is a fair urban/rural balance Council has clear and simple documents and rules The District embraces new technology and opportunity 	Customer services assists the community to do business and understand our documents, rules and processes.
Proud to be local <ul style="list-style-type: none"> The District is neat and 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 customer services are a key point of contact with our community. This interfaces enables us to work with the community to ensure our district is safe, tidy and attractive.

■ High Contribution □ Medium Contribution

Levels of Service

Levels of service

Highlight Mandatory Performance Measures

The community has access to Council's activities through our Service Centres and Contact Centre, who 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 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

Council will provide, through the Whangarei 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 the Tarewa Visitor Information Centre.	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 recognizes the importance customer services in connecting with our communities and delivering an excellent standard of service

Funding Impact Statement

Community Facilities & Services	Annual Plan 2017 - 18 \$000	Year 1 2018 - 19 \$000	Year 2 2019 - 20 \$000	Year 3 2020 - 21 \$000	Year 4 2021 - 22 \$000	Year 5 2022 - 23 \$000	Year 6 2023 - 24 \$000	Year 7 2024 - 25 \$000	Year 8 2025 - 26 \$000	Year 9 2026 - 27 \$000	Year 10 2027 - 28 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	24,316	24,736	27,293	28,296	28,696	36,363	38,572	40,806	42,882	46,311	49,546
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	59	61	62	63	65	66	68	69	71	73	75
Fees and charges	2,501	2,739	2,791	2,823	2,873	2,931	2,988	3,050	3,116	3,182	3,251
Internal charges and overheads recovered	1,686	455	475	484	503	516	528	538	548	559	571
Local authorities fuel tax, fines, infringement fees and other receipts	1,404	1,433	1,468	1,503	1,542	1,582	1,624	1,668	1,714	1,760	1,810
Total Operating Funding	29,965	29,425	32,090	33,169	33,679	41,459	43,780	46,131	48,332	51,885	55,253
Applications of Operating Funding											
Payments to staff and suppliers	20,619	23,334	24,510	24,850	25,923	26,125	28,463	27,855	28,131	29,125	29,513
Finance Costs	4,727	5,364	5,706	5,512	5,959	6,535	6,925	7,047	7,238	7,227	7,579
Internal charges and overheads applied	7,309	7,694	8,415	8,539	9,260	9,549	9,823	10,022	10,154	10,330	10,582
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding	32,655	36,392	38,631	38,901	41,142	42,209	45,211	44,925	45,524	46,682	47,674
Surplus / (Deficit) of Operating Funding	(2,690)	(6,967)	(6,541)	(5,732)	(7,463)	(750)	(1,431)	1,206	2,808	5,203	7,580
Sources of Capital Funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	397	608	628	649	670	657	672	688	705	723	742
Increase / (decrease) in debt	10,308	15,605	24,997	13,547	18,797	14,358	12,375	14,695	12,889	1,879	13,782
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	50	-	772	789	-	-	-	-	-	-
Total Sources of Capital Funding	10,705	16,264	25,625	14,969	20,257	15,015	13,048	15,383	13,594	2,602	14,524
Applications of Capital Funding											
Capital expenditure											
to meet additional demand	-	1,482	610	42	360	1,041	807	731	1,486	634	8,218
to improve levels of service	4,259	2,897	8,919	2,120	4,135	6,434	3,585	4,886	9,233	3,034	10,768
to replace existing assets	5,456	4,097	4,696	5,659	6,213	6,159	5,563	7,115	5,000	3,750	3,462
Increase / (decrease) in reserves	(1,700)	821	4,858	1,416	2,085	630	1,662	3,858	683	387	(343)
Increase / (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Capital Funding	8,015	9,297	19,084	9,237	12,794	14,265	11,616	16,589	16,402	7,805	22,104
Surplus / (Deficit) of Capital Funding	2,690	6,967	6,541	5,732	7,463	750	1,431	(1,206)	(2,808)	(5,203)	(7,580)
Funding Balance	(0)	-	-	(0)	(0)	0	(0)	0	0	-	0

8. Planning & 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. 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 Plan, Resource Consents, Building Control and Regulatory Services.

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

District Plan

Purpose and Strategic Fit

The population of Whangarei is growing, creating demand for the strategic management of the District's resources. The District Plan function delivers planning outcomes and environmental regulation through the Resource Management Act.

The District Plan manages how and where our district develops and therefore is essential to ensuring our district is attractive and vibrant through good design and protecting our valuable natural environment.

Potential negative effects

Lack of appropriate planning controls can lead to adverse environmental effects. This is mitigated through adherence to the Resource Management Act and an ongoing review of our District Plan.

Contribution to Community Outcomes

Community Outcome	How it contributes
Efficient and resilient core services <ul style="list-style-type: none"> It is easy and safe to travel around the District for everyone 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 	The District Plan aligns with core infrastructure provision to enable planned and integrated growth in appropriate locations.
Caring for the environment <ul style="list-style-type: none"> Communities work to keep the environment clean and healthy Access to the coast for people is protected Open spaces in parks and streets are places where nature thrives The District is positively adapting to climate change 	The 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 <ul style="list-style-type: none"> The District has productive land and people, and a thriving City Centre There is a fair urban/rural balance Council has clear and simple documents and rules The District embraces new technology and opportunity 	The District Plan enables productive land uses and activities across the district.
Proud to be local <ul style="list-style-type: none"> The District is neat and 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 	This District Plan can support urban design outcomes which promote activity, safety and attractive built forms and public spaces.

Levels of service

Highlight Mandatory Performance Measures

9.1 Develop, implement and maintain a District Plan in accordance with the RMA whilst 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 2015-25 LTP

Resource Consents

Purpose and Strategic Fit

The Resource Management Act directs the processes and functions of this group, as well as guiding the overall outcome of the resource consent process which is to:

- promote the sustainable management of natural and physical resources in the District.
- ensure the 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 mitigated 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 the start of activities. External resource are used to ensure that statutory timeframes are met during times of high workloads that cannot be met by staff.

Contribution to Community Outcomes

Community Outcome	How it contributes
Caring for the environment <ul style="list-style-type: none"> • Communities work to keep the environment clean and healthy • Access to the coast for people is protected • Open spaces in parks and streets are places where nature thrives • The District is positively adapting to climate change 	Resource consents enact the 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 <ul style="list-style-type: none"> • The District has productive land and people, and a thriving City Centre • There is a fair urban/rural balance • Council has clear and simple documents and rules • The District embraces new technology and opportunity 	The resource consent processes are clear and simple, guided by the District Plan and the Resource Management Act.
Proud to be local <ul style="list-style-type: none"> • The District is neat and 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 	Ensuring compliance with District Plan rules and conditions of resource consents contributes to the appearance of the district and a communities enjoyment of places and spaces.

■ High Contribution □ Medium Contribution

Levels of service

Highlight Mandatory Performance Measures

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%

9.5 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 9.5 is a new addition to this profile acknowledging changes in responsibility through a recent organisational review.

Building Control

Purpose and Strategic Fit

Our Building Control 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 take action against owners of buildings that pose a risk to the general safety and well-being of the public.

The Building Control department also has responsibilities to establish buildings that may be earthquake prone, to ensure building owners meet their responsibilities under the 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

Community Outcome	How it contributes
Caring for the environment <ul style="list-style-type: none"> Communities work to keep the environment clean and healthy Access to the coast for people is protected Open spaces in parks and streets are places where nature thrives The District is positively adapting to climate change 	The building control measures around construction methods ensures our environment is protected.
Positive about the future <ul style="list-style-type: none"> The District has productive land and people, and a thriving City Centre There is a fair urban/rural balance Council has clear and simple documents and rules The District embraces new technology and opportunity 	Building control process are clear and simple and enable economic activity whilst appropriately protecting our communities from unsafe and poor quality building practices.
Proud to be local <ul style="list-style-type: none"> The District is neat and 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 	Building compliance ensures that built structures are safe and durable.

■ High Contribution □ Medium Contribution

Levels of service

Highlight Mandatory Performance Measures

9.3 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 consents applications processed within statutory timeframes.	98%	96%	96%	96%	96%
Percentage of inspections completed within two days.	95%	95%	95%	95%	95%

Changes to levels of service

There are no proposed changes from the 2015-25 LTP

Health and Bylaws

Purpose and Strategic Fit

The Health & Bylaws department undertakes monitoring and enforcement functions across a wide cross-section of statutes focusing 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 responsible for 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 across the district. This is mitigated through an appropriate enforcement and monitoring regime.

Contribution to Community Outcomes

Community Outcome	How it contributes
Caring for the environment <ul style="list-style-type: none"> • Communities work to keep the environment clean and healthy • Access to the coast for people is protected • Open spaces in parks and streets are places where nature thrives • The District is positively adapting to climate change 	The enforcement of bylaws ensures our environment is protected.
Positive about the future <ul style="list-style-type: none"> • The District has productive land and people, and a thriving City Centre • There is a fair urban/rural balance • Council has clear and simple documents and rules • The District embraces new technology and opportunity 	Regulatory processes are clear and simple and enable economic activity whilst appropriately protecting our communities from nuisance activities.
Proud to be local <ul style="list-style-type: none"> • The District is neat and 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 	Ensuring compliance with our bylaws contributes to the appearance of the district and a communities enjoyment of places and spaces.

■ High Contribution □ Medium Contribution

Levels of service

Highlight Mandatory Performance Measures

9.4 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, promote and monitor public health in general and in the areas of food businesses and liquor licensing premises, specifically.					
Performance Measure	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target	2021-28 Target
Percentage of health and liquor licensed premises inspected annually.	100%	100%	100%	100%	100%

Changes to levels of service

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

9. Governance and Strategy

Purpose and Strategic Fit

This includes the democratic functions of our organisation which drives decision making through council meetings, briefings and workshops as well hearings and engagement opportunities.

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

The profile includes fostering meaningful and sustainable relationships with iwi, hapu and maatawaka organisations across the district.

Potential negative effects

Ineffective strategies or the absence of strategic direction could lead to adverse environmental effects. This is mitigated through a review of Growth Strategy to ensure it is relevant and based on up to date information.

Contribution to community outcomes

Community Outcome	How it contributes
Efficient and resilient core services <ul style="list-style-type: none"> It is easy and safe to travel around the District for everyone 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 	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 <ul style="list-style-type: none"> Communities work to keep the environment clean and healthy Access to the coast for people is protected Open spaces in parks and streets are places where nature thrives The District is positively adapting to climate change 	Strategic planning ensures our environment is cared for.
Positive about the future <ul style="list-style-type: none"> The District has productive land and people, and a thriving City Centre There is a fair urban/rural balance Council has clear and simple documents and rules The District embraces new technology and opportunity 	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

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 Local Government Official Information Act 1987 and the Privacy Act 1993 are provided within relevant statutory timeframes	New	100%	100%	100%	100%
Percentage of Council, Committee and Hearings agendas that meet relevant legislative timeframes	New	100%	100%	100%	100%

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 National Policy Statement on Urban Development Capacity	New	100%	100%	100%	100%

Changes to levels of service

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

Funding Impact Statement

[illegible]

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.

Civil Defence

Civil Defence provides emergency management services and rural fire services for the district. A comprehensive emergency management organisation is in place which 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.

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.

We provide services in respect of planning, monitoring and reporting of 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

People and Capability works across the business supporting and leading through day-to-day transactions, including recruitment and payroll, to 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, and to enable us to attract the right people into our business, it is important that Council is perceived as a good place to work.

Information Services

Information Services supports both the technical and informational function requirements of Council. From desktop systems to the management of data and documentation, we ensure accurate and up-to-date information is readily available and can be easily stored and accessed and 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 of public information, documents and publications, consultations and GIS mapping (including District Plan and hazard overlays).

We also ensure 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

The commercial component of 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.

Capital Projects, Planning and Development Engineering

Infrastructure Projects and Support provides technical and administrative support to the Infrastructure and

Services group. This includes planning, contract and general administration, asset management systems and databases and project and contract management.

Communications

How we communicate with the community is essential to raise awareness of what we do and why. It also key to promoting projects and events that occur across the district. We use a number of communication channels which acknowledges the diversity of our district.

Funding Impact Statement

Corporate & Finance	Annual Plan 2017 - 18 \$000	Year 1 2018 - 19 \$000	Year 2 2019 - 20 \$000	Year 3 2020 - 21 \$000	Year 4 2021 - 22 \$000	Year 5 2022 - 23 \$000	Year 6 2023 - 24 \$000	Year 7 2024 - 25 \$000	Year 8 2025 - 26 \$000	Year 9 2026 - 27 \$000	Year 10 2027 - 28 \$000
Sources of Operating Funding											
General rates, uniform annual general charges, rates penalties	4,015	6,479	3,821	5,354	6,986	136	(1,067)	(94)	(464)	(1,192)	(1,054)
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	459	722	738	754	771	789	807	826	847	868	891
Internal charges and overheads recovered	21,683	21,164	23,181	23,519	25,563	26,366	27,133	27,691	28,046	28,531	29,241
Local authorities fuel tax, fines, infringement fees and other receipts	668	667	679	690	702	715	728	743	758	773	789
Total Operating Funding	26,825	29,032	28,418	30,318	34,022	28,007	27,601	29,166	29,187	28,980	29,867
Applications of Operating Funding											
Payments to staff and suppliers	18,780	19,842	19,925	19,065	20,337	20,658	20,993	21,933	21,854	22,340	23,065
Finance Costs	493	323	1,047	1,760	1,733	1,705	1,675	1,644	1,611	1,577	1,541
Internal charges and overheads applied	2,160	2,407	2,596	2,639	2,818	2,909	2,990	3,046	3,103	3,163	3,234
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Operating Funding	21,433	22,572	23,568	23,464	24,888	25,272	25,658	26,623	26,568	27,080	27,841
Surplus / (Deficit) of Operating Funding	5,392	6,460	4,851	6,854	9,134	2,735	1,943	2,543	2,619	1,900	2,026
Sources of Capital Funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase / (decrease) in debt	10,284	14,572	14,357	(478)	(548)	(575)	(604)	(636)	(668)	(702)	(801)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Total Sources of Capital Funding	10,284	14,572	14,357	(478)	(548)	(575)	(604)	(636)	(668)	(702)	(801)
Applications of Capital Funding											
Capital expenditure											
to meet additional demand	282	1,013	919	26	123	123	21	-	-	-	-
to improve levels of service	3,014	17,698	16,183	4,758	7,318	538	100	210	215	61	63
to replace existing assets	12,380	1,591	1,361	833	371	708	412	875	897	282	289
Increase / (decrease) in reserves	-	730	745	759	775	790	806	822	839	855	872
Increase / (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total Applications of Capital Funding	15,676	21,032	19,208	6,376	8,587	2,159	1,339	1,907	1,951	1,198	1,225
Surplus / (Deficit) of Capital Funding	(5,392)	(6,460)	(4,851)	(6,854)	(9,134)	(2,735)	(1,943)	(2,543)	(2,619)	(1,900)	(2,026)
Funding Balance	(0)	-	-	-	-	-	0	(0)	-	-	-

Whangarei District Council Prospective Statement of Comprehensive Revenue											
	Annual Plan	LTP year 1	LTP year 2	LTP year 3	LTP year 4	LTP year 5	LTP year 6	LTP year 7	LTP year 8	LTP year 9	LTP year 10
	2017 - 18	2018 - 19	2019 - 20	2020 - 21	2021 - 22	2022 - 23	2023 - 24	2024 - 25	2025 - 26	2026 - 27	2027 - 28
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Rates	92,376	96,925	100,995	105,324	109,867	114,728	119,832	125,298	131,153	137,314	143,904
Development and other contributions	3,028	4,640	4,794	4,952	5,114	5,012	5,127	5,250	5,381	5,516	5,659
Subsidies and grants	19,941	18,665	19,798	19,631	20,355	20,800	21,264	22,439	25,964	27,154	28,871
Fees and charges	14,654	13,420	14,071	14,766	15,513	16,327	17,144	18,034	19,007	20,044	21,188
Interest revenue	394	53	46	41	37	35	35	35	35	35	35
Other revenue	12,591	14,356	14,518	15,475	15,737	15,598	15,479	15,770	16,047	16,390	16,826
Total income	142,984	148,059	154,222	160,189	166,623	172,500	178,881	186,826	197,587	206,453	216,483
Expenditure											
Other expenditure	60,174	63,732	65,091	65,104	68,412	69,430	72,578	73,646	74,570	77,081	79,287
Depreciation and amortisation	41,329	39,199	40,195	41,367	43,078	45,168	46,327	47,194	49,091	50,109	51,113
Finance costs	8,059	7,899	8,369	9,391	9,601	10,067	10,377	10,432	10,815	11,216	11,581
Personnel costs	27,744	28,900	30,012	30,612	31,228	31,849	32,487	33,140	33,800	34,477	35,170
Total operating expenditure	137,306	139,730	143,667	146,474	152,319	156,514	161,769	164,412	168,276	172,883	177,151
Surplus / (deficit) before taxation	5,678	8,329	10,555	13,715	14,304	15,986	17,112	22,414	29,311	33,570	39,332
Taxation charge		-	-	-	-	-	-	-	-	-	-
Surplus / (deficit) after taxation	5,678	8,329	10,555	13,715	14,304	15,986	17,112	22,414	29,311	33,570	39,332
Other comprehensive revenue and expenses											
Gain / (loss) on infrastructure asset revaluation		42,005	17,324	17,814	71,297	20,608	21,239	83,036	24,440	26,286	101,433
Gain / (loss) on other asset revaluations	-	1,978	-	-	-	-	1,632	-	-	-	-
Total comprehensive income	5,678	52,311	27,879	31,529	85,601	36,594	39,983	105,450	53,751	59,856	140,765
Balanced Budget Benchmark - Income less vested/ gain on sale & DC's divi		100.5%	101.9%	103.9%	104.0%	105.1%	105.5%	108.6%	112.4%	114.4%	117.2%
Over balanced budget / (Under balanced budget) \$000		688	2,762	5,764	6,190	7,973	8,984	14,164	20,930	25,054	30,675

Whangarei District Council Propsective Statement of Changes in Net Assets / Equity

	Annual Plan 2017 - 18	Year 1 2018 - 19	Year 2 2019 - 20	Year 3 2020 - 21	Year 4 2021 - 22	Year 5 2022 - 23	Year 6 2023 - 24	Year 7 2024 - 25	Year 8 2025 - 26	Year 9 2026 - 27	Year 10 2027 - 28
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance as at 1 July	1,512,981	1,474,910	1,527,220	1,555,100	1,586,630	1,672,231	1,708,824	1,748,806	1,854,256	1,908,007	1,967,863
Total comprehensive revenue and expense	5,678	52,310	27,880	31,530	85,601	36,593	39,982	105,450	53,751	59,856	140,767
Adjustments and contributions to net assets/equity	-	-	-	-	-	-	-	-	-	-	-
Total recognised net assets/equity as at 30 June	1,518,659	1,527,220	1,555,100	1,586,630	1,672,231	1,708,824	1,748,806	1,854,256	1,908,007	1,967,863	2,108,630

Whangarei District Council Propsective Statement of Cashflows

	Annual Plan 2017 - 18 \$000	LTP year 1 2018 - 19 \$000	LTP year 2 2019 - 20 \$000	LTP year 3 2020 - 21 \$000	LTP year 4 2021 - 22 \$000	LTP year 5 2022 - 23 \$000	LTP year 6 2023 - 24 \$000	LTP year 7 2024 - 25 \$000	LTP year 8 2025 - 26 \$000	LTP year 9 2026 - 27 \$000	LTP year 10 2027 - 28 \$000
Cash flows from operating activities											
Receipts from rate revenue	91,669	96,553	100,532	104,868	109,392	114,286	119,343	124,711	130,345	136,639	143,160
Subsidies and grants received	19,792	18,585	19,698	19,533	20,252	20,705	21,158	22,312	25,790	27,008	28,710
Other revenue including development contributions	14,569	14,622	14,923	16,040	16,460	16,225	16,213	16,612	16,985	17,484	18,052
Fees and charges received	12,506	13,369	14,008	14,704	15,448	16,267	17,077	17,954	18,897	19,952	21,087
Interest received	394	51	44	39	35	33	33	32	32	32	32
Dividends received	540	540	540	540	540	540	540	540	540	540	540
Payments to suppliers and employees	(88,181)	(91,994)	(91,308)	(97,972)	(99,031)	(100,194)	(106,031)	(104,372)	(106,727)	(111,814)	(112,514)
Interest paid	(8,009)	(7,899)	(8,369)	(9,391)	(9,601)	(10,067)	(10,377)	(10,432)	(10,815)	(11,216)	(11,581)
Net cash flow from operating activities	43,280	43,828	50,068	48,360	53,495	57,795	57,956	67,358	75,046	78,625	87,486
Cash flows from investing activities											
Proceeds from fixed assets	-	-	-	-	-	-	-	-	-	-	-
Receipts from investments and loans	-	-	-	-	-	-	-	-	-	-	-
Purchase and development of fixed assets	(61,994)	(69,448)	(90,183)	(65,473)	(68,408)	(66,917)	(58,730)	(71,677)	(80,206)	(76,105)	(85,288)
Purchase of investments and loans provided	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from investing activities	(61,994)	(69,448)	(90,183)	(65,473)	(68,408)	(66,917)	(58,730)	(71,677)	(80,206)	(76,105)	(85,288)
Cash flows from financing activities											
Proceeds from borrowings	18,314	25,621	40,114	17,113	14,913	9,123	775	4,319	5,160	(2,520)	(2,200)
Loan repayments received	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	-	-	-	-	-	-	-	-	-	-	-
Loans granted	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from investing activities	18,314	25,621	40,114	17,113	14,913	9,123	775	4,319	5,160	(2,520)	(2,200)
Net increase/(decrease) in cash, cash equivalents and bank overdrafts	(400)	1	(1)	(1)	-	1	1	(0)	0	0	(2)
Cash, cash equivalents and bank overdrafts at the beginning of the year	681	300	300	300	300	300	300	300	300	300	300
Cash, cash equivalents and bank overdrafts at the end of the year	281	300	300	300	300	300	300	300	300	300	300

Whangarei District Council Propsective Statement of Financial Position

	Annual Plan	LTP year 1	LTP year 2	LTP year 3	LTP year 4	LTP year 5	LTP year 6	LTP year 7	LTP year 8	LTP year 9	LTP year 10
	2017 - 18	2018 - 19	2019 - 20	2020 - 21	2021 - 22	2022 - 23	2023 - 24	2024 - 25	2025 - 26	2026 - 27	2027 - 28
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Assets											
Current assets											
Cash and cash equivalents	281	300	300	300	300	300	300	300	300	300	300
Debtors and receivables	18,093	16,564	17,266	17,957	18,677	19,347	20,088	20,977	22,201	23,224	24,351
Derivative financial instruments		1	1	1	1	1	1	1	1	1	1
Other financial assets	266	1,957	2,732	3,507	4,282	5,057	5,832	6,607	7,382	8,157	8,932
Other current assets	716	822	822	822	822	822	822	822	822	822	822
Assets held for sale	-	-	-	-	-	-	-	-	-	-	-
Total current assets	19,356	19,644	21,121	22,587	24,082	25,527	27,043	28,707	30,706	32,504	34,406
Non current assets											
Derivative financial assets	-	64	64	64	64	64	64	64	64	64	64
Other financial assets	13,573	13,543	13,543	13,543	13,543	13,543	13,543	13,543	13,543	13,543	13,543
Property plant and equipment	1,613,362	1,622,315	1,691,805	1,737,477	1,837,812	1,883,692	1,923,340	2,035,455	2,095,635	2,152,571	2,292,843
Intangible assets	6,632	9,583	10,405	9,654	8,946	8,423	7,048	5,452	3,828	2,173	510
Forestry assets	800	787	787	787	787	787	787	787	787	787	787
Investment properties	53,225	58,979	58,979	58,979	58,979	58,979	58,979	58,979	58,979	58,979	58,979
Total non current assets	1,687,592	1,705,272	1,775,584	1,820,504	1,920,131	1,965,488	2,003,762	2,114,280	2,172,835	2,228,117	2,366,726
Total assets	1,706,948	1,724,916	1,796,704	1,843,091	1,944,213	1,991,014	2,030,805	2,142,988	2,203,541	2,260,621	2,401,132
Liabilities											
Current liabilities											
Payables and deferred revenue	20,744	20,259	24,050	21,787	22,394	23,484	22,649	25,073	26,727	26,486	28,450
Derivative financial instruments	382	395	395	395	395	395	395	395	395	395	395
Current borrowings	29,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Employee benefits liabilities	2,262	2,478	2,528	2,578	2,630	2,683	2,736	2,791	2,847	2,904	2,962
Provisions	358	108	106	108	114	234	112	110	113	117	115
Total current liabilities	52,746	53,240	57,078	54,869	55,533	56,796	55,892	58,369	60,082	59,902	61,922
Non current liabilities											
Derivative financial instruments	12,009	11,073	11,073	11,073	11,073	11,073	11,073	11,073	11,073	11,073	11,073
Non-current borrowings	121,477	131,459	171,573	188,686	203,598	212,721	213,496	217,815	222,974	220,454	218,255
Employee benefits liabilities	365	399	407	415	424	432	441	450	459	468	477
Provisions	1,103	1,368	1,318	1,262	1,199	1,012	941	869	791	705	619
Payables and deferred revenue	589	156	156	156	156	156	156	156	156	156	156
Total non current liabilities	135,543	144,455	184,527	201,592	216,449	225,395	226,107	230,362	235,453	232,857	230,580
Total liabilities	188,289	197,695	241,605	256,461	271,983	282,191	281,999	288,732	295,534	292,758	292,502
Net assets	1,518,659	1,527,220	1,555,100	1,586,630	1,672,231	1,708,824	1,748,806	1,854,256	1,908,007	1,967,863	2,108,630
Equity											
Retained earnings	855,622	887,165	907,958	921,062	938,052	954,232	972,245	1,002,162	1,031,933	1,064,278	1,102,355
Other reserves	67,412	72,290	62,053	62,665	59,979	59,784	58,882	51,379	50,919	52,144	53,401
Asset revaluation reserve	595,625	567,765	585,089	602,903	674,200	694,808	717,679	800,715	825,155	851,441	952,874
Total equity attributable to Council	1,518,659	1,527,220	1,555,100	1,586,630	1,672,231	1,708,824	1,748,806	1,854,256	1,908,007	1,967,863	2,108,630

Whangarei District Council Policy

***DRAFT 2018
Revenue and Financing Policy***

Policy 060

THIS POLICY IS STILL WORK IN PROGRESS

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1. Background

The Revenue and Financing Policy is a requirement of the Local Government Act 2002. The policy is supported by analysis of the funding of each activity group and recognises that the funding policy is more than just a device for raising revenue but is also one of the instruments that can be used to promote community wellbeing.

Under S102(2), of the Local Government Act 2002 a local authority must, in order to provide “predictability and certainty about sources and levels of funding” adopt certain policies. The Revenue and Financing Policy is one of these. The policy is supported by analysis of the funding of each activity group and recognises that the funding policy is more than just a device for raising revenue but is also one of the instruments that can be used to promote community wellbeing.

2. Funding Needs Analysis

The Revenue and Financing Policy must demonstrate how Council has complied with the funding policy process under section 101(3) of the Local Government Act 2002. To achieve this Council needs to review each individual activity and its funding in developing its Revenue and Financing Policy.

As part of that process, Council needs to consider the nature of the activity provided and the benefits and beneficiaries of the activity.

3. Activity Group

As a consequence of the organisational restructure and as part of the review process with department managers and the senior leadership team, Council’s work has been grouped into nine key activities in which we provide a service to the community. These are:

- District strategy and governance – a new activity group compared to the 2015-2025 Long Term Plan to provide transparency regarding performance and expenditure of strategy and governance for Council;
- Transportation
- Water
- Wastewater and drainage
- Stormwater
- Flood control
- Solid waste management
- District planning and regulatory services
- Community facilities and services

The activity groups are listed in the Attachment.

4. Activity

Each activity group is made up of operating projects – ‘Activities’ – that the Council delivers. Any one activity may have one or more operating projects which, when combined, provides the total level of service provided by the Council. The activities, within the activity groups, are listed in the Attachment.

STEP ONE

When assessing the funding for each activity the following need to be considered:

- **Community outcomes**

Which outcome the activity primarily relates to, and the rationale for doing it. The Council's vision is:

A vibrant, attractive and thriving district.

Outcomes:

- Efficient and resilient core services:
 - It is easy and safe to travel around the district for everyone
 - 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 opportunity.
- 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.
- **User/beneficiary pays principle** – distribution of benefits between individuals or groups and the community as a whole i.e. private or public good principle.
- **Inter-generational principle** – the period over which the benefits are expected to accrue
- **Exacerbator pays principle** – the extent to which actions or inactions of individuals or groups contribute to the need to undertake the activity and the costs that occur as a result
- **Costs and benefits of funding the activity**, distinct from other activities. i.e. user pays or targeted rates

STEP TWO

Consideration then needs to be given to the **overall impact of any allocation of liability for revenue needs on the community**. This may result in an alteration of the results of the first step, with the funding option or the level of funding from any source altered to ensure that there are no barriers or disincentives, and that an inequitable burden is not placed on any particular community sector or group.

Some questions to ponder as part of this consideration are:

- how will the mix of funding impact on affordability, e.g. on the elderly or those on low incomes?
- will the policy impact on accessibility to some services?
- can we charge the amount required, or is it restricted by legislation?
- do we want to encourage or discourage a particular activity or behaviour?
- what is the effect on a particular sector of our community, community groups or rating categories?
- how will this impact based on current economic conditions?

5. Funding Sources

Section 103 of the Local Government Act (2002) requires a local authority to state the sources of funding for its operating expenses and its capital expenditure. The sources of funding for each category are set out below.

Funding Sources for Operating Expenses

Operating expenses are for the day to day spending on ongoing operations delivering services by council and for the maintenance of Council's assets. This includes contributions to the wear and tear on assets used (depreciation), interest charged on borrowing for capital projects and corporate overheads.

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

The different mechanisms available for funding operating expenses are:

General rates are used to fund those services where there is a benefit to the whole community (public benefit) or where there is no practical method for charging individual users. General rates fund a range of activities which are used by individual ratepayers to varying extents.

This Council currently uses general rates to fund a broad range of activities, rather than a number of targeted rates as it results in a simpler rating system. This makes it easier for ratepayers to understand how they are being rated and it is more cost effective to administer. Rates are regarded as a tax, as there is no direct link between the activity or service provided and the individual ratepayer.

Council is currently undertaking a rating structure review and may elect to make changes to the current rating system. The review is being discussed in today's council briefing and in briefings scheduled over the coming weeks.

General rates are currently assessed based on a property's land value and as a uniform annual general charge.

Value-based general rates are assessed on land value and are differentiated by land use. The differentials to be applied are:

- residential differential, including steps on high value properties
- rural differential
- multi-unit differential
- commercial and industrial differential.

Full details of the differentials used may be found in the Funding Impact Statement.

A uniform annual general charge (UAGC) is applied to each separately used or inhabited part of each rating unit. The UAGC is to be assessed by Council annually and set at a level considered to be reasonable. The UAGC is used to fund the same activities as the general rate and ensures every ratepayer contributes a base level of rates irrespective of property value or services used.

Targeted rates are used where an activity benefits an easily identifiable group of ratepayers (such as the commercial or residential sectors) and where it is appropriate that only this group be targeted to pay for some or all of a particular service. The funds collected must be used for the purpose for which they are rated. Targeted rates are only used where Council considers it is an appropriate mechanism to fund that activity or where Council wishes to make clear the purpose for which the rate is collected. The revenue collected in any one year may result in a surplus, which is used to repay debt or to fund capital expenditure in future.

User fees and charges are used where the beneficiaries can be identified and charged. They include consent fees, licence fees, sales of goods, hireage fees or recoveries of costs incurred. When setting fees and charges, Council will consider any indirect benefit to the community, the distribution of those benefits and ability to pay. Some fees may be limited by legislation, meaning full recovery of costs is not possible.

Grants and subsidies apply to some activities when income from external agencies is received to support that activity. Each year the Council receives funding from NZTA as part of the overall maintenance replacement and renewal programme for the city's roading infrastructure. Council recognises the funding as income in accordance with GAAP.

Borrowing is not generally used to fund operating expenses, but is used to smooth the inter-generational benefits of the capital expenditure programme. Council may use borrowing to give a capital grant to a community organisation to fund a community facility, or for addressing storm damage (see below).

Interest from investments is used to reduce the requirement from general revenue and is used to fund activities in the same way that rates do.

Distributions and dividends

- Council receives distributions from its joint venture investment in Northland Regional Landfill Limited Liability Partnership. These are directed to funding the Solid Waste Activity.
- Council currently receives dividends from LGFA which are used to reduce the requirement from general revenue and is used to fund activities in the same way that rates do. Any other dividends would be treated in the same way.

Rental income is generated from Council's various property types:

- from Council's pensioner housing is used to fund the expenses of operating and maintaining council's pensioner housing stock. Pensioner housing is a ringfenced activity so if pensioner rental property income is not fully spent in a given year then it can be reserved and carried forward to the next year.
- from Council's investment properties is used to ensure the overall portfolio is maintained in terms of ongoing purchasing power and any excess income is used to reduce the requirement from general revenue and is used to fund activities in the same way that rates do.
- from Council's community properties used to fund the expenses of operating and maintaining Council's community properties and any excess income is used to fund Council's community operating expenses.

Enforcement fees are charged where possible. They are used to promote compliance rather than to raise revenue, and may not recover the full cost depending on the level of compliance and the extent to which charges are limited by statute or the court.

Other Sources of Operating Expense Funding

The Council also funds operating expenditure from other sources including:

Reserves:

- **Other reserves and ring-fenced funds**

Restricted funds also include other reserves, including the property reinvestment reserve. Subject to meeting any specified conditions associated with these reserves the Council may expend money, of an operating or capital nature, from these reserves.

Funding of expenditure from restricted or special funds. Certain operating and capital expenditure may be funded from restricted or special funds. Restricted and special funds are those reserves within the Council's equity that are subject to special conditions of use, whether under statute or accepted as binding by the Council, and that may not be revised without reference to the courts or a third party.

- **Specific reserving of operational funding**

Where expenditure has been funded in a year for a specified purpose e.g. a grant to fund an external groups project and because of timing issues the conditions of the grant are not met in that year then the grant can be reserved to provide funding for the project in a future year once the conditions are met.

- **Reserving and use of general surpluses from previous financial periods**

Where the Council has recorded an actual surplus in one financial period it may pass this benefit on to ratepayers in a subsequent financial period.

- A surplus arises from the actual recognition of additional income or through savings in expenditure when compared to the annual plan for a given year. A surplus would only be finalised once the Annual report for the year was adopted and it is the net surplus that needs to be considered.
- The Council considers that passing this benefit on to ratepayers in future financial periods improves the principle of intergenerational equity, in that any financial benefit is passed on to those ratepayers who shared the rates-funding burden in the financial period that the surplus was generated.

- The amount of any surplus carried forward from previous financial periods will be reserved on the balance sheet and used to offset the operating deficit created by the expenditure to be funded by the surplus in the year the benefit is passed on to ratepayers.
- Only those factors that are operating in nature and cash in nature will be available for use in determining the level of surplus to be carried forward.

The Council will not carry forward surpluses in relation to:

- The sale of assets. Such surpluses shall be used for repayment of borrowings or in the case of investment properties transfer to the property reinvestment reserve.
- Trust and bequest revenue. Such surpluses shall be applied in accordance with the terms on which they are provided.
- Revenue received for capital purposes. Such surpluses shall be retained to fund the associated capital expenditure.
- Revenue received from targeted rates such as water and wastewater.
- Depreciation.
- Development and lump sum contributions.
- Unspent budgeted operating expenditure associated with a capital project that is being carried forward.
- Unrealised gains arising from fair value adjustments to assets and liabilities. These gains are unrealised accounting adjustments in the period in which they are recognised.
- Vested assets.

Trusts and bequests

The Council is the recipient/holder of several trusts and bequests. These funds can only be used for the express purposes for which they were provided to the Council. Each year, the Council may expend money, of an operating or capital nature, from its trusts and bequests in accordance with the specified conditions of those funds. For the avoidance of doubt, the Council does not fund the expenditure from its trusts and bequests from any of the sources of operating revenue.

If the council receives bequests in the future then it will treat those in the same manner.

Overheads

There are some activities within council that provide support to specific cost centres or to the entire council but do not provide a direct benefit to the community. The costs of these activities are treated as overheads and are reallocated against activities that do provide a direct benefit to the community.

This concept is particularly important when analysing the costs of delivering services and arriving at the appropriate fees and charges for those services.

Storm Damage

If infrastructure assets need repairs as a consequence of storm damage, an option for funding this so as not to impact on the capital works program for the year, is utilising debt if there is projected headroom under the net core debt cap for the year. If it is determined that there is no headroom under the net core debt cap then council will look to defer operational and capital expenditure planned in the year to accommodate the repairs and renewals required.

Funding Sources of Capital Expenditure

Capital expenditure represents expenditure on property, plant and equipment and intangible assets.

Property, plant and equipment are tangible assets that are held by the Council for use in the provision of its goods and services (for example: roads, bridges, parks, water treatment plants and libraries), for rental to others or for administrative purposes.

Intangible assets are assets such as software that council purchases or creates as part of a project with an economic benefit longer than a year.

As described in the Financial Strategy, Council has a challenge to manage growth, affordable rates increases and debt and deliver as many as the communities desired projects as possible. To achieve the appropriate balance between these variables Council takes the following approach:

- Council sets the annual rate increase.
- The existing budget plus an estimate for growth determines the rates income.
- Activity operating revenue and expenditure budgets are determined, within this constraint.
- The net cash operating costs is determined.
- This leaves a cash surplus which is available for capital costs. This amount largely represents rate funded depreciation but may include operating surpluses from some activities and accounting provisions not held in reserve funds. This funding is not held by activity and is available to fund any capital costs.
- Council sets the limit on debt, which determines the debt funding available for capital costs.

Consequently, despite the potential availability of the funding sources, this process results in the following funding available for capital costs:

Rates

General or targeted rates, may be used to fund a portion of capital expenditure when it is considered appropriate to do so, and to repay debt. This will be balanced against affordability for current ratepayers and the current and future needs of the community.

Borrowing

This is an appropriate funding mechanism to enable the effect of peaks and troughs in capital expenditure to be smoothed and to ensure the costs of major developments are borne by those who ultimately benefit from the expenditure. It is not appropriate or sustainable for all capital expenditure to be funded from borrowings. In periods of low capital expenditure, borrowing will be reduced.

Proceeds from property sales

These will be invested in the property reinvestment reserve, and the funds may be used to purchase other commercial properties in future. Any funds in the reserve may be used to fund capital expenditure in other activities to smooth Council's overall cashflow requirements.

Proceeds from other asset sales

These may be used to fund capital works or to repay debt.

Depreciation

Depreciation is an indirect source of funding as depreciation reserves are not created. However, rates are set at a level that offsets the calculated non-cash depreciation cost. Operating surpluses (where available) are then used to fund renewal capital expenditure.

Development contributions are used to fund the growth component of capital expenditure. The growth in our District drives a portion of our capital work requirement to maintain Levels of Service to a larger community. As the costs of growth are driven by development, Council considers it equitable that a development should make a contribution to the costs that are being imposed. Council has a development contributions policy which sets out the level of contributions required to fund infrastructure requirements.

Grants and subsidies are used when they are available. NZTA provide capital subsidies (accounted for as operating revenue) to fund agreed roading capital projects.

Financial contributions will be used to fund capital expenditure in accordance with the Resource Management Act 1991.

Reserves including retained earnings from operating surpluses from previous years may be used to fund capital expenditure.

User contributions are typically paid in the form of a targeted rate by an identified group of direct beneficiaries. In many cases this group would have lobbied for the inclusion of the project during a consultation process.

6. Review of funding sources and the funding bands

Having decided on:

- The activity groups
- Activities within the activity groups

Using the steps above the funding sources and the funding bands from each source need to be assessed for each activity to provide guidance for the 2018-2028 Long Term Plan. Suggested funding bands are set out in the Attachment.

7. Attachment

1. Activity Funding Analysis (to be read as part of the Policy) [[LTPREP-647166279-160](#)]

REVENUE & FINANCING POLICY
Activity Funding Review - Summary Information

				Operational Funding Sources (Guidelines Only)			
Activity Group 18-28	Activity / dept	Dept	Account description	User Fees	Subsidies/ grants etc.	Targeted Rates	Rates
District Strategy & Governance	Iwi Liaison	Maori Relationships	Maori Development of Liaison Department Te Karearea Te Huinga				100%
	Strategy & Governance	Strategy Strategy & Democracy Overheads Democracy & Assurance CE Overheads	Strategy Strategy & Democracy Overheads EM Expenses, Meetings & Hearings Elections AP/LTP Engagement & Audit Democracy & Assurance OH Mayoralty Overheads				100%
	Economic growth	District Development	Economic Development District Development Commercial Leases Ground Leases Commercial Property Operations Forestry Property Portfolio Operations				
		Marina Facilities	Marinas				
		Airport Facilities	Airport Airport Projects Planning & Capital Projects (Airport)				
Transportation	Roading Network	Roading allocated per NZTA rules & guidelines (currently 53% subsidy)	Sealed Pavements Unsealed Pavements Routine Drainage Road Environment Traffic Services Roading Structures Emergency Works Network and Asset Management Community Road Safety NTA SSBU Business Unit Roading Projects NTA SSBU Shared Projects Roading Department Operations Private Works Unsubsidised Works		50-60%	0-5%	40-50%
	Car Parking		Parking	90-100%			0-10%
	Footpaths		Footpaths				100%
	Water	Potable Water	Operations Pumps and Flow Control Dam Maintenance Management Services Maintenance Distribution Flow Measurement	0-5%		59-100%	

Activity Group 18-28	Activity / dept	Dept	Account description	User Fees	Subsidies/ grants etc.	Targeted Rates	Rates
			Reservoirs Distribution Water Rates Revenue Miscellaneous Revenue Water Services Overhead Expensed Water Projects				
Waste and Drainage	Wastewater		Wastewater Rates Revenue Plant Operation Laboratory Reticulation Operations Rehabilitation Pump Stations Wastewater Mgt Overheads Wastewater Projects	90-95%			5-10%
	Public Toilets		Public Toilets Public Toilets Overheads				100%
	Stormwater		Stormwater Overheads Stormwater Operations Piped systems - Maint Stormwater Projects				100%
	Flood Control (Hikurangi Swamp)		Hikurangi Swamp -Major Scheme Maintenance Hikurangi Swamp -Drainage Maintenance Hikurangi District Overheads Hikurangi Projects			100%	
Solid waste management	Rubbish/Recycling Collection and Disposal		Transfer Station Income Refuse Revenue Collection Transfer Station Operations Recycling Land Fill Care Expenses Solid Waste Projects Solid Waste Overheads	5-10%	0-20%	70-95%	
	Clean District and Waste Minimisation		Northland Regional Landfill Partnership		100%		
	Litter Control		Litter Control	0-10%		90-100%	
District Planning and Regulatory Services	Resource Consents		RMA Non Recoverable RMA Recoverable	60-65%			35-40%
	RMA Compliance		RMA Compliance RMA Complaints Other RMA Approvals & Compliance OH				
	Building Consents		Building Approvals & Compliance OH Inspections Consenting Building Supports Leaky Buildings Building Control Overheads	70-90%			10-30%
	Building and Environmental Monitoring		Building Complaints - Regulatory	5-10%	0-5%		85-95%
	Food		Food Premises	20% -30%			70 -80%
	Health		Water Quality Other Premises	35-45%			55-65%
	Alcohol licensing		Liquor Applications Operating	35-45%			55-65%
	District Plan Development		District Plan Private Plan Changes	100%			
	Noise Management		Com Serv - Noise Control	0-5%			95-100%

Activity Group 18-28	Activity / dept	Dept	Account description	User Fees	Subsidies/ grants etc.	Targeted Rates	Rates
	Animal Management		Dog Control Operating Stock control	90-100%	0-5%		0-10%
	Parking Enforcement		Parking Enforcement Operating	100%			
	Warrant of Fitness Enforcement		WOF/REGO Infringements	100%			
	Swimming Pool inspections		Swimming Pool Inspections	85-95%			5-15%
	Bylaws		Bylaws				100%
Community Facilities and Services	Sport and Recreation Facilities		Sports Grounds Swimming Pools Overheads Sports Fields Overheads	5-10%			90-95%
	Parks Reserves and Natural Areas		Tracks & Walkways Play Equipment & Skate Park Weeds & Noxious Animals Control Sundry Leases Coastal Structures Management Reserves General South Management North Management Reserves Overheads City Parks & Gardens Parks Planner				100%
	Play areas, walking Trails, Coastal		Parks & Recreation Projects Major Grants - Parks Parks & Recreation Overhead Expensed Conservatory Street Trees Town Basin Gardens				100%
	Cemeteries and Crematorium		Parks Cemetery Services Parks Crematorium Services Cemeteries & Crematorium O/Head	65-75%	1%		25-35%
	Libraries		Outreach Collection & Technical Services Community Libraries Central Library Rental Services Branch Libraries Mobile Library Library Overheads	5-15%			85-95%
	Pensioner Housing		Pensioner Housing Pensioner Projects	100%			
	Community Safety		Community Safety and Protection				100%
	Community Development, Community buildings & spaces and Residential Strategic property		Community Development Overheads Residential Strategic Property Community Buildings and Spaces				100%
	Community Funding		Grants and Funding				100%
	Venues and Events		Event Operations Major Event Planning & Admin Venues & Events Dept Operations V&E Marketing & Events Venue and Events Projects	20-30%			70-80%
	Village Planning		Village Planning				100%
	Civil Defence		Civil Defence Operations Civil Defence Event				

Activity Group 18-28	Activity / dept	Dept	Account description	User Fees	Subsidies/ grants etc.	Targeted Rates	Rates
	Tourism & visitor Information Services		Promotions Initiatives Clapham Clocks I-Site Info Site Town Basin	40-50%			50-60% 100%
	Customer Services		Customer Services -Forum North Contact Centre Customer Services Management Ruakaka Service Centre				
Corporate & Finance		Business Improvement Business Support Corporate Overheads Finance Revenue ICT Communications	BI Overheads BI Business Systems Lunchroom BS Overheads BS Property BS Information Management Communications Council Offices Corporate Fleet Copiers and Consumables Corporate Group Overheads Finance Dept Overheads Treasury General Rates Strike General Rates Revenue Water Rates Collection ICT ICT Projects Communications Overheads Communications Operations				
CE' Office		CE Overheads People & Capability	General Overheads Corporate Recruitment Organizational Development OSH/ Wellness Programme People & Capability Overheads				
Community		Community Overheads	Community Group Overhead				
Infrastructure		Infrastructure Development Infrastructure Overheads Infrastructure Planning & Capital Works	Infrastructure Assets Development Engineering Infrastructure Support Infrastructure Overheads Infrastructure Planning Landscape Infrastructure Project Mngt				
Planning & Development		Planning & Development	Planning & Development Group Overheads				

Projects 2018-28

Programme		Project		LTP Year 1	LTP Year 2	LTP Year 3	LTP Year 4-6	LTP Year 7-10
Transportation				2018/19	2019/20	2020/21	2021/22-2023/24	2024/25-2027/28
				\$000	\$000	\$000	\$000	\$000
Amenity Lighting	Amenity Lighting	-	-	97	-	307	-	453
Bus Shelters	Bus Shelters	92	94	96	-	301	-	436
Bus Terminal	Bus Terminal Development/Relocation	-	-	320	-	-	-	-
Coastal Protection	Coastal Protection Structures - Roading	82	84	86	-	273	-	403
Cycleways - Subsidised	Cycleways - Programmed Work	2,772	3,182	2,144	5,279	2,423	-	2,423
Footpaths	Footpaths Renewals	355	372	390	1,298	2,001	-	2,001
Footpaths	New Footpaths	408	417	426	1,337	1,938	-	1,938
Minor Improvements to Roading Network	Minor Improvements to Network	6,610	5,217	5,358	15,612	23,064	-	23,064
Other Roading Projects	McEwan Road Upgrade	-	-	-	-	1,272	-	1,272
Other Roading Projects	One Tree Point Road Upgrade	-	-	-	-	1,004	-	1,004
Other Roading Projects	Port Road Upgrade	-	-	-	-	8,676	-	8,676
Other Roading Projects	Riverside Drive/Onerahi Road Upgrade	-	-	-	-	24,561	-	24,561
Other Roading Projects	Ruakaka Beach Road Upgrade	-	-	-	-	1,875	-	1,875
Parking	Parking Renewals	224	230	237	750	1,108	-	1,108
Roading Drainage	Drainage Renewals	1,081	1,110	1,141	3,613	5,338	-	5,338
Roading Subdivision Works Contribution	Subdivision Works Contribution	51	52	53	167	242	-	242
Seal Extensions	Seal Extensions - Unsubsidised	1,032	1,061	-	891	2,417	-	2,417
Sealed Road Pavement Rehabilitation	Sealed Road Pavement Rehabilitation	3,978	4,134	4,296	13,922	21,367	-	21,367
Sealed Road Resurfacing	Sealed Road Resurfacing	4,182	4,346	4,516	14,635	22,463	-	22,463
Sense of Place	Community Led Development	-	-	297	312	-	-	-
Structures Component Replacement	Structures Component Replacement	1,020	1,048	1,076	3,409	5,036	-	5,036
Traffic Signs & Signals	Traffic Sign & Signal Renewals	867	890	915	2,897	4,280	-	4,280
Transportation Planning Studies & Strategies	Transport Planning Studies & Strategies	255	261	213	444	359	-	359
Unsealed Road Metalling	Unsealed Road Metalling	816	840	864	6,296	9,403	-	9,403
Urban Intersection Upgrades	Urban Intersection Upgrades	-	2,085	1,598	5,013	4,846	-	4,846
Transportation Total		23,825	25,425	24,123	76,757	144,965	-	144,965

Water						
Property	Water Property Renewals	49	94	-	-	-
Wairua River Source and Treatment	Wairua River Source & Treatment	-	-	-	114	15,890
Water Meters	Water Meter Renewals	357	365	373	1,170	1,696
Water Reservoirs	Fairway Reservoir Renewal	-	-	-	-	828
Water Reservoirs	Kamo Reservoir Additional Capacity	-	-	213	2,000	-
Water Reservoirs	Maungakarewa Reservoir Additional Capacity	-	-	-	182	700
Water Reservoirs	Reservoir Rehabilitation - Programmed Work	214	188	107	917	326
Water Reservoirs	Three Mile Bush Reservoir Additional Capacity	-	156	213	1,878	-
Water Reservoirs	Waipu Reservoir Additional Capacity	-	-	107	1,089	-
Water Reticulation	Fairway Drive Pump Station Upgrade	-	-	533	-	-
Water Reticulation	Minor Projects - Emergency Works	306	313	320	1,003	1,454
Water Reticulation	Reticulation - Programmed Work	1,051	2,137	3,249	11,630	17,714
Water Reticulation	Trunkmain Condition Assessments	61	-	-	-	-
Water Reticulation	Waipu Water Reticulation	71	730	-	-	-
Water Treatment Plants	SCADA Upgrade	408	1,042	-	-	-
Water Treatment Plants	Treatment Plant Renewals	-	-	-	570	3,733
Water Treatment Plants	Treatment Plant Upgrades	20	21	75	2,638	-
Water Treatment Plants	Water Treatment Plant & Equipment Replacement	510	521	533	1,671	2,423
Whau Valley Dam Improvements	Dam Asset & Equipment Renewals	-	-	-	-	598
Whau Valley Dam Improvements	Dam Safety Review	10	-	43	33	110
Whau Valley Dam Improvements	Whau Valley Dam Chimney Drain	-	-	320	2,504	-
Whau Valley Water Treatment Plant	Whau Valley New Water Treatment Plant	6,120	13,551	1,598	-	-
Water Total		9,178	19,118	7,681	27,398	45,471

Solid Waste						
Transfer Stations	Transfer Station Renewals	-	-	-	168	123
Transfer Stations	Transfer Station Upgrades	102	-	53	56	120
Solid Waste Total					102	53
					224	242

Waste Water							
Laboratory	Laboratory Equipment Renewals & Upgrades	20	21	21	67	24	
Public Toilets	Public Toilets	-	-	405	642	239	
Wastewater Asset Management	Wastewater Assessment	43	44	45	46	-	
Wastewater Network	Hikurangi Sewer Network Upgrade	1,020	2,085	-	-	-	
Wastewater Network	Sewer Network Renewal	1,020	1,407	5,433	7,686	11,145	
Wastewater Network	Sewer Network Upgrades	26	1,222	3,782	14,058	14,830	
Wastewater Pump Stations	Wastewater Pump Station Remote Monitoring	133	110	-	-	-	
Wastewater Pump Stations	Wastewater Pump Station Renewals	386	405	427	1,532	2,831	
Wastewater Treatment Plants	Wastewater Reticulation Upgrade	41	42	43	88	-	
Wastewater Treatment Plants	Wastewater Treatment Plant Biogas Generator	153	-	-	-	-	
Wastewater Treatment Plants	Wastewater Treatment Plant Renewals	835	862	1,127	4,569	3,349	
Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	505	2,339	4,249	2,126	141	
Waste Water Total		4,181	8,537	15,532	30,814	32,560	

Storm Water						
Stormwater Asset Management	Stormwater Catchment Management Plans & Assessments	352	500	810	2,796	2,624
Stormwater Improvements	Blue/Green Network	-	-	160	1,404	2,035
Stormwater Improvements	Stormwater Renewals	726	1,070	2,254	8,665	21,117
Stormwater Improvements	Stormwater Upgrades	530	290	61	204	77
Stormwater Improvements	Teal Bay Stormwater Improvements	546	-	-	-	-
Storm Water Total		2,154	1,860	3,284	13,069	25,854

Flood Protection & Control Works						
Hikurangi Swamp	Gravity Drainage Gates	-	-	-	334	485
Hikurangi Swamp	Level Sensor Renewals	-	-	-	131	-
Hikurangi Swamp	Pump Upgrades/Renewals	-	-	-	-	2,483
Hikurangi Swamp	Stop/Control Bank Renewals	-	-	-	278	-
Flood Protection & Control Works Total					743	2,968

Community Facilities & Services

Civil Defence	Civil Defence & Emergency Management	Civil Defence Emergency Management Equipment Renewals	5	5	27	39	49
	Civil Defence & Emergency Management	Civil Defence Emergency Management New Equipment	-	-	5	6	6
	Civil Defence & Emergency Management	Tsunami Signage	26	36	16	72	73
	Civil Defence & Emergency Management	Tsunami Sirens Renewals	17	18	18	57	82
Civil Defence Total			48	59	66	174	210

Community Development

CCTV Network	CCTV Upgrades & Improvements	133	136	138	434	630
Council-Owned Community Buildings	Community Buildings Renewals & Improvements	58	213	27	16	107
Pensioner Housing	Pensioner Housing Renewals & Improvements	589	688	667	1,780	1,998
Sense of Place	Community Led Development	255	261	266	835	1,211
Sense of Place	Village Planning	154	157	161	505	732
Community Development Total		1,189	1,454	1,259	3,571	4,678

Libraries

Digital Council	Library IT Equipment	102	104	107	109	-
Library Asset Renewals	Library Renewals	5	5	5	496	24
Library Books	Book Purchases	660	674	689	2,162	3,135
Libraries Total			767	801	2,767	3,159

Parks & Recreation

Cemeteries	Cemeteries Level of Service	82	-	-	229	-
Cemeteries	Cemeteries Renewals	58	204	434	267	251
Cemeteries	Cemetery Land Purchases	-	-	-	82	1,794
Coastal Structures	Coastal Structures Level of Service	61	-	63	3,081	1,547
Coastal Structures	Coastal Structures Renewal	710	804	600	1,021	1,807
Neighbourhood & Public Gardens	Dog Park Upgrades	306	-	-	-	-
Neighbourhood & Public Gardens	Neighbourhood & Public Gardens Level of Service	153	-	-	-	-
Neighbourhood & Public Gardens	Neighbourhood & Public Gardens Renewals	552	801	818	3,235	4,691
Playgrounds & Skateparks	Playgrounds & Skateparks Level of Service	108	120	-	491	252
Playgrounds & Skateparks	Playgrounds & Skateparks Renewals	160	188	159	1,313	822
Sense of Place	Blue/Green Network	-	-	-	3,998	8,587
Sense of Place	Hatea Activity Loop	326	-	-	613	1,050
Sense of Place	Parks Interpretation Information	43	44	45	140	204
Sense of Place	Pohe Island Development	61	1,313	80	1,551	1,887
Sense of Place	Public Art	43	44	45	140	204
Sense of Place	Town Basin - Conversion of Carpark to Park	-	5,005	-	-	-
Sense of Place	Whangarei City Centre Plan Implementation	51	1,188	266	1,527	2,551
Sense of Place	Whangarei City Entrance Signage & Beautification	-	-	-	611	-
Sportsfields & Facilities	Sport & Recreation Growth	1,987	313	-	-	-
Sportsfields & Facilities	Sport & Recreation Level of Service	202	89	-	1,078	3,499
Sportsfields & Facilities	Sport & Recreation Renewals	788	1,233	579	2,539	5,752
Sportsfields & Facilities	Sportsfields Land Purchases	-	-	-	1,637	12,576
Sportsfields & Facilities	Tikipunga Soccer Hub	-	52	511	675	-
Walkways and Tracks	Walkway & Track Renewals	436	489	360	1,559	1,970
Parks & Recreation Total		6,126	11,887	3,959	25,788	49,443

Venue and Events Whangarei

Flags & Decorations	Flags & Decorations	-	-	-	72	-
Forum North Venue	FN Venue - Catering Kitchen Upgrades	48	-	-	-	-
Forum North Venue	FN Venue - Conference Centre Upgrades	-	-	-	-	-
Forum North Venue	FN Venue - Data Upgrades	44	-	-	-	-
Forum North Venue	FN Venue - Furniture Upgrades	22	23	23	74	26
Forum North Venue	FN Venue - Health & Safety Upgrades	33	-	-	78	45
Forum North Venue	FN Venue - Theatre Technical Equipment Upgrades	88	90	92	287	100
Northland Events Centre	NECT - Exterior General Renewals	85	128	23	258	1,218
Northland Events Centre	NECT - Field Renewals	31	-	-	-	-
Northland Events Centre	NECT - Floor Covering Renewals	-	-	26	178	157
Northland Events Centre	NECT - Interior General Renewals	66	23	153	93	26
Northland Events Centre	NECT - Light Tower Renewals	100	-	1,545	1,579	-
Venue and Events Whangarei Total		516	263	1,862	2,619	1,572
Community Facilities & Services Total		48	59	66	174	210

Planning & Regulatory Services

Dog Pound	Dog Pound Renewals	204	1,415	-	-	-
Planning & Regulatory Services Total			204	1,415	-	-

District Strategy & Governance

Commercial Property	WAMT Air Conditioning Upgrade	61	-	-	-	-
New Airport Evaluation	New Airport Evaluation	510	1,042	1,332	1,361	-
District Strategy & Governance Total			571	1,042	1,332	1,361

Corporate & Finance

Civic Buildings	Furniture Renewals	20	21	21	67	97
Council Premises	One Building	14,900	15,290	-	-	-
Council Vehicle Replacements	Council Vehicle Replacements	214	219	224	702	1,018
Digital Council	Asset Management Mobility	-	-	358	94	-
Digital Council	Asset Management Software Upgrade	808	822	-	-	-
Digital Council	CIA Upgrade	879	-	-	-	-
Digital Council	Corporate Performance Management	301	-	-	-	-
Digital Council	Council Knowledge Base	-	-	-	296	-
Digital Council	Council Performance Online	-	-	-	493	-
Digital Council	Customer Access - Online Services	-	416	-	-	-
Digital Council	Decision Support System Development	81	-	-	-	-
Digital Council	Digital District Plan and Policies Online	184	318	55	-	-
Digital Council	Digital Platform	858	-	-	-	-
Digital Council	Digitisation of Records	749	-	-	-	-
Digital Council	Electronic LIMs	-	605	33	83	-
Digital Council	Electronic Signatures	-	-	-	213	-
Digital Council	IT Equipment New	51	52	53	167	242
Digital Council	IT Equipment Replacement	-	625	639	-	1,536
Digital Council	LIDAR	128	-	-	-	-
Digital Council	Mobility Technology - Building	-	292	-	-	-
Digital Council	Platform as a Service	-	-	405	235	-
Digital Council	Telephony as a Service	-	-	-	1,023	435
Digital Council	Travel & Expense Claim Automation	-	-	-	120	-
Digital Council	Upgrade Kete SharePoint	-	261	-	-	-
Digital Council	Workflow Systems Development	68	-	-	-	-
New Theatre/Expo/Conference	New Theatre	-	-	3,883	6,642	-
Old Harbour Board Building	Old Harbour Board Building Development	1,538	-	-	-	-
Corporate & Finance Total		20,778	18,921	5,672	10,134	3,327
Project Total		69,640	90,764	65,625	195,420	314,451

Projects 2018-28 Detail (Uninflated)

Department	LTP Programme	LTP Indicator	Project Details	2018/19 Year 1 Total	2019/20 Year 2 Total	2020/21 Year 3 Total	2021/22-23/24 Year 4-	2024/25-27/28 Year 7-
				6 Total	10 Total			
Community Facilities & Services								
Civil Defence	Civil Defence & Emergency Management	Civil Defence Emergency Management Equip	Civil Defence Emergency Equipment Renewals	5	5	25	35	40
Civil Defence	Civil Defence & Emergency Management	Civil Defence Emergency Management New	Civil Defence Emergency Equipment New Equipment	-	-	5	5	5
Civil Defence	Civil Defence & Emergency Management	Tsunami Sirens Renewals	Tsunami Siren Renewals	17	17	17	51	68
Civil Defence	Civil Defence & Emergency Management	Tsunami Signage	Tsunami Warning tools for the Public	25	35	15	65	60
Community Development	CCTV Network	CCTV Upgrades & Improvements	CCTV Upgrades & Improvements	130	130	130	390	520
Community Development	Council-Owned Community Buildings	Community Buildings Renewals & Improven	OMB - 71 Bank St	-	60	-	15	65
Community Development	Council-Owned Community Buildings	Community Buildings Renewals & Improven	Hikurangi Hall upgrades	30	-	25	-	-
Community Development	Council-Owned Community Buildings	Community Buildings Renewals & Improven	Community Buildings Renewals and Improvements	27	144	-	-	26
Community Development	Pensioner Housing	Pensioner Housing Renewals & Improvemen	Pensioner Housing	578	660	626	1,604	1,648
Community Development	Sense of Place	Village Planning	Village Planning Prev Urban Design - Themed Community	151	151	151	453	604
Community Development	Sense of Place	Community Led Development	Community-led Development	250	250	250	750	1,000
Libraries	Digital Council	Library IT Equipment	IT Upgrade	100	100	100	100	-
Libraries	Library Asset Renewals	Library Renewals	Furniture Renewals	5	5	5	15	20
Libraries	Library Asset Renewals	Library Renewals	Carpet Renewal	-	-	-	430	-
Libraries	Library Books	Book Purchases	Book Purchases	647	647	647	1,941	2,588
Parks & Recreation	Cemeteries	Cemetery Land Purchases	Cemetery Land Acquisition - Ruakaka Cemetery	-	-	-	-	1,500
Parks & Recreation	Cemeteries	Cemeteries Renewals	Cemetery Minor Asset Renewals	47	47	47	141	188
Parks & Recreation	Cemeteries	Cemetery Land Purchases	Kioreroa Cemetery land purchase For Access To Site	-	-	-	75	-
Parks & Recreation	Cemeteries	Cemeteries Level of Service	Maunu Cemetery Development For Burials	-	-	-	203	-
Parks & Recreation	Cemeteries	Cemeteries Renewals	Cemeteries Reseal road network	-	89	-	69	-
Parks & Recreation	Cemeteries	Cemeteries Renewals	Renewal/preservation of historic sites	10	10	10	30	20
Parks & Recreation	Cemeteries	Cemeteries Level of Service	Maunu Cemetery Development for burials	80	-	-	-	-
Parks & Recreation	Cemeteries	Cemeteries Renewals	Renewal of Cemetery Office and Visitors centre	-	50	350	-	-
Parks & Recreation	Coastal Structures	Coastal Structures Renewal	Coastal Structures Renewal	-	251	63	195	1,093
Parks & Recreation	Coastal Structures	Coastal Structures Renewal	Seawall Renewals (Ngunguru Stage 2, Papaka Stage 3)	422	-	-	-	-
Parks & Recreation	Coastal Structures	Coastal Structures Level of Service	New Seawall & Groynes One Tree Point	-	-	-	2,680	-
Parks & Recreation	Coastal Structures	Coastal Structures Level of Service	New Seawalls	-	-	-	-	1,160
Parks & Recreation	Coastal Structures	Coastal Structures Level of Service	Coastal Structures Safety upgrades for compliance	59	-	59	59	119
Parks & Recreation	Coastal Structures	Coastal Structures Renewal	Seawalls Renewal	274	520	500	735	422
Parks & Recreation	Neighbourhood & Public Gardens	Neighbourhood & Public Gardens Renewals	Renewals Neighbourhood Parks Assets	541	768	768	2,904	3,872
Parks & Recreation	Neighbourhood & Public Gardens	Dog Park Upgrades	Dog Park Upgrade - Drainage Issues Addressed	300	-	-	-	-
Parks & Recreation	Neighbourhood & Public Gardens	Neighbourhood & Public Gardens Level of S	Abbey Caves Carpark Development & Surfacing	150	-	-	-	-
Parks & Recreation	Playgrounds & Skateparks	Playgrounds & Skateparks Renewals	Playgrounds & Skateparks Renewals	157	181	129	483	673
Parks & Recreation	Playgrounds & Skateparks	Playgrounds & Skateparks Level of Service	New Skateparks	-	115	-	230	100
Parks & Recreation	Playgrounds & Skateparks	Playgrounds & Skateparks Level of Service	New Playgrounds	106	-	-	211	106
Parks & Recreation	Playgrounds & Skateparks	Playgrounds & Skateparks Renewals	Playgrounds & Skatepark Renewals	-	-	20	700	-
Parks & Recreation	Sense of Place	Hatea Activity Loop	SOP - Hatea Loop - Waterfront Development on Pohe Island	-	-	-	440	-
Parks & Recreation	Sense of Place	Pohe Island Development	SOP - Hatea Loop - Pohe Island Playground toilets	-	320	-	-	-
Parks & Recreation	Sense of Place	Public Art	SOP - Public Art	42	42	42	126	168
Parks & Recreation	Sense of Place	Pohe Island Development	SOP - Pohe Island- Destination Playground	60	940	-	-	-
Parks & Recreation	Sense of Place	Pohe Island Development	SOP - Pohe Island- Marine Hub Development	-	-	-	-	1,580
Parks & Recreation	Sense of Place	Hatea Activity Loop	SOP - Pohe Island- Pocket Park (Sea Scouts)	-	-	-	50	400
Parks & Recreation	Sense of Place	Pohe Island Development	SOP - Pohe Island- Skate park Upgrade	-	-	75	1,425	-
Parks & Recreation	Sense of Place	Hatea Activity Loop	SOP - Hatea Loop- Bridge Connecting Pohe Island to Riverside	-	-	-	50	500
Parks & Recreation	Sense of Place	Whangarei City Entrance Signage & Beautifi	SOP - Whangarei Entranceway - Main Whangarei entrance	-	-	-	550	-
Parks & Recreation	Sense of Place	Town Basin - Conversion of Carpark to Park	SOP - Town Basin conversion of carpark to park	-	4,801	-	-	-
Parks & Recreation	Sense of Place	Whangarei City Centre Plan Implementatio	SOP - Whangarei City Centre Plan Implementation	50	1,140	250	1,370	2,160
Parks & Recreation	Sense of Place	Hatea Activity Loop	SOP - Hatea Loop - Bascule Park (Green Space)	320	-	-	-	-
Parks & Recreation	Sense of Place	Blue/Green Network	SOP - Blue Green Network implementation	-	-	-	3,580	7,000
Parks & Recreation	Sense of Place	Parks Interpretation Information	SOP - Parks Interpretation Wayfinding	42	42	42	126	168
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Field Drainage Renewals Takahiwai	-	-	-	-	45
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Otangarei Sportspark New Toilets	198	-	-	-	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Whangarei Heads Field Renovations	-	85	-	-	-
Parks & Recreation	Sportsfields & Facilities	Sportsfields Land Purchases	Land Purchase And Development-Whangarei Heads & Springs Flat	-	-	-	1,100	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Sportspark Surface Improvement Mangakahia Complex	-	-	-	-	270
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Oakura Sportspark Field Developments 1x	-	-	-	30	542
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Morningside Sportspark Development 2x	-	-	-	30	840
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Hikurangi Sportspark Turf Capacity Increase 1x	-	-	-	30	542
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Bell Block Amenity Planting	-	-	-	59	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Otangarei Sportspark Field renewal Central Reserve 1x	-	-	-	75	-

Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Ngunguru Rec Field drainage	-	-	-	50	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Kensington Park Green Flag	-	-	-	45	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Otagarei Sportspark Lighting Renewal	-	-	-	300	-
Parks & Recreation	Sportsfields & Facilities	Sportsfields Land Purchases	Takahiwai Land Purchase Field Expansions	-	-	-	370	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Establish Equestriasn Experience	-	-	-	30	238
Parks & Recreation	Sportsfields & Facilities	Sportsfields Land Purchases	Sportsfield Land	-	-	-	-	10,000
Parks & Recreation	Sportsfields & Facilities	Tikipunga Soccer Hub	Soccer Hub at Tikipunga	-	50	480	620	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Hardcourt Renewal To Multicourt Surface Upgrade	-	-	-	125	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Renewals Sports Park Existing Assets	543	543	543	1,630	2,173
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Growth	Ruakaka Existing Field Lighting Renewal	100	300	-	-	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Growth	Ruakaka 2x New Fields, Irrigation, Lighting	870	-	-	-	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Field Drainage Renewals Onerahi Domain	-	-	-	-	335
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Field Drainage Renewals Hikurangi League	40	-	-	-	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Field Drainage Renewals Hukernui x2	79	-	-	-	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Field Drainage Renewals Hikurangi Main Field	40	-	-	-	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Whangarei Heads Development New Sportsfields 2x	-	-	-	-	820
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Tikipunga 2x Field Sand Carpets	30	640	-	-	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Growth	Otaika Sportspark Field Upgrade x1,3 New Fields,;Lights	978	-	-	-	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Managakahia Sports Field Irrigation	-	-	-	-	85
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Oakura Sportspark Hardcourt Developments	-	-	-	-	200
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Hikurangi Sportspark Carparking - New Carparks Sealed	-	-	-	-	112
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Okara Park Carpark	-	-	-	-	680
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Carpark Construction And Sealing Tikipunga	-	-	-	785	-
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Level of Service	Carpark Construction And Sealing Springs flat	-	-	-	30	295
Parks & Recreation	Sportsfields & Facilities	Sport & Recreation Renewals	Field Drainage Tikipunga #9 Field	40	-	-	-	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	A H Reed Kauri Park	-	-	-	-	65
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Matapouri / Whale Bay	-	-	-	-	145
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Matapouri / Whale Bay	-	-	-	-	74
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Coronation Reserve	-	-	-	-	73
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Mackesy Bush	68	-	-	-	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Mackesy Bush	90	-	-	-	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Mackesy Bush	170	-	-	-	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Minor asset Renewals T&WW	-	2	0	13	90
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	A H Reed Kauri Park	-	-	-	35	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Mair Park	-	-	-	29	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Waimahanga Tracks	-	-	-	153	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Waimahanga Tracks	-	-	-	-	26
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Parihaka Forest Track	-	-	-	271	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Tracks & Walkways Renewals of existing maintained tracks	100	100	100	301	413
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Hatea Walkway	-	-	-	414	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Hatea Walkway	-	-	238	-	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Hatea Walkway	-	-	-	170	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Waimahanga Tracks	-	-	-	-	324
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Tutukaka Block	-	-	-	-	23
Parks & Recreation	Walkways and Tracks	Walkway & Track Level of Service	Barge Showgrounds Entrance To Pukenui Forest	-	-	-	-	197
Parks & Recreation	Walkways and Tracks	Walkway & Track Level of Service	Barge Showgrounds Track Development	-	-	-	-	273
Parks & Recreation	Walkways and Tracks	Walkway & Track Level of Service	Barge Showgrounds Walkers/Trampers Shelter	-	-	-	-	69
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Reotahi Coastal Walkway	-	-	-	13	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Whau Valley to Pukenui Tracks & Trails Renewals	-	-	-	-	100
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Limestone Island Tracks	-	-	-	-	261
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Goetzee Track	-	342	-	-	-
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Langs Beach	-	-	-	-	21
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Tutukaka Block	-	-	-	-	26
Parks & Recreation	Walkways and Tracks	Walkway & Track Renewals	Tutukaka Block	-	25	-	-	-
Venue and Events Whangarei	Flags & Decorations	Flags & Decorations	Flags & Decorations	-	-	-	63	-
Venue and Events Whangarei	Forum North Venue	FN Venue - Conference Centre Upgrades	FN Venue Conference Centre Upgrades	-	-	-	-	-
Venue and Events Whangarei	Forum North Venue	FN Venue - Catering Kitchen Upgrades	FN Venue Catering Kitchen Upgrades	47	-	-	-	-
Venue and Events Whangarei	Forum North Venue	FN Venue - Data Upgrades	FN Venue Data Upgrades	43	-	-	-	-
Venue and Events Whangarei	Forum North Venue	FN Venue - Furniture Upgrades	FN Venue Furniture Upgrades	22	22	22	66	22
Venue and Events Whangarei	Forum North Venue	FN Venue - Theatre Technical Equipment Upg	FN Venue Theatre Technical Equipment Upgrades	86	86	86	258	86
Venue and Events Whangarei	Forum North Venue	FN Venue - Health & Safety Upgrades	FN Venue Health & Safety Upgrades	32	-	-	71	39
Venue and Events Whangarei	Northland Events Centre	NECT - Light Tower Renewals	NEC LightTower Renewals	98	-	1,450	1,450	-
Venue and Events Whangarei	Northland Events Centre	NECT - Field Renewals	Subsoil drainage Main Field	30	-	-	-	-
Venue and Events Whangarei	Northland Events Centre	NECT - Exterior General Renewals	NEC Exterior General Renewals	83	123	22	204	57
Venue and Events Whangarei	Northland Events Centre	NECT - Floor Covering Renewals	NEC Floor Coveing Renewals	-	-	24	158	135
Venue and Events Whangarei	Northland Events Centre	NECT - Interior General Renewals	NEC Interior General Renewals	22	22	22	66	22

Venue and Events Whangarei	Northland Events Centre	NECT - Interior General Renewals	NEC Interior Paint Ceilings	-	-	91	-	-
Venue and Events Whangarei	Northland Events Centre	NECT - Interior General Renewals	NEC Interior Paint Walls	43	-	31	17	-
Venue and Events Whangarei	Northland Events Centre	NECT - Exterior General Renewals	NEC Roof Canopy Replacement	-	-	-	-	1,015

Community Facilities & Services Total	8,477	13,860	7,460	31,346	48,605
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Flood Protection & Control Works

Wastes and Drainage	Hikurangi Swamp	Gravity Drainage Gates	Gravity Drainage Gates	-	-	-	300	400
Wastes and Drainage	Hikurangi Swamp	Pump Upgrades/Renewals	Pump Upgrades/Replacements LTP	-	-	-	-	2,000
Wastes and Drainage	Hikurangi Swamp	Level Sensor Renewals	Level Sensor Renewals LTP	-	-	-	120	-
Wastes and Drainage	Hikurangi Swamp	Stop/Control Bank Renewals	Stop/ Control Bank Renewals LTP	-	-	-	250	-

Flood Protection & Control Works Total	-	-	-	670	2,400
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Planning & Regulatory Services

Health & Bylaws	Dog Pound	Dog Pound Renewals	1 - New Dog Pound	200	1,357	-	-	-
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Planning & Regulatory Services Total	200	1,357	-	-	-
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Solid Waste

Wastes and Drainage	Transfer Stations	Transfer Station Renewals	Transfer Station Renewals	-	-	-	150	100
Wastes and Drainage	Transfer Stations	Transfer Station Upgrades	Transfer Station Upgrades per WMP	100	-	50	50	100

Solid Waste Total	100	-	50	200	200
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Corporate & Finance

Business Support	Civic Buildings	Furniture Renewals	Furniture replacement council wide	20	20	20	60	80
Business Support	Council Premises	One Building	One Building	14,608	14,668	-	-	-
Business Support	Council Vehicle Replacements	Council Vehicle Replacements	Council Vehicle replacements	210	210	210	630	840
Business Support	New Theatre/Expo/Conference	New Theatre	New Theatre/Expo/Conference	-	-	3,645	6,101	-
Business Support	Old Harbour Board Building	Old Harbour Board Building Development	Old Harbour Board Building	1,508	-	-	-	-
ICT	Digital Council	Platform as a Service	Platform as a Service	-	-	381	213	-
ICT	Digital Council	Asset Management Mobility	Asset Managment Mobility	-	-	337	86	-
ICT	Digital Council	Electronic Signatures	Electronic Signatures	-	-	-	195	-
ICT	Digital Council	Upgrade Kete Sharepoint	Upgrade Kete Sharepoint	-	250	-	-	-
ICT	Digital Council	Council Knowledge Base	Council Knowledge Base	-	-	-	272	-
ICT	Digital Council	Travel & Expense Claim Automation	Travel & Expense Claim Automation	-	-	-	108	-
ICT	Digital Council	LIDAR	LIDAR Contribution	125	-	-	-	-
ICT	Digital Council	Digitisation of Records	Digitisation	734	-	-	-	-
ICT	Digital Council	Asset Management Software Upgrade	Asset and GIS Systems Replacement	792	789	-	-	-
ICT	Digital Council	Telephony as a Service	Telephony as a Service	-	-	-	1,291	-
ICT	Digital Council	Electronic LIMs	Electronic LIM's	-	580	31	77	-
ICT	Digital Council	Council Performance Online	Council Performance Online	-	-	-	382	62
ICT	Digital Council	Digital District Plan and Policies Online	Digital District Plan and Policies Online	180	305	52	-	-
ICT	Digital Council	IT Equipment Replacement	Desktop Renewals	-	600	600	-	1,300
ICT	Digital Council	IT Equipment New	Desktop New Screens	50	50	50	150	200
ICT	Digital Council	Digital Platform	Digital Platform	841	-	-	-	-
ICT	Digital Council	CiA Upgrade	Technology One CiA upgrade	861	-	-	-	-
ICT	Digital Council	Decision Support System Development	Decision Support Data Warehouse	79	-	-	-	-
ICT	Digital Council	Workflow Systems Development	Enterprise Workflow	67	-	-	-	-
ICT	Digital Council	Corporate Performance Management	Corporate Performance Management	295	-	-	-	-
ICT	Digital Council	Customer Access - Online Services	Customer E Services	-	399	-	-	-
ICT	Digital Council	Mobility Technology - Building	Mobility Parking	-	280	-	-	-

Corporate & Finance Total	20,371	18,151	5,325	9,563	2,482
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District Strategy & Governance

District Development	Commercial Property	WAMT Air Conditioning Upgrade	WAM Air Conditioning Upgrade	60	-	-	-	-
Infrastructure Planning & Capital Works	New Airport Evaluation	New Airport Evaluation	New Airport	500	1,000	1,250	1,250	-

District Strategy & Governance Total	560	1,000	1,250	1,250	-
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Storm Water

Wastes and Drainage	Stormwater Asset Management	Stormwater Catchment Management Plans	Asset data improvement	100	100	200	400	-
Wastes and Drainage	Stormwater Asset Management	Stormwater Catchment Management Plans	Condition Assessments	100	100	100	300	365
Wastes and Drainage	Stormwater Asset Management	Stormwater Catchment Management Plans	Stormwater risk assessment	10	10	10	12	11
Wastes and Drainage	Stormwater Asset Management	Stormwater Catchment Management Plans	Flood modelling	-	-	50	600	200

Wastes and Drainage	Stormwater Asset Management	Stormwater Catchment Management Plans	Catchment Management Plans	135	270	400	1,200	1,600
Wastes and Drainage	Stormwater Improvements	Teal Bay Stormwater Improvements	Teal Bay Stage 1	535	-	-	-	-
Wastes and Drainage	Stormwater Improvements	Stormwater Upgrades	SH1/Tarewa Rd Stormwater Relocation	250	-	-	-	-
Wastes and Drainage	Stormwater Improvements	Stormwater Upgrades	Stormwater Treatment	270	278	57	183	66
Wastes and Drainage	Stormwater Improvements	Stormwater Renewals	Stormwater Renewals	432	446	1,311	6,167	12,087
Wastes and Drainage	Stormwater Improvements	Stormwater Renewals	Mains Renewal	100	400	450	878	3,336
Wastes and Drainage	Stormwater Improvements	Stormwater Renewals	Manhole Renewals	120	120	240	480	1,311
Wastes and Drainage	Stormwater Improvements	Stormwater Renewals	Stormwater inlets Renewal	60	60	115	230	636
Wastes and Drainage	Stormwater Improvements	Blue/Green Network	Stream Improvements	-	-	150	1,260	1,680

Storm Water Total	2,112	1,784	3,083	11,710	21,292
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Transportation

Roading	Amenity Lighting	Amenity Lighting	Amenity Lighting	-	-	91	275	374
Roading	Bus Shelters	Bus Shelters	New Bus Shelters and Renewals	90	90	90	270	360
Roading	Bus Terminal	Bus Terminal Development/Relocation	Rose Street Bus Terminal Relocation/Development	-	-	300	-	-
Roading	Coastal Protection	Coastal Protection Structures - Roading	Coastal Protection Structures- Programmed works 2018 onward	80	80	81	245	332
Roading	Cycleways - Subsidised	Cycleways - Programmed Work	Walking & Cycling Improvements 2012-2027 - Subsidised	2,718	3,053	2,013	4,755	2,000
Roading	Footpaths	Footpaths Renewals	RENEWAL footpaths 2018-2027 Programme	348	357	366	1,165	1,652
Roading	Footpaths	New Footpaths	New Footpaths	400	400	400	1,200	1,600
Roading	Minor Improvements to Roading Network	Minor Improvements to Network	Minor Improvement Projects 2018-2027 programme	6,480	5,005	5,030	14,015	19,034
Roading	Other Roading Projects	Ruakaka Beach Road Upgrade	Ruakaka Beach Road Upgrades	-	-	-	-	1,568
Roading	Other Roading Projects	Port Road Upgrade	Port Nikau Roading Projects	-	-	-	-	7,000
Roading	Other Roading Projects	McEwan Road Upgrade	McEwan Road	-	-	-	-	1,064
Roading	Other Roading Projects	Riverside Drive/Onerahi Road Upgrade	Riverside Drive/Onerahi Road	-	-	-	-	20,000
Roading	Other Roading Projects	One Tree Point Road Upgrade	One Tree Point Road	-	-	-	-	840
Roading	Parking	Parking Renewals	Parking renewal 2018-2027	220	221	222	673	914
Roading	Roading Drainage	Drainage Renewals	Drainage Renewals 2018-2027	1,060	1,065	1,071	3,244	4,405
Roading	Roading Subdivision Works Contribution	Subdivision Works Contribution	Subdivision Contributions 2018-2027	50	50	50	150	200
Roading	Seal Extensions	Seal Extensions - Unsubsidised	Seal Extension - Unsubsidised	800	800	-	800	2,000
Roading	Seal Extensions	Seal Extensions - Unsubsidised	Seal Ext Wright & McCardle Rd 2018-21	212	218	-	-	-
Roading	Sealed Road Pavement Rehabilitation	Sealed Road Pavement Rehabilitation	Sealed Road Pavement Rehabs 2018-27	3,900	3,966	4,033	12,496	17,628
Roading	Sealed Road Resurfacing	Sealed Road Resurfacing	Sealed road resurfacing 2018-2027	4,100	4,170	4,239	13,136	18,532
Roading	Sense of Place	Community Led Development	Kamo Business District Upgrades	-	-	279	287	-
Roading	Structures Component Replacement	Structures Component Replacement	Structures Component Renewals 2018-2027	1,000	1,005	1,010	3,060	4,156
Roading	Traffic Signs & Signals	Traffic Sign & Signal Renewals	Traffic Sign & Signal Renewals 2018-2027	850	854	859	2,601	3,533
Roading	Transportation Planning Studies & Strategies	Transport Planning Studies & Strategies	Transport Planning Studies and Strategies 2018-27	250	250	200	400	300
Roading	Unsealed Road Metalling	Unsealed Road Metalling	Unsealed Road Metalling 2018-27 Programme	800	806	811	5,650	7,762
Roading	Urban Intersection Upgrades	Urban Intersection Upgrades	Urban Intersections Upgrade 2018-2025	-	2,000	1,500	4,500	4,000

Transportation Total	23,358	24,391	22,644	68,921	119,255
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Water

Water Services	Property	Water Property Renewals	Whau Valley Rd House repairs	48	90	-	-	-
Water Services	Wairua River Source and Treatment	Wairua River Source & Treatment	Wairua River Source and Treatment at Poroti	-	-	-	100	13,100
Water Services	Water Meters	Water Meter Renewals	Water Meter Renewals	350	350	350	1,050	1,400
Water Services	Water Reservoirs	Fairway Reservoir Renewal	Fairway Reservoir - Renewal	-	-	-	-	660
Water Services	Water Reservoirs	Waipu Reservoir Additional Capacity	Waipu Reservoir - additional capacity	-	-	100	1,000	-
Water Services	Water Reservoirs	Kamo Reservoir Additional Capacity	Kamo Reservoir (Dip Rd) Additional	-	-	200	1,800	-
Water Services	Water Reservoirs	Maungakaramea Reservoir Additional Capacity	Maungakaramea Reservoir - Extra capacity	-	-	-	160	600
Water Services	Water Reservoirs	Reservoir Rehabilitation - Programmed Work	Reservoir Rehabilitation - Programmed Work	210	180	100	810	270
Water Services	Water Reservoirs	Three Mile Bush Reservoir Additional Capacity	Three Mile Bush Reservoir - new location	-	150	200	1,700	-
Water Services	Water Reticulation	Fairway Drive Pump Station Upgrade	Fairway Dr pump station upgrade	-	-	500	-	-
Water Services	Water Reticulation	Trunkmain Condition Assessments	Trunkmain condition assessment	60	-	-	-	-
Water Services	Water Reticulation	Reticulation - Programmed Work	Onerahi Trunk Main - Replacement	-	-	-	300	2,800
Water Services	Water Reticulation	Reticulation - Programmed Work	Otaika Valley to City Trunkmain Stages 1&2	-	-	-	2,400	2,000
Water Services	Water Reticulation	Reticulation - Programmed Work	Poroti Trunk Main Upgrade	-	100	1,000	-	-
Water Services	Water Reticulation	Reticulation - Programmed Work	Reticulation Renewals	1,000	1,000	2,000	6,500	10,000
Water Services	Water Reticulation	Reticulation - Programmed Work	Station Road trunk main - Extra capacity	30	900	-	-	-
Water Services	Water Reticulation	Minor Projects - Emergency Works	Minor Projects - emergency works	300	300	300	900	1,200
Water Services	Water Reticulation	Reticulation - Programmed Work	Vinegar Hill trunk main - upgrade	-	50	50	1,200	-
Water Services	Water Reticulation	Waipu Water Reticulation	Waipu water supply system - Extra capacity	70	700	-	-	-
Water Services	Water Treatment Plants	Treatment Plant Renewals	Ahuroa Water Treatment Plant	-	-	-	500	3,200
Water Services	Water Treatment Plants	Treatment Plant Upgrades	Ruakaka Treatment Plant Algal Upgrade	-	-	-	500	-
Water Services	Water Treatment Plants	Treatment Plant Upgrades	Ruddells Treatment Upgrade	20	20	20	1,400	-
Water Services	Water Treatment Plants	SCADA Upgrade	SCADA upgrade	400	1,000	-	-	-

Water Services	Water Treatment Plants	Treatment Plant Upgrades	WTP & Reservoir security upgrade	-	-	50	500	-
Water Services	Water Treatment Plants	Water Treatment Plant & Equipment Replac	Water Treatment Plant and Equipment renewal	500	500	500	1,500	2,000
Water Services	Whau Valley Dam Improvements	Dam Asset & Equipment Renewals	Dam asset & equipment - renewals	-	-	-	-	500
Water Services	Whau Valley Dam Improvements	Dam Safety Review	Dam comprehensive safety reviews	10	-	40	30	90
Water Services	Whau Valley Dam Improvements	Whau Valley Dam Chimney Drain	Whau Valley Dam Chimney Drain	-	-	300	2,300	-
Water Services	Whau Valley Water Treatment Plant	Whau Valley New Water Treatment Plant	Whau Valley New Water Treatment Plant	6,000	13,000	1,500	-	-

Water Total	8,998	18,340	7,210	24,650	37,820
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Waste Water

Wastes and Drainage	Laboratory	Laboratory Equipment Renewals & Upgrade	Laboratory Capital Renewals and Upgrades	20	20	20	60	20
Wastes and Drainage	Public Toilets	Public Toilets	New Public Toilets	-	-	200	400	200
Wastes and Drainage	Public Toilets	Public Toilets	Public Toilets Upgrades	-	-	180	180	-
Wastes and Drainage	Wastewater Asset Management	Wastewater Assessment	Whangarei City WW Assessments	42	42	42	42	-
Wastes and Drainage	Wastewater Network	Hikurangi Sewer Network Upgrade	Hikurangi Sewer network upgrade	1,000	2,000	-	-	-
Wastes and Drainage	Wastewater Network	Sewer Network Upgrades	Oakura - Network extension	-	-	-	-	498
Wastes and Drainage	Wastewater Network	Sewer Network Upgrades	Maunu Lane-Keays Rd Sewer Upgrade-Stage 2	-	-	-	1,700	-
Wastes and Drainage	Wastewater Network	Sewer Network Upgrades	Takehe St Sewer Diversion	25	290	-	-	-
Wastes and Drainage	Wastewater Network	Sewer Network Upgrades	One Tree Point Trunk Sewerage System - Upsize P/S & Main	-	-	-	400	-
Wastes and Drainage	Wastewater Network	Sewer Network Upgrades	One Tree Point-Ruakaka Wastewater Network-Upgrades	-	-	-	-	2,000
Wastes and Drainage	Wastewater Network	Sewer Network Renewal	Ruakaka Rising Main renewal	-	50	2,800	-	-
Wastes and Drainage	Wastewater Network	Sewer Network Upgrades	Sewer capacity increase Kamo	-	50	850	-	-
Wastes and Drainage	Wastewater Network	Sewer Network Upgrades	Sewer capacity increase Maunu	-	-	-	4,162	-
Wastes and Drainage	Wastewater Network	Sewer Network Renewal	Sewer Network Renewals	1,000	1,300	2,300	6,900	9,200
Wastes and Drainage	Wastewater Network	Sewer Network Upgrades	Waipu Cove/Langs Beach Network Improvement	-	520	-	325	9,800
Wastes and Drainage	Wastewater Network	Sewer Network Upgrades	Whangarei Heads Wastewater Network - Upgrades	-	312	2,700	6,018	111
Wastes and Drainage	Wastewater Pump Stations	Wastewater Pump Station Renewals	Generator Renewal Programme	-	-	-	90	-
Wastes and Drainage	Wastewater Pump Stations	Wastewater Pump Station Remote Monitoring	Pump Station Remote Monitoring	130	106	-	-	-
Wastes and Drainage	Wastewater Pump Stations	Wastewater Pump Station Renewals	Pump Station Renewals	378	389	401	1,285	2,331
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Solids Stream Capacity Assessment and Upgrade	-	50	50	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Renewals	Wastewater Consent Renewals	-	5	-	615	340
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Biogas Genera	New Biogas Generator	150	-	-	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Renewals	Hikurangi membrane renewal	-	-	-	-	100
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Renewals	Ngunguru UV system upgrade	-	-	200	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Ngunguru Wastewater Treatment Plant-Upgrades	-	150	800	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Ngunguru Wetland renewal-subsurface	-	-	500	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Oakura- Disposal Area increase	-	-	239	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Oakura Wastewater Treatment Plant-Upgrades	-	50	400	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Ruakaka - Rama Rd Irrigation Scheme Stage 2	350	-	-	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Ruakaka - Rama Rd Irrigation Scheme Stage 3	-	-	-	350	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Ruakaka WWTP - Stage 3	93	-	-	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Ruakaka WWTP - Stage 4	-	242	-	242	121
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Waipu WWTP Upgrade	-	-	-	1,353	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Renewals	Whangarei City Wetland Upgrade	-	-	-	417	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Whangarei WWTP Odour Control	52	1,666	2,000	-	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Renewals	Whangarei WWTP-Biogas renewal	30	15	30	60	90
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Reticulation Upgrade	WW General - Odour Control programme	40	40	40	80	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Renewals	Whangarei City WWTP Consent Renewal	150	150	150	800	-
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Renewals	WWTP Renewals	639	657	678	2,194	2,259
Wastes and Drainage	Wastewater Treatment Plants	Wastewater Treatment Plant Upgrades	Harbour water quality improvements	-	86	-	-	-

Waste Water Total	4,099	8,190	14,580	27,673	27,070
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Projects Total	68,274	87,072	61,602	175,983	259,124
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2.2 LTP 2018-2028: Key Dates and Proposed Consultation Activities

Meeting: Council Briefing
Date of meeting: 21 November 2018
Reporting officer: Merryn Statham (Consultation Adviser)

1 Purpose

To present the proposed key dates and consultation activities for the Long-Term Plan (LTP) 2018 - 2028 for discussion.

2 Background

Early this year, Council approved an engagement plan for the LTP. This report uses that plan as a basis and presents the key dates for 2018, as well as the proposed consultation activities for the formal consultation phase of the LTP.

As part of that engagement plan, Council conducted an early engagement phase to hear from our community. Early engagement ran from 6 June to 7 August 2017. 13 public meetings, a Hui, a stall at the Matariki festival and two Have Your Say Events (HYSE) were held. Council accepted feedback through our dedicated website www.heretowhere.co.nz and in hard copy. We received 566 hardcopy and website submissions and 518 pieces of feedback via the HYSE and public meetings.

3 Discussion

Council has incorporated feedback from the early engagement phase into LTP discussions to date. It is proposed that formal consultation will commence in March 2018. This involves releasing a public Consultation Document outlining the key issues that Council must make decisions on, any options available (including Council's preferred option), and seeking community input on these issues and options.

Key Dates

The proposed key dates for 2018 are identified in the table below.

Table One: 2018 Proposed dates for the 2018-2028 LTP

Date	Activity
28 February 2018	Adoption of Consultation Document and Supporting Documents. Note: Council meeting specifically for the LTP.
7 March – 6 April 2018	Formal consultation period. Note: Easter falls on 30 March, 1 April and 2 April.

30 April – 4 May 2018	Verbal feedback Note: Have Your Say Events can also operate during the formal consultation phase.
17 May	Briefing/workshop to discuss key issues raised from consultation Note: More than 1 day will be scheduled if required.
30 May	Public Deliberations Note: More than 1 day will be scheduled if required
12 June	Briefing/workshop to review Draft LTP post deliberations
26 June	Council adopts LTP and supporting information
July	Summary publicly provided

Proposed Consultation Activities

The formal consultation process is now being planned, so that communities in the district;

- are informed about the issues and key projects;
- are aware of, and encouraged to participate in, the formal consultation process and have appropriate opportunities to be involved;
- are able to participate in the formal consultation process; and
- feel that their views are considered.

The activities will cater to a broad audience, including those who regularly submit feedback, those who don't wish to present to formal hearings, and hopefully those who have not provided feedback to an LTP before.

The activities are presented in Table Two overleaf. There are three categories; awareness activities, collecting feedback and opportunities to provide verbal feedback. A calendar of events will be built in due course once dates are confirmed. There is always a balance with limited resource to run awareness events, however, the intention is to proactively seek new opportunities. For example, presentations to wider audiences such as large local employers (Northland District Health Board, Refining NZ, and North Tec) to build awareness and encourage their staff to provide feedback, are proposed.

Communication will include targeted emails and Facebook will be done to encourage participation in the LTP consultation process. Have Your Say Events (HYSE) and linking with public events taking place during the consultation period are also being proposed.

Table Two: Proposed consultation activities

Type of consultation	Where	Notes
Awareness Activities		
Present at community groups (e.g. Resident and Ratepayers Associations)	<ul style="list-style-type: none"> Tutukaka Coast R&R Association (20) Ruakaka Parish R&R Association (22) Waipu R&R Association (21) Mangakahia Sports Ground Society (30) Onerahi Community Association (25) Smeatons Drive Community Hall (18) Tikipunga Community Trust (17) Hikurangi Friendship House Charitable Trust (24) Parua Bay R&R Association (40) Kamo Community Inc (15) Pataua Area R&R Association (25) 	<ul style="list-style-type: none"> Will attend scheduled meetings where possible Attendee number from early engagement in brackets Same meetings as used for the early engagement, except Maungakareme Sports Club (6) and The Pulse, Raumanga Valley (4).
Radio advertising		
Attending events	For example: <ul style="list-style-type: none"> Fritter festival 	
Social media	<ul style="list-style-type: none"> Targeted Facebook Neighbourly Twitter 	
Website	<ul style="list-style-type: none"> Council website Here to Where website 	
Targeted communications	<ul style="list-style-type: none"> Email Facebook 	
Presentations to large employers/groups	For example; <ul style="list-style-type: none"> DHB North Tec Refinery Chamber of Commerce 	
Collecting feedback		
Submission forms	<ul style="list-style-type: none"> Hard copy Online 	
Opportunities to provide verbal feedback		
Have Your Say Event (HYSE)	1-2 in the CBD	Could attend less community meetings, or remove

		traditional hearings, and increase the numbers of HYSE in wards. For example, 1 HYSE per ward instead of traditional hearings.
Traditional hearings	Council chamber	30 April – 4 May

4 Next Steps

Staff presented to the 15 November Te Kārearea Meeting seeking feedback on engaging with Māori during the formal consultation phase. Their feedback will be advised during the presentation at this briefing.

Following Council feedback from this briefing, a report will be presented to the December Council meeting. Planning and liaison with community groups will continue to ensure the calendar of events is finalised as soon as possible.

2.3 Rating Structure Review – Consultation Options

Meeting: Whangarei District Council Briefing
Date of meeting: 21 November 2017
Reporting officer: Alison Puchaux (Manager – Revenue)

1 Purpose

To review and discuss Council's rating structure to decide which rating method best serves the Whangarei district.

2 Background

This briefing is a continuation of a series related to a review of our rating policies, systems and processes.

Feedback from the community is that the current rating structure, on the whole, meets the district's requirements. However, issues have been identified with various aspects of the overall system that this review process has focussed on.

This briefing will continue the exploration of these issues and potential remedies.

There are three rating methods for general rates that remain as options:

- Status Quo - using land value and separately used or inhabited parts "SUIP",
- Modified Status Quo - redefining the definition of SUIP's and Multi-Units, and
- Capital value Transport - introduce capital value based rating to fund transport, using redefined SUIP's and Multi-Units.

At the last briefing, the following information was requested:

- Comparison of rates for Fonterra through New Zealand,
- Consider separate differentials for Commercial and Industrial,
- Model Utilities with a sector split of \$1,000,000,
- Provide further information on Multi-Units,
- List residential properties with proposed rates increases more than \$1,000,
- Provide more information on voluntary targeted rate for home insulation, and
- Provide workings for the Discount on Early Payment of Current Year's rates.

Staff would also like to cover off some outstanding items concerning targeted rates:

- Sewerage rates – scaled rates, and
- Water rates – statutory compliance.

3 Discussion

General Rates

Many councils use capital-value based general rating considering it to be a better measure of the use of Council services and the ability to pay. Staff modelled different options for introducing capital-value based general rating and propose targeted rating for transport with this tool. Commercial, Industrial and Utility sectors would be the most impacted. Heavy industry would bear a larger proportion of rates. Attachment One compares Fonterra plant throughout New Zealand.

However, there is some dissatisfaction with using SUIP's for charging Uniform Annual Charges. Staff modelled the use of rating units but this did not meet Council's overlying rating principles. Another option is to modify the definition of SUIP. A revised definition that changes the test to be "used or intended to be used" rather than "used or capable of being used" has been proposed. Would this tweak improve rating within the district?

The multi-unit differential treats properties providing accommodation with a license to sell or supply alcohol differently from those without. Should this continue?

Which of the three rating methods for general rates best fits the district's needs?

Targeted Rates

Sewerage

We currently use a scale of charges for rating for non-residential pans. The first two pans are charged 50% and subsequent pans are charged at 75%. This is not best practice and only one rate should be used.

Water

We are currently including fixed charges with water consumption billing. Best practice suggest that we should either have a scale of charges – e.g. first cubic meter includes the fixed amount, or include the fixed charges on the land rates notice.

Voluntary Targeted rates – Warmer Homes

There are six district or city councils, three regional councils and Auckland Council that have implemented voluntary targeted rates to assist homeowners with insulation and heating. There are five banks which also provide financing. The banks are ASB, ANZ, BNZ, Kiwibank and Westpac. As the government subsidy ends 30 June 2018, ratepayers' financing requirements may increase.

New Plymouth District council have implemented this scheme. It necessitated investing in a bespoke software solution (at unknown cost) and employing additional staff at peak times. The current debt is \$1,000,000 and a typical loan is \$2,500-\$5,000. The interest rate is 7% and an application fee of \$200 is charged, with a repayment period of 9 years. In addition to the rates notices, additional statements and other documents are sent to ratepayers. If a property is sold, the loan must be repaid.

Other councils have similar schemes interest with rates varying from 3.98% - 7.2% and different criteria and conditions – e.g. capped loan amount, age of home, area home is in.

As this service is provided by banks who are qualified to manage loans we recommend this remains with the banks.

4 Attachments

Rates Review Presentation: Consultation Options

2018-2028 Long Term Plan 21 November briefing

1. LTP First Draft
2. 2018 Key dates and engagement plan
3. Rates Structure Review – consultation options

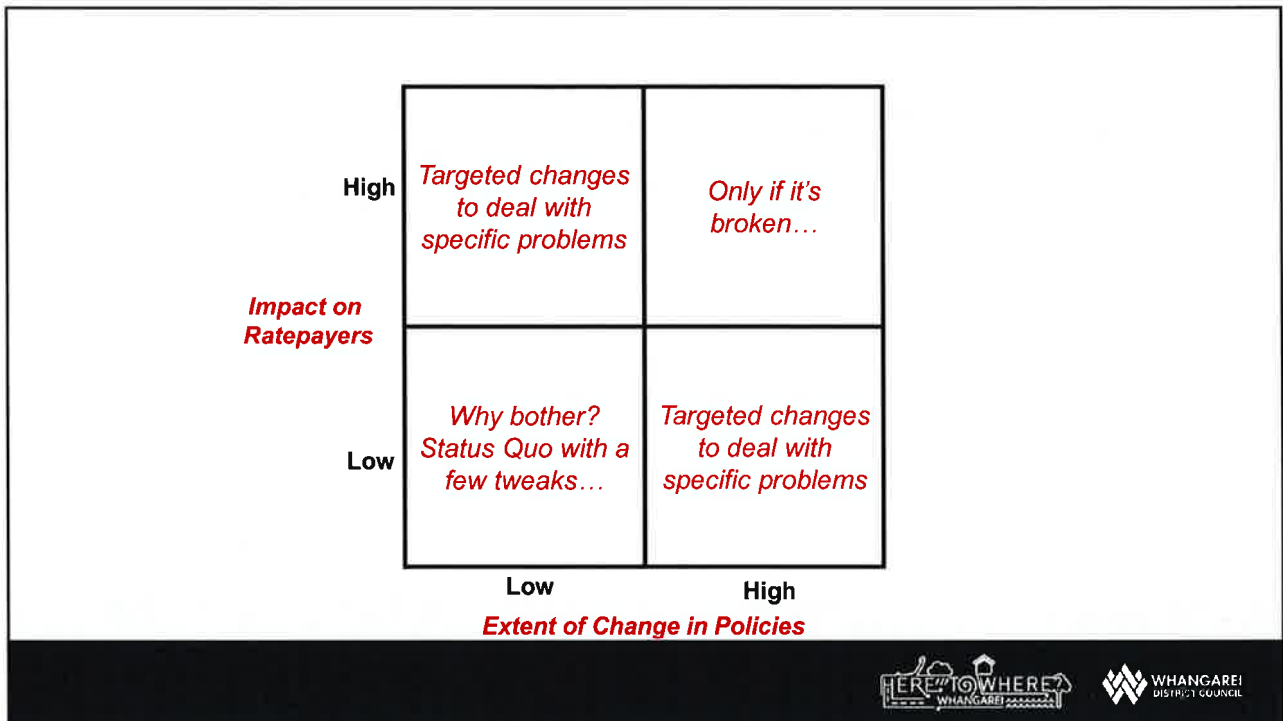


3. Rates Structure Review

Consultation Options

Council Briefing – 21 November 2017





Purpose of this Briefing

General rates – to decide which rating method best serves the Whangārei district

Requested further information:

- Compare rating for Fonterra across districts
- Consider different differentials for Commercial and Industrial
- Model Utilities with sector split of \$1,000,000
- Multi-units
- Residential properties with increases > \$1,000

Options: Which rating method best serves the district?

1. Status Quo
2. Status Quo with redefinition of SUIP's and Multi-Units (tweak) "Modified Status Quo"
3. Introduce Capital Value based rating for Transport and use redefined SUIP's and Multi-Units "CV Transport"



Issues to consider for each Option

Issue/Factor	Modified Status Quo	CV Transport
Redefined SUIP's	✓	✓
Multi-Unit definition	✓	✓
Utilities		✓
Industrial Differential		✓
Stepped rates	✓	✓
Sector Splits	✓	✓



The preferred options for General Rates from previous briefings

Model	Status Quo	CV Transport
Rating Basis	Land Value and SUIP's	Land Value and Capital Value and SUIP's
General Rates	\$44.6 m (LV)	\$35.3 m (LV)
Transport Rate	-	\$14.0mM (CV)
UAGC	\$18.8 m (SUIP) \$440.50	\$14.1 m (SUIP) \$330.37
Stepped Rates	✓	✓



Options: What are the Impacts on the Residential Sector ?

Introducing Rating based on Capital Value for Transport

LV \$35.3M, CV \$14M, SUIP \$14.1M \$359 has least impact

- 99.9% have a change of +/- \$1,000 in rates
- 12 of 44,593 properties have a rate decrease more than \$1,000
- 35 properties have a increase exceeding \$1,000 (property list provided separately)
- The increased rates are due to the property having a high LV and CV and on that basis the increase appears fair and reasonable.
- Redefinition of SUIP's could improve equity
- Similarly review of "Multi's could also address consistency
- Therefore staff conclude that Introducing Rating based on Capital Value for Transport provides an equitable and simple approach to **Residential** rating.



Options : What is the Impact on Rural Sector?

Introducing Rating based on Capital Value for Transport

LV \$35.3M, CV \$14M, SUIP \$14.1M \$359 has least impact

- 99.9% have a change of +/- \$1,000 in rates
 - 12 of 1,886 properties have a rate decrease more than \$1,000
 - 35 properties have a increase exceeding \$1,000
- The increased rates are due to the property having a high LV and CV and on that basis the increase appears fair and reasonable.
- Therefore staff conclude that Introducing Rating based on Capital Value for Transport provides an equitable and simple approach to **Rural** rating.



What is the Impact on Commercial and Industrial Sectors?

Further Option LV \$35.3M, CV \$14M, SUIP \$14.1M \$359

- 78.3% have a change of +/- \$1,000 in rates
 - 325 of 1,945 properties have a rate decrease more than \$1,000
 - 97 properties have a increase exceeding \$1,000
- The Commercial and Industrial sectors are the most affected by the proposed changes
- However, this sector has given us the most feedback on the need for change
- While some of the movements are large, they are not necessarily 'wrong'
- Therefore staff conclude that Introducing Rating based on Capital Value for Transport provides an equitable and simple approach to **Commercial and Industrial** rating, albeit with some transition issues.



Fonterra...

Plant	Rates Payable 2017/2018	Land Value	Capital Value	Rates as % Land Value	Rates as % Capital Value	Rating Base
Kauri						
Current	295,132	13,840,000	90,250,000	2.1%	0.3% LV	
Proposed	409,937	13,840,000	90,250,000	3.0%	0.5%	
Other Plants						
Average	153,871	3,180,769	57,018,462	4.8%	0.3%	
Maungaturoto, Kaipara	12,791	230,000	21,150,000	5.6%	0.1% LV	
Okoroire, Waikato	37,735	1,010,000	12,110,000	3.7%	0.3% CV	
Litchfield, Waikato	461,691	3,490,000	201,890,000	13.2%	0.2% CV	
Te Rapa, Hamilton	527,510	12,100,000	99,900,000	4.4%	0.5% LV/CV	
Whakatane	254,121	1,320,000	84,800,000	19.3%	0.3% CV	
Tararua, Hawkes Bay	55,407	600,000	64,300,000	9.2%	0.1% LV/CV	
Longburn, Palmerston North	37,905	1,370,000	14,500,000	2.8%	0.3% LV	
Palmerston North	43,587	1,650,000	8,350,000	2.6%	0.5% LV	
Tuamarina, Marlborough	5,479	560,000	2,120,000	1.0%	0.3% LV	
Selwyn, Canterbury	58,111	3,930,000	68,000,000	1.5%	0.1% CV	
Selwyn, Canterbury	14,296	7,750,000	9,000,000	0.2%	0.2% CV	
Temuka, Canterbury	63,774	5,400,000	15,870,000	1.2%	0.4% LV	
Mosgiel, Dunedin	112,182	420,000	10,400,000	26.7%	1.1% CV	
Edendale, Southland	328,532	1,750,000	150,000,000	18.8%	0.2% CV	
CV - Capital value based rating						
LV - Land Value based rating						
LV/CV - Capital and Land Value						



Rating Valuation Definition of Commercial and Industrial Categories

• Commercial:

Accommodation (hotels, motels*); Cinema and Theatres; Rest homes*; Small health operations; Pre-school, primary and secondary schools; Liquor outlets and taverns; Motor vehicle sales and service; Offices; Retail; Parking; Service stations, Tourist and leisure amenities

* **Our Multi-Unit Differential** includes non-licensed accommodation and rest homes - 1/3 land-value based rates compared to other commercial

• Industrial:

Light and heavy manufacturing, food processing, noxious or dangerous gas industry



Commercial, Industrial and Utilities Sectors

The Commercial and Industrial sector splits need to be modified if we introduce the Transport rate and consider it's impact on Utilities

Property category	Current Split	Modelled Split
Commercial	13.5%	13.3%
Industrial	14.5%	14.1%
Utilities	0.5%	1.1%
Total	28.5%	28.5%



Reminder - Why do we use SUIP's?

Land Value reflects how a property **could be** developed

Capital Value reflects how it **has been** developed

SUIP's are basically a proxy for '**intensity of use**' and go some way to representing **actual use**



SUIP Current Definition

- A separately used or inhabited part is defined as a clearly identified part of a property (rating unit) that is **capable** of separate use or capable of being separately inhabited or occupied.
- For a commercial rating unit, this includes a building or part of a building that is, or is capable of being, **separately tenanted, leased or sub leased**.
- For a residential rating unit, this includes a building or part of a building which is used, or is capable of being used, as an **independent residence**. An independent residence means self-contained dwelling containing separate cooking and living facilities; separate entrance; and separate toilet and bathroom facilities.



SUIP Current examples

- Each separate shop or business activity on a rating unit is a separate part.
- Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential property which is let (or capable of being let) is a separate inhabitable part.
- Individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts.
- Each block of land for which a separate title has been issued, even if that land is vacant.



SUIP Issues

- **Commercial**

- One business occupying and using a large site attracts one UAGC (e.g. Pak'n'Save) whereas multiple business on a smaller site will attract multiple UAGC's. Partially offset by value-based general rates
- Some smaller businesses have complained about the level of rating for "Multi's"
- Disincentive to intensified use on casual /short term basis e.g. filling vacant CBD buildings

- **Residential**

- Some ratepayers dispute multiple charges when the additional SUIP's are only intended for occasional use for visitors.
- Difficult to identify and administer "online" accommodation.
- Impact of "online" accommodation on Council services and are they paying their fair share?



SUIP proposed solution (if retained)

- Remove "capable" test from definition
 - Addresses those "multi's" that are not being used or only occasionally used.
- Remission for 'low impact' use e.g. <20m²
- Implement register of accommodation
 - Not an immediate fix as will require either a Bylaw or District plan change
- There are 1,534 property owners to contact who are charged more than one SUIP to ensure that the multiple charges are correct



SUIP proposed definition

- Any part of a rating unit that is **used** or **intended to be 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 or parts of a rating unit that is used, or occupied by the ratepayer for more than one single use.



SUIP proposed samples

- 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.



Multi-Use Properties

Review the rating of **multi-unit type** residential accommodation used principally for residential purposes for financial reward including:

- Hotels and Motels
- Boarding houses, hostels
- Tourist accommodation
- B & B's
- Rest and retirement homes and villages
- *Any other similar properties, including properties currently rated under our existing Category 2 – Multi Unit category*



Multi Unit Type Accommodation : Rating

- Overview of current rating – may result in ratepayers disproportionate share of rates.

Accommodation	Number	Rates % CV	General Value- Based Differential
Elderly assisted living	30	0.05 - 0.64%	14 Multi, 16 Residential
Hotels	8	0.27 - 1.68%	Commercial
Motels	16	0.16 - 0.46%	Multi
Others - apartments, camping, backpackers	87	0.15 - 0.65%	14 Multi, 73 Residential



Multi Unit Type Accommodation

- Elderly assisted living – is the share fair?
- Serviced Apartments, Motels, Hotels, Backpackers, Camping Grounds – at different rating differentials – is this fair? Should Licensed Accommodation be rated higher?
- Online accommodation (BookaBach, Bed and Breakfast, Air BnB, Lodges)



Multi Unit Type Accommodation – Current Definition

All rating units used principally for residential purposes, and on which a multi-unit residential accommodation that is principally for temporary or permanent residential accommodation for financial reward, 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



Multi Unit Type Accommodation – Alternative Definition

- Rating units used for **commercial accommodation** purposes, such as motels and hotels, will be treated for rating purposes as having one separately used or inhabited part, unless there are multiple businesses within the rating unit or another rating differential applies. Examples of how this might apply in practice are as follows:
 - a business operating a motel on a rating unit will be treated for rating purposes as a single separately used or inhabited part. If that rating unit also includes a residential unit, in which the manager or owner resides, then the rating unit will be treated for rating purposes as having two separately used or inhabited parts
 - a hotel will be treated for rating purposes as a single separately used or inhabited part, irrespective of the number of rooms. If, on the premises, there is also a florist business and a souvenir business, then the rating unit will be treated for rating purposes as having three separately used or inhabited parts.
- Rating units that have **license to occupy** titles, such as some retirement villages or rest homes, will be treated as having a separately used or inhabited part for each part of the property covered by a license to occupy.



Multi units – potential changes

Accommodation	Current			Proposed	
	Residential	Multi	Commercial	Residential	Commercial
Elderly Assisted Living	✓	✓		✓	
Motels		✓			✓
Hotels		✓			✓
Hotels (with Liquor)			✓		✓
Camping Grounds	✓				✓
Other Accommodation Provider (hostel, boarding house, BandB)	✓	✓			✓



Multi Units

- *Moving Multi-Units to the Commercial Sector would decrease the Residential Sector by 0.05% and increase the Commercial Sector by the same amount.*
- **Issue:** *Currently value-based general rates 31% more for Commercial sector*



Utilities

- Increasing the Utilities share of rates by Capital Value based General rating is widely practiced
- Any organisation affected by this proposed change would be included in the stakeholder consultation
- If these organisations are using our services, they should be paying a fair share...



Utilities @ \$1,000,000

Utilities	Alternative Model	Utility Sector Share
	\$35.3M (LV)\$14M (CV)	\$1,000,000
	\$14.1 M (SUIP) \$330.37	SUIP \$330.37
Telecom Network	65,027	38,777
Clear Network	3,130	2,181
Telecommunications	76,407	45,505
Transpower Network	22,444	13,600
Northpower Electricity Network	255,449	151,364
NGC Gas Distribution Network	31,325	18,851
NGC Gas Transmission Network	49,280	29,467
NZ Post Network	243	474
Oil Transmission Network	14,510	8,909
Railway Land - Commercial Leases	4,525	3,006
Railway Land - Rural Leases	8,322	5,251
Maungatapere Irrigation Network	35,668	21,419
WDC Water Supply	280,174	165,982
WDC - Wastewater	392,442	232,360
WDC - Stormwater	452,398	267,809
Total	1,691,342	1,004,956



Sector Splits

If introduce the Transport Rate and remove the Multi-Unit definition we can introduce new sectors e.g. Industrial and Utilities

Sector	Current Split	Proposed Split					Total
		Residential	Commercial	Industrial	Utilities	Rural	
Residential	61.5%	61.5%					
Multi-Units	0.5%		0.5%				
Total residential	62.00%						
Commercial	13.5%		13.3%				
Industrial	14.5%			14.1%			
Utilities	0.5%				1.1%		
Total Commercial and Industrial	28.5%						
Rural	9.5%					9.5%	
Total	100.0%	61.5%	13.8%	14.1%	1.1%	9.5%	100.0%



General Rates – Consultation Option

Option	Yes/No
Status Quo	
Modified Status Quo	
Capital Value Transport	

Which option (if any) do you want to consult on?



Targeted Rates

Sewerage Rate

Scaled rates are currently used for non-residential properties (e.g. commercial):

1-2 pans \$683

Each additional pan \$445

To align with sector best practice is to have one rate.

Based on the same revenue the rate is \$425/pan:

Number of pans	2017/2018	No Scaled Rates	% Change
1	683	425	-38%
2	683	850	24%
10	4,243	4,250	0%
20	8,693	8,500	-2%
100	44,293	42,500	-4%

Issue: regulations require additional pans.



SUIP, Multi Unit, Utilities and Non-Residential Sewerage: Communication Strategy

- Engagement with community via Consultation Document and LTP process.
- Key stakeholders and the ratepayers most impacted, require personalised communication.
- Communication with possibly affected ratepayers if proposed changes adopted when SUIP definition – request Statutory Declaration
 - **Multi Unit – inform ratepayers of possible impact and transitional rates remission policy**
 - **Utilities - inform ratepayers of possible impact**
 - **Non-Residential Sewerage - inform ratepayers of possible impact and transitional rates remission policy**



Warmer Homes : Voluntary Targeted Rate (VTR)

- Manaia PHO advocating:
 - For those who do not qualify under Healthy Homes Tai Tokerau (means tested and health requirement,
 - For those unable to obtain funding from bank
- Council's role to set VTR for those requesting funding
- Council does not currently have skill-set to review applications and administer VTR
- Council would need to employ staff at peak times and implement a software solution to administer this function
- If rates unpaid – debt collection may be necessary
- Recommendation: not Council's core business and skill.



Cost of Early Payment Discount

The cost is the difference between the discount allowed and the notional interest receivable on the rates:

\$22,986,000 Annual Rates paid early

\$600,000 3% Discount Allowed

\$393,000 Interest Receivable @ 5.23%

\$207,000 Cost of Discount (difference)

This cost is partially offset, by notices not sent for the following 3 instalments.

Recommend reducing discount to be cost neutral i.e. 2%



Process going forward

- All of the agendas and rates briefing information to date be found on our website under "Rates".
- Our next steps and the process from here:

May 2017:	Community and stakeholder engagement
June – July 2017:	Council considers feedback
September – Oct:	Detailed modelling of options
Nov 2017:	Council decides on proposed changes (if any)
March 2018 :	Statement of proposal – included with LTP consultation Communication with potentially affected ratepayers SUIP, Multi Units, Utilities and Non-residential Sewerage



Questions/Comments/Feedback



