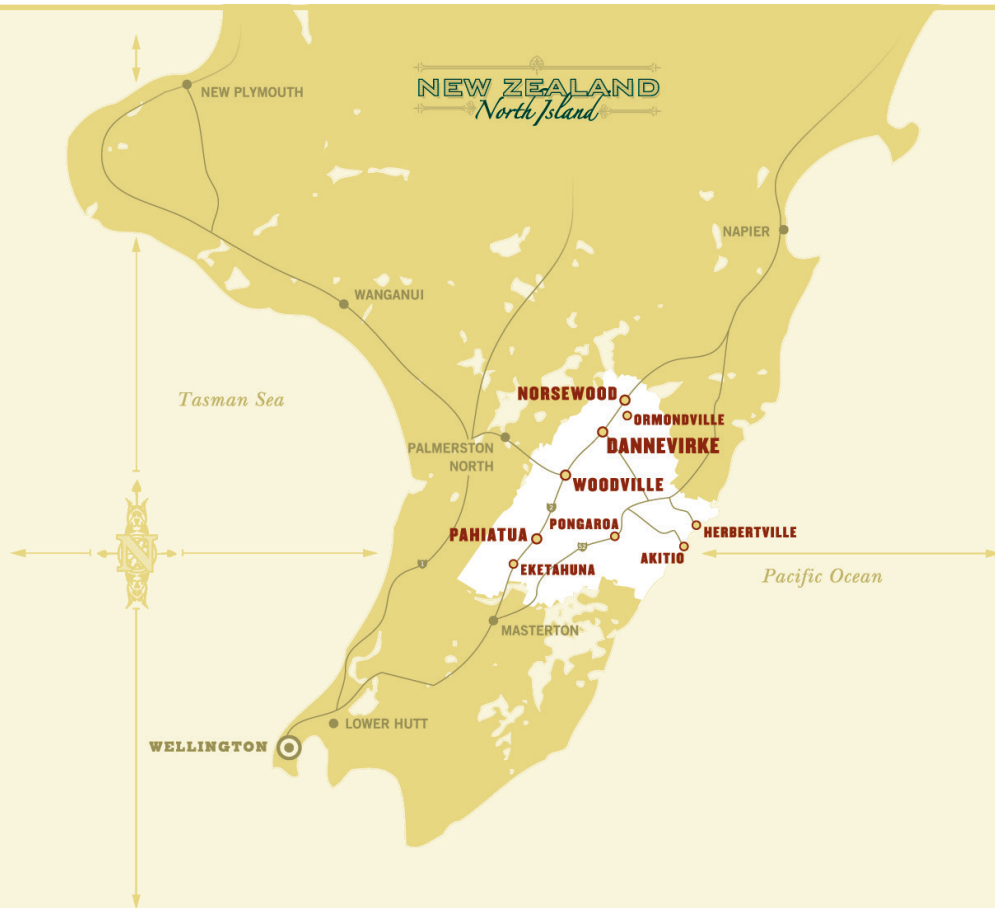




TARARUA
DISTRICT COUNCIL

ANNUAL PLAN 2017/18



Untouched coastline, bush-cloaked ranges, sparkling fish-filled rivers...

Rugged ranges, remote coastline, bush-clad valleys – defined by hundreds of kilometres of river. The Tararua region stretches from Mount Bruce to north of Norsewood, and is bounded by the foothills of the majestic Ruahine and Tararua Ranges, and the shores of the Pacific on the East Coast. The physical presence of Tararua is awesome.

In the beginning...

The Kurahaupo canoe made landfall on the Mahia Peninsula; the three principal chiefs on board were Ruatea, Whatonga and Popoto. Rongomaiwahine of the Mahia Peninsula, one of the descendants of Popoto, married Kahungunu, a descendant of the Takitimu aristocracy. Their marriage was the beginning of the Ngati Kahungunu of Hawke's Bay.

Whatonga established himself near Cape Kidnappers, and built himself a house which he called 'Heretaunga'. Whatonga's son, Tara, who was born in Hawkes Bay finally made his home in the Wellington area. His name is commemorated in many places from Napier through to Wellington. From Whatonga's second marriage was born Tautoki, who was the father of Tane-nui-a-Rangi, or Rangitane as he is more commonly known.

Tara's descendants, the Ngai-Tara, and the Rangitane people eventually peopled many parts of the Heretaunga, Central Hawke's Bay, Tararua and Wairarapa areas. The pre-European history of the District tells of a vast primeval forest with clearings occupied by Maori.

European settlement within the District started in 1854 when the first sheep were driven up the coast from Wellington to establish coastal stations, but access to this area remained almost entirely by sea until well into last century.

There are some great communities waiting to be discovered in Tararua. Each has a unique identity, story to tell and experience to share. From the hardship tales of the Scandinavian settlers who felled the Seventy Mile Bush, to the pioneers who established farming on the region's rugged east coast at Herbertville and Akitio. These communities are one of the elements that make this region unique in New Zealand.

Around 95% of Tararua's 400,000 hectares is farmed and the region has a reputation for producing high quality stock. Sheep, beef and dairy are the most significant types of farming, representing 90% of all holdings and accounting for 99% of total stock units. Forestry is a growing industry and there are now more than 13,000 hectares planted in pinus radiata.

Pastoral farming continues to be the major economic sector within Tararua.

Tararua is a unique, proud and diverse region of rugged unspoiled landscape.

ANNUAL PLAN 2017/18

 TARARUA DISTRICT COUNCIL

This document is the Annual Plan of the Tararua District Council, for the period 1 July 2017 to 30 June 2018.

The Annual Plan 2017/18 was adopted by Council on 28 June 2017.

**TARARUA DISTRICT COUNCIL
26 GORDON STREET, DANNEVIRKE 4930
PO BOX 115, DANNEVIRKE 4942**

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Overview

1

Message from the Mayor and Chief Executive

Your Council has made substantial progress on achieving the improvements to the district as set out in the 2015-2025 Long Term Plan.

This is Year 3 of that Plan and Council's strategies of Core Infrastructure, Economic Development, and Affordability continues to be the focus of Council investment. We have not deviated significantly from what we said we will do back in 2015.

Within a context of significant urban water and wastewater upgrades and economic development support, Affordability remains at the centre of Council's focus, not only for the current ratepayers but also for the future generations in the Taranaki district.

Council has been able to manage its costs and still plan to deliver on the agreed service levels as stated in the 2015 Long Term Plan, and continue with the extensive urban capital works programme. Road network standards will be maintained, resilience improved and options for strategic roads, for example Route 52, will be developed. All these roading improvement programmes are being helped by an increase in the overall subsidy levels from the New Zealand Transport Agency, which increases from 64% to 65% of approved maintenance costs.

The main changes we have made from what had been planned in Year 3 of the 2015-2025 Long Term Plan reflects the need to:

- refine projects that address urban water supply resilience and quality issues,
- upgrade some of our wastewater schemes to meet our commitments to the River Accord and renewed consent conditions, and
- increased compliance costs due to changes in legislation.

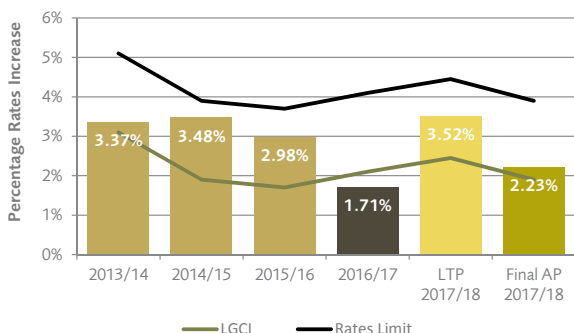
There has been a continued positive change to the long term trend of population decline. Statistics NZ are now estimating modest growth for 2015 and 2016, driven by migration flows. This is a major improvement for the district, and we feel that Council's efforts in economic development has been a contributing factor in the turnaround. While the rural sector has seen considerable volatility in incomes and sheep farming returns have been poor this season, overall the local economy has improved. Modest population increases now point to a longer term sustainability for Council services.

Proposed Rates Increases

The overall rates increase for 2017/18 is 2.23%. This is significantly lower than the 3.52% increase forecasted in the Long Term Plan.



RATES INCREASES



2017/18 overall rates increase:

2.23%

The rates increases by sector reflect the upgrades and increased compliance monitoring cost to our urban water and wastewater networks, further investment in economic development, and increased costs due to renewed contracts. The estimated rates increases proposed by sectors are:

Sectors	Current Year 2016/17	Annual Plan 2017/18	Long Term Plan 2017/18
Rural	0.96%	1.31%	2.09%
Urban	2.57%	3.28%	5.32%
Industrial/Commercial	3.78%	3.20%	4.53%
Windfarms	(6.93%)	4.74%	1.89%
Total Rates	1.71%	2.23%	3.52%

Community Feedback

The key strategy and financial planning document for Council is the Long Term Plan. Council, like last year, did not formally consult on this annual plan as there are no significant changes from Year 3 of the adopted Long Term Plan. There are changes to the timing and costs of some projects and these are highlighted in the 'Our Annual Plan 2017/18 at a Glance' section of this plan.

Council received feedback/comments on the Draft Annual Plan. Most of the feedback/comments were related to service requests while others will be considered as part of the preparation of the 2018-2028 Long Term Plan.

Key Focus for the Year

Our top priorities for 2017/18 include:

- Develop a robust and affordable 10 year plan with the community.
- Completing major capital works projects on time, on budget, and to specification.
- Renewing our wastewater consents.
- Maintaining all the Council assets and services, such as libraries, parks, community buildings, and regulatory services, and striving for further efficiencies.
- Improving Council processes and staff capability to continue to meet the growing compliance requirements around regulatory, water quality, and dog control.

Long Term Plan

This year, councillors and management will commence discussion to review, update and develop new strategies for the next ten years – the Long Term Plan 2018-2028. The 10 year plan will be our primary vehicle for shaping the Tararua district. As part of the process, we will also be examining the cost effectiveness and efficiencies in our operational and capital programmes, continue with the service level reviews, improve our procurement and project management processes, review our asset management strategies and prudent financial management. Other specific issues that will be looked into are:

Connectivity

As consumers increasingly use internet-delivered services, connectivity is becoming increasingly important for businesses and lifestyle choices for residents. For example, teleworking, online access to customer and public services, e-commerce and cloud based applications are increasingly common. A lack of availability to connect to reasonable broadband in urban and rural areas is increasingly a barrier to people deciding to live in Tararua. Recent government announcements confirm that improved connectivity will be developed over the next six years. Council sees connectivity as one of the key drivers for economic development and will consider investing in partnerships that will extend coverage, increase speed and/or bring forward availability.

Pensioner Housing

In the 2015-2025 Long Term Plan, Council based the decision to sell its pensioner housing portfolio to a reputable social housing provider on a series of assumptions that were current in 2014/15.

Since then a number of these funding assumptions are no longer relevant, while the rental market in Tararua (and across New Zealand) has experienced very strong demand.



The availability of housing in general, and affordable community housing in particular, is now a key national issue. It is likely that a higher proportion of the community would now favour retaining ownership of the pensioner units.

Council considered future options for pensioner housing as part of this 2017/18 planning process, resolved to defer selling the housing pensioner units and signal further consultation on this matter in the 2018-2028 Long Term Plan.

Affordability

The continued renewal of aging infrastructure assets, increasing compliance cost, the investments in new infrastructure and funding the eventual replacement of these new assets present particular challenges for us. Council must balance the intergenerational equity issues with current rates affordability – in essence how much should current ratepayers pay compared to future generations.

Against a backdrop of low inflation and wage increases, an aging population and low growth in the rating base, the issue of affordability continues to remain critical. This is the reason why affordability is at the heart of our Long Term Plan.

In addressing the issue of affordability, we have been doing well. The average rates increase has been falling over the last decade. We need to continue with the efforts to address the rates affordability issues.

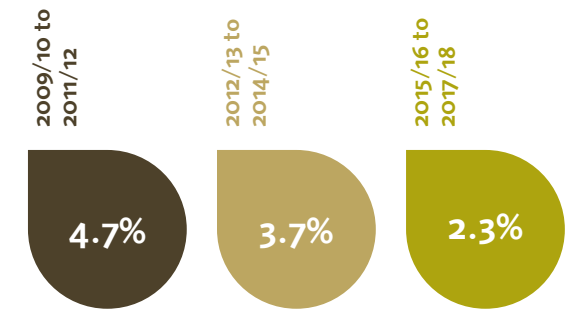
Engaging with Our Iwi

Both Rangitane o Tamaki nui-a-Rua, "Rangitane" and Ngati Kahungunu ki Tamaki nui-a-Rua, "Kahungunu" have areas of interest to their iwi and hapu in the Tararua. Council has an Iwi Liaison Working Party to facilitate engagement with our local Iwi.

Council has been engaging with both Iwi on a number of matters including consenting and project matters, and both parties are working positively and constructively on matters of common interest. In the upcoming 2018-28 Long Term Plan, Council will continue with the regular early communication of projects at the business case stage. This pre-consultation is to be used to demonstrate mutual respect and understanding of issues. Council believes that engaging with the Iwi to collaborate, inform, and share ideas will result in a better outcome for all parties.

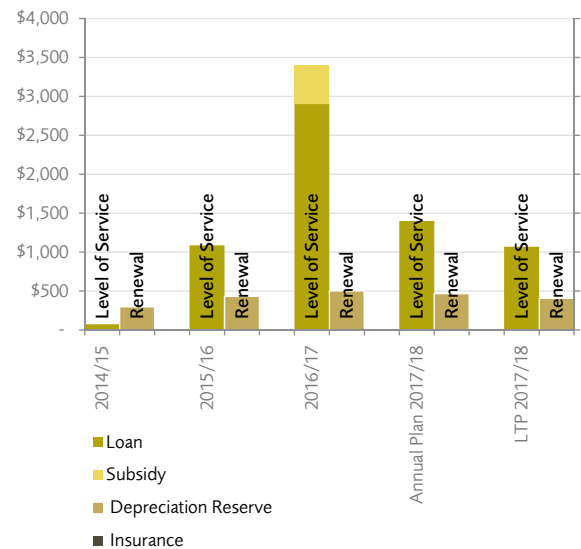
The relationships with all iwi in the Tararua will be more important than ever with the proposed Resource Management Act changes and the work on improving the quality of rivers and waterways. Council is keen to work with iwi on their aspirations that will both enhance iwi and their hapu, and opportunities for the Tararua.

AVERAGE RATES INCREASE PER YEAR



Upgrades to Our Water Schemes

WATER SUPPLIES



* Based on budget inclusive of any carry forwards and variations.

We continue to progress and deliver on our water and wastewater infrastructure. This year we completed the installation of the Dannevirke water UV treatment plant, and progressed the installation of the Pahiatua water UV treatment plant and construction of the Woodville impounded (storage) water supply.

For the 2017/18 year, our focus on upgrading the urban water and wastewater infrastructure continues, carried out in partnership with the Ministry for the Environment, Ministry of Health and Horizons Regional Council. A key project is the completion of the water treatment plant and the 4.5-day water storage tank for Pahiatua.



Water Management Strategy

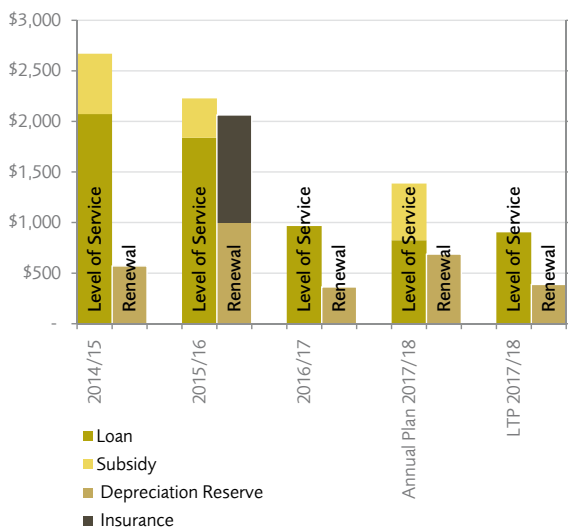
Council has and continues to plan for the upgrades to our water scheme mainly to:

- increase storage for all our water schemes to better meet water demand during dry spells, firefighting, and other large scale emergencies;
- provide more secure and resilient supplies where possible;
- remain compliant with our resource consents to draw water from our rivers and bores;
- meet the drinking water standards and address the heightened risk of contaminated potable (drinking) water; and
- plan to maintain and adequately resource these higher levels of water treatment.

For the 2017/18 year, our efforts will also focus on the extraordinary users (rural properties) connected to our water reticulation to explore options to better manage water storage and consumption.

Renew Wastewater Resource Consents

WASTEWATER



* Based on budget inclusive of any carry forwards and variations.

Council has made considerable investments in our wastewater schemes over the last 10 years – a total of \$16 million. The schemes were originally built to the appropriate standards of their day, but these standards have been increasing over time, particularly with respect to the quality and the manner in which the treated effluent is discharged.

Legislation and resource consent renewal requirements have resulted in higher minimum standards to our current and any further upgrades to the treatment of treated waste. This reflects an increasing public awareness of water quality issues, and our stakeholders' view (particularly Iwi, Horizons, and Ministry for the Environment) that is focussed on our commitment to caring for wellbeing and looking after our natural resources for future generations.

Council is currently going through the resource consent renewal process for the operation of the Eketahuna and Pahiatua wastewater treatment plants. These processes will continue into the 2017/18 year, which will also include the start of the renewal of the Woodville wastewater treatment plant.

Compliance and Monitoring

The level of compliance (testing, monitoring, and reporting) and managing our various water and wastewater schemes has significantly increased. These requirements are in addition to current operational and capital programmes. The resources required to manage the increased compliance and monitoring regime is significant. We have, in this plan, provided for an increase in operational budgets and additional staff. This is to ensure our testing and monitoring regimes are carried out, and our treatment plants are operating and managed efficiently.

Key Community Projects

Council is progressing the Pahiatua Central Business District main street upgrade and upgrades of camping grounds and playground equipment throughout the district. These investments are needed to make our towns attractive, inviting to passing traffic and add to making our district desirable to residents, visitors, and potential businesses.

We are pleased to propose a rates rise lower than the projected increases in the Long Term Plan. Applying financial prudence throughout the planning process has allowed us to both provide support to critical and new projects and have confidence to deliver the infrastructure and services required by our community, without compromising our balance sheet.

Guide to the Annual Plan

There are five sections to this Annual Plan. The following is a brief guide to the information contained in each section. The information presented meets the requirements of the Local Government Act 2002.

Part 1: Overview

This section contains an introductory message from the Mayor and Chief Executive together with key issues and challenges, and the linkages between the Long Term Plan and other Council documents.

Part 2: Activities

Information is provided here for the groups of activities, including funding impact statements, the service levels that Council intends to deliver and how the results will be measured, and the targets being aimed for.

Part 3: Rates

This section contains the overall Funding Impact Statement, and schedules of General and Targeted Rates.

Part 4: Financials

This section contains the prospective financial statements together with the accompanying notes.

Part 5: General Information

This section provides information on the elected persons that make up the Council and Community Boards, the Management Team, some Council statistics of the district, contact details, and a glossary of terms.

Associated Documents

A comprehensive list of fees and charges will be found in 'Fees and Charges 2017/18'.

Other associated policies include:

1. Treasury Risk Management Policy and Procedures
2. Significance and Engagement Policy
3. Infrastructure Strategy
4. Remission Policy
5. Revenue and Financing Policy
6. Accounting Policies
7. Significant Forecasting Assumptions and Risks

The above policies can be found in the 2015–2025 Long Term Plan.

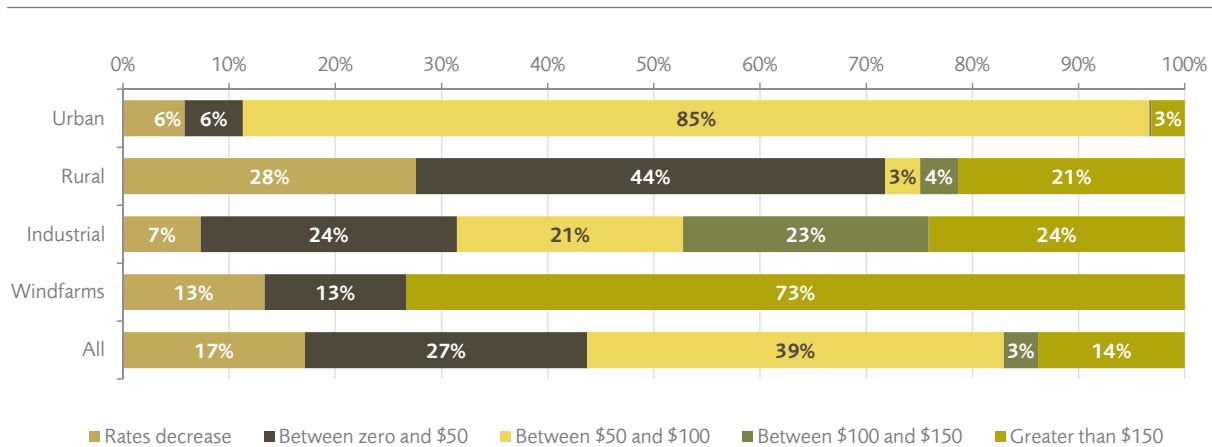


The Annual Plan 2017/18 at a Glance

This is Year 3 of the 2015-2025 Long Term Plan and Council's strategies of Core Infrastructure, Economic Development, and Affordability continue to underpin this Annual Plan. We have not deviated significantly from what we said we will do. We continue to manage our cost drivers well and at the same time deliver the planned and, in some activities, increased service levels.

Of the three strategies, Affordability remains at the centre of Council's focus, not only for the current ratepayers but also for future generations in the Tararua district.

RATES INCREASES BY SECTOR



What We Are Focusing on This Year

Continued Investments in Our Core Infrastructure

CAPITAL EXPENDITURE

Amounts are in millions

	Current Year 2016/17	Annual Plan 2017/18
ROADING AND FOOTPATHS	\$9.2	\$7.6
WASTEWATER	\$2.8	\$2.1
WATER SUPPLY	\$5.2	\$1.9
COMMUNITY AND RECREATION	\$1.6	\$1.1
SOLID WASTE MANAGEMENT	\$0.1	\$0.3
STORMWATER	\$1	\$1.1
OTHER ACTIVITIES	\$1.6	\$0.8
Total	\$21.6	\$14.8

BIG TICKET ITEMS

Amounts are in millions

SEALED ROAD RESURFACING	\$2.4
ROAD PAVEMENT REHAB	\$1.7
PAHIATUA WATER TREATMENT PLANT	\$1.4
EKETAHUNA WASTEWATER TREATMENT PLANT	\$1.3
STORMWATER MANAGEMENT	\$1.0

Water Upgrades

This year, Council completed the installation of the Dannevirke water supply UV plant and aim to complete, by June 2017, the installation of the Pahiatua water UV plant and construction of the Woodville impounded water supply. The Woodville impounded water supply was a project planned to be constructed in the years 2019/20. However, Council re-prioritised its projects and brought this project into the current year to address the acute water supply concerns in the town.

Pahiatua Water Supply

In the 2017/18 year, the treatment plant and the 4.5-day water storage tank for the Pahiatua Water supply will be completed. This is to meet the Drinking Water Standards (treatment plant) and provide more resilience (water storage) to the town water.

The proposed water storage volume is expected to increase from 2,500m³ to 6,000m³ storage volume (4.5 days). The increased storage volume was to allow for water harvesting during times of low water demand for use on days of high water demand, as well as providing resilience in terms of potential maintenance issues with the existing bore and water quality issues in the Mangatainoka River, such as elevated turbidity after rainfall events and, taste and odour issues from algal growth during summer months.

Wastewater Treatment and Discharge Upgrades

These upgrades are part of our commitment in the wastewater consent renewal applications and the partnerships with the Ministry for Environment 'Fresh Start



for Fresh Water' subsidised wastewater improvements initiative, and Horizons Regional Council, as part of the Manawatu River Leaders' Accord.

Eketahuna Treatment Plant Upgrade

This project was meant to be completed in the current year but it is now deferred to the 2017/18 year, as Council is working with Horizons Regional Council to secure further funding from the Ministry for Environment.

Pahiatua Treatment Plant Upgrade

In working closely with both iwi, Council will commence the design work for the proposed wetlands (a condition in our resource consent application).

What Are the Significant Changes From the Long Term Plan?

Pensioner Housing

In the 2015-2025 Long Term Plan, Council based the decision to sell its pensioner housing portfolio to a reputable social housing provider on a series of assumptions that were current in 2014/15.

Since then a number of these funding assumptions are no longer relevant, while the rental market in Tararua (and across New Zealand) has experienced very strong demand.

The availability of housing in general, and affordable community housing in particular, is now a key national issue. It is likely that a higher proportion of the community would now favour retaining ownership of the pensioner units.

Council has considered its options and resolved to defer selling the housing pensioner units, and signal further consultation on this matter in the 2018-2028 Long Term Plan.

For the 2017/18 Council also resolved to increase rents, install heat pumps in all the units and plan for a modest upgrade programme.

Use of Reserves for Internal Loan

Council's Policy allows the use of specific reserves as an alternate funding option. The use of such reserves will require a specific resolution of Council before expenditure is committed. The exception to this is the use of depreciation reserves (for internal borrowing) used to fund capital expenditure instead of borrowing from external sources (banks and financial institution).

For the 2017/18 year, Council resolved to extend the use of the specific reserves for internal borrowing to the Forestry and Pensioner Housing Reserves. The net impact on the

overall rates requirement by using these reserves as an alternate to external borrowing is \$32,500, which is about 0.15% rates increase.

Changes to Service Levels

Kerbside Refuse Collection

Council will be exiting from kerbside refuse collection. As of 7 April 2017, Council has stopped selling stickers for refuse collection at the Dannevirke Service Centre, or supply refuse labels to retailers for resale in Dannevirke, Pongaroa, Akitio and Herbertville. However, kerbside refuse collection will continue as normal. The difference is, instead of purchasing the Council stickers for refuse collection, residents will now need to either purchase yellow Budget Waste bags, or organise for a wheelie bin.

Eketahuna Landfill

The consent for the Eketahuna Landfill will be expiring in June 2018. Council explored the options to renew the consent to operate the landfill or construct and operate a transfer station. The transfer station option was the preferred option in terms of cost and reducing on-going risk to Council.

Animal Control

Council employed another Animal Control Officer (current team is now three Animal Control Officers) to better manage the public health risk associated with roaming and unregistered dogs.

Fees and Charges Changes

Animal Control

Rural domestic dog fees are aligned with the working dogs category.

Pensioner Housing

Rentals for all superannuitant and tenant contribution flats are proposed to increase by \$6 per week, and rental for other flats will increase from \$138 to \$150.

Solid Waste

From the feedback received on the Draft Annual Plan, Council added a new fee of \$5 for each wheelie bin, applicable to all transfer stations except Dannevirke.

Other

Other fees and charges have increased by an average of 1%.

Annual Plan Disclosure Statement

for the year ending 30 June 2018

What is the purpose of this statement?

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

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark	Quantified Maximum Limit	Planned Limit	Met
Rates affordability benchmark			
Income	\$21,842,000	\$21,490,910	Yes
Increases	3.90%	2.23%	Yes
Debt Affordability			
Net Debt as a percentage of total revenue	< 50%	12%	Yes
Net interest as a percentage of total revenue	< 7%	1%	Yes
Net interest as a percentage of annual rates income (debt secured under debenture)	< 10%	1.56%	Yes
Liquidity (External, term debt + committed loan facilities + available liquid investments to existing external debt)	> 110%	190%	Yes
Balanced Budget Benchmark	> 100%	101.4%	Yes
Essential Services Benchmark	> 100%	134.2%	Yes
Debt Servicing Benchmark	< 10%	1.5%	Yes



Notes

1 Rates affordability benchmark

- (1) For this benchmark,—
 - (a) the council's planned rates income for the year is compared within the weighted average local government cost index (BERL Local Government Cost Index) in any year plus two percent on rates contained in the financial strategy included in the council's long-term plan; and
 - (b) the council's planned rates increases for the year are compared with within the weighted average local government cost index (BERL Local Government Cost Index) in any year plus two percent] on rates increases for the year contained in the financial strategy included in the council's long-term plan.
- (2) The council meets the rates affordability benchmark if—
 - (a) its planned rates income for the year equals or is less than each quantified limit on rates; and
 - (b) its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

- (1) For this benchmark, the council's planned borrowing is compared with the following limits on borrowing contained in the financial strategy included in the council's long-term plan.
 - a) Net debt as a percentage of total revenue does not exceed 50%
 - b) Net interest as a percentage of total revenue does not exceed 7%
 - c) Net interest as a percentage of annual rates income (debt secured under debenture) does not exceed 10%
 - d) Liquidity (External, term debt + committed loan facilities + available liquid investments to existing external debt) exceeds 110%
- (2) The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

- (1) For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

- (2) The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

- (1) For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- (2) The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

- (1) For this benchmark, the council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).
- (2) Because Statistics New Zealand projects that the council's population will grow [as fast as, or faster than, /slower than] the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than [10%/15%] of its planned revenue.

Activities

2



Groups of Activities

What the Council Does

Introduction

The Council provides a wide range of services and facilities for people living in Tararua. These services – called Activities – help to make Tararua a better, safer, healthier and more enjoyable place to live. They include things like roading and parking, water supplies, civil defence, district promotion, regulatory (bylaws), parks and reserves, libraries, swimming pools, and customer services.

We have nine groups of activities and 21 activities.

Explanation of Activity Pages

- Contribution to Council outcomes – shows the level of contribution towards achieving the Council outcomes.
- Funding impact statements – detail the sources and application of Council funds.

Groups of Activities

Building Communities & Leadership ..	18
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Council Outcomes

The Council Outcomes are the 10-year goals for the Council as part of working towards the longer term Vision.

The Council Outcomes are the link between the Vision and the Council activities, providing the focus for the groups of activities and measures in the Long Term Plan and Annual Plans.

How the Council Outcomes Relate to Council Services

The Council Outcomes drive the strategies that Council has formed in preparing this Annual Plan. Activities with increased levels of service have been limited to those that best help achieve the Outcomes. The Outcomes flow through to the stated levels of service and the performance measures in each activity. The performance measures are designed to inform the community whether progress is being made towards achieving the Council Outcomes.

Key: Strongly Related ✓ Related ● Partially Related ◆

Groups of Activities	Council Outcomes				
	Efficient Infrastructure	Prosperous Economy	Great Lifestyle	Sustainable Environment	Collaborative Council
Building Communities and Leadership	●	●	✓	✓	✓
Community and Recreation Facilities	✓	●	✓	✓	✓
District Promotion and Development	◆	✓	✓	●	✓
Regulatory Services	◆	●	✓	✓	✓
Roading and Footpaths	✓	✓	✓	◆	●
Solid Waste Management	✓	◆	●	✓	●
Stormwater	✓			◆	✓
Wastewater	✓	●		✓	✓
Water Supplies	✓	●	●	✓	●



Building Communities and Leadership

Activities in this Group and Service Levels Provided

	Current	Enhanced	Reduced
1 Community Support <i>To support communities to support themselves.</i>	●		
2 Representation <i>To enable democratic local decision-making and action by, and on behalf of communities to meet the current and future needs of communities for good quality local infrastructure, local public services, and the performance of regulatory functions in a way that is cost-effective for households and businesses.</i>	●		

Key Issues and Significant Changes from the Long Term Plan

Description	Type	Long Term Plan \$	Annual Plan \$	Reasons
Community Support				
No significant issues or variances				
Representation				
Increase in Election Reserve Funding	Operating	\$15,000	\$30,000	We have depleted the election reserve, which needs re-funding. This is due to the two by-elections.

Group Level Funding Impact Statement

Building Communities and Leadership

	Annual Plan 2016/17 (A)	LTP 2017/18 (B)	Annual Plan 2017/18 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	1,758	1,775	1,900	125
Targeted rates	-	-	-	-
Grants and subsidies operating	-	-	-	-
Fees and charges	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	75	36	28	(8)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	1,833	1,811	1,928	117
Applications of Operating Funding				
Payment to staff and suppliers	1,327	1,218	1,233	(15)
Finance costs	-	-	-	-
Internal charges and overheads applied	519	552	663	(111)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,846	1,770	1,896	(126)
Surplus/(Deficit) of Operating Funding (A - B)	(13)	41	32	(9)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	10	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	10	-	-	-
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	-	-	-	-
- to replace existing assets	-	11	10	1
Increase (decrease) in reserves	(3)	30	22	8
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	(3)	41	32	9
Surplus/(Deficit) of Capital Funding (C - D)	13	(41)	(32)	9
Funding Balance ((A-B) + (C - D))	-	-	-	-



Community Support

Aim – to support communities to support themselves.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Collaborative Council • Great lifestyle			
Public money is spent appropriately	Council funds and supports key community organisations in order to build district community capability	Percentage of residents rating Council's involvement in community support as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
		All organisations receiving grants meet accountability requirements of Council	100%

Representation

Aim – to enable democratic local decision-making and action by, and on behalf of communities to meet the current and future needs of communities for good quality local infrastructure, local public services, and the performance of regulatory functions in a way that is cost-effective for households and businesses.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Collaborative Council • Great lifestyle • Prosperous economy • Efficient infrastructure • Sustainable environment			
Good governance	Providing leadership to represent and make decisions in the best interests of the district and its communities	Percentage of residents rating the overall performance of the Mayor and Councillors as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
		Percentage of residents rating the overall performance of the Community Boards and Community Committees as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
Ensuring correct public processes are followed	Provide processes and community boards/committees through which the community can have its views heard	Percentage of Council committee meetings that meet the requirements of the Local Government Official Information and Meetings Act	100%



Community and Recreation Facilities

Activities in this Group and Service Levels Provided

	Current	Enhanced	Reduced
1 Cemeteries To provide attractive burial places where the community can remember loved ones and celebrate our district's heritage.		●	
2 Community Buildings To provide community buildings for social, cultural, recreational and educational activities.	●		
3 Housing To provide access to affordable and suitable long-term housing for older people with limited income and assets.		●	
4 Libraries To provide access to information, and to support life-long learning and literacy.	●		
5 Parks and Reserves To protect and enhance the natural character of the district, and provide a mix of parks and reserves facilities for leisure and recreation.		●	
6 Public Conveniences To provide well maintained public conveniences in areas of frequent community activity.	●		
7 Service Centres To provide an effective point of contact for the community to connect with Council.	●		
8 Swimming Pools To provide funding support for community pools to promote community wellbeing.		●	

Key Issues and Significant Changes from the Long Term Plan

Description	Type	Long Term Plan	Annual Plan	Reasons
Cemeteries				
Increase interment expenditure	Operating	\$15,000	\$51,000	The increase in budget is due to an increase in sexton costs incurred by Council.
Increase in interment fee revenue	Operating	\$40,000	\$55,000	To offset the increase in interment costs Council has increased interment fees from \$650 to \$700 per interment.
Community Buildings				
Upgrade of earthquake prone buildings	Capital	\$226,000	\$90,000	<p>Council have decided to pause on completing the upgrade of earthquake prone buildings until the methodology for assessing buildings against the new earthquake standards is released.</p> <p>The Long Term Plan budget was for the upgrade of earthquake prone community buildings. We have included \$30,000 of this project for planning the work in the 2017/18 year. The remaining \$60,000 is for planning and investigation work for the Pahiatua Service Centre and Woodville Service Centre buildings which were included in previous years of the Long Term Plan.</p>
Housing				
Increase in pensioner rents	Operating	\$390,000	\$376,000	The Long Term Plan budget was inflation adjusted and included the Hovding Court units that have since been sold. The increase in the Annual Plan from the current year budget is \$43,000. Council has resolved to increase rents by \$6.00 a unit in the 2017/18 year.
Pensioner Housing asset sale put on hold	Capital	\$3,368,000	Nil	Council had resolved in the Long Term Plan to exit from the provision of Pensioner Housing. As part of the 2017/18 Annual Plan Council has decided to hold off exiting from Pensioner Housing and will revisit the decision as part of the 2018-2028 Long Term Plan
Increase in capital expenditure for heating and refurbishments	Capital	Nil	\$160,000	Given the decision to defer the sale of the pensioner flats and to increase rent, Council resolved to install heat-pumps throughout the housing stock and refurbish two of the older units.
Libraries				
No significant issues or variances				
Parks and Reserves				
No significant issues or variances				



Description	Type	Long Term Plan	Annual Plan	Reasons
Public Conveniences				
No significant issues or variances				
Service Centres				
No significant issues or variances				
Swimming Pools				
No significant issues or variances				

Group Level Funding Impact Statement

Community and Recreation Facilities

	Annual Plan 2016/17 (A)	LTP 2017/18 (B)	Annual Plan 2017/18 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	3,101	3,306	3,156	(150)
Targeted rates	1,627	1,791	1,698	(93)
Grants and subsidies operating	5	5	5	-
Fees and charges	539	595	631	36
Local authorities fuel tax, fines, infringement fees, and other receipts	373	430	342	(88)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	5,645	6,127	5,832	(295)
Applications of Operating Funding				
Payment to staff and suppliers	3,394	3,523	3,507	15
Finance costs	62	101	51	50
Internal charges and overheads applied	1,203	1,273	1,202	71
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	4,659	4,897	4,760	136
Surplus/(Deficit) of Operating Funding (A - B)	986	1,230	1,072	(159)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	738	(2,706)	162	2,868
Gross proceeds from sale of assets	-	3,368	-	(3,368)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	738	662	162	(500)
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	82	28	28	-
- to improve the level of service	962	820	369	451
- to replace existing assets	372	562	618	(56)
Increase (decrease) in reserves	308	482	218	264
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	1,724	1,892	1,233	659
Surplus/(Deficit) of Capital Funding (C - D)	(986)	(1,230)	(1,072)	159
Funding Balance ((A-B) + (C - D))	-	-	-	-



Cemeteries

Aim – to provide attractive burial places where the community can remember loved ones and celebrate our district's heritage.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure			
Well presented cemetery grounds and facilities	The cemetery grounds are presented to a high standard	Percentage of residents rating cemeteries as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
Access to cemetery plots	Plots are available in all local cemeteries	Percentage of cemeteries in district with plots available for next 12 months – based on historical burial data	100%

Community Buildings

Aim – to provide community buildings for social, cultural, recreational, and educational activities.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure • Great lifestyle			
Buildings support a range of activities which enhance residents' lifestyle	Council provides community buildings which are fit for purpose	Percentage residents "fairly satisfied" or "very satisfied" with community buildings in the community survey to be conducted in 2017, 2020, and 2023	Not measured
	Facilities are well-utilised	The total number of hours per annum facilities are booked through Council	>3100 hours



Housing

Aim – to provide access to affordable and suitable long-term housing for older people with limited income and assets.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure • Great lifestyle			
Council housing stock is fit for purpose	Housing units are maintained to a suitable standard	Percentage of housing units which, when inspected, are found to have maintenance issues which are more than minor	< 10%
Council acts as a good landlord and provides a professional tenancy service	Council acts as a good caring landlord	Tenants' satisfaction with the landlord service received from Council	90%

Libraries

Aim – to provide access to information, and to support life-long learning and literacy.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Prosperous Economy • Great lifestyle			
Quality community space	Access to information	Library services are clean, welcoming and open at times suited to their community based on the annual survey carried out internally by the library	90%
		Percentage of residents rating libraries as "fairly satisfactory" or "very satisfactory" in the community surveys conducted in 2017, 2020, and 2023	Not measured
The provision of information for residents	Provide access to a wide range of information and life-long learning opportunities	Library collections are current and accessible based on number inter-library loans, new items added and availability of online information	90%
Supporting the education of children	Supporting literacy in all it's forms	Number of programmes run annually	> 7
		Library customers are satisfied with the programmes offered	90%
Supporting ongoing education of adults	Enabling independent life-long learning, research and innovation	Library customers are satisfied with staff service (annual survey)	90%



Parks and Reserves

Aim – to protect and enhance the natural character of the district, and provide a mix of parks and reserves facilities for leisure and recreation.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Great lifestyle			
People are proud of the city's parks and streetscapes	Our parks and park facilities are well presented	Percentage of residents rating parks and reserves as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
Community Outcome(s): Efficient infrastructure			
Facilities meet user needs	Our parks and reserves are in good condition	Number of recorded incidences where parks and reserves are found to be below the agreed maintenance standard	< 5
Playgrounds meet user needs	Playground equipment is safe to use and fit for purpose	Percentage of playgrounds in the district with all equipment meeting the AUS/NZ playground safety standard	90%

Public Conveniences

Aim – to provide well maintained public conveniences in areas of frequent community activity.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure			
Public conveniences meet user needs	Public conveniences provided are fit for purpose	Percentage of residents rating public conveniences as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
		The number of complaints received per annum about the condition of public toilets	< 50



Service Centres

Aim – to provide an effective point of contact for the community to connect with Council.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Collaborative Council			
Customer Service staff are professional, knowledgeable and courteous	Customers experience friendly, efficient and reliable service from Council	Percentage of customers who lodge faults/ requests are satisfied with the service provided	95%
Customer Service staff respond to customer requests and enquiries promptly.	Customer requests are handled effectively and accurately	Average wait time for incoming calls	20 seconds
		Percentage of abandoned calls	< 10%
Council provide access to after-hours services.	Responsive 24/7 phone service	Percentage of customers who lodge faults/ requests are satisfied with the after hours service received.	90%
		Percentage of abandoned calls	< 10%
		Average wait time for incoming calls	20 seconds

Swimming Pools

Aim – to provide funding support for community pools, which will promote community wellbeing.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure			
Public pools provided meet community expectations	Public swimming pools provide a quality visitor experience	Percentage of residents rating pools as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
	Outdoor pools open during summer months, and Wai Splash all year around	The number of weeks each year Wai Splash is open for public use	52 weeks
		The number of weeks each year outdoor pools are open for public use	> 10 weeks
The district can afford to support public pools	Public swimming pools are financially sustainable in the long term	Percentage of rates spent funding public swimming pools (base – average household rates)	< 4%



District Promotion and Economic Development

Activities in this Group and Service Levels Provided

	Current	Enhanced	Reduced
1 Commercial Investments <i>Property assets are managed to obtain the best return for ratepayers and divested as the opportunities arise.</i>	●		
2 District Promotion and Development <i>Proactively supporting a sustainable social and economic environment.</i>		●	

Key Issues and Significant Changes from the Long Term Plan

Description	Type	Long Term Plan	Annual Plan	Reasons
Commercial Investments				
Increase in operating revenue	Operating	\$52,000	\$592,000	Carry forward of harvesting of Kaiparoro Forest.
Increase in operating costs	Operating	\$42,000	\$450,000	
District Promotion and Development				
No significant issues or variances				

Group Level Funding Impact Statement

District Promotion and Economic Development

	Annual Plan 2016/17 (A)	LTP 2017/18 (B)	Annual Plan 2017/18 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	262	280	292	12
Targeted rates	448	446	464	18
Grants and subsidies operating	-	-	-	-
Fees and charges	63	108	63	(45)
Local authorities fuel tax, fines, infringement fees, and other receipts	594	52	592	540
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	1,367	886	1,411	525
Applications of Operating Funding				
Payment to staff and suppliers	1,127	693	1,115	(423)
Finance costs	3	4	2	2
Internal charges and overheads applied	206	205	209	(4)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,336	902	1,327	(425)
Surplus/(Deficit) of Operating Funding (A - B)	31	(16)	85	100
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(106)	(2)	35	37
Gross proceeds from sale of assets	173	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	67	(2)	35	37
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	20	16	15	1
- to replace existing assets	-	-	-	-
Increase (decrease) in reserves	78	(34)	104	(138)
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	98	(18)	119	(137)
Surplus/(Deficit) of Capital Funding (C - D)	(31)	16	(84)	(100)
Funding Balance ((A-B) + (C - D))	-	-	-	-



Commercial Investments

Aim – property and forestry assets are managed to obtain the best return for ratepayers and divested as the opportunities arise.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure			
Properties do not become a burden to Council	Properties maximise returns to Council	Occupancy of commercial buildings each year	100%
		Net operating surplus each year	> 5%



District Promotion and Development

Aim – proactively supporting a sustainable social and economic environment.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Prosperous economy • Collaborative Council			
Community partnerships and collaboration	Assist businesses to apply for Government subsidies and grants	Assist local businesses by referring to NZTE / Ministry of Science and Innovation	Minimum 5 per annum
Community Outcome(s): Great lifestyle • Collaborative Council			
Proactively supporting a sustainable social environment	Promote the Tararua at large events in and outside the district	Number of major events that "Tararua" is directly involved	Minimum 5 events
A district with a clear identity that promotes its lifestyle	Support community groups to run events in Tararua	Number of community events that are actively supported by Council	Minimum 10 per annum
Community Outcome(s): Great lifestyle			
A district that promotes its lifestyle	Provide professional customer service at the Tararua i-SITE	Percentage of customers surveyed are satisfied with the services received	85%
Responsive and collaborative district	Council Page content in Bush Telegraph and website is engaging and informative	Public Voice Survey of 700 residents	60%



Regulatory Services

Activities in this Group and Service Levels Provided

	Current	Enhanced	Reduced
1 Animal Control To prevent nuisance and threats to community safety from dogs and wandering stock.		●	
2 Emergency Management To build resilient communities, ready and able to provide a reliable and timely response to emergencies.	●		
3 Health and Safety To provide a safe and healthy community environment, by reducing nuisance and health and safety risk, through education.	●		
4 District Planning To provide for the continued sustainable management of the Tararua district's land resources and a strong prosperous economy.	●		

Key Issues and Significant Changes from the Long Term Plan

Description	Type	Long Term Plan	Annual Plan	Reasons
Animal Control				
Increase in operating costs	Operating	\$282,000	\$345,000	<p>A third Animal Control Officer was hired in the 2016/17 year. This enabled Council to improve the level of service by being able to follow up on customer requests in a timely manner, and to better manage the risk associated with unregistered and roaming dogs.</p> <p>Cost for pound cleaning increased to meet new health and safety standards.</p>
Emergency Management				
Rural Fire Rates Requirement	Operating	\$227,500	\$39,000	<p>In the 2017/18 year, the rural fire activity will be run by Fire and Emergency New Zealand (FENZ). As it is a transition year, FENZ has indicated that they will reimburse Council for costs until they have the resource to take over the activity. The flow-on affect is for costs that were previously shared between Civil Defence and Rural Fire to now be funded 100% from the Civil Defence budget.</p>
Civil Defence Rates Requirement	Operating	\$179,000	\$189,000	
Health and Safety				
Increase in operating costs	Operating	\$996,000	\$1,093,000	<p>The main reason for the increase in budget is for two additional staff and IANZ Accreditation.</p> <p>A temporary fixed term contract staff to assist the current team to adequately prepare for the IANZ Accreditation in November 2017. An additional \$20,000 is required to fund the accreditation.</p> <p>A full time staff member will be required in the area of records digitisation.</p>
Decrease in building consent revenue	Operating	\$377,140	\$359,000	<p>The building consent revenue has decreased due to a reduction in large commercial consents, such as the Fonterra upgrade.</p>

Group Level Funding Impact Statement

Regulatory Services

	Annual Plan 2016/17 (A)	LTP 2017/18 (B)	Annual Plan 2017/18 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	932	996	1,156	160
Targeted rates	239	228	14	(214)
Grants and subsidies operating	9	9	2	(7)
Fees and charges	840	798	1,025	227
Local authorities fuel tax, fines, infringement fees, and other receipts	23	32	28	(4)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	2,043	2,063	2,225	162
Applications of Operating Funding				
Payment to staff and suppliers	1,466	1,539	1,699	(161)
Finance costs	6	13	8	5
Internal charges and overheads applied	450	396	449	(53)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,922	1,948	2,156	(209)
Surplus/(Deficit) of Operating Funding (A - B)	121	115	69	(47)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(9)	(16)	(12)	4
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	(9)	(16)	(12)	4
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	-	-	-	-
- to replace existing assets	6	3	3	-
Increase (decrease) in reserves	106	96	54	42
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	112	99	57	42
Surplus/(Deficit) of Capital Funding (C - D)	(121)	(115)	(69)	46
Funding Balance ((A-B) + (C - D))	-	-	-	-

Animal Control

Aim – to prevent nuisance and threats to community safety from dogs and wandering stock.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Collaborative Council • Great lifestyle			
Public safety	Animal control complaints and issues are resolved in a timely manner	Percentage of residents rate dog control as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
		Percentage of calls that involve dog attacks responded to within 2 hours	100%
	Promoting responsible animal ownership through public education	Educational publications and programmes are available to the community	Minimum of 6 articles per year Minimum of 4 educational presentations per year



Emergency Management

Aim – to build resilient communities, ready and able to provide a reliable and timely response to emergencies.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Collaborative Council			
Support the Community to prepare for an emergency	Facilitate Community Civil Defence Response Groups in all of our larger communities	Communities are organised and have a current Community Civil Defence Response Group Plan	All plans reviewed and updated
Community Outcome(s): Collaborative Council • Sustainable environment			
Leadership and training	Improve our ability to manage and coordinate emergency services during civil defence emergencies	Assessment of residents' readiness and capability to respond to a civil defence emergency	90%
Community Outcome(s): Collaborative Council • Prosperous economy			
Agency partnerships and collaboration	Improve our ability to prevent and to respond promptly to uncontrolled fires in the rural area	Volunteer Rural Fire Forces respond to all fires within the rural area in accordance with 'NRFA Standard – Achieving Timely Responses to Fires'	100%

Health and Safety

Aim – to provide a safe and healthy community environment, by reducing nuisance and health and safety risk, through education.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Prosperous economy • Collaborative Council			
Public safety	Ensure that the district's built environment is safe and healthy	All swimming pool and/or spa fencing inspected once every 5 years	100%
	Protect public health by regulating the sale of food, funeral parlours, offensive trades, hairdressing salons and camping grounds	Percentage of registered premises inspected for compliance	90%
Customer service	Building safe communities through cost effective and streamlined processes	Consents issued within statutory timeframes	100%
Community Outcome(s): Prosperous economy • Collaborative Council • Great lifestyle			
Public health	Protect public health by regulating the sale of alcohol	Percentage of licensed premises inspected annually for compliance	95%
Community Outcome(s): Collaborative Council • Great lifestyle			
Livable communities	Excessive noise complaints will be attended to by council to minimise disturbance to others	Percentage of noise complaints responded to within an hour	95%
Community Outcome(s): Collaborative Council • Sustainable environment • Great lifestyle			
Attractive communities	Control excessive rubbish dumping, overhanging vegetation and fire hazards through monitoring and enforcement	Percentage of complaints responded to within 48 hours	100%



District Planning

Aim – to provide for the continued sustainable management of the Tararua district's land resources and a strong prosperous economy.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Collaborative Council			
Quality customer service	Advice to customers is of good quality (fit for purpose)	Percentage of customers that rate advice received as being helpful	85% agree
Reliable customer service	District Planning service is reliable	Percentage of customers that receive a decision on their application within the statutory timeframe	100%
Responsive customer service	Council responds effectively to complaints about non-compliances	Non-compliances are resolved within 3 months of customer complaint.	95%

Roading and Footpaths

Activities in this Group and Service Levels Provided

	Current	Enhanced	Reduced
1 Footpaths To provide safe access and walking opportunities for pedestrians in urban areas.		●	
2 Roothing To provide a safe and efficient transport network that improves the movement of people and products, both within and through the district.	●		

Key Issues and Significant Changes from the Long Term Plan

Description	Type	Long Term Plan	Annual Plan	Reasons
Footpaths				
District Footpath Renewals	Capital	Nil	\$100,000	Council deferred renewals in previous years in anticipation of a roll out of fibre cabling. Given the delay and uncertainty, Council will reinstate the renewal programme, and still consider the needs of telecommunication providers.
Roothing				
Reduction in operating costs	Operating	\$7,848,000	\$7,059,000	The reduction mainly relates to reclassifying a portion of the emergency works budget to renewals. This correctly reflects the nature of the work being undertaken in this budget category.
Increase in renewals	Renewals	\$5,558,000	\$6,436,000	As above, and including the LED streetlights replacement programme.

Group Level Funding Impact Statement

Roading and Footpaths

	Annual Plan 2016/17 (A)	LTP 2017/18 (B)	Annual Plan 2017/18 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	123	99	121	22
Targeted rates	6,858	6,640	6,640	-
Grants and subsidies operating	3,942	4,117	3,620	(497)
Fees and charges	160	166	160	(6)
Local authorities fuel tax, fines, infringement fees, and other receipts	289	352	449	97
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	11,372	11,374	10,990	(384)
Applications of Operating Funding				
Payment to staff and suppliers	6,601	6,846	6,072	774
Finance costs	102	136	119	17
Internal charges and overheads applied	1,396	1,324	1,359	(35)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	8,099	8,306	7,550	754
Surplus/(Deficit) of Operating Funding (A - B)	3,273	3,068	3,440	370
Sources of Capital Funding				
Subsidies and grants for capital expenditure	5,206	3,952	4,621	669
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	61	103	79	(24)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	5,267	4,055	4,700	645
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	2,086	706	696	10
- to replace existing assets	5,523	5,558	6,536	(978)
Increase (decrease) in reserves	931	859	907	(48)
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	8,540	7,123	8,139	(1,016)
Surplus/(Deficit) of Capital Funding (C - D)	(3,273)	(3,068)	(3,440)	(370)
Funding Balance ((A-B) + (C - D))	-	-	-	-

Footpaths

Aim – to provide safe access and walking opportunities for pedestrians in urban areas.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure			
Footpaths are safe for pedestrians	Council maintains footpaths to an acceptable level to customers	Percentage of residents rate footpaths as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
	Council maintains footpaths to an acceptable level to customers	The percentage of footpaths within the district fall within the footpath condition set out in the Asset Management Plan	90%
	Council ensures quality of footpaths and safety of users	Customer requests relating to footpaths are responded to within 5 working days*	90%
Community Outcome(s): Efficient infrastructure • Great lifestyle • Collaborative Council			
Town centre upgrades reflect the diversity, character and heritage of the community	Council ensures the needs of both local and visitors will be considered in the town upgrades	Percentage of residents rate town centre upgrades as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured

* These performance measures are provided by the Department of Internal Affairs and are mandatory.



Roading

Aim – to provide a safe and efficient transport network that improves the movement of people and products, both within and through the district.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure			
Ensure that our roading network is safe	Ensure roads are safe for all road users	The change (expressed as a number) from the previous financial year in the number of fatalities and serious injury crashes on the local road network*	0 or less over a 3 year average
Roads are maintained to the appropriate standards	Requests from the public are responded to in a timely manner	Customer requests relating to roads are responded to within 5 working days*	90%
		Percentage of residents rating urban and rural roading as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
Clearance of damage by weather/emergency events	Ensure that all roads remain available to users	Initial response to impassable roads be undertaken within 24 hours	99%
Community Outcome(s): Efficient infrastructure • Great lifestyle • Collaborative Council			
Maintained roading network provides a safe and comfortable ride quality	Council ensures quality of roads and safety of users	The average quality of the ride on the sealed road network is measured by smooth travel exposure*	95%
		The percentage of the sealed local network that is resurfaced*	> 5%

* These performance measures are provided by the Department of Internal Affairs and are mandatory.

Solid Waste Management

Activities in this Group and Service Levels Provided

	Current	Enhanced	Reduced
1 Solid Waste Management To protect people's health and our environment by minimising the production of waste and promoting recycling and reuse.	●		

Key Issues and Significant Changes from the Long Term Plan

Description	Type	Long Term Plan	Annual Plan	Reasons
Solid Waste Management				
Exiting kerbside refuse collection	Operating	No change	No change	Council decided as part of the 2015-2025 Long Term Plan to exit from kerbside collection. As of September 2017, Council will have exited from all kerbside rubbish collection leaving the private sector to provide this service.
Replacement of the Eketahuna landfill with a transfer station	Capital	\$252,000	\$252,000	Council indicated that as part of the 2015-2025 Long Term Plan to consider closing the Eketahuna Landfill when the consent expires in June 2018. Council discussed options and confirmed the decision to close and cap the landfill and, construct and operate a transfer station in the same location.



Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure			
Refuse and recycling services meet the needs of the district	Refuse and recycling services meet user needs	Percentage of residents rating rubbish collection services as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
		Percentage residents rating recycling as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
		Percentage residents rating landfills/transfer station management as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
Community Outcome(s): Sustainable environment			
The impact of refuse on the environment is minimised	Council will promote and encourage recycling and reuse	Tonnage of waste sent to landfills by the district per annum	< 4,400
	Council's open and closed landfills are well managed	Percentage of landfills where all Horizons resource consent conditions are met	100%

Group Level Funding Impact Statement

Solid Waste Management

	Annual Plan 2016/17 (A)	LTP 2017/18 (B)	Annual Plan 2017/18 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	529	529	501	(28)
Targeted rates	900	920	925	5
Grants and subsidies operating	50	52	50	(2)
Fees and charges	541	494	457	(37)
Local authorities fuel tax, fines, infringement fees, and other receipts	24	25	10	(15)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	2,044	2,020	1,943	(77)
Applications of Operating Funding				
Payment to staff and suppliers	1,699	1,652	1,597	54
Finance costs	85	92	77	15
Internal charges and overheads applied	148	157	140	17
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,932	1,901	1,814	86
Surplus/(Deficit) of Operating Funding (A - B)	112	119	129	9
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(70)	11	(12)	(23)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	(70)	11	(12)	(23)
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	50	126	123	3
- to replace existing assets	10	144	140	4
Increase (decrease) in reserves	(18)	(140)	(147)	7
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	42	130	116	14
Surplus/(Deficit) of Capital Funding (C - D)	(112)	(119)	(129)	(9)
Funding Balance ((A-B) + (C - D))	-	-	-	-



Stormwater

Activities in this Group and Service Levels Provided

	Current	Enhanced	Reduced
1 Stormwater To provide an efficient and effective stormwater network that protects the community's assets from flooding.		●	

Key Issues and Significant Changes from the Long Term Plan

Description	Type	Long Term Plan	Annual Plan	Reasons
Stormwater				
Increase in operating costs	Operating	\$90,000	\$157,000	The increase in budget is due to an increase in maintenance costs to maintain service levels.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure			
Protecting people and properties from flooding caused by stormwater runoff	An effective stormwater system that protects people and properties from flooding	The number of flooding events	< 30
		For each flooding event, the number of habitable floors affected, expressed per 1,000 properties connected to the stormwater system*	< 3
	A reliable stormwater network	Percentage of residents rating stormwater management as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
	A reliable stormwater network	Number of complaints received by Council about the performance of its stormwater system, expressed per 1,000 properties connected to the stormwater system*	< 8
Number of enforcement actions against Council for not meeting resource consent conditions for discharge from the stormwater system relating to*: <ul style="list-style-type: none"> • abatement notices • infringement notices • enforcement orders • convictions 		0 0 0 0	
Responsiveness	Council ensures quality and efficiency of the stormwater network	Median time (hours) to attend a flooding event , measured from the time that Council receives a notification that service personnel reach the site*	2 hours

* These performance measures are provided by the Department of Internal Affairs and are mandatory.

Group Level Funding Impact Statement

Stormwater

	Annual Plan 2016/17 (A)	LTP 2017/18 (B)	Annual Plan 2017/18 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	734	755	769	14
Grants and subsidies operating	-	-	-	-
Fees and charges	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	19	26	23	(3)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	753	781	792	11
Applications of Operating Funding				
Payment to staff and suppliers	148	90	157	(68)
Finance costs	70	113	95	18
Internal charges and overheads applied	306	295	298	(3)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	524	498	550	(53)
Surplus/(Deficit) of Operating Funding (A - B)	229	283	242	(42)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	737	952	923	(29)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	737	952	923	(29)
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	800	1,069	1,030	39
- to replace existing assets	43	47	45	2
Increase (decrease) in reserves	123	119	90	29
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	966	1,235	1,165	70
Surplus/(Deficit) of Capital Funding (C - D)	(229)	(283)	(242)	41
Funding Balance ((A-B) + (C - D))	-	-	-	-

Wastewater

Activities in this Group and Service Levels Provided

	Current	Enhanced	Reduced
1 Wastewater To provide urban areas with a reliable wastewater system that protects people's health and our environment.		●	

Key Issues and Significant Changes from the Long Term Plan

Description	Type	Long Term Plan	Annual Plan	Reasons
Wastewater				
Eketahuna treatment plant	Capital	Nil	\$1,300,000	This project was meant to be completed in the current year but it is now deferred to the 2017/18 year, as Council is working with Horizons Regional Council to secure further funding from the Ministry for Environment.
Decrease in operating cost	Operating	\$1,549,000	\$1,429,000	The decrease in operating costs is mainly due to finding efficiencies, as well as the inflation assumption used in the Long Term Plan being significantly lower than expected. However, Council will employ an additional staff and a cadet to manage the operations of the upgraded wastewater schemes and monitoring required under the resource consents.



Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
Community Outcome(s): Efficient infrastructure • Sustainable environment			
Council systems are well managed	A reliable waste water service	The number of dry weather sewage overflows from the wastewater system per 1,000 connections*	< 5
		Percentage of residents rating wastewater management as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, AND 2023	Not measured
	Risks to public health and our natural environment are minimised	Number of schemes with consents that are current	7
		Number of enforcement actions against Council for not meeting resource consent conditions for sewage schemes relating to*: <ul style="list-style-type: none"> • abatement notices • infringement notices • enforcement orders • convictions 	0 0 0 0
Council provides a service which is responsive to the needs of the community	Council responds quickly when things go wrong	Median response time to attend a sewage fault, measured from the time Council receives notification to the time that service personnel reach the site*	1 hour
		Median time to resolve a sewage fault, measured from the time Council receives notification to the time that service personnel confirm resolution of the blockage or other fault*	8 hours
	Council services meet customer expectations	Number of complaints received about wastewater per 1,000 connections for*: <ul style="list-style-type: none"> • sewerage odour • sewerage system faults • sewerage system blockages • Council's response to the above issues • total number of recorded complaints 	< 5 < 5 < 7 < 10 < 27

* These performance measures are provided by the Department of Internal Affairs and are mandatory.

Group Level Funding Impact Statement

Wastewater

	Annual Plan 2016/17 (A)	LTP 2017/18 (B)	Annual Plan 2017/18 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	102	121	105	(16)
Targeted rates	1,873	2,297	1,984	(313)
Grants and subsidies operating	-	-	-	-
Fees and charges	90	86	80	(6)
Local authorities fuel tax, fines, infringement fees, and other receipts	8	76	3	(73)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	2,073	2,580	2,172	(408)
Applications of Operating Funding				
Payment to staff and suppliers	730	856	888	(33)
Finance costs	269	353	214	139
Internal charges and overheads applied	343	340	327	13
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,342	1,549	1,429	119
Surplus/(Deficit) of Operating Funding (A - B)	731	1,031	743	(289)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	120	650	530
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	1,453	351	461	110
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	1,453	471	1,111	640
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	1,724	903	1,386	(483)
- to replace existing assets	343	388	686	(298)
Increase (decrease) in reserves	117	211	(217)	428
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	2,184	1,502	1,855	(353)
Surplus/(Deficit) of Capital Funding (C - D)	(731)	(1,031)	(743)	287
Funding Balance ((A-B) + (C - D))	-	-	-	-



Water Supplies

Activities in this Group and Service Levels Provided

	Current	Enhanced	Reduced
1 Water Supplies To provide a reliable supply of potable water, of a quality that the community can afford and which meets the general needs of residents and businesses within the district's townships.		●	

Key Issues and Significant Changes from the Long Term Plan

Description	Type	Long Term Plan	Annual Plan	Reasons
Water Supplies				
Pahiatua treatment plant	Capital	Nil	\$1,400,000	<p>This scheme's primary water source was from the bore. From time to time, particularly during summer, when the bore water supply fails to meet demand, the town water supply is supplemented from the Mangatainoka River.</p> <p>The raw water feed from the Mangatainoka River can be highly variable in terms of water quality.</p> <p>In September 2016, the secured bore status was removed, resulting in Council having to install a UV treatment plant and chlorinate the town's water supply.</p> <p>The preferred upgrade option for this for the continued supply of blended raw water from both the Pahiatua Bore and Mangatainoka River with an upgraded treatment plant to address the odour and taste issues from the river source, as well as disinfection treatment to ensure safe drinking water.</p>

Description	Type	Long Term Plan	Annual Plan	Reasons
Increase in operating cost	Operating	\$1,432,000	\$1,460,000	To ensure compliance with the Drinking Water Standards, Council has increased the frequency of monitoring and testing on its water schemes.

Performance Measures

Major aspect	Level of service	Performance measure	2017/18 target
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Community Outcome(s): Efficient infrastructure • Sustainable environment

Council provides a reliable source of drinking water which meets the community's needs	Council provides a reliable water supply	Percentage of customers rating availability of water as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	Not measured
		Number of recorded complaints per 1,000 connections to Council's networked reticulation system for:	
	Council provides water at a consistent volume	<ul style="list-style-type: none"> drinking water pressure or flow* 	< 5
	Water looks and tastes good	<ul style="list-style-type: none"> drinking water taste* drinking water clarity* drinking water odour* 	< 5
	Interruptions to supply are minimised	<ul style="list-style-type: none"> continuity of supply* 	< 5
	Council is responsive to issues relating to water supplies	<ul style="list-style-type: none"> Council's response to the issues above* total number of recorded complaints* 	< 5 < 30
	Water provided is safe to drink	Number of schemes with a Public Health Management Plan in place	7
		Number of schemes which comply with Part 4 (bacteria compliance criteria) of the NZ Drinking Water Standards*	7
	Water provided is safe to drink	Number of schemes which comply with Part 5 (protozoal compliance criteria) of the NZ Drinking Water Standards*	7



Major aspect	Level of service	Performance measure	2017/18 target
Council provides a service which is responsive to the needs of the community	Council is responsive to issues relating to water supplies	Median response time to attend an urgent call-out, measured from the time Council receives notification to the time that service personnel reach the site*	1 hour
		Median time to resolve an urgent call-out, measured from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption*	8 hours
		Median response time to attend a non-urgent call-out, measured from the time Council receives notification to the time that service personnel reach the site*	24 hours
		Median time to resolve a non-urgent call-out, measured from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption*	72 hours
Council manages water as a valuable community resource	Wastage of water is minimised	The percentage of real water loss from the Council's networked reticulation schemes based on the minimum night flow (MNF) analysis*	The lower of year-end actual result and target will be used as a baseline for future years showing a decrease in percentage of water loss.
		Average consumption of drinking water per day per resident connected to a Council scheme*	The lower of year-end actual result and target will be used for future years.

* These performance measures are provided by the Department of Internal Affairs and are mandatory.

Group Level Funding Impact Statement

Water Supplies

	Annual Plan 2016/17 (A)	LTP 2017/18 (B)	Annual Plan 2017/18 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	1,613	1,924	2,276	(352)
Grants and subsidies operating	-	-	-	-
Fees and charges	487	541	7	(534)
Local authorities fuel tax, fines, infringement fees, and other receipts	107	123	227	104
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	2,207	2,588	2,510	(78)
Applications of Operating Funding				
Payment to staff and suppliers	805	847	921	(74)
Finance costs	251	288	297	(9)
Internal charges and overheads applied	252	296	242	54
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,308	1,431	1,460	(29)
Surplus/(Deficit) of Operating Funding (A - B)	899	1,157	1,050	(108)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	400	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(65)	309	1,012	703
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	335	309	1,012	703
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	685	1,069	1,400	(331)
- to replace existing assets	373	407	443	(36)
Increase (decrease) in reserves	176	(10)	218	(228)
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	1,234	1,466	2,060	(594)
Surplus/(Deficit) of Capital Funding (C - D)	(899)	(1,157)	(1,050)	108
Funding Balance ((A-B) + (C - D))	-	-	-	-

Rates

3



Funding Impact Statement

Rating Policy

The Rating Policy outlines how the rate funding required to fund activities will be set by the Council.

This includes Council's high level rating philosophy, and summarises the rationale for the rating decisions taken. In making these decisions, Council has considered:

- the distribution and timing of benefits;
- rating efficiency and transparency;
- community preferences; and
- the overall impact on the economic, cultural, social and environmental wellbeing of the district.

This policy provides the link between the funding decisions taken at the activity level, with the eventual rates assessment that each ratepayer will receive. The overview of the resulting mix of general and targeted rates, user charges and other funding sources is set out in the Funding Impact Statement for activities or groups of activities. More details for each activity are set out under the significant activity pages.

Components of the Rating System

The Council's rating system is utilised to fund the net cost of operations and programmes outlined in this Long Term Plan.

The following table details the various funding mechanisms Council has in place to fund its expenditure.

Legislation		
Local Government (Rating) Act 2002	Rate Subject to 30% Cap (S21)	Types of Rates
S15(1)(a)	Yes	Uniform Annual General Charge
S13(2)(a) & S14	No	General Rate Land Value
		Specified Services Targeted Differential Rate
S16(3)(b) & S16(4)(b)	No	Land Value Rate - Rural
S16(3)(b) & S16(4)(b)	No	Land Value Rate - Urban
S16(3)(b) & S16(4)(b)	No	Capital Value Rate - Industrial Commercial Urban
S16(3)(b) & S16(4)(b)	No	Capital Value Rate - Industrial Commercial Rural
		Libraries & Swimming Pools Rate
S16(3)(a) & S16(4)(a)	Yes	Targeted Uniform Rate- Libraries & Swimming Pools
		Refuse & Recycling Targeted Differential Rate
S16(3)(b) & S16(4)(b)	No	Refuse & Recycling - Rural
S16(3)(b) & S16(4)(b)	No	Refuse & Recycling - Urban
S16(3)(b) & S16(4)(b)	No	Refuse & Recycling - Industrial Commercial
		Roading Rate
S16(3)(a) & S16(4)(a)	No	Roading Land Value Rate - District-wide
		Roading Targeted Differential Rate
S16(3)(b) & S16(4)(b)	No	Rural
S16(3)(b) & S16(4)(b)	No	Urban
S16(3)(b) & S16(4)(b)	No	Industrial Commercial
		Town Centre Special Development Targeted Differential Rates
		Dannevirke Town Centre Refurbishment
S16(3)(b) & S16(4)(b)	No	Dannevirke Town Centre Refurbishment North Ward
S16(3)(b) & S16(4)(b)	No	Dannevirke Town Centre Refurbishment South Ward
		Woodville Town Centre Refurbishment
S16(3)(b) & S16(4)(b)	No	Woodville Town Centre Refurbishment North Ward
S16(3)(b) & S16(4)(b)	No	Woodville Town Centre Refurbishment South Ward
		Eketahuna Town Centre Refurbishment
S16(3)(b) & S16(4)(b)	No	Eketahuna Town Centre Refurbishment North Ward
S16(3)(b) & S16(4)(b)	No	Eketahuna Town Centre Refurbishment South Ward



Properties to be Charged (known as "Rating Units")	Schedule 2 Category (Category Rated)	Schedule 3 – How it is Rated
Rateable Properties	n/a	Per rating unit
Rateable Properties	n/a	Land value
Rateable Properties	Situation and use of land	Land value
Rateable Properties	Situation and use of land	Land value
Rateable Properties	Situation and use of land	Capital value
Rateable Properties	Situation and use of land	Capital value
Rateable Properties	n/a	Per rating unit
Rateable & Non-Rateable Properties	Situation, use of land, and provision of service	Per rating unit
Rateable & Non-Rateable Properties	Situation, use of land, and provision of service	Per rating unit
Rateable & Non-Rateable Properties	Situation, use of land, and provision of service	Per rating unit
Rateable Properties	n/a	Land value
Rateable Properties	Situation & use of land	Per rating unit
Rateable Properties	Situation & use of land	Per rating unit
Rateable Properties	Situation & use of land	Per rating unit
Rateable Properties	Situation of rating unit	Per rating unit
Rateable Properties	Situation of rating unit	Per rating unit
Rateable Properties	Situation of rating unit	Per rating unit
Rateable Properties	Situation of rating unit	Per rating unit
Rateable Properties	Situation of rating unit	Per rating unit
Rateable Properties	Situation of rating unit	Per rating unit



Legislation

Local Government (Rating) Act 2002	Rate Subject to 30% Cap (S21)	Types of Rates
Urban Wastewater		
S16(3)(b) & S16(4)(b)	No	Urban Wastewater Targeted Rate - Full Charge
S16(3)(b) & S16(4)(b)	No	Urban Wastewater Targeted Rate - Half Charge
S16(3)(b) & S16(4)(b)	No	Urban Wastewater Targeted Rate - For Connected Multiple Use
Educational establishments and multi-unit residential properties		
S16(3)(b) & S16(4)(b)	No	Urban Wastewater Targeted Rate - Full Charge
Stormwater		
S16(3)(b) & S16(4)(b)	Yes	Urban Stormwater Targeted Uniform Rate
Water		
S16(3)(b) & S16(4)(b)	No	Urban Water Targeted Rate - Full Charge
S16(3)(b) & S16(4)(b)	No	Urban Water Targeted Rate - Half Charge
S19(2)(a)	No	Pongaroa Water Targeted Rate
S16(3)(b), S16(4)(b), S19(2)(a) & S19(2)(b)	No	Water by Meter Rates

Rates requirement for the three sectors compared to Year 1 and Year 2 of the Long Term Plan is as follows:

Sector	Annual Plan 2016/17		
	Rates by Sector	\$ change from prior year	% Change from prior year
Rural	12,977,959	123,900	0.96%
Urban	9,419,824	235,703	2.57%
Industrial/Commercial	1,608,743	58,660	3.78%
Windfarms	168,948	(12,584)	(6.93%)
Total Rates Requirement	24,175,474	(405,679)	1.71%



Properties to be Charged (known as "Rating Units")	Schedule 2 Category (Category Rated)	Schedule 3 – How it is Rated
Rateable & Non-Rateable Properties	Provision of service	Separately used or inhabitable parts of a rating unit
Rateable & Non-Rateable Properties	Availability of service	Per rating unit
Rateable & Non-Rateable Properties	Provision of service	The number of water closets or urinals within the rating unit
Rateable & Non-Rateable Properties	Provision of service	The number of water closets or urinals within the rating unit
Rateable Properties	Situation of land	Per rating unit
Rateable & Non-Rateable Properties	Provision of service	Separately used or inhabitable parts of a rating unit
Rateable & Non-Rateable Properties	Availability of service	Per rating unit
Rateable & Non-Rateable Properties	Situation and provision of service	n/a
Rateable & Non-Rateable Properties	Availability of service	n/a

Long Term Plan 2017/18			Annual Plan 2017/18		
Rates by Sector	\$ change from prior year	% Change from prior year	Rates by Sector	\$ change from prior year	% Change from prior year
13,274,263	271,332	2.09%	13,148,186	(170,227)	1.31%
10,169,434	513,683	5.32%	9,729,204	(309,380)	3.28%
1,688,250	73,102	4.53%	1,660,203	(51,460)	3.20%
189,215	3,516	1.89%	176,954	(8,006)	4.74%
25,321,162	861,633	3.52%	24,714,547	(539,073)	2.23%

Examples of the Impacts of the Council's Rating Proposals

These examples are from the sample set of ratepayers used by Council in modelling impacts of rating scenarios. Four properties in each sector with high, medium and low land or capital values is extracted to show the impact on rates as required by Clause 15(5) Schedule 10, Local Government Act 2002.

Council sent out sample rates invoices to each ratepayer to indicate the proposed rates for the Draft Annual Plan 2017/18 compared to current rates.

Property Type	Land Value*	Capital Value*	Annual Plan 2016/17	Annual Plan 2017/18	Difference \$	Percentage %
Urban properties						
Urban - Settlement	16,000	126,000	1,826	1,876	51	2.8%
Urban - Settlement	8,000	66,000	1,587	1,599	12	0.7%
Urban Low Land Value	29,000	136,000	2,079	2,139	60	2.9%
Urban Low Land Value	21,000	120,000	2,037	2,095	58	2.9%
Urban Medium Land Value	38,000	210,000	2,138	2,198	60	2.8%
Urban Medium Land Value	40,000	275,000	2,925	3,040	115	3.9%
Urban Medium Land Value	70,000	335,000	2,377	2,435	58	2.4%
Urban Medium Land Value	39,000	270,000	8,021	8,526	505	6.3%
Urban High Land Value	90,000	399,000	2,516	2,573	58	2.3%
Urban High Land Value	150,000	340,000	2,516	2,555	39	1.5%
Urban High Land Value	88,000	470,000	10,067	10,690	623	6.2%
Rural Properties						
Rural - Settlement	50,000	175,000	1,302	1,294	(7)	(0.6%)
Rural - Settlement	315,000	325,000	1,990	2,009	19	1.0%
Rural - Lifestyle	170,000	335,000	1,570	1,575	5	0.3%
Rural Medium Land Value	1,460,000	2,070,000	5,304	5,436	131	2.5%
Rural Medium Land Value	2,200,000	2,430,000	7,446	7,650	203	2.7%
Rural Medium Land Value	2,200,000	2,480,000	6,368	6,582	215	3.4%
Rural High Land Value	4,150,000	4,950,000	13,073	13,469	395	3.0%
Rural High Land Value	5,431,000	6,220,000	16,784	17,305	520	3.1%
Rural High Land Value	5,500,000	5,800,000	16,997	17,522	525	3.1%
Rural High Land Value	7,300,000	8,725,000	20,760	22,908	2,148	10.3%



Property Type	Land Value*	Capital Value*	Annual Plan 2016/17	Annual Plan 2017/18	Difference \$	Percentage %
Industrial/Commercial Properties						
Ind/Com - Urban Low Land/Capital Value	8,000	63,000	1,603	1,613	10	0.6%
Ind/Com - Urban Low Land/Capital Value	8,500	52,000	2,120	2,171	51	2.4%
Ind/Com Rural - Low - Land/Capital Value	25,000	116,000	1,218	1,210	(8)	(0.7%)
Ind/Com Rural - Medium - Land/Capital Value	20,000	265,000	3,147	3,248	101	3.2%
Ind/Com Urban - Medium - Land/Capital Value	175,000	810,000	3,890	4,024	135	3.5%
Ind/Com Urban - Medium - Land/Capital Value	76,000	590,000	2,889	2,953	64	2.2%
Ind/Com - Urban High - Land/Capital Value	160,000	1,860,000	4,935	5,081	145	2.9%
Ind/Com - Urban High - Land/Capital Value	405,000	3,630,000	9,754	10,122	368	3.8%
Ind/Com - Urban High - Land/Capital Value	-	9,790,000	17,856	18,517	660	3.7%
Ind/Com - Rural High - Land/Capital Value	600,000	64,300,000	51,409	53,725	2,316	4.5%
Ind/Com - Rural High - Land/Capital Value	850,000	7,650,000	9,405	9,632	227	2.4%
Ind/Com - Rural High - Land/Capital Value	355,000	5,750,000	6,420	6,665	245	3.8%
Ind/Com - Rural (Windfarm)	750,000	6,710,000	7,994	8,353	358	4.5%
Ind/Com - Rural (Windfarm)	1,300,000	8,890,000	11,186	11,720	534	4.8%

* Land and capital values are as at date the Draft Annual Plan is adopted.

How Council Rates

Explanation of Rates

There are two types of rates – General Rates and Targeted Rates.

These may be charged in two ways:

- on a uniform basis – to all rateable land for which the rate is set; or
- differentially – on a different basis for different categories of land.

They may be charged on as a fixed amount, including as a fixed amount per rating unit, per separately used or inhabitable part of a rating unit, or number of services used such as number of water closets, or using a factor – such as land or capital value. These categories are set out below.

General Rate

The Council sets a General Rate with no differentials, based on the land value of each rating unit.

Function/Service	How it Operates
General Rate (various functions/services)	A district-wide rate charged on land values

Uniform Annual General Charge

The Council applies the Uniform Annual General Charge (UAGC) as a specific rate of an equal amount on each rating

unit. The UAGC is applied as a fixed amount to every rating unit within the district and does not vary with the value of the rating unit.

It is used as a mechanism to ensure each rating unit contributes a minimum amount of the general rate.

Individuals benefit as each has an equal opportunity to access and use the assets and services, and to an extent, many within the community make similar use of the assets and services.

Hence, Council considers a range from 27.5% to 29% of the rates requirement should be recovered by way of a UAGC charged to every rating unit in the district, which reflects the equal opportunity to access and use the assets and services.

Targeted Rates

Council sets targeted rates for different functions of council where the benefit of having access to particular function(s) or service(s) exist to particular groups of ratepayers.

Council has targeted rates for:

Function/Service	How it Operates
(Various) Specific Services	By Sector – charged on Land Value or Capital Value
Solid Waste Refuse & Recycling	By Sector – fixed amounts
Roading	A District-wide Rate – charged on Land Value
Roading	By Sector – fixed amounts
Roading Special Development Loans	By Ward, North or South – fixed amounts
Town Centre Special Development Loans	Two Rates by Ward, North or South – fixed amounts
Wastewater	Three Rates by Provision (100% Rate) or Availability (50% Rate) for Wastewater or for some ratepayers as a per pan charge – all as fixed amounts
Water	Four Rates by Provision (100% Rate) or Availability (50% Rate) for Water – fixed amounts; and on consumption basis for metered supply; Pongaroa Rural Supply – by number of units of supply as a fixed amount
Swimming Pools & Libraries	A District-wide Rate based on the Rating Unit – a fixed amount per rating unit
Stormwater	A District-wide Rate based on Provision of Service – a fixed amount per rating unit

Targeted Rates

A differential targeted rate in the dollar on the following categories of rateable land, within the meaning of Section 16 of the Local Government (Rating) Act 2002, is used when assessing and setting the differential targeted rate.

Ward Rates

Differential targeted rates may be collected as a fixed amount for each differential category based on where the rating unit is situated. The following are the differential targeted rate and Council's objectives for using this rating mechanism.

The categories of Rateable Land for setting Targeted Rates are:

- Category: Ward.
- Description: North and South Wards. These are the two areas defined for election purposes.

Sector Rates

Category	Description
Urban	All rating units in the district situated in the urban areas as defined in the District Plan other than: <ul style="list-style-type: none"> (i) properties included in the Industrial/Commercial category; (ii) properties used for Industrial/Commercial purposes; or (iii) farmland (these are rated as rural).
Rural	All rating units in the district situated in the rural areas as defined in the District Plan other than those not included in the Industrial/Commercial or Urban categories.
Industrial/Commercial	All rating units in the district used exclusively or principally for industrial or commercial purposes. This category may be identified as Urban or Rural, as defined in District Plan. It does not include residential flats or farms. <p>For the avoidance of doubt, it does include postal services and utility operators (being companies, public entities and/or commercial operators) that provide services for such areas as electricity generation or transmission, gas or oil, telecommunications, rail, water, sewerage/wastewater, stormwater.</p>

The following are the activities or groups of activities for which targeted rates are set:

Solid Waste Targeted Differential Uniform Rate

Funding for recycling and the public benefit costs of refuse are best funded on a uniform rating unit basis



differentiated between rural, urban and industrial/commercial. The majority of costs will be allocated to the urban sector to reflect the higher use and service levels in urban areas. The balance of costs will be allocated between rural and industrial/commercial to reflect the waste generated by businesses, and the access to recycling services provided to the rural sector. All of the rates required to fund recycling and refuse disposal services will be funded through this rate. Land transfer stations and landfills continue to be principally funded from user charges and general rates.

Specified Services Targeted Differential Rate

Land Value Rate for Rural

Emergency Management has a distinctly uneven sector benefits to other general activities of Council and that certain proportions of these costs would be charged by land value. Hence, included in the rural differential targeted rate is 92% of Rural Fire protection cost.

The Rural Fire protection cost meets the cost of preparedness for fighting fires and the actual cost of fighting fires where this cannot be recovered from the person who started the fire. The main beneficiaries of this service are landowners in the areas outside the urban fire districts, however a contribution is received from urban properties as some benefit is gained by these areas (fire hazard inspections, preventing spread of fire etc).

Land Value in this instance has been used because:

- It better reflects community created wealth, e.g. access to services, so is better related to the infrastructure provided by Council.
- Is more related to the land area and ability of land to generate income.
- Is not proportional to owners total investment

Land Value Rate for Urban

Emergency Management and Footpaths have distinctly uneven sector benefits compared to other general activities of Council and certain proportions of these costs would be charged by land value. Included in the urban differential targeted rate is 7% of Rural Fire protection cost and 71% of Footpaths cost.

The Rural Fire protection cost meets the cost of preparedness for fighting fires and the actual cost of fighting fires where this cannot be recovered from the person who started the fire. The main beneficiaries of this service are landowners in the areas outside the urban fire districts, however a contribution is received from urban properties as some benefit is gained by these areas (fire hazard inspections, preventing spread of fire etc).

Occupiers of urban residential and commercial properties which are served with footpaths benefit from

easier access and the added value to the properties. While the primary benefit is for the people who use the footpaths, these users generally cannot be identified or be restricted from using footpaths from a public safety factor.

Land Value in these instances has been used because:

- it better reflects Council created wealth, e.g. access to services and is better related to the infrastructure provided by Council;
- it is more related to the land area;
- it is not proportional to owners total investment.

Capital Value Rate for Industrial Commercial: Rural & Urban

Economic Development, Emergency Management and Footpaths have distinctly uneven sector benefits to other general activities of Council and certain proportions of these costs will be charged by capital value. Ratepayers are further defined according to two sub categories (rural and urban) and two uses of land, windfarms and utilities (excluding windfarms). In essence, rates are being set differentially as follows:

Rural A share of Economic Development plus Rural Fire

Urban A share of Economic Development plus Footpaths

Included in the industrial/commercial differential rates is 60% of Economic Development cost allocated based on the Industrial Commercial capital value, 1% of Rural Fire protection cost to Industrial Commercial Rural, 14% of Footpaths cost to Industrial Commercial Urban.

The Industrial Commercial section gains specific benefits from Economic Development activities to attract and retain residents, the support for business and business development, and tourism. Retailers, tourist operators, motels, and businesses benefit from this activity. The whole district benefits as well from an increased population, wealth and larger rating base.

The Rural Fire protection cost meets the cost of preparedness for fighting fires and the actual cost of fighting fires where this cannot be recovered from the person who started the fire. The main beneficiaries of this service are landowners in the areas outside the urban fire districts, however a contribution is received from urban properties as some benefit may be gained by these areas (fire hazard inspections, preventing spread of fire etc). However, Rural industrial commercial ratepayers benefit the most from this service.

Occupiers of urban residential and commercial properties which are served with footpaths benefit from easier access and the added value to the properties. While the primary benefit is for the people who use the footpaths, these users generally cannot be identified or be restricted from using footpaths from a public safety factor. Urban industrial commercial ratepayers generally

benefit from access and use of footpaths or may affect the footpaths in access to underground services.

Capital Value in these instances has been used because:

- Council determined that the Industrial/Commercial Sector benefits generally closely reflects the total value of ratepayers investment
- Insofar as property values indicate ability to pay, capital values more fairly reflect ability to pay.
- The spread between high and low rates are generally less extreme.
- Rating base expands as development expands.
- Industrial/commercial businesses with high capital values will pay more for this service, and those with low capital value less.

Roading (excluding special development targeted differential rate)

A uniform rate in the dollar on the rateable land value of every rating unit in the district ranging from 75% to 80% of the Roothing cost, which broadly represents the variable cost of the Road network e.g. generally allowing for the use, wear and tear, and ageing of the roads.

For these costs, ratepayers of the Roothing network will be charged for the whole network as there is no way to separate and prevent one group of ratepayers from accessing and using a part of the network funded from another group of ratepayers.

This is a district-wide rate in the dollar because Roothing needs to be managed as a Roothing network and, on a district-wide basis, progressively throughout the funding year. This is consistent with the policy approach to funding taken by NZ Transport Agency (Council's primary Roothing funding source) to fund Roothing as a network.

District-wide rating spreads the cost of Roothing amongst all ratepayers. An advantage of this is that it makes larger expenditure commitments more affordable than annually uneven cost recoveries targeted to specific ratepayer categories. It therefore provides regularity to funding to appropriately manage the district asset.

Roothing Rate – Targeted Differential

A targeted differential uniform rate in the dollar on every rating unit in the district for different rate categories.

This cost broadly represents the fixed cost of providing Roothing, a cost that may be shared by all Ratepayers. This essentially treats the differentiated fixed amount targeted rate funding for Roothing as a network access charge.

The fixed component of cost ranging from 20% to 25% will be charged differentially as fixed amount targeted rates on a basis of approximately 83.3% Rural, 13.2% Urban and 3.5% Industrial/Commercial.

These proportions closely match the assessed benefits received by each sector from the Roothing activity expenditure and reflect the relative capital values by sector.

There are further targeted rates for special development loan related costs. These rates ensure that the work is completed when necessary for economic, efficiency, effectiveness and safety reasons.

Dannevirke Footpaths Special Development Targeted Differential Rate

Council is funding the Dannevirke High Street footpath upgrade by way of a targeted rate set as a fixed amount per rating unit set differentially for the North and South Wards. Funding for the Dannevirke High Street upgrade has its loan repayments and interest costs funded through these rates. The North Ward, as the main area of benefit, is allocated 10% of the total costs with the remaining cost allocated equally. Overall, the North Ward pays 55% of the costs and the South Ward 45%. This ensures that the local community (as defined by North and South Wards) pay a higher proportion of the cost than the balance of the district.

A lump sum payment option was made available. Properties on which the lump sum was paid do not pay this rate.

Woodville and Eketahuna Town Centre Special Development Targeted Differential Uniform Rate

Council is funding separately the Woodville Town Centre upgrade, and the Eketahuna Town Centre upgrade, by way of a targeted rate set as a fixed amount per rating unit set differentially for the North and South Wards. Funding for Woodville and Eketahuna town centre upgrades will have its loan repayments and interest costs funded through these rates. The South Ward, as the main area of benefit, is allocated 10% of the total costs with the remaining cost allocated equally. Overall, the South Ward pays 55% of the costs and the North Ward 45%. This ensured that the local communities (as defined by North and South Wards) pay a higher proportion of the cost than the balance of the district.

Urban Water Rate

A targeted rate is charged as follows:

- full charge for a separately used or inhabitable part of the rating unit which receives an ordinary supply of water from an urban water supply;



- 50% of the fixed amount for every rating unit to which an ordinary supply of water is available but is not connected. By "water is available", it means a rating unit is within 100 metres of Council's water system and could be effectively connected to the water system.

Water by Meter Rates

This is collected under Section 16 and 19 of the Local Government (Rating) Act 2002.

Rural properties supplied from town water supplies in Dannevirke and Pahiataua are charged a rate as a fixed amount under Section 16, plus a charge for all water consumed above a certain quantity under Section 19 of the Local Government (Rating) Act 2002.

Several farming properties in Woodville are connected to the town supply and are charged with the Fixed Amount Targeted Rate plus a charge for water consumed through the meter in excess of the standard allowance.

The standardised charges for water supplied through a meter are:

- A Targeted Rate per rating unit.
- Plus a charge in excess of 100 cubic metres supplied during each consecutive three-month period per separately used or inhabitable part of a rating unit.

The unit rate per cubic metre in excess of 100 cubic meters per quarter will be set by the Council annually based on the percentage change in the Urban Water Targeted Rate compared to the previous year.

Large volume users depicted as consumers using more than 2,000 cubic metres per quarter may be charged at a different rate for water supplied in excess of 100 cubic metres per quarter to other users and such rate will be set by the Council annually.

Pongaroa Water Rate

A separate targeted rate applies for each unit of water from the Pongaroa rural water supply. One unit is for a maximum of one cubic metre of water (by volume) per day through a 20mm pipe at a gravity fed pressure.

Wastewater Targeted Rate

A targeted uniform rate of the full charge on each separately used or inhabitable part of the rating unit connected to the wastewater system.

Then a fixed amount, 33% of the full charge, on each water closet/urinal between 4 and 12.

There is no charge for the 13th and subsequent water closets/urinals.

50% of the fixed amount on every rating unit to which wastewater is available but not connected. By "wastewater is available", it means a rating unit is within 100 metres of Council's wastewater system and could be effectively connected to the wastewater system.

A remission policy applies to educational establishments.

A rating unit used primarily as a residence for one household will be treated as having only one water closet/urinal.

Urban Stormwater Rate

A targeted uniform rate will be charged on every rating unit in the district's stormwater drainage area as a fixed amount per rating unit.

Fees and Charges

Council sets its fees and charges in accordance with the Schedule of Fees and Charges. Any request for additional services not covered in the schedule will be considered based on a recovery of associated cost.

Setting of Rates

Rates are set by Council by way of resolution for each financial year, referred to as the Rating Year. These rates will remain in effect for the rating year and will not be affected by a change in the rateable value or factors of a rating unit during the financial year in which the rates are set.

Utility Charges for Non-Rateable Properties

Non-rateable properties are liable for targeted rates and charges for the provision of utility services, such as water, sewerage and refuse collection.

Instalments

Rates and charges for the year ending on 30 June 2018 will be assessed in four instalments, which will become due and payable on the following dates:

Instalment	Due Date
Instalment 1	31 August 2017
Instalment 2	30 November 2017
Instalment 3	28 February 2018
Instalment 4	31 May 2018

Charges for Water by Meter Rates for the year ending on 30 June 2018 will be assessed in four instalments, which will become due and payable on the following dates:

Instalment	Meters read	Due date
Instalment 1	September	20 October 2017
Instalment 2	December	20 January 2018
Instalment 3	March	20 April 2018
Instalment 4	June	20 July 2018

Penalties

In accordance with Section 57 and 58 of the Local Government (Rating) Act 2002:

A penalty of 10% is added to each instalment or part thereof "current rates" which are unpaid after the due date for payment on the following dates:

Due Date	Current Rates Penalty Date
31 August 2017	1 September 2017
30 November 2017	1 December 2017
28 February 2018	1 March 2018
31 May 2018	1 June 2018

For Water by Meter Rates, a penalty of 10% is added to all amounts of rates remaining unpaid a day after the due date, as listed below.

Due Date	Water by Meter Rates Penalty Date
20 October 2017	21 October 2017
20 January 2018	21 January 2018
20 April 2018	21 April 2018
20 July 2018	21 July 2018

Rates in Arrears Penalty Date

A penalty of 10% is added to previous year's rates "rates in arrears" that remain unpaid as assessed on 7 July 2017, and again on 8 January 2018.

Discount

A 3% discount under the Local Government (Rating) Act 2002 Section 55(3) will be provided for full payment of the 2017/18 rates on or before 31 August 2017.

Appendix 1 – Definitions

District valuation roll means in relation to a territorial authority, a roll prepared for a district under Section 7 of the Rating Valuations Act 1998 and approved under Section 11 of that Act;

Division where a rating unit is split into one or more parts and the parts are rated separately for the purpose of setting rates over the whole rating unit. Examples are where there are different differential categories such as provision of services, different remission/postponement categories or if part of the property is non-rateable.

Farmland means a rating unit that is used exclusively or principally for agricultural, horticultural, or pastoral purposes, or for the keeping of bees or poultry or other livestock; and "farming purposes" has a corresponding meaning.

General Rate As per Local Government (Rating) Act 2002 Section 13

A local authority may set a general rate for all rateable land within its district.

(2) A general rate may be set—

- (a) at a uniform rate in the dollar of rateable value for all rateable land; or
- (b) at different rates in the dollar of rateable value for different categories of rateable land under Section 14.

Industrial or commercial purposes includes any industrial or commercial purposes other than farming purposes.

Maori freehold land means land whose beneficial ownership has been determined by the Maori Land Court by freehold order.

Maori freehold land in multiple ownership means Maori freehold land owned by more than two persons.

Owner means the person who, whether jointly or separately, is seized or possessed of, or entitled to, any estate or interest in land constituting a rating unit.

Rates assessment means the document that gives notice of the ratepayer's liability to pay rates on a rating unit.

Rates invoice means the document that notifies a ratepayer of the amount of rates that are payable for a rating unit.

Rating information database means the database that is required to be kept by a local authority to:

- record all information required for setting and assessing rates; and
- enable a local authority to communicate with ratepayers; and
- enable members of the public to have reasonable access to the information in the database relating to the calculation of liability for rates.

Rates record means the record maintained by a local authority for each rating unit in its district that clearly shows the amount of the ratepayer's liability.



Remissions or remitted rates means rates for which the requirement to pay is cancelled.

Rating unit means either:

- one rating unit; or
- part of a rating unit where Council has created divisions for the purpose of remission, application of non-rateable status, or creating separate rating categories; or
- two or more rating units where they must be treated as one unit for setting a rate if those units are:
 - (a) owned by the same person or persons; and
 - (b) used jointly as a single unit; and
 - (c) contiguous or separated only by a road, railway, drain, water race, river, or stream.

Separately used or inhabitable part of a rating unit

being any part of a rating unit that is or is able to be used or inhabitable by the ratepayer or by any other person or body having a right to use or inhabit that part by virtue of tenancy, lease, licence or other agreement.

Targeted Rates As per Local Government (Rating) Act 2002 Section 16:

- (1) A local authority may set a targeted rate for a function if the function is identified in its annual plan as a function for which a targeted rate may be set.

- (2) Subsection (1) does not prevent a local authority from setting a targeted rate for several functions, or setting several targeted rates for one function.

- (3) A targeted rate may be set in relation to—

- (a) all rateable land within the local authority's district; or
- (b) one or more categories of rateable land under Section 17.

- (4) A targeted rate may be set—

- (a) on a uniform basis for all rateable land in respect of which the rate is set; or
- (b) differentially for different categories of rateable land under Section 17.

Uniform Annual General Charge Local Government

(Rating) Act 2002 Section 15 Uniform annual general charge—

- (1) A local authority may set a uniform annual general charge for all rateable land within its district, being—

- (a) a fixed amount per rating unit; or
- (b) a fixed amount per separately used or inhabitable part of a rating unit.

- (2) A uniform annual general charge is a rate for the purposes of this Act.

Summary of Rates by Charges

	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Limit on General Rates: 30% Cap of Total Rates	29.15%	28.82%	28.24%
Uniform Annual General Charge	511.70	518.01	496.90
General Land Value Rate In Dollar	0.0010254	0.0011094	0.00126766
Targeted Uniform Rate - Libraries & Swimming Pools	206.57	227.17	214.41
Specified Services Targeted Differential - Land Value Rate			
- Rural	0.0000898	0.0000854	0.00000516
- Urban	0.0041452	0.0033568	0.00395851
Specified Services Targeted Differential - Capital Value Rate			
- Industrial Commercial Rural	0.0007567	0.0009134	0.00079125
- Industrial Commercial Urban	0.0017408	0.0016815	0.00180935
Refuse & Recycling Targeted Differential Rate			
- Rural	48.39	49.46	50.58
- Urban	164.00	162.21	169.35
- Industrial Commercial	228.13	276.68	222.42
Roading Land Value Rate - District-Wide	0.0017791	0.0017542	0.00171912
Roading Targeted Differential Uniform Rate			
- Rural	280.49	276.73	275.98
- Urban	44.53	43.79	42.94
- Industrial Commercial	95.55	94.63	92.09
Town Centre Special Development Fixed Amount Loan Rate			
Dannevirke Town Centre Refurbishment			
- North Ward	16.34	16.81	14.45
- South Ward	13.30	13.68	11.77
Woodville Town Centre Refurbishment			
- North Ward	10.11	11.79	8.47
- South Ward	12.53	14.62	10.51
Pahiatua Town Centre Refurbishment			
- North Ward	-	0.45	0.30
- South Ward	-	0.56	0.37
Eketahuna Town Centre Refurbishment			
- North Ward	4.56	1.67	5.76
- South Ward	5.65	2.07	7.17
Urban Wastewater (95% of net cost including all loan costs)			
Per connected water closet/urinal			
Urban Wastewater Targeted Differential Rate			
- Full Charge	399.89	487.35	420.50
- Half Charge	199.94	243.68	210.25
- For Connected Multiple Use	133.28	162.43	140.15



	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Urban Stormwater Targeted Uniform Rate	175.85	180.16	183.05
Urban Water Targeted Uniform Rate			
- Full Charge	356.65	423.75	392.54
- Half Charge	178.32	214.59	196.27
Pongaroa Water Targeted Uniform Rate	95.06	105.50	92.40
Water Meter / Large Industrial and Intake Line Charges			
- Quarterly Minimum Charge	89.16	105.94	98.13
- Meter fee per cubic metre above 100m ³ over 3 months	1.30	1.55	1.43
- Large Industrial and Line Intake - per cubic metre	0.65	0.77	0.72

Summary of Rates by Total

	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Uniform Annual General Charge	4,029,099	4,084,159	3,887,924
General Land Value Rate in Dollar	2,709,682	2,933,312	3,353,544
Targeted Uniform Rate - Libraries & Swimming Pools	1,626,516	1,791,111	1,677,580
Specified Services Targeted Differential - Land Value Rate			
- Rural	220,170	209,372	12,663
- Urban	598,006	485,346	572,058
Specified Services Targeted Differential - Capital Value Rate - Industrial Commercial			
- Rural	147,702	150,975	154,767
- Urban	405,231	389,960	421,870
Refuse & Recycling Targeted Differential Rate			
- Rural	179,980	183,959	184,939
- Urban	620,931	616,263	642,662
- Industrial Commercial	98,989	119,573	97,093
Roading Land Value Rate - District-wide	4,701,372	4,638,341	4,547,858
Roading Targeted Differential Uniform Rate			
- Rural	1,040,848	1,026,894	1,006,861
- Urban	164,846	162,636	159,463
- Industrial Commercial	44,038	43,448	42,600
Town Centre Special Development Targeted Differential Uniform Rate			
Dannevirke Town Centre Refurbishment			
- North Ward	44,858	46,063	39,476
- South Ward	38,406	39,506	33,787
Woodville Town Centre Refurbishment			
- North Ward	42,586	49,577	35,475
- South Ward	45,527	53,054	37,931
Pahiatua Town Centre Refurbishment			
- North Ward	-	1,904	1,257
- South Ward	-	2,038	1,344
Eketahuna Town Centre Refurbishment			
- North Ward	19,198	7,041	24,107
- South Ward	20,523	7,542	25,776
Urban Wastewater Targeted Differential Rate			
- Full Charge	1,820,362	2,227,417	1,920,391
- Half Charge	21,037	26,487	27,058
- For Connected Multiple Use	35,233	43,363	37,658



	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Urban Stormwater General Targeted Uniform Rate	733,750	755,009	768,743
Urban Water Targeted Uniform Rate			
- Full Charge	1,524,277	1,832,062	1,685,182
- Half Charge	21,863	25,938	25,600
Pongaroa Water Targeted Uniform Rate	67,120	66,053	65,244
Total to Fund (excluding GST)	21,022,152	22,018,402	21,490,910
Increase in Rates	1.71%	3.52%	2.23%

Rate Funding Requirements

All the "number of chargeable properties" are before remissions – remissions are treated as a district-wide expense.

	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
District-wide General Activities			
Charged through the Uniform Annual General Charge + General Differential Land Value Rate In Dollar			
District & Treasury	241,323	165,930	271,282
Animal Control	6,485	27,966	59,783
Cemeteries	266,186	252,429	265,345
Commercial Property	(17,000)	(17,843)	(17,000)
Community Buildings	825,444	883,205	804,807
Community Support	348,817	388,232	368,209
District Promotion & Development (40% of net cost)	290,618	297,399	309,260
Emergency Management - Civil Defence	150,600	179,241	189,667
Footpaths (15% of net cost)	122,800	99,172	120,654
Health & Safety	509,428	506,890	612,624
Housing (Self Funding)	-	-	-
Parks and Reserves	1,215,262	1,267,659	1,250,010
Public Conveniences	257,183	282,897	283,469
Representation	1,091,267	1,132,876	1,271,959
Resource Management	265,327	282,258	294,129
Service Centres	536,998	619,357	552,072
Sewerage (5% of total cost)	98,770	120,909	104,479
Solid Waste Management	529,272	528,894	500,719
Subtotal (excluding GST)	6,738,780	7,017,471	7,241,468
Plus GST	1,010,817	1,052,621	1,086,220
Total to Fund (including GST)	7,749,597	8,070,092	8,327,688
Uniform Annual General Charge			
Number of Chargeable Properties	9,061	9,073	9,004
Total to Fund			
District-wide General Activities - Uniform Annual General Charge - Subtotal (excluding GST)	4,029,099	4,084,159	3,887,924
Plus GST	604,365	612,624	583,189
Total to Fund (including GST)	4,633,464	4,696,783	4,471,113



	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
General Land Value Rate in Dollar			
Total District Rateable Land Value	3,039,914,000	3,041,772,383	3,043,263,200
Total to Fund			
District-wide General Activities - General Land Value Rate in Dollar - Subtotal (excluding GST)	2,709,682	2,933,312	3,353,544
Plus GST	406,452	439,997	503,032
Total to Fund (including GST)	3,116,134	3,373,309	3,856,576
Targeted Uniform Rate - Libraries & Swimming Pools			
Estimated Number of Rateable Properties	9,061	9,073	9,004
Total to Fund			
Libraries	1,107,168	1,197,271	1,153,570
Swimming Pools	519,348	593,840	524,010
Subtotal (excluding GST)	1,626,516	1,791,111	1,677,580
Plus GST	243,977	268,667	251,637
Total to Fund (including GST)	1,870,493	2,059,778	1,929,217
Specified Services Targeted Differential - Land Value Rate - Rural			
Total Rural Rateable Land Value	2,819,710,450	2,819,601,000	2,822,528,650
Total to Fund			
Emergency Management: Rural Fire Protection (92% of net cost)	220,170	209,372	12,663
Plus GST	33,025	31,406	1,899
Total to Fund (including GST)	253,195	240,778	14,562
Specified Services Targeted Differential - Land Value Rate - Urban			
Total Urban Rateable Land Value	166,187,550	166,558,050	166,472,550
Total to Fund			
Emergency Management: Rural Fire Protection (7% of net cost)	16,752	15,930	963
Footpaths (71% of net cost)	581,254	469,416	571,094
Subtotal (excluding GST)	598,006	485,346	572,058
Plus GST	89,701	72,802	85,809
Total to Fund (including GST)	687,707	558,148	657,867



	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Specified Services Targeted Differential - Capital Value Rate - Industrial Commercial RURAL			
Total Industrial Commercial Rateable Capital Value for Rural	224,485,600	190,087,049	224,938,600
Total to Fund			
Economic Development (20% of net cost)	145,309	148,699	154,630
Emergency Management-Rural Fire Protection (1% of net cost) - new from 2012/13	2,393	2,276	138
Subtotal (excluding GST)	147,702	150,975	154,767
Plus GST	22,155	22,646	23,215
Total to Fund (including GST)	169,857	173,621	177,982
Specified Services Targeted Differential - Capital Value Rate - Industrial Commercial URBAN			
Total Industrial Commercial Rateable Capital Value for Urban	267,699,500	266,705,500	268,135,500
Total to Fund			
Economic Development (40% of net cost)	290,618	297,399	309,260
Footpaths (14% of net cost)	114,614	92,561	112,610
Subtotal (excluding GST)	405,232	389,960	421,870
Plus GST	60,785	58,494	63,280
Total to Fund (including GST)	466,017	448,454	485,150
Refuse & Recycling Targeted Uniform Rate - Rural			
Estimated Number of Rateable Properties	4,277	4,277	4,205
Total to Fund			
Solid Waste Management: Recycling (20% of net cost)	142,829	134,577	144,805
Solid Waste Management: Refuse (20% of net cost)	37,151	49,383	40,134
Subtotal (excluding GST)	179,980	183,959	184,939
Plus GST	26,997	27,594	27,741
Total to Fund (including GST)	206,977	211,553	212,680
Refuse & Recycling Targeted Uniform Rate - Urban			
Estimated Number of Rateable Properties	4,334	4,349	4,344
Total to Fund			
Solid Waste Management: Recycling (69.5% of net cost)	492,760	464,289	503,197
Solid Waste Management: Refuse (69.5% of net cost)	128,171	170,370	139,464
Subtotal (excluding GST)	620,931	634,659	642,662
Plus GST	93,140	95,199	96,399
Total to Fund (including GST)	714,071	729,858	739,061



	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Refuse & Recycling Targeted Uniform Rate - Industrial Commercial			
Estimated Number of Rateable Properties	499	497	502
Total to Fund			
Solid Waste Management: Recycling (10.5% of net cost)	78,556	74,017	76,023
Solid Waste Management: Refuse (10.5% of net cost)	20,433	27,160	21,070
Subtotal (excluding GST)	98,898	101,178	97,093
Plus GST	14,848	15,177	14,564
Total to Fund (including GST)	113,837	116,355	111,657
Roading Land Value Rate - District-wide			
Total District Rateable Land Value	3,039,914,000	3,041,772,383	3,043,263,200
Total to Fund			
Roading District-wide (excludes Footpaths)	5,951,104	5,871,318	5,756,782
Less % charged through Rooding Fixed Amount Targeted Rates (% is rounded)	21%	21%	21%
Less total \$ amount charged through Rooding Fixed Amount Targeted Rates	(1,249,732)	(1,232,977)	(1,208,924)
Subtotal (excluding GST)	4,701,372	4,638,341	4,547,858
Plus GST	705,206	695,751	682,179
Total to Fund (including GST)	5,406,578	5,334,092	5,230,037
Roading Targeted Differential Uniform Rate - Rural			
Estimated Number of Rateable Properties	4,270	4,270	4,198
Total to Fund			
Proportion of Capital Value for Sector	83.3%	83.3%	83.3%
Subtotal (excluding GST)	1,040,848	1,026,894	1,006,861
Plus GST	156,127	154,034	151,029
Total to Fund (including GST)	1,196,975	1,180,928	1,157,890
Roading Targeted Differential Uniform Rate - Urban			
Estimated Number of Rateable Properties	4,261	4,275	4,274
Total to Fund			
Proportion of Capital Value for Sector	13.2%	13.2%	13.2%
Subtotal (excluding GST)	164,846	162,636	159,463
Plus GST	24,727	24,395	23,919
Total to Fund (including GST)	189,573	187,031	183,382

	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Roading Targeted Differential Uniform Rate - Industrial Commercial			
Estimated Number of Rateable Properties	530	528	532
Total to Fund			
Proportion of Capital Value for Sector	3.5%	3.5%	3.5%
Subtotal (excluding GST)	44,038	43,448	42,600
Plus GST	6,606	6,517	6,390
Total to Fund (including GST)	50,644	49,965	48,990
Town Centre Special Development Targeted Differential Uniform Rate - Dannevirke Town Centre Refurbishment North Ward			
Estimated Number of Rateable Properties	3,162	3,156	3,145
Total to Fund			
Subtotal (excluding GST)	44,858	46,063	39,476
Plus GST	6,729	6,910	5,921
Total to Fund (including GST)	51,587	52,973	45,397
Town Centre Special Development Targeted Differential Uniform Rate - Dannevirke Town Centre Refurbishment South Ward			
Estimated Number of Rateable Properties	3,322	3,322	3,303
Total to Fund			
Subtotal (excluding GST)	38,406	39,506	33,787
Plus GST	5,761	5,926	5,068
Total to Fund (including GST)	44,167	45,432	38,855
Town Centre Special Development Targeted Differential Uniform Rate - Woodville Town Centre Refurbishment North Ward			
Estimated Number of Rateable Properties	4,850	4,840	4,819
Total to Fund			
Subtotal (excluding GST)	42,586	49,577	35,475
Plus GST	6,388	7,437	5,321
Total to Fund (including GST)	48,974	57,014	40,796
Town Centre Special Development Targeted Differential Uniform Rate - Woodville Town Centre Refurbishment South Ward			
Estimated Number of Rateable Properties	4,180	4,176	4,154
Total to Fund			
Subtotal (excluding GST)	45,527	53,054	37,931
Plus GST	6,829	7,958	5,690
Total to Fund (including GST)	52,356	61,012	43,621



	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Town Centre Special Development Targeted Differential Uniform Rate - Pahiatua Town Centre Refurbishment North Ward			
Estimated Number of Rateable Properties	-	4,840	4,819
Total to Fund			
Subtotal (excluding GST)	-	1,904	1,257
Plus GST	-	286	189
Total to Fund (including GST)	-	2,190	1,446
Town Centre Special Development Targeted Differential Uniform Rate - Pahiatua Town Centre Refurbishment South Ward			
Estimated Number of Rateable Properties	-	4,176	4,154
Total to Fund			
Subtotal (excluding GST)	-	2,038	1,344
Plus GST	-	306	202
Total to Fund (including GST)	-	2,344	1,546
Town Centre Special Development Targeted Differential Uniform Rate - Eketahuna Town Centre Refurbishment North Ward			
Estimated Number of Rateable Properties	4,850	4,842	4,819
Total to Fund			
Subtotal (excluding GST)	19,198	7,041	24,107
Plus GST	2,880	1,056	3,616
Total to Fund (including GST)	22,078	8,097	27,723
Town Centre Special Development Targeted Differential Uniform Rate - Eketahuna Town Centre Refurbishment South Ward			
Estimated Number of Rateable Properties	4,180	4,182	4,154
Total to Fund			
Subtotal (excluding GST)	20,523	7,542	25,776
Plus GST	3,079	1,131	3,866
Total to Fund (including GST)	23,602	8,673	29,642
Urban Wastewater Targeted Rate - Full Charge			
Estimated Number of Rateable Properties	5,235	5,256	5,252
Total to Fund			
Subtotal (excluding GST)	1,820,362	2,227,417	1,920,391
Plus GST	273,054	334,112	288,059
Total to Fund (including GST)	2,093,416	2,561,529	2,208,450



	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Urban Wastewater Targeted Rate - Half Charge			
Estimated Number of Rateable Properties	121	125	148
Total to Fund			
Subtotal (excluding GST)	21,038	26,487	27,058
Plus GST	3,156	3,973	4,059
Total to Fund (including GST)	24,194	30,460	31,117
Urban Wastewater Targeted Rate - For Connected Multiple Use			
Per connected water closet/urinal between 4 and 12 (inclusive) in number; & \$0 charge for 13 and above.			
Estimated Number of Rateable Units	304	307	309
Total to Fund			
Subtotal (excluding GST)	35,233	43,363	37,658
Plus GST	5,285	6,504	5,649
Total to Fund (including GST)	40,518	49,867	43,307
Urban Stormwater Targeted Uniform Rate			
Estimated Number of Rateable Properties to Receive Full Charges	4,794	4,815	4,825
Total to Fund			
Subtotal (excluding GST)	733,750	755,009	768,743
Plus GST	110,063	113,251	115,311
Total to Fund (including GST)	843,813	868,260	884,054
Urban Water Targeted Rate - Full Charge			
Estimated Number of Rateable Properties to Receive Full Charges	4,915	4,972	4,937
Total to Fund			
Subtotal (excluding GST)	1,524,277	1,832,062	1,685,182
Plus GST	228,642	274,809	252,777
Total to Fund (including GST)	1,752,919	2,106,871	1,937,959
Urban Water Targeted Rate - Half Charge			
Estimated Number of Rateable Properties to Receive Half Charges	141	139	150
Total to Fund			
Subtotal (excluding GST)	21,864	25,938	25,600
Plus GST	3,280	3,891	3,840
Total to Fund (including GST)	25,144	29,829	29,440



	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Pongaroa Water Targeted Rate			
Estimated Number of Rateable Properties	812	720	812
Total to Fund			
Subtotal (excluding GST)	67,120	66,053	65,244
Plus GST	10,068	9,908	9,787
Total to Fund (including GST)	77,188	75,961	75,031
Total Rates (excluding water by meter rates)			
Total to Fund (excluding GST)	21,022,152	22,018,402	21,490,910
Plus GST	3,153,323	3,302,760	3,223,636
Total to Fund (including GST)	24,175,475	25,321,162	24,714,546
Water by Meter Rates			
Total to Fund (excluding GST)	487,000	541,499	500,000
Plus GST	73,050	81,225	75,000
Total to Fund (including GST)	560,050	622,724	575,000
Total of All Rates*	24,735,525	25,943,886	25,289,547
Total Number of Rateable Units	10,730	10,690	10,608

* Does not reconcile to total rates per the 'Forecast Statement of Comprehensive Revenue and Expense', as excludes rates on Council-owned property.

Financials

4

Prospective Financial Statements

Guide to the Financial Statements

Within this section, you will find the financial detail of the Annual Plan. This has been used throughout the document to provide the dollar values from individual activities, to activity groups and finally the overall position of the Council.

In the interests of transparency we provide two sets of financial information:

- The usual Generally Accepted Accounting Principles (GAAP) regulated statements of financial position, comprehensive revenue and expenses and the like; and
- A funding impact statement.

Key differences between these two sets of information are that GAAP regulated financial statements, as the name suggests, must adhere to GAAP requirements.

The Funding Impact Statement (FIS) is intended to make the sources and applications of Council funds more transparent to its stakeholders than might be the case if only the usual GAAP financial statements were provided.

As such the Funding Impact Statement is meant to show only flows of funding and therefore exclude vested assets, revaluations and depreciation. It is therefore, by necessity, exempt from the GAAP requirements but it must follow a prescribed format.

What the Funding Impact Statement attempts to do is:

- link the Council's Revenue and Financing Policy, the annual setting of rates, fees, and the annual borrowing requirement;
- set out the revenue and financing mechanisms that will be used in each year along with an indicative

level or amount of funds to come from each mechanism; and

- show the planned application of funds in each year.

This section of the Annual Plan specifically contains the following information:

Financial Statements

Prospective Statement of Comprehensive Revenue and Expense

This provides information on the surplus or deficit arising throughout the Plan impacting on the past and future Comprehensive Revenue and Expense. This aids the reader to differentiate between components of financial performance according to frequency, potential for gain and loss and predictability.

Prospective Statement of Changes in Net Assets/Equity

Also known as net worth, equity is measured as the difference between the total value of assets and total liabilities. This statement presents a comprehensive measure of income. Accumulated equity represents the communities' investment in publicly owned assets resulting from past surpluses.

Prospective Statement of Financial Position

This presents information about the economic resources controlled by the Council. This information is useful in assessing the Council's ability to generate cash, provide services and for assessing future borrowing needs.

Prospective Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in



which the Council invests as part of its day to day cash management. It provides information about cash generation through Council activities to repay debt or to reinvest to maintain operating capacity.

Statement of Capital Expenditure

Provides a list of all capital projects by activities for the planned 2016/17 year, planned 2017/18 year, and Long Term Plan 2017/18.

Statement of Reserves and Special Funds

Reserves are held to ensure that funds received for a particular purpose are used for that purpose and any surplus created is managed in accordance with the reason for which the reserve was established. This statement discloses the specific reserves Council has established.

Funding Impact Statement

This statement explains how the Council collects revenue and finances its activities. It includes rates, subsidies and grants, fees and charges, interest and dividends and other revenue.



Forecast Statement of Comprehensive Revenue and Expense

For the year from 1 July 2017 to 30 June 2018

After allowance for inflation

(\$000's)	Annual Plan 2016/17	LTP 2017/18	Annual Plan 2017/18	Variance
Planned Income / Expenditure				
Operating Transactions				
Rates	21,022	22,018	21,501	(517)
Subsidies	9,612	8,256	8,949	693
Fees and charges	2,986	3,033	2,755	(278)
Finance income	291	305	175	(130)
Miscellaneous income	735	142	687	545
Total Income	34,646	33,754	34,067	313
Expenditure				
Operating expenses	17,387	17,357	16,683	674
Depreciation and amortisation	11,797	11,918	11,473	445
Employee benefit costs	4,775	4,839	4,995	(156)
Finance costs	544	729	515	214
Total Operating Expenditure	34,503	34,843	33,666	1,177
Other asset gains/(losses)	77	89	64	(25)
Operating Surplus/(Deficit)	220	(1,000)	465	1,465
Other Comprehensive Revenue and Expenses				
Gains on assets revaluations	14,054	19,178	14,811	4,367
Other Comprehensive Revenue and Expenses Subtotal	14,054	19,178	14,811	4,367
Total Comprehensive Revenue and Expenses	14,197	18,178	15,212	2,966



Forecast Statement of Changes in Net Assets/Equity

As at 30 June 2018

(\$000's)	Annual Plan 2016/17	LTP 2017/18	Annual Plan 2017/18	Variance
Net Assets/Equity at 1 July	884,307	909,541	881,011	(28,530)
Total recognised Comprehensive Revenue & Expense for the period	14,197	18,089	15,212	(2,877)
Net Assets/Equity at 30 June	898,504	927,630	896,223	(31,407)
Detailed Changes				
Accumulated Funds				
Balance at 1 July	353,976	346,089	354,952	8,863
Net Surplus (Deficit) after Tax for the Year	220	(1,000)	465	1,465
Transfers from Equity to Special Reserves	(1,830)	(665)	(1,210)	545
Balance at 30 June	352,366	344,424	354,207	9,783
Asset Revaluation Reserves				
Balance at 1 July	504,896	533,603	497,343	(36,260)
Increase in Revaluation Reserves	14,054	19,178	14,811	(4,367)
Balance at 30 June	518,950	552,781	512,154	(40,627)
Special Funded Reserves				
Balance at 1 July	25,308	29,710	28,602	(1,108)
Increase in Special Reserves	1,830	665	1,210	(545)
Balance at 30 June	27,138	30,375	29,812	(563)
Trust Funds				
Balance at 1 July	50	50	50	-
Increase in Trust Funds	-	-	-	-
Balance at 30 June	50	50	50	-
Net Assets/Equity at 30 June	898,504	927,630	896,223	(31,407)

* Closing balances for Long Term Plan 2016/17 are different from 2017/18 Annual Plan opening balance because the opening balance takes into account actual balance as at 28 February and the forecast expenditure and revenue to 30 June 2017.



Forecast Statement of Financial Position

As at 30 June 2018

(\$000's)	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18	Variance
Assets				
Current Assets				
Cash & Cash Equivalents	3,518	3,462	3,518	56
Debtors & Other Receivables	3,874	4,070	3,874	(196)
Other Financial Assets	8,597	7,604	3,723	(3,881)
Inventories	91	91	91	-
Total Current Assets	16,080	15,227	11,206	(4,021)
Non-Current Assets				
Investment Property	1,603	2,187	1,637	(550)
Biological Assets	1,449	1,335	1,449	114
Other Financial Assets	257	257	299	42
Property, Plant & Equipment	39,643	39,143	33,916	(5,227)
Infrastructural Assets	851,715	882,696	859,013	(23,683)
Restricted Assets	4,860	4,401	4,860	459
Intangible Assets	779	779	1,179	400
Total Non-Current Assets	900,306	930,798	902,353	(28,445)
Total Assets	916,386	946,025	913,559	(32,466)
Liabilities				
Current Liabilities				
Trade & Other Payables	4,266	3,607	4,264	(657)
Borrowings - Current	-	2,000	2,000	-
Employee Benefit Liabilities	407	571	407	164
Total Current Liabilities	4,673	6,178	6,671	(493)
Non-Current Liabilities				
Borrowings - Non-current	11,820	11,455	9,320	2,135
Employee Benefit Liabilities	29	78	29	49
Provision for Landfill Aftercare	686	686	641	45
Tenant Contributions	675	-	675	(675)
Total Non-Current Liabilities	13,210	12,219	10,665	1,554
Total Liabilities	17,883	18,397	17,336	1,061



(\$000's)	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18	Variance
Equity				
Retained Earnings	352,366	344,424	354,207	9,783
Asset Revaluation Reserves	518,950	552,781	512,154	(40,627)
Special Funded Reserves	27,138	30,375	29,812	(563)
Trust Funds	50	50	50	-
Total Equity	898,504	927,630	896,223	(31,407)
Total Liabilities & Equity	916,386	946,025	913,559	(30,346)

Forecast Cash Flow Statement

For the year from 1 July 2017 to 30 June 2018

(\$000's)	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18	Variance
Cash Flows from Operating Activities				
Cash is provided from:				
Rates	21,022	22,457	21,991	(466)
Grants and Subsidies	9,612	8,256	8,949	693
Fees and Charges	2,986	2,492	2,755	263
Finance Income	291	305	175	(130)
Other Revenue	735	142	687	545
Total	34,646	33,651	34,557	905
Cash is applied to:				
Payments Staff & Suppliers	22,162	22,104	22,168	(68)
Finance Costs	544	729	515	214
Total	22,706	22,833	22,683	146
Net cash from operating activities	11,940	10,818	11,874	1,056
Cash Flows from Investing Activities				
Sale of fixed assets	173	3,368	-	(3,368)
Proceeds from investments realised	1,676	1,675	2,500	825
Total	1,849	5,043	2,500	(2,543)
Cash is applied to:				
Purchase of fixed assets	13,908	12,685	14,341	(1,656)
Purchase of investments	2,006	1,665	1,210	455
Total	15,914	14,350	15,551	(1,201)
Net cash from investing activities	(14,065)	(9,307)	(13,051)	(1,342)
Cash Flows from Financing Activities				
Cash is provided from:				
Loans raised	2,126	-	3,177	3,177
Total	2,126	-	3,177	3,177
Cash is applied to:				
Repayment of loans	-	860	2,000	(1,140)
Tenant Contributions repaid	-	675	-	675
Total	-	1,535	2,000	(465)
Net cash from financing activities	-	(1,535)	1,177	2,711
Net (decrease)/increase in cash held	1	(24)	-	24
Total cash & cash equivalent resources at beginning	3,518	3,488	3,518	30
Total cash resources at year end	3,519	3,464	3,518	54



Forecast Council Funding Impact Statement

	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18	Variance
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	6,730	7,017	7,722	705
Targeted rates	14,292	15,542	14,268	(1,274)
Subsidies & grants for operating purposes	4,006	4,183	3,678	(505)
Fees and charges	2,986	2,492	2,755	(263)
Interest and dividends from investments	291	305	175	(130)
Local authorities fuel tax, fines, infringement fees, and other receipts	735	142	687	545
Total Operating Funding (A)	29,040	29,681	29,285	(396)
Applications of Operating Funding				
Payment to staff and suppliers	22,162	22,182	22,166	16
Finance costs	544	729	515	214
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	22,706	22,911	22,681	230
Surplus (Deficit) of Operating Funding (A - B)	6,234	6,770	6,604	(166)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	5,606	4,072	5,271	1,199
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	2,126	(860)	1,177	2,037
Gross proceeds from sale of assets	173	3,368	-	(3,368)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	7,905	6,580	6,448	(132)
Applications of Capital Funding				
Capital Expenditure:				
- to meet additional demand	82	28	28	-
- to improve the level of service	6,327	4,709	5,019	(310)
- to replace existing assets	7,499	7,949	9,295	(1,346)
Increase (decrease) in reserves	330	665	(1,290)	1,955
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	14,238	13,351	13,052	299
Surplus (Deficit) of Capital Funding (C - D)	(6,334)	(6,771)	(6,604)	167
Funding Balance ((A - B) + (C - D))	-	-	-	-



Reconciliation Funding Impact Statement to Comprehensive Revenue and Expense

	Annual Plan 2016/17	Long Term Plan 2017/18	Annual Plan 2017/18
Income			
Prospective Statement of Comprehensive Revenue & Expense	34,646	33,754	34,067
Summary Funding Impact Statement			
Total operating funding	29,040	29,681	29,285
Add sources of capital funding:			
- Subsidies and grants for capital expenditure	5,606	4,072	5,272
Less rates remissions and discounts	-	-	(490)
Total Revenue	34,646	33,754	34,067
Expenditure			
Prospective Statement of Comprehensive Revenue and Expense			
Operating expenditure	34,503	34,843	33,666
Total applications of operating funding	22,706	22,927	22,683
Add depreciation and amortisation expense	11,797	11,918	11,473
Less rates remissions and discounts	-	-	(490)
Add non-cash entries	-	-	-
Total Expenditure	34,503	34,843	33,666



Note 1: Statement of Capital Expenditure

	Funding	Carry Forward	Annual Plan 2017/18	Total Budget - Annual Plan 2017/18	LTP 2017/18	Variance
COMMUNITY AND RECREATION FACILITIES						
Cemeteries						
Growth						
Mangatera new area	Loan	-	21	21	21	-
Mangatera new berms	Loan	-	3	3	3	-
Woodville new berms	Loan	-	4	4	4	-
Cemeteries Total		-	28	28	28	-
Community Buildings						
Level of Service						
Pahiatua Service Centre earthquake work	Loan	30	-	30	-	30
Pahiatua Town Hall verandah	Loan	-	5	5	-	5
Upgrade earthquake prone buildings	Loan	30	-	30	226	(196)
Woodville Service Centre earthquake work	Loan	30	-	30	-	30
Renewals						
Dannevirke Sports Centre - general	Depreciation Reserve	-	4	4	4	-
Dannevirke Town Hall renewal - general	Depreciation Reserve	-	2	2	2	-
District off-road carpark sealing	Depreciation Reserve	-	154	154	157	(3)
District renewals - seating	Depreciation Reserve	-	3	3	3	-
Pahiatua Stadium	Depreciation Reserve	-	10	10	10	-
Pahiatua Town Hall	Depreciation Reserve	-	12	12	13	(1)
Pongaroa Community Hall - general	Depreciation Reserve	-	5	5	5	-
Town Hall windows	Depreciation Reserve	-	10	10	-	10
Woodville Sports Hall	Depreciation Reserve	-	62	62	63	(1)
Community Buildings Total		90	267	357	484	(126)
Housing						
Level of Service						
Reconfigure two units	Housing Reserve	-	60	60	-	60
Renewals						
Install heatpumps	Housing Reserve	-	150	150	-	150
Housing Total		-	210	210	-	210



Funding		Carry Forward	Annual Plan 2017/18	Total Budget - Annual Plan 2017/18	LTP 2017/18	Variance
Libraries						
Renewals						
Books	Depreciation Reserve	-	103	103	105	(2)
Furniture and fittings	Depreciation Reserve	-	10	10	10	-
Libraries Total		-	113	113	115	(2)
Parks and Reserves						
Level of Service						
Dannevirke Camping Ground - new power boxes	Loan	-	15	15	-	15
Dannevirke Camping Ground - two new cabins	Loan	-	60	60	-	60
District-wide walkway development	Loan	-	10	10	10	-
District-wide drainage	Loan	-	5	5	5	-
Eketahuna Camping Ground - two new cabins	Loan	-	84	84	52	32
Renewals						
Dannevirke Camping Ground hardstand	Depreciation Reserve	-	10	10	-	10
Dannevirke Camping Ground - general	Depreciation Reserve	-	8	8	8	-
Dannevirke Domain shed	Depreciation Reserve	-	2	2	2	-
Eketahuna Camping Ground	Depreciation Reserve	-	2	2	2	-
Eketahuna Domain	Depreciation Reserve	-	51	51	52	(1)
Pahiatua Camping Ground	Depreciation Reserve	-	3	3	3	-
Parks and Reserves Total		-	250	250	136	116
Public Conveniences						
Renewals						
District-wide general renewals	Depreciation Reserve	-	10	10	10	-
Public Conveniences Total		-	10	10	10	-
Swimming Pools						
Level of Service						
Eketahuna outdoor pool	Loan	-	-	-	526	(526)
Renewals						
Eketahuna outdoor pool renewal	Depreciation Reserve	-	2	2	2	-
Pahiatua pool renewal	Depreciation Reserve	-	2	2	2	-
Woodville pool renewal	Depreciation Reserve	-	103	103	105	(2)
Swimming Pools Total		-	107	107	635	(528)



Funding		Carry Forward	Annual Plan 2017/18	Total Budget - Annual Plan 2017/18	LTP 2017/18	Variance
DISTRICT PROMOTION & ECONOMIC DEVELOPMENT						
District Promotion and Development						
Level of Service						
Computer hardware	Loan	-	5	5	5	-
District-wide fibre project	Loan	-	10	10	11	(1)
District Promotion & Development Total		-	15	15	16	(1)
REGULATORY SERVICES						
Emergency Management						
Renewals						
Civil Defence - radio renewals	Depreciation Reserve	-	3	3	3	-
Emergency Management Total		-	3	3	3	-
ROADING AND FOOTPATHS						
Footpaths						
Level of Service						
District-wide footpath development	Loan	-	31	31	31	-
Pahiatua town centre upgrade	Loan	-	51	51	52	(1)
Renewals						
Footpath renewals	Depreciation Reserve	-	100	100	-	100
Footpaths Total		-	182	182	83	99
Roading						
Level of Service						
Minor improvements	Subsidy / Loan	-	1,030	1,030	623	407
Renewals						
Carpark renewals	Subsidy / Depreciation Reserve	-	5	5	5	-
Drainage renewals	Subsidy / Depreciation Reserve	-	528	528	535	(7)
Emergency reinstatements	Subsidy / Depreciation Reserve	-	550	550	-	550
Pavement rehabilitation	Subsidy / Depreciation Reserve	-	1,741	1,741	1,766	(25)
Sealed road resurfacing	Subsidy / Depreciation Reserve	-	2,428	2,428	2,461	(33)
Structures component replacement	Subsidy / Depreciation Reserve	-	97	97	98	(1)
Traffic services renewal	Subsidy / Depreciation Reserve	-	95	95	96	(1)



Funding		Carry Forward	Annual Plan 2017/18	Total Budget - Annual Plan 2017/18	LTP 2017/18	Variance
Roading Renewals Continued...						
Unsealed road metalling	Subsidy / Depreciation Reserve	-	587	587	596	(9)
LED streetlighting	Subsidy / Depreciation Reserve	-	405	405	-	405
Roading Total		-	7,466	7,466	6,180	1,286
Solid Waste Management						
Level of Service						
Eketahuna new transfer station	Loan	-	123	123	126	(3)
Renewals						
District-wide recycling - bulk bins	Depreciation Reserve	-	7	7	7	-
Eketahuna landfill closure	Depreciation Reserve	-	123	123	126	(3)
Recycling centres - minor capital	Depreciation Reserve	-	10	10	10	-
Solid Waste Management Total		-	263	263	270	(6)
Stormwater						
Level of Service						
District stormwater development	Loan	-	1,030	1,030	1,069	(39)
Renewals						
District-wide mains replacement	Depreciation Reserve	-	45	45	47	(2)
Stormwater Total		-	1,075	1,075	1,116	(41)
Wastewater						
Level of Service						
Dannevirke disposal to land	Loan	-	-	-	481	(481)
Eketahuna treatment plant	50% Subsidy / 50% Loan	739	561	1,300	-	1,300
Heavy mains cleaning	Loan	-	21	21	21	-
Norsewood treatment plant	Loan	-	25	25	80	(55)
Sewerage treatment discharge to Manawatu River	Loan	-	-	-	321	(321)
Wetlands desgin	Loan	-	40	40	-	40
Renewals						
District-wide consent upgrades	Depreciation Reserve	-	300	300	-	300
District-wide planned mains replacements	Depreciation Reserve	-	321	321	321	-
District-wide manhole replacements	Depreciation Reserve	-	10	10	11	(1)
District-wide unplanned maintenance	Depreciation Reserve	-	55	55	53	2
District-wide pump replacements	Depreciation Reserve	-	3	3	3	-
Wastewater Total		739	1,336	2,075	1,291	784



	Funding	Carry Forward	Annual Plan 2017/18	Total Budget - Annual Plan 2017/18	LTP 2017/18	Variance
Water Supplies						
Level of Service						
Pahiatua water supply treatment plant	Loan	-	1,400	1,400	-	1,400
Woodville water storage	Loan	-	-	-	1,069	(1,069)
Renewals						
District-wide planned mains replacement	Depreciation Reserve	-	407	407	347	60
District-wide pumps	Depreciation Reserve	-	6	6	6	-
Unplanned renewals	Depreciation Reserve	-	55	55	53	2
Water Supplies Total		-	1,868	1,868	1,476	393
Support Activities						
Renewals						
Business continuity - generator and UPS	Depreciation Reserve	-	8	8	8	-
Dannevirke Civic Centre	Depreciation Reserve	-	10	10	11	(1)
Eketahuna Library refurbishment	Depreciation Reserve	-	13	13	14	(1)
Fibre cabling renewals	Depreciation Reserve	-	77	77	78	(1)
Information Services hardware renewals	Depreciation Reserve	-	228	228	244	(16)
Information Services software renewals	Depreciation Reserve	-	157	157	160	(3)
Hardware renewals	Depreciation Reserve	-	10	10	-	10
Miscellaneous renewals	Depreciation Reserve	-	5	5	5	-
Pahiatua Service Centre	Depreciation Reserve	-	51	51	53	(2)
Photocopier replacement	Depreciation Reserve	-	18	18	19	(1)
Telephone replacement	Depreciation Reserve	-	20	20	21	(1)
Vehicle renewals	Depreciation Reserve	-	211	211	215	(4)
Woodville Library renewal	Depreciation Reserve	-	8	8	8	-
Woodville Service Centre	Depreciation Reserve	-	5	5	5	-
Support Activities Total		-	821	821	840	(20)
Capital Expenditure Grand Total		829	14,014	14,843	12,685	2,164
SUMMARY OF CAPITAL PROJECTS						
Growth		-	28	28	28	-
Level of Service		829	4,566	5,395	4,709	687
Renewals		-	9,420	9,420	7,949	1,477
Total		829	14,014	14,843	12,685	2,164

Note 2: Statement of Reserves and Special Funds

Reserves

The Council has an obligation to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community; and to act in the best interest of its ratepayer.

The management of reserves forms an integral component of meeting these obligations.

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

Council has 20 reserves of which 19 are Council-created discretionary reserves, which the council has established for the fair and transparent use of monies. Reserves are not separately held in cash and the funds are managed as part of the council's treasury management.

These discretionary reserves are disaggregated into the following categories:

- Depreciation reserves.
- Special reserves (which is broken down into other special reserves).
- Trust Funds.



Depreciation Reserves

The Council's assets are depreciated as they are consumed. As such, the cost of this depreciation is passed on to the consumer through either rates or fees and charges. There will normally be a timing difference between the collection of this depreciation charge and the utilisation of it to fund renewal capital works. This will create movements in these reserves.

Description	Purpose of Fund	Opening Balance 1-Jul-2017 (\$000's)	Transfers in (\$000's)	Transfers out (\$000's)	Closing Balance 30-Jun-2018 (\$000's)
Council Depreciation	To receive depreciation funded each financial year, less any outgoings to pay for capital renewal of assets or debt prepayment for amount borrowed to fund capital development. This reserve can be used to fund internal borrowing.	20,890	9,854	(8,890)	22,854
Makuri Water Scheme	To establish a depreciation reserve to fund the renewal of assets for this scheme.	12	-	-	12
Pongaroa Water Supply Depreciation	To establish a depreciation reserve to fund the renewal of assets for this scheme.	204	18	-	222
Tararua Aquatic Community Trust Wai Splash Depreciation	To establish a depreciation reserve to fund the renewal of major assets.	182	46	-	228
Bush Multisport Depreciation	To establish a depreciation reserve to fund the renewal of major assets.	121	24	-	145



Special Funded Reserves

The value of these reserves funds is that they allow projects to precede without distortion in the revenue patterns particularly rates. The reserve also provide a useful source of funds for an unforeseen requirement.

Council authorises the establishment of special funds and process for accumulating and utilising special funds. Approvals of specific uses are set out in the Long Term Plan, or in Council decisions.

Description	Purpose of Fund	Opening Balance 1-Jul-2017 (\$000's)	Transfers in (\$000's)	Transfers out (\$000's)	Closing Balance 30-Jun-2018 (\$000's)
Tararua General Purpose	<p>Created for financing specific projects which shall be determined at Council's discretion.</p> <p>This reserve is also to receive:</p> <ul style="list-style-type: none"> • Proceeds from sale or disposal of assets where a particular function is discontinued, and for property sales. • Insurance monies received when buildings or property are damaged and not reinstated. • Residual of all existing reserves which have outlived their original purpose and could therefore be usefully merged as a general purpose fund and so classified. 	992	51	-	1,043
Tararua Housing	<p>To account for any surplus from the housing activity and proceeds from sales/disposal of housing assets. These reserves will be used for the Housing activity.</p> <p>This reserve can be used to fund internal borrowing.</p>	1,091	432	(540)	983
Forestry	<p>Proceeds from forestry not otherwise required for the funding of continued operations and maintenance of the forest.</p> <p>This reserve can be used to fund internal borrowing.</p>	1,151	551	(450)	1,252
Tararua Emergency Roothing	<p>To provide funds to re-establish the district's infrastructural assets following a disaster, together with funds received from Central Government. There is no plan to use this reserve other than if a disaster occurs.</p>	2,389	84	-	2,473
Tararua Gratuity	<p>This reserve is for staff who have qualified or qualify for gratuities.</p>	152	-	-	151
Infrastructure Protection Reserve	<p>This reserve is created to accumulate funds to pay for Council's share in the event of a major disaster resulting in loss of assets.</p>	42	1	(43)	-



Description	Purpose of Fund	Opening Balance 1-Jul-2017 (\$000's)	Transfers in (\$000's)	Transfers out (\$000's)	Closing Balance 30-Jun-2018 (\$000's)
Dannevirke Airport Authority	To account for any surplus from Dannevirke Aerodrome and proceeds from sales/disposal of Dannevirke Aerodrome assets. This reserve will be used solely for operation and capital expenditure for Dannevirke Aerodrome.	4	-	-	4
District-wide Cemetery	To accumulate funds from the purchase of cemeteries plots in the District. This reserve will be used solely for operation and capital expenditure for the Cemeteries activity.	23	1	-	24
Recreation Grant	To accumulate funds to support recreational projects in the district.	108	24	-	132
Tenant Contribution (Debt Repayment)	To account for and refund tenant contributions for leasing of Council's housing properties.	477	-	-	477
Heritage Reserve	To accumulate funds to be used to further the District land use outcomes. The reserve is to be applied to the management and protection of those items listed in the District Plan Part 9 Appendix 2: Schedule of Heritage Resources.	63	12	-	76
Biodiversity Protection	To support: <ul style="list-style-type: none"> Sustainable management of the district's natural and physical environment Protection and enhancement of the community's environment values The reserve is to be applied to the management and protection of those items listed in the District Plan Part 9 Appendix 3: Schedule of Natural Features (significant trees, vegetation and habitats landscapes).	12	10	-	23
Election	To account for elections funds, rate funded each year to spread out election cost in the year of election.	(30)	30	-	-
Waste Management Fund	To account for the waste management levies received. This reserve will be solely used to fund specific projects for this activity.	269	58	(25)	303



Description	Purpose of Fund	Opening Balance 1-Jul-2017 (\$000's)	Transfers in (\$000's)	Transfers out (\$000's)	Closing Balance 30-Jun-2018 (\$000's)
Domain Boards Bank Balances	To account for the bank balances of the Domain Board in trust.	428	-	-	428

Trust Funds

This special reserves are set up to receive bequest received from communities in the district for specific purpose. These funds are held in Trust for these specific purposes.

Description	Purpose of Fund	Opening Balance 1-Jul-2017 ('000)	Transfers in ('000)	Transfers out ('000)	Closing Balance 30-Jun-2018 ('000)
Arts Council of New Zealand	To account for the annual grant that we receive from Creative New Zealand for allocation to support arts and cultural projects.	-	-	-	-
Mayoral Storm Relief Fund	To account for government assistance that Council receives to provide support (mainly for the welfare of farmers and businesses) major disruption in the Manawatu/Wanganui region.	8	-	-	8
Ormondville Playground	Funds held on behalf of the Ormondville community to purchase playground equipment in the town.	1	-	-	1
Pahiatua Heritage Trust	Funds left over from the old Pahiatua Arts Council that has since been wound up. Will be used towards Heritage assets in the district.	21	-	-	21
Dannevirke Fairbrother Trust	Funds bequest by the Trust for projects that benefit the Dannevirke community.	20	-	-	20



Note 3: Depreciation Expense by Group of Activity

	Long Term Plan 2017/18	Annual Plan 2017/18
Building Communities & Leadership	4	4
Community & Recreation Facilities	2,119	1,957
District Promotion & Economic Development	9	5
Regulatory Services	94	102
Roading & Footpaths	7,192	7,268
Solid Waste Management	98	97
Stormwater Drainage	257	224
Wastewater	955	833
Water Supplies	1,190	981
Total	11,918	11,473

General
Information

5

Council

Her Worship the Mayor



Mrs T H (Tracey) Collis

PO Box 115
Dannevirke
06 374 4080
tracey.collis@tararua.govt.nz

North Ward Councillors



**Deputy Mayor
Cr A L (Allan) Benbow**

38 Cowper Road
Dannevirke 4930
06 374 8854
021 374 984
allan.benbow@tararua.govt.nz



Cr E J D (Ernie) Christison

PO Box 345
Dannevirke 4942
027 442 8099
ernie.christison@tararua.govt.nz



Cr J E (Jim) Crispin

8 Stairs Street
Dannevirke 4930
06 374 6768
027 717 8862
jim.crispin@tararua.govt.nz



Cr C J (Carole) Isaacson

63 Umutaoroa Road
RD 8
Dannevirke 4978
06 374 5577
027 307 5013
carole.isaacson@tararua.govt.nz

South Ward Councillors



Cr S (Shirley) Hull

Mangahao Road
RD 3
Pahiatua 4983
06 376 7283
shirley.hull@tararua.govt.nz



Cr P (Peter) Johns

44 McLean Street
Woodville 4920
06 376 5048
027 442 7115
peter.johns@tararua.govt.nz



Cr A J (Andy) Thompson

393 Ballance Valley Road
RD 3
Pahiatua 4983
06 376 7372
027 482 4345
andy.thompson@tararua.govt.nz



Cr A K (Alison) Franklin

615 Ridge Road North
RD 3
Pahiatua 4983
06 376 6487
alison.franklin@tararua.govt.nz

Community Boards and Council Committees

Community Boards

Dannevirke Community Board

Generally meets on the first Monday of the month at 1:00pm.

- **Chairperson**
Mr W R (Ross) MacDonald
91 Piri Piri Road, RD 7, Dannevirke 4977
06 374 7996
gloriarossmacdonald@gmail.com
- **Deputy Chairperson**
Mr P (Pat) Walshe
2 Cuba Street, Dannevirke 4930
06 374 5702
patrickw11@hotmail.com
- Mr T (Terry) Hynes
281 Top Grass Road, Rua Roa, RD 8, Dannevirke 4930
06 374 5761
kinvara281@gmail.com
- Ms K (Kim) Spooner
2 Lower Domain Road, Dannevirke 4930
06 374 9090
kimsponer@xtra.co.nz
- **Councillor**
Mrs C J (Carole) Isaacson
RD 8, Umutaoroa, Dannevirke 4978
06 374 5577
carole.isaacson@tararuadc.govt.nz

Eketahuna Community Board

Generally meets on the first Friday of the month at 10:00am.

- **Chairperson**
Mr C C (Charlie) Death
Nireaha Road, RD 2, Eketahuna 4994
06 375 8503
deaths@inspire.net.nz
- **Deputy Chairperson**
Ms S (Sharon) Shannon
125 Larsens Road, Eketahuna
06 375 8130
bevansharon@hotmail.com
- Mrs D F (Diana) Eagle
1775 Mangaone Valley Road, RD 4,
Eketahuna 4993
06 376 8256 or 027 323 3570
eagleeketahuna@xtra.co.nz
- Ms P (Pauline) Wilson
102 Stanly Street, Eketahuna 4900
06 375 8805
paulinewilson@xtra.co.nz
- **Councillor**
Mr A J (Andy) Thompson
393 Ballance Valley Road, RD 3, Pahiatua 4983
06 376 7372 or 027 482 4345
andy.thompson@tararuadc.govt.nz

Community Committees

Woodville operates its own autonomous community committee, Woodville Districts' Vision (Inc).

Pahiatua operates its own autonomous community committee, Pahiatua on Track (Inc).



Council Committees

Chief Executive's Performance Appraisal Committee

- **Chairperson**
Her Worship the Mayor, Mrs T H (Tracey) Collis
- Deputy Mayor, Mr A L (Allan) Benbow
- Cr S A (Shirley) Hull

Tribunal and Hearings Committee

- Her Worship the Mayor, Mrs T H (Tracey) Collis
- Cr S A (Shirley) Hull

Audit and Risk Committee

- **Chairperson**
Mr K (Kevin) Ross
- Deputy Mayor, Mr A L (Allan) Benbow
- Her Worship the Mayor, Mrs T H (Tracey) Collis
- Cr J E (Jim) Crispin
- Cr S A (Shirley) Hull

Works Liaison Committee

- **Chairperson**
Cr J E (Jim) Crispin
- Deputy Mayor, Mr A L (Allan) Benbow
- Cr E J (Ernie) Christison
- Her Worship the Mayor, Mrs T H (Tracey) Collis
- Cr P (Peter) Johns
- Cr A J (Andy) Thompson

Tararua District Licensing Committee

- **Chairperson**
Mr David Lea
- **Secretary**
Mrs Joan Spencer
- **Members**
Mr Nick Perry
Mrs Maureen Reynolds
Mr Kerry Sutherland

Iwi Liaison Working Party

- **Chairperson**
Her Worship the Mayor, Mrs T H (Tracey) Collis
- Deputy Mayor, Mr A L (Allan) Benbow
- Cr P (Peter) Johns



Management Team

Executive Staff

Blair King ME (Civil) MIPENZ
Chief Executive

Peter Wimsett CA, BBS
Manager Strategy & District Development

Raj Suppiah CA
Chief Financial Officer

Chris Edsall
Manager Tararua Alliance

Craig Lunn BRPC (Hons), MNZPI
Manager Planning and Regulatory



Directory

Head Office and Council Chambers

PO Box 115 Dannevirke 4942	26 Gordon Street Dannevirke
Telephone:	(06) 374 4080
Fax:	(06) 374 4137
General email:	info@tararua.govt.nz
Council Website:	www.tararua.govt.nz
District Website:	www.tararua.com
Facebook:	Tararua-District-Council

Service Centre Locations

Dannevirke

26 Gordon Street, Dannevirke
(06) 374 4080

Eketahuna

31 Main Street, Eketahuna
(06) 376 0219

Pahiatua

136 Main Street, Pahiatua
(06) 376 0110

Woodville

42 Vogel Street, Woodville
(06) 376 0200

Other

Bankers

Westpac New Zealand Ltd
Dannevirke

Bank of New Zealand
Dannevirke

Auditors

Audit New Zealand
PO Box 149
Palmerston North
On behalf of the Auditor-General

Insurance Brokers

Aon New Zealand Ltd
Wellington

Glossary of Terms

Activity The operation of a facility or the provision of a service.

Asset Management Plan A plan, which identifies the current status of an asset, future renewal programme and options to meet growth due to demand/expansion.

Assets Assets are things that the Council owns such as roads, parks, footpaths, buildings.

Capital Development Is the creation of new assets or the addition of new components to existing assets that extend any assets service potential.

Capital Expenditure This is spending on new Council assets or replacing existing assets.

Capital Renewal Is the replacement of existing assets when they have reached the end of their useful life.

Capital Value The probable sale price of the freehold interest of the property if offered for sale at the time of valuation.

Community Board Selected community members/ward councillors to represent the interests of the community to Council.

Community Outcomes The community's priorities for the future of the district, identified through a community consultation process.

Cost of Service The true cost of performing an activity. Calculated as the total of direct costs, support costs, depreciation, interest and debt servicing.

Council-Controlled Organisation (CCO) means a council organisation that is:

- a) a company—
 - i) in which equity securities carrying 50% or more of the voting rights at the meeting of the shareholders of the company are—

A) held by one or more local authorities; or

B) controlled, directly or indirectly, by one or more local authorities; or

ii) in which one or more local authorities have the right, directly or indirectly, to appoint 50% or more of the directors of the company; or

b) an organisation in respect of which one or more local authorities have, whether or not jointly with other local authorities or persons,—

i) control, directly or indirectly, of 50% or more of the votes at any meeting of the members or controlling body of the organisation; or

ii) the right, directly or indirectly, to appoint 50% or more of the trustees, directors, or managers (however described) of the organisation.

Council-Controlled Trading Organisation (CCTO) A council-controlled organisation that operates a trading undertaking for the purpose of making a profit, formerly known as a Local Authority Trading Enterprise (LATE).

Depreciation The cost or value of the economic benefit of an asset used during a financial year.

Groups of Activities The Council's services are divided into nine groups of activities based on their relationship and the rationale for providing them.

Indicator Flag or signal that represent an issue of concern or which measure change or progress toward a desired outcome.

Infrastructural Assets Fixed utility systems that provide a continuing service to the community that are not generally regarded as tradeable. These assets include roads, water and sewerage services and stormwater systems.

Internal Recoveries Payment by one Council department to another in return for a service provided.



- Land Value** The probable price that would be paid for the bare land as at the date of valuation. The value includes development work such as drainage, excavation, filling, levelling, retaining walls, clearing, fertility build-up, flood protection.
- Long Term Plan** A plan which outlines the Council's programme for the next 10 years and how it will contribute to achieving the community outcomes. Formerly referred to as the Long Term Council Community Plan (or Community Plan).
- Measure** The actual piece of information or data used to gauge an indicator.
- Mission** This describes Council's basic purpose (its fundamental reason for being) and specifies the role Council is going to play in its environment.
- Operational Expenditure** All funding for providing services on a day to day basis, excluding renewal and capital expenditure.
- Operating Revenue** Revenue received as part of day-to-day activities. Includes user charges and rates but not capital revenue (such as new loans).
- Performance Measure** Measure by which organisational performance may be judged in relation to objectives.
- Policy** A course of action or set of parameters adopted by the Council or by management within which decisions can be made and action can be taken.
- Private Benefit** This occurs when individuals who benefit from a service can be clearly identified and therefore charged for that service. It applies to user charges, application fees, purchase price, and water by meter, though there are exceptions to the rule.
- Public Benefit** This relates to spending which benefits the community in general and for which no individual beneficiaries can be clearly identified.
- Renewal Expenditure** Funding for works that replace the existing assets over their projected lifetime. Generally funded from the depreciation reserve fund.
- Reserve Funds** Money set aside for a specific purpose. (See also Special Funds.)
- Resource Consent** This is permission to use resources such as land, water and air, granted under the Resource Management Act 1991.
- Restricted Assets** Assets that cannot be disposed of because of legal or other restrictions and that provide benefit or service to the community. They include reserves vested under the Reserves Act 1977, endowments and property held in trust for specific purposes.
- Revenue** Money received by Council.
- Revenue and Financing Policy** This is a statement about who should pay for the services provided by Council. The policy outlines who will benefit for each Activity and who should pay for it, taking into account fairness and what is practical.
- Separate Rate** A rate levied over a particular group of properties that receive or are capable of receiving a specific service or benefit additional to that provided by general rate funding.
- Service Delivery Plan** Outlines each of the Council's activities including service levels, performance measures, issues and future demand.
- Significance** This is the degree of importance of an issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impacts, and or likely consequences.
- Special Funds** Money set aside for a specific purpose. (See also Reserve Funds.)
- Strategy** Outlines how the district is going to undertake particular actions to deliver the community outcomes.
- Submission** Your opportunity to tell the Council your views on the Ten Year Plan. Submissions need to be made in writing.
- Ten Year Plan** A plan, adopted every three years, that sets the strategic direction for the Council over the next 10 years and outlines Council's contribution towards achieving the community outcomes. The Ten Year Plan is the same as the Long Term Plan. The term "Ten Year Plan" is used for ease of understanding.
- Toby** A valve situated at the property boundary for the purpose of controlling the flow of water to the property.
- User fees and charges** Fees charged to the community for use of specific services and facilities provided by the Council.
- Vision** Council's view of the future state of its community. It is used to inspire people into action, define future direction and implies that what we do now can influence and change the future for the better.