



10 Year Plan

2021-2031

Draft

www.mdc.govt.nz



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Ngā Ihirangi

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A message from the Mayor

Nā te Kahika

To be added after the decision making process, prior to adoption



Manawatūmeke – the 10 Year Plan in a Nutshell

Te Pūtake o Te Mahere Auroa Tekau Tau

Section 1

E rua ngā aronga matua o te mahere auroa. Tuatahi, kia haere tonu ngā kaupapa matua i whakatauria ai ki roto i Te Mahere Auroa 2018-28. Kua tīmata kē ētehi. Tuarua, ko te āta penapena i te moni a te Kaunihera me te manaaki anō i ngā kaiutu rēti, kia tino whaihua ai te whakapaunga o ā tātou moni. Oti ana te tuhinga o te taura mahere auroa, ka kawea atu anō ki roto i te hapori, kia whai wāhi anō ai te iwi ki te whakahoki kōrero mai.

What is the 10 Year Plan?

He aha ia te mahere auroa tekau tau?

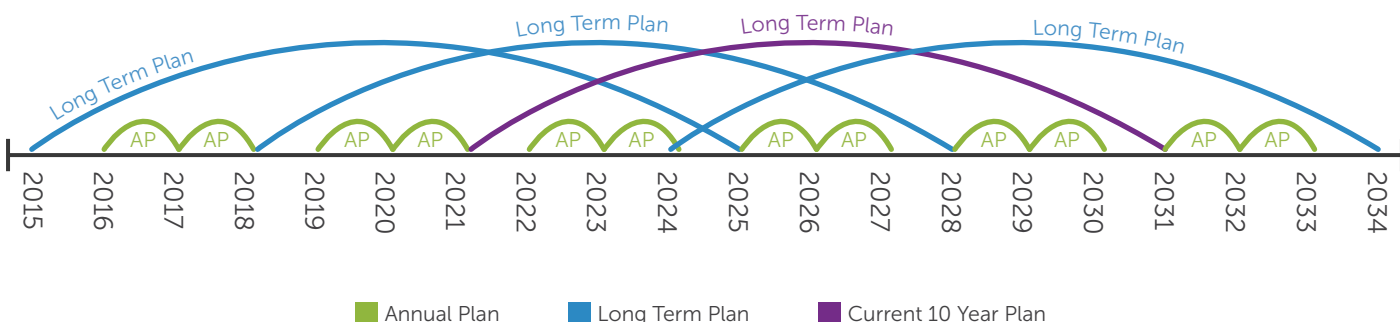
The 10 Year Plan details the Council's direction for the next 10 years, including how Council intends to fund ongoing programmes and capital works projects. It explains the Council's priorities for the District, and how we intend to get there – a roadmap to our desired outcomes. The 10 Year Plan is a legal requirement under the Local Government Act (2002).

It takes about a year and a half to prepare the Plan. Here's how it comes together:

- **Where are we right now?** At the beginning of the process, Council evaluates current information about our district. This brings together what we know about everything from the economy and population to our key concerns and trends to keep an eye on. This was captured in the Environmental Scan in February 2020.
- **Where do we want to go?** In May 2020 Council adopted its vision and strategic priorities for the 10 Year Plan. For more on these priorities, see page 20. Between March and November 2020, Council routinely reviewed our significant forecasting assumptions, which form the basis for planning and decision-making throughout the 10 Year Plan. For more on these, see page 259.
- **How do we get there?** We review our policies, work programmes, levels of service and budgets. All of these things need to be focused on achieving our strategic priorities.
- **We're in this together!** When Council has finished drafting the 10 Year Plan document, we take it out to the community for feedback. Council considers any feedback received and revises the Plan where appropriate, before formally adopting it before the beginning of the next financial year (1 July).

The 10 Year Plan is a document created with our community. It includes everything from the timelines of major projects to the standards for the services we will deliver to the community, as well as the strategies and policies that guide our decisions and actions along the way. It also includes our budget for the ten-year period of the plan.

This plan covers a period of ten years but it is reviewed every three years. As Council needs to be responsive to change, we also prepare an Annual Plan in year two and year three, which address any unexpected changes to what was published in the 10 Year Plan.



Preparing the 10 Year Plan - a timeline

Te ara whakariterite i Te Mahere Auroa 10 Tau

10 YEAR PLAN



PLAN PROCESS



VALLEY RD
GREEN RD

Projects on the go

Ngā mahi matua haere ake nei

This section outlines the key projects in the Infrastructure Strategy as well as key community facilities and development projects. Project figures have been adjusted for inflation.



On-the-go

Kua tīmata kē

Infrastructure Projects

-  **2018-2026**
Upgrade of Feilding Water Supply
-  **2018-2025**
Wastewater Centralisation
-  **2021-2022**
Stanway–Halcombe Rural Water Scheme Upgrade
-  **2020-2032**
Precinct 4 - Growth Works
-  **2018-2029**
Precinct 5 - Turners Road Extension Growth Works
-  **2020-2022**
Mangaweka Bridge
-  **2020-2022**
Ōhakea Rural Water Scheme

Community Facilities and Development Projects

-  **2020-2023**
Feilding Public Library Redevelopment
-  **2018-2027**
Kōwhai Park Upgrade
-  **2021-2023**
Council Administration Building - Earthquake Strengthening
-  District Plan Review (rolling review)

In the pipeline


He mahi hou

-  Feilding Town Centre Refresh

Infrastructure projects

He mahi pūnahahanga

For more details on these projects, see Section 4 of the 10 Year Plan – Infrastructure Strategy.

-  **Upgrade of Feilding Water Supply**
Te whakatika i te ratonga wai māori o Kawakawa

He taonga te wai māori, he oranga mō te iwi. Kua tō te rā⁶ ki te pūnahahanga wai māori e whakarato ana i te tāone o Kawakawa. Nō reira kua tahuri mātou ki te waihanga i ētehi wāhanga hou, e pai ake ai te whakarato i te wai māori i roto i ngā tau e heke mai nei.

Signalled in the 2018–28 Plan, this is a project to upgrade and future-proof Feilding’s water supply, which commenced in 2018/19 and is due to be completed in 2024/25. The upgraded infrastructure will replace Feilding’s reservoir at Almadale and the trunk water main into town, which are nearing the end of their useful lives. The project involves constructing a new water treatment plant, a new trunk water main into town, and a new bore. This project was determined to be both the most cost-effective and resilient option for renewing Feilding’s water supply.

Since the adoption of the 2018–28 Long Term Plan, an additional \$2.9 million has been budgeted for the upgrade of Feilding water supply networks. This additional budget will allow for the extension of the trunk main resilience in the town centre (CBD) and projects in the industrial area (Precinct 5), the disposal of the Almadale Water Treatment plant and associated pipelines.

Project costs 2018–2020: **\$2.7M**

Project spend 2020/2021: **\$1.5M**

Budgeted Expenditure

2021/22	\$1.5M	2023/24	\$278,250
2022/23	\$528,416	2024-31	\$1.2M

⁶ The sun is setting – a Māori expression used to identify a timely completion.



Wastewater Centralisation

Te whakakotahi i te ratonga wai para o te rohe

He kaupapa tēnei hei whakawhanake i te pūnahahanga e kawea ai te wai para o ngā tāone iti o te rohe ki Te Taupuni Wai Para o Manawatū, ki reira horoia ai ngā para, tukuna anō ai ki te taiao.

The Manawatū Wastewater Centralisation Project was discussed in the 2018-28 Plan. Work began in 2018/19 and is planned to be completed in 2025/26 (with budget allocated for ongoing costs associated with the project). The project involves the development of infrastructure to pipe untreated or pre-treated wastewater from the villages of Halcombe, Sanson, Rongotea, Awahuri, Cheltenham and Kimbolton to the Manawatū Wastewater Treatment Plant in Feilding for treatment and disposal. Progress to date:

- construction of Sanson to Feilding pipeline
- design work for Halcombe to Mt Stewart pipeline
- design of Rongotea to Awahuri Road pipeline underway
- preliminary work on Cheltenham to Feilding, Kimbolton to Cheltenham, and Kauwhata to Awahuri pipelines.

Project costs 2018–2020: **\$747,000**

Project spend 2020/2021: **\$5.8M**

Budgeted Expenditure

2021/22	\$1.8M	2023/24	\$1.2M
2022/23	\$1.7M	2024-31	\$2.5M



Stanway–Halcombe Rural Water Scheme Upgrade

Te whakapai ake i te ratonga wai māori o Stanway-Halcombe

He mea whakatū tēnei ratonga tuku wai i mua, mō te mahi pāmu. Engari nā te nui o ngā whare e whakatūria ana ki tēnei rohe mōhoa noa nei, e tika ana kia whakahouhia te ratonga kia pai ai te wai hei kai mā te tangata. Kua tukuna mai e te kāwanatanga ā-motu tētehi wāhanga o te tahua hei whakatutuki i tēnei kaupapa.

The Stanway–Halcombe Rural Water Scheme was originally primarily designed to provide stock watering

on a restricted flow basis. In recent years, there has been a reallocation of a proportion of units to lifestyle properties, as farms have been subdivided. This means that water that was not intended for human drinking purposes is now being used for this purpose. The scheme does not comply with current drinking-water standards requiring the removal of protozoa (Drinking-water Standards for New Zealand 2005, revised 2018).⁷ The upgrade will involve the installation of a UV treatment system at the point of supply for the Stanway–Halcombe Scheme. Council is receiving central government (Department of Internal Affairs) stimulus funding for this project (\$750,000 in the 2020/21 financial year). The future investment in this scheme is \$528,900 for reticulation extensions and resilience.

Project spend 2020/2021: **\$750,000**

Budgeted Expenditure

2021/22	\$313,500	2022/23	\$215,680
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Precinct 4 - Growth Works

Te mahi whakawhanake i te takiwā ki te huarahi o Pharazyn

E āta whakaraupapahia ana tā te Kaunihera waihanga i ngā pūnahahanga ki tēnei kokonga o te rohe. Ko tētehi wāhanga o tēnei mahi, ko te whakatau i te whenua ka hiahiaia hei hanga huarahi ā tōna wā.

In 2013, Feilding’s Urban Growth Strategy identified areas in town suitable for development. Precinct 4, centred around the Pharazyn Street area, was identified as a priority for development. Since then a lot of planning has been done and project work is now underway. Precinct 4 will provide for most of Feilding’s residential growth over 2021-31, with space for approximately 1,700 houses. The costs outlined below include water, wastewater, stormwater, roading and footpaths.

Project costs 2018–2020: **\$2.4M**

Project spend 2020/2021: **\$2.5M**

Budgeted Expenditure

2021/22	\$2.3M	2023/24	\$3.1M
2022/23	\$2.7M	2024-31	\$18.4M

⁷ These standards can be found at: <https://www.health.govt.nz/publication/drinking-water-standards-new-zealand-2005-revised-2018>



Precinct 5 - Turners Road Extension Growth Works

Te mahi whakawhanake i te takiwā ki te huarahi o Turners

Ko te whakaroa i te huarahi o Turners kia hono atu ai ki te huarahi o Kawakawa tētehi mahi i whakatauria i te mahere auroa o mua.

In the 2018-28 Plan, Council committed to the Turner's Road extension, which will link the existing Turners Road to Kawakawa Road to help facilitate the development of industrial zoned land in this area (Precinct 5).

Planning has been underway for some time but there have been unexpected delays in the land acquisition process which has affected construction start time. The work is expected to continue through the life of this plan.

Project costs 2018–2020: **\$407,000**

Project spend 2020/2021: **\$2.9M**

(Due to project delays this money will be carried forward to 2021/22).

Budgeted Expenditure

2021/22	\$314,000	2024-31	\$1.6M
2022/23	\$323,000		



Mangaweka Bridge

Te Arawhiti o Mangaweka

Kua tō te rā ki te arawhiti o Mangaweka i te huarahi o Ruahine, nō reira e hangā ana he arawhiti hou. Kua tukuna e Waka Kotahi tētehi pūtea āwhina, waihoki he wāhanga anō o te tahua e pīkautia ana e Te Kaunihera ā-Rohe o Rangitikei.

This project involves the replacement of the existing Mangaweka Bridge on Ruahine Road at Mangaweka, which has reached the end of its useful life and is now limited to use by lighter vehicles. This project was originally signalled as a future project in the 2015-25 Plan. Waka Kotahi NZTA funding was made available as part of the 2018-28 budget and construction began in January 2021 and is scheduled for completion in June 2022.

The total cost of the bridge replacement will be about \$11 million which includes the initial business case, pre-implementation and design costs, and construction costs. As this is a boundary bridge, costs will be split equally with Rangitikei District Council. The project

also qualifies for a Waka Kotahi NZTA subsidy so the total actual cost to Council will be approximately \$2.6 million.

Project spend 2020/2021: **\$2.75M**

\$1.3M MDC + \$1.46M Waka Kotahi NZTA (53% subsidy)

Budgeted expenditure for construction phase

2021/22 **\$1.9M**

\$0.9M MDC + \$1M Waka Kotahi NZTA (53% subsidy)



Ōhakea Rural Water Scheme

Te ratonga wai māori tuawhenua o Ōhakea

I tāhawahawatia kinotia te wainuku i te takiwā ki te uru o Te Taupuni Tauaarangi o Aotearoa i Ōhakea, nō reira e waihangatia ana he ratonga wai māori mō ngā whare me ngā pāmu o reira. He wāhanga nui o te tahua ka tukuna mai e te kāwanatanga ā-motu, mā te Kaunihera te toenga e pīkau.

The Ōhakea Rural Water Scheme will involve the construction of a potable water supply in the area affected by polyfluoroalkyl substances (PFAS) compounds to the west of the Ōhakea Defence Force Base. Around 85 rural properties will be supplied with reticulated drinking and stock water rather than having to rely on tanks and bores.

Central government will fund \$10.8 million of the costs for the design and construction of the new water scheme, while Council has committed to \$2 million of loan funding as a contingency (this will only be borrowed if required).

This is the only project set out in this 10 Year Plan that is expected to result in a change to levels of service. Currently, the affected properties have private water supply systems. The provision of a reticulated scheme will ensure safe and reliable drinking water for households and stock for the future. Construction of the scheme began in early 2021 (expected completion in December 2021). Once construction is complete the scheme will make potable water available to users. The associated costs will be paid for using reserve funds until the following financial year when the targeted rate can be set for those users who are connected to the scheme.

Project spend 2020/2021: **\$6.2M**

Budgeted expenditure

2021/22 **\$4.6M**

Community Facilities and Development Projects

Ngā taiwhanga o te hāpori me ngā mahi whakawhanake

Feilding Public Library Redevelopment Te whakahou i te whare pukapuka o Kawakawa

E whakamaheretia ana te whakahoutanga o tēnei whare, e pai tonu ai mō te hāpori haere ake nei te wā, e pakari anō ai tōna tū ina rū te whenua. Ka whakawhiti kōrero te Kaunihera ki te hāpori i mua i te tīmatanga o ngā mahi.

Plans are being developed to modernise, extend and carry out seismic strengthening to the existing library building, to ensure the building meets the needs of the community now and in the future. Originally budgeted for the 2020/21 financial year, the project was delayed due to further site and feasibility analysis requested by Council and the impact of COVID-19 on the availability of staff to progress the project (key project staff also held responsibilities during the emergency response which took priority). The budget of the library redevelopment has been carried forward and spread across the first two years of the 2021-31 Plan (2021/22 – 2022/23).

Before any redevelopment proceeds, Council will undertake consultation with the community on the concept designs. The project will be funded by loans and possible external funding (not included in this plan).

The budget includes:

- \$153,000 renewal furniture and fittings including new floor coverings
- \$424,000 for upgrade of library spaces and increased accessibility
- \$4.9 million of major renewals, seismic strengthening and redevelopment.

Project spend 2020/2021: **\$80,000**

Budgeted Expenditure

2021/22	\$2.7M	2022/23	\$2.8M
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Kōwhai Park Upgrade

Te whakawhanake i Te Papa Rēhia o Kōwhai

Ko tā tēnei mahi he whakahoki i te papa rēhia nei ki tōna āhua taiea o mua.

We are undertaking a range of operational, renewal and development projects to return Kōwhai Park to its iconic status in the Manawātū District. Key components include the development of a new exotic bird aviary, fenced playground, renewal of boardwalks and walkways and replacement of the pond bridge.

This project was budgeted for in the 2018-28 Plan and some individual projects began in 2018. The work is expected to continue through the lifespan of the 2021-31 10 Year Plan. In 2019/20 Council made an application to Eastern and Central Community Trust for funding to upgrade the Kōwhai Park playground. The application was successful and Council received \$114,000.

Project costs 2018–2020: **\$85,000**

Project spend 2020/2021: **\$583,000**

Budgeted Expenditure

2021/22	\$172,000	2023/24	\$98,000
2022/23	\$145,000	2024-31	\$898,000



Council Administration Building - Earthquake Strengthening

Te whakapakari i te whare o te Kaunihera – mō te rū whenua te take

Kei raro iho tēnei whare i te paerewa mōkito, nō reira e tahuri ana mātou ki ngā mahi whakapakari, e haumarua ai mō ngā mahi o ia rā, e pai ai hoki hei pokapū ohotata ina karawhiua tō tātou hāpori e te aituā ohotata.

The Council administration building does not meet the new minimum standard for earthquake strengthening under the Building Act. Strengthening work is required to ensure the building is fit for every-day operations and also to function as an Emergency Operations Centre in the event of a civil defence emergency. This work must be completed by March 2028. Council is exploring other options that maybe used for our Emergency Operations Centre.

This project was signalled in the 2018-28 Plan as a project for 2021 however, due to delays caused by the COVID-19 lockdown in 2020, the main construction will not begin until 2021/22.

Project spend 2020/2021: **\$60,000**

Budgeted Expenditure

2021/22 **\$976,814** 2022/23 **\$1M**



District Plan Review (rolling review)

Te arotake i Te Mahere ā-Rohe

E herea ana te Kaunihera ki te whakaoti i tēnei mahi i ia ngahuru tau i raro i te ture. He mahi nui, he mahi tuatini e whai wāhi ai ngā pūkenga ahumahi ngaio, me te whakawhiti kōrero rangiwhāwhā ki te hapori.

Council is required by law to review the District Plan every ten years. Reviewing the plan is a significant and complex project requiring input from a range of technical experts and industry professionals, and requires extensive community consultation. An increase in funding ensures Council will meet new government direction and achieve the review within the ten-year timeframe.

Budgeted Expenditure

2021/22 **\$235,000** 2023/24 **\$351,000**
2022/23 **\$292,000** 2024-31 **\$4M**

In the pipeline

He mahi hou



Feilding Town Centre Refresh

Te whakahou i te pokapū o Kawakawa

Inātata kua whakawhiti kōrero mātou ki te hapori e pā ana ki te anamata o te pokapū o Kawakawa tāone me ngā matawhānui, tae atu ki te tau 2040. Kei konei te mahere tōmua e kitea ai ngā aronga matua e whakaarohia ana. Hei te 2021 ka āta whakawhanakehia he mahere hoahoa, ā, tīmata ai te whakatinanatanga hei te 2022.

We recently sought feedback from the community on your vision for the Feilding Town Centre in 2040, and based on this feedback, we are developing a Feilding Town Centre Concept Plan (see Council's website). Based on further feedback on this concept plan, Council will be developing a detailed design plan in 2021/22. Any significant costs associated with physical works for this project will be budgeted for in the next 10 Year Plan (2024–34). At this stage, it is too early to project the rates impact of the Town Centre Refresh

however, it is likely that, given the significance of the project, it will result in an increase to the projected rates figures set out on page 40 from 2024 onwards.

Budgeted Expenditure

2021/22 **\$45,000**

Other projects of interest

Vinegar Hill Rural Water Scheme

Council is working with rural landowners in the Vinegar Hill area to develop a feasibility assessment for a potential rural water scheme which could service up to 40,000 hectares of hill country farmland in the northern part of our district. The feasibility study received \$90,000 of funding from the Provincial Growth Fund. Council staff are providing technical, engineering and administrative resources to progress the project, including the collection of financial contributions from the local farming community towards the feasibility study. If deemed feasible, the wider project team will seek external capital funding to construct the rural water scheme over the next few years.

Extension to Stanway Halcombe/Te Reureu Valley Rural Water Scheme

Council is actively engaging with local iwi landowners in Te Reureu Valley on the eastern banks of the Rangitikei River north of Halcombe to develop a feasibility assessment for either a potential extension of the Stanway Halcombe Rural Water Scheme, a new standalone Te Reureu Rural Water Scheme, or combination of the two options. This initiative could service up to 1,200 hectares of fertile river terrace farmland in the western part of our district for domestic and stock use. Council staff are providing technical and engineering support to local iwi as well as assisting with a business case to further support planning for the project.

A total of \$3.7M has been provisionally allocated to year two of the plan (2022/23) for this project, however it is dependent on external, third party funding, therefore it will not impact rates or debt. If external funding is not secured the project is unlikely to proceed.



The Big Picture

Kia papa te tū, kia rangi te tiro

Section 2

Kei konei ngā matawhānui, ngā whāinga me ngā kaupapa matua hei whakatutuki, haere ake nei. E tino whai ana i te wairua o te kīanga kōrero nei 'ManawaTūmeke'.

Proudly provincial. A great place to land.
Wehi nā te kāinga taurikura nei ki tuawhenua



Council priorities for 2021–2031

Kia papa te tū, kia rangi te tiro³

Here are Council's priorities for the next 10 years. Have a look at how we plan to make the Manawatū District a productive and vibrant place to live and work, to visit and invest.

Kei konei ngā matawhānui, ngā whāinga me ngā kaupapa matua hei whakatutuki, haere ake nei. E tino whai ana i te wairua o te kāinga kōrero nei 'ManawaTūmeke'.

A place to belong and grow

He kāinga e ora pai ai te katoa

We provide leisure and sports facilities and support community activities to encourage social and cultural well-being for everyone.

A future planned together

He kāinga ka whakamaherea tahitia tōna anamata e te hapori tonu

We work with all parts of our community to plan for a future everyone can enjoy.

An environment to be proud of

He kāinga ka rauhitia tōna taiao

We protect and care for the Manawatū District's natural and physical resources.

Infrastructure fit for future

He kāinga ka tūwhena tonu ōna pūnahahanga, haere ake nei te wā

We ensure the Manawatū District has infrastructure (water, roads, etc.) that meets the needs of the community now and into the future.

A prosperous, resilient economy

He kāinga ka tōnui tōna ōhanga

We aim to make the Manawatū District a great place to live, to visit and to do business.

Value for money and excellence in local government

He kāinga ka eke tōna kāwanatanga ā-rohe ki ngā taumata o te kairangi

We take pride in serving our communities. We focus on doing the best for the District.



³ *Stand firm in the achievable and cast your vision to lofty aspirations.* This is from a proverb that inspires connection with our environment and encourages us to assume the traits of both Ranginui (Sky Father) and Papatūānuku (Earth Mother) in our behaviour and approach to the future.



Key projects

Ngā mahi matua

Upgrade of Feilding Water Supply

Wastewater Centralisation

Stanway-Halcombe Rural Water Scheme Upgrade

Precinct 4 - Growth Works

Precinct 5 - Turners Road Extension Growth Works

Mangaweka Bridge

Ōhakea Rural Water Scheme

Feilding Public Library Redevelopment

Kōwhai Park Upgrade

Council Administration Building - Earthquake Strengthening

District Plan Review (rolling review)

Feilding Town Centre Refresh

Services

Ngā ratonga

Business as usual for

- Makino Aquatic Centre
- District Libraries
- Property portfolio
- Halls and recreational complexes
- Parks, reserves and sports grounds
- Cemeteries
- Public conveniences
- District Development
- Emergency Management
- Regulatory services
 - Animal Control
 - Building Control
 - Compliance and Monitoring
 - Consent Planning
- Governance and Strategy
- Roading
- Solid Waste
- Stormwater
- Wastewater
- Water Supply
- Corporate Services

Our District – a snapshot

Tō tātou rohe – he tirohanga whānui

The Manawatū District stretches from the Pacific Coast in the west to the Ruahine Range in the east. To the south, it shares a boundary with Palmerston North City. It is bound to the north and south by two major rivers – the Rangitīkei and the Manawatū. The District boasts a diversity of geographic features, including hill country to the north and east and extensive flood plains to the west. Further to the west lies the broadest band of dunefields anywhere in the country. The Ōroua River runs from the Ruahine Range to the northeast of the District, skirting around Feilding before making its way through the floodplains and then converging with the Manawatū River at Rangiotū.

The District's population was estimated at 32,100 (as at 30 June 2020). Approximately 55% of the population lives in Feilding while the remainder lives in the District's village and rural areas. The population of the District is projected to increase by 34.5% between 2021 to 2051, to a total of 43,965.

About 16% of the District's community identify as Māori (compared to about 89% who identify as New Zealand European. Some people identify as more than one ethnicity). Residents that identify as other ethnicities

make up less than 3%. The District has a rich cultural past associated with the iwi that have ahi kā (a history of continuous occupation) here. Ngāti Kauwhata, Ngāti Raukawa, Ngāti Tūwharetoa, Ngāti Maniapoto and Rangitāne ki Manawatū all have marae in the District, while other iwi also have an organisational presence.

While compact, Feilding offers a large range of retail, services and facilities. Feilding is known as a friendly, safe and affordable place to bring up a young family or to retire.⁴ The District's proximity to Palmerston North means that many of our youth and working age residents are able to enjoy the rural or small town lifestyle, while having access to the career, educational and business opportunities of a larger centre.

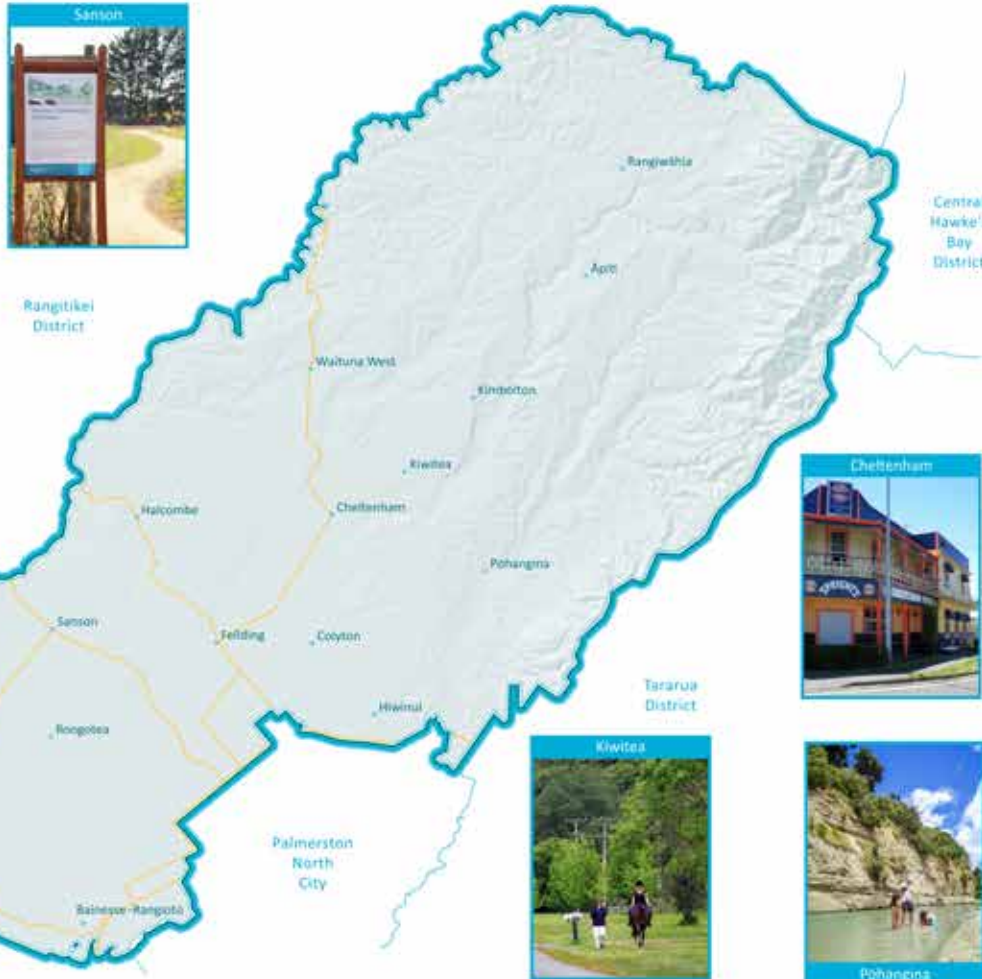
The District has an excellent roading network, including four state highways, linking the Manawatū to Wellington City and port to the south, Napier Port to the east, and Auckland, Tauranga and other cities and ports to the north. The main trunk railway, which passes through Feilding, enhances connectivity, particularly for freight. Primary industry (agriculture and forestry) comprise our biggest economic sector, making up nearly 18% of District GDP. Manufacturing and defence (primarily the Ōhakea Airbase) also contributes strongly to the local economy.⁵

⁴ About 18% of the total District population is aged 65 years and older (nationally, people 65 years and over made up 15.6% of the population in 2018), and this is forecast to increase to around 28% by 2051.

⁵ Infometrics, 2019, Manawatū District Economic Profile, accessed from <https://ecoprofile.infometrics.co.nz/Manawatū%20District/PDFProfile#h0>



MANAWATŪ DISTRICT - OUR COMMUNITIES



Our District's challenges and opportunities

Enhancing our District's resilience in the face of climate change

Like every District in New Zealand and globally, the Manawatū District will need to grapple with the implications of climate change. The projected effects of climate change for the District are explored in the next section, but it is important to highlight that as a District that relies heavily on a thriving agricultural sector, we need to be attuned to both the challenges and opportunities that climate change will present over the next decades.

For this reason, resilience is a central theme (or driver) of the Infrastructure Strategy. The Strategy sets out how Council will plan for and renew the District's infrastructure – roading, water supply, wastewater and stormwater networks – to ensure it will provide for future demand and be resilient to anticipated changes in our climate, especially in terms of the frequency and intensity of flood events.

The Manawatū District is well-placed in terms of water security (adequacy of supply into the future), but some rural communities are already experiencing water scarcity during prolonged periods of drought, which are anticipated to increase in frequency as a result of climate change. As a District, we will need to determine how best to address these challenges, community by community.

Energy is another area in which we can make changes that will have a positive impact on the climate. As a rural district, transport makes up a substantial proportion of per capita greenhouse gas emissions, so by encouraging more active transport within Feilding (see Council's Walking and Cycling Strategy on the website, also Town Centre Refresh, below) and – where appropriate – the villages, we will not only support healthier lifestyles but also make a contribution to emissions reductions. Technology is making flexible working arrangements increasingly viable, also reducing the need to travel to work every day.

Council will be developing an Environmental Strategy in 2021, which may include some actions to reduce Council's greenhouse gas emissions.

FEILDING TOWN CENTRE REFRESH

Residents take pride in Feilding's town centre, with the clock tower and square at its heart, and numerous heritage buildings in the surrounding streets. However, the community has also recognised that the town centre needs some revitalisation, to encourage more activity and once again make it a thriving social and economic hub for the people of the District. In addition, new legislation requiring earthquake-prone buildings to be brought up to a stricter standard is presenting a major challenge for building owners.

As a community, we need to decide what a 'revitalised' town centre will look like. How we will balance the desire to preserve our District's precious heritage against the financial cost to owners, and on the other hand, the desire to create a fresher look and feel that will attract people of all ages. Across New Zealand, there is also a push to make our towns and cities more 'walkable' – more accessible and safe to walkers and cyclists. This will not only make us healthier, and contribute to reductions in our climate emissions, but it will also create more opportunities for social connection – which is vital to wellbeing.

At the end of 2018 we sought feedback from the community on what you wanted for the Feilding Town Centre in 2040. The Council is now building on the Town Centre Vision with a Town Centre Concept Plan. Ultimately, this project is about reshaping the town centre in a way that draws on its unique history, heritage and community. This work will set a framework for future investment in physical, social and economic resilience for the next 20 years and beyond.

Following on from finalising a concept plan for the Feilding Town Centre, Council will be developing a detailed design plan in 2021, for implementation from 2022 onwards.

AFFORDABILITY

Like many other Districts, we are grappling with the challenge of ensuring that our infrastructure, community facilities and our services meet growing demand and community expectations, while keeping rates affordable. This is an issue covered in more detail in the Infrastructure Strategy and Financial Strategy (Part 4).

HOUSING AFFORDABILITY

Housing in the District is affordable in comparison to other regions in New Zealand. However, as the number of families in the District requiring social housing grows, we anticipate a shortfall in supply of social housing. Council is working on a Housing Strategy, which will inform its consideration of the role it plays in supporting the provision of affordable housing in the District.

REGIONAL SPATIAL PLAN

Council, along with the other councils of the Manawatū Whanganui Region, are working together to develop a regional spatial plan which aims to set the future direction for the Region, including guiding future investment. The plan is underpinned by a shared vision: "Prosperous, strong, vibrant region for our people, mokopuna, for New Zealand".



Climate Change

Te Āhuarangi Hurihuri

Climate change is likely to present the biggest threat to our economy and way of life in the coming century.

WE KNOW THAT:

- Warming of the climate is beyond doubt. Since the 1950s, many of the changes in the climate we have seen are unprecedented, even over long timescales (up to millennia). These changes include the warming of the atmosphere and ocean, the decrease in ice and snow, sea-level rise, and increases in the concentration of greenhouse gases.
- Human activities have raised carbon dioxide in the atmosphere by 47% above pre-industrial levels (1850)⁶, mainly driven by the burning of fossil fuel but also from changes in land use (e.g., deforestation). The concentration of carbon dioxide is at a level unprecedented in the last 3 million years.⁷
- Climate change is already influencing the intensity and frequency of extreme weather and climate events globally.

Already, some of the impacts of climate change are exceeding scientists' expectations in terms of both their immediacy and severity. For instance, sea and land ice is melting faster than expected, which is having an accelerating effect on sea-level rise.⁸

New Zealand has warmed by $0.09 \pm 0.03^\circ\text{C}$ per decade since 1909, with more heat waves, fewer frosts, more rain in the south and west of New Zealand, less rain in the north and east of the North and South Islands, and a rise in sea level since 1900 of 1.7 ± 0.1 mm/yr.

Ongoing vulnerability in New Zealand to extreme events is demonstrated by substantial economic losses caused by droughts, floods, fire, tropical cyclones, and hail. During this century, New Zealand's climate is highly likely to warm further, with noticeable changes in extreme events. Heat waves and fire risk are virtually certain to increase in intensity and frequency. Floods, landslides, droughts, and storm surges are likely to become more frequent and intense, and snow and frost to become less frequent.

⁶NASA, 2020, Carbon Dioxide | Vital Signs – Climate Change: Vital Signs of the Planet (nasa.gov).

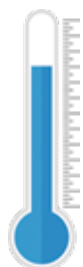
⁷Ganopolski, A., Calov, R. and Brovkin, V. 2019, 'Mid-Pleistocene transition in glacial cycles explained by declining CO₂ and regolith removal', Science Advances 03 Apr 2019, 5(4).

⁸See for example RNZ, 30 January 2020 Antarctica melting: Climate change and the "doomsday glacier", accessed from <https://www.rnz.co.nz/news/world/408516/antarctica-melting-climate-change-and-the-doomsday-glacier>; RNZ, 12 March 2020, 'Greenland and Antarctica ice loss accelerating', accessed from <https://www.rnz.co.nz/news/world/411608/greenland-and-antarctica-ice-loss-accelerating>; BBC News, 16 September 2019, 'Faster pace of climate change is "scary", former chief scientist says', accessed from <https://www.bbc.com/news/science-environment-49689018>

Figure 1: Key climate change statistics for the Manawatū-Whanganui Region (from NIWA data)

New Zealand has warmed by approximately

0.09°C
Per decade
since 1909



Our region's temperatures are

Likely to increase
0.7-1.1 °C
by 2040 and up to
3.1 °C by 2090



Annual average precipitation is predicted
To increase
15-20%
in the north of the region
and decrease
20%
in the south east by 2090

Predicted regional improvement in
River sediment load of

27%
by 2043 could reduce to
5-19%
due to climate change



Summer flows in
the Manawatū River
are projected
to decrease
14%



by 2090



and the number of high flow
events are likely to increase

In the Manawatū-Whanganui Region, a changing climate is likely to lead to changing weather patterns, including rising temperatures, an increase in the frequency and magnitude of rainfall and associated flooding events. An increase in rainfall events is also likely to lead to an increase in hill-country erosion, and as a result, more sediment in our rivers and streams (which in turn, increases flood risk). Coastal inundation is also likely to increase as a result of rising sea levels.

We know from a recent study commissioned by Horizons Regional Council⁹ that the region is likely to experience warmer winters with fewer frosts, but hotter summers will bring increased risks of heat stress (experienced by sheep, cattle and other farm animals) and drought. The introduction of new pests – or more favourable conditions for pests we already have – is likely to be an ongoing challenge, along with the possible introduction of subtropical diseases. Species that are already under threat or are at the limit of their climatic range may struggle to survive.

The increased level of flood risk and coastal inundation will affect both infrastructure and people. Of the nine districts included in the Horizons Region, the Manawatū District has the largest number of people in the projected flood hazard area (not taking into account the effects of climate change), followed by Palmerston North City.¹⁰ Climate change is likely to have other implications for our communities too. Increased incidence of droughts will make it more important for rural communities to build resilience into their water supplies, for drinking water, general household and firefighting use.

As a district that relies heavily on the agricultural sector for its economic prosperity, the effects of climate change on agriculture are particularly critical. An extensive area of farmland in the district is already identified as being in the flood impact zone, but the area impacted by flooding is likely to increase as the effects of climate change progress.

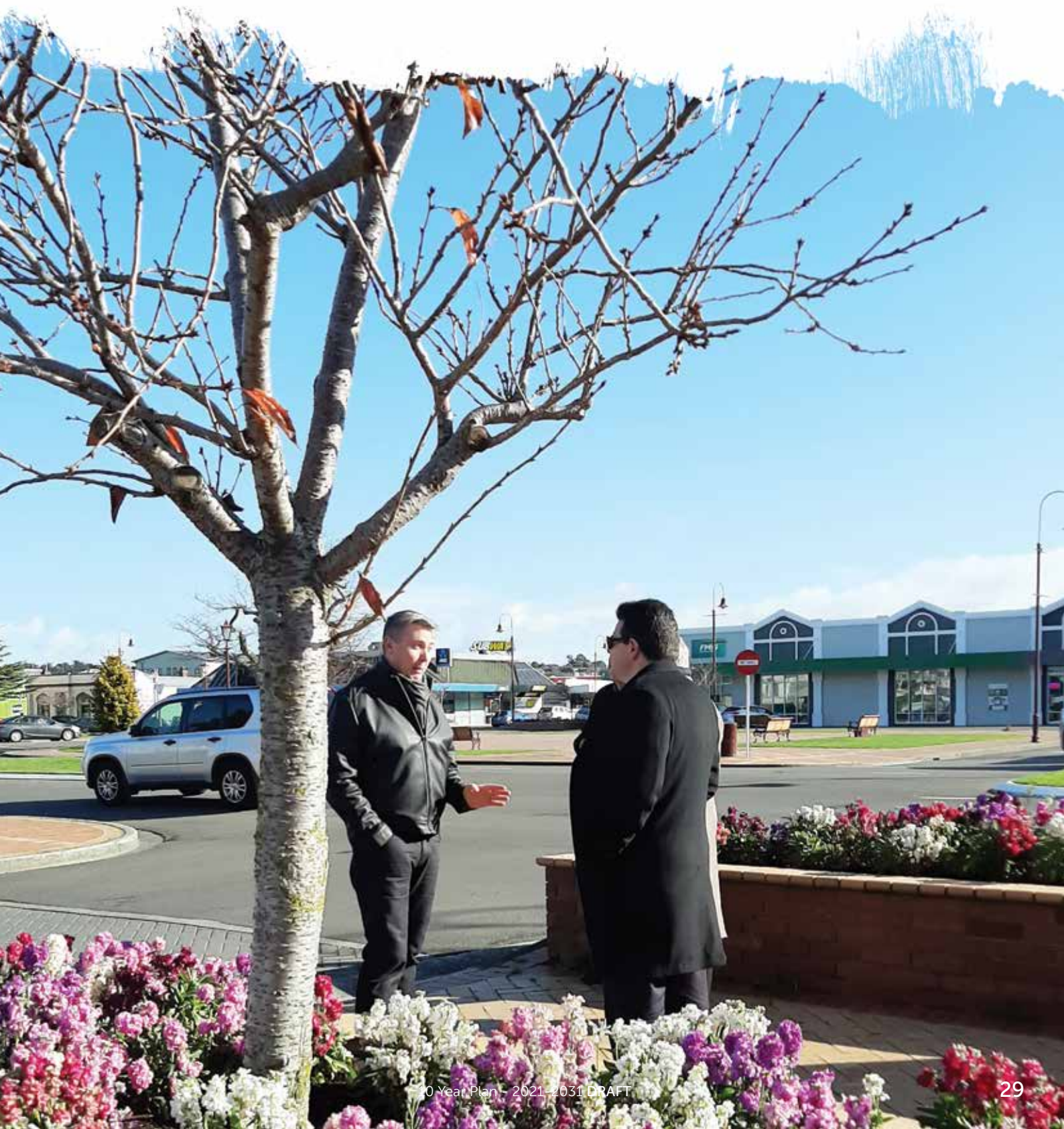
⁹ NIWA, June 2019, 'Climate change implications for the Manawatū Whanganui Region 2019' (report commissioned by Horizons Regional Council).

¹⁰ See NIWA, 2019, p.38.

In some areas, warmer temperatures will provide a more supportive environment for livestock, as higher temperatures increase the number of growth days for feed. Nevertheless, the increasing incidence of droughts, flooding, slips, and coastal inundation mean that farmers will face increased operating costs for advanced water and feed planning. Increased likelihood of heat stress in dairy cattle can result in reduced feed intake, which in turn results in lower milk production. Farmers may have

to consider adaptation strategies to compensate for these adverse changes.

Climate change will also have implications for the District's infrastructure – particularly roading and the three-waters network (town water, stormwater and wastewater). These implications, and our response to these, are discussed in more detail in the Infrastructure Strategy section 4.



Te Kīwai (o te kete) – Council’s approach to partnering with Māori

Te Kīwai (o te kete) – Tā te Kaunihera mahi tahi me te iwi Māori

The Council currently enjoys a positive working relationship with whānau, hapū, and iwi Māori throughout the District. We have made some significant progress in this regard and are committed to investing in our relationship and collective capability. Our goal is to ensure that our relationships with Māori remain meaningful, genuine, and enduring.

While Council acknowledges that historically our role has been primarily driven by legislative responsibility, we are evolving into a space where we enjoy genuine relationships with partners who care about our community. Council recognises the need to invest more energy and resourcing in this area.

As a council, we have invested time and energy into developing our internal capability to help staff become more skilled and able to engage with whānau, hapū, and iwi Māori. The current evolution of Council’s approach toward Māori means that as well as creating more culturally responsive pathways for Māori to present and engage in Council processes, we are also taking a

more active approach to spend time with Māori in their own spaces and environments. It is envisioned that the responsibility will then be ours to ensure that the knowledge and insight gained from these forums is used effectively to inform Council decisions and increase the presence, and voice, of Māori in the decisions we make.

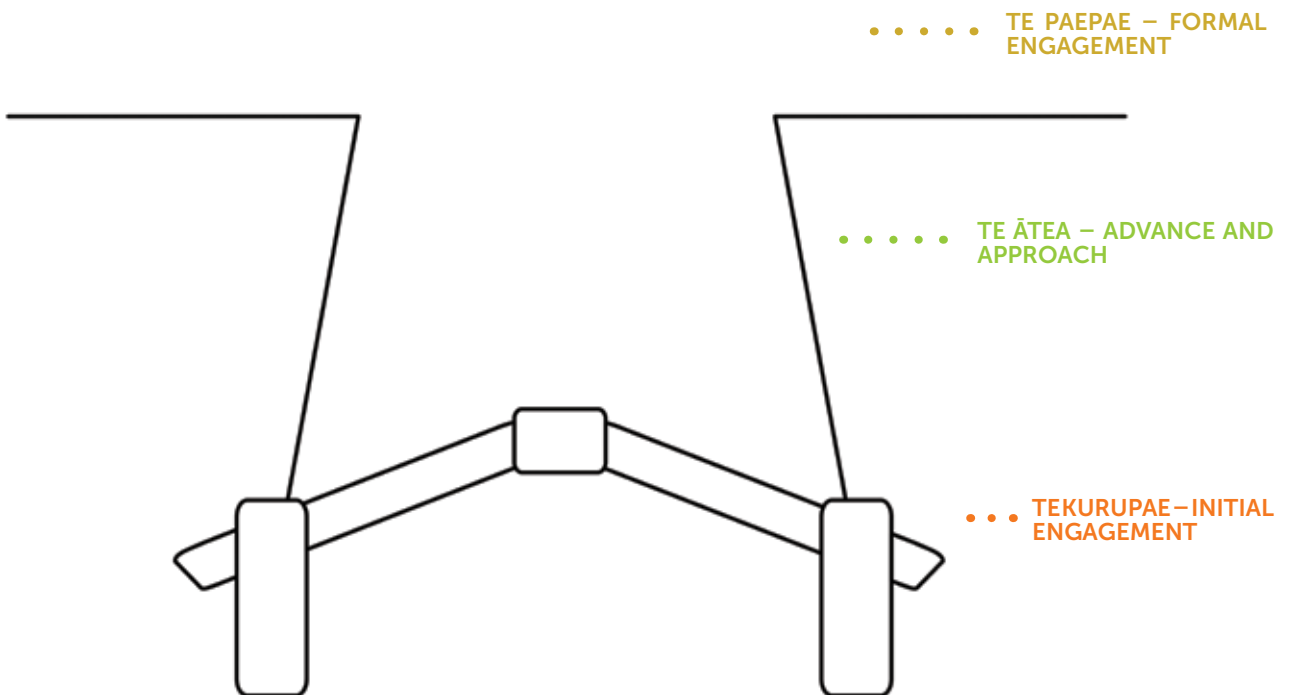
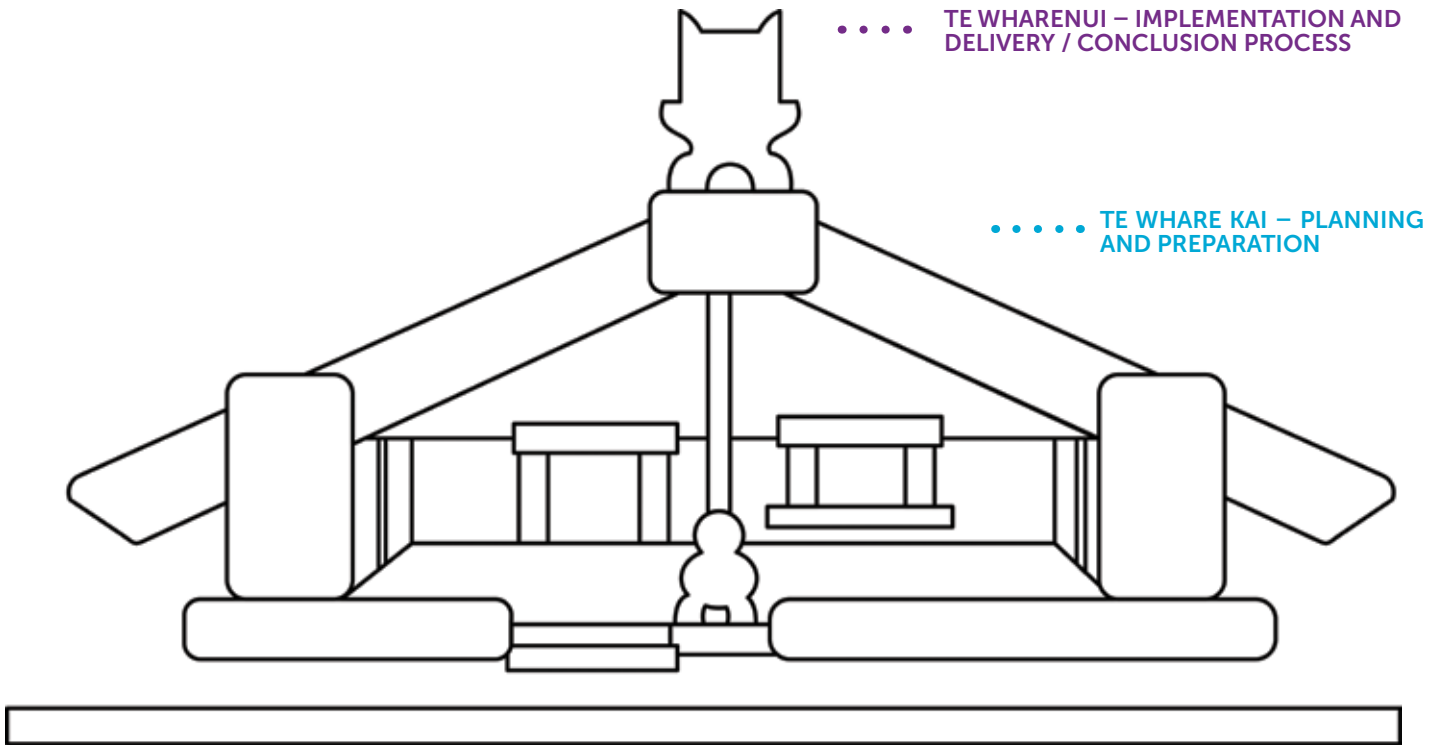
In December 2020, Council adopted Te Kīwai (o te kete). Te Kīwai (o te kete) means “the handle of the basket” and refers to two parties sharing the work by taking one handle each, and carrying the basket together. It can be referred to as simply “Te Kīwai”.

The engagement approach detailed in Te Kīwai is modelled on the process of pōwhiri, where the goal is for two separate entities to become one in order to achieve a collective purpose.

This is a summary of Te Kīwai (o te kete). For a full version, see Council’s website.



TE TUKANGA O TE KĪWAI (O TE KETE)
Te Kīwai Engagement Process



Te Kīwai can be depicted by the process of pōwhiri, welcoming guests onto the marae, with each stage of the pōwhiri modelling an aspect of the engagement process:

1. TE KURUPAE – INITIAL ENGAGEMENT

Step 1 requires parties to meet and identify themselves, their purpose, their intention (as demonstrated through action and behaviour), and assess health and safety concerns relating to the kaupapa (purpose), the people, and the immediate surrounding environment (physical, spiritual or otherwise).

2. TE ĀTEA – ADVANCE AND APPROACH

Step 2 requires parties to identify and move in the same direction, share additional information relating to their identity, background, history, and purpose.

3. TE PAEPAE – FORMAL ENGAGEMENT

Step 3 requires parties to define their interest in the kaupapa and their contribution towards it. They will identify key stakeholders/partners that they bring and communicate their expectations of self and others. The discussion is robust, honest, and transparent and should clearly define the terms of engagement.

4. TE WHARE KAI – PLANNING AND PREPARATION

Step 4 works intentionally to facilitate the transition from two entities to one. There is a physical shift of the groups joining to promote unity. As a single entity, they then enter a process to address the physical, social, and spiritual needs for the journey ahead. This phase provides an opportunity for Whakawhanaungatanga, the development of relationships.

5. TE WHARENUI – IMPLEMENTATION AND DELIVERY / CONCLUSION PROCESS

Step 5 is achieved in two phases: The Implementation and Delivery, and the Conclusion.

5(A) IMPLEMENTATION AND DELIVERY

This step requires everyone to enter a communal space where information can be shared safely and in detail. It is important to note that the ability of the group to navigate any presenting challenges is determined by the strength of the relationship that has been established in the earlier stages of the process.

During this process, all peripheral influences that might negatively affect the progress of the kaupapa should be addressed. Doing so will help preserve and protect the integrity of the kaupapa and those connected to it.

5(B) CONCLUSION

The Poroaki is generally initiated by the manuwhiri. During this process they will reflect on the journey, identify key highlights and points of significance, and acknowledge those who extended the invitation for their hospitality. The hosts will then reciprocate and conclude with final comments in the like.



Community Input to the Plan

He rau whakaaro e eke kairangi ai te whakamāherehere

Section 3

He maha ngā take he nui te kōrerotia i waenga i te hapori me te Kaunihera. He whakawhitinga kōrero i roto i ngā hui tūmatanui, he whakawhitinga kōrero me ngā māngai o te mana whenua, he whakawhitinga kanohi ki te kanohi i te māketete me wāhi kē atu, he whakawhitinga i runga ipurangi. He taonga katoa ngā kōrero i tukuna mai. Arā tā ngā tīpuna i kī ai, nāku te rourou, nāu te rourou, ka ora ai te iwi.

Early community engagement – April to October 2020

Ngā whakawhitinga kōrero tōmua – Paengawhāwhā ki Whiringa-a-nuku 2020

During the period Council was planning to seek feedback, New Zealand went into level four lockdown due to COVID-19. Council was unable to communicate face-to-face or through print media, but still worked to share information online and asked for feedback on our key issues:

- Earthquake prone buildings
- Climate change
- Sealing our rural gravel roads
- Affordable housing
- The future of our community facilities.

WEB PAGES

The 10 Year Plan section of Council's website featured pages covering each of the key issues. These provided opportunities for the public to comment and respond to polls. We advertised these pages through our Facebook page and website, and invited the community to sign up for weekly email updates on key issues and opportunities to connect with Council.

FACEBOOK LIVE SESSIONS

We held five Facebook live sessions between 4 May and 12 October 2020. Live sessions were held on Monday evenings, allowing the community to tune in. Each session was hosted by a Councillor and a senior member of staff, who outlined the issue and held a live Q+A session. These videos attracted thousands of views and over 200 comments. The recorded sessions were available on the relevant Key Issues page on Council's website, as well as being available through Facebook. Follow-up videos explaining Council's next steps were uploaded between 26 June and 21 August.

IWI ENGAGEMENT

Information on the key issues was taken to Te Kaunihera on 28 July 2020. Individual korero took place during August, exploring the key issues with iwi representatives.

OTHER COMMUNICATIONS

Council shared and collected information through social media posts (Facebook, LinkedIn and Instagram) and updates in the District News, including a competition to introduce the Manawatūmeke theme for the 10 Year Plan. Weekly email updates were sent out to those who subscribed.

Council also hosted a budgeting game on our website. This game sought to demonstrate that decisions to maintain, let alone enhance, our services come with increased costs which ultimately impacts upon rates. This was also an opportunity for the community to send in the budgets they created, to indicate to Council what services they wished to take priority.

CONSIDERATION OF KEY ISSUES

After community feedback was received, Council decided on the following course of action for each of the key issues:

- From 8 to 30 September 2020 Council undertook a survey around support for owners of earthquake prone buildings.
- Council is developing an Environmental Strategy. This will seek to address our own impact on the environment, and guide us in adapting to the effects of climate change.
- Council adopted a Road Sealing Policy (in February/March 2021), to set out our approach to funding the sealing of rural gravel roads.
- Council is working on a Housing Strategy to address our role in relieving the shortage of affordable housing in the district.
- Council's Community Facilities Strategy was under development and consultation during 2020, and the key decisions about the future of our facilities will be addressed through the implementation of this strategy, which was adopted in February 2021.

Formal consultation – a summary

Hei whakarāpopoto i ngā whakawhitinga kōrero ōkawa

To be included after consultation

Consultation outcomes

Ngā hua i puta i ngā whakawhitinga kōrero

To be included after consultation

Significance and Engagement Policy (Summary)

Te kaupapahere mō te whitake o ngā kaupapa me te whakawhitinga kōrero (he whakarāpopoto)

This is a summary for information purposes, visit MDC Documents and Policies for the full version.

Engagement is about involving the community in the decisions that affect them. It is important to Council that we understand the community views and preferences on issues, proposals, decisions, assets and activities we provide.

We understand that decisions range in degrees of significance and require different levels of engagement. The Significance and Engagement Policy sets out Council's criteria for determining the significance of an issue or decision, and the appropriate level and type of stakeholder engagement it will undertake.

DETERMINING SIGNIFICANCE

Understanding the significance of an issue is often an exercise in judgement, which is reviewed by Council staff and Elected Members before decisions are made.

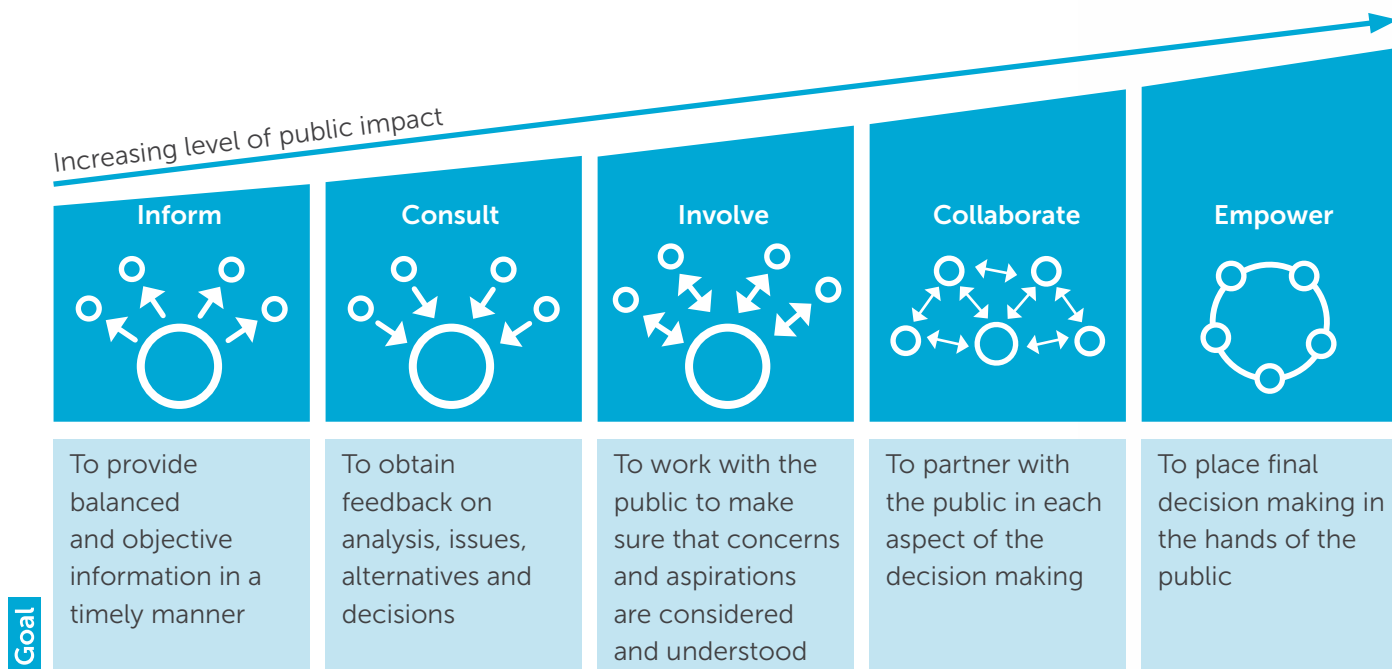
Factors that are considered when determining the significance of an issue are:

1. The level of financial consequences of the proposal or decision.
2. The number of residents or ratepayers affected and the degree to which they are affected by the decision or proposal.
3. The likely impact on present and future social, economic, environmental, or cultural well-being of the community.
4. The likely impact on Māori and mana whenua cultural values and their relationship to land and water and taonga.
5. Whether the proposal affects the level of service of a strategic asset.
6. The level of community interest.
7. Whether the decision, or something similar to it, has a history of, or is known to be, controversial.

Any individual decision or proposal can be affected by more than one of these factors.

STAKEHOLDER ENGAGEMENT

Council’s engagement approach is based on the significance of the issue, as well as existing knowledge of the community and their preferences. The table below indicates the level of engagement to use based on the level of public impact (significance).



SPECIAL CONSULTATIVE PROCEDURE

In certain cases Council is required to consult with the public using the Special Consultative Procedure. This is a process described in section 83 of the LGA.

Some examples of when the Special Consultative Procedure is required are during the development and/or review of Council’s 10 Year Plan, Waste Management and Minimisation Plan, Local Alcohol Policy, Dog Policy, bylaws and several other statutory documents.





Key Strategies Ngā Rautaki Matua

Section 4

He rautaki i āta whakamāhereherea, he kaupapa ka whakatinanatia ā tōna wā!

Financial Strategy

Te Rautaki Ahumoni

The Financial Strategy provides the financial framework for making decisions over the life of the 10 Year Plan. It outlines how Council intends to manage its finances, the impact on rates, debt levels of service and investments. It draws together all of the issues outlined in the 10 Year Plan, sets out their financial implications and the way that Council proposes to address these implications.

The framework will:

- enable the community to readily identify what the financial issues are
- provide the community with certainty about how expenditure will be met
- set out the impacts of proposals on levels of services, rates, debts and investment
- enable the community to understand how Council intends to manage the financial issues in the future
- provide guidance to decision makers when considering implications of financial issues on communities now and in the future.

What are our principles?

He aha ia ngā mātāpono?

- Financial stability – Council will manage its finances to maintain financial prudence and ensure long-term financial viability and resilience.
- Investment in infrastructure – Council will continue to invest in infrastructure to ensure assets are able to provide services now and into future.
- Affordability – Council will ensure value for money is received.
- Intergenerational equity – Council will consider how today's decisions will impact future generations.
- Economic development – Council will encourage economic development within the District.

Where are we now?

Ngā mahi o nāianei me ngā mahi kua oti kē

Over the last 10 years Council has invested heavily in core infrastructure, ensuring it is fit for purpose and future-proofed. The following projects are currently in progress or have been completed:

- upgrade of Feilding Water Supply
- upgrade of Manawatū Wastewater Treatment plant
- upgrade of Makino Aquatic Centre
- Mangaweka Bridge replacement
- development of the Resource Recovery Centre
- Council building earthquake strengthening – due for completion 2022/23
- Feilding Library upgrade – due for completion 2022/23
- Wastewater Centralisation Project – due for completion 2027/28.

Due to the substantial investment committed in infrastructure, Council has required the use of external debt to fund many projects, resulting in a current position that is near the maximum debt levels set within Liability Management Policy.

Council has also kept rates increases low since the inception of the last Long Term Plan, while maintaining, and in some areas increasing the levels of service provided to the community. The increases have been modest compared to other parts of the country.

What are the issues and our responses?

He aha ia ngā take matua me ngā urupare a te Kaunihera?

The following section provides an overview of the major issues in terms of our financial planning over the next 10 years, and our response to these issues.

GROWTH AND DEMAND

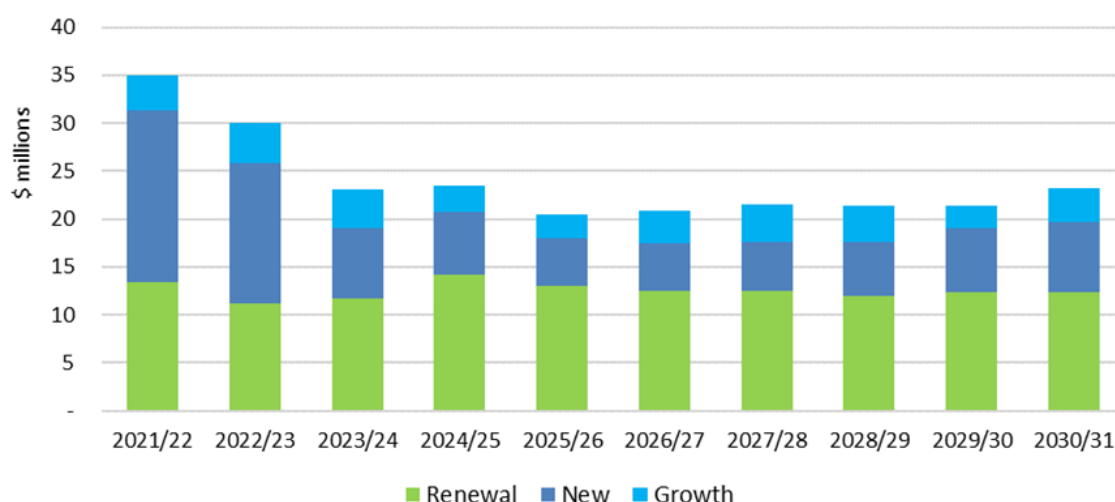
The population of the District is growing, and pressure is mounting for development to cater for this growth. The following population, demographic and land-use change projections have been taken into account as part of our financial planning for the next 10 years.

- The population of the Manawatū District has grown at an average rate of 1.5% a year over the last 10 years. Population growth has been particularly strong between 2014–17, with the average rate of growth of 1.8% per annum. Future population growth is forecast to average 1.3% a year from 2021 to 2031, ranging from 1.7% per annum to 1.1% over the life of the 10 Year Plan.
- The number of households in the district are expected to increase at a different rate than population increases. Household growth is forecast at 1.8% over the 2020/21 year. Over the period 2021–31, the number of households in the District are expected to increase by between 1.2% to 1.7% per annum.
- In June 2020, the District's population was 32,100. Over the 10 Year Plan period Council forecasting indicates that the population is likely to increase to 37,320 (by June 2031).
- Land use is anticipated to remain similar over the period 2021–24, with some degree of land-use change expected over the remainder of the 10 Year Plan period. Changes expected include some diversification of land use – in particular the mix of agricultural activities. This is due to changes to legislative and regulatory settings and changes in housing preferences and development patterns due to eroding affordability and restriction of residential development on productive land.
- Based on current projections for climate change in the region, it is anticipated that growth will be remain the more significant driver for land use change over the next 10 years (refer to the forecasting assumption on land use change on page 270).

Council does not expect any significant impact to current ratepayers in terms of the costs of providing current activities from the forecast growth. The additional capital expenditure required to provide services (including water, wastewater and stormwater) to cater for this growth will be recovered through development contributions.

Council has responded to this projected growth in demand by providing for a capital growth programme as summarised in the graph opposite. The graph shows the amount of capital expenditure required to maintain existing levels of service and meet any additional demand on Council's infrastructure.

Proposed Capital Expenditure 2021-31



In 2021/22, new projects include previously unplanned externally funded initiatives, which commenced in 2020/21. The first is the Ōhakea Rural Water Supply Scheme, outlined in the Infrastructure Strategy, section 4. The second is a \$5 million grant from the Department of Internal Affairs under Stage 1 of the Three Waters Reform Programme. Council plans to spend these funds on a number of three waters infrastructure projects during the 2020/21 and 2021/22 financial years.

In addition to the externally funded work outlined above, there will be significant capital expenditure in the years 2022/23 as a result of projects that have been carried over from previous years or are in progress to be completed. These include the Wastewater Centralisation Project (completion 2027/28), the Feilding Library upgrade (completion 2022/23) and earthquake strengthening of the Council building (completion 2022/23).

Roading expenditure is a significant component of capital expenditure. In 2021/22 Council plans to spend \$12.5 million on the roading network. Over the period of the 10 Year Plan, the annual expenditure on roading (capital) varies dependent primarily on the timing of major projects and funding agreement from Waka Kotahi NZTA. For instance, the final part of the Mangaweka Bridge replacement will be completed in 2021/22, and there are no major projects planned over the next years to 2030/31.

Council believes the resources made available in the 10 Year Plan give us the ability to meet levels of service requirements, including the expected increases from predicted growth.

BUILDING OUR RESILIENCE TO NATURAL DISASTERS AND UNEXPECTED EVENTS

Like all other regions and districts of New Zealand, our district is vulnerable to natural hazards and disasters, the impacts of which will range from minor and limited in scale/impact to significant and widespread in scale/impact. In recent years there have been several weather-related events in the District. Manawatū District is located in a seismically active zone, with the Hikurangi subduction zone – a major fault line – located within the District. Major events can affect roading and three waters infrastructure and services. Council needs to ensure that its infrastructure is maintained to a level that takes into account resilience.

Storm events and extreme weather events are likely to become more severe and frequent due to the impact of climate change therefore, Council needs to ensure it has the financial means to respond to a natural hazard event.

The District is also vulnerable to unexpected events as exemplified by the Coronavirus pandemic in 2020, and has a requirement to be able to respond unanticipated community requests.

To enable Council to respond adequately to natural hazards or other unexpected events, Council has chosen to invest in externally sourced insurance, while also maintaining a self-insurance reserve of \$1 million. Other measures providing additional resilience in the face of unexpected events include the resilience rate over the life of the 10 Year Plan and the maintenance of a self-imposed \$5 million debt cap buffer to ensure there is capacity to borrow if required.

MANAGING OUR BORROWINGS

Council has taken the conscious step to continue to limit the level of the debt cap to \$5 million less than the limit set by the Local Government Funding Agency. This buffer provides Council with the capacity to respond to emergency works if required in the event of a natural disaster. Council is mindful that a single infrastructure project or significant emergency works could use up this remaining borrowing capacity.

Council is moving to improve its financial resilience by building up a resilience reserve. Resilience reserve funds will enable Council to pay debt, respond to unanticipated community requests and increase the capacity to undertake repairs to infrastructure in the event of an emergency. The 2021–31 Ten Year Plan proposes to build up reserve funds by \$520,000 in 2021/22, \$319,000 in 2022/23, \$638,000 in 2023/24, increasing in the outer years to \$1.7 million in 2030/31. Resilience reserve funds will be collected via the general rate and is planned to reach \$8.2 million across the ten years.¹¹

IMPACT OF CHANGING REGULATORY ENVIRONMENT

Council operates within a heavily regulated environment, in which legislation, regulations and other requirements are constantly changing. As these requirements change, they need to be incorporated into Council's business processes. This can lead to increased operating costs or the need for expensive infrastructure upgrades.

In recent years, there have been a number of significant regulatory changes that Council has needed to make further investment to comply with or respond to, including:

- changes to the Drinking-water Standards for New Zealand
- changes to earthquake-prone building standards
- the Three Waters Reform Programme
- National Policy Statement on Urban Development
- National Policy Statement on Freshwater Management
- more stringent resource consent requirements.

These new or revised regulations already have, or are likely to result in increased costs for Council both in operating costs and capital investment. The Three Waters Reform Programme is likely to be one of the most significant changes to the regulatory environment but its implications are, as yet, unknown.

FUNDING CHALLENGES

Impact of increasing revaluations and subsequent depreciation

Council's core assets are required to be revalued every three years, and this results in large increases which lead to significant increases in depreciation costs and subsequent rates.

To mitigate the potential for three yearly spiked increases, Council has elected to revalue its core infrastructure assets on an annual basis, which results in a more smoothed and controlled impact on rates. Land and buildings are revalued on a three-yearly basis but due to land not being a depreciable asset the impact on depreciation is more limited.

¹¹ Used by the Council to fund activities that are of public benefit and cannot be charged to specific users.

Council rates for depreciation to fund the renewal or replacement of assets. However, there are three activities for which Council considers it prudent not to fully fund depreciation. These are roading, some community halls and recreation centres, and parks, reserves and sports grounds. The reasons for this are explained in the points below:

1. Roading is a strategic asset and is subject to a significant depreciation charge. However, the renewal or replacement of the majority of our roading assets are part-funded through a subsidy from Waka Kotahi NZTA. Therefore, it would be 'double dipping' if Council were to fully fund depreciation and also to receive a subsidy for the replacement.
2. Depreciation on most community halls is not funded as the asset may not be replaced or an alternative funding mechanism may be used to fund the replacement. The exception to this policy is in relation to the facilities deemed as strategic assets (Feilding Civic Centre and the Te Kawau Memorial Recreation Centre) and halls ranked as high priority: Āpiti, Colyton, Hīmatangi Beach, Kimbolton, Rangiwāhia and Sanson.
3. For the same reasons as outlined in relation to community halls, Council only funds 50% of the depreciation on parks, reserves and sports grounds.

Changing funding split from Waka Kotahi NZTA

Outside of rates, Council receives a significant level of subsidisation from Waka Kotahi NZTA. The financial assistance rate is decreasing over the first three years of the 10 Year Plan: from 53% in 2022, 52% in 2023 and 51% in 2024. The assumption is that no other capital subsidy for roading will be available. However, if new subsidies become available, Council will actively pursue these.

Balanced budget requirement

Council is required to balance its budget by ensuring that operating expenses are covered by operating revenue. There are some situations where Council is not required to balance its budget. Some of these exceptions are relevant to the 10 Year Plan, and include:

- not funding/partly funding depreciation on selected assets as outlined above.
- using revenue for capital purposes.

The operating surplus in the Statement of Comprehensive Revenue and Expense includes revenue to fund capital expenditure. This type of revenue includes Waka Kotahi NZTA subsidies for roading capital expenditure, grants for community facilities, development contributions received to cover growth-related capital expenditure and contributions from ratepayers (in the form of capital connection fees and some capital contributions) to fund connection to Council infrastructure.

- funding growth-related capital expenditure from development contributions.

When new land is developed, the developer is charged a contribution fee toward the costs of infrastructure such as water and wastewater pipes, and facilities such as parks and reserves.

A 20-year work programme has been developed and development contribution fees have been calculated according to this programme. Often Council is required to put the infrastructure in place before the development occurs to ensure we have the capacity to accommodate growth in advance of the development. In these instances loans are taken out to fund this expenditure. The servicing of these loans (both interest and principal repayments) is funded by future development contributions.

- funding from prior or future years surpluses.

There are a limited number of circumstances in which it is considered prudent to fund operational expenditure from prior or future years' surplus. One example is where a grant is received for solid waste minimisation. This can only be used for a specific purpose and therefore unspent money is set aside and used in future years.

Borrowings

Council utilises external debt funding to cover new capital expenditure where third party funding is not available or does not cover the full amount. By utilising debt funding this spreads the cost of the capital expenditure across multiple generations of the community who receive the benefit of the asset.

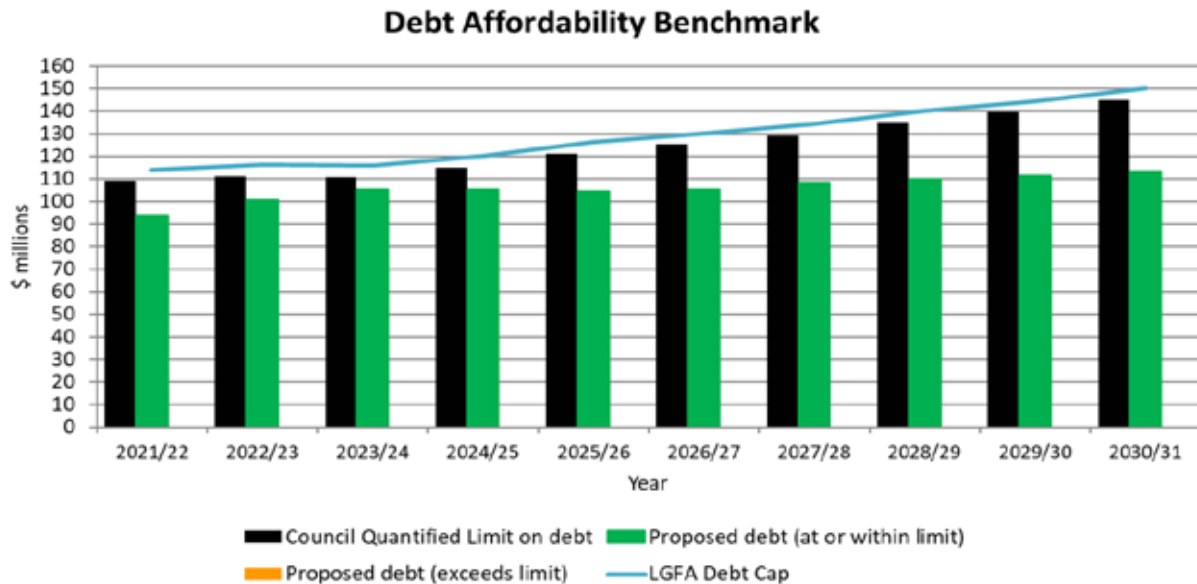
The term of borrowings is to be the estimated useful life of the asset or 30 years, whichever is less. While a 30-year ceiling does not fully address all intergenerational issues, it provides a suitable timeframe to repay debts. The loan repayments are offset by lower maintenance requirements for newer assets.

The relevant policy for borrowings is the Liability Management Policy which outlines the following borrowing limits as set by the Local Government Funding Agency:

- net interest must not exceed 20% of total revenue.
- net interest must not exceed 25% of annual rates revenue.
- net debt must not exceed 175% of total revenue.
- available financial accommodation must be more than 110% of external indebtedness.

Interest is therefore paid via rates and principal repayments are funded via the depreciation reserve on assets where depreciation is rated. If the assets are not rated then principal repayment is rated.

The graph below shows Council’s proposed debt over the next ten years, together with the maximum planned debt allowed according to the Financial Strategy. The maximum debt allowed in the Financial Strategy is based on whichever limit in the Liability Management Policy yields the lowest debt, less a \$5 million emergency buffer – in this case the lowest debt limit not exceeding 175% of revenue.



During the life of the 10 Year Plan the level of debt stabilises from the previous ten years as the level of new capital spend slows. In return, the increase in revenue at a rate higher than the new debt results in more capacity to borrow in later years.

Rates limits

Council considers the affordability of the proposed rate requirements both for the Council and ratepayers. When setting rates Council considers:

- the levels of service provided
- intergenerational issues
- other sources of funds
- debt levels
- legislative requirements
- external factors e.g., interest, inflation and changes to external funding
- what our ratepayers can afford.

The Council has decided on the following limit for rate increases:

Rates increases are based on the previous year’s total rates revenue multiplied by the Local Government Cost Index (LGCI) +3% and exclude:

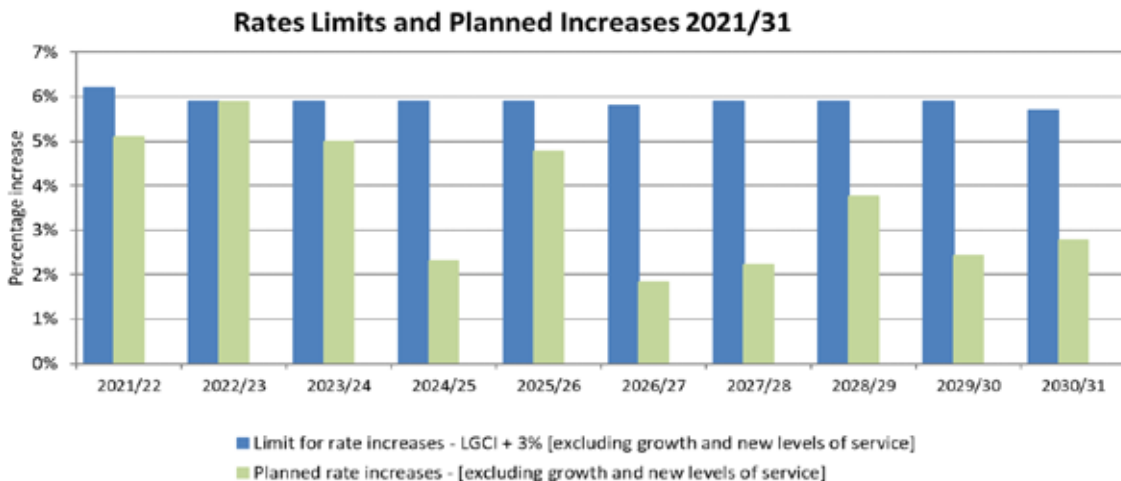
- increases that are the result of new levels of service
- increases absorbed by forecast household growth
- increases imposed by central government
- rates levied through water by meter charges, as these are volume related and are outside the control of Council.

The graph below indicates total rates increases against set limits over the ten years 2021–31.

The most significant rise is forecast in 2022/23, at 5.87% with the lowest forecast in 2026/27, at 1.84%. Over the next ten years, the average total rates increase per annum will be 3.61%. The smaller rises beyond 2023/24 are likely to increase when reviewed as part of the three-yearly 10 Year Plan process.

The percentage increases reflect Council’s total rate revenue increases for existing ratepayers receiving a similar level of service as the prior year. They do not reflect individual rates rises. The change in rates on individual properties will be different from the average increase. The rates for individual properties are dependent on valuation changes, the mix of rate charges and the combination of services provided. The rates and the percentage increases below exclude increases in growth, new levels of service and water by meter.

Added to these increases is rates revenue received as a result of new rateable properties (growth in the number of households in the District) and new levels of service. For the 2021/22 year Council is forecasting the number of properties in the District to grow by 1.7%. In addition, Ōhakea will be receiving a new level of service for water supply in 2022/23. These residents will be rated for the new water supply scheme for the first time in the 2022/23 rating year.


























Funding Mechanisms He āhuatanga tahua

Council has a number of funding mechanisms available. Council’s Revenue and Financing Policy details the funding mechanisms used for each activity. In summary, how an activity is funded is determined by:

- contributions to community outcomes
- who causes the costs to be incurred
- who receives the benefit
- when the benefit is likely to be enjoyed

Funding mechanisms include, but are not limited to those detailed in the table below.

	Operating Expenditure	Renewal Expenditure	New Works	Growth Works
User pays fees and charges				
Subsidies and grants	 	 		
Interest and dividends				
Rates (including Targeted Rates)		 		
Capital contributions				
Development contributions				
Funding from prior or future years' funds				
Loan Funding				



primary source of funding if available



secondary source on a case-by-case basis



funding will be considered if necessary on a case-by-case basis



main source of revenue is from Waka Kotahi NZTA for roading



depreciation is charged through rates and is used to fund the renewal of assets

Our future state: where do we expect to be in 10 years?

Kia rangi te tiro: te tūnga ahumoni hei te 10 tau haere ake nei

There will be many challenges and opportunities during the course of this 10 Year Plan. Council has invested heavily in roading, three water infrastructure and community facilities over the previous 10 years. This has resulted in an asset base that is resilient and fit for purpose, with cost associated with the investment being spread over multiple generations using loan funding. This in turn has resulted in a high level of Council debt.

Central government funding for Stage 1 of the Three Waters Reform Programme, and capital funding for the Ōhakea Rural Water Scheme has resulted in a number of capital works programmes being completed at little or no capital cost to the ratepayer.

New capital work expenditure decreases in the later period of this 10 Year Plan, with the focus shifting to renewal expenditure and capital spend associated with future growth.

Policies governing our borrowing limits and financial investments

Ngā kaupapa here mō te tepenga nama me te haumi pūtea

LIABILITY MANAGEMENT POLICY

- Council utilises external borrowing to fund the acquisition of assets. Council's Liability Management Policy governs the borrowing mechanisms and current limits.
- Internal borrowing is a mechanism available to manage both the level of funds available and external debt. The internal borrowing facility enables an activity to borrow from the Council treasury function as opposed to borrowing externally, with an appropriate interest rate charged.
- Security for Borrowings
 - Many of Council's assets are not readily saleable so are less attractive as security for loans. Council will secure borrowings by a charge over our rating revenue, either directly or through a debenture trust deed.
 - Council will not secure other assets unless circumstances show it to be appropriate (e.g. leased assets).

INVESTMENT MANAGEMENT POLICY

Council is a risk-averse entity. Council will not undertake transactions where the level of return or benefit is dependent on an unacceptable level of risk. The Investment Policy expressly forbids any form of purely speculative activity.

Adequate liquid funds are to be kept to allow all expected payments to be made on the due date. Investment levels should ensure adequate funds are maintained so special funds and reserves are backed by suitable investments.

EQUITY INVESTMENTS

Shares are held for strategic purposes that allow other activities within Council. Shares are not purchased solely for investment purposes. While Council receives a dividend from these investments, the benefits of holding these shares are not always related to the dividend. Consequently, the target on these investments is a nil return.

The performance of these investments is reviewed regularly to ensure strategic and economic objectives are being met.

TREASURY INVESTMENTS

Treasury investments include cash investments such as government stock, local government stock, bank bonds, debentures and bank deposits.

These are held:

- to ensure Council's specific reserves (separate, special and loan redemption funds) are backed up by realisable cash assets except where Council approves otherwise.
- to manage Council's cash position in a manner that maximises interest returns and minimises operational cash deficits and the associated costs incurred.
- to maximise interest returns from surplus funds.

For these investments, Council expects an average market return.

COMMUNITY LOANS

The main objective of providing loans to community organisations is to provide social, economic, cultural and environmental benefits to the District. While a market return is received from a number of these investments, others provide no return. Council individually approves this type of investment, with community benefits and the targeted return is addressed at that time. The targeted return on these investments (taken as a group) is nil.



Infrastructure Strategy

Te Rautaki Pūnahahanga

BACKGROUND

The Infrastructure Strategy sets out the requirements for the long term management of our assets to ensure they continue to deliver on levels of service over the next 30 years. The strategy identifies significant issues relating to the District’s infrastructure, and the principle options for managing those issues, including the implications of those options.

This strategy has been prepared based on the Asset Management Plans. These plans set out a 30-year programme for the management of each group of the core network assets (roading and water infrastructure). These plans ensure that assets are managed in an affordable, efficient and effective manner to minimise the financial impact on ratepayers and residents. The Strategy has also been based on the Forecasting Assumptions, and should be read alongside the Financial Strategy. For more information about the services Council provides, including through infrastructural assets, see also the Activity Statements in Section 5.

In developing the Infrastructure Strategy, our strategic goal is ‘to provide the Manawatū community with resilient infrastructure in a cost-effective way, meeting both current needs and future growth and demand.’ Infrastructure decision-making requires a balance between facilitating growth, and meeting community expectations and agreed levels of service within debt limits and at a rate that the community and industry can afford.

This table shows the assets covered by this strategy.

ASSETS COVERED BY THIS STRATEGY	WHAT THE STRATEGY OUTLINES FOR ALL ASSETS
Roads and footpaths	Requirements for renewing and replacing existing assets.
Water supplies	How Council will respond to changes in demand for services.
Wastewater (sewage treatment & disposal)	How Council will allow for planned increases and decreases.
Stormwater	Planned changes in levels of service provided through these assets. How Council will maintain or improve public health and environmental outcomes, or mitigate adverse effects. How Council will provide for the resilience of infrastructure by identifying and managing risks relating to climate change and natural hazards.

Note: In addition to the assets outlined above, Council also provides other community infrastructure such as the library, aquatic centre, parks, solid waste infrastructure and community buildings and facilities. These activities and assets are outlined in Section 5 of the 10 Year Plan.

The Manawatū District today – where are we now?

The economic, social, demographic and geographic characteristics of the District all impact on the delivery of our infrastructure assets. More information on this context can be found in Our District Snapshot, Section 2, but a brief background is included here.

The Manawatū District stretches from the Pacific Coast in the west to the Ruahine Range in the east. To the south, it shares a boundary with Palmerston North City. It is bound to the north and south by two major rivers – the Rangitikei and the Manawatū. The District boasts a diversity of geographic features, including hill country to the north and east and extensive flood plains to the west. Further to the west lies the broadest band of dunefields anywhere in the country. The Ōroua River runs from the Ruahine Range to the northeast of the district, skirting around Fielding before making its way through the floodplains and then converging with the Manawatū River at Rangiotū.

The District has an excellent roading network, including four state highways, linking the District to Wellington City and port to the south and Auckland, Tauranga and other cities and ports to the north. The main trunk railway, which passes through Feilding, enhances connectivity, particularly for freight. Primary industry (agriculture and forestry) comprise our biggest economic sector, making up nearly 18 percent of District GDP. Manufacturing and defence (primarily the Ōhakea Airbase) also contributes strongly to the local economy.¹²

Increases in population, dwellings and rating units, as described in Forecasting Assumptions, all have implications for our infrastructure services. These factors can affect the capacity of our assets to deliver services to the community and the timing of capital projects. For example, population growth generally leads to an increase in the volume of traffic using the roading network, placing increasing pressure on our roads and other infrastructure, such as stormwater. It is therefore essential that we ensure our asset management is sustainable and anticipates future growth and change in the District.

In managing its infrastructure, Council needs to balance quality and reliability of service with affordability. This will become all the more important as the proportion of older people in our District increases.

Further details about how we aim to keep our rates affordable while providing acceptable levels of service are described in the Financial Strategy in Section 4.

OUR ASSETS – SERVICE PERFORMANCE AND CONDITION

We have approximately \$1.008 billion invested in infrastructure assets in our District (see table below). Infrastructure accounts for over half of our annual operating expenditure. Overall, our assets are in average to good condition, and continue to deliver the expected levels of service to our communities. We continue to invest in the ongoing maintenance and replacement of assets to ensure that the provision of services to our residents and businesses is maintained. We currently spend almost \$15 million annually on the maintenance and operations of these assets. Over the past 10 years we have spent on average of approximately \$10.3 million on renewal of assets across our infrastructure network each year.

¹² Infometrics, 2019, Manawatū District Economic Profile, accessed from <https://ecoprofile.infometrics.co.nz/Manawatū%20District/PDFProfile#h0>

RENEWALS 2011-2020

	2020	2019	2018	2017	2016	2015	2014	2013	2012
Stormwater	220,235	530,998	578,906	383,625	18,662	1,835	11,126	26,213	245,304
Water supply	3,066,543	572,396	1,725,925	1,094,613	1,466,105	3,303,913	1,183,297	546,805	865,502
Wastewater	1,996,798	2,543,703	3,417,514	1,832,765	1,881,267	719,024	387,708	1,180,635	623,397
Roading	6,015,811	5,621,788	7,788,972	9,761,913	4,792,827	7,204,846	6,192,168	7,396,806	8,492,456
	2011	Average							
	10,864	202,777							
	1,267,794	1,509,289							
	273,975	1,485,679							
	7,989,713	7,125,730							
		10,323,475							

VALUATION REPORT 2019

Our assets and their value are set out below:

Infrastructure asset	Description	Replacement value \$	% of total
Roads and footpaths	1001 km sealed roads 367 unsealed roads 149 km footpaths 241 Bridges including 100 major culverts 3625 street lights Road signage, markings, drainage, railings/structures, berms and vegetation	700,389,840	69
Water supply	9 water treatment plants ¹³ 326.1 km water mains	120,018,675	11.9
Wastewater treatment	8 waste water treatment plants ¹⁴ 247.5 km reticulated wastewater network (pipes) 2180 manholes 214 pumping stations	119,543,793	11.86
Stormwater	106.1 km stormwater mains	68,294,000	6.77
Total		1,008,246,308	100

¹³ These are made up of five urban water treatment plants (Feilding, Sanson, Rongotea, Himatangi Beach and Kimbolton) and four rural (Waituna West, Stanway/Halcombe, Kiwitea and Ōroua). (The Kiwitea and Ōroua Water supplies are not managed by the Manawātū District Council.)

¹⁴ These are in Feilding, Rongotea, Sanson, Halcombe, Kimbolton, Awahuri, Hīmatangi and Cheltenham.

Like most Councils around the country, part of Council's water and wastewater networks were constructed the early 1900s so accurate information on these older assets is not available. Consequently there are some gaps in the data resulting from poor information in the asset database.

However, Council has made a considerable investment in renewing the water and wastewater networks in recent years and our critical assets are routinely maintained and monitored. Council considers the risk of critical asset failure to be minimal.

In the 2018–28 Long Term Plan the expenditure required to deliver the asset renewal profile was projected to contribute to Council exceeding its debt cap. As a result of this, Council decided to reduce the water and wastewater renewals programme by \$10 million over the 2018–28 period. Council re-positioned its risk profile, prioritising critical parts of the network that would have widespread impacts in the event of failure.

Council will continue with its focus on the renewal of critical assets or parts of the network for Years 1–3 of this 10 Year Plan (2021-31), with increased renewal investment planned across the infrastructure network for years 4–10.

In years 1-3 of the draft 10 Year Plan 2021-31 the shortfall for theoretical based renewals as shown in the Assetfinda database is \$19M. This includes above ground assets at the Manawatu Wastewater Treatment Plant and the Armadale Water Treatment Plant, some of which have already been renewed through the implementation of the Feilding Water Strategy. This theoretical renewal expenditure will not be required, and the asset data verification will be completed in the implementation of the asset data improvement plan referenced in point 1 above. Renewal expenditure of \$8M is planned in years 4-10. This increase will provide the ability to renew additional assets that are identified in Council's ongoing condition assessment which will be added to the targeted renewals programme.

The Assetfinda data of renewals that are due on or before years 4–10 will be reviewed as part of our ongoing condition assessment to see if they are in need of renewal or if we can increase the expected useful life. The targeted renewals programme for years 4–10 will contain the assets that are identified in the condition assessment as a priority for renewal. Condition assessment will provide higher confidence around current low-quality data which is expected to reduce the assets due for renewal in the next 10 years.

Continuing with a reactive approach to asset renewal rather than a proactive approach during Years 1–3 means that maintenance costs could increase. However, it is difficult to quantify this potential additional cost of maintenance as it will be dependent on the specific asset and the extent of any given failure. There may be no increase in maintenance costs if the asset does not fail.

Council has budgeted for the assumption that it will have both the internal and external resources required to achieve 85% to 105% of its reduced annual capital works programme over the life of the 10-year Plan. If the availability of resources are such that less than 85% of the programme can be completed, there may be an impact on levels of service over time.

To mitigate these risks and to support the completion of the capital works programme, significant contracts have been entered into by council and internal resourcing has been boosted by building the in-house project management and engineering expertise. Factors that may affect delivery are the availability of specialist engineering expertise and external contractors (including prequalification requirements for contractors), the capacity of Regional Council to process resource consent applications within statutory timeframes, landowner negotiations and the ability to procure products and equipment from offshore.

An additional risk is elevated demand due to the large capital works programmes of both neighbouring Councils and central government in the region. Opportunities are being sought to bundle projects together to gain efficiencies and enable the completion of aligning projects across the region.

CONFIDENCE IN CONDITION DATA

Council has recognised where there are some gaps in asset information and has implemented a maintenance and monitoring programme to inform a targeted renewals programme. As part of the improvement plan contained within the three waters asset management plan, the data contained in the asset management system will be assessed and updated accordingly.

The data confidence was evaluated and peer reviewed as part of Infrastructural Assets Valuation Reports 2019 for the Water, Wastewater and Stormwater Assets as at 1 July 2019.

Confidence Grade	Description
A. Highly Reliable	Data based on sound records, procedure, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate + 2%.
B. Reliable	Data based on sound records, procedure, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some is documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate + 10%.
C. Uncertain	Data based on sound records, procedure, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially completed but up to 50% is extrapolated data and accuracy estimated + 25%.
D. Very Uncertain	Data based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy + 40%.
E. Unknown	None or very little data held.

THREE WATERS ASSET CONDITION – BREAKDOWN

At Manawatu District, the confidence for asset attributes that would materially impact on the valuation (i.e quantity, age, size, replacement, costs etc) has been assessed for each asset class as follows:

Asset Class	Water	Wastewater	Stormwater	Comments
Pipelines	10% A	20% A	10% A	Since 2010: High accuracy in terms of quantities, descriptions, location and initial recognition of costs 2000-2010: Good accuracy in terms of quantities, descriptions and location Pre 2000: Good accuracy in terms of location and quantities but average descriptions
	80% B	80% B	70% B	
	10% C		20% C	
Points	40% A	40% A	20% A	See comments for Pipelines above
	60% B	60% B	70% B	
			10% C	
Plant & equipment	20% B	10% B		Since 2010: Average accuracy. Components described at a high level only 2000-2010: Good accuracy. Adequate component descriptions, but initial purchase costs not recorded Pre 2000: Average accuracy, little supporting documentation
	60% C	60% C		
	20% D	30% D		
Pump Stations		30% A	60% A	
		60% B	40% B	
		10% C		
Three Waters Overall confidence	B	C	B	

How does Council assess the condition of assets?

In order to assess the condition of underground assets, Council considers a range of factors including the date of installation and the material used (cast iron, asbestos cement, PVC, and PE). If there are questions surrounding the reliability of installation dates, the materials used provide a greater level of certainty around the date of construction and predicted useful life. This is combined with other factors such as the condition of other local underground assets, service history and recorded failures to ensure that Council can paint a representative picture of the condition of an asset.

For full list of assumptions relating to infrastructure, see the Forecasting Assumptions in the 10 Year Plan and the Asset Management Plan.

Network condition

Grade	Condition	Description	Expected Proportion of network (%)
1	Very Good	Asset is structurally sound and in excellent physical condition. No work required	75%
2	Good	Asset is structurally sound and in acceptable physical condition. Minor work required (if any)	11%
3	Fair	Asset is structurally sound but shows deterioration. Moderate work required to return asset to agreed level of service	13%
4	Poor	Asset failure likely in the short term. Significant work required now to return asset to agreed level of service	0.5%
5	Very Poor	Asset has failed/is about to fail. Renewal/Replacement required Urgently	0.5%

Critical assets condition

Asset Type	Grade	Condition	Network Percent %
Water Reticulation	1	Very Good	45
Water Plant	1	Very Good	59
Sewer Pump Stations	1	Very Good	2
Sewer Pump Stations	3	Average	0.5
Wastewater Plant	1	Very Good	20
Wastewater Reticulation	1	Very Good	1
Wastewater Reticulation	2	Good	1
Stormwater Pump Stations	1	Very Good	100
Stormwater Reticulation	1	Very Good	32
Stormwater Reticulation	2	Good	0.5

Roading network condition

A high proportion (>91%) of the network's pavements and surfaces are considered to be in an acceptable condition, based on the objective analysis at the expected Level(s) of Service. Figure 1 below highlights the proportion of the sealed road network within, approaching and beyond the expected performance threshold(s):

Figure 1 - Pavement Condition Summary, Network Level (LHS) & Road Classification Level (RHS)

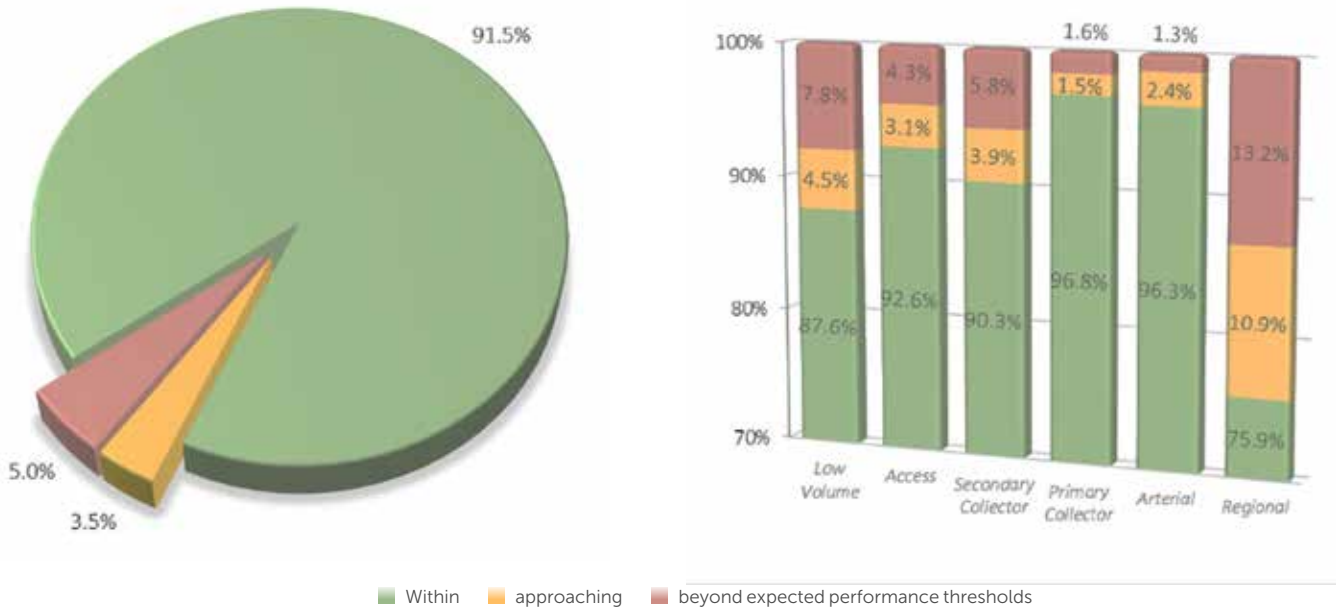
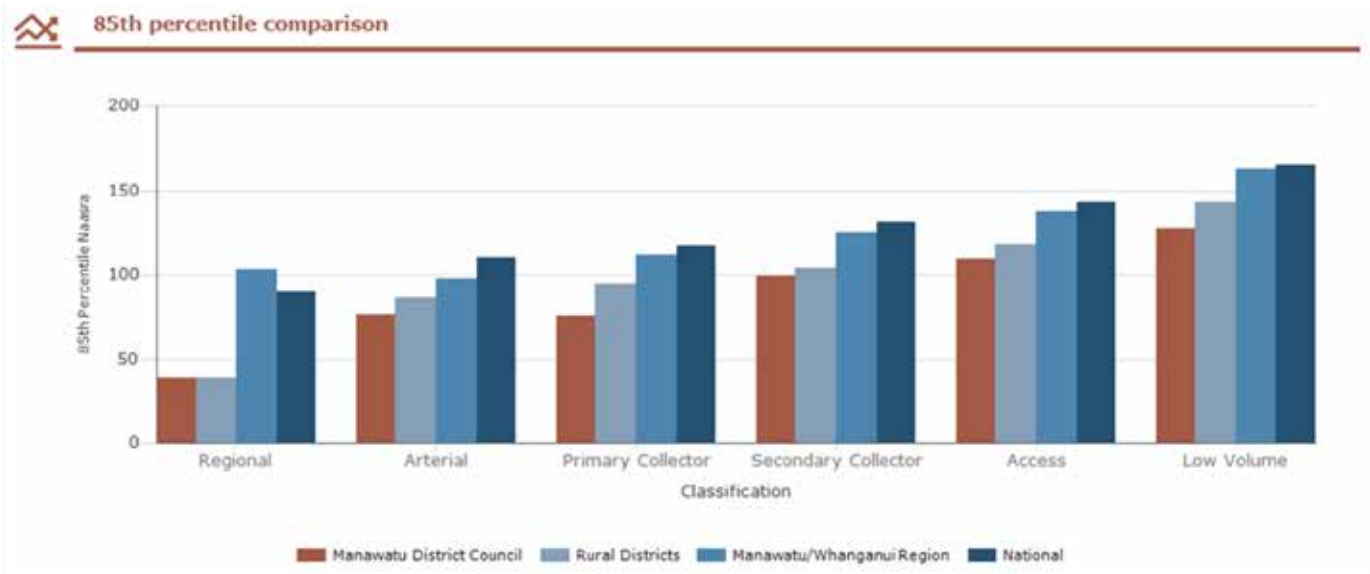


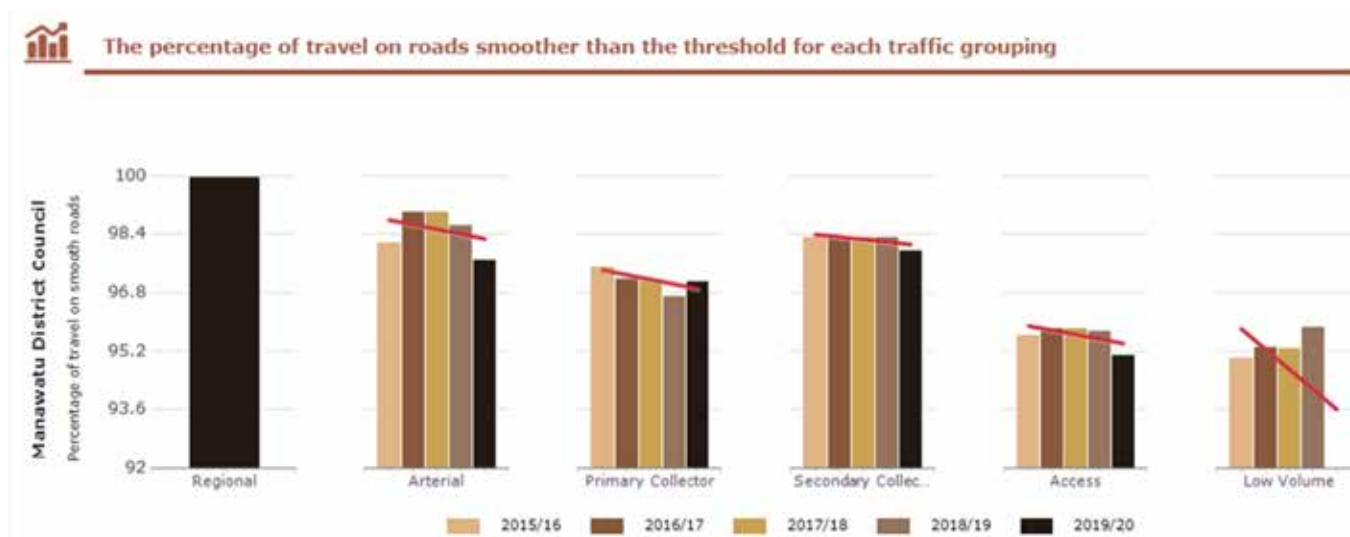
Figure 2 below highlights the 85th Percentile roughness measure throughout the sealed network. This measure shows that the Manawātū District road network enjoys smoother roads in general than those of other NZ rural districts, the Manawātū-Whanganui Region and the nation as a whole (source: ONRC performance measures reporting tool).

Figure 2 - Roughness Measure & Comparison of the Sealed Road Network



The most recent 'smooth travel exposure' data for the District is presented in Figure 3 on the following page, and exhibits a slight downward trend across all road classifications over time. This general deterioration is because of increasing traffic volume(s) and recent changes in usage (source: ONRC performance measures reporting tool):

Figure 3 - Road Smoothness Trend of the Sealed Road Network



Roading Asset Data Confidence

It is important to note the underpinning data that is used and maintained in the RAMM database can have a degree of error, this is mostly due to the origin of some data which was imported into RAMM in the 1990's from the data sources of the time. Information in some of the lower value data sets has been maintained but not validated, there is improvement overtime but some errors remain.

The RAMM software system has also evolved from a linear based system where assets were related to measured reference points on the road, to a GPS based Geographical Information System (GIS) which requires a higher level of positional accuracy.

The Road Efficiency Group (REG) is an arm of Waka Kotahi NZ Transport Agency who undertake analysis of Local Authority information for reporting and benchmarking purposes. RAMM data is analysed by REG using automated scripts and annual reports are generated for each council, multiple measures are aggregated to give an annual score. The system for scoring was implemented in 2017/18 when the MDC annual score was 47, in 2018/19 the score increased to 75 with a further increase to 85% in 2019/20. These increases are due to focused data improvement work which has been undertaken by the MDC Asset Management Team during.

Data improvements are ongoing and MDC is progressively undertaking verification of its assets recorded in the RAMM database. All new data entered by MDC staff and contractors is audited on a monthly basis.

Asset Class	Component	Data Confidence
Berm	Berm	C
Bridge	Bridge (Deck)	A
	Bridge (Culvert)	A
Crossing	Crossing	C
Drainage	Drainage	B
	Drainage Wall	A
Feature	Feature	A
Footpath	Footpath	B
Island	Island	C
Marking	Marking (RRPM)	C
	Marking (Painted Markings)	D
Railing	Railing	C
Retaining Wall	Retaining Wall	B
Shoulder	Shoulder	C
Sign	Sign	B
Streetlight	Streetlight (Bracket)	A
	Streetlight (Light)	A
	Streetlight (Pole)	A
SW Channel	SW Channel	C
Traffic Facility	Traffic Facility	C
Treatment Length	Formation Rural O L	B
	Formation Rural O P	B
	Formation Rural S L	B
	Formation Rural S P	B
	Formation Urban	B
	Pavement 1st Coat	A
	Pavement R k-Depth	A
	Pavement R u-D <2000	C
	Pavement R u-D >2000	C
	Pavement U k-Depth	A
	Pavement U u-D <2000	C
	Pavement U u-D >2000	C
	Pavement Unseal	B
	Surface Structure	A

The improvement plan in the AMP allows for improving the confidence in condition data, particularly for critical assets and to reach a minimum rating of 'C' for all assets within the next AMP cycle.

- Source Data
1. IPWEA. (2015). International Infrastructure management Manual. Institute of Public Works Engineering Australasia. International Edition.
 2. Manawatu District Council (2019). Infrastructural Assets Valuation Report 2019 Water, Wastewater and Stormwater Asset Groups.
 3. Brian Smith Advisory Services Limited (2019). Independent peer review of Manawatu District Council water, wastewater and stormwater assets revaluation dated 1 July 2019.
- Manawatū District Council Transportation assets revaluation dated 1 July 2019.

Service Delivery Approach

Council's procurement policy requires us to deliver services from our infrastructure in-house (using Council staff and resources). Maintenance is also done in-house by the Reticulation and Treatment teams. All construction work (for upgrades etc) is outsourced.

The Manawatū tomorrow – Where are we going?



Our vision for the Manawatu is that it is a place that people want to live, work and play. We want people to bring their business, skills and families to the District. Our message to the rest of New Zealand (and beyond) is that 'We are open for business'.

In this context, our infrastructure must continue to meet the needs of our community while providing for future needs and growth. It directly links to Council's strategic priorities, as set out in Section 2: The Big Picture. The Infrastructure Strategy provides a strategic roadmap for the next 30 years. It provides the direction on what decisions needs to be made, and when, in order to get to where we want to be in 2051.

KEY DRIVERS AND RESPONSES

As a community we face a range of external factors that can influence our decision making. As part of our long-term plan we have identified four drivers that have an impact across all of our activities. (Further details on how these impact on each asset group and our response are described in the individual asset sections of this Strategy.)

As well as these key drivers, this table sets out the 'most likely scenario' in relation to each driver in the context of the District, impacts of the driver/most likely scenario for our District's infrastructure and our strategic response. Note that 101B(4) of the Local Government Act 2002 states that: 'The infrastructure strategy must outline the most likely scenario for the management of the local authority's infrastructure assets over the period of the strategy.'

DRIVER	MOST LIKELY SCENARIO FOR OUR DISTRICT	IMPACT ON INFRASTRUCTURE	OUR RESPONSE
RESILIENCE 	<p>The effects of climate change will increase the likelihood of more frequent severe weather events such as storms, floods and droughts, and may affect infrastructure capacity in areas.</p> <p>Resilience in the face of earthquakes is an ongoing concern, but unlike extreme weather events, the frequency and magnitude of earthquakes is likely to remain relatively constant over time.</p>	<p>More frequent severe weather events will put pressure on our infrastructure, and may require improved capacity and capability to cope with these events and support community recovery following such events. No allowance has been made for the replacement of damaged infrastructure but rather to ensure we fund the replacement of our assets as it is needed. We have included budgets of around \$1.68 million per annum for the renewal of our assets. By completing the renewal programme and providing additional infrastructure we are improving the resilience of our current network, assets and services.</p>	<p>Our infrastructure will support or improve public health benefits.</p> <p>Our infrastructure will support or improve environmental outcomes.</p> <p>We will maintain our current assets to maintain levels of service.</p> <p>We will provide for the replacement of critical assets at the end of their useful life.</p> <p>We will improve the resilience of the three-waters networks through new works and renewals by using resilient design materials and pipe-laying techniques.</p>
GROWTH AND DEMAND 	<p>We are forecasting that our population will increase by about 34.5% by 2051. Over this period, there is projected to be a significant increase in the number of residents aged 65+ (from about 17% to about 21%).</p>	<p>Population growth and increased urban growth will increase demand for infrastructure services in Feilding.</p> <p>Ageing population increases demand for accessibility and changes the way in which infrastructure assets and services are used, but also has implications for affordability. We have included projects to a total value of \$31.9 million to provide for growth in our district.</p>	<p>We will plan for sustainable growth and manage demand, which aligns with land use.</p> <p>We will provide additional capital and operational expenditure over the next 30 years.</p> <p>We will ensure that the capacity, quality and connectivity of the infrastructure is sufficient to enable the District to achieve its growth potential (i.e., infrastructure will be an enabler of growth).</p>

COMPLIANCE



Increased level of central and regional government direction particularly regarding public health and environmental outcomes. A particular source of uncertainty at the moment relates to the potential reform of the three waters sector, including the possibility of centralisation.

Coupled with this is higher iwi/ hapū and community expectations in relation to environmental impacts and health outcomes, especially in respect of water.

The National Policy Statement on Urban Development 2020 requires councils to plan for growth and ensure a well-functioning urban environment, including providing for its community's future housing needs. Infrastructure is a central consideration in this planning.

This will impact on how we manage our infrastructure to ensure we protect and support public health and environmental outcomes. It is expected that this will require increased investment –however, the cost of implementing future changes to regulations and legislation is unknown.

We will comply with national standards. We will be responsive to administrative and regulatory change (for example, in response to possible reforms of the three waters sector). We will be innovative in our application of technology and other methods to meet increased community expectations.

AFFORDABILITY



The median household income for our District is \$121,000 (2019), slightly higher than the New Zealand mean average household income (which was \$111,470 in 2019). Over this period, there is projected to be an increase in the number of residents aged 65+ (from about 17% to about 21%).

With the increase in the aging population, we are also forecasting that there will be a higher proportion of single income or fixed income households.

The ageing population and moderate growth places a cap on the ability of our community to pay for infrastructure assets and services.

We will optimise our investment and apply asset management practices to our planning.

We will smooth our costs where possible over time.

Non-critical assets will be run to failure and only replaced if there is still a demand and requirement for the asset.



RESPONSE TO DRIVERS

Resilience – natural hazards and climate change

As outlined in 'Climate Change', Section 2, we are already seeing the effects of climate change both globally and in New Zealand. However, it is not yet clear how climate impacts will play out in the Manawatū District and what implications climate change will have for our communities, economy and infrastructure, particularly in terms of existing natural hazards such as flood risk. What we do know is that there is likely to be more extreme weather – more frequent and intense rainfall events on the one hand, with a higher likelihood of drought events on the other.

As noted in Section 2, a significant proportion of the District is vulnerable to flooding, even without taking into account climate change projections. To mitigate this risk, the District's major infrastructural assets, including the Manawatū Wastewater Treatment Plant, have been located outside the area likely to be affected by a one in 200-year flood event. In addition to this, Council is working with Horizons Regional Council on the Reid's Line spillway flood protection scheme to minimise any flood risk to Feilding.

The following paragraphs relate to natural hazards and climate change impacts and responses for roading and the three-waters networks respectively.

Roading – impacts and response

The roading network in our District has a significant level of exposure to flood hazard (the second highest level in the Manawatū–Whanganui Region, even without taking into account the exacerbating effects of climate change), encompassing an estimated 226 km of road exposed to flooding (19% of the region's flood-exposed roads are in Manawatū). Overall, the length of road exposed to flooding is significantly higher than road exposed to coastal inundation.¹⁵

Roading infrastructure is also particularly at risk from slips and landslides associated with heavy rainfall. Although

there is no quantitative data regarding exposure to slips in the District (or wider region), heavy rainfall events are likely to increase in intensity. Therefore, it is likely that the parts of the region which already have geology susceptible to slips and landslides may be more at risk in the future.¹⁶

A resilience plan is in place and operational for roading infrastructure. The plan includes preventative actions to mitigate against moderate scale events that could interrupt customer journeys.

Three-waters infrastructure – impact and response

Generally, the District is well-placed in terms of exposure of water infrastructure to inundation as a result of the range of sea level-rise scenarios, and in terms of current projected flood risk (i.e., not taking into account climate change).¹⁷ As noted above, while a significant proportion of the District is vulnerable to flooding, Council has mitigated this risk by placing key assets outside the area likely to be affected by a one in 200-year flood event. Flood protection for the Feilding area will also be enhanced through the Reid's Line spillway flood protection works.

Forward planning for maintenance and renewal budgets have factored in the effects of climate change. Council will be working to identify where current and future assets and level of service are at risk from the effects of climate change, including the probability of higher intensity rainfall, extended droughts, and sea level rise.

The resilience of three-waters networks is undergoing continual improvement as part of new works and renewals by using resilient design materials and pipe laying techniques. The level of investment is highest for critical infrastructure. Lifelines and assets of strategic importance are prioritised for renewal over other assets of a similar age to increase resilience and reduce our risk profile.

Increased frequency and intensity of rainfall events results in infiltration and inflows that increase wastewater volumes to be treated. Programmes to address this,

¹⁵ NIWA, 2019, "Climate change implications for the Manawatū-Whanganui Region" (Report commissioned by Horizons Regional Council), accessed from <https://www.horizons.govt.nz>.

¹⁶ NIWA, 2019.

¹⁷ NIWA, 2019.

include leak detection and stormwater works, are underway. Council has committed to a wastewater centralisation project for the villages (see Key Project 3, below), which will remove the discharge of treated wastewater to 103 km of streams and waterways across the District. Utilising the Manawatū Wastewater Treatment Plant on Kawakawa Road will see a significant volume of treated wastewater irrigated to land, and we are initiating work on a constructed wetland to remove the direct discharge of treated water to the Ōroua River over the winter/non-irrigation months.

In terms of potable water supplies, Feilding currently has adequate supply both under its current system (Almadale Water Treatment Plant and the Campbell Road/Newbury Line bores) and under Council's future plans to extract more of the town's drinking water supply from groundwater (see Project 4: Upgrade of Feilding Water Supply), which will place less pressure on the Ōroua River. However, rural communities, which rely solely on rainwater, will be more vulnerable to the impacts of climate change, especially drought. Some communities have already experienced water supply issues in recent years (for example, during the 2019/20 drought). Water supply for fire-fighting is also an area of vulnerability for these communities. Council will be working with these communities and other relevant organisations such as Fire and Emergency New Zealand (FENZ) to help ensure that these communities are well-positioned to meet foreseeable demands for both drinking and general/firefighting water supplies, taking into account the likely impacts of climate change in the District.

GROWTH AND DEMAND

As outlined in the drivers table, we are forecasting that our population will increase by about 34.5% by 2051. Based on past growth, infrastructure capacity, regional and central policy and likely plan changes (which will limit growth – or the scale of growth – to certain areas of the District), it is projected that approximately 60% of that growth will occur in Feilding, while the remainder will occur in rural and village areas.

In addition to this projected population growth, the Ōhakea Airbase expansion is likely to have an impact on

housing demand over the short term. The expansion is to include four new hangers, office space, operations and training centres, along with upgrades to existing taxiways. It is expected that 280 staff, along with their families, will relocate from Whenuapai to Ōhakea between 2022 and 2023. Some of the relocated families are expected to settle in Feilding. In addition, it is forecast that more than 2,000 jobs will be sustained during the construction phase.

Other developments that may impact on demand include the KiwiRail Regional Freight Hub, which is set to be located west of Railway Road between the Palmerston North Airport and Bunnythorpe. Although located within Palmerston North City boundaries, both the construction of the hub and its ongoing operation will create employment, bringing more people to the Manawatū District. It is expected that about 300 jobs will be created during the construction phase alone.

Planning for the growth of Feilding is set out in the Feilding Framework Plan, which identified a number of growth precincts in the medium and long term.

Precinct 4 is envisioned to provide for the majority of Feilding's residential growth over the next 20 years. In total the projection is that Precinct 4 will be fully developed by 2043 with 1,788 additional lots (2,058 households in total, including those already built as of 2021).

Planning for three waters infrastructure within Precinct 4 includes capacity for higher density housing pockets, such as for retirement villages and smaller unit housing.

Growth Precincts 1–3 have Deferred Residential Zone status. No infrastructure investment is budgeted for these precincts in the short-medium term and therefore the developer must pay for all necessary infrastructure extensions to connect to Council's roading, stormwater, wastewater and water supply network.

This approach aligns well with the National Policy Statement on Urban Development (2020), which requires that Council is open to 'out of sequence' development. This means that although Precinct 4 remains the focus

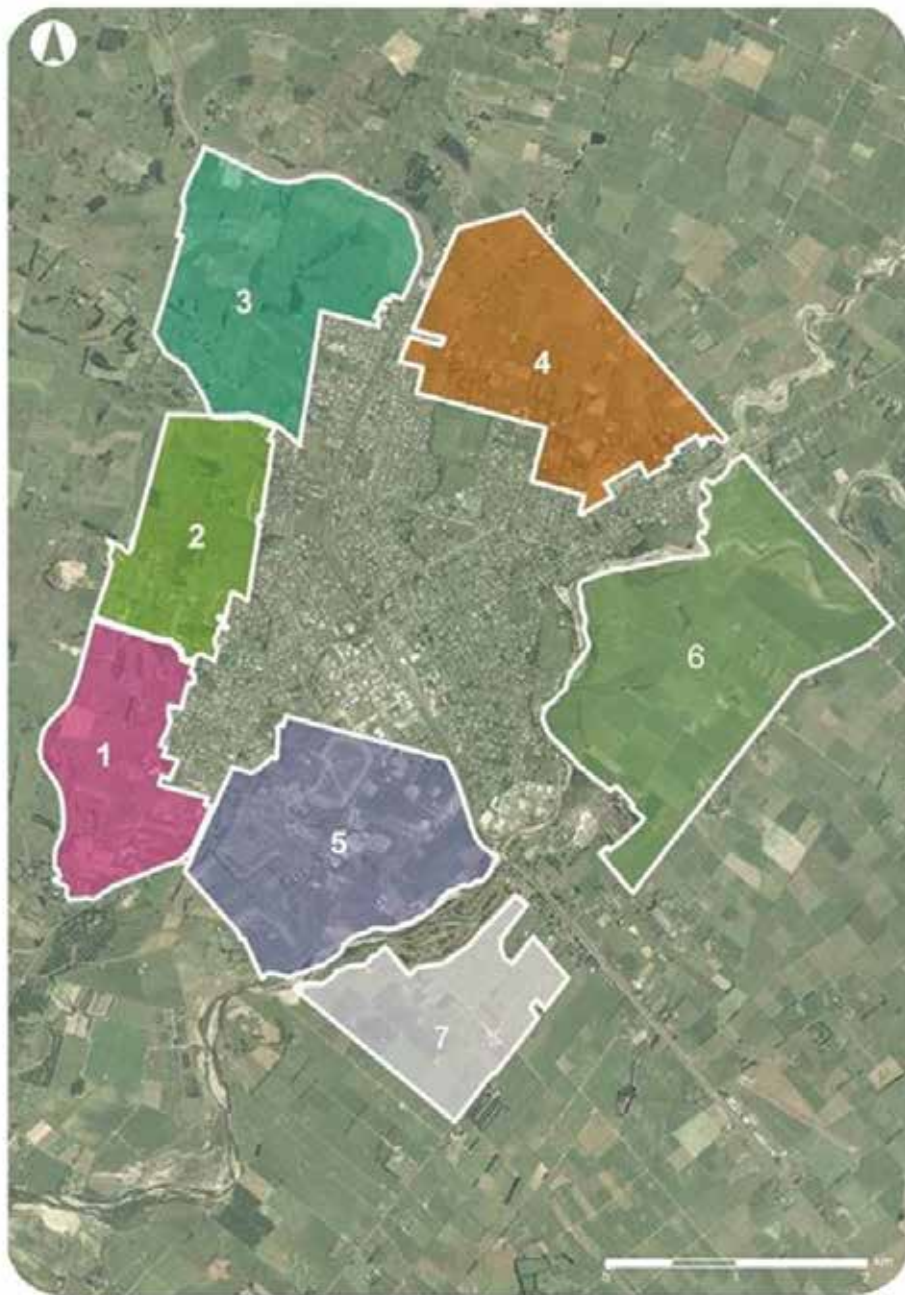
of residential development for the foreseeable future, Council will work constructively with private developers who wish to progress proposals to develop in precincts 1, 2 or 3.

Precinct 5 was re-zoned as an Industrial Zone in 2015. The development of the industrial growth precinct at Kawakawa Road will provide an estimated 97 hectares of land for future industrial land use, with 24 hectares initially accessible from the planned Turners Road extension.

Precincts 6 and 7 were identified in the 2013 Feilding Framework Plan as possible future residential growth areas. These will be re-evaluated as part of the next future development strategy.



Figure 1: Feilding Growth Precincts 1–7



The National Policy Statement on Urban Development establishes growth monitoring requirements including the preparation of a housing and business development capacity assessment. Council will also review the Feilding Framework Plan to ensure it meets requirements of a Future Development Strategy as set out in the National Policy Statement.

Another consideration to note in respect to growth and demand in the District is that the Urban Development Act 2020 gives the recently established government housing development agency Kainga Ora significant powers, including the ability to compulsorily acquire land in relation to any Urban Development Project, the ability to overrule District Plan provisions, and to fast-track urban development.¹⁸ This may have implications for Council’s ability to plan for future growth.

¹⁸ See <https://www.hud.govt.nz/assets/Urban-Development/Urban-Development-Bill/Summary-of-Powers-available-to-Kainga-Ora-v2.pdf>

REGULATORY AND COMPLIANCE

Stormwater

New developments within the Precinct 4 residential area are required to demonstrate that they achieve stormwater neutrality so that their stormwater discharges do not cause or exacerbate flooding of any other property. A Stormwater Management Plan is to be prepared for all subdivision development within Precinct 4. This Plan is in addition to a Comprehensive Development Plan already required by the proposed District Plan provisions.

Wastewater

Council is proposing to utilise existing capacity at the Manawatū Wastewater Treatment Plant in Feilding (of both the plant and land) for the land-based discharge of treated wastewater from the villages through a new piped network. This will mean that Council is only responsible for managing and consenting two wastewater treatment plants, including the Hīmatangi Wastewater Treatment Plant (which already has a 100% land-based discharge regime). All of the remaining existing village treatment plants will be de-commissioned when the wastewater centralisation project has been completed.

Drinking water

Council is committed to providing an urban potable water supply that complies with the national Drinking Water Standards. All drinking water supplies in the District are currently chlorinated. Council is assessing additional treatment options for schemes that utilise secure water (i.e., a water supply that meets national drinking water standards) in anticipation of further strengthening of the drinking water standards and associated treatment requirements.

Three Waters Reform

On 24 August 2020, Council signed a Memorandum of Understanding (MoU)¹⁹ with the Crown to work constructively together to explore future service delivery options to improve three waters services to communities. The MoU also sets out government funding arrangements that will support investment in three waters infrastructure as part of the COVID-19 economic recovery.

It is expected that the regulatory framework for Taumata Arowai (the new Water Services Regulator established under the Taumata Arowai—the Water Services Regulator Act 2020) will be in place by the end of June 2022, with implementation to begin after that. This reform process creates a level of uncertainty around how drinking water and wastewater services will be delivered to the community in the future (including by what agency). However, this Strategy and the Financial strategy assumes the status quo (Council ownership and delivery).

¹⁹The Memorandum of Understanding can be viewed on the Department of Internal Affairs' website: [https://www.dia.govt.nz/diawebsite.nsf/Files/Three-waters-reform-programme/\\$file/Memorandum-of-Understanding-%E2%80%93-Three-Waters-Services%20Reform-%E2%80%93-to-sign.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/Three-waters-reform-programme/$file/Memorandum-of-Understanding-%E2%80%93-Three-Waters-Services%20Reform-%E2%80%93-to-sign.pdf)

AFFORDABILITY

Demographic change will also have an impact on infrastructure planning. Over the 2021–51 period, there is projected to be an increase in the number of residents aged 65+ (from about 17% to about 21%). This may mean an increased proportion of residents on fixed incomes, making the consideration of affordability crucial to all infrastructure planning.

The Financial Strategy outlines funding models that address affordability issues, including:

- using loans to spread payments over a longer period of time (intergenerational)
- harmonising costs so the burden for new infrastructure does not lie with one community that does not have the ability to pay.

Levels of service are reviewed with each 10 Year Plan and Annual Plan. Increases in levels of service are balanced against rating impact and affordability.



Significant issues

This section identifies and outlines the significant issues in relation to infrastructure within the District over the next 30 years. The identification of significant issues lies at the heart of the Infrastructure Strategy. Section 101B(2) of the Local Government Act sets out that:

The purpose of the infrastructure strategy is to—

- a. identify significant infrastructure issues for the local authority over the period covered by the strategy; and
- b. identify the principal options for managing those issues and the implications of those options.

In this Strategy, the principal options for managing these issues are set out under Key Projects. For easy reference, this section identifies which key projects address each significant issue(s).

ROADS AND FOOTPATHS

Issue 1: Safety of our roads

The District's roading network sees a high level of crashes that result in serious or fatal injury (in relation to the volume of traffic conveyed). Consequently, the District (and the country as a whole) suffers a high social and economic cost.

This issue does not link to any single key project; rather Council undertakes continuous analysis to determine the severity, location, type and frequency of crashes on the local road network. This data is applied to a number of continuous/medium-to-long term safety related programmes, including:

- improved information for road users (i.e. permanent warning signage)
- intersection safety
- school-related roadside safety (e.g., Safer Journeys for Schools)
- maintenance of sealed surface performance
- seal widening
- installation/upgrade of road safety barriers.

These programmes have seen a reduction in reported crash frequency on the network, albeit with a lesser degree of improvement in terms of injury severity.

Council is also developing additional programmes that are currently in their infancy or are yet to commence. These programmes include implementation of:

- road corridor hazard identification
- District-wide delineation (road-marking) standards
- District-wide speed management mapping.

Links to key projects: while elements of safety are addressed in ongoing key projects outlined in this section, these safety issues are largely being addressed through a continuous programme of work.

Issue 2: Resilience of our roads

Resilience of our roading network has always been a priority in all roading operations, but as the impacts of climate change become increasingly evident in the District, particularly in terms of heavy rainfall and flood events, the strengthening of resilience will only become more important.

We are making ongoing drainage improvements to enhance the resilience of our rural roading network. Our focus has been on a programme of systematic drainage upgrades and rehabilitation in anticipation of higher frequency/magnitude weather events. This includes upgrading drainage and installing additional culverts ahead of road rehabilitation works.

Some of our rural roads have experienced increased pressure from forestry truck movements, particularly in northern areas of the District. We have determined that it is more cost-effective to rehabilitate roads in response to damage rather than in anticipation of damage caused by forestry truck movements, as it is difficult to anticipate with certainty the location, timing and extent of this damage. Upgrading all roads that may potentially be affected by forestry over the next decade to withstand forestry truck movements would be financially prohibitive and the cost would be difficult to justify.

The current demands made on our maintenance and post-forestry rehabilitation programmes remain sustainable at this time. However, increasing forestry activity is anticipated over the next ten years, which will likely be detrimental to the condition of the network without sustained investment to mitigate the effects.

Links to Key Project 9 (Bridges and Structures).

Issue 3: Ensuring our roading network supports growth

The bulk of the network is coping well with the current traffic volumes and loadings. It only requires routine maintenance and scheduled end-of life renewals such as resurfacing for it to deliver the agreed levels of service.

New development of roading infrastructure will be focused on areas of growth, including Precinct 4.

Links to Key Projects 6, 7 and 8.

WATER SUPPLY

Issue 4: Ensuring our water supply is safe and meets future needs

Our water supply (i.e., drinking or potable water network) is safe for drinking and meets national drinking water standards. The one exception to this is the Stanway–Halcombe water supply. This water supply will be upgraded. This is a key project (Key Project 1), outlined in section 4 below.

The existing Asset Management Plan (year 11–13) allows for the installation of firefighting capability in Sanson. This will also be considered for Halcombe Village once it is separated from the Halcombe–Stanway rural scheme. There are no plans at this stage to upgrade the other rural schemes to have firefighting capability.

Links to Key Project 1 (Upgrade of Stanway–Halcombe Rural Water Supply Scheme).

WASTEWATER

Issue 5: Ensuring that our wastewater network is compliant and environmental impacts are minimised

Council undertook a significant upgrade of the Manawatū Wastewater Treatment Plant in Feilding over the period 2012–2019.

The next phase of our work is wastewater centralisation – piping wastewater from all the villages to the Manawatū Wastewater Treatment Plant – which has capacity to deal with the additional wastewater volumes. This is an ongoing project, which is outlined under section 4 (Key Project 3). This will mean that Council is only responsible for managing and consenting two wastewater treatment plants, including the Hīmatangi Wastewater Treatment Plant (which, as noted above, already has a land-based discharge regime). All of the remaining existing village treatment plants will be de-commissioned when the wastewater centralisation has been completed.

To provide for forecast growth in demand, Council is currently working on acquiring land around the Manawatū Wastewater Plant to increase capacity for the irrigation of treated wastewater to land.

Links to Key Projects 3, 5 and 6.

STORMWATER

Issue 6: New development must not put additional pressure on stormwater network

As the effects of climate change accelerate, we anticipate that storms and flooding will increase in frequency and magnitude. We are also more aware today of the impact that poorly managed stormwater has on streams and other waterways. Horizons Regional Council's expectation is that all new development, including housing subdivisions, must be hydrologically neutral; in other words, they must not put any additional pressure on Council's stormwater network or the Regional Council's flood management network (including Makino Stream). Developers must also apply an interdisciplinary approach to stormwater management through the Council's Engineering Standards for Land Development, which contains a chapter on stormwater drainage. This requires that the developer:

- adopts low-impact design approaches, unless inappropriate
- improves the quality of the stormwater runoff entering the receiving environment
- reduces stormwater runoff volumes and peak flow rates
- where possible, utilises natural systems and improves biodiversity by preserving and enhancing the integrity of ecological and biological systems of the environment
- avoids adverse environmental and community effects
- avoids potential adverse effects to aquatic ecosystems.

District Plan rules require retention of stormwater on site to achieve hydrological neutrality. Council is also exploring communal detention areas as part of the stormwater network for managing stormwater from residential properties in Precinct 4. This is reflected in the District Plan rules for Precinct 4.

To enable a more comprehensive management of stormwater, Council is working towards a hydrologically neutral approach to managing stormwater in Precinct 4, using management areas along the Makino Stream esplanades. Development contributions will help fund this work.

Links to Key Projects 5 and 7.

New Key projects

This section sets out the key projects that seek to address the significant issues and respond to the underlying drivers set out above. This section also includes key projects that are ongoing. Key decisions have been made on these projects and in most cases they are underway. However, they remain critical to our infrastructure strategy and meeting the requirements of our community over the next 30 years.

Capital deliverability: To support the completion of the capital works programme, significant contracts have been entered into by council and internal resourcing has been boosted by building the in-house project management and engineering expertise. Factors that may affect delivery are the availability of specialist engineering expertise and external contractors (including prequalification requirements for contractors), the capacity of Regional Council to process resource consent applications within statutory timeframes, landowner negotiations and the ability to procure products and equipment from offshore.

There have been some carry forwards for the Water Strategy projects (see Asset Management Plan for details), Wastewater Centralisation and Turners Road extension. External factors such as land acquisition, third party negotiations and easements were out of Council's control. For more detail on carry forwards, see the Asset Management Plan for Three Waters.

Project 1 - Upgrade of the Stanway–Halcombe Rural Water Supply Scheme

The Stanway–Halcombe Rural Water Scheme is a water reticulation scheme operated by Council. It consists of shallow bores adjacent to the Rangitikei River and a water treatment plant which chlorinates the water. The scheme was primarily designed to provide stock watering on a restricted flow basis. The restricted flows were allocated on a unit basis, with an overall capacity of 2,000 units (one unit being 1 cubic metre) per day. In recent years, there has been a reallocation of a proportion of units to lifestyle properties, as farms have been subdivided.

This means that water that was not intended for human drinking purposes is now being used for this purpose. The scheme does not comply with current drinking-water standards requiring the removal of protozoa (Drinking-water Standards for New Zealand 2005 (revised 2018)).²⁰ The upgrade will involve the installation of a UV treatment system at the point of supply for the Stanway–Halcombe Scheme. Council is receiving central government (Department of Internal Affairs) stimulus funding for this project (\$750,000 in the 2020/21 financial year). The future investment in this scheme is \$528,900 for reticulation extensions and resilience (as outlined in the table below).

The Council recognises the interests of iwi as part of the Stanway–Halcombe Rural Water Supply Scheme, and Council is currently in discussion with Māori land owners to ensure that their interests are managed appropriately. As part of our discussions, we have also identified further opportunities associated with the provision of water to the wider valley area of Te Reureu (see also Extension to Stanway Halcombe/Te Reureu Valley Rural Water Scheme, page 82). The overarching aspiration for both Council and iwi, is to serve the needs of the people, but also to help maintain the relationship and connection between whānau, hapū, and iwi Māori with the Rangitikei River.

Budgeted expenditure over life of project

Year	2021/22	2022/23
Budgeted Expenditure (\$)	313,500	215,680
Total	\$529,180	

²⁰ These standards can be found at: <https://www.health.govt.nz/publication/drinking-water-standards-new-zealand-2005-revised-2018>

²¹ For more details on the full range of options considered see the "Manawatū District Council Ōhakea Rural Water Scheme Options Assessment" (March 2019). A report undertaken by GHD, commissioned by Council.

Project 2 - Ōhakea Rural Water Supply

The Ōhakea Rural Water Supply scheme will involve the construction of a potable water supply in the area affected by polyfluoroalkyl substances (PFAS) compounds to the west of the Ōhakea Defence Force Base. Due to the contamination of current bore supplies in the Ōhakea area with PFAS compounds, the new supply (the preferred option being a pipeline from Sanson)²¹ will replace the existing bore supplies and provide PFAS-free water on a permanent basis to this area. Around 85 rural properties will be supplied with reticulated drinking and stock water rather than having to rely on tanks and bores.

Central government (through the Ministry for the Environment) will fund \$10.8 million of the costs for the design and construction of the new water scheme (about 75% of the total cost of the scheme), while Council will fund the balance.

This project is due to be completed by December 2021.

Ongoing Key Projects

Project 3 - Wastewater Centralisation Project

The Manawatū Wastewater Centralisation Project commenced in 2018/19 and is planned to be completed in 2025/26. (Note however, that ongoing costs have been budgeted for the project, as set out in the table below.) The project involves the development of infrastructure to pipe untreated or pre-treated wastewater from the villages of Halcombe, Sanson, Rongotea, Awahuri, Cheltenham and Kimbolton to the Manawatū Wastewater Treatment Plant (WWTP) for treatment and disposal, as shown in Figure 2 on the next page.

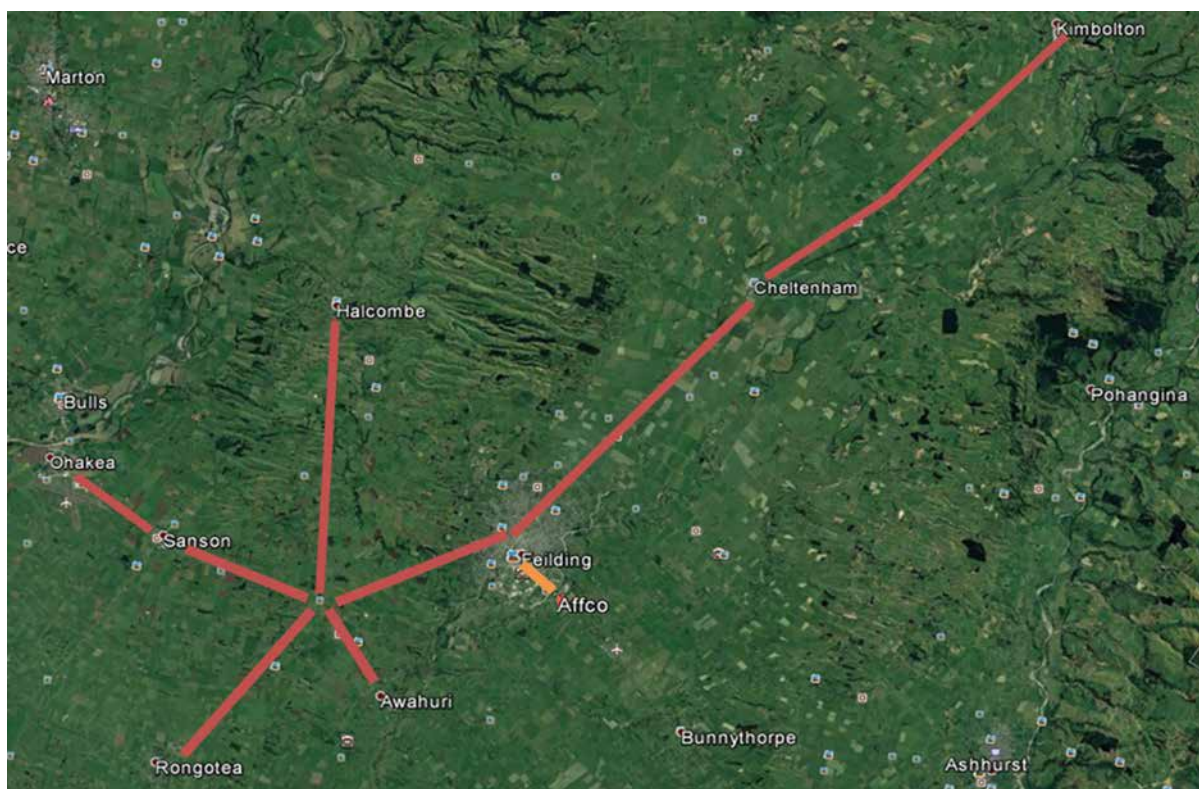
Each of these villages currently has a wastewater treatment plant with discharge consents that have expired or are due to expire over the next few years. All of the existing consents involve some allowance for the discharge of treated wastewater to a waterbody and obtaining new consents will be time-consuming, difficult and expensive. Council will not be seeking the renewal of these discharge consents; instead, it will pipe wastewater from each of the villages to the WWTP. Along with the efficiencies of piping to one central site for treatment, this project will also bring significant environmental gains for each of the waterways impacted by existing wastewater discharges.

To allow the centralisation project to be undertaken, the existing resource consents for the WWTP have been varied. Council is awaiting the outcome of an additional consent process to extend the effluent irrigation to the additional land adjoining the WWTP acquired by Council over the past few years.

Budgeted expenditure over life of project

Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Budgeted Expenditure (\$)	1,824,779	1,686,855	1,253,661	1,259,151	931,755	121,970	176,789
Total	\$7,254,961						

Figure 2: Indicative pipelines from villages to Manawatū Wastewater Treatment Plant (Feilding)



Project 4 - Upgrade of Feilding Water Supply

This is a project to upgrade and future-proof Feilding’s water supply which commenced in 2018/19 and is due to be completed in 2024/25. (Note however, that ongoing costs have been budgeted for the project, as set out in the table below.) The upgraded infrastructure will replace Feilding’s reservoir at Almadale and the trunk water main into town, which are nearing the end of their useful lives. The project involves constructing a new water treatment plant, a new trunk water main into town, and a new bore. This project was determined to be both the most cost-effective and resilient option for renewing Feilding’s water supply.

Since the adoption of the 2018–28 Long Term Plan, an additional \$2.9 million has been budgeted for the upgrade of Feilding water supply networks. This additional budget will allow for the extension of the trunk main resilience in the town centre (CBD) and projects in the industrial area (Precinct 5), the disposal of the Almadale Water Treatment plant and associated pipelines.

Budgeted expenditure over life of project

Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Budgeted Expenditure (\$)	1,469,531	528,416	278,250	1,228,569	0	0
Total	\$3,504,767					

Project 5 - Re-consenting of the Manawatū Wastewater Treatment Plant

The Wastewater Treatment Plant Consent expires in November 2026. The budget includes \$1,767,569 spread across years 2 and 3 for the re-consenting process, as shown below. This budget does not include any additional expenditure that may be required to satisfy new requirements of the resource consent. This project will be funded from renewals.

Year	2022/23	2023/24
Budgeted Expenditure (\$)	862,729	904,840
Total	\$1,767,569	

Project 6 - Precinct 4 growth works

The table below sets out the budgeted investment for the three waters and roading projects that will support the development of Precinct 4. This project are ongoing, with budget allocated through to 2030/31.

Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Stormwater	1,226,355	1,049,871	297,332	308,746	319,246	243,300	1,064,962
Wastewater	386,206	626,712	352,854	97,236	727,231	711,776	815,124
Water Supply	125,400	280,023	690,060	690,234	200,919	206,142	151,188
Roading	574,054	772,293	1,799,757	918,046	867,673	1,599,143	1,648,698
Total	\$2,312,014	\$2,729,528	\$3,140,003	\$2,014,262	\$2,115,069	\$2,746,905	\$3,679,971

Year	2028/29	2029/30	2030/31
Stormwater	1,295,923	1,002,022	324,159
Wastewater	557,042	0	1,270,543
Water Supply	26,030	26,890	358,644
Roading	1,027,588	756,552	1,260,128
Total	\$2,906,583	\$1,785,465	\$3,213,474

Project 7 - Precinct 5 Growth works/Turners Road Extension

In the last 10 Year Plan, Council committed to the Turners Road extension, which will link the existing Turners Road to Kawakawa Road to help facilitate the development of industrial zoned land in this area (Precinct 5).

The table below sets out the outstanding investment budgeted for this Precinct 5/Turners Road Extension. The completion of these works is projected to be in the 2030/31 year.

Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Stormwater	315,500	323,520	0	0	0	0	0
Water Supply	0	0	0	0	178,320	181,241	186,774
Roading	0	0	0	0	0	0	0
Total	\$313,500	\$323,520	0	0	\$178,320	\$181,241	\$186,774

Year	2028/29	2029/30	2030/31
Stormwater	0	336,125	344,153
Water Supply	192,941	201,675	0
Roading	0	0	0
Total	\$192,941	\$537,800	\$344,153

In addition to the above, a sum of \$1,118,100 for roading will be carried forward to 2021/22.



Project 8 - Mangaweka Bridge Replacement

This project involves the replacement of the existing Mangaweka Bridge on Ruahine Road at Mangaweka, which has reached the end of its useful life and is now limited to use by lighter vehicles. This project was originally signalled as a future project in the 2015-25 Plan. Waka Kotahi NZTA funding was made available as part of the 2018-28 budget. Construction began in January 2021 and is scheduled for completion in June 2022.

The total cost of the bridge replacement will be about \$11 million which includes the initial business case, pre-implementation and design costs, and construction costs. As this is a boundary bridge, costs will be split equally with Rangitikei District Council. The project also qualifies for a Waka Kotahi NZTA subsidy so the total actual cost to Council will be approximately \$2.6 million.

Project 9 - Bridges and structures

Council's Roothing Structures Lifecycle Management Plan (Bridges and Major Culverts) identifies renewal and upgrade requirements for the period of this strategy (2021 – 2051). The total cost of this programme over the period is \$25 million. The replacement of existing bridges and structures are renewal projects so will attract a subsidy from Waka Kotahi NZTA at the normal Funding Assistance Rate (FAR) (see footnote 22).

OTHER PROJECTS OF INTEREST

Vinegar Hill Rural Water Scheme

Council is working with rural landowners in the Vinegar Hill area to develop a feasibility assessment for a potential rural water scheme which could service up to 40,000 hectares of hill country farmland in the northern part of our District. Council staff are providing technical, engineering and administrative resources to progress the project, including the collection of financial contributions from the local farming community. If deemed feasible, the wider project team will seek external capital funding to construct the rural water scheme over the next few years.

Extension to Stanway Halcombe/Te Reureu Valley Rural Water Scheme

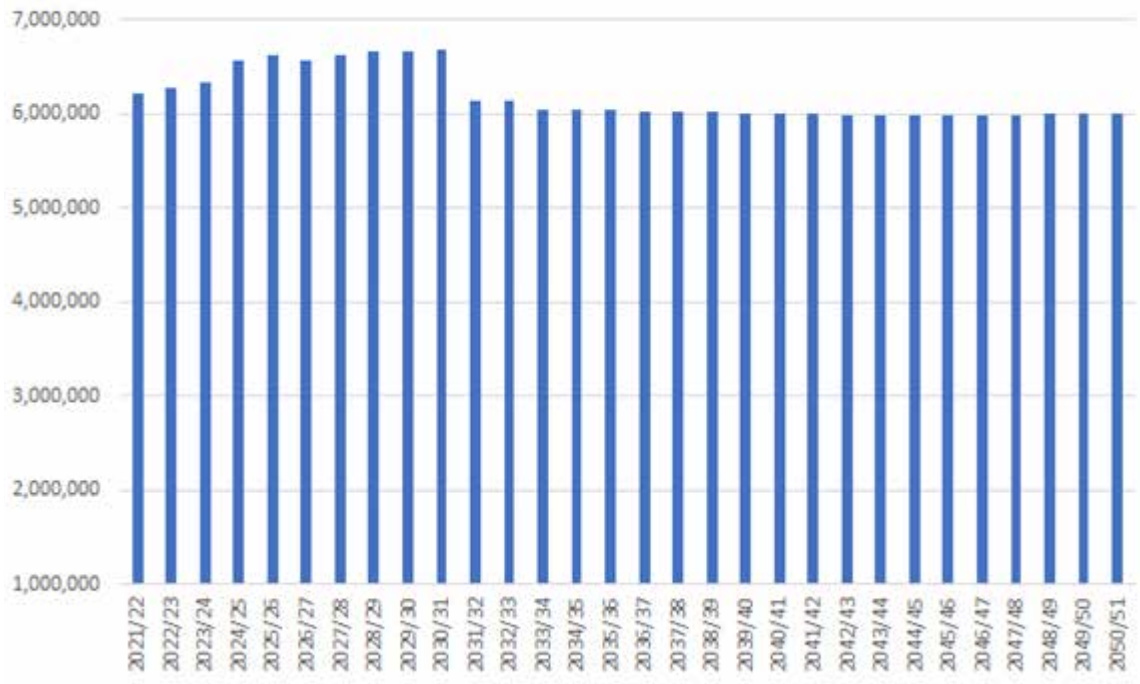
Council is working with local iwi representatives in the Te Reureu Valley on the eastern banks of the Rangitikei River north of Halcombe to develop a feasibility assessment for either a potential extension of the Stanway Halcombe Rural Water Scheme, a new standalone Te Reureu Rural Water Scheme, or combination of the two options. This initiative could service up to 1,200 hectares of fertile river terrace farmland in the western part of our district. Council staff are providing technical and engineering support to local iwi and if deemed feasible, the project team will seek external capital funding to construct the rural water scheme over the next few years.

²² Note that the Council's FAR is set to reduce over subsequent years. In 2021-22 it is 53%, reducing in 2022-23 to 52% and from 2023 onwards to 51%.

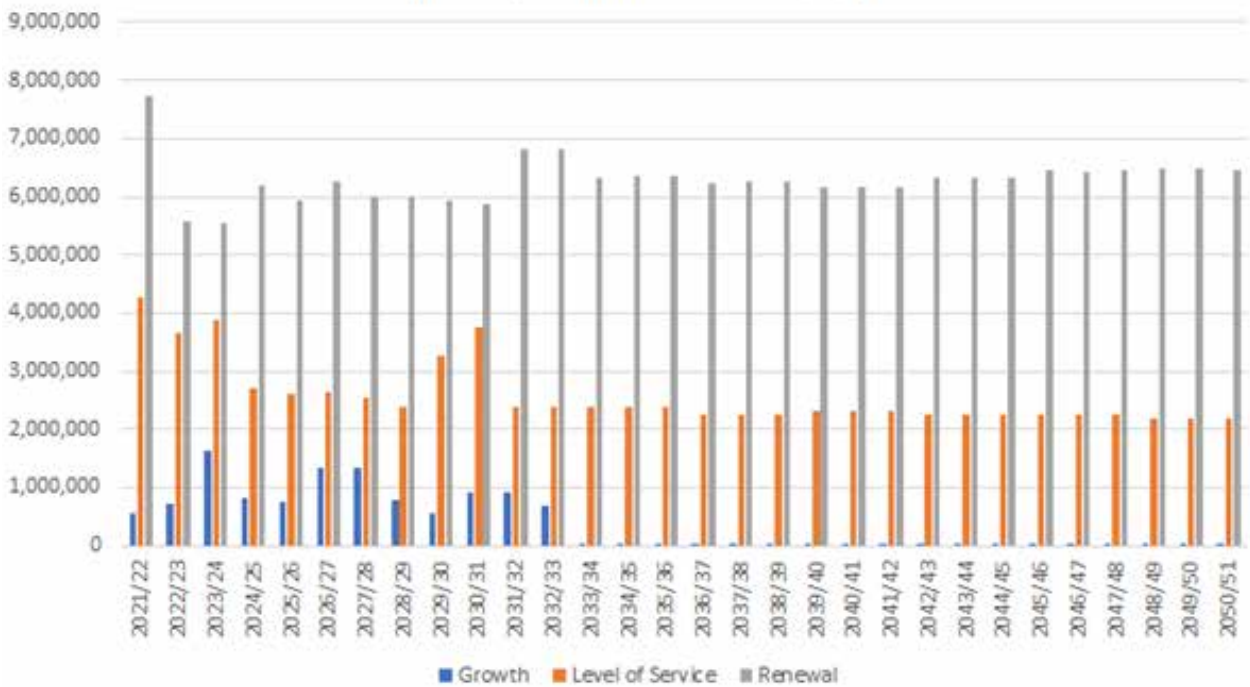
Financial Summaries Roading

Uninflated	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Operating	6,230,756	6,282,697	6,341,772	6,577,356	6,638,190	6,572,694	6,638,465
Level of Service	4,287,461	3,645,129	3,867,846	2,705,607	2,611,909	2,627,972	2,529,353
Growth	555,715	725,030	1,635,890	808,566	741,239	1,325,044	1,325,030
Renewal	7,731,949	5,579,572	5,528,532	6,211,510	5,949,701	6,265,999	5,985,822
Uninflated	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating	6,659,778	6,668,438	6,695,678	6,134,156	6,134,156	6,053,508	6,053,508
Level of Service	2,386,209	3,267,442	3,759,316	2,396,778	2,396,778	2,396,778	2,396,778
Growth	801,023	572,013	925,006	925,000	692,019	25,000	25,000
Renewal	6,016,070	5,928,408	5,883,042	6,818,864	6,808,897	6,340,588	6,365,394
Uninflated	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42
Operating	6,053,508	6,024,934	6,024,934	6,024,934	6,006,249	6,006,249	6,006,249
Level of Service	2,396,778	2,260,120	2,260,120	2,260,120	2,313,454	2,313,454	2,313,454
Growth	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Renewal	6,342,512	6,237,468	6,260,687	6,259,653	6,166,861	6,169,095	6,171,093
Uninflated	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49
Operating	5,996,680	5,996,680	5,996,680	5,995,764	5,995,764	5,995,764	6,003,317
Level of Service	2,259,794	2,259,794	2,259,794	2,243,127	2,243,127	2,243,127	2,196,267
Growth	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Renewal	6,337,306	6,332,255	6,339,817	6,451,797	6,438,221	6,444,790	6,478,728
Uninflated	2049/50	2050/51					
Operating	6,003,317	6,003,317					
Level of Service	2,196,267	2,196,267					
Growth	25,000	25,000					
Renewal	6,482,344	6,467,099					

Operating Expenditure

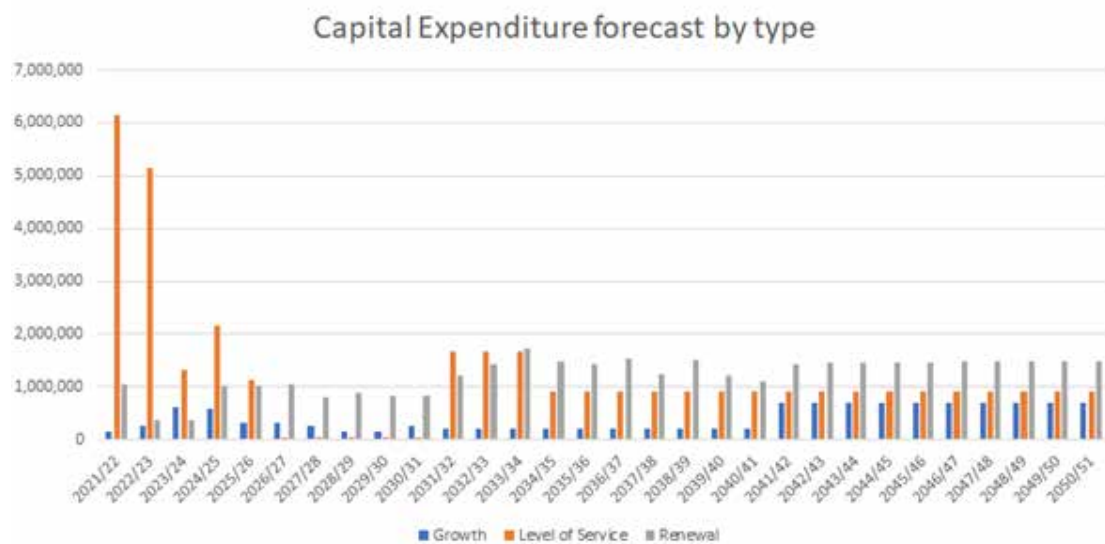
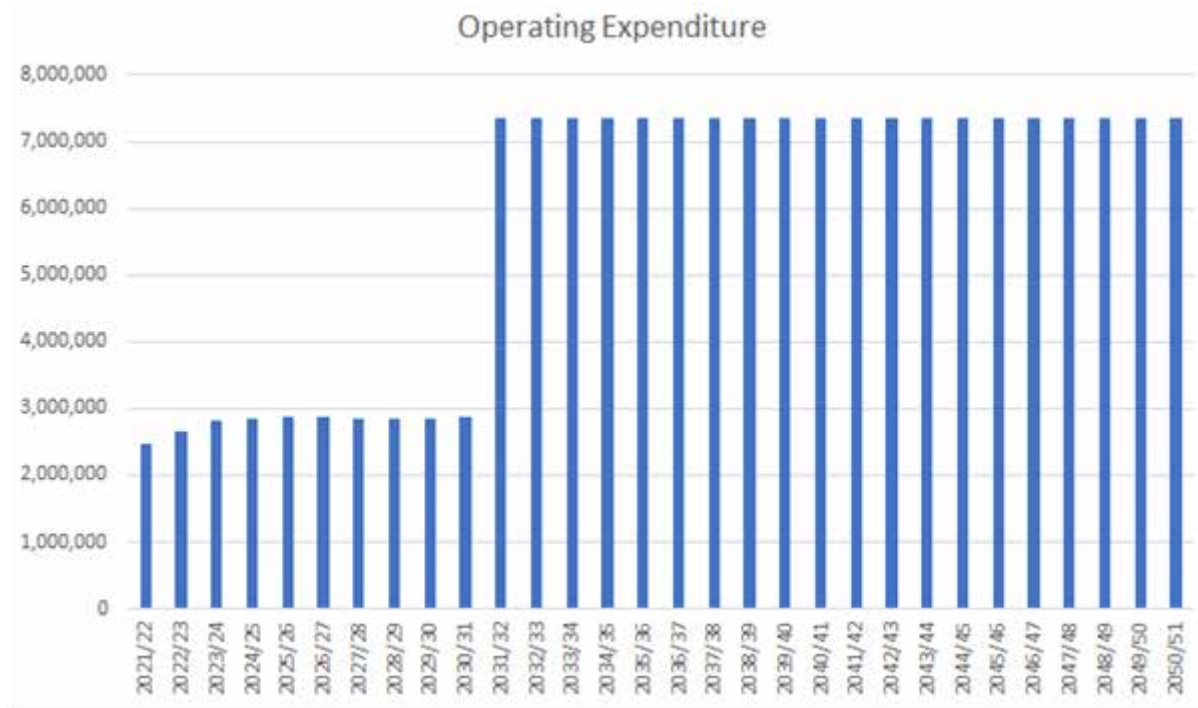


Capital Expenditure forecast by type



Water supply

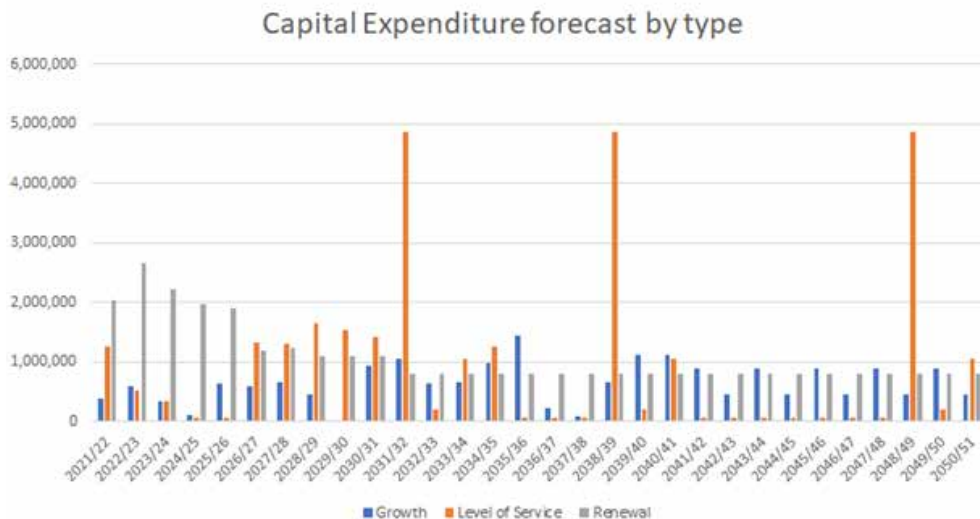
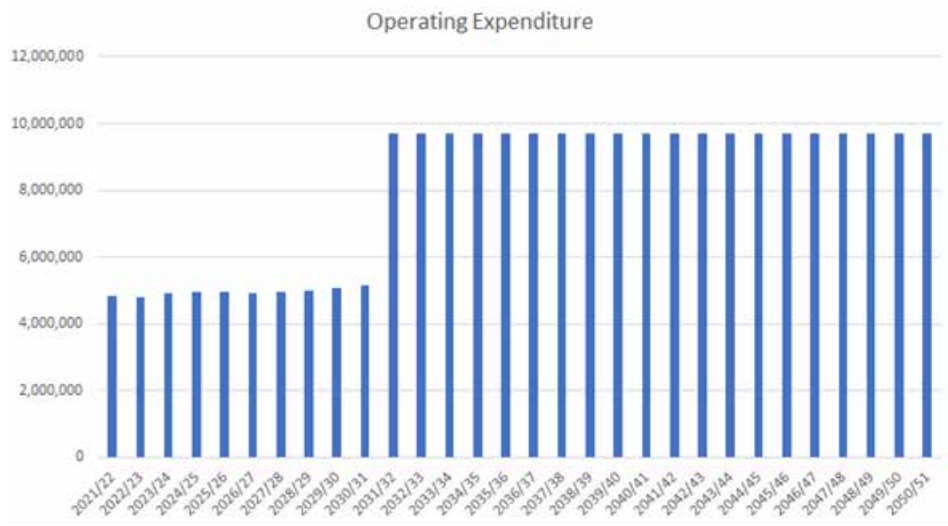
Uninflated	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Operating	2,480,741	2,670,885	2,826,604	2,851,384	2,864,635	2,866,648	2,843,718
Level of Service	6,139,660	5,131,466	1,315,842	2,169,909	1,138,022	52,001	51,999
Growth	170,000	259,655	620,028	600,372	319,019	317,612	268,240
Renewal	1,060,855	373,361	363,661	1,033,865	1,037,282	1,061,995	817,090
Uninflated	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating	2,837,567	2,836,319	2,867,375	7,350,000	7,350,000	7,350,000	7,350,000
Level of Service	52,000	52,002	57,000	1,670,000	1,670,000	1,670,000	920,000
Growth	168,245	170,006	259,999	200,000	200,000	200,000	200,000
Renewal	898,938	842,153	844,591	1,210,079	1,434,387	1,718,845	1,483,460
Uninflated	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42
Operating	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000
Level of Service	920,000	920,000	920,000	920,000	920,000	920,000	920,000
Growth	200,000	200,000	200,000	200,000	200,000	200,000	700,000
Renewal	1,428,236	1,533,179	1,238,295	1,523,591	1,209,071	1,094,744	1,440,615
Uninflated	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49
Operating	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000	7,350,000
Level of Service	920,000	920,000	920,000	920,000	920,000	920,000	920,000
Growth	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Renewal	1,446,691	1,452,981	1,459,490	1,466,227	1,473,200	1,480,417	1,480,417
Uninflated	2049/50	2050/51					
Operating	7,350,000	7,350,000					
Level of Service	920,000	920,000					
Growth	700,000	700,000					
Renewal	1,480,417	1,480,417					



Wastewater

Wastewater - uninflated	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Operating	4,843,001	4,808,936	4,909,531	4,971,641	4,938,965	4,900,422	4,952,028
Level of Service	1,250,200	521,903	350,216	55,001	55,002	1,326,678	1,304,626
Growth	389,200	600,753	336,670	104,202	631,378	592,172	666,587
Renewal	2,030,900	2,648,822	2,224,146	1,979,931	1,905,979	1,195,172	1,234,528
Wastewater - uninflated	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating	5,000,407	5,072,132	5,164,005	9,700,000	9,700,000	9,700,000	9,700,000
Level of Service	1,653,434	1,532,191	1,422,128	4,855,000	205,000	1,055,000	1,255,000
Growth	447,625	19,626	940,705	1,040,000	640,000	650,000	980,000
Renewal	1,094,230	1,094,271	1,094,226	800,000	800,000	800,000	800,000

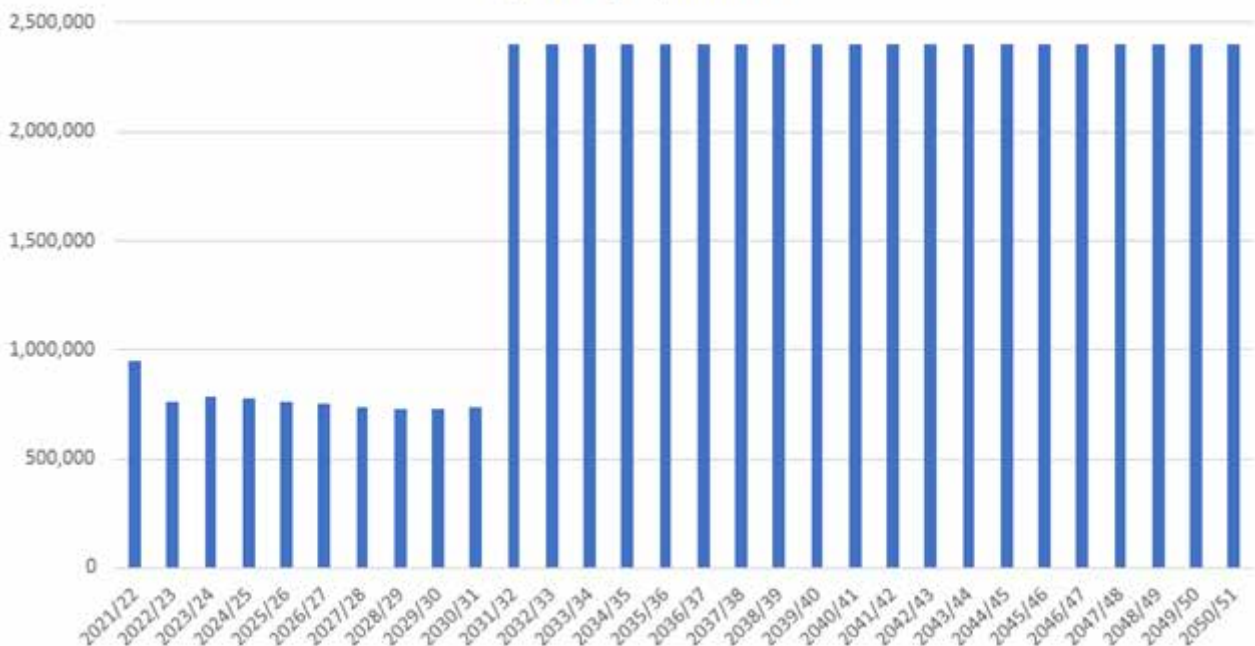
Uninflated	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42
Operating	9,700,000	9,700,000	9,700,000	9,700,000	9,700,000	9,700,000	9,700,000
Level of Service	55,000	55,000	55,000	4,855,000	205,000	1,055,000	55,000
Growth	1,440,000	230,000	90,000	670,000	1,120,000	1,120,000	900,000
Renewal	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Uninflated	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49
Operating	9,700,000	9,700,000	9,700,000	9,700,000	9,700,000	9,700,000	9,700,000
Level of Service	55,000	55,000	55,000	55,000	55,000	55,000	4,855,000
Growth	450,000	900,000	450,000	900,000	450,000	900,000	450,000
Renewal	800,000	800,000	800,000	800,000	800,000	800,000	800,000
Uninflated	2049/50	2050/51					
Operating	9,700,000	9,700,000					
Level of Service	205,000	1,055,000					
Growth	900,000	450,000					
Renewal	800,000	800,000					



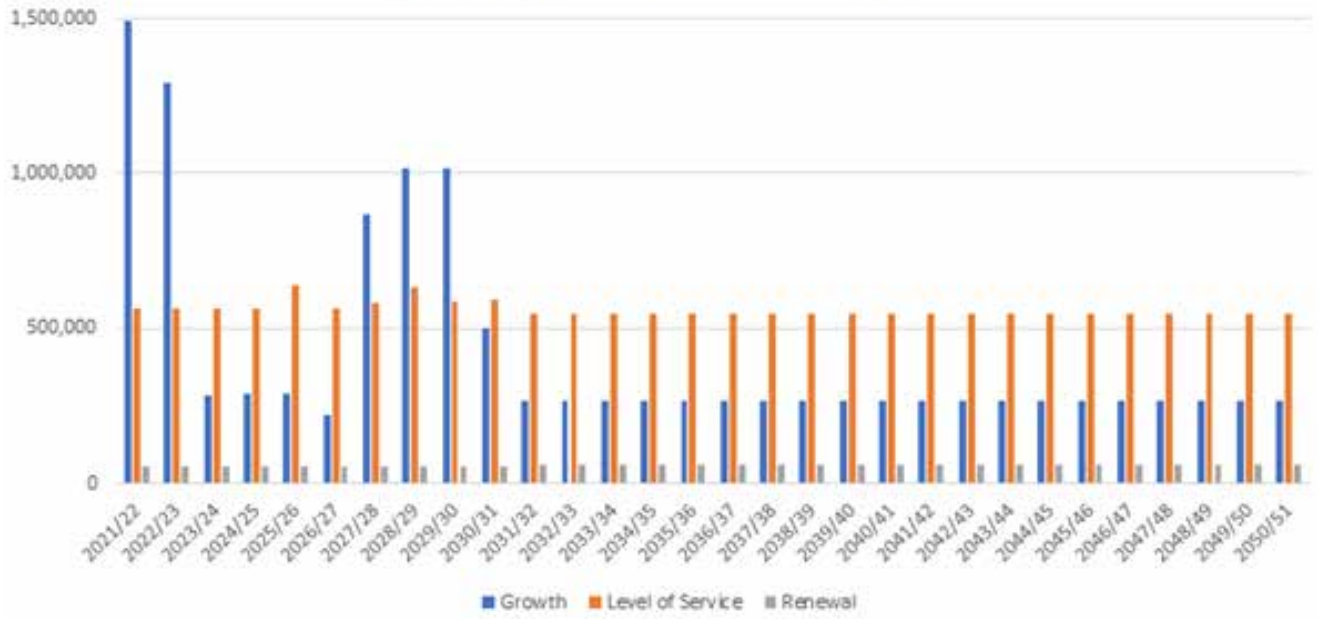
Stormwater

UnInflated	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Operating	952,519	763,865	786,371	777,456	758,326	752,180	735,444
Level of Service	565,030	567,059	565,053	565,039	640,018	565,092	582,889
Growth	1,493,545	1,293,497	287,158	288,551	288,553	219,480	865,259
Renewal	58,595	58,593	58,598	58,596	58,597	58,596	58,594
UnInflated	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Operating	731,689	732,511	738,494	2,400,000	2,400,000	2,400,000	2,400,000
Level of Service	632,899	588,402	591,377	550,000	550,000	550,000	550,000
Growth	1,015,714	1,015,312	504,493	270,000	270,000	270,000	270,000
Renewal	58,595	58,597	58,595	60,000	60,000	60,000	60,000
UnInflated	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42
Operating	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Level of Service	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Growth	270,000	270,000	270,000	270,000	270,000	270,000	270,000
Renewal	60,000	60,000	60,000	60,000	60,000	60,000	60,000
UnInflated	2042/43	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49
Operating	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Level of Service	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Growth	270,000	270,000	270,000	270,000	270,000	270,000	270,000
Renewal	60,000	60,000	60,000	60,000	60,000	60,000	60,000
UnInflated	2049/50	2050/51					
Operating	2,400,000	2,400,000					
Level of Service	550,000	550,000					
Growth	270,000	270,000					
Renewal	60,000	60,000					

Operating Expenditure



Capital Expenditure forecast by type



Summary of other strategic documents

He whakarāpopoto o ētehi puka rautaki kē atu

Alongside the 10 Year Plan, there are a number of other documents that guide Council in the decisions we make to support our community. Some of these are plans and strategies that Council has developed, and others are regional or national government documents.

Community Development Strategy

Te Rautaki Tautāwhi i te Hapori

In September 2019, Council adopted this strategy to guide our approach to Community Development. Our vision is to see everyone working together to make our communities a fantastic place to grow up, grow old and everything in between. This strategy uses the Te Whare Tapa Whā model to understand wellbeing more holistically, from four key perspectives:

- Te taha wairua (spiritual wellbeing)
- Te taha whānau (social wellbeing)
- Te taha tinana (physical wellbeing)
- Te taha hinengaro (mental wellbeing)

Flowing on from the Community Development Strategy, several other plans and strategies have been developed or are in the process of being developed.

- **Better Later Living Plan** (December 2020). This plan outlines what Council already does to support seniors, and Council's commitment to collaborate further with relevant groups to better support our older residents.
- **Youth Action Plan** (December 2020). This was co-designed with youth, including the Manawatū Youth Council.
- **Housing Strategy** This strategy includes a number of actions, starting with a housing stocktake to identify the key housing issues for the Manawatū District.
- An **Environmental Strategy** is under development.

Other Strategic Documents

He Puka Rautaki Kē Atu

- **The Walking and Cycling Strategy** is a framework to encourage participation in walking and cycling within the Manawatū District.
- **The Community Facilities Strategy** is Council's long-term, strategic approach to providing facilities that deliver the services and activities needed by the community.
- **The Libraries Strategic Framework** explores goals and actions to achieve the vision that Manawatū District Library is "the best little library in New Zealand".
- **The District Plan** provides a framework to control and manage how land is used, developed or protected.
- **The Town Centre Vision.** The vision reflects the community's priorities and has informed planning for the Feilding Town Centre Refresh. It seeks to bring together the town's unique history with future focused design and planning. Consultation on the Town Centre Refresh (December 2020 to March 2021) has further informed this project.

- **The District Sports Facilities Plan.** This provides a high-level direction for sport and recreation facility planning across the Manawatū District, in alignment with the Manawatū-Whanganui Regional Sports Facility Plan.
- **The Growing Manawatū Pulse Check** is Council's interim statement before a review of the Economic Development Strategy in 2021. Our key priorities for the review include considering the role of the Māori economy and the role of young people in the economic development of the district.
- **Asset Management Plans.** These plans combine management, financial, engineering and technical practices which Council draws upon to deliver asset-based services to our community in the most cost-effective way.

External Strategic Documents

He Puka Rautaki Rāwaho

LOCAL

- **Community Plans.** Council supports our rural communities to develop a shared vision for their villages, providing a focus for collaboration between Council, Community Committees and other agencies.

REGIONAL

- **Accelerate25 - The Manawatū-Whanganui Economic Action Plan** - the region's strategy for increasing job opportunities and quality of life by connecting people, business and environment.
- **Horizons One Plan** - the "one stop shop" resource management planning document for the Horizons Region, combining the Regional Policy Statement, Regional Plan and Coastal Plan.

NATIONAL

- **Drinking-water Standards for New Zealand** provides requirements for drinking-water safety.
- **National Direction for Freshwater** reflects the Government's commitment to improve our waterways, restoring them to a healthy state within a generation. This will impact on Council in various ways, including how we manage our water supply, waste water, and stormwater management.
- **One Network Road Framework** classifies roads throughout New Zealand into six categories based on how busy they are, whether they provide links to important destinations and whether they are the only route available. It supports a customer-focused approach, directing investment to where it is needed most.
- **Government Policy Statement on Land Transport** - this sets out how funding from the National Land Transport Fund is allocated towards achieving the government's transport priorities.
- **Emissions Trading Scheme.** This puts a price on greenhouse gas emissions and encourages individuals and organisations to reduce greenhouse gas emissions and establish plantings to remove greenhouse gases from the atmosphere.



Keeping the District Humming - Council Activities

Kia Taurikura Tonu Ai Tō Tātou Rohe

Section 5

E whai ake nei i tēnei wāhanga o te mahere ko ngā kōrero e pā ana ki ngā kaupapa maha e taurikura tonu ai tō tātou rohe haere ake nei.

Introduction to Council's Activities

Ngā Mahi a te Kaunihera

Manawatū District Council's operational activity is organised into ten groups:

- COMMUNITY FACILITIES GROUP
 - Makino Aquatic Centre
 - District Libraries
 - Property
 - Halls and Recreational Complexes
 - Parks, Reserves and Sports Grounds
 - Cemeteries
 - Public Conveniences
- DISTRICT DEVELOPMENT GROUP
 - Economic Development
 - Community Development
 - District Planning
- REGULATORY GROUP
 - Animal Control
 - Building Control
 - Compliance and Monitoring
 - Consent and District Planning
- EMERGENCY MANAGEMENT GROUP
 - Civil Defence
- GOVERNANCE AND STRATEGY GROUP
 - Governance and Strategy
- ROADING GROUP
 - Roading
- WATER SUPPLY GROUP
 - Water Supply
- WASTEWATER GROUP
 - Wastewater
- STORMWATER GROUP
 - Stormwater
- SOLID WASTE GROUP
 - Solid Waste

The Keeping the District Humming section of the 10 Year Plan describes each of Council's activity groups; what, why and how we do what we do. For each group we outline the challenges faced and any negative impact the work we do in that group may have on community wellbeing.

We also set out the levels of service the community can expect from Council for each activity. We set targets for each level of service and then report on our performance in relation to those targets in our annual report at the end of each financial year. Some of our performance targets are based on community satisfaction levels.

Assessing Community Satisfaction

Te Arowatawai i te Mokori o te Iwi

In the past, Council has used an annual community perception survey to measure community satisfaction. The survey was landline-based, conducted quarterly, with a total of 448 participants per year. The survey was conducted by an external agency.

Beginning in July 2021, Council will be changing its approach for assessing community satisfaction. Our goal is to achieve a higher level of participation and hear from a wider cross section of our community than only those people who have landlines.

New approach to measuring community satisfaction with Council services

1. Conduct an annual survey, continuously accessible via a digital survey platform and hard copy option, administered internally; and
2. Every three years, outsource the survey using an external survey company.

Annual survey

An internally administered, ongoing survey using an online platform as well as hard copies mailed out to 20% of the rating base (randomly selected) and available at Council offices.

The results of the annual survey would be reported on in Council's Annual Report.

Three-yearly survey

An outsourced, three-yearly survey which would provide independent and robust statistical analysis that would inform the level of service review for the next 10 Year Plan. This survey would be run using a postal to online approach (or something similar), where a letter is sent to a percentage of the population (randomly selected) asking them to participate in the survey online. They also have the option of filling in a hard copy.

For the years in which both the annual and three-yearly surveys are undertaken, the results will be consolidated and reported on in Council's Annual Report.

Community Facilities Group

Ngā Taiwhanga Hapori

WHAT WE DO

Our facilities include the Makino Aquatic Centre, libraries, property, halls and recreational complexes, parks, reserves and sports grounds, cemeteries, and public conveniences.

WHY WE DO IT

We work to ensure a vibrant and thriving interconnected network of community facilities that cater for the social, recreational and cultural needs of our communities and their visitors, now and into the future.

The Community Facilities Group contributes to the following community outcomes:

A place to belong and grow

- by providing facilities that deliver a community service or offer a place for any person to go and feel a part of the community.

Planning our future together

- by providing fit for purpose adaptable district or local level facilities that contribute to health and well-being outcomes.

An environment to be proud of

- by improving the environmental performance of community facilities that can play a role in the future sustainability of our communities.

Infrastructure fit for the future

- by providing higher quality facilities that are multipurpose, accessible and meet community expectations.

A prosperous, resilient economy

- by attracting and retaining residents through providing facilities that respond to community need.

Value for money and excellence in local government

- by providing a network of community facilities that are value for money and affordable for the community.

HOW WE DO IT

We plan and deliver projects, programmes and activities, and work together with volunteers and community organisations

We develop strategic and operational plans and policies as well as renewal and building improvement programmes which ensure facilities are well maintained, safe and meet quality standards

We meet the requirements of all relevant legislation, providing levels of service which meet community expectations while maintaining affordability

We promote and improve accessibility to community facilities.

KEY ISSUES AND CHALLENGES

The four key issues described on page 66-67 are the overarching challenges that Council faces with almost all the decisions we make. The four challenges and their impact on this group are:

Issue	Impact on this Group
Resilience and Climate Change	Climate change can have an impact on the assets and services within the Community Facilities Group, but this varies depending on the facility.
Growth and Demand	<p>Changing demographics and a growing population means the type of facilities the community uses are changing. Multi-use, adaptable spaces are needed.</p> <p>There is an opportunity to monitor and update booking systems to better understand the usage of our facilities.</p>
Regulatory and Compliance	Earthquake-prone buildings must be strengthened or demolished within a certain period, and some Council facilities will be affected by this requirement.
Affordability	Maintaining facilities can be expensive, especially aging facilities that require significant maintenance and improvement. Council needs to make prudent decisions about investment to keep this affordable for ratepayers.
Other:	<p>Aging or not-fit-purpose facilities:</p> <p>Aging facilities can be costly and difficult to maintain, and may not be well used. This gives the opportunity to make prudent decisions to invest in appropriate facilities.</p>

SIGNIFICANT NEGATIVE EFFECTS

- There is a cost to owning and maintaining these properties which has an impact on rates.
- The limited range and availability of multi-purpose facilities in the district can negatively impact the community when recreational or sporting groups struggle to find appropriate facilities.



Makino Aquatic Centre

Te Taiwhanga Wai Rēhia o Mākino

All together our pools hold

1,900,000
litres of water

imagine that in drink bottles!



We provide over

2,600

learn to swim classes every year!



WHAT WE DO

We provide a safe, quality aquatic complex including indoor and outdoor swimming pools and swimming programmes for water education and fitness.

HOW WE DO IT

We provide a variety of pools and other spaces within the complex for supervised water play and swimming space all year round and have the opportunity for pool or lane hire. We work with local, regional and national swimming clubs and host water events, Makino Aquatic Challenges and community events.

There are extended opening hours during the summer months and Council works with after-school and school holiday programme providers. Classes, recreation programmes, aqua fitness sessions and activities for all levels are held year round, alongside individual coaching, training and learn to swim sessions.

Council provides advice and services to community pool providers throughout the district, and works with the district's schools to deliver 'Water Safety' programmes.



LEVELS OF SERVICE

Level of Service 1	Safe Pools						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	Annual Pool Safe accreditation.	2020/21 accredited	Yes	Yes	Yes	Yes	Yes

Level of Service 2	Provision of a range of quality educational and recreational aquatic experiences						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The number of participants in water activities and learning programmes per annum.	49,867*	41,671	50,000	51,000	52,000	>52,000
Measure 2	The number of general admissions (swimmers and spectators) per annum.	65,151*	60,242	63,000	65,000	67,000	>70,000
Measure 3	% of survey participants satisfied with the quality of their experience at the Makino Aquatic Centre.	91%	91%	90%	90%	90%	90%

*The baseline for Measures 1 & 2 are an average of 2018/19 and 2019/20.

ASSETS AND PORTFOLIO

The Makino Aquatic Centre features both indoor and outdoor pool facilities. The indoor complex consists of a 25-metre pool, learn to swim pool, wet deck area, play pool, offices, community meeting rooms and family change rooms. The outdoor complex consists of a 50-metre pool, dive pool, play pool and splash pool.

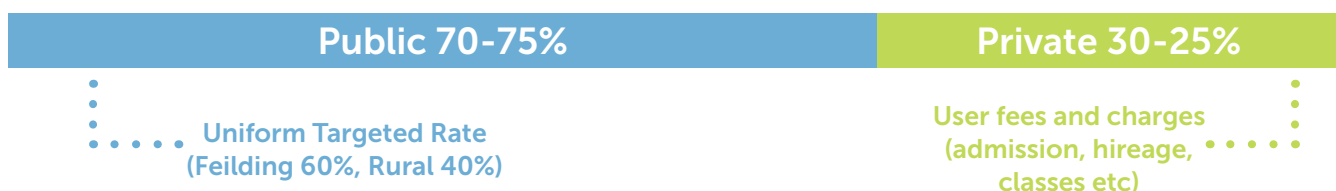
The facility is used for a range of programmes and activities, including learn to swim, aqua fitness, general recreation use and other aquatic activities.

KEY ISSUES AND CHALLENGES

The aging and growing population require more parking, including disability parking, and ease of access into facilities.

Changes in weather patterns will impact on the seasonal demand for outdoor pool use, and usage information will need to be considered in changing the traditional closure date of outdoor facilities in April.

HOW THE MAKINO AQUATIC CENTRE IS FUNDED



Libraries

Ngā Whare Pukapuka

The library has over
53,000
 physical collection items and
125,000
 digital items



1/4
 of the collection is
issued out
 at any time



WHAT WE DO

We provide welcoming public libraries where people can meet, find information, access reading and educational material and participate in experiences that encourage lifelong learning.

HOW WE DO IT

At the Manawatū District Library, we provide access to written and recorded information (books, magazines and DVDs) that are continually refreshed and monitored for relevancy. These are alongside a range of online media and information including e-books, online collections and subscriptions. Wi-Fi and internet access are available to encourage digital literacy. The library hosts opportunities, programmes and experiences that build and promote lifelong learning.

We also provide important spaces for the community to use and provide access to local culture research information and heritage collections, and support community libraries with content.

LEVELS OF SERVICE

Level of Service 1	Provision of a range of resources and experiences that support community wellbeing and interconnectedness, continue to build and promote lifelong learning and bridge the digital divide						
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31	
Measure 1	The number of physical and digital collection items borrowed or accessed per capita, per annum.	2019/20 7.6	7.6	8	6**	8	8
Measure 2 (New)	The number of logins to library e-resources and apps (including digital learning apps and heritage platforms), Manawatū District Libraries app and Wi-Fi and computer usage, per annum.	Set in 2021/2022 (Y1)	N/A	N/A	40,000*	60,000	70,000
Measure 3	The number of participants attending programmes, classes, exhibitions, events, digital learning programmes and social interaction groups, per annum.	2019/20 14,568	14,568	19,000	8,000*	22,000	25,000
** Year 1 targets are set uncharacteristically low due to the planned redevelopment of the Feilding Library in 2021/2022							

ASSETS AND PORTFOLIO

The Manawatū District Library is a 1,100m² brick building located on the corner of Bowen Street and Stafford Street. The building consists of a library area, archives, storage room, reading room, offices, meeting rooms, kitchen and toilets.

Satellite libraries include:

- Rongotea Library (Community Centre)
- Pōhangina Library
- Kimbolton Library
- Hīmatangi Beach Library.

KEY ISSUES AND CHALLENGES

The Manawatū District Library in Feilding has seen an increase in demand for programmes and activities which has created friction with those who use the library in its traditional sense. The demand for programmes is greater than can be accommodated in the space available and the acoustics of the facility mean noise from activities can be disruptive to other visitors. We are planning an upgrade and extension of the library building to help manage these challenges.

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Main District Library Renewal and Redevelopment	Upgrades to the library building, including seismic strengthening, acoustic sound proofing, replacement roofing, cladding, and additional floor area.	1-2	5,502,161
Main District Library Self-Service Satellite Libraries	Provide self-service units and Wi-Fi services to rural and community libraries.	2	109,049
Maker Space Equipment	Maker Space is a dedicated area within the redeveloped Main District Library in Feilding. Additional equipment will support the existing maker space programme.	8	116,656

HOW OUR DISTRICT LIBRARIES ARE FUNDED

Public 95-98%

Private 5-2%



Uniform Targeted Rate
(Feilding 60%, Rural 40%)



User fees and charges
(fines, fees internet etc)



Property

Ngā Rawa Tūwāhi

The Feilding Clock Tower
was built
as a millennium project in
1999



In 1938



the Feilding Community Centre

became the first community centre in New Zealand providing learning opportunities outside the school environment (including some of the country's earliest "playcentre" sessions).

WHAT WE DO

We manage, support and administer Council's wide range of property portfolio assets and services.

HOW WE DO IT

We manage Council owned property through leasing and general day to day operations functions and carry out renewal and building improvement programmes to keep Council properties well maintained, safe and meet quality standards.

We work with local groups to provide access to community property for a range of community uses.

We plan for future property needs by proposing and implementing development projects and regularly review the rationale of holding the property, including considering disposal or repurposing of Council property where appropriate.



LEVELS OF SERVICE

Level of Service 1	Well maintained, safe Council-owned buildings and properties						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% in-use Council-owned buildings and properties are compliant with the relevant safety regulations.	2019/20 90%	90%	100%	100%	100%	100%

ASSETS AND PORTFOLIO

Commercial Property		
<ul style="list-style-type: none"> Feilding Depot Eyre Street Depot and Carpark Kimbolton Depot Regional Archives South Street/Kawakawa Road commercial land Himatangi Beach Motor Camp Tangimoana Beach Motor Camp Mt. Lees Homestead 	<ul style="list-style-type: none"> Council Administration Building Animal Control building and compound, Awa Street Community House, Feilding Council Native Plant Nursery Country Fayre – Pōhangina Feilding Clock Tower Feilding Community Centre – Te Manawa Palmerston North Surf Lifesaving Club Rongotea Community Centre Rangiwāhia Memorial Hall. 	<ul style="list-style-type: none"> Fergusson Street Carpark Halcombe Playcentre Kawakawa Road lease block Kimbolton Playcentre Pōhangina Depot Red Cross House – 31 Grey Street Sanson Playcentre Residential tenancy – 1269 Pōhangina Road.

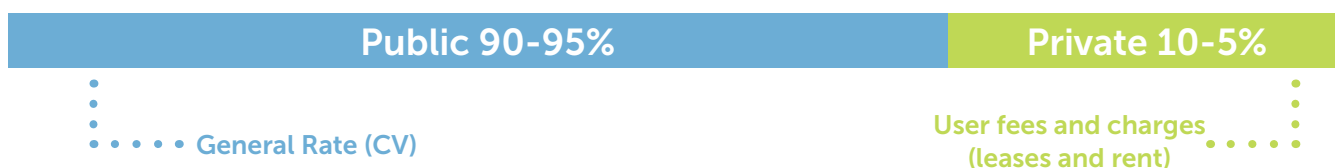
KEY ISSUES AND CHALLENGES

There are a number of buildings within Council's portfolio which receive limited use in their current form. Reasons for this include facilities no longer being fit for purpose, with varying levels of maintenance and renewals undertaken or required.

PROJECTS

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Disposal	Demolition of buildings on 10 Eyre Street	1	76,294
Community Centre Renewals	Community Centre - Te Manawa Renewals including plumbing, electrical and weather-tightness.	1-2	88,887
Council Admin Building	Seismic strengthening, roof replacement and modernisation of Council building.	1-2	1,982,942

HOW THE PROPERTY ACTIVITY IS FUNDED



Halls and Recreational Complexes

Ngā Whare Huihui me ngā Taiwhanga Rēhia

Council owns

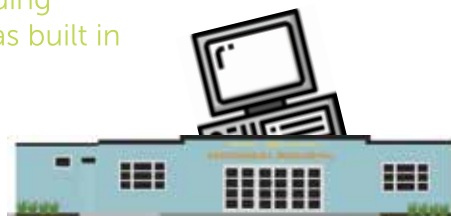
17 
community halls and
7 halls
are community-owned

The Old Tote building
in Kowhai Park was built in

1917

to house an
electric totaliser

(betting machine) essentially the **first computer** in Feilding



WHAT WE DO

We support community organisations involved in the management of rural and community halls and recreational complexes with asset management and maintenance of facilities.

HOW WE DO IT

Council owns 17 halls and supports the management of seven community-owned halls. We work with and support halls and Community Committees across the district in delivering day-to-day hall services.

We carry out renewal and building improvement programmes to ensure our facilities are well maintained, safe and meet quality standards, including improving existing halls and recreational complexes to meet public expectations. When appropriate, this includes expanding or providing new facilities to meet changing community needs.

LEVELS OF SERVICE

Level of Service 1	In-use Council-owned halls and recreational complexes are safe					
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1 (New) % of in-use Council-owned halls and recreational complexes are compliant with current building warrant of fitness requirements and FENZ evacuation procedures.	Set in 2021/2022 (Y1)	N/A	N/A	100%	100%	100%



ASSETS AND PORTFOLIO

Recreational Complexes			
Facility	Location	Facility	Location
Feilding Civic Centre	Feilding	Pōhangina Old School Reserve Pool	Pōhangina
Feilding Little Theatre	Feilding	Te Kawau Memorial Recreation Centre	Rongotea
Old Tote Building	Feilding		

Council-Owned Halls			
Hall	Location	Hall	Location
Āpiti Hall	Āpiti	Kiwitea Hall	Kiwitea
Beaconsfield Memorial Hall	Beaconsfield	Ōhakea Hall	Ōhakea
Carnarvon Hall	Rongotea	Pōhangina Hall	Pōhangina
Cheltenham Hall	Cheltenham	Rangiotū Hall	Rangiotū
Clydesdale Hall	Tangimoana	Rangiwāhia Hall	Rangiwāhia
Colyton Hall	Colyton	Sanson Hall	Sanson
Halcombe Hall	Halcombe	Stanway Hall	Halcombe
Himatangi Beach Hall	Himatangi Beach	Waituna West Hall	Waituna West
Kimbolton Hall	Kimbolton		

Community-Owned Halls			
Hall	Location	Hall	Location
Awahuri Hall	Awahuri	Tangimoana Hall	Tangimoana
Glen Ōroua Hall	Glen Ōroua	Kopane Hall	Kopane
Newbury Hall	Newbury	Longburn Hall	Longburn
Ōroua Downs Hall	Ōroua Downs		

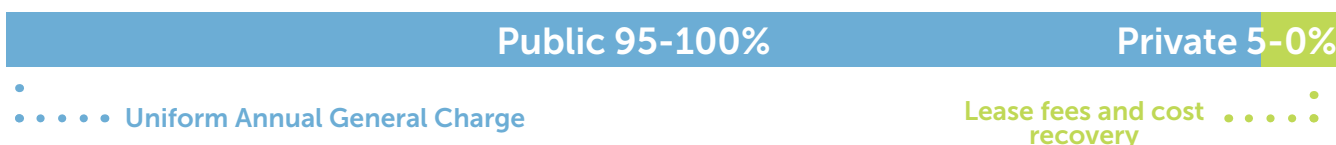
KEY ISSUES AND CHALLENGES

- There is increased demand for facilities which are multi-purpose and can cater to a wide variety of leisure and recreation activities.
- The availability of some spaces has become an increasing issue for the community when locating suitable facilities for community groups.
- Some halls and facilities are underused, aging or deteriorating. This will be addressed through the Community Facilities Strategy.

PROJECTS

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Investment in Halls	Undertaking necessary maintenance to bring high-profile halls up to standard.	1-3	199,210
Te Kawau Recreation Centre Maintenance	Maintenance including installing non slip surfacing to changing room floors, replacing kitchen ovens and sterilisers, hot water cylinders, gutters and light fittings	1-6	130,961
Investment and disposal of Halls	Council will use the investment/divestment process outlined in the Community Facilities Strategy to make decisions about the disposal of underused or deteriorating halls.	1-4	131,929
Sports and Events Centre	Concept design for a multi-purpose sports and events centre from the outcome of the Needs Assessment and Feasibility Study within the Community Facilities Strategy.	4	67,206

HOW HALLS AND RECREATIONAL COMPLEXES ARE FUNDED



Parks, Reserves and Sports Grounds

Ngā Papa Rēhia, Papa Tāpui, Papa Hākinakina hoki

We maintain over
3,200
street trees
throughout the Manawatu District



Our newest park is
Roots Street Reserve
purchased in
2020



The district has over
5,000
square metres of street gardens



WHAT WE DO

We provide our community with opportunities for leisure and recreation, through provision of parks and sports grounds including open spaces, gardens, trees and play-grounds to ensure our community has access to a wide range of leisure and recreation opportunities.

HOW WE DO IT

We maintain parks, reserves and sports grounds to ensure provision of quality, safe spaces for recreation and leisure, and continually improve accessibility to parks, sports grounds and facilities, making them available for a wide variety of users.

We foster collaboration between sport and recreation groups to encourage high-use facilities and opportunities for cost efficiencies and manage parks and sports grounds bookings, fees and charges while liaising with ground staff to ensure facilities are ready for use.

We work with Sport Manawātū and other organisations to deliver programmes throughout the district to get 'everyone active, everyday' and liaise with Community Committees and user groups of parks and sports grounds.

We develop, promote and follow plans and strategies that guide the development and management of parks and sports grounds and are planning on providing a walking and cycling network that links neighbourhoods, schools and community facilities.

LEVELS OF SERVICE

Level of Service 1	Satisfaction with our parks, reserves and sportsgrounds					
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of survey participants satisfied with Council's parks, reserves and sportsgrounds.	95%	95%	90%	90%	90%

Level of Service 2	Safe parks, reserves and sports grounds					
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	Number of health and safety incidents or injuries reported that occurred due to inadequate or poor maintenance in our parks, reserves and sports grounds.	2019/20 0	0	0	0	0

ASSETS AND PORTFOLIO

Category	Northern	Feilding	Southern
Parks and Sportsgrounds	<ul style="list-style-type: none"> Halcombe Domain Kimbolton Domain 	<ul style="list-style-type: none"> Victoria Park Timona Park Johnston Park Kōwhai Cricket Area South Street Courts 	<ul style="list-style-type: none"> Sanson Recreation Reserve
Neighbourhood Parks	<ul style="list-style-type: none"> Fowlers Reserve – Kimbolton Pōhangina School Reserve Hauwhiti Reserve – Kimbolton 	<ul style="list-style-type: none"> Fraser Drive Park James Palmer Park Vista Drive Park Rimu Park Stonebridge Reserve Roots Street Reserve Sanson Playground 	<ul style="list-style-type: none"> Hīmatangi Beach Bowling Club Reserve Mahuri Reserve – Hīmatangi Beach Sanson Hall Reserve Rongotea/Te Kawau Playground
Rural Recreation Areas	<ul style="list-style-type: none"> Āpiti Domain Bartlett's Ford Beaconsfield Recreation Reserve London's Ford Menzies Ford Reserve Pakihikura School Recreation Reserve Pōhangina Recreation Reserve (Domain) Pōhangina Valley Lookout Rangiwāhia Hall and Rangiwāhia Recreation Reserve Raumi Reserve Rewa Old School Reserve 		<ul style="list-style-type: none"> Carnarvon Reserve Ōhakea Domain
Public Gardens		<ul style="list-style-type: none"> Kōwhai Park 	
Civic Squares/ Spaces		<ul style="list-style-type: none"> Makino Precinct Manchester Square Denbigh Square 	<ul style="list-style-type: none"> Douglas Square – Rongotea
Natural and Cultural Heritage Areas	<ul style="list-style-type: none"> Almadale Scenic Reserve Kimbolton Scenic Reserve McKinnon Memorial Reserve – Rangiwāhia Putai Ngahere Reserve (Vinegar Hill) 	<ul style="list-style-type: none"> Awahuri Forest – Kitchener Park Bush Lane Reserve 	<ul style="list-style-type: none"> Coles Bush – Rongotea Mt Lees Reserve Ellison Reserve – Tangimoana
Coastal Reserves			<ul style="list-style-type: none"> Hīmatangi Beach Coastal Reserve Hīmatangi Beach Kaikokopu Stream Reserve Tangimoana Coastal Reserve
Memorials	<ul style="list-style-type: none"> Pembertons Corner – Rangiwāhia Cheltenham Memorial Park Āpiti Church Memorial Park 	<ul style="list-style-type: none"> Russell Law Memorial Grove 	<ul style="list-style-type: none"> Mt Stewart Memorial Te Arakura Reserve

Cycle and Walkway Links		<ul style="list-style-type: none"> Greenspine Lovers Lane Reserve Makino Bridge Reserve Rata Street Walkway Quail Avenue to Homelands Avenue Walkway 	
Street Trees and Gardens	<ul style="list-style-type: none"> Halcombe Rangiwāhia Pōhangina Āpiti Cheltenham Kimbolton Waituna West 	<ul style="list-style-type: none"> Feilding 	<ul style="list-style-type: none"> Rongotea Hīmatangi Tangimoana Sanson
Miscellaneous Reserves		<ul style="list-style-type: none"> Herlihy Reserve Highfield Hill Lookout Rangeview Reserve 	<ul style="list-style-type: none"> Rongotea Carpark Reserve

KEY ISSUES AND CHALLENGES

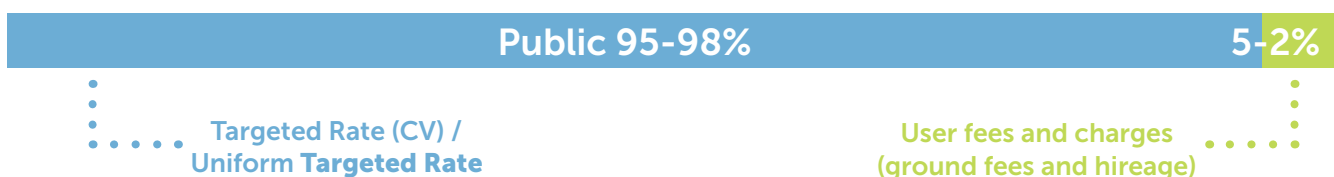
- Population growth will increase the usage of parks, reserves and sportsgrounds within the Manawatū District. Multi-purpose sportsgrounds and facilities will become necessary to accommodate all sporting codes in a cost-effective manner.
- There is demand from the community for additional provision of indoor sport facilities within the district.
- Climate change causes an increased risk of flooding, requiring coordination with Horizons Regional Council on flood mitigation measures.
- The increasing popularity of freedom camping is creating demand issues in some spaces.



PROJECTS

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Pharazyn (New Park) – Development of Neighbourhood Park	Development of a new park, including a playground, toilets, carparking, shelter, walkways, planting, fencing and walkway	1-6	1,630,105
Walkways and Cycleways	Improve and expanding walkway and cycleway networks, including those within Precinct Four (Pharazyn) and from James Palmer Park to Rimu Park.	1-5	1,472,938
Kōwhai Park Upgrade	Returning Kōwhai Park to premier park status. This will include a number of improvement projects detailed in the Reserve Management Plan.	1-6	1,312,128

HOW PARKS, RESERVES AND SPORTS RESERVES ARE FUNDED



Cemeteries

Ngā Urupā

Our Cemeteries Management Strategy was adopted in **2020**

One of our earliest burials on record is for Sandon Cemetery in **1854**



WHAT WE DO

We provide and maintain cemeteries in park-like settings to provide places of remembrance, and facilities for burials and interments of ashes.

LEVELS OF SERVICE

Level of Service 1	Satisfaction with the maintenance of our cemeteries					
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of survey participants who were satisfied with the maintenance of cemeteries.	2019/20 96%	96%	95%	95%	95%

Level of Service 2	Professional and timely interment services					
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The number of complaints about late or inadequate interment services.	2019/20 0	0	0	0	0

HOW WE DO IT

We manage, maintain and plan for future improvements where required for the eight cemeteries in the district, including maintaining accurate burial records.

We work with the community to meet changing demands and community needs, and ensure that all cemeteries are maintained to a high standard.

We meet the requirements of the Burial and Cremations Act 1964.



ASSETS AND PORTFOLIO

Cemeteries in:

- Feilding
- Halcombe
- Kimbolton
- Pōhangina
- Rangiwāhia
- Rongotea
- Sandon (Sanson)
- Waituna West

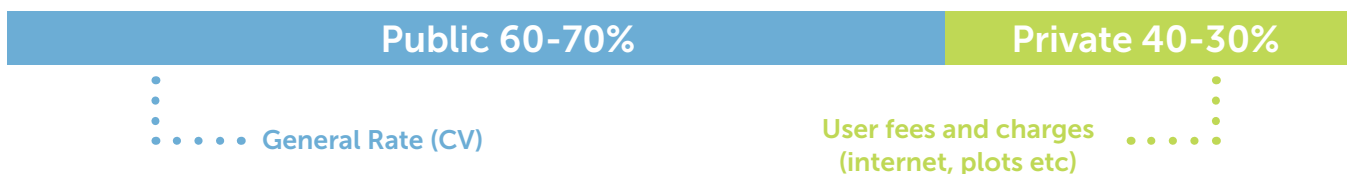
KEY ISSUES AND CHALLENGES

- Council will need to look to future land resourcing for increasing cemetery capacity.
- The population of residents aged 85 years and older is forecast to increase which impacts requirements for accessibility to cemetery areas for aging population.
- The contour and layout of some cemeteries, combined with a high water table, flooding and scouring can cause access issues.
- Council will need to respond to increasing demand for more varied interment options, which may require different spaces and cemetery styles.

PROJECTS

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Feilding Cemetery Stormwater Upgrade	Implementation of stormwater solutions to resolve stormwater risks and issues in Feilding Cemetery	1	41,842
Feilding Cemetery Extension	Detailed design of extension area, physical works to re-contour the new land, extend the road and install required infrastructure and cemetery beams	2-4	578,032
Rongotea Cemetery Road Extension / Development	Extension of the road by 50 metres looping onto Lees Road, implementation of drainage and installation of cemetery beams.	7	125,778

HOW CEMETERIES ARE FUNDED



Public Conveniences

Ngā Wharepaku Tūmatanui

There are a total of
20 public
 toilets
 in the district



The toilets are
 cleaned a total of
15,000
 times each year



WHAT WE DO

We provide and maintain public toilets to protect public health and meet the expectations of residents and visitors.

HOW WE DO IT

We provide a network of public toilets across the district and maintain facilities to ensure they are clean, accessible and fit for purpose.

LEVELS OF SERVICE

Level of Service 1	Clean and well-maintained public toilets	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The number of complaints received about inadequate maintenance and/or poor cleaning of our toilets.*	2019/20 1	1	<8	<8	<8	<8

*excludes complaints that do not relate to the service council provides

ASSETS AND PORTFOLIO

- Feilding CBD Toilets
- Āpiti Toilets
- Dump Stations x3
- Duke Street Toilets
- Hīmatangi Beach Toilets
- Sanson Playground Toilets
- Timona Park Toilets x2
- Kimbolton Toilets
- Johnston Park Toilets
- Rongotea Toilets
- Cheltenham Toilets
- Feilding Railway Station Toilets
- Kitchener Park Toilets
- Kōwhai Park Toilets
- Rangiwāhia Toilets
- Pōhangina Valley Toilets
- Tangimoana Toilets

KEY ISSUES AND CHALLENGES

- At times, conveniences face overloading due to increased use, including freedom campers using public conveniences to dispose of grey and black waste rather than approved waste dump stations.
- With a growing population, demand for public conveniences will increase, along with the cost of provision and on-going maintenance.
- Increased demand for public conveniences which are disability/age accessible due to the aging population of the district.

PROJECTS

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Flow Park Toilets	New toilets to be built next to the Flow Park within the Makino Precinct	1	144,340

HOW PUBLIC CONVENIENCES ARE FUNDED

Public 100%

..... General Rate (CV)



Community Facilities Group Funding Impact Statement
Ngā Taiwhanga Hapori: Tauākī Tahua

	Annual Plan	Year 1	Year 2
	2021	2022	2023
	\$000	\$000	\$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,649	2,142	2,299
Targeted rates	6,373	6,755	7,501
Subsidies and grants for operating purposes	2	1	1
Fees and charges	1,310	1,277	1,265
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	31	144	27
Total operating funding	9,365	10,318	11,093
Applications of operating funding			
Payments to staff and suppliers	6,441	6,527	6,708
Finance costs	999	747	819
Internal charges and overheads applied	1,281	1,501	1,612
Other operating funding applications	0	0	0
Total applications of operating funding	8,722	8,775	9,139
Surplus (deficit) of operating funding	643	1,543	1,955
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	318	507	523
Increase (decrease) in debt	5,468	541	13
Gross proceeds from sale of assets	8,820	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	14,607	1,048	536
Applications of capital funding			
Capital expenditure			
- to meet additional demand	76	959	1,101
- to improve the level of service	6,534	3,690	3,482
- to replace existing assets	545	1,203	1,285
Increase (decrease) in reserves	8,094	(3,260)	(3,376)
Increase (decrease) of investments	0	0	0
Total application of capital funding	15,250	2,591	2,491
Surplus (deficit) of capital funding	(643)	(1,543)	(1,955)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
2,283	2,431	2,558	2,539	2,562	2,651	2,731	2,758
7,919	8,222	8,834	8,639	9,348	9,292	9,362	9,741
1	1	1	1	1	1	1	1
1,320	1,387	1,418	1,453	1,560	1,562	1,610	1,655
0	0	0	0	0	0	0	0
29	30	31	32	33	34	34	35
11,553	12,071	12,842	12,663	13,503	13,539	13,739	14,190
6,838	7,050	7,431	7,294	8,041	7,660	7,948	8,243
920	943	952	931	903	880	849	819
1,693	1,829	1,937	1,953	2,014	2,114	2,213	2,375
0	0	0	0	0	0	0	0
9,451	9,821	10,319	10,177	10,958	10,654	11,010	11,437
2,102	2,250	2,522	2,486	2,545	2,885	2,729	2,753
0	0	0	0	0	0	0	0
482	498	514	530	547	507	523	539
69	51	(537)	(744)	(624)	(820)	(838)	(849)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
551	549	(23)	(215)	(77)	(313)	(315)	(311)
836	611	118	369	0	687	0	0
1,044	843	246	28	149	117	24	0
1,234	1,576	1,569	895	1,342	643	585	500
(462)	(231)	566	979	977	1,126	1,805	1,943
0	0	0	0	0	0	0	0
2,653	2,799	2,499	2,271	2,468	2,572	2,414	2,442
(2,102)	(2,250)	(2,522)	(2,486)	(2,545)	(2,885)	(2,729)	(2,753)
0	0	0	0	0	0	0	0

District Development Group

Te Tipu o te Rohe

WHAT WE DO

We support economic and community development in the district, and review and update the rules and guidelines that help manage and protect our natural and physical resources.

WHY WE DO IT

We work towards our district offering a high quality of life for all, guided by strategic documents created in collaboration with our community:

- Community Development Strategy
- Economic Development Strategy
- Manawatū District Plan.

The District Development Group contributes to the following community outcomes:

A place to belong and grow

- by encouraging strong resilient communities, liaising with agencies, advocacy and contracting community development organisations to implement our Community Development Strategy.

A future planned together

- by implementing our Community Development Strategy.

An environment to be proud of

- by reviewing and monitoring the District Plan to meet the needs of our district.

A prosperous, resilient economy

- by using economic analysis to understand our economy and by contracting economic development agencies to implement our Economic Development Strategy.

HOW WE DO IT

We work with our community and partner agencies to achieve the best possible future for the people of the district, working with local and regional partners to optimise opportunities.

We provide funding, support and encouragement to community groups and individuals who contribute to community outcomes, including acknowledging contributions with the annual Community Honour Awards.

We support organisations that promote the heritage, identity and social wellbeing of the district, and promote Māori culture in the community. We support the promotion of and participation in sports and active recreation. We enable community representation and participation through Community Committees. We support the development of community plans and encourage their implementation.

Through CEDA, we provide business support services. We support CEDA to undertake labour market analysis and a labour market strategy. We work with partners to enable businesses to access new markets and create opportunities for growth and job creation.

We promote the district to attract businesses, residents and visitors, and provide a high quality environment and lifestyle opportunities. We plan and design our public spaces to cater for all, and actively participate in the Manawātū Health and Wellbeing Group.

We support community initiatives and organisations that enhance the wellbeing of the natural, physical and social environment and advocate to central government on issues that impact on the wellbeing of our communities.

We provide accurate and timely regulatory and economic information to our community.

We are working on a housing strategy and strategies to support our seniors and youth.

KEY ISSUES AND CHALLENGES

The four key issues described on page 66-67 are the overarching challenges that Council faces with almost all the decisions we make. The four challenges and their impact on this group are:

Challenge	Impact on this activity
Climate Change and Resilience	Uncertainty around climate impacts will have a negative effect on our business communities. Communities will need support to plan and prepare for the future.
Regulatory and Compliance	Earthquake prone building regulations affect several buildings in our town centre. Council is looking to manage and address the changing face of our town through work such as the Town Centre Plan.
Growth and Demand	Changing business needs and our growing and aging population will change the type and amount of support our community seeks from Council.
Affordability	The aging population will cause an increased demand for affordable housing and community funding. The scarcity of affordable housing is a growing issue around New Zealand, including in the Manawātū District. Council is looking to address this through our support of Manawātū Community Trust and through a Housing Strategy.

SIGNIFICANT NEGATIVE EFFECTS


Growth may have a negative effect on parts of the community through increased traffic and/or increased pressure on community facilities. Council considers that the overall benefits of additional jobs and economic activity far outweigh these impacts. Environmental issues are considered through the District Plan and Resource Management Act 1991.




District Development

Te Tipu o te Rohe


Males aged
15-39
are predicted to outnumber
females in the same age range by
600 in
2043



The Manawatū District
has a much lower
crime rate
than the national average
2nd
lowest crime rate in the
Manawatū-Whanganui Region



28%
of the district's workforce is
self-employed
unemployment rate
is lower than the national average at
2.8%



WHAT WE DO

We work with the community and key partners to deliver a local economy that is prosperous and diverse. We partner with community groups and not for profit organisations, encouraging these groups to strengthen the interests and values of our district's residents. This includes providing funding and support to generate local solutions that will enhance the economic, social, environmental and cultural wellbeing of our district.

HOW WE DO IT

We support the implementation of initiatives through the dedicated Council Economic Development Focus Group and support and fund actions to increase access to new markets and expanded opportunities for growth and job creation, and providing social infrastructure to support the education and general well-being of the community. We advocate for and contribute to efforts to improve pathways to employment for youth and workers, enhancing the prosperity of residents and the provision of skilled staff to support expansion of local industry.

We review and administer contestable funding and ensure allocation of funding aligns with outcomes sought in the Community Development Strategy. We partner with community groups and not for profit organisations that deliver local solutions that promote economic, social, ecological and cultural wellbeing in our district and maintain and develop relationships with funding recipients.

We fund our Central Economic Development Agency (CEDA) to undertake business support programmes, including services to support innovation and entrepreneurial activity and Māori enterprise. We support CEDA to undertake labour market analysis and establish a targeted labour market strategy to match skills development with skills demand in the Manawatū Region. We work with regional and national partners to optimise collective opportunities for economic growth, including access to funding for programmes. We both promote and provide funding for the promotion of the Manawatū District as a great place to live and do business.

We also administer the Manawatū District Creative Communities Scheme on behalf of Creative New Zealand.

We partner with those communities that have participated in our Community Planning programme to implement identified projects and actions and to work with those remaining communities who are wishing to participate in community planning. We support Community Committees throughout the district.

We contract security services to ensure the Feilding CBD is a safe and secure location for businesses and the community.

LEVELS OF SERVICE

Level of Service 1	Satisfaction with district development service delivery						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of targets CEDA has achieved under the relevant Statement of Intent.	83%	83%	80%	80%	80%	80%
Measure 2 (New)	% of Results Based Accountability targets achieved under Priority Service Contracts	2021/22 Year 1	N/A	N/A	80%	80%	80%
Level of Service 2	We aim to have creative, cultural and recreational participation in our communities. (Whanau - Social Wellbeing)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1 (New)	Creative Communities Scheme projects administered by the Council.	2021/22 Year 1	N/A	N/A	Year 1	>2021/22	>2021/22
Level of Service 3	We seek an outcome of being connected and inclusive. Our goals are to be a welcoming community, where everyone has a sense of belonging and are proud of where they live. (Wairua - Spiritual Wellbeing)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1 (New)	% of survey participants who feel a sense of connection with others in their neighbourhood/community.	2021/22 Year 1	N/A	N/A	Year 1	>2021/22	>2021/22

KEY ISSUES AND CHALLENGES

Key issues are addressed above

HOW DISTRICT DEVELOPMENT IS FUNDED

Economic Development

Public 100%

..... General Rate (CV)

Community Development

Public 95-100%

..... General Rate (CV)

Private 5-0%

Grants

District Planning

Te Whakamahere ā-Rohe



The District Plan states what can be **built** and done where

Our district

is expected to grow by an average of



199 dwellings per year over the 10 Year Plan period

WHAT WE DO

We provide regulatory information and support to assist residents and businesses in the district, including providing sufficient land, infrastructure, servicing and suitable zoning. We ensure a statutory planning framework to appropriately manage natural and physical resources.

We review and update the District Plan to ensure our natural and physical resources are sustainably managed and avoid, remedy or mitigate any potentially detrimental environmental effects.

HOW WE DO IT

We respond to Horizons (Manawatū-Wanganui Regional Council) and central government policy proposals where these affect land use and resource management within the district.

We conduct a rolling review of the District Plan over the course of 10 years, as well as a review of the state of the district's environment every five years.

We process private plan change requests, and ensure information about district planning and the Resource Management Act 1991 (RMA) are up to date and easily accessible via Council's website and at the Council office (printed copy).

KEY ISSUES AND CHALLENGES

Our aging population will cause increased demand for different types of housing, care providers, and facilities, which may change the expectations the community holds for the District Plan.

PROJECTS

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
District Plan	The District Plan is a key document for the district, setting out what activities and development can take place, with a view to protecting our natural and physical environment and strategically planning for growth. Council is required to review this document every 10 years but carries out a rolling review to make the process more manageable.	1-10	4,902,736

HOW DISTRICT PLANNING IS FUNDED

Public 100%



Uniform annual general charge (76%) / General rate (24%)

District Development Group Funding Impact Statement
Te Tipu o te Rohe: Tauāki Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	2,717	3,484	3,703
Targeted rates	86	82	83
Subsidies and grants for operating purposes	26	34	35
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	358	74	74
Total operating funding	2,887	3,675	3,896
Applications of operating funding			
Payments to staff and suppliers	2,184	2,550	2,610
Finance costs	190	135	127
Internal charges and overheads applied	367	789	949
Other operating funding applications	0	0	0
Total applications of operating funding	2,741	3,474	3,686
Surplus (deficit) of operating funding	145	201	210
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(192)	(203)	(211)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	(192)	(203)	(211)
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	0	0	0
Increase (decrease) in reserves	(46)	(2)	(1)
Increase (decrease) of investments	0	0	0
Total application of capital funding	(46)	(2)	(1)
Surplus (deficit) of capital funding	(145)	(201)	(210)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
3,880	4,011	4,206	4,378	4,369	4,402	4,449	4,519
84	86	87	89	91	93	96	98
36	37	38	38	39	40	41	41
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
84	74	113	113	122	151	151	151
4,083	4,207	4,444	4,618	4,621	4,686	4,737	4,809
2,717	2,828	3,013	3,113	3,175	3,239	3,303	3,363
119	111	102	94	84	77	73	70
1,028	1,040	1,092	1,167	1,150	1,191	1,299	1,292
0	0	0	0	0	0	0	0
3,864	3,980	4,208	4,374	4,410	4,507	4,675	4,725
219	227	236	245	212	179	62	85
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(219)	(227)	(236)	(245)	(212)	(179)	(62)	(85)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(219)	(227)	(236)	(245)	(212)	(179)	(62)	(85)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	(0)	0	(0)	0	(0)	0
(219)	(227)	(236)	(245)	(212)	(179)	(62)	(85)
0	0	0	0	0	0	0	0

Regulatory Group

Te Taha Whakatureture

WHAT WE DO

Animal control, building control, environmental health, alcohol licencing, compliance and enforcement, and resource consent planning.

WHY WE DO IT

We work to provide a safe environment and protect amenity for the community making the Manawatū District a desirable place to live and do business.

The Regulatory Group contributes to the following outcomes:

A place to belong and grow

- by ensuring a safe environment to live, work, and play.

An environment to be proud of

- by protecting our natural environment through monitoring and enforcing compliance with the District Plan and Resource Management Act 1991
- by ensuring our built environment and food/alcohol and health premises are safe and fit for purpose.

Infrastructure fit for the future

- by making sure buildings and new developments are safe and accessible.

A prosperous, resilient economy

- by processing quality building and resource consents and promoting sustainable development.

Value for money and excellence in local government

- by aiming to deliver a customer focused service while meeting legislative requirements.

HOW WE DO IT

We assist in developing bylaws and policies and monitor and enforce them to ensure a safe and useable environment for all members of the community.

Council is available 24 hours, 7 days a week for priority 1 animal control call outs, and ensures all dogs are registered and controlled.

We monitor and enforce standards for businesses including processing licenses and inspecting premises where necessary. This includes businesses selling food and/or alcohol, hairdressing salons, camping grounds, and funeral directors, as well as responding to health nuisances and investigating noise complaints.

We issue building consents, certificates of acceptances, certificates for public use, code compliance certificates, inspect buildings and provide advice, as well as issuing resource consents for subdivision, land use and certificates of compliance. Council then continues to monitor and enforce compliance of resource consent conditions.

KEY ISSUES AND CHALLENGES

The four key issues described on page 66-67 are the overarching challenges that Council faces with almost all the decisions we make. The four challenges and their impact on this group are:

Issue	Impact on this Group
Resilience and Climate Change	Council applies flood modelling data to consenting processes for future development.
Growth and Demand	<p>Population growth leads to an increased demand for development and services, creating pressures to meet timeframes, and a need for increased staffing.</p> <p>Increased demand combined with legislative requirements contributes to difficulty in recruiting competent officers, as councils across the country compete for finite resourcing.</p>
Regulatory and Compliance	<p>Legislation changes can increase the cost or processes required to issue licenses and consents, which can negatively impact businesses.</p> <p>New legislation requires additional services, at times with limited ability to recover costs.</p>
Affordability	The aging population will lead to issues with the affordability of services.

SIGNIFICANT NEGATIVE EFFECTS

Processing time for resource and building consents and the costs of compliance may be considered excessive by applicants. Timeframes reflect legal requirements, and the level of processing required from staff. Fees and charges are evaluated to provide the necessary balance of affordability and service.



Animal Control

Te Rauhi Kararehe

There were **7,542**
dogs registered in the district in the
19/20



The Labrador
is the most common
breed of dog
in our district



WHAT WE DO

We provide animal control services including dog safety education programmes as part of our role in protecting public safety throughout the district.

HOW WE DO IT

We administer The Dog Control Act 1996, Impounding Act 1955, Council's Dog Control Policy and Animal Control and Dog Control Bylaws and ensure dogs are registered and controlled throughout the district. We classify the district's 'menacing' and 'dangerous' dogs and maintain Council's National Dog Database interface.

We provide access to a 24 hour 7 day a week animal control service for priority 1 call outs/responses and impound nuisance, surrendered or unregistered dogs and wandering stock at our Awa Street site for collection by owners, rehoming or destruction.

We offer a "selected ownership" status, provide dog education programs and sponsor obedience training certificates to the Feilding Dog Training Club.

LEVELS OF SERVICE

Level of Service 1	Providing a safe environment and protecting the community through timely responses to requests for service	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of urgent requests about dog attacks/wandering stock responded to or caller contacted within 15 minutes of Council receiving request. (Priority 1)	2019/20 99%	99%	90%	90%	90%	90%
Measure 2	% of notifications of roaming dogs responded to or caller contacted the next working business day of Council receiving request. (Priority 2)	2019/20 99.5%	99.5%	90%	90%	90%	90%
Measure 3	% of routine animal control issues responded to or caller contacted the next working business day of Council receiving notification. (Priority 3)	2019/20 96%	96%	90%	90%	90%	90%

ASSETS AND PORTFOLIO

Awa Street Pound

KEY ISSUES AND CHALLENGES

Population growth may increase the number of dogs in the district. The district is experiencing a growth in the breeding and training of greyhounds. Non-registration of dogs requires considerable monitoring and enforcement each year which impacts on rates.

HOW ANIMAL CONTROL IS FUNDED

Public 40%

..... Uniform Targeted Rate

Private 60%

User fees and charges (registration, impoundments, infringements etc)



Building Control

Te Whakatū Whare

We processed

705 building consents
last year



In the second half of 2020
our building inspectors travelled a total of nearly

60,000kms
for inspections



WHAT WE DO

We process building consent applications for compliance with the Building Act and the New Zealand Building code. We also issue certificates of acceptance, certificates for public use, and code compliance certificates. We conduct inspections, respond to building complaints, and monitor swimming pool and spa fencing and building warrants of fitness.

HOW WE DO IT

Council is an accredited Building Consent Authority, and administers the Building Act 2004. This includes responding to earthquake-prone, dangerous or insanitary buildings issues, as well as responding to building related complaints and providing advice. We assist in the development of policies for dangerous, affected and insanitary buildings and administer the earthquake prone building legislation under the Building Act 2004.

We facilitate key stakeholder meetings for the construction and development industry and have a building officer on duty to assist with building control advice for new or existing buildings, building consent application lodgements and pre-application meetings to provide clarification/interpretation of the Building Act and Building Code.

We work to make Building Control Services information current and accessible via Council's website and Council office (printed copy) and make building consenting application services accessible and transparent via the online portal.

We ensure the built environment meets safety and accessibility standards including ensuring buildings provide facilities for people with disabilities where required, and monitoring swimming pool/spa fencing to protect children under five years from drowning.



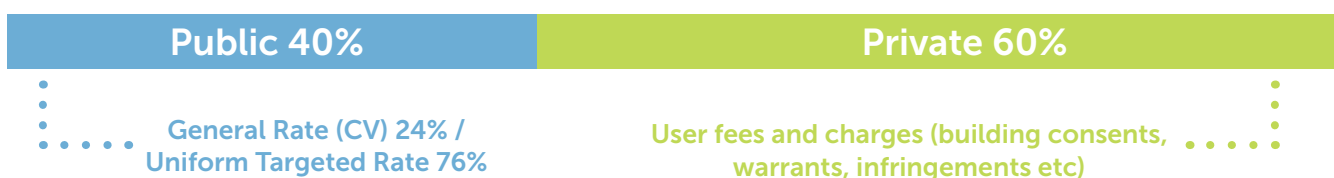
LEVELS OF SERVICE

Level of Service 1	Ensuring life safety by monitoring commercial and public buildings for compliance with the Building Warrant of Fitness						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1 (New)	% of the district's commercial and public buildings that hold a current compliance schedule are audited every 3 years.	Set in 2021/2022 (Y1)	N/A	N/A	100%	100%	100%
Level of Service 2	Ensuring we are meeting the statutory obligations of the Building Act as an Accredited BCA, providing a safe built environment and providing a responsive building control service						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of complaints that are investigated and responded to relating to our building control service within the specified timeframes.*	2019/20 95%	95%	90%	90%	90%	90%
Measure 2 (New)	% of residential swimming pools that are inspected every 3 years to ensure compliance with the Building Act.	Set in 2021/2022 (Y1)	N/A	N/A	95%	95%	95%
Measure 3	% Applications processed within statutory and specified timeframes: A. Building consent applications and code compliance certificates processed and approved - 20 working days. B. Fixed fee (small works) building consent applications processed and approved - 10 working days. (internal target)	2019/20 A. 94.5% B. 88%	A. 94.5% B. 88%	95%	95%	95%	95%
*excludes complaints that do not relate to the service council provides							

KEY ISSUES AND CHALLENGES

Changing requirements can give Council more responsibilities with limited ability to collect the costs incurred. An example of this is the earthquake prone building legislation.

HOW BUILDING CONTROL IS FUNDED



Compliance and Monitoring

Te Whakaū i ngā Ture me te Arotake

Council responded to over

500
noise complaints
in the 12 month period to October 2020



Between **January** and **November** 2020 Council collected

1,153 dumped
tyres
This cost Council around
\$23,000
in disposal fees



WHAT WE DO

We work to keep residents, visitors and the environment safe by monitoring, mitigating and minimising potentially harmful activities. We process alcohol licences, food control plans and monitor licensed and registered premises.

HOW WE DO IT

We administer the Health Act 1956, Food Act 2014, Resource Management Act 1991, Amusement Devices Regulations 1978, Hazardous Substances and New Organisms Act 1996, the Gambling Act 2003 and the Racing Industries Act 2020, and administer statutory obligations set by the Sale and Supply of Alcohol Act 2012.

Council collaborates with New Zealand Police, Mid Central Health and Fire and Emergency New Zealand (FENZ), and appoints a District Licensing Committee who make decisions on applications for:

- New and renewed licences and managers' certificates
- Temporary authorities and temporary licences
- Variation of licences
- Special licences

We conduct annual inspections of registered health premises to ensure they comply with licence conditions, and register and audit premises that prepare and sell food, and enforce legislation relating to hazardous substances and amusement devices as well as enforcing bylaw provisions.

We monitor and enforce compliance with land use and subdivision consent conditions.

We educate and provide advice to the public and businesses on these services, and respond to complaints including providing a 24 hour, 7 day a week noise response service.



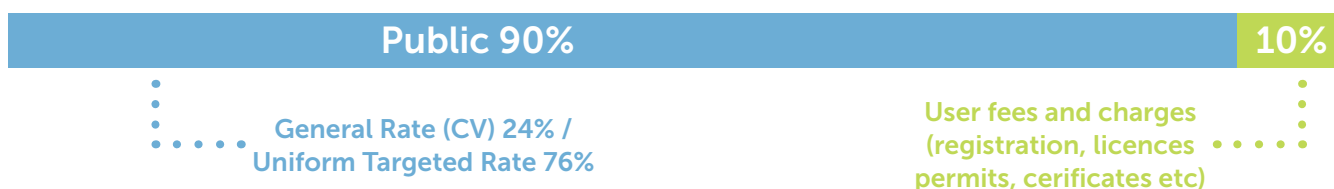
LEVELS OF SERVICE

Level of Service 1	Ensuring the community has safe food premises and hygienic health registered premises						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1 (New)	% of all food premises are verified as per legislative requirements under the Food Regulations 2015.	Set in 2021/2022 (Y1)	N/A	N/A	100%	100%	100%
Level of Service 2	Protecting community amenity and providing a responsive compliance service by timely responses to requests for service						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of requests for service related to incidents that endanger public health are responded to within 24 hours of notification.	2019/20 96%	96%	85%	85%	85%	85%
Measure 2	% of urban noise complaints that are responded to within one hour of notification.	2019/20 96%	96%	85%	85%	85%	85%
Measure 3	% of requests for service related to incidents that do not endanger public health are responded to within 48 hours of notification.	2019/20 94%	94%	85%	85%	85%	85%
Level of Service 3	Keeping our community safe by monitoring selected licensed premises selling alcohol for compliance with their license conditions						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of licensed premises that are inspected annually to ensure compliance with the conditions of their license and to work with those who do not comply to bring them up to compliance.	2019/20 94%*	94%*	95%	95%	95%	95%
*Covid-19 lockdown affected our ability undertake inspections							

KEY ISSUES AND CHALLENGES

Issues and challenges for Compliance and Monitoring are covered at the group level.

HOW COMPLIANCE AND MONITORING IS FUNDED



Consents Planning

Ngā Whakaaetanga

Council processed

165 land use consents and
153 subdivisions
in 2019/2020, alongside other consents, certificates and notices.



Subdivision consents
expire after
5 years



WHAT WE DO

We provide planning resource consent guidance and consenting to help ensure our natural and physical resources are sustainably managed, and avoid, remedy or mitigate any potentially detrimental environmental effects.

HOW WE DO IT

We apply the District Plan and policies that reflect the direction given by central government and Horizons (Manawatū-Wanganui Regional Council), This includes processing resource consents. and assessing all building consents to ensure they meet the provisions of the District Plan. We process private plan change requests and notices of requirements for designations.

We provide planning advice to all customers and have input into the approval of alcohol licenses, and Land Information Memorandums (LIMs).

We ensure information about the resource consent application process is up to date and easily accessible via Council's website and at the Council office (printed copy). There is a planner on duty on each working week day between the hours of 9am to 1pm at the Council office to assist with general planning or resource consent application enquiries. Planners are also available outside this timeframe to assist with any planning or resource consent enquiries.

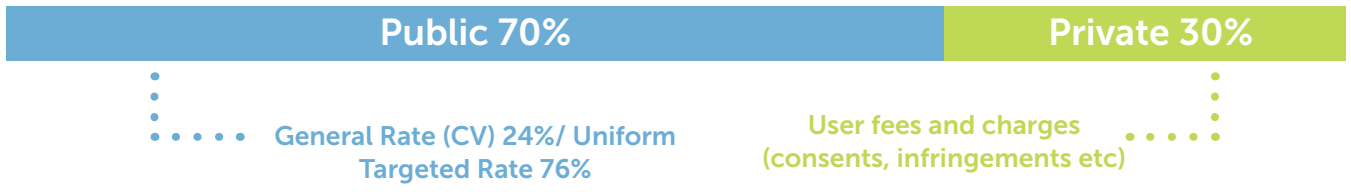
LEVELS OF SERVICE

Level of Service 1	Ensuring the Consents Planning Team are meeting the statutory obligations of the RMA to protect the environment and ensure compliance with the District Plan						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1 (New)	% of applications for permitted boundary activities under the Resource Management Act are processed in accordance with the statutory timeframes.	Set in 2021/2022 (Y1)	N/A	N/A	100%	100%	100%
Measure 2 (New)	% of applications for resource consent under the Resource Management Act are processed in accordance with the statutory timeframes: Non-Notified Limited Notified (with hearing) Limited Notified (without a hearing) Notified	Set in 2021/2022 (Y1)	N/A	N/A	90%	90%	90%
Measure 3 (New)	The number of Resource Consent applications for resource consents returned to applicant as incomplete (under section 88 of the RMA)for: Permitted boundary activities Resource Consents	Set in 2021/2022 (Y1)	N/A	N/A	Number recorded	Number recorded	Number recorded
Measure 4 (New)	The number of applications for which a request for further information has been made. (under section 92 of the RMA)	Set in 2021/2022 (Y1)	N/A	N/A	Number recorded	Number recorded	Number recorded

KEY ISSUES AND CHALLENGES

Key issues and challenges for Consents Planning are covered at the group level.

HOW CONSENTS PLANNING IS FUNDED



Regulatory Group Funding Impact Statement
Te Whakatureture: Tauāki Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	3,483	2,790	2,933
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	2,522	2,611	2,725
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	69	84	78
Total operating funding	6,074	5,485	5,736
Applications of operating funding			
Payments to staff and suppliers	2,319	2,050	2,050
Finance costs	0	0	0
Internal charges and overheads applied	3,625	3,399	3,647
Other operating funding applications	0	0	0
Total applications of operating funding	5,944	5,449	5,698
Surplus (deficit) of operating funding	130	36	38
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	0	0	0
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	3	0	0
Increase (decrease) in reserves	126	36	38
Increase (decrease) of investments	0	0	0
Total application of capital funding	129	36	38
Surplus (deficit) of capital funding	(129)	(36)	(38)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
3,060	3,189	3,314	3,334	3,388	3,461	3,543	3,653
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
2,824	2,931	3,044	3,055	3,113	3,173	3,254	3,347
0	0	0	0	0	0	0	0
78	79	81	82	83	84	85	86
5,962	6,199	6,438	6,471	6,584	6,718	6,882	7,086
2,125	2,149	2,231	2,255	2,339	2,366	2,451	2,477
0	0	0	0	0	0	0	0
3,799	4,013	4,202	4,211	4,239	4,347	4,426	4,602
0	0	0	0	0	0	0	0
5,924	6,162	6,434	6,466	6,579	6,713	6,876	7,080
38	37	5	5	5	6	6	6
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	6	0	8	0	0	0
38	37	(1)	5	(3)	6	6	6
0	0	0	0	0	0	0	0
38	37	5	5	5	6	6	6
(38)	(37)	(5)	(5)	(5)	(6)	(6)	(6)
0	0	0	0	0	0	0	0

Emergency Management Group

Te Rauhi Hapori i te Ohotata

During COVID-19 level four lockdown, MDC staff helped deliver

4,350 prescriptions
and made over
1,300
calls to vulnerable people!



In 2019/2020

**MDC attended public events
farmers markets and schools
to talk about
emergency management**



WHAT WE DO

We provide coordination of the district's response and recovery through an emergency event. We provide services and information to reduce risk and increase readiness, response and resilience.

WHY WE DO IT

We work to reduce the impacts from natural hazards, by ensuring communities are aware of their hazardscape and are prepared and empowered to respond and recover from an emergency. We aim to assist and encourage a resilient district, helping communities understand and prepare for their own hazards. We meet statutory requirements and community expectations to provide an active and responsive emergency management service.

The Emergency Management Group contributes to the following community outcomes:

A place to belong and grow

- by educating the community about Emergency Management, and ensuring residents are supported and able to act if an emergency occurs.
- by starting education about emergency preparedness early in life, ensuring the next generation is more resilient.

A future planned together

- by working with the community to plan for emergency situations. This ensures residents and businesses are prepared and confident in our district's ability to deal with emergencies.

A prosperous, resilient economy

- by assuring residents and businesses that the Council is actively involved in local, regional and national emergency management exercises, and giving confidence in our ability to recover.
- by hastening economic recovery from emergency events through community and Council coordination and planning.

An environment to be proud of

- by understanding and reducing impacts of natural hazards in our district.
- by ensuring that all of the five environments are catered for in recovery. The five environments are: social, built, economic, rural and natural.

Infrastructure fit for the future

- by working with the Manawatū-Wanganui Civil Defence Emergency Management Group Plan, New Zealand Critical Lifelines National Vulnerability Assessment and Regional Lifelines Plans to understand and plan for hazards, including flood mapping and active fault line mapping. We can use this knowledge to inform infrastructure planning.

Value for money and excellence in local government

- by coordinating responses to and providing information about emergency situations.
- by working to coordinate local partner agencies, businesses and communities in preparedness for response and recovery to an emergency.
- by being an active participant and partner in the Manawatū-Whanganui Civil Defence and Emergency Management Group.
- by collaborating with nearby territorial authorities and Horizons Regional Council to maximise our CDEM effectiveness through shared resourcing.

HOW WE DO IT

We work to increase public awareness about disasters and educate communities about preparedness. Council seeks to support networks with points of contact within communities, enabling emergency management activities and communication. Council works with Community Committees and relevant community organisations to promote emergency management in neighbourhoods and the wider community.

We undertake an emergency management exercise programme to support Council and community preparedness.

We fulfil Council's statutory obligations under the Civil Defence Emergency Management (CDEM) Act 2002, including responding to emergencies; planning for, undertaking, coordinating and promoting recovery as required post disaster; and monitoring and evaluating situations before, during, and after the event.

We fulfil the public's expectation that Council will, in conjunction with other emergency service providers, including the Police, Fire and Ambulance services, provide leadership in the case of a natural or other disaster that necessitates an emergency response. We will engage with and support iwi driven initiatives within the Manawatū District to support vulnerable community members in emergency events.

We follow the Manawatū-Wanganui Civil Defence Emergency Management Group Plan which focuses on:

- Risk reduction
- Identifying risk reduction initiatives
- Risk information exchange
- Risk reduction programming
- Flood plain mapping and modelling
- Risk reduction programmes for business, communities and care facilities
- Readiness, response and preparedness education
- Information activity through marketing opportunities with the support of our national organisation.

We also are members and participant in committees and groups including:

- Joint Civil Defence and Emergency Management Committee
- Coordinating Executive Group
- Local Emergency Management Committee (MDC coordinated)
- Local Welfare Committee and Rural Coordination Group

LEVELS OF SERVICE

Level of Service 1	Council will be prepared to assist the community in the event of an emergency						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of Incident Management Team personnel trained to at least intermediate level of the Integrated Training Framework for Emergency Management Manawatū	2019/20 75%	≥75%	≥75%	≥75%	≥75%	≥75%
Measure 2	% of survey participants who were satisfied with Emergency Management information and advice provided by Council for the Manawatū District in relation to an emergency event*.	Set in 2021/2022 (Y1)	N/A	N/A	Year 1	≥2021/22	≥2021/22
*An emergency event is defined as whenever the Emergency Operations Centre (EOC) is activated.							

KEY ISSUES AND CHALLENGES

The four key issues described on page 66-67 are the overarching challenges that Council faces with almost all the decisions we make. The four challenges and their impact on this group are:

Issue	Impact on this Group
Resilience and Climate Change	Climate change and changing weather patterns may cause increased severe weather events that require increased preparedness and/or emergency responses.
Growth and Demand	An ageing population presents a number of issues including an increasing number of residents who may be reliant on medical equipment or may not have access to transportation of their own, which presents an issue in the case of an evacuation.
Regulatory and Compliance	Council is required to align with legislation including the CDEM Act 2002. In 2018, the Civil Defence Minister released a report that set out a multi-year work programme to change and improve New Zealand's emergency response system. Council will need to stay abreast of changing requirements and expectations in this area.
Affordability	Council claims for emergency event related costs must align with Section 33 of the National CDEM Plan in order to receive central government financial support. Unbudgeted expenditure during emergency events that cannot be recovered from the government will impact rates.
Other:	<p>Outreach</p> <p>Emergency preparedness and planning needs to connect with all members of the community, and Council knows there is opportunity to strengthen our partnership with iwi in the emergency management space.</p> <p>24/7 Coverage</p> <p>24/7 monitoring of national and local warning systems is necessary to ensure a rapid and efficient response to any emergency at any time, which may require further resourcing.</p>

SIGNIFICANT NEGATIVE EFFECTS

If public views emergency management as a central and local government responsibility, there may be a lack of self-reliance and preparedness amongst the community. Council can mitigate this through education and ensuring public are aware of their own role in emergency preparedness.

PROJECTS TABLE

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Community response and recovery plans	Develop community response and recovery plans with Community Committees	1-10	59,163
Radio network	Upgrade the council analogue radio network	1	22,543

HOW EMERGENCY MANAGEMENT IS FUNDED

Public 100%



••••• General Rate (CV)



Emergency Management Group Funding Impact Statement
Te Rauhi Hapori i te Ohotata: Tauaki Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	279	301	313
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	279	301	313
Applications of operating funding			
Payments to staff and suppliers	198	200	206
Finance costs	0	0	1
Internal charges and overheads applied	75	91	95
Other operating funding applications	0	0	0
Total applications of operating funding	273	291	302
Surplus (deficit) of operating funding	6	10	12
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	0	11	(1)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	0	11	(1)
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	2	11	0
- to replace existing assets	9	12	0
Increase (decrease) in reserves	(5)	(2)	10
Increase (decrease) of investments	0	0	0
Total application of capital funding	6	20	10
Surplus (deficit) of capital funding	(6)	(10)	(12)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
313	324	322	330	338	347	353	368
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
313	324	322	330	338	347	353	368
202	210	213	218	224	229	231	242
1	0	0	0	0	0	0	0
98	102	106	109	111	115	119	123
0	0	0	0	0	0	0	0
301	312	319	327	335	344	350	365
12	12	2	2	2	2	2	2
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(1)	(1)	(2)	(2)	(2)	(2)	(2)	(1)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(1)	(1)	(2)	(2)	(2)	(2)	(2)	(1)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
10	10	1	1	1	1	1	1
0	0	0	0	0	0	0	0
10	10	1	1	1	1	1	1
(12)	(12)	(2)	(2)	(2)	(2)	(2)	(2)
0	0	0	0	0	0	0	0

Governance and Strategy Group

Ngā Mahi Kāwanatanga me te Whakataurau Rautaki

During the year 2020
Council and its committees made

228 decisions
including

27 decisions
made at the

6 meetings held
during COVID-19 level 4 lockdown

Council heard from

9 public forum
speakers

including **3** speakers at Joint Strategic
Planning Committee meetings

a joint Committee with Palmerston North City Council



38

presentations
were made
to Council and
committee meetings



WHAT WE DO

We set the strategic direction for the district and ensure responsible financial management of public funds.

We also provide structures and processes for local democracy and decision making that is:

- Collaborative
- Open/transparent
- Inclusive
- Friendly

WHY WE DO IT

We provide district leadership and involve our people in decision making processes to ensure a bright future for our community.

The Local Government Act 2002 (LGA) sets out the purpose of local government and the framework for the work we do. There are also a range of other pieces of legislation that relate to Council's planning and regulatory role in the district.

The Governance and Strategy Group contributes to the following community outcomes:

A place to belong and grow

- by aligning decision making with community feedback.
- by exceeding legal requirements for community inclusion.
- by collaborating with the community in strategic planning.
- by providing opportunities to participate in the democratic processes and decision making.

A future planned together

- by collaborating with the community around statutory and non-statutory planning.
- by using relevant engagement methods that are flexible, responsive and innovative.

An environment to be proud of

- by making informed and prudent decisions with our environment in mind.

A prosperous, resilient economy

- by involving the community in the decision making process and keeping the interests of community and business in mind, we can support healthy economic growth.

Value for money and excellence in local government

- by collaborating internally and externally to maximise efficiency.
- by exercising wise stewardship of public money.
- by staying aware of community opinion.
- by providing excellent customer service.

HOW WE DO IT

As well as the formal Council team made up of ten elected members and the Mayor we have five standing committees;

- Audit and Risk Committee.
- Community Development Committee.
- Ngā Manu Tāiko Manawatū District Council.
- Hearings Committee.
- Chief Executive's Employment Committee.

We also have a joint standing committee with Palmerston North City Council, which addresses strategic planning issues that impact on both Manawatū District and Palmerston North City and to provide oversight for the activities of the Central Economic Development Agency Limited (CEDA).

We have three informal focus groups – Economic Development, District Plan, and Infrastructure – to keep our finger on the pulse of progress in these three areas in the district.

We work closely with our 17 community committees as well as the Manawatū District Youth Council as specific communities of interest.

We provide opportunities for the public to be involved in the important decisions that Council makes about the Manawatū District.

We work to promote and advocate for the best interests of the district at regional and central government levels.

We manage finances responsibly.

KEY ISSUES AND CHALLENGES

The four key challenges described are the overarching issues that the governance team (the elected members of Council) faces with almost all the decisions it makes. The four challenges and their impact on this group are:

Issue	Impact on the governance team (the elected members of Council)
Resilience and Climate Change	The governance team relies on expert advice about the possible impacts of climate change on our district and must factor that advice into its long term planning to ensure community and infrastructure resilience.
Growth and Demand	The governance team needs to ensure it is able to provide community services and infrastructure to accommodate the growing population while maintaining affordability (see below).
Regulatory and Compliance	One of the key roles of Council is to enact and enforce changes in laws, policies and regulations set by central government. There are a lot of these changes either already underway or being considered in the near future. This will have a flow on effect in terms of resourcing requirements for all councils in New Zealand.
Affordability	The three challenges outlined above all result in increased costs. Council must balance the requirement to provide good quality infrastructure and services in the most cost-effective way

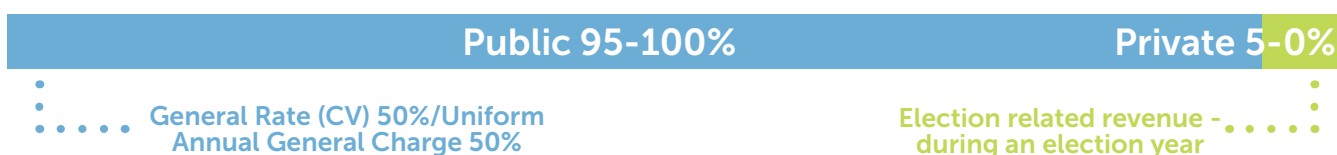
SIGNIFICANT NEGATIVE EFFECTS

Decisions made by Council may affect some or all residents and ratepayers. Council has a Significance and Engagement Policy to guide Council on significant decisions and how to best engage with those affected in the decision-making process.

LEVELS OF SERVICE

Level of Service 1	Responsible financial management	Responsible financial management					
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure	The number of breaches in rates limits or debt levels as set in the Financial Strategy	0	0	0	0	0	0

HOW THE GOVERNANCE AND STRATEGY ACTIVITY IS FUNDED



Governance and Strategy Group Funding Impact Statement
Ngā Mahi Kāwanatanga me te Whakatauranga Rautaki: Tauākī Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,925	2,613	2,891
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	77
Total operating funding	1,925	2,613	2,968
Applications of operating funding			
Payments to staff and suppliers	747	708	855
Finance costs	1	0	0
Internal charges and overheads applied	2,015	1,897	2,105
Other operating funding applications	0	0	0
Total applications of operating funding	2,763	2,605	2,960
Surplus (deficit) of operating funding	(837)	8	8
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	56	0	0
Increase (decrease) in debt	0	0	0
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	56	0	0
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	0	0	0
- to replace existing assets	56	0	0
Increase (decrease) in reserves	(837)	8	8
Increase (decrease) of investments	0	0	0
Total application of capital funding	(781)	8	8
Surplus (deficit) of capital funding	837	(8)	(8)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
3,228	3,137	3,298	3,600	3,451	3,648	3,989	3,855
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	82	0	0	87	0	0
3,228	3,137	3,380	3,600	3,451	3,736	3,989	3,855
809	830	983	943	972	1,184	1,112	1,145
0	0	0	0	0	0	0	0
2,419	2,307	2,398	2,658	2,478	2,551	2,878	2,710
0	0	0	0	0	0	0	0
3,228	3,137	3,380	3,600	3,451	3,736	3,989	3,855
0	(0)	(0)	(0)	(0)	0	(0)	(0)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(0)	0	0	0	0	(0)	0	0
0	0	0	0	0	0	0	0

Roading Group


Ngā Ara Waka

If all the roads in the district were in a straight line they would reach from **Cape Reinga to Wellington** and have over **300km** to spare!



Waka Kotahi NZ Transport Agency owns and maintains state highways including parts of **Aorangi Street and Kimbolton Road** in Feilding

The cost of replacing the **entire roading network** managed by Council is **\$700M**



WHAT WE DO

We maintain and deliver a roading network that provides suitable access to business, educational, social and recreational services for the district's residents and businesses, as well as encouraging the uptake of walking and cycling as transport modes and for recreation. We provide an appropriate network of tourism routes.

WHY WE DO IT

We provide an integrated and resilient land transport network that ensures safe and efficient travel for everyone who lives in and passes through our district.

The Roothing Group contributes to the following community outcomes:

A place to belong and grow

- by ensuring that our roads and footpaths are safe to use, while encouraging the community to drive, walk, or cycle for business or pleasure.

An environment to be proud of

- by being committed to protecting and enhancing the natural, cultural and built environment.

Infrastructure fit for the future

- by being prepared for the changing needs of our communities and being resilient to evolving environmental conditions.

A prosperous, resilient economy

- by enabling the safe and efficient transport of goods and services throughout the district and connecting the Manawatū with the wider New Zealand economy.

Value for money and excellence in local government

- by employing Better Business Case principals to ensure robust and targeted investment decisions.

HOW WE DO IT

We optimise maintenance programmes to improve the reliability and cost effectiveness of the road network.

We improve the resilience of the road network to reduce the impact of natural hazard events and improve the safety of the road network. Safety is improved through installing, upgrading or amending signage, removing roadside hazards, improving sightlines, traffic calming near schools and other minor safety improvements.

We provide access to the residential and industrial growth areas in Feilding and the Manawatū District.

KEY ISSUES AND CHALLENGES

The four key issues described on page 66-67 are the overarching challenges that Council faces with almost all the decisions we make. The four challenges and their impact on this group are:

Issue	Impact on this Group
Resilience and Climate Change	<p>During periods of intense rainfall Feilding, Rongotea, Kairanga/Bainesse and Tangimoana are prone to flooding, and mudslides, debris flows and rock slides occur in the rural hinterland.</p> <p>It is possible that the intensity and frequency of extreme weather events, such as flooding, drought or heavy snowfall, will increase as a result of climate change, in line with projections released by NIWA following the IPCC Fifth Assessment Report.</p>
Growth and Demand	<p>Land use changes and transport requirements are placing increasing stresses on the form and function of the network.</p> <p>Between 2024 and 2029 there will be a peak in logging traffic as forests come to maturity in the district. Over one million tonnes of timber are to be extracted during this period, which will put pressure on rural road maintenance schedules.</p> <p>The economy and the population of the district are growing. Economic development requires investment to provide transport access for housing development and the industrial and commercial growth expected at the Kawakawa Road Industrial Park.</p> <p>An increase in traffic on the roads may increase congestion and wear on roads which will increase maintenance costs and renewal frequency.</p>
Regulatory and Compliance	<p>The One Network Road Classification (ONRC) levels of service are now established for the district. Council must deliver a service that achieves Customer Level of Service Outcomes.</p>
Affordability	<p>The Financial Assistance Rate (FAR), is the Waka Kotahi NZTA investment in Council's local roading network for all approved work. In 2020, Waka Kotahi NZTA reviewed all local authority FARs. This review will result in a staged reduction in the Council's FAR from 53% in 2022 to 51% in 2024, meaning costs will increase for Council.</p>
Other:	<p>Each year on Council's roading network, there are a low number of crashes which result in serious injuries or fatalities. However, Council's roading network does not carry much traffic. Therefore the ratio of accidents compared to the volume of traffic is high. This shows that there is a high level of personal risk on the network. Council is therefore working to reduce crash severity through a programme of seal widening, road safety barrier installation, and the introduction of speed management initiatives.</p> <p>Aging Bridges</p> <p>Bridges nearing the end of their useful lives may not be replaced, but will require inspections, maintenance and assessment on options to extend their usability.</p>

SIGNIFICANT NEGATIVE EFFECTS

The national transport system is responsible for about one-fifth of New Zealand's climate changing greenhouse emissions, and emissions are anticipated to increase over time. Transport emissions can contribute to poor air quality.

Contaminants such as those from vehicle tyres, brake pads, oil and grease and the wear of bitumen from road surfaces can all end up in the district's air, water and land. Large construction projects can also lead to adverse environmental effects.

Promoting energy efficiency, particularly via the promotion of alternative modes of transport such as walking and cycling is a key contributor to mitigating the adverse environmental effects of the land transport system.

LEVELS OF SERVICE

Level of Service 1	You can expect to get to where you need to go safely using our road network (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The change in the number of fatalities and serious injury crashes on the local road network from the previous financial year, expressed as a number	2019/20 +1	+1	<0	<0	<0	<0
Level of Service 2	You can expect the road to be in good condition (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The average quality of ride on a sealed local road network, measured by Smooth Travel Exposure (STE) index ratings (percentage of assessed network length where roughness is under the relevant threshold).*	2019/20 98%	98%	90%	90%	90%	90%
	*A High Speed Data Survey will be carried out every two years on all sealed roads. The condition of the asset is described by a set of attributes. The quality of these attributes changes over the lifetime of the asset. Sound decisions about interventions and investments rely to a large degree on knowledge of the current condition and the rate of change in the condition of the asset.						
Level of Service 3	You can expect the roading network to be well maintained (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of the sealed local road network that is resurfaced.	2019/20 5.55%	5.55%	5%	5%	5%	5%
Level of Service 4	You can expect well maintained footpaths (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of footpaths within the district that fall within the level of service or service standard for the condition of footpaths that is set out in Council's Activity Management Plan (for example, cracking, breaks, high lips, trip hazards etc.).	2019/20 99.7%	99.7%	95%	95%	95%	95%
Level of Service 5	You can expect a timely response to your request for service (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of customer service requests relating to roads and footpaths responded to within the following timeframes: Urgent requests*: within three hours of the request being lodged with Council. Non-urgent requests: the repairs will be included in the 3 month rolling programme or as instructed by Council's Roading Team.	2019/20 Urgent: 100% Non-urgent: 94.6%	Urgent: 100% Non-urgent: 94.6%	90%	90%	90%	90%
	*“Urgent” roading call-outs include the following: sealed and unsealed road failures affecting traffic safety and showing signs of rapid deterioration; removal of offensive graffiti; replacement and painting (where required) of defective or damaged barriers where traffic or public safety is seriously compromised; potholes on arterial roads; removal of offensive and dangerous litter and debris (e.g. dead animals, vomit, excrement, broken glass etc) on all urban roads; and unsealed roads that have subgrade exposure and slippery conditions, where road user safety is at risk. All other roading and footpath requests for services are considered “non-urgent.” Further detail on the frequency of inspections and response times is included in Appendix 9 of the Roading Activity Management Plan.						

ASSETS AND PORTFOLIO

Network length (km)

	Sealed	Unsealed	Network
Urban	120.97	11.5	132.47
Rural	880.19	355.29	1235.48
Total	1001.16	366.79	1367.95

PROJECTS

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Turners Road Extension	Construction of a 6m wide road from Turners Road to Kawakawa Road as a first step in developing this area, enabling access to 24 hectares of high-quality industrial land.	1-10	*
Growth Precinct 4	Required infrastructure such as roads, footpaths, streetlights and road drains to develop precinct 4.	1-10	11,224,560
Mangaweka Bridge Replacement	Replacement of the Mangaweka Bridge, which is currently limited to use by lighter vehicles due to reaching the end of its useful life. The cost of the bridge is shared with Waka Kotahi NZTA (53%) as well as Rangitikei District Council.	1	1,952,370
*Costs for the Turners Road extension have already been budgeted for. Any funds for this project will be carried forward from the existing allocation.			

HOW ROADING IS FUNDED

Feilding Central Business (CBD) Redevelopment

Public 100%

••••• General Rate (CV) 15% / Targeted Rate (CV) CBD only 85%

Roading Network - Non Subsidised

Public 100%

••••• Targeted Rate (CV) / Uniform Targeted Rate

ROADING NETWORK – SUBSIDISED

2021/22

Public 47%

Private 53%

••••• Targeted Rate (CV) / Uniform Targeted Rate

Subsidies [Waka Kotahi NZTA subsidy] subject to contract change

2022/23

Public 48%

Private 52%

••••• Targeted Rate (CV) / Uniform Targeted Rate

Subsidies [Waka Kotahi NZTA subsidy] subject to contract change

2023/24

Public 49%

Private 51%

••••• Targeted Rate (CV) / Uniform Targeted Rate

Subsidies [Waka Kotahi NZTA subsidy] subject to contract change

Roading Group Funding Impact Statement
Ngā Ara Waka: Tauākī Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	23	9	8
Targeted rates	6,949	7,587	8,337
Subsidies and grants for operating purposes	2,781	3,188	3,220
Fees and charges	56	77	152
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	210	217	223
Total operating funding	10,019	11,078	11,940
Applications of operating funding			
Payments to staff and suppliers	5,483	6,068	6,247
Finance costs	378	368	451
Internal charges and overheads applied	(64)	(48)	32
Other operating funding applications	0	0	0
Total applications of operating funding	5,796	6,388	6,729
Surplus (deficit) of operating funding	4,222	4,690	5,210
Sources of capital funding			
Subsidies and grants for capital expenditure	3,535	5,138	4,902
Development and financial contributions	401	931	957
Increase (decrease) in debt	3,409	2,204	1,766
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	7,345	8,274	7,624
Applications of capital funding			
Capital expenditure			
- to meet additional demand	518	574	773
- to improve the level of service	946	3,912	3,353
- to replace existing assets	5,908	7,987	5,948
Increase (decrease) in reserves	4,196	490	2,761
Increase (decrease) of investments	0	0	0
Total application of capital funding	11,567	12,964	12,835
Surplus (deficit) of capital funding	(4,222)	(4,690)	(5,210)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
7	6	5	5	5	4	4	4
8,993	9,504	10,138	10,585	11,135	11,693	12,277	12,866
3,264	3,471	3,579	3,690	3,807	3,924	4,046	4,171
204	375	325	292	319	343	367	370
0	0	0	0	0	0	0	0
229	236	243	249	256	263	271	278
12,697	13,592	14,290	14,821	15,522	16,228	16,965	17,688
6,456	6,864	7,130	7,254	7,528	7,761	8,001	8,247
521	603	641	678	732	783	818	874
69	134	178	180	183	221	272	265
0	0	0	0	0	0	0	0
7,046	7,602	7,948	8,112	8,443	8,765	9,092	9,386
5,652	5,990	6,342	6,708	7,079	7,464	7,874	8,302
4,996	4,866	4,812	5,220	5,118	5,100	5,142	5,518
878	904	931	954	982	909	935	958
1,877	948	895	896	870	796	1,390	1,691
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
7,752	6,719	6,638	7,070	6,970	6,805	7,466	8,168
1,800	918	868	1,599	1,649	1,028	757	1,260
3,705	2,504	2,472	2,568	2,525	2,420	3,660	4,440
6,082	7,052	6,965	7,562	7,448	7,718	7,841	8,014
1,816	2,235	2,676	2,049	2,427	3,104	3,082	2,755
0	0	0	0	0	0	0	0
13,403	12,709	12,980	13,778	14,049	14,269	15,340	16,470
(5,652)	(5,990)	(6,342)	(6,708)	(7,079)	(7,464)	(7,874)	(8,302)
0	0	0	0	0	0	0	0

Water Supply Group

Te Ratonga Wai

Council supplies water to

7,139

properties across the district



Council has

346.5km

of water mains



WHAT WE DO

We ensure that there is a sufficient water supply for our community, and undertake water treatment to ensure it is safe to drink.

WHY WE DO IT

We work to maintain public health through the provision of water that meets New Zealand Drinking Water Standards; and foster development in the district by meeting the requirements for commercial premises or major industries.

The Water Supply Group contributes the following community outcomes:

A place to belong and grow

- by ensuring the district enjoys ample potable water for domestic and industrial use.

A future planned together

- by having an integrated plan for the provision of potable water that aligns with Councils wider growth and development plan across the district.

An environment to be proud of

- by investing in a network of deep sourced ground water supplies to reduce the community's reliance on river water, ensuring a healthy and sustainable environment.

Infrastructure fit for the future

- by investing in a potable water network that provides drinking water for the current and foreseeable future needs of our community.

A prosperous, resilient economy

- by providing water supply networks which underpin the current residential, commercial and rural needs and future economic development opportunities.

Value for money and excellence in local government

- by ensuring that targeted investment in the water networks delivers water that is affordable and reliable across the district.

HOW WE DO IT

We provide water supplies to meet residential and industrial/commercial needs via Council's four urban drinking water schemes: Feilding, Hīmatangi Beach, Sanson and Rongotea. We also provide rural water schemes in Stanway/Halcombe and Waituna West to meet residential and agricultural needs. We also administer two rural water supply schemes that are community operated (Kiwitea and Ōroua No. 1) and ensure all Council water schemes meet the appropriate standards.

This work also involves maintaining Council's water treatment plants and water storage facilities, and maintaining and repairing Council's reticulation network system, as well as monitoring and managing the demand for waste.

KEY ISSUES AND CHALLENGES

The four key issues described on page 66-67 are the overarching challenges that Council faces with almost all the decisions we make. The four challenges and their impact on this group are:

Issue	Impact on this Group
Resilience and Climate Change	More frequent severe weather events may create a need for improved capacity and capability of water supply assets. Rural communities that rely on rainwater will be vulnerable to drought, and also will need a water supply for fire-fighting.
Growth and Demand	A growing demand for water supply, based on population growth or changing industries will potentially generate a requirement for development of existing infrastructure or additional infrastructure. Increasing industrial demand and farming standards can increase use of water, while promoting water-saving practices can help to reduce demand.
Regulatory and Compliance	Council is committed to providing an urban potable water supply that complies with national Drinking Water Standards. Improvements are required for the Stanway-Halcombe rural water supply to achieve Drinking Water Standards. It is anticipated that standards and their interpretation will become stricter with time.
Affordability	The aging population will have implications for the affordability of our services.

SIGNIFICANT NEGATIVE EFFECTS

The costs of provision and improvement of water supply infrastructure in some areas of the district may be beyond the ability of the community to pay. While there are always costs for delivering a service, Council promotes the best cost-efficient solution philosophy to water supply activities.

Discharge of pollutants, including treated (chlorinated) water is of cultural concern to Māori. Council works to minimise any cultural conflicts that may occur in the water activity, e.g. by consulting with affected groups through Ngā Manu Tāiko Manawatū District Council and the Te Kaunihera Working Group, and by complying with resource consent requirements. Council is also a party to the Manawatū River Leaders Accord, a collaborative pathway to improving the region's rivers and waterways.

Over-extraction and the use of water resources may impact on the life-supporting capacity or mauri of ecosystems (e.g. river systems) and the environment generally. Horizons (Manawatū-Wanganui Regional Council) manages environmental effects through its resource consent process. Council actively complies with resource consent conditions. Council will monitor the development of subdivision and industrial growth to ensure the correct level of service is delivered.

LEVELS OF SERVICE

Level of Service 1	Provision of a safe water supply (Mandatory)							
		Scheme	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The extent (% compliance) to which Council's drinking water supply complies with Part 4 of the NZ Drinking Water Standards. (bacteria compliance criteria)	Feilding	100%	100%	100%	100%	100%	100%
		Himatangi Beach	100%	100%	100%	100%	100%	100%
		Rongotea	100%	100%	100%	100%	100%	100%
		Sanson	100%	100%	100%	100%	100%	100%
		Stanway Halcombe	100%	100%	100%	100%	100%	100%
		Waituna West	100%	100%	100%	100%	100%	100%
Measure 2	The extent (% compliance) to which Council's drinking water supply complies with Part 5 of the NZ Drinking Water Standards. (protozoal compliance criteria).*	Feilding	100%	100%	100%	100%	100%	100%
		Himatangi Beach*	100%	100%	100%	100%	100%	100%
		Rongotea*	100%	100%	100%	100%	100%	100%
		Sanson*	100%	100%	100%	100%	100%	100%
		Stanway Halcombe**	0%	0%	0%	0%	100%	100%
		Waituna West*	100%	100%	100%	100%	100%	100%

* Schemes Automatically comply with Protozoa compliance due to secure bore status

** Stanway Halcombe scheme upgrades are underway and are expected to be compliant in 2022

Level of Service 2	A well-maintained water reticulation network (Mandatory)							
		Scheme	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The estimated percentage of real water loss from Council's networked reticulation system using minimum night flow (MNF) analysis, measured per water supply scheme.	Feilding	<35%*	<35%	<35%	<35%	<35%	<35%
		Himatangi Beach	<35%	<13%	<35%	<35%	<35%	<35%
		Rongotea	<35%	<7%	<35%	<35%	<35%	<35%
		Sanson	<35%	<35%	<35%	<35%	<35%	<35%
		Stanway Halcombe	<35%	<30%	<35%	<35%	<35%	<35%
		Waituna West	<35%	<17%	<35%	<35%	<35%	<35%

- Water loss calculations for Himatangi Beach, Rongotea, Sanson, Stanway Halcombe and Waituna West are based on minimum night flows in winter with a 2.5l/connection allowance as they are classified as small schemes as the total population is less than 2500. As these schemes don't have residential metering the zone night flow measurements have been used. This is in accordance with the Water New Zealand Water Loss Guidelines (2010).
- Sanson and Stanway Halcombe schemes are on a trickle feed and therefore minimum night flow measurements overestimate the true water loss. A new methodology will be adopted to allow for this.

Level of Service 3	Timely response and resolution to faults (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	<p>Urgent call-outs* to a fault or unplanned interruption to Council's networked reticulation system:</p> <p>A. Median attendance time from the time the Council receives notification to the time that service personnel reach the site.</p> <p>B. Median resolution time from the time the Council receives notification to the time that service personnel confirm that the water supply has been reinstated.</p>	<p>2019/20</p> <p>A. 0.38 hrs</p> <p>B. 0.83 hrs</p>	<p>A. 0.38 hrs</p> <p>B. 0.83 hrs</p>	<p>A. <2 hrs</p> <p>B. <9 hrs</p>	<p>A. <2 hrs</p> <p>B. <9 hrs</p>	<p>A. <2 hrs</p> <p>B. <9 hrs</p>	<p>A. <2 hrs</p> <p>B. <9 hrs</p>
Measure 2	<p>Non-urgent call outs to a fault or unplanned interruption to Council's networked reticulation system:</p> <p>A. Median attendance time from the time the Council receives notification to the time that service personnel reach the site.</p> <p>B. Median resolution time from the time the Council receives notification to the time that service personnel confirm resolution of the fault or interruption</p>	<p>2019/20</p> <p>A. 18.78 hrs</p> <p>B. 24 hrs</p>	<p>A. 18.78 hrs</p> <p>B. 24 hrs</p>	<p>A. <5 working days</p> <p>B. <a further 5 working days</p>	<p>A. <5 working days</p> <p>B. <a further 5 working days</p>	<p>A. <5 working days</p> <p>B. <a further 5 working days</p>	<p>A. <5 working days</p> <p>B. <a further 5 working days</p>

*An urgent call-out is one in which there is a complete loss of water.

Level of Service 4	Satisfaction with the quality of water service (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	<p>The total number of complaints received by Council about any of the following:</p> <ul style="list-style-type: none"> • Drinking water clarity • Drinking water taste • Drinking water odour • Drinking water pressure or flow • Continuity of supply • The local authority's response to any of these issues <p>(Expressed per 1,000 connections to the Council's networked reticulation system)*</p>	<p>2019/20</p> <p>17.09</p>	<p>17.09</p>	<p><20</p>	<p><20</p>	<p><20</p>	<p><20</p>
	*excludes complaints that do not relate to the service council provides						

Level of Service 5	Council will manage the demand for domestic water supply (Mandatory)							
		Scheme	Baseline 2019/20	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The average consumption of drinking water (litres) per day, per resident within Council's authority area (domestic supply only).	Feilding	249	249	<300	<300	<300	<300
		Himatangi Beach	520	520	<1000	<1000	<1000	<1000
		Rongotea	114	114	<300	<300	<300	<300
		Sanson	258	258	<300	<300	<300	<300
		Stanway Halcombe	477	477	<1000	<1000	<1000	<1000
		Waituna West	707	707	<1000	<1000	<1000	<1000

- Feilding target excludes metered water (industrial and commercial)
- Waituna West and Stanway Halcombe are rural schemes and therefore the target is 1000l/per to reflect the stock water use
- Due to holiday homes the water use at the Himatangi Beach scheme is significantly higher than the permanent population.
- The Urban non holiday/rural schemes has been increased to 300 from 250 to reflect the targets set in the One Plan (regional Council overarching plan).

ASSETS AND PORTFOLIO

Nine water treatment plants and water schemes:

- Feilding
- Sanson
- Rongotea
- Kimbolton
- Hīmatangi
- Kiwitea
- Ōroua No. 1
- Stanway-Halcombe
- Waituna West

326 km water mains

PROJECTS

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Feilding Water Supply	New bore, enhanced treatment and network, disposal of residues	1-6	3,881,352
Precinct 4 Growth Works	Infrastructure to support growth in precinct 4	1-10	2,724,756
Ōhakea Rural Water Supply	Potable water supply in the area affected by PFAS compounds.	1	4,630,824
Precinct 5 Growth Works	Infrastructure to support growth in precinct 5	1-9	940,951

HOW THE WATER SUPPLY ACTIVITY IS FUNDED

Public 100%

- Targeted Rate (fixed) [connected/available/restricted]/ Water by Metre Rate (volumetric)

Scheme specific

Public 100%

- Uniform Targeted Rate scheme specific rate



Water Supply Group Funding Impact Statement
Te Ratonga Wai: Tauāki Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	4,374	4,210	4,781
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	522	565
Local authorities fuel tax, fines, infringement fees and other receipts	0	4	4
Total operating funding	4,374	4,736	5,350
Applications of operating funding			
Payments to staff and suppliers	1,151	1,171	1,395
Finance costs	281	213	250
Internal charges and overheads applied	1,298	1,730	1,799
Other operating funding applications	0	0	0
Total applications of operating funding	2,730	3,115	3,445
Surplus (deficit) of operating funding	1,644	1,621	1,905
Sources of capital funding			
Subsidies and grants for capital expenditure	0	5,134	3,681
Development and financial contributions	384	1,039	319
Increase (decrease) in debt	451	989	3,646
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	836	7,161	7,647
Applications of capital funding			
Capital expenditure			
- to meet additional demand	768	178	280
- to improve the level of service	20	6,416	5,534
- to replace existing assets	2,738	1,109	403
Increase (decrease) in reserves	(1,047)	1,080	3,335
Increase (decrease) of investments	0	0	0
Total application of capital funding	2,479	8,782	9,552
Surplus (deficit) of capital funding	(1,644)	(1,621)	(1,905)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
0	0	0	0	0	0	0	0
5,170	5,388	5,801	6,306	6,501	6,906	7,151	7,401
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
586	628	663	675	695	726	764	808
4	4	4	4	4	5	5	5
5,760	6,020	6,468	6,985	7,200	7,636	7,920	8,214
1,456	1,457	1,511	1,550	1,606	1,664	1,726	1,785
430	471	513	548	535	522	507	492
1,846	1,978	2,045	2,074	2,137	2,232	2,344	2,486
0	0	0	0	0	0	0	0
3,732	3,906	4,068	4,171	4,278	4,419	4,577	4,764
2,028	2,114	2,400	2,814	2,923	3,217	3,343	3,450
0	0	0	0	0	0	0	0
329	377	405	421	434	422	438	450
(350)	(396)	(442)	(450)	(390)	(374)	(390)	(395)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(21)	(20)	(37)	(29)	44	49	48	55
690	690	379	387	338	219	229	359
1,464	2,495	1,353	63	66	68	70	79
405	1,189	1,233	1,295	1,029	1,170	1,132	1,165
(552)	(2,279)	(602)	1,039	1,534	1,809	1,961	1,903
0	0	0	0	0	0	0	0
2,007	2,094	2,363	2,785	2,967	3,266	3,391	3,505
(2,028)	(2,114)	(2,400)	(2,814)	(2,923)	(3,217)	(3,343)	(3,450)
0	0	0	0	0	0	0	0

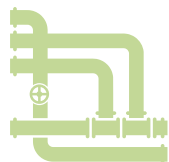
Wastewater Group

Te Wai Para

On average the Waster Water Treatment Plant processes



7 million litres
of water a day



There are more than
220km
of wastewater pipes
in the district

WHAT WE DO

We collect, treat and dispose of wastewater, including domestic, commercial and industrial waste.

WHY WE DO IT

We work to protect the environment, minimise risk and health hazards from wastewater and other waste water overflows by having a service that is cost-effective, compliant and operated in a social and culturally acceptable manner.

The Waste Water Group contributes to the following community outcomes:

A place to belong and grow

- by managing development within the district to ensure the appropriate provision of wastewater is managed and planned in a way that provides for our district's growth.

A future planned together

- by providing an effective wastewater infrastructure, which is a prerequisite for a healthy, growing economy.

An environment to be proud of

- by ensuring our wastewater infrastructure is capable of meeting resource consent requirements which minimises any adverse effects on the environment.

Infrastructure fit for the future

- by providing cost effective wastewater infrastructure and initiatives that ensure safe management of wastewater, protecting public health.

A prosperous, resilient economy

- by ensuring that effective collection and disposal of treated wastewater minimises any public health risk.

Value for money and excellence in local government

- by centralising wastewater from the district villages to the Manawatū Wastewater Treatment Plant, we ensure that wastewater is treated and managed in a safe and cost effective manner.

HOW WE DO IT

We maintain reticulated wastewater networks in Feilding, Awahuri, Cheltenham, Halcombe, Kimbolton, Rongotea, Sanson and Himatangi Beach. Council works to ensure that we meet resource consent requirements for the discharge of treated wastewater to either land or water from the district's Wastewater Treatment Plants, and meet statutory obligations under the Local Government Act 2002, Health Act 1956 and Resource Management Act 1991.

LEVELS OF SERVICE

Level of Service 1	Effectively managed Council reticulated wastewater system (Mandatory)						
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31	
Measure 1	The number of dry weather sewerage overflows from Council's sewerage system per 1000 SUIPs (separately used inhabited parts of a rating unit).	2019/20 0.5	0.5	<6	<6	<6	<6
Level of Service 2	Compliance with the Council's resource consents for discharge from its treated wastewater system (Mandatory)						
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31	
Measure 1	The number of abatement notices advising or breaches of resource consent conditions per scheme.	2019/20 1	1	<2	<2	<2	<2
Measure 2	The number of infringement notices, enforcement orders, and convictions received by Council in relation to resource consent conditions per scheme.	2019/20 2	2	0	0	0	0
Level of Service 3	Timely response and resolution to faults or blockages (Mandatory)						
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31	
Measure 1	Median response time from the time the Council receives notification to the time that service personnel reach the site. (Urgent)	2019/20 0.62 hrs	0.62 hrs	<2 hrs	<2 hrs	<2 hrs	<2 hrs
Measure 2	Median response time from the time the Council receives notification to the time that service personnel reach the site. (Non-Urgent)	2019/20 3.09 hrs	3.09 hrs	5 days	5 days	5 days	5 days
Measure 3	Median response time from the time the Council receives notification to the time that service personnel reach the site. (combined)	2019/20 1.36 hrs	1.36 hrs	5 days	5 days	5 days	5 days
Measure 4	Median resolution time: from the time Council receives notification to the time service personnel confirm resolution of the blockage or other fault. (Urgent)	2019/20 1.55 hrs	1.55 hrs	<5 hrs	<5 hrs	<5 hrs	<5 hrs
Measure 5	Median resolution time: from the time Council receives notification to the time service personnel confirm resolution of the blockage or other fault. (Non-urgent)	2019/20 23.80 hrs	23.80 hrs	10 days	10 days	10 days	10 days
Measure 6	Median resolution time: from the time Council receives notification to the time service personnel confirm resolution of the blockage or other fault. (Combined)	2019/20 23.50 hrs	23.50 hrs	10 days	10 days	10 days	10 days

Level of Service 4	Satisfaction with the quality of Council's wastewater service (Mandatory)					
	Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1 The total number of complaints received by Council about the following: <ul style="list-style-type: none"> • sewage odour • sewerage system faults • sewerage system blockages • Council's response to issues with its sewerage system. (Expressed per 1,000 connections to the council sewerage system)*	2019/20 4.43	<20	<20	<20	<20	<20
*excludes complaints that do not relate to the service council provides						



KEY ISSUES AND CHALLENGES

The four key issues described on page 66-67 are the overarching challenges that Council faces with almost all the decisions we make. The four challenges and their impact on this group are:

Issue	Impact on this Group
Resilience and Climate Change	More frequent severe weather events may create a need for improved capacity and capability of wastewater assets.
Growth and Demand	A growing demand for wastewater treatment, based on population growth or changing industries, will potentially generate a requirement for development of existing infrastructure or additional infrastructure.
Regulatory and Compliance	There is risk and uncertainty around resource consent renewals, with limitations in land availability for onsite discharge of treated wastewater.
Affordability	The aging population will have implications for the affordability of our services.
Other:	Dry weather overflows – renewals and upgrades are planned to ensure wastewater flows correctly and overflows do not occur.

SIGNIFICANT NEGATIVE EFFECTS

Disposal of treated effluent to water and land has physical, cultural, and health implications. Lacking a sewerage system is a negative for some areas, but the costs of providing and improving wastewater infrastructure in some areas of the district may be beyond the ability of the community to pay.

PROJECTS TABLE

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Precinct 4 Growth Works	Infrastructure to support growth in precinct 4	1-10	5,531,269
Feilding Wastewater Treatment Plant Upgrade	Increased irrigation and separation of trade waste	1-10	11,158,733
Wastewater Centralisation	Piping untreated wastewater from villages of Halcombe, Sanson, Rongotea, Awahuri, Cheltenham, and Kimbolton to the Manawatū Wastewater Treatment Plant.	1-7	7,254,961

ASSETS AND PORTFOLIO

- 160 km of mains
- Feilding Waste Water Treatment Plant
- Seven other WWTPs - Rongotea, Sanson, Himatangi Beach, Halcombe, Cheltenham, Kimbolton, Awahuri.

ASSESSMENT OF WATER AND SANITARY SERVICES – WASTEWATER

The Assessment of Water and Sanitary Services was a mandatory requirement under the original Local Government Act 2002. This requirement was removed as part of the 2010 amendment to Local Government Act 2002. Council is now expected to carry out an assessment "from time to time". The Local Government Act 2002 requires that the Council identify and explain any significant difference between the Assessment of Water and Sanitary Services and the Long Term Plan

The assessment of water and sanitary services was last reviewed in 2012. Since then Council has made considerable progress addressing the issues contained within this assessment.

Water treatment has been upgraded at Sanson and the increased population of Halcombe requires an extra barrier in water treatment to remove protozoa from the Halcombe-Stanway water supply. Compliance for the Halcombe–Stanway water supply is scheduled to be completed within the first 3 years of the 2021-31 Long Term Plan.

All water supplies operated by Council are chlorinated.

Funding has been received from the Ministry for the Environment to construct a rural water scheme at Ōhakea to address issues with contaminated groundwater.

An additional reservoir has been commissioned for the Feilding water supply to allow for 24 hours storage. A new bore and upgraded treatment for the existing bores, as adopted in the 2018-28 LTP, are in the design phase.

All the Water Safety Plans have been rewritten and are currently undergoing internal review prior to submission to the Ministry of Health for approval.

Works to divert wastewater from Sanson, Rongotea, Halcombe, Cheltenham and Kimbolton to the Manawatū WWTP at Feilding are funded in the current 10 Year Plan and the first phase of the physical works (the diversion of Sanson) are due to be completed by 30 June 2021.

The use of additional land at the Manawatū WWTP for irrigation has been consented and new irrigation systems will be commissioned by 30 June 2021.

Stormwater systems have continued to advance with systems installed to match growth and to improve levels of service in Cheltenham, Sanson, Halcombe, and Tangimoana. On-going funding has been provided to continue level of service improvements to these Villages and Rongotea.

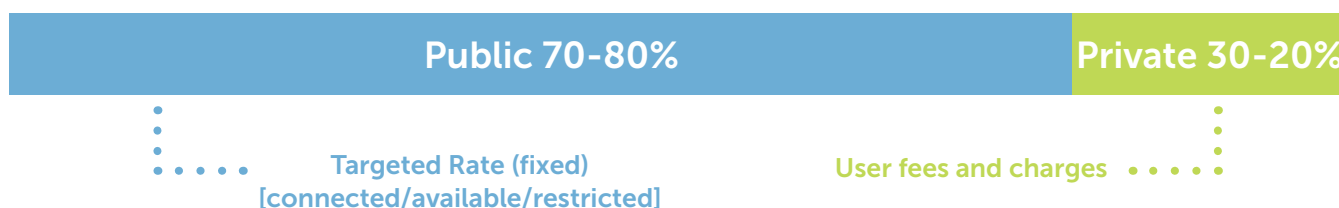
WATER SAFETY PLAN STATUS

Scheme	Category	WSP Status
Feilding	Large Supply	Approved
Sanson	Minor Supply	Approved
Himatangi Beach	Minor Supply	Approved
Rongotea	Minor Supply	Approved
Stanway-Halcombe	Minor Supply	Draft *
Waituna West	Small Supply	Not required
Kiwitea Rural	Small Supply	Not required
Ōroua No 1 Rural	Small Supply	Not required

* Population was increased from small to minor on 1 July 2020 and subsequently requires a Water Safety Plan. This is currently being drafted.

Overall, Council considers that this 10 Year Plan contains no significant variations to the strategies and major issues contained in the Assessment of Water and Sanitary Services. The full review of all Council Asset Management Plans has provided updated costs and confirmation of the strategies.

HOW THE WASTEWATER ACTIVITY IS FUNDED



Wastewater Group Funding Impact Statement
Te Wai Para: Tauākī Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	0	0	0
Targeted rates	5,042	4,807	5,195
Subsidies and grants for operating purposes	0	0	0
Fees and charges	2,101	1,923	1,995
Internal charges and overheads recovered	0	882	910
Local authorities fuel tax, fines, infringement fees and other receipts	31	174	179
Total operating funding	7,174	7,786	8,280
Applications of operating funding			
Payments to staff and suppliers	2,981	2,917	3,052
Finance costs	1,562	1,176	1,157
Internal charges and overheads applied	1,188	1,833	1,870
Other operating funding applications	0	0	0
Total applications of operating funding	5,731	5,926	6,078
Surplus (deficit) of operating funding	1,443	1,860	2,202
Sources of capital funding			
Subsidies and grants for capital expenditure	5	523	0
Development and financial contributions	465	675	695
Increase (decrease) in debt	(386)	(774)	(742)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	84	424	(47)
Applications of capital funding			
Capital expenditure			
- to meet additional demand	1,023	407	648
- to improve the level of service	2,635	1,306	563
- to replace existing assets	1,645	2,122	2,857
Increase (decrease) in reserves	(3,777)	(1,552)	(1,913)
Increase (decrease) of investments	0	0	0
Total application of capital funding	1,527	2,283	2,154
Surplus (deficit) of capital funding	(1,443)	(1,860)	(2,202)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
0	0	0	0	0	0	0	0
5,340	5,558	5,924	6,067	6,378	6,901	7,283	7,666
0	0	0	0	0	0	0	0
2,241	2,392	2,466	2,532	2,617	2,711	2,795	2,870
780	749	788	811	851	894	950	1,010
185	191	198	203	210	217	224	230
8,546	8,890	9,375	9,614	10,055	10,723	11,252	11,776
3,190	3,292	3,415	3,509	3,647	3,791	3,942	4,085
1,134	1,103	1,064	1,029	1,052	1,072	1,099	1,111
1,903	2,051	2,161	2,231	2,371	2,518	2,707	2,916
0	0	0	0	0	0	0	0
6,226	6,446	6,640	6,769	7,070	7,381	7,748	8,112
2,320	2,444	2,735	2,845	2,985	3,341	3,504	3,664
0	0	0	0	0	0	0	0
716	819	879	2,033	2,202	2,583	2,542	2,489
(765)	(1,123)	(1,009)	538	530	985	815	647
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(49)	(304)	(130)	2,571	2,731	3,568	3,357	3,136
375	120	751	722	840	583	26	1,298
390	63	65	1,618	1,644	2,152	2,060	1,962
2,475	2,276	2,266	1,458	1,555	1,424	1,471	1,509
(968)	(319)	(476)	1,618	1,678	2,751	3,304	2,031
0	0	0	0	0	0	0	0
2,271	2,140	2,605	5,416	5,717	6,909	6,862	6,800
(2,320)	(2,444)	(2,735)	(2,845)	(2,985)	(3,341)	(3,504)	(3,664)
0	0	0	0	0	0	0	0

Stormwater Group

Te Wai Ua

There are more than

1,000



manholes in the district

WHAT WE DO

We provide a network of stormwater systems throughout the district.

WHY WE DO IT

We work to protect people, property and community assets from flooding, maintain the economic productivity of rural land and to minimise contaminants of the district's waterways.

The Stormwater Group contributes to the following community outcomes:

A place to belong and grow

- by providing efficient stormwater management, which is an important service for the use and versatility of property across the district.

Planning our future together

- by managing development within the district to ensure appropriate provision for stormwater drainage.

An environment to be proud of

- by ensuring compliance with our resource consents to protect our environment.

Infrastructure fit for the future

- by ensuring residents feel safe as the possibility of flooding during storm events is reduced.

HOW WE DO IT

We maintain reticulated stormwater systems in Feilding, Rongotea and Sanson including inlets, pipes, open drains, and outlets to receiving environments. We maintain shared stormwater assets in Hīmatangi Beach, Halcombe, Āpiti, Kimbolton, Pōhangina, Rangiwāhia and Cheltenham.

We also carry out significant ongoing maintenance to the four rural drainage schemes: Bainesse, Maire, Makowhai and Ōroua.

LEVELS OF SERVICE

Level of Service 1	Provision of an effective stormwater system (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The number of flooding events in the District.*	2019/20 0	0	0	0	0	0
Measure 2	The number of habitable floors affected during each flooding event. (Expressed per 1000 properties connected to Council's stormwater system).	2019/20 0	0	<10	<10	<10	<10

* A flooding event is defined as an overflow of the urban stormwater system that enters a habitable floor.

Level of Service 2	Compliance with resource consent conditions for discharge from Council's stormwater systems (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The number of:	2019/20					
	A. abatement notices	A. 0	A. 0	A. <2	A. <2	A. <2	A. <2
	B. infringement notices	B. 0	B. 0	B. 0	B. 0	B. 0	B. 0
	C. enforcement orders	C. 0	C. 0	C. 0	C. 0	C. 0	C. 0
	D. successful prosecutions received in relation to those resource consents	D. 0	D. 0	D. 0	D. 0	D. 0	D. 0

Level of Service 3	Timely response to flooding events (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	Measuring the median response times to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site	No flooding events occurred during 2019/20	No flooding events occurred during 2019/20	Within 2 hours	Within 2 hours	Within 2 hours	Within 2 hours

Level of Service 4	Customer/resident satisfaction with the performance of Council's reticulated stormwater system (Mandatory)						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The number of complaints received by Council about the performance of its stormwater system (expressed per 1,000 properties connected to Council's stormwater system)*	2019/20 7.3	7.3	<20	<20	<20	<20

*excludes complaints that do not relate to the service council provides

KEY ISSUES AND CHALLENGES

The four key issues described on page 66-67 are the overarching challenges that Council faces with almost all the decisions we make. The four challenges and their impact on this group are:

Issue	Impact on this Group
Resilience and Climate Change	More frequent severe weather events may create a need for improved capacity and capability of stormwater assets to handle heavier flows and increased rainfall.
Growth and Demand	Changes in land use for industry or urban use will increase the impervious area, meaning additional stormwater run-off is generated. This can create more frequent overland flow and ponding.
Regulatory and Compliance	Hydrological neutrality required by Horizons Regional Council. Reporting and definitions of stormwater and flooding need to be approached separately due to changes in regulation.
Affordability	The aging population will have implications for the affordability of our services.

SIGNIFICANT NEGATIVE EFFECTS

There will be times when rainfall exceeds the design of the stormwater system, resulting in flooding. To help alleviate this, secondary flow paths are used to reduce the risk of household damage.

Discharging stormwater containing contaminants from urban environments may impact on the life-supporting capacity or mauri of ecosystems (e.g. river systems) and the environment generally. Horizons (Manawatū-Wanganui Regional Council) through their resource consent process manages environmental effects in the main streams and rivers. Council actively complies with resource consent conditions and with the One Plan is working with property owners to reduce the risk of contaminants entering the stormwater system.

The costs of providing and improving stormwater infrastructure in some areas of the district may be beyond the ability of the community to pay.

While there are always costs for delivering a service, Council promotes the best cost-efficient solution philosophy to stormwater activities.

PROJECTS TABLE

Project	Development Description	Year of plan	Estimated Cost (excl. GST)
Precinct 4 Growth Works	Infrastructure to support growth in precinct 4	1-10	7,131,916
Precinct 5 Growth Works	Stormwater component of Turners Road Extension , culverts to Waste Water Treatment Plant, and upgrades to Kawakawa and new road (ITM)	1-10	1,318,000

ASSETS AND PORTFOLIO

87.3 km of stormwater mains

HOW THE STORMWATER ACTIVITY IS FUNDED

Rural Land Drainage

Public 100%

••••• Targeted rate (LV) Scheme Specific

Urban Stormwater

Public 100%

••••• General Rate (CV) 20% / Uniform Targeted Rate 80%

Stormwater Group Funding Impact Statement
Te Wai Ua: Tauāki Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	256	250	284
Targeted rates	1,151	1,108	1,222
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	318	349
Local authorities fuel tax, fines, infringement fees and other receipts	12	13	13
Total operating funding	1,419	1,689	1,869
Applications of operating funding			
Payments to staff and suppliers	308	273	289
Finance costs	468	455	535
Internal charges and overheads applied	389	585	647
Other operating funding applications	0	0	0
Total applications of operating funding	1,165	1,313	1,471
Surplus (deficit) of operating funding	254	376	398
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	239	798	825
Increase (decrease) in debt	1,485	314	266
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	1,724	1,112	1,091
Applications of capital funding			
Capital expenditure			
- to meet additional demand	1,384	1,561	1,395
- to improve the level of service	522	590	612
- to replace existing assets	51	61	63
Increase (decrease) in reserves	21	(725)	(581)
Increase (decrease) of investments	0	0	0
Total application of capital funding	1,978	1,488	1,489
Surplus (deficit) of capital funding	(254)	(376)	(398)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
304	323	356	373	392	430	455	478
1,305	1,386	1,519	1,617	1,696	1,852	1,956	2,051
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
374	396	415	427	439	458	481	503
14	14	15	15	15	16	17	17
1,997	2,119	2,305	2,433	2,543	2,756	2,908	3,049
307	321	336	350	367	385	404	423
569	573	566	567	560	567	581	596
696	760	787	811	844	891	952	1,013
0	0	0	0	0	0	0	0
1,571	1,654	1,689	1,728	1,770	1,843	1,937	2,031
425	465	616	705	772	913	971	1,017
0	0	0	0	0	0	0	0
850	991	1,072	1,117	1,150	1,107	1,149	1,181
243	244	307	200	193	278	243	225
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
1,093	1,235	1,379	1,316	1,344	1,386	1,392	1,406
320	332	343	268	1,090	1,322	1,365	696
629	650	761	689	734	824	791	816
65	67	70	71	74	76	79	81
505	652	821	993	218	76	128	831
0	0	0	0	0	0	0	0
1,518	1,701	1,995	2,021	2,116	2,298	2,363	2,423
(425)	(465)	(616)	(705)	(772)	(913)	(971)	(1,017)
0	0	0	0	0	0	0	0

Solid Waste Group

Te Para Totoka

32%

of the district's waste is diverted from landfill



6,307 tonnes of waste went to landfill from the Manawatu District in the **2019/2020** year

made up of **1,960** tonnes from bag collection



572 tonnes from Smart Commercial Waste (not Council run)

and the remainder from the transfer station

WHAT WE DO

We provide weekly refuse bag collection service to urban and selected rural areas, kerbside recycling to Feilding residents and businesses, and rural recycling facilities in selected villages.

We provide waste transfer stations, litterbin services, bulk rural refuse collection and work with the community to minimise waste.

WHY WE DO IT

We work to protect the environment throughout the district by reducing the amount of waste to landfill. We also play an important role in protecting public health by ensuring the safe and hygienic collection of household and commercial waste.

The Solid Waste Group contributes to the following community outcomes:

An environment to be proud of

- by working to enable recycling opportunities and waste diversion from landfill.

Infrastructure fit for the future

- by investing in urban and rural waste management and recycling facilities to provide communities with effective waste management options to cater for current and future needs.

A prosperous, resilient economy

- by working to enable a clean environment across the district which is vital to our wellbeing as well as our attractiveness to visitors and investors.

Value for money and excellence in local government

- by actively engaging in the provision of solid waste services throughout the district to ensure a cost effective service.
- by promoting innovation in the waste management industry, leveraging the strategic geographical location of the Manawātū.

HOW WE DO IT

We provide weekly refuse bag collection service to urban and selected rural areas, kerbside recycling to Feilding residents and businesses, and rural recycling facilities in selected villages.

We provide waste transfer stations, litterbin services, and bulk rural refuse collection, inspect solid waste collection points to ensure safety and avoid health risks, and remove fly-tipping.

We meet our legal obligations under the Waste Minimisation Act 2008, Local Government Act 2002, Health Act 1956 and Resource Management Act 1991 to provide solid waste services and regularly review our Waste Minimisation Management Plan.

We support the Enviroschools, Zero Waste Education and Marae-based waste minimisation and recycling programmes and deliver waste education programmes. We provide educational material to households, farmers, schools and businesses educating about the benefits of diverting more waste from landfill through recycling.

LEVELS OF SERVICE

Level of Service 1	Provision of convenient rubbish and recycling services for rural and village residents						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	% of rural residents who have a Council refuse bag drop-off point close to their homes.	2019/20 90%	90%	90%	90%	90%	90%
Measure 2	Mobile recycling centres are conveniently located within all identified villages within 5 km of village centre.	2019/20 Yes	Yes	Yes	Yes	Yes	Yes
Level of Service 2	Provision of waste education programmes to encourage recycling						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	Funding provided for waste education programmes that promote reduce and reuse.	2019/20 Yes	Yes	Yes	Yes	Yes	Yes
Level of Service 3	Provision of effective waste services						
		Baseline	Actual 2019/20	Target 2020/21	Target 2021/22	Target 2022/23	Target 2023-31
Measure 1	The number of complaints received by Council about the performance of its solid waste services (expressed as number of complaints per 1000 households).*	2019/20 54	54	<100	<100	<100	<100
	*excludes complaints that do not relate to the service council provides						

KEY ISSUES AND CHALLENGES

The four key issues described on page 66-67 are the overarching challenges that Council faces with almost all the decisions we make. The four challenges and their impact on this group are:

Issue	Impact on this Group
Resilience and Climate Change	Awareness is rising around the need for responsible waste practises, and expectations for Council responsiveness will rise. Closed landfills require monitoring and maintenance to ensure no waste is released back into the environment. Our regular monitoring also includes external audits, ensuring Council is aware of any changes.
Growth and Demand	As the population grows, the waste created will increase unless measures are put in place to educate and support the community in waste minimisation.
Regulatory and compliance	Future legislative changes around requirements for recycling or waste disposal may require increased levels of service from Council. Rising national and international standards for plastic recycling means that Council may struggle to dispose of some waste streams.

Affordability	<p>The costs of disposing of solid waste may become prohibitive for some people. Council has no open landfills in the district, and transports waste out of the district to privately owned landfills. Council is required to pay landfill costs including carbon credits, and these costs are likely to continue to increase.</p> <p>Recycling and reduction of single use items is increasingly important to reduce costs of disposal to landfill.</p>
Other:	<p>Waste Minimisation</p> <p>COVID-19 has had a negative impact on community waste minimisation efforts including use of single use items such as gloves and masks. This change may slow waste minimisation efforts without ongoing education and promotion.</p> <p>International markets for recycling have also slowed, in part due to COVID-19.</p> <p>Fly Tipping</p> <p>Council faces clean-up costs and disposal for rubbish dumping. In 2019/2020 this has included a number of tyres being dumped on roads. Where Council has to dispose of fly tipping, costs for disposal must be covered by rates, or recovered through prosecution.</p>

SIGNIFICANT NEGATIVE EFFECTS

Disposal of waste to landfill has negative environmental and cultural impacts.

Offshoring plastic waste for recycling may have negative environmental impacts when exporting to countries with lower environmental standards.

ASSETS AND PORTFOLIO

The new Resource Recovery Centre (RRC) will be operational in 2021.

ASSESSMENT OF WATER AND SANITARY SERVICES – SOLID WASTE

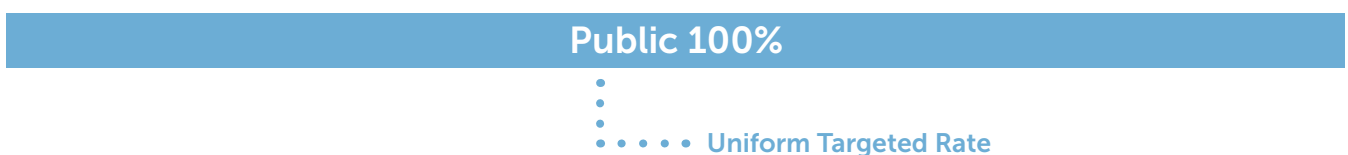
The Council’s Waste Management and Minimisation Plan (WMMP) was adopted by Council on 22 June 2017. There are no variations between the proposal outlined in the 10 Year Plan and the WMMP.

HOW THE SOLID WASTE ACTIVITY IS FUNDED

Solid waste collection and disposal:



Kerbside recycling collection:



Solid Waste Group Funding Impact Statement
Te Para Totoka: Tauākī Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,628	1,532	1,646
Targeted rates	669	883	930
Subsidies and grants for operating purposes	143	149	154
Fees and charges	1,368	1,784	1,953
Internal charges and overheads recovered	0	191	204
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	3,808	4,539	4,886
Applications of operating funding			
Payments to staff and suppliers	3,077	3,661	3,866
Finance costs	266	162	154
Internal charges and overheads applied	371	567	605
Other operating funding applications	0	0	0
Total applications of operating funding	3,714	4,390	4,625
Surplus (deficit) of operating funding	94	149	261
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(70)	741	(69)
Gross proceeds from sale of assets	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	(70)	741	(69)
Applications of capital funding			
Capital expenditure			
- to meet additional demand	0	0	0
- to improve the level of service	371	812	18
- to replace existing assets	3	0	0
Increase (decrease) in reserves	(348)	78	173
Increase (decrease) of investments	0	0	0
Total application of capital funding	24	890	191
Surplus (deficit) of capital funding	(94)	(149)	(261)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
1,686	1,728	1,788	1,829	1,880	1,953	1,993	2,050
969	972	1,040	1,064	1,092	1,127	1,158	1,091
159	165	171	176	182	188	194	200
2,104	2,270	2,350	2,420	2,502	2,587	2,675	2,755
212	220	227	230	233	238	233	239
0	0	0	1	1	1	1	1
5,130	5,355	5,576	5,719	5,889	6,094	6,253	6,337
4,070	4,287	4,436	4,569	4,725	4,885	5,051	5,202
151	152	153	153	152	151	148	144
634	677	709	719	733	773	765	802
0	0	0	0	0	0	0	0
4,855	5,116	5,298	5,441	5,610	5,808	5,964	6,148
275	240	278	278	279	286	289	189
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(73)	(76)	(78)	(82)	(86)	(90)	(95)	(99)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(73)	(76)	(78)	(82)	(86)	(90)	(95)	(99)
0	0	0	0	0	0	0	0
19	19	20	21	21	22	22	23
0	0	0	0	0	0	0	0
184	144	180	175	172	174	172	67
0	0	0	0	0	0	0	0
203	163	200	196	193	196	194	90
(275)	(240)	(278)	(278)	(279)	(286)	(289)	(189)
0	0	0	0	0	0	0	0





The Financials

Te Taha Ahumoni

Section 6

E whai ake nei i tēnei wāhanga o te mahere auroa, ko ngā kōrero me ngā taipitopito e hāngai ana ki ngā whakahaerenga ahumoni a te Kaunihera – ngā moni whiwhi, ngā whakapaunga, ngā mahere pūtea, ngā haumitanga, ngā kaupapahere ahumoni me ērā tūāhuatanga katoa, e tūwhena tonu ai te taha ahumoni a te Kaunihera.

Funding Impact Statement – Whole of Council

Te Katoa o te Kaunihera: Tauākī Tahua

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	12,235	13,922	14,677
Targeted rates	24,446	25,206	27,824
Subsidies and grants for operating purposes	2,952	3,372	3,410
Fees and charges	7,400	7,706	8,127
Interest and dividends from investments	217	229	280
Local authorities fuel tax, fines, infringement fees and other receipts	3,329	3,887	3,421
Total operating funding	50,579	54,322	57,738
Applications of operating funding			
Payments to staff and suppliers	38,876	40,234	41,792
Finance costs	3,049	2,076	2,010
Other operating funding applications	0	0	0
Total applications of operating funding	41,925	42,310	43,802
Surplus (deficit) of operating funding	8,655	12,012	13,936
Sources of capital funding			
Subsidies and grants for capital expenditure	3,540	10,794	8,583
Development and financial contributions	1,808	3,949	3,319
Increase (decrease) in debt	4,780	7,778	6,910
Gross proceeds from sale of assets	8,820	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding	18,948	22,521	18,813
Applications of capital funding			
Capital expenditure			
- to meet additional demand	3,768	3,678	4,197
- to improve the level of service	13,079	17,845	14,592
- to replace existing assets	12,002	13,440	11,184
Increase (decrease) in reserves	(998)	(429)	2,776
Increase (decrease) of investments	(249)	0	0
Total application of capital funding	27,603	34,533	32,749
Surplus (deficit) of capital funding	(8,655)	(12,012)	(13,936)
Funding balance	0	0	0

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
15,678	16,071	16,764	17,362	17,358	18,370	18,991	19,658
29,553	30,890	33,118	34,141	36,016	37,639	39,058	40,688
3,460	3,674	3,788	3,905	4,028	4,153	4,282	4,413
8,733	9,396	9,645	9,797	10,158	10,425	10,752	11,050
239	134	173	173	182	211	211	211
3,425	3,506	3,670	3,663	3,743	3,907	3,901	3,975
61,088	63,671	67,158	69,040	71,485	74,706	77,194	79,994
43,770	45,581	47,512	48,514	50,248	51,236	52,983	54,198
2,081	2,177	2,237	2,317	2,613	2,828	3,119	3,433
0	0	0	0	0	0	0	0
45,852	47,758	49,749	50,831	52,861	54,064	56,102	57,631
15,236	15,913	17,409	18,209	18,624	20,643	21,093	22,364
4,996	4,866	4,812	5,220	5,118	5,100	5,142	5,518
3,256	3,589	3,800	5,055	5,315	5,528	5,587	5,617
4,596	253	(1,024)	971	2,872	1,757	1,485	1,966
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
12,848	8,708	7,589	11,246	13,305	12,386	12,214	13,101
4,020	2,671	2,459	3,346	3,917	3,838	2,377	3,612
7,303	6,601	4,945	5,016	5,170	5,602	6,627	7,349
11,744	14,182	13,007	12,451	12,470	11,981	12,350	12,313
5,016	1,168	4,588	8,641	10,372	11,608	11,952	12,191
0	0	0	0	0	0	0	0
28,084	24,621	24,998	29,454	31,929	33,028	33,306	35,465
(15,236)	(15,913)	(17,409)	(18,209)	(18,624)	(20,643)	(21,093)	(22,364)
0	0	0	0	0	0	0	0

Rating System

Te Pūnaha Rēti

Council provides local public services and infrastructure that the community needs to survive and prosper. Providing these services comes at a cost and a large portion is collected from the rates that Council charge property owners. This section explains how rates are structured.

The law that enables Councils to collect rates is the Local Government (Rating) Act 2002.

It is important to us that our rating system:

- Provides enough revenue to cover costs
- Spreads the costs of providing services as fairly as possible
- Meets the legal requirements
- Can be understood by the ratepayer and promotes accountability.

The Rating system forms a part of the Funding Impact Statement and should be read in conjunction with the Council's Revenue and Financing Policy.

How Council calculates your rates

Rates are a property tax that is charged each year by the Council.

Council decides what services it will provide in the future and how much it will cost. The cost is then allocated over the properties in the district.

Rates can change because of improvements to buildings or land values, Council costs, and changes in the services Council provides.

Rating base

Rates are assessed on all rating units as at 30th June of the preceding year. For example the 2021/2022 rates are assessed on rating units at 30 June 2021.

	Rating units in the district	Capital value of the district	Land value of the district
30 June 2021 projection	14,707	\$11,122,750,080	\$6,745,913,783

Inspection of Rating Information Database

In accordance with the Local Government (Rating) Act 2002, the District Valuation Roll and Rates Records are available for public inspection at the Council Offices, 135 Manchester Street, Feilding, between the hours of 8am and 5pm on all business days of the week (except Wednesday - 9am and 5pm).

Definition of Separately Used or Inhabited Part of a Rating Unit

A separately used or inhabited part of a rating unit includes any part of a rating unit that can be used separately or inhabited by either the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement. As a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or separate use.

- Separately used or inhabited part - for a residential rating unit.

Includes a building or part of a building that is, intended to be used as, or is able to be used as, an independent residence with independent kitchen with connected cooking facilities.

- Separately used or inhabited part - for a commercial rating unit.

Means a building or part of a building that is, or intended to be, or is able to be, separately tenanted, leased or subleased for commercial purposes.

- Not rated as separately used parts of a rating unit:

- A residential sleep-out or granny flat without independent kitchen facilities
- A hotel/motel/hostel room with or without kitchen facilities
- Individual storage garages/sheds/partitioned areas of a warehouse
- Individual offices/premises of partners in a partnership

Types of rates

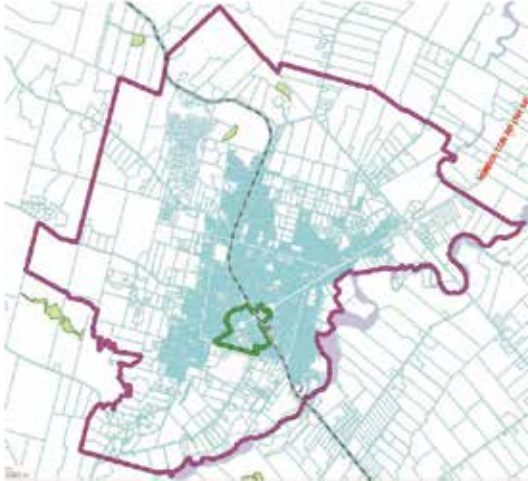
- General Rates - generally used by the Council to fund activities that are of public benefit and cannot be charged to specific users
- Targeted Rates - a rate set for one or more Council activities. Some targeted rates may have differentials applied.

For the purpose of differentiating certain rate types, each rating unit is categorised by the Council using the following matters:

- Where it is situated in the district
- What the rating unit is used for
- What activities are allowed

The Council sets and assesses the General Rate, the Rooding Targeted Rate and the Parks Reserves and Sports Grounds Targeted Rate differentially.

Differential Category	Description
1. Feilding Residential	Being all rating units situated within the 2009 Feilding differential rating area (refer to the map below) used solely or principally for residential or farming purposes or is vacant, but excluding those rating units included in Category 2 and 3.
2. Feilding Rural	Being all rating units situated within the 2009 Feilding differential rating area (refer to the map below) being properties zoned Rural 1, Rural 2 or Flood Channel 2 under the Manawatū District Plan.
3. Feilding CBD	Being all rating units situated within the 2009 Feilding Central Business differential rating area (refer to the map below), not used solely or principally for residential purposes.
4. Rural	Being all rating units situated outside the 2009 Feilding differential rating area excluding those rating units included in Category 5 and 6.
5. Industrial and Commercial	Being all rating units zoned Industrial under the Manawatū District Plan and used solely or principally for commercial or industrial purposes excluding those rating units included in Category 3 OR all rating units in the 2009 Feilding differential rating area used solely or principally for conducting a business but excluding those rating units in Category 3.
6. Utilities	Being all rating units situated within the Manawatū District that have been identified as infrastructure utility networks.



1.1.1.1.1.2 Feilding Differential Rating Area 2009 as delineated on the rating plan filed in the office of the Council



1.1.1.1.1.1 Feilding Central Business District Differential Area 2009 as delineated on the plan filed in the office of the Council

More detailed maps are available at Council's office

Goods and Services Tax (GST)

All amounts stated in this rating system document are GST inclusive.

General Rate

The Council sets and assesses a general rate on capital value (CV) on all rating units in the district on a differential basis. The CV of the relevant rating unit is multiplied by the relevant rate in the \$ depending on the rating unit's differential category.

Differential Category	Basis	Differential	Rate in the \$ of CV	Estimated Revenue \$
1. Feilding Residential	CV	1.00	0.00121	3,035,738
2. Feilding Rural	CV	0.50	0.00061	292,833
3. Feilding CBD	CV	2.25	0.00273	477,294
4. Rural and Defence	CV	0.40	0.00049	3,376,648
5. Industrial and Commercial	CV	1.60	0.00194	503,264
6. Utilities	CV	1.60	0.00194	176,834

Total revenue collected from General Rates for 2021/2022 is \$7,862,610.

Uniform Annual General Charge

The Uniform Annual General Charge is assessed on all rating units in the district as a fixed amount per separately used or inhabited part of a rating unit.

Uniform Annual General Charge **\$587.00**

Total revenue collected from Uniform General Charge for 2021/2022 is \$8,118,012.

Parks, Reserves and Sports Grounds Targeted Rate

The Parks, Reserves and Sports Grounds Targeted Rate is assessed on all rating units in the district on a differential basis. The capital value (CV) of the relevant rating unit is multiplied by the relevant rate in the \$ depending on the rating unit's differential category.

Differential Category	Basis	Differential	Rate in the \$ of CV	Estimated Revenue \$
1. Feilding Residential	CV	1.00	0.00060	1,499,019
2. Feilding Rural	CV	0.30	0.00018	86,759
3. Feilding CBD	CV	2.75	0.00165	288,057
4. Rural and Defence	CV	0.30	0.00018	1,250,518
5. Industrial and Commercial	CV	1.50	0.00090	232,975
6. Utilities	CV	1.75	0.00105	95,505

Total revenue collected from Parks and Sport Grounds Targeted rate for 2021/2022 is \$3,452,833.

Parks, Reserves and Sports Grounds Uniform Targeted Rate

The Parks, Reserves and Sports Ground Uniform Targeted Rate is assessed on all rating units in the district as a fixed amount per separately used or inhabited part of a rating unit.

Parks, Reserves and Sports Ground Uniform Targeted Rate **\$25.00**

Total revenue collected from Parks Reserves and Sports Grounds Uniform Targeted Rate for 2021/2022 is \$345,995.

Roading Targeted Rate

The Roothing Targeted Rate is assessed on all rating units in the district on a differential basis. The capital value (CV) of the relevant rating unit is multiplied by the relevant rate in the \$ depending on the rating unit's differential category.

Differential Category	Basis	Differential	Rate in the \$ of CV	Estimated Revenue \$
1. Feilding Residential	CV	1.00	0.00091	2,273,194
2. Feilding Rural	CV	0.65	0.00059	285,059
3. Feilding CBD	CV	2.75	0.00250	436,826
4. Rural and Defence	CV	0.65	0.00059	4,108,766
5. Industrial and Commercial	CV	1.50	0.00136	353,296
6. Utilities	CV	1.75	0.00159	144,829

Total revenue collected from Roothing Targeted Rate for 2021/2022 is \$7,601,971.

Roothing Uniform Targeted Rate

A Roothing Uniform Targeted Rate is assessed on all rating units in the district as a fixed amount per separately used or inhabited part of a rating unit.

Roothing Uniform Targeted Rate **\$100.00**

Total revenue collected from Roothing Uniform Targeted Rate for 2021/2022 is \$1,383,980.

Makino Aquatic Centre Targeted Rate

This rate is assessed on all rating units in the district on a differential basis, as a fixed amount per separately used or inhabited part of a rating unit.

Within Feilding Differential Rating Area	\$214.00
Outside the Feilding Differential Rating Area	\$151.00

Total revenue generated by the Makino Aquatic Centre Targeted Rate for 2021/2022 is \$2,540,429.

Library Targeted Rate

This rate is assessed on all rating units in the district on a differential basis, as a fixed amount per separately used or inhabited part of a rating unit.

Within Feilding Differential Rating Area	\$157.00
Outside the Feilding Differential Rating Area	\$111.00

Total revenue generated by the Libraries Targeted Rate for 2021/2022 is \$1,864,262.

Kerbside Recycling Targeted Rate

This rate is assessed on all rating units in the district as a fixed amount per separately used or inhabited part of a rating unit that have the kerbside recycling service available (excluding vacant land) as a fixed amount per separately used or inhabited part of a rating unit.

Kerbside Recycling Targeted Rate	\$147.00
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Total revenue to be generated by Kerbside Recycling Targeted Rate for 2021/2022 is \$1,039,586.

Feilding CBD Redevelopment Targeted Rate

This rate is assessed on all rating units in the Feilding CBD differential category at \$0.00036 per \$ of capital value.

Total revenue generated by Feilding CBD Redevelopment Targeted Rate for 2021/2022 is \$62,238.

Feilding CBD Security Targeted Rate

This rate is assessed on all rating units in the Feilding CBD differential category as a fixed amount per separately used or inhabited part of a rating unit.

Feilding CBD Security	\$305.00
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Total revenue to be collected by Feilding CBD Security Targeted Rate for 2021/2022 is \$81,651.

Ultra-Fast Broadband Infrastructure Targeted Rate

This rate is assessed on all rating units in Kawakawa Road/Darragh Road industrial area within 10 metres of the Ultra-Fast Broadband infrastructure as a fixed amount per separately used or inhabited part of a rating unit.

Ultra-Fast Broadband Infrastructure	\$732.00
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Total revenue to be collected by Ultra-Fast Broadband Infrastructure Targeted Rate for 2021/2022 is \$15,005.

Stormwater Targeted Rate

The Stormwater Targeted Rate is assessed on all rating units that are connected directly or indirectly to a stormwater network, within the Feilding Differential Rating Area and all rating units zoned as "village" in the district plan located in Rongotea, Sanson, Himatangi Beach, Tangimoana, Halcombe and Cheltenham. This rate is a fixed amount per rating unit.

Stormwater Targeted Rate	\$151.00
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Total revenue to be generated from Stormwater Targeted Rate for 2021/2022 is \$1,188,673.

Rural Land Drainage Targeted Rates

These rates are assessed on all rating units that are part of one or more of the drainage schemes listed in the table below on a differential basis, based on the land value (LV) of the rating unit. Details scheme maps are available at Council's office.

Category	Rate in \$ of LV	Estimated Revenue \$
Bainesse drainage district		
Bainesse Class A	0.000730	8,510
Bainesse Class B	0.000360	5,319
Bainesse Class C	0.000300	2,128
Makowhai drainage district		
Makowhai Class A	0.000240	3,995
Makowhai Class B	0.000170	2,663
Makowhai Class C	0.000030	1,332
Maire drainage district		
Maire Class A	0.000390	2,386
Maire Class B	0.000130	1,909
Maire Class C	0.000180	1,432
Maire Class D	0.000190	955
Ōroua Downs drainage district		
Ōroua Downs Class A	0.000610	27,500
Ōroua Downs Class B	0.000310	20,625
Ōroua Downs Class C	0.000180	13,750

Total revenue to be generated from Rural Land Drainage Targeted Rates for 2021/2022 is \$92,504.

Wastewater Disposal Targeted Rate

The Wastewater Disposal Targeted Rate is assessed on all rating units either connected, or capable of connection, to the Council's wastewater system, and is assessed on differential basis based on the level of wastewater service provided to the rating unit.

CONNECTED

A charge for each toilet or urinal that is connected to a Council operated wastewater scheme, excluding restricted service or those that have chosen volumetric charging. Any separately used or inhabited part of a rating unit that is used exclusively or principally as a residence will be charged for one toilet for each residence.

SERVICEABLE

50% of the connected rate per rating unit that is not connected but is capable of being connected to a Council wastewater scheme as the reticulation system is within 10 meters of the rating unit.

RESTRICTED

80% of the connected rate for each toilet or urinal that is connected to a Council operated wastewater scheme, receiving a restricted service. Any separately used or inhabited part of a rating unit that is used exclusively or principally as a residence will be charged for one toilet for each residence. This includes Mount Taylor.

Wastewater disposal - Connected	\$695.00
Wastewater disposal - Serviceable	\$347.50
Wastewater disposal - Restricted	\$556.00

Total revenue to be generated from Wastewater Disposal Targeted Rates for 2021/2022 is \$5,673,562.

Water Supply Targeted Rate – Urban

The Water Supply Targeted Rate is assessed on all rating units either connected, or capable of connection, to the Council's water system, and is assessed on differential basis based on the level of water service provided to the rating unit.

CONNECTED

A charge for each separately used or inhabited part of a rating unit that is connected to a Council operated water supply, excluding restricted service, extraordinary connections or those that have chosen volumetric charging.

SERVICEABLE

50% of the connected rate per rating unit that is not connected but is capable of being connected to a Council water supply scheme as the reticulations system is within 10 meters of the rating unit.

RESTRICTED

80% of the connected charge for each separately used or inhabited part of a rating unit that is connected to a Council operated water supply, receiving a restricted service. This includes Mount Taylor and Sanson.

Water supply - Connected	\$405.00
Water supply - Serviceable	\$202.50
Water supply - Restricted	\$324.00

Total revenue to be generated from Water Supply – Urban Targeted Rates for 2021/2022 is \$2,824,889.

Volumetric Water Charges (water by meter)

These rates are assessed on rating units that are extraordinary water supply users (as defined in Council's Bylaws) and those that have chosen volumetric charging. The rate is assessed on a differential basis based on the level of service provision (connection size and number of connections).

Connection size	Charge per connection
15 mm to 20 mm	\$696.00
25 mm	\$736.00
32 mm	\$736.00
40 mm	\$784.00
50 mm	\$784.00
80 mm	\$784.00
100 mm	\$908.00
150 mm	\$996.00

Where a rating unit is supplied, in any rating year, in excess of 380 cubic meters, an additional consumption charge of \$1.58 per cubic meter of water supplied in excess of 380 cubic meters will be charged.

Water Supply Targeted Rates - Rural

A water supply targeted rate is assessed on all rating units in the schemes listed below, based on the units allocated/supplied.

Stanway/Halcombe Rural Water Scheme - per unit allocated	\$259.00
Waituna West Rural Water Scheme - per unit allocated	\$401.00
Kiwitea Rural Water Scheme - per unit allocated	\$194.35*
Kiwitea Rural Water Scheme - per additional unit used but not allocated	\$194.35*

* Kiwitea Rural Water Scheme rates are set by the scheme committee, the rates are collected on behalf by Manawatu District Council and passed on to the scheme in full.

Total revenue to be generated from Water Supply Targeted Rates – Rural for 2021/2022 is \$1,029,878.

Capital Contribution Targeted Rate

Capital contribution targeted rates are assessed on rating units where ratepayers have signed an agreement to pay their capital contribution over a set term for the Hīmatangi Beach wastewater scheme and the Rongotea water scheme. Each of the rates is a fixed amount per rating unit, as set out in the table below.

Capital Contribution	Targeted Rate
Hīmatangi Beach wastewater scheme - ten year term, 1 July 2013 to 30 June 2023	\$1,392
Hīmatangi Beach wastewater scheme – twenty year term, 1 July 2013 to 30 June 2033	\$923
Rongotea water scheme - ten year term, 1 July 2015 to 30 June 2025	\$564
Rongotea water scheme – twenty year term, 1 July 2015 to 30 June 2035	\$374

Rates invoice and penalty dates

The rates detailed in this Rating System (excluding the metered water) are calculated annually and detailed on the Rates Assessment. This covers the year 1 July 2021 to 30 June 2022.

Rates are collected in four instalments. Council sends an invoice in August, November, February and May. The due date for payment of the invoice is the last Friday of the month it is invoiced (as set out in the table below).

The following penalties will be added to unpaid rates

- A 10% penalty will be added (on the penalty date as set out in the table below) to the unpaid balance of an instalment that is not paid by the due date (on the payment due date in the table below).
- A 10% penalty will be added on 7 July 2021 to any unpaid rates from previous financial years that remains unpaid on 6 July 2021. Another 10% will be added on 14 January 2022 to any unpaid rates from previous financial years that remain unpaid on 13 January 2022.

If annual rates are paid in full by 26 November 2021, any penalty charged for instalment one will be reversed.

Ratepayers who experience financial difficulty as a result of Covid-19 can contact the MDC rates team to arrange a suitable payment plan.

All payments received will be allocated to the oldest rates outstanding.

	Instalment One	Instalment Two	Instalment Three	Instalment Four
Invoice Date	2 August 2021	1 November 2021	1 February 2022	2 May 2022
Payment Due Date	27 August 2021	26 November 2021	25 February 2022	27 May 2022
Penalty Date	1 September 2021	1 December 2021	2 March 2022	1 June 2022

Volumetric water charges will be invoiced at the end of each quarter and are due for payment on the last working day of the following month.

	Quarter One	Quarter Two	Quarter Three	Quarter Four
Invoice Date	30 September 2021	31 December 2021	31 March 2022	30 June 2022
Payment Due Date	29 October 2021	28 January 2022	29 April 2022	29 July 2022

Individual 2021/22 property rates assessments can be viewed on the website www.mdc.govt.nz, using the Property and Rates search function, or call 06 323 0000.



Prospective Statement of Comprehensive Revenue and Expenditure

Te Tauāki Matapae Tukipū: Ngā moni whiwhi me ngā whakapaunga

	Annual Plan 2021 \$000	Note	Year 1 2022 \$000	Year 2 2023 \$000
Revenue				
Rates revenue	36,681		39,128	42,500
Financial revenue	217		229	280
Subsidies and grants	6,492		14,167	11,994
Development and financial contributions	1,808		3,949	3,319
Other revenue	10,729		12,109	12,081
Other gains/(losses)	0		(17)	(21)
Total revenue	55,927	1	69,566	70,153
Expenditure				
Personnel costs	13,878		14,545	15,226
Depreciation and amortisation	17,321	2	18,678	21,422
Finance costs	3,049		2,076	2,010
Other operating expenses	24,997		25,690	26,566
Total operating expenditure	59,245	1	60,989	65,225
Operating surplus/(deficit) before tax	(3,318)		8,577	4,928
Income tax expense	0		0	0
Net surplus/(deficit) after tax	(3,318)	3	8,577	4,928
Other comprehensive income and expense				
Gains on the revaluation of property, plant and equipment	27,110		29,098	21,678
Impairment losses on restricted buildings through	0		0	0
Gains/(losses) on financial assets at fair value	0		0	0
Total other comprehensive income and expense	27,110		29,098	21,678
Total comprehensive revenue and expense for the year	23,792		37,675	26,606

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
45,232	46,961	49,882	51,503	53,374	56,009	58,048	60,346
239	134	173	173	182	211	211	211
8,456	8,540	8,600	9,125	9,146	9,254	9,424	9,931
3,256	3,589	3,800	5,055	5,315	5,528	5,587	5,617
12,708	13,470	13,900	14,063	14,522	14,974	15,315	15,705
(59)	105	205	173	185	198	222	187
69,831	72,799	76,560	80,091	82,725	86,175	88,806	91,998
15,829	16,279	16,755	17,204	17,641	18,073	18,529	18,914
22,791	23,802	25,682	26,400	27,219	29,269	30,305	31,463
2,081	2,177	2,237	2,317	2,613	2,828	3,119	3,433
27,940	29,302	30,757	31,310	32,607	33,163	34,454	35,283
68,642	71,561	75,432	77,231	80,080	83,332	86,407	89,094
1,189	1,238	1,128	2,860	2,645	2,843	2,400	2,904
0	0	0	0	0	0	0	0
1,189	1,238	1,128	2,860	2,645	2,843	2,400	2,904
23,326	52,059	23,641	27,036	81,613	30,020	28,512	29,906
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
23,326	52,059	23,641	27,036	81,613	30,020	28,512	29,906
24,515	53,297	24,769	29,896	84,258	32,863	30,912	32,810

Prospective Statement of changes in net assets and equity

Te Tauāki Matapae: Ngā panonitanga huarawa, whai tūtanga hoki

	Annual Plan 2021 \$000	Note	Year 1 2022 \$000	Year 2 2023 \$000
Opening Equity Balance	680,152	5	705,286	742,961
Total other comprehensive income and expense	23,792		37,675	26,606
Closing Equity Balance	703,944		742,961	769,567

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
769,567	794,083	847,380	872,149	902,045	986,303	1,019,166	1,050,078
24,515	53,297	24,769	29,896	84,258	32,863	30,912	32,810
794,083	847,380	872,149	902,045	986,303	1,019,166	1,050,078	1,082,888



Prospective Statement of Financial Position

Te Tauāki Matapae: Te Tūnga Ahumoni Tukipū

	Annual Plan	Note	Year 1	Year 2	Year 3
	2021 \$000		2022 \$000	2023 \$000	2024 \$000
Assets					
Current assets					
Cash and cash equivalents	1,484		5,143	8,196	13,475
Accounts receivable	7,002		4,705	5,065	5,296
Investment in Council Controlled Entities	277		283	289	394
Inventory	238		237	237	237
Other financial assets	30		25	15	15
Non-current assets held for sale	0		0	0	0
Total current assets	9,030		10,394	13,802	19,417
Non-current assets					
Property, plant and equipment	784,993		831,184	861,750	884,599
Intangible assets	382		430	755	799
Investment in associate	1		1	1	1
Investment in Council Controlled Entities	4,660		6,129	5,950	6,974
Other financial assets	252		130	115	100
Total non-current assets	790,288		837,873	868,571	892,473
Total assets	799,318		848,267	882,374	911,890
Liabilities					
Current liabilities					
Accounts payable	7,995		7,953	8,507	9,132
Provisions	44		24	275	534
Employee entitlements	817		1,504	1,520	1,537
Borrowings	7,000		18,500	14,500	21,500
Total current liabilities	15,856		27,981	24,802	32,703
Non-current liabilities					
Provisions	742		2,175	1,943	1,448
Borrowings	78,776		75,150	86,060	83,656
Total non-current liabilities	79,518		77,325	88,003	85,104
Total liabilities	95,374		105,306	112,805	117,807
Equity					
Retained earnings	461,801	7	465,964	470,574	471,126
Other reserves	242,143	7	276,998	298,994	322,957
Total equity	703,944		742,961	769,568	794,083
Total Liabilities and Equity	799,318		848,267	882,374	911,890

Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
14,984	20,103	29,023	39,674	51,684	63,876	76,499
6,700	7,409	8,437	8,444	9,212	10,354	11,080
581	334	340	495	312	503	327
237	237	237	237	237	237	237
16	8	11	11	12	13	25
0	0	0	0	0	0	0
22,518	28,090	38,049	48,861	61,457	74,984	88,167
935,153	953,266	974,272	1,050,193	1,072,729	1,092,287	1,114,165
884	1,016	962	1,131	1,140	967	1,140
1	1	1	1	1	1	1
6,397	6,047	5,722	6,618	6,334	5,854	5,559
84	77	66	55	43	30	5
942,519	960,406	981,024	1,057,997	1,080,247	1,099,139	1,120,871
965,037	988,496	1,019,073	1,106,858	1,141,704	1,174,123	1,209,038
9,213	9,443	9,577	10,422	10,668	10,711	10,871
551	450	211	43	44	45	45
1,554	1,572	1,590	1,610	1,629	1,650	1,671
21,500	7,000	4,000	5,500	9,500	7,000	7,000
32,818	18,465	15,379	17,575	21,841	19,406	19,587
930	497	293	252	211	169	127
83,909	97,385	101,356	102,728	100,485	104,470	106,436
84,839	97,882	101,649	102,980	100,696	104,639	106,563
117,657	116,347	117,027	120,555	122,537	124,045	126,150
471,729	472,165	474,331	476,283	477,933	479,140	480,351
375,651	399,985	427,714	510,020	541,233	570,938	602,537
847,380	872,149	902,045	986,303	1,019,167	1,050,078	1,082,888
965,037	988,496	1,019,073	1,106,858	1,141,704	1,174,123	1,209,038

Prospective Statement of cash flows

Te Tauākī Matapae: Te pari me te timu o ngā moni

	Annual Plan 2021 \$000	Note	Year 1 2022 \$000	Year 2 2023 \$000
Cash flows from operating activities				
Cash was provided from:				
Receipts from rates revenue	36,681		39,128	42,500
Interest received	209		224	275
Dividend received	8		5	5
Receipts from other revenue	19,029		29,709	26,861
Cash was disbursed to:				
Payments to suppliers and employees	(38,875)		(40,234)	(41,792)
Interest paid	(3,049)		(2,071)	(2,042)
Income tax paid	0		0	0
Goods and services tax (net)	0		0	0
Net cash from operating activities	14,003		26,761	25,807
Cash flows from investing activities				
Cash was provided from:				
Proceeds from sale of property, plant and equipment	8,820		0	0
Net investments movements	345		301	308
Cash was disbursed to:				
Purchase of intangible assets	(104)		(453)	(242)
Purchase of property, plant and equipment	(28,746)		(34,510)	(29,731)
Net cash from investing activities	(19,685)		(34,661)	(29,665)
Cash flows from financing activities				
Cash was provided from:				
Proceeds from borrowing	16,280		26,278	25,410
Cash was disbursed to:				
Repayment of borrowings	(11,500)		(18,500)	(18,500)
Net cash from financing activities	4,780		7,778	6,910
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	(902)		(123)	3,053
Cash, cash equivalents and bank overdrafts at the beginning of the year	2,386		5,266	5,143
Cash, cash equivalents and bank overdrafts at the end of the year	1,484		5,143	8,196

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
45,232	46,961	49,882	51,503	53,374	56,009	58,048	60,346
234	129	168	168	177	206	206	206
5	5	5	5	5	5	5	5
23,869	25,031	25,716	27,639	28,362	29,115	29,664	30,573
(43,770)	(45,581)	(47,512)	(48,514)	(50,248)	(51,235)	(52,983)	(54,198)
(2,123)	(2,245)	(2,302)	(2,379)	(2,685)	(2,932)	(3,204)	(3,518)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
23,447	24,300	25,956	28,422	28,985	31,168	31,737	33,414
0	0	0	0	0	0	0	0
304	408	597	342	351	506	324	517
(1,097)	(1,252)	(342)	(639)	(482)	(277)	(665)	(520)
(21,971)	(22,201)	(20,068)	(20,175)	(21,075)	(21,144)	(20,689)	(22,754)
(22,764)	(23,045)	(19,813)	(20,472)	(21,206)	(20,915)	(21,030)	(22,757)
19,096	21,753	20,476	7,971	6,872	7,257	10,985	8,966
(14,500)	(21,500)	(21,500)	(7,000)	(4,000)	(5,500)	(9,500)	(7,000)
4,596	253	(1,024)	971	2,872	1,757	1,485	1,966
5,279	1,509	5,119	8,921	10,651	12,010	12,191	12,623
8,196	13,475	14,984	20,103	29,023	39,674	51,684	63,876
13,475	14,984	20,103	29,023	39,674	51,684	63,876	76,499

Notes to financial statements (including reserve funds)

He kupu āpiti ki ngā tauākī ahumoni (me te whai wāhi o ngā tahua tāpui)

Note 1

Reconciliation of Prospective Statement of Comprehensive Revenue and Expense to the Funding Impact Statement (FIS)

The Funding Impact Statements (FIS) throughout the document are prepared in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. They do not comply with Generally Accepted Accounting Practices (GAAP). However, the core financial statements (prospective statement of comprehensive revenue and expense, prospective statement of changes in net assets / equity, prospective statement of financial position and the prospective statement of cash flows) are prepared in compliance with GAAP. The following is a reconciliation between the revenue and expenditure shown in the prospective statement of comprehensive revenue and expense and the Council's overall Funding Impact Statement.

	Annual Plan	Year 1	Year 2
	2021 \$000	2022 \$000	2023 \$000
Operating Revenue in the FIS	50,579	54,322	57,738
Subsidies and grants for capital expenditure	3,540	10,794	8,583
Development and financial contributions	1,808	3,949	3,319
Vested Assets	0	517	533
Net gain and losses not included in FIS	0	(17)	(21)
Total Revenue in the Statement of Comprehensive Revenue and Expense	55,927	69,565	70,153
Applications of Operating Funding in the FIS	41,924	42,310	43,802
Depreciation not included in the FIS	17,321	18,678	21,422
Total Operating Expenditure in the Statement of Comprehensive Revenue and Expense	59,245	60,988	65,225

Note 2

Depreciation and Amortisation Expense per Group of Activities

	Annual Plan	Year 1	Year 2
	2021 \$000	2022 \$000	2023 \$000
Community Facilities	1,800	2,345	2,806
District Development	0	0	0
Emergency Management	6	0	0
Regulatory	7	36	38
Governance and Strategy	22	8	8
Roading Network	8,989	10,162	11,027
Solid Waste	176	138	212
Stormwater and Drainage	666	725	849
Wastewater	3,215	2,183	2,528
Water Supply	1,839	2,098	2,604
Support Services	601	983	1,350
Total Depreciation and Amortisation	17,321	18,678	21,422

Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
2024 \$000	2025 \$000	2026 \$000	2027 \$000	2028 \$000	2029 \$000	2030 \$000	2031 \$000
61,088	63,671	67,158	69,040	71,485	74,706	77,194	79,994
4,996	4,866	4,812	5,220	5,118	5,100	5,142	5,518
3,256	3,589	3,800	5,055	5,315	5,528	5,587	5,617
550	568	585	603	622	641	661	681
(59)	105	205	173	185	198	222	187
69,831	72,799	76,560	80,091	82,725	86,175	88,806	91,998
45,852	47,758	49,749	50,831	52,861	54,064	56,102	57,631
22,791	23,802	25,682	26,400	27,219	29,269	30,305	31,463
68,643	71,561	75,431	77,231	80,080	83,332	86,407	89,094

Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
2024 \$000	2025 \$000	2026 \$000	2027 \$000	2028 \$000	2029 \$000	2030 \$000	2031 \$000
3,042	3,289	3,663	3,637	3,709	4,101	3,966	3,992
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
38	38	5	5	5	6	6	6
0	0	0	0	0	0	0	0
11,706	12,416	13,130	13,879	14,670	15,483	16,321	17,191
225	192	232	233	235	242	243	142
896	936	1,053	1,090	1,141	1,278	1,340	1,394
2,643	2,759	2,967	3,041	3,111	3,462	3,609	3,745
2,730	2,531	2,832	2,949	3,064	3,364	3,491	3,599
1,511	1,641	1,801	1,566	1,283	1,333	1,328	1,394
22,791	23,801	25,683	26,400	27,218	29,269	30,304	31,463

Note 3

Explanation of Net Operating Surplus (Deficit) after tax

Section 100 of the Local Government Act 2002 requires Council to ensure projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. The table below details the make up of the net surplus/(deficit) as detailed in the Statement of Comprehensive Revenue and Expense.

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
Net surplus/(deficit) after tax	(3,318)	8,577	4,928
The surplus/(deficit) consists of the following			
Roading subsidy received from Waka Kotahi NZTA to fund capital expenditure	3,535	5,138	4,902
Subsidies and grants for capital expenditure	5	5,656	3,681
Capital contributions and connection fees used to fund capital expenditure	234	918	195
Development contributions recognised as revenue but used to fund past or future capital expenditure in relation to growth	1,574	3,031	3,124
Depreciation not funded			
Roading (renewal funded by Waka Kotahi NZTA subsidy)	(4,764)	(5,386)	(5,734)
- Parks (only 50% of depreciation is funded)	(253)	(287)	(369)
- Halls (depreciation is only funded on high priority halls Civic Centre and Te Kawau recreation centre)	(264)	(120)	(127)
Loans principal repayments funded from rates			
- CBD redevelopment loans	112	118	123
- Ultra Fast Broadband	5	6	6
Gain on property recognised	0	(17)	(21)
Write back of the impairment of debt	0	0	0
Vested Assets	0	517	533
Use of reserves and special funds (including interest on growth account, subdivision development etc.)	(3,501)	(999)	(1,385)
	(3,318)	8,577	4,928

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
1,189	1,238	1,128	2,860	2,645	2,843	2,400	2,904
4,996	4,866	4,812	5,220	5,118	5,100	5,142	5,518
0	0	0	0	0	0	0	0
202	209	216	1,341	1,489	1,902	1,836	1,763
3,054	3,381	3,585	3,714	3,827	3,626	3,751	3,854
(5,970)	(6,332)	(6,696)	(7,078)	(7,482)	(7,896)	(8,324)	(8,767)
(430)	(505)	(586)	(616)	(619)	(649)	(673)	(675)
(127)	(127)	(127)	(127)	(127)	(127)	(127)	(127)
127	132	137	142	148	153	90	59
6	6	7	7	7	8	8	8
(59)	105	205	173	185	198	222	187
0	0	0	0	0	0	0	0
550	568	585	603	622	641	661	681
(1,161)	(1,065)	(1,009)	(520)	(523)	(115)	(187)	403
1,189	1,238	1,128	2,860	2,645	2,843	2,400	2,904

Note 4

Water by meter included in Rates

Water charged by volume (water by meter) are included in rates revenue in the Statement of Comprehensive Revenue and Expense and in targeted rates in the Funding Impact Statements. The amount of water by meter included in rates is:

	Annual Plan	Year 1	Year 2	Year 3
	2021 \$000	2022 \$000	2023 \$000	2024 \$000
Water by meter included in rates	1,208	1,257	1,300	1,344

Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
2025 \$000	2026 \$000	2027 \$000	2028 \$000	2029 \$000	2030 \$000	2031 \$000
1,391	1,440	1,483	1,533	1,586	1,640	1,689

Note 5

Opening Balances

The opening balances for 1 July 2021 do not agree with the closing balances for the prior year's Annual Plan (30 June 2021). The annual plan was approved by Council in June 2020 and the annual plan closing balances reflect the planned position at that time. Actual results for the 2020/21 financial year do not always reflect the position included in the plan. Potential changes include capital projects not progressing and therefore the associated funding is not uplifted, revaluations being different than planned, variances in cash requirements and the resulting impact on equity. To calculate the opening balances for the Long Term Plan we have reforecasted the closing balances at 30 June 2021 to reflect known changes. The main items impacted include cash, investments, property plant and equipment, borrowing and equity.

Note 6

Funding Impact Statements - transfer between operational and capital activities

	Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000								
Surplus (deficit) of operating funding	8,655	12,012	13,936								
Surplus (deficit) of capital funding	(8,655)	(12,012)	(13,936)								
Funding Balance	0	0	0								
Loan principal repayments funded by rates	117	124	129								
Depreciation funded by rates but transferred to reserve to fund renewal (current and future years)	12,040	12,886	15,193								
Operating items funded from the transfer of reserves included in the capital activities	(3,501)	(999)	(1,385)								
	8,656	12,011	13,936								
				Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
				2024	2025	2026	2027	2028	2029	2030	2031
				\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
				15,236	15,913	17,409	18,209	18,624	20,643	21,093	22,364
				(15,236)	(15,913)	(17,409)	(18,209)	(18,624)	(20,643)	(21,093)	(22,364)
				0	0	0	0	0	0	0	0
				133	139	144	149	155	161	98	67
				16,264	16,838	18,274	18,579	18,991	20,597	21,181	21,894
				(1,161)	(1,065)	(1,009)	(520)	(523)	(115)	(187)	403
				15,237	15,912	17,409	18,209	18,623	20,643	21,092	22,364

Note 7

Reserve Fund Movements

Equity is made up of a number of reserves - refer to the Statement of Accounting Policies. The following is a summary of reserve funds over the life of the long term plan for each class of funds.

RETAINED EARNING

Annual Plan	Year 1	Year 2
2021	2022	2023
\$000	\$000	\$000

Accumulated Funds

Included in the Accumulated Funds in the balance sheet are two types of reserves. These are separate funds and growth funds detailed below.

Growth Funds

These funds are created from Development and Financial Contributions levied. They are used for growth related expenditure for the creation of community assets. These include roads, parks and reserves, stormwater, wastewater and water supply.

Opening balances	(1,246)	(1,863)	(1,750)
Transfers to reserves	1,574	5,457	5,576
Transfers from reserves	(1,514)	(5,344)	(6,207)
Closing Balance	(1,186)	(1,750)	(2,381)

Depreciation Reserves

These funds are created from depreciation and amortisation funded through revenue sources. These funds are only applied to the renewal of existing assets and for principal repayments of loans.

Opening balances	(5,052)	(780)	(1,686)
Transfers to reserves	12,040	12,886	15,193
Transfers from reserves	(8,871)	(13,792)	(12,258)
Closing Balance	(1,883)	(1,686)	1,250

Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
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(2,381)	(3,184)	(4,277)	(5,452)	(7,030)	(8,601)	(10,355)	(12,240)
5,671	4,458	3,960	4,779	5,289	5,077	4,570	4,994
(6,474)	(5,551)	(5,135)	(6,357)	(6,859)	(6,831)	(6,455)	(6,981)
(3,184)	(4,277)	(5,452)	(7,030)	(8,601)	(10,355)	(12,240)	(14,227)

1,250	8,045	15,106	23,473	33,375	43,500	55,534	68,509
16,264	16,838	18,274	18,579	18,991	20,597	21,181	21,894
(9,469)	(9,777)	(9,907)	(8,678)	(8,866)	(8,563)	(8,206)	(8,480)
8,045	15,106	23,473	33,375	43,500	55,534	68,509	81,924



OTHER RESERVES

Annual Plan 2021 \$000	Year 1 2022 \$000	Year 2 2023 \$000
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Trusts and Bequests

Funds have been gifted to Council for specific purposes, and in many cases have other restriction placed on the fund. The purpose of the fund may not be revised without reference to the Courts or a third party. These include the Hook Bequest, Trewin Bequest, Wakerill Trust, Robert Dickson Library Trust, PA Broad Memorial Trust, Historical Trust, Children's Welfare Trust, Robert Dickson Educational Trust, Museum Trust and the Feilding and District Relief Trust.

Opening balances	104	105	104
Transfers to reserves	4	2	2
Transfers from reserves	(3)	(3)	(3)
Closing Balance	105	104	103

Special Funds

These are funds set aside by Council. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council. They include the General Purpose Reserve, Insurance Reserve and the Land Subdivision Reserve.

Opening balances	2,120	2,853	3,372
Transfers to reserves	81	519	319
Transfers from reserves	(922)	0	0
Closing Balance	1,279	3,372	3,691

Revaluation Reserves

These reserves have been created from the revaluation movements of the property, plant and equipment.

Opening balances	214,219	244,423	273,521
Transfers to reserves	27,110	29,098	21,678
Transfers from reserves	(570)	0	0
Closing Balance	240,759	273,521	295,199

TOTAL OTHER RESERVES	242,143	276,998	298,994
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Year 3 2024 \$000	Year 4 2025 \$000	Year 5 2026 \$000	Year 6 2027 \$000	Year 7 2028 \$000	Year 8 2029 \$000	Year 9 2030 \$000	Year 10 2031 \$000
103	102	101	100	99	98	97	96
2	2	2	2	2	2	2	2
(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
102	101	100	99	98	97	96	95
3,691	4,329	4,965	5,659	6,353	7,047	8,241	9,435
638	636	694	694	694	1,194	1,194	1,694
0	0	0	0	0	0	0	0
4,329	4,965	5,659	6,353	7,047	8,241	9,435	11,129
295,199	318,525	370,584	394,225	421,261	502,874	532,894	561,406
23,326	52,059	23,641	27,036	81,613	30,020	28,512	29,906
0	0	0	0	0	0	0	0
318,525	370,584	394,225	421,261	502,874	532,894	561,406	591,312
322,957	375,651	399,985	427,714	510,020	541,233	570,938	602,537

Benchmark graphs

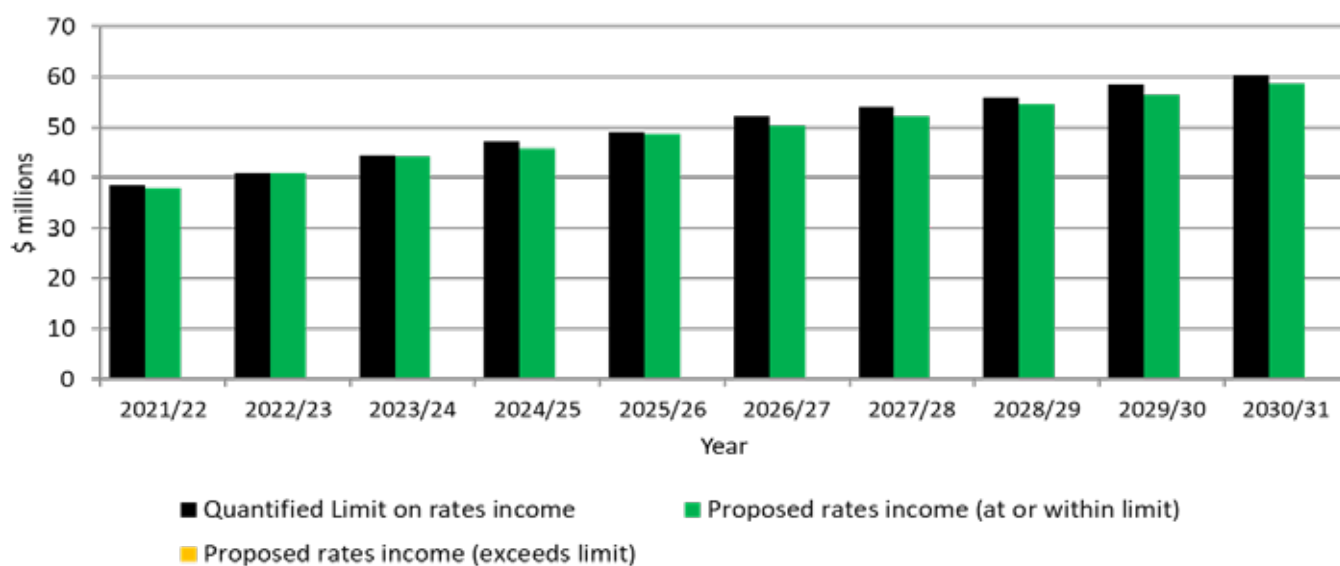
Ngā kauwhata paerewa

Rates affordability benchmarks

The Council meets the rates affordability benchmark if -

- its actual rate income equals or is less than each quantified limit on rates: and
- its actual rates increases equal or are less than each quantified limit of rates increases.

The following graph compares the Council's planned rates with a quantified limit on rates contained in the financial strategy included in this Long Term Plan. The quantified limit is the indicative rate increase limit.

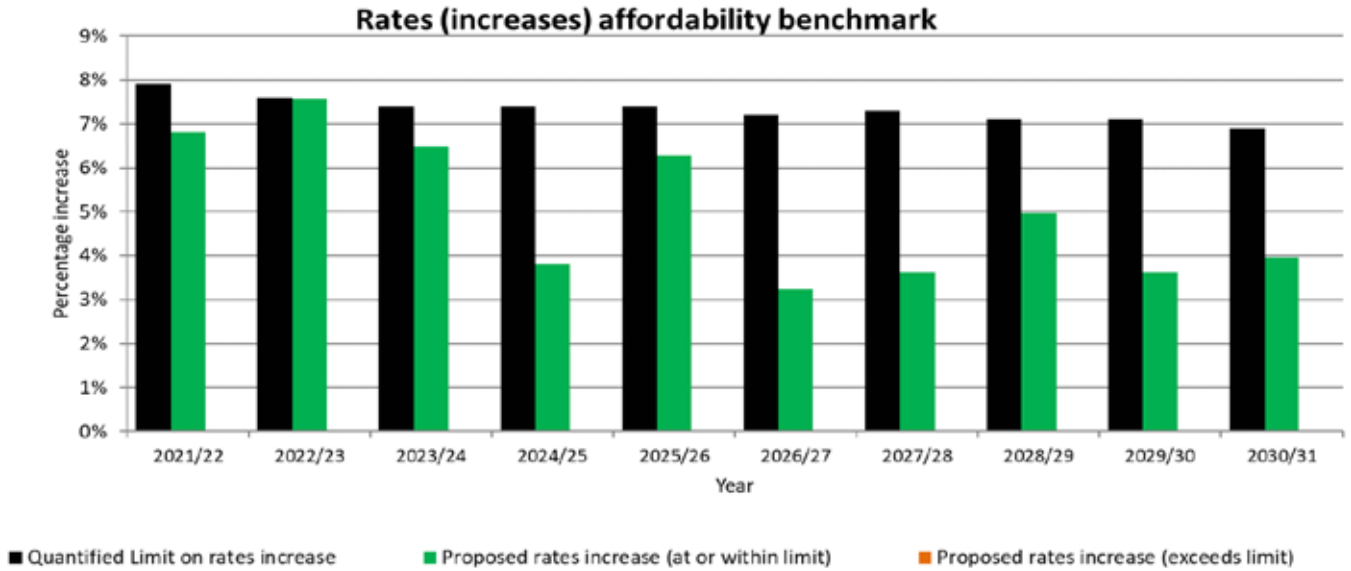


Rates in the funding impact statement and the statement of comprehensive revenue and expenses include rates revenue that is specifically excluded from this benchmark in line with Council's Financial Strategy. These include:

- new levels of service
- growth in the number of ratepayers
- increases in the volume of water supplied that will be charged through metering

Rates (increases) affordability benchmark

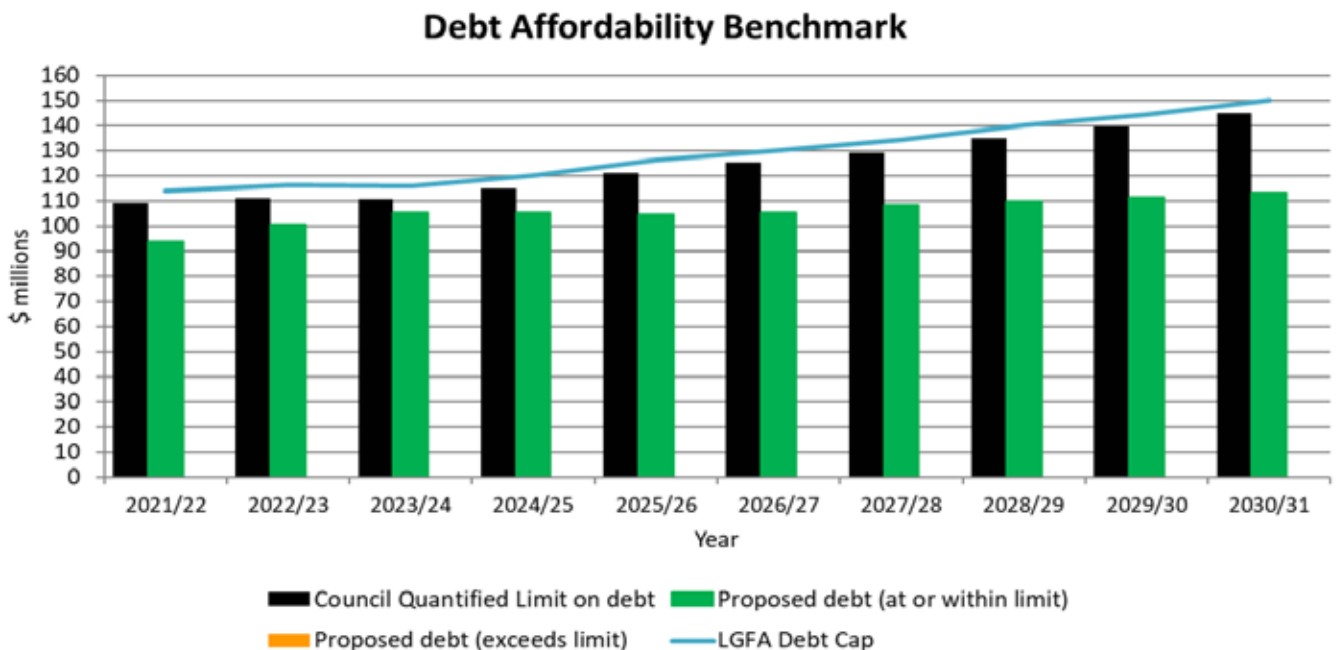
The following graph compares the Council’s planned rates increases with quantified limit on rates increases contained in the financial strategy included in this Long Term Plan. The quantified limit is the Local Government Cost Index plus 3%, excluding significant new levels of service and growth in ratepayer numbers.



Debt affordability benchmark

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

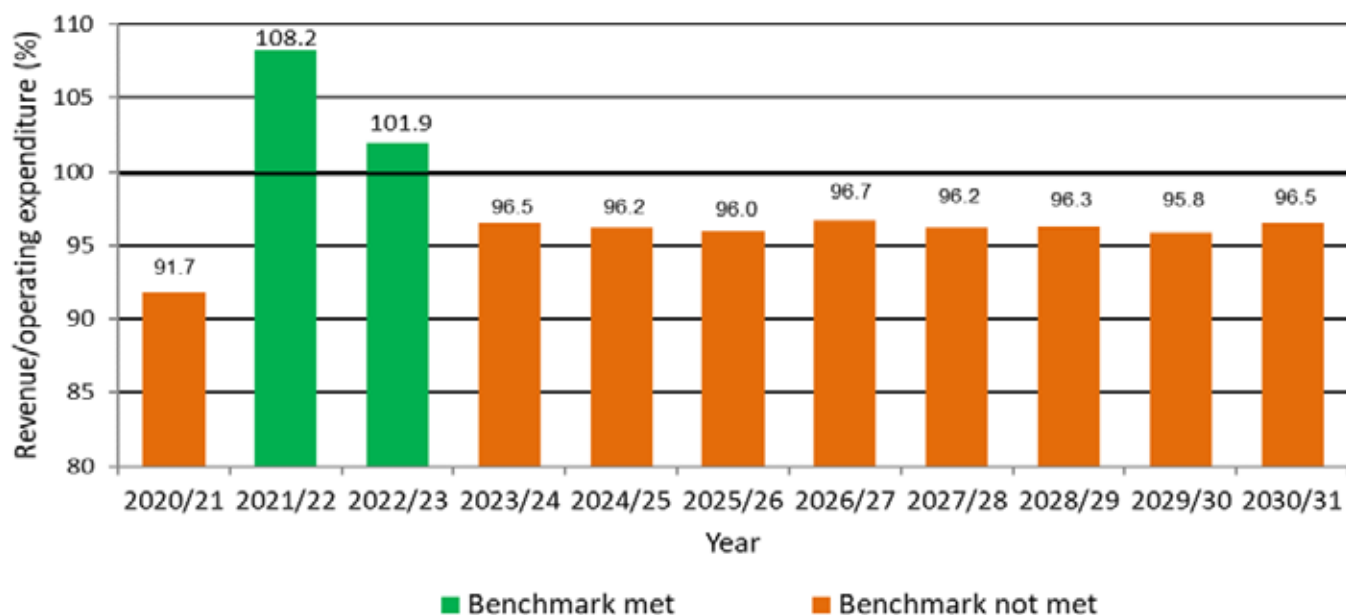
The following graph compares the Council’s planned debt with a quantified limit on borrowing contained in the Financial Strategy included in this Long Term Plan. The quantified limit is based on the measure in Council’s Liability Management Policy, which yields the lowest debt. In this case, debt is not to exceed 175% of revenue less a \$5 million emergency buffer.



Balanced budget benchmark

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

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



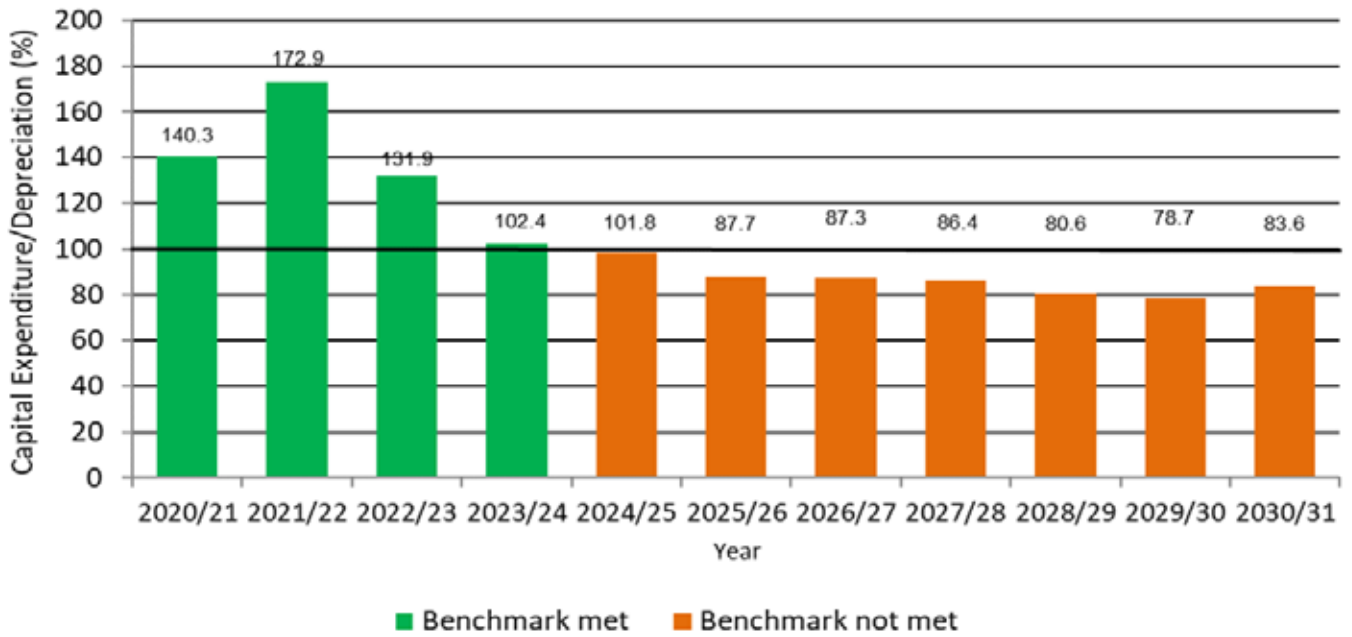
The main reasons for not meeting the benchmark are:

- excluding vested assets
- not funding depreciation on non-strategic assets
- not funding depreciation on the portion of roading subsidised by Waka Kotahi NZTA
- not funding the interest expense on loans taken out for growth purposes when the interest and principal repayment will be met from future development contributions

Essential services benchmark

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

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.



The Council focus is on new project work due to the high level of external funding available.

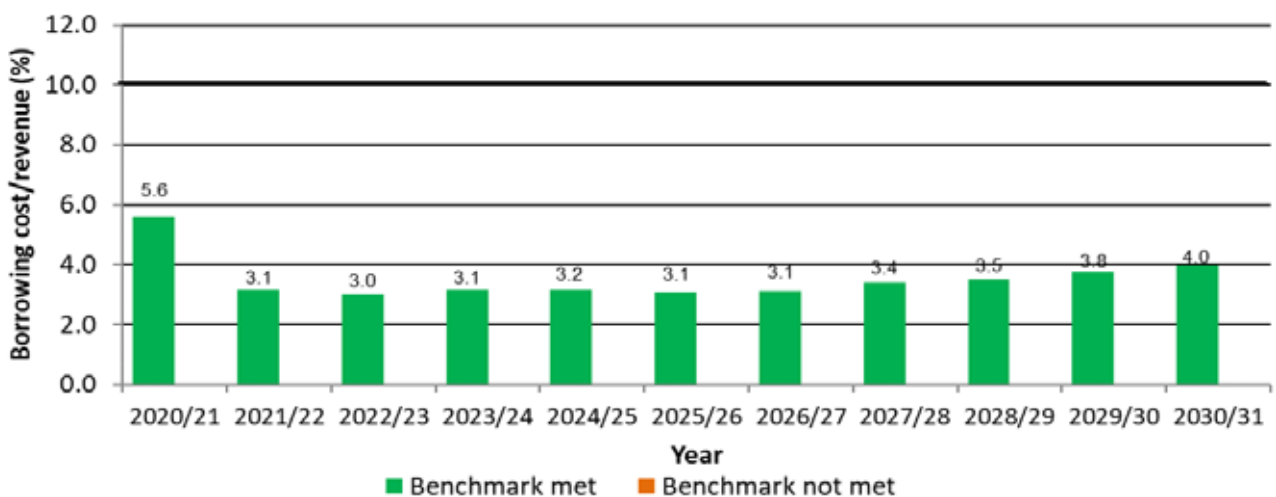
The capital programme is restricted by the ability to complete projects due to resource constraints in District.

The decision to move to reactive renewals programme means Council will carry a higher risk of network failure and therefore potentially face higher maintenance costs and network disruptions.

Debt servicing benchmark

The following graph displays the Council’s planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluation of property, plant and equipment).

Because Statistics New Zealand projects the Council’s population will grow as fast as the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.



Statement of Accounting Policies

Te Tauākī Kaupapahere Kaute

Manawatū District Council (Council) is a territorial local authority governed by the Local Government Act 2002 and is domiciled and operates in New Zealand.

The Group consists of Manawatū District Council, which is the controlling entity and four controlled entities; The Feilding Civic Centre Trust, the Manawatū Community Trust, Awahuri Forest / Kitchener Park Trust and Heartland Contractors Ltd (100% owned). The Group also includes Central Economic Development Agency Limited, (50% owned) and Manawatū Wanganui LASS (14.3% owned). All entities are incorporated and domiciled in New Zealand. The Council is not aware of any restrictions that may have been imposed upon the CCO's other than normal banking covenants, or any risks associated with them.

The primary objective of Council is to provide goods or services for the community and social benefits, rather than making a financial return. Accordingly, Council has designated itself and the Group as Public Benefit Entities (PBEs) as defined under the Public Benefit Entities International Public Sector Accounting Standards (PBE IPSAS).

The financial statements are for the Manawatū District Council as a separate legal entity. Consolidated prospective financial statements comprising the Council and its controlled entities have not been prepared because the differences to Council prospective financial statements are not material.

Basis of preparation

The accounting policies set out below have been prepared on a going concern basis and have been applied consistently to all periods present in these prospective financial statements. These prospective financial statements have also been prepared based on the assumptions stated.

STATEMENT OF COMPLIANCE

The prospective financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The prospective financial statements have been prepared to comply with PBE accounting standards for a Tier 1 entity.

These prospective financial statements comply with the PBE Standards

The prospective financial statements have been prepared on an historical cost basis, except for assets and liabilities, which are recorded at fair value. These are detailed in the specific policies below.

PRESENTATION CURRENCY AND ROUNDING

The prospective financial statements are presented in New Zealand dollars and values are rounded to the nearest thousand dollars (\$'000). Consequently there may be rounding discrepancies in the financial statements.

The functional currency of Council and its controlled entities and associates is New Zealand dollars.

Summary of significant accounting policies

Basis of consolidation

CONTROLLED ENTITIES

In the Group financial statements Council consolidates all entities where Council has the capacity to control its financing and operating policies, to obtain benefits from the activities of that entity. This power exists where Council controls the majority voting power on the governing body, or where such policies have been irreversibly predetermined by Council, or where the determination of such policies is unable to impact materially on the level of potential ownership benefits that arise from the activities of the controlled entity.

Council's investment in its controlled entities is carried at cost in Council's parent entity financial statements.

ASSOCIATES

Council's associates are accounted for in the Group financial statements using the equity method. An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount in the Group financial statements is increased or decreased to recognise the Group's share of the surplus or deficit of the associate after the date of acquisition.

Distributions received from an associate reduce the carrying amount of the investment. If the share of deficits of an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further deficits. After the Group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the Group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where the Group transacts with an associate, surpluses or deficits are eliminated to the extent of the Group's interest in the associate. Dilution gains or losses arising from investments in associates are recognised in the surplus or deficit.

The investment in the associate is carried at cost in Council's parent entity financial statements.

JOINT VENTURES

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. For jointly controlled operations Council and Group recognises in its financial statements the assets it controls, the liabilities and expenses it incurs, and the share of income that it earns from the joint venture.

EXCHANGE TRANSACTIONS

Exchange transactions are transactions where Council receives assets (primarily cash) or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services, or use of assets) to another entity in exchange.

NON-EXCHANGE TRANSACTIONS

In a non-exchange transaction Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange.

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As Council satisfies a present obligation (recognised as a liability) in respect of an inflow of resources from a non-exchange transaction (recognised as an asset), it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

REVENUE

Revenue is measured at the fair value of consideration received or receivable. Revenue may be derived from either exchange or non-exchange transactions.

SPECIFIC REVENUE POLICIES

Specific accounting policies for major categories of revenue are outlined below:

- Rates are set annually by a resolution by Council and are recognised at the start of the financial year to which the resolution relates. All ratepayers are invoiced within the financial year to which the rates have been set.
- Rates arising from late payment penalties are recognised as revenue when penalties are applied on overdue rates as per Council's rates resolution.
- Rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its rates remission policy.
- Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.
- Government grants and subsidies are recognised upon entitlement, which is when the conditions pertaining to eligible expenditure have been fulfilled. The most significant government grant is from Waka Kotahi NZTA, which subsidises part of the costs in maintaining the local roading infrastructure network.
- Revenue from other services is recognised when the service has been rendered to a third party.
- Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.
- Sales of goods are recognised when the goods are delivered.
- Interest revenue is accrued on a time basis, by reference to the investment principle and the effective interest applicable.
- Dividends (net of imputation credits) are recognised when the right to receive payment has been established.
- Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in Council are recognised as revenue when control over the asset is obtained.
- Revenue derived through acting as an agent for another party is recognised as a commission or fee on the transaction.
- Development contributions are recognised as revenue when Council provides, or is able to provide, the services that gave rise to the charging of the contribution. Otherwise, development contributions are recognised as liabilities until Council provides, or is able to provide, the service.

BORROWING COSTS

All borrowing costs are recognised as an expense in the period in which they are incurred.

COST ALLOCATION

Costs directly attributable to an activity are charged directly to that activity. Indirect costs are charged to activities using appropriate cost drivers such as; actual usage, staff numbers and floor area.

FOREIGN CURRENCY

Foreign currency transactions are translated into New Zealand dollars (the functional currency) using the spot exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denomination in foreign currencies are recognised in the surplus or deficit.

GRANT EXPENDITURE

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

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application. Expenditure is recognised when a successful applicant has been notified of Council's decision.

INCOME TAX

Income tax expense includes current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

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

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the economic entity expects to recover or settle the carrying amount of its assets and liabilities.

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

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

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

GOODS AND SERVICE TAX (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated

on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

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

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

Commitments and contingencies are disclosed exclusive of GST.

FINANCIAL INSTRUMENTS

Council is party to financial instruments as part of its normal operations. These include bank accounts, investments, accounts receivable, accounts payables and borrowings. All financial instruments are recognised in the statement of financial position and all revenues and expenses in relation to financial instruments are recognised in the statement of comprehensive revenue and expense.

Unless otherwise covered by a separate policy, all financial instruments are reported at their fair value.

CASH AND CASH EQUIVALENTS

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

DEBTORS AND OTHER RECEIVABLES

Debtors and other receivables are recorded at their face value, less any provision for impairment.

A provision for impairment is established when there is objective evidence that Council will not be able to collect all amounts due, according to the original terms of the agreements. The amount of the provision is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible it is written off against the allowance account for receivables.

FINANCIAL ASSETS

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

Financial assets are categorised into the following four categories for the purpose of measurement: financial assets at fair value through surplus or deficit; held-to-maturity investments; loans and receivables; and financial assets at fair value through other comprehensive revenue and expense. The classification depends on the purpose for which each investment was acquired. Management determines the classification of its investments at initial recognition.

The fair value of financial instruments traded in active markets is based on the quoted market prices at the balance date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each

balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

FINANCIAL ASSETS AT FAIR VALUE THROUGH SURPLUS OR DEFICIT

This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading. Gains or losses due to change in fair value are recognised in the surplus or deficit.

Currently, Council does not hold any financial assets in this category.

LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return of a similar financial instrument. The difference between the face value and the present value of the expected future cash flows of the loan recognised in the surplus or deficit as grant expenditure. The loans are subsequently measured at amortised costs using the effective interest method.

Council has provided a number of loans or advances to community-based organisations that have specific conditions attached. In some circumstances these loans are only repayable should the community-based organisation cease to operate in accordance with the loan conditions. Those loans that are not expected to be repaid to Council in the foreseeable future are recorded at fair value and shown as a contingent asset.

Receivables are classified as "Accounts Receivables" in the statement of financial position. Advances and loans are classified as "Other Financial Assets" in the statement of financial position.

HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments are assets with fixed or determinable payments and fixed maturities that Council has the positive intention and ability to hold to maturity. e.g. Local Government Stock and Bonds.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE REVENUE AND EXPENSE

Financial assets at fair value through other comprehensive revenue and expense are those that are designated as fair value through equity or are not classified in any of the other categories above.

This category encompasses:

- Investments that Council intends to hold long-term, but may be realised before maturity; and
- Shareholdings held for strategic purposes (other than Council's investments in its controlled entity).

Gains and losses are recognised directly in other comprehensive revenue and expense except for impairment losses, which are recognised in the surplus or deficit. In the event of impairment, even though the asset has not been derecognised, any cumulative losses previously recognised in other comprehensive revenue and expense will be recognised in the surplus or deficit. On de-recognition of the asset the cumulative gain or loss previously recognised in other comprehensive revenue and expense is recognised in the surplus or deficit.

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets are assessed for objective evidence of impairment at each balance date. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the surplus or deficit.

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal economic entity) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal economic entity classified as held for sale continue to be recognised.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of:

- Operational assets: includes land, buildings, library books, plant and equipment, and motor vehicles.
- Restricted assets: includes parks, reserves and associated assets owned by Council, which provide a benefit or service to the community and cannot be disposed of because of legal or other Council restrictions.
- Infrastructure assets: the fixed utility systems that provide a continuing service to the community and are generally regarded as non-tradeable. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.

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

CASH AND NON-CASH GENERATING ASSETS

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

return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Cash generating assets are those assets that are held with the primary objective of generating a commercial return. Council does not hold any cash-generating assets.

DEPRECIATION

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which is not depreciated), at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The residual value and useful life of an asset is reviewed and adjusted, if applicable, at each financial year-end.

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

Asset class	Useful life	Depreciation Rate
Buildings	40 – 80 years	1.25 – 2.5%
Plant and equipment	4 – 10 years	10 – 25%
Motor vehicles	3 – 5 years	20 – 33%
Library books	10 years	10%
Infrastructural assets		
Roading network		
Top surface (seal)	2 – 23 years	4.3 – 33.3%
Pavement (base course)	69 years	1.45%
Sealed	69 years	1.45%
Unsealed	-	Not Depreciated
Formation	-	Not Depreciated
Culverts	50 – 100 years	1 – 2%
Footpaths	25 – 70 years	1.4 – 4%
Kerbs	50 – 67 years	1 – 1.49%
Signs	15 years	6.67%
Streetlights	25 – 70 years	1.4 – 4%
Bridges	50 – 100 years	1 – 2%
Water system		
Pipes	34 – 100 years	1 – 2.9%
Valves, hydrants	50 years	2%
Pump stations	25 years	4%
Treatment, supply and storage	10 – 100 years	1 – 10%
Wastewater system		
Pipes	50 – 100 years	1 – 2%
Manholes	100 years	1%
Pump stations	25 years	4%
Treatment plant	10 – 50 years	2 – 10%
Drainage network		
Pipes	40 – 100 years	1 – 2.5%
Manholes, cesspits	100 years	1%

ADDITIONS

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that the asset will provide future economic benefits or service potential to Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

DISPOSALS

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

WORK IN PROGRESS

All assets constructed by Council are initially recorded as work in progress. Work in progress is recognised at cost less impairment and it is not depreciated. Upon completion, these assets are transferred to their relevant asset class and depreciation commences.

Revaluation

Those asset classes that are revalued are valued on either a one-year or a three-yearly valuation cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value. If a material difference exists, a revaluation will be undertaken.

Operational and restricted – land and buildings

These assets are revalued to fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Quotable Value NZ as at 30 June 2020. Council's policy is to revalue land and buildings every three years.

Infrastructural asset classes: water supply, wastewater, stormwater, drainage systems and roads

These assets are revalued annually to fair value on a depreciated replacement cost basis. The valuation was performed internally by engineering staff and will be peer reviewed every three years. The next peer review is due to be performed in 2022. Council's policy is to revalue these assets annually. The most recent valuation was 1 July 2020.

Land under roads

Land under roads was valued based on fair value of adjacent land determined by Tony Jones of Quotable Value NZ, effective 1 July 2005. Council has elected to use the fair value of land under roads as at 30 June 2005 as deemed cost. Land under roads is therefore no longer revalued.

Library collections

The library collections were initially valued at depreciated replacement cost in accordance with the guidelines released by the New Zealand Library Association and the National Library of NZ. This is considered deemed cost and is no longer revalued.

ACCOUNTING FOR REVALUATIONS

Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to other comprehensive revenue and expense and are accumulated in an asset revaluation reserve in equity for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is recognised in the surplus or deficit. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to other comprehensive revenue and expense.

Intangible assets

SOFTWARE ACQUISITION AND DEVELOPMENT

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred.

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

Costs that are directly associated with the development of software for internal use by Council are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

Software is amortised on a straight-line basis over the estimated useful life of the asset (usually 4 years). The amortisation charge for each period is recognised in the surplus or deficit.

Costs associated with development and maintenance of Council's website are recognised as an expense when incurred.

EASEMENTS

Easements that are an integral part of an infrastructure asset are included in the value of the asset. Other easements are not recognised.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Council's non-financial assets are split between cash generating assets and non-cash generating assets. Cash generating assets are assets held with the primary objective of generating a commercial return. Non-cash generating items are non-financial assets other than cash generating assets. The majority of Council non-financial assets are non-cash generating assets.

At each balance date, Council assesses whether there is any objective evidence that any non-financial asset has been impaired (unable to provide the intended level of service). Any impairment losses are recognised in the surplus or deficit.

If the carrying amount of a class of assets is increased as a result of a revaluation, the increase shall be credited directly to revaluation surplus. However, the increase shall be recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same class of assets previously recognised in surplus or deficit.

If the carrying amount of a class of assets is decreased as a result of a revaluation, the decrease shall be recognised

in surplus or deficit. However, the decrease shall be debited directly to revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that class of assets.

Financial liabilities

TRADE PAYABLES

Trade payables, (also income in advance, bonds and deposits) are initially recognised at their face value.

LOANS AND BORROWINGS

Loans/borrowings are initially recognised at their fair value.

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

SHORT-TERM EMPLOYEE ENTITLEMENTS

Employee benefits are expected to be settled within 12 months after the end of the period in which services are rendered for current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned, but not yet taken, at balance date.

Annual leave has been calculated on an actual entitlement basis at current rates of pay. Sick leave has not been included, as the amount of accumulated sick leave that is anticipated to be taken in future periods is not considered to be material.

Superannuation schemes

DEFINED CONTRIBUTION SCHEMES

Obligations for contributions to Defined Contribution Superannuation Schemes are recognised as an expense in the surplus or deficit as incurred.

DEFINED BENEFIT SCHEMES

The Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine, from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a Defined Contribution Scheme.

PROVISIONS – LANDFILL CLOSURE AND AFTERCARE COSTS

As the previous operator of landfills, Council has a legal obligation to rehabilitate landfill sites post-closure and to provide ongoing maintenance and monitoring services after closure. The costs to meet these post-closure landfill obligations are recognised within the provision.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

FINANCIAL GUARANTEE CONTRACTS

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

Financial guarantee contracts are initially recognised at fair value, even if a payment under the guarantee is not considered probable. If a guarantee contract was issued in a stand-alone arm's-length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, a liability is recognised based on the probability that Council or economic entity will be required to reimburse a holder for a loss incurred discounted to present value. If the fair value of a guarantee cannot be reliably determined, a liability is only recognised when it is probable there will be an outflow under the guarantee. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the higher of:

- The estimated amount determined if it is probable there will be an outflow to settle the guarantee; and
- The amount initially recognised less, when appropriate, cumulative amortisation as revenue.

Leases

FINANCE LEASES

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

At the commencement of the lease term, Council recognises the leased asset and corresponding liability in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The asset is depreciated over the period Council is expected to gain benefit from the use of the asset.

OPERATING LEASES

An operating lease is a lease where the lessor effectively retains all the risks and benefits of ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

NET ASSETS/EQUITY

Net assets or equity is the community's interest in Council and is measured as the difference between total assets and total liabilities.

The components of equity are:

Retained earnings

Restricted and Council created reserves

Asset revaluation reserves

RESTRICTED AND COUNCIL CREATED RESERVES

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity

have been assigned. These reserves may be legally restricted or created by Council.

Restricted reserves are those subject to specific conditions accepted as binding by Council and which may not be revised without reference to the Courts or a third party. Transfers from these reserves may be made for certain specified purposes or when certain specified conditions are met.

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

ASSET REVALUATION RESERVES

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

RELATED PARTIES

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include controlled entities and key management personnel, including the Mayor and elected members, the Chief Executive and members of the executive team.

Critical judgements in applying accounting policies, estimates and assumptions

All judgements, accounting estimates and assumptions are included in the accounting policies. None is considered critical, with the exception of the following:

PROPERTIES THAT RECEIVE RENT

Properties that receive rent have been classified as Property Plant and Equipment rather than Investment Properties, as these are held for strategic purpose rather than to earn rentals or for capital appreciation.

LANDFILL AFTERCARE PROVISION

The exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision is based on discounted cash flows of estimated liability costs.

INFRASTRUCTURAL ASSETS

There are a number of assumptions and estimates used when performing depreciated replacement cost (DRC) valuations over infrastructural assets. These include:

- The physical determination and condition of an asset. For example, Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example, storm water, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessment of underground assets;
- The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth and location. If recent contract cost information is considered out of date, it is indexed using the Consumer Price Index for civil constructions to convert them to current dollar value at the valuation date.
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example, weather patterns and traffic growth.

If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit.

To minimise this risk, Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Economic Entity, and have been adjusted for local conditions based on experience.

Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced valuers perform Council's infrastructural asset revaluations.

COMPARATIVES

To ensure consistency with the current year, certain comparative information has been reclassified where appropriate. This has occurred:

- where classifications have changed between periods;
- where Council has made additional disclosure in the current year, and where a greater degree of disaggregation of prior year amounts and balances is therefore required; and
- where there has been a change of accounting policy.

Standards issued and not yet effective, and not early adopted

FINANCIAL INSTRUMENTS

In January 2017, the XRB issued PBE IFRS9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 41 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The main changes under PBE IFRS 9 are:

- new financial asset classification requirements for determining whether an asset is measured at fair value or amortised at cost.
- a new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

2018 OMNIBUS AMENDMENTS TO PBE STANDARDS

The XRB have issued an omnibus of amendments to a number of PBE standards. The amendments are applicable for annual periods beginning on or after 1 January 2019, except the amendments to PBE IPSAS 2, which are applicable for annual periods beginning on or after 1 January 2021. The changes most relevant to the Council and Group are:

PBE IPSAS 2 Cash Flow Statements: the amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021.

PBE IPSAS 37 Joint Arrangements: the amendments clarifies when an entity obtains control of a business that is a joint operation, then it does not premeasure previously held interest in that business.

PBE IFRS 3 Business Combinations: the amendments clarify that when an entity obtains control of a business that is a joint operation, it premeasures previously held interests in that business.

SERVICE PERFORMANCE REPORTING

The New Zealand Accounting Standards Board (NZASB) has issued PBE FRS 48 Service Performance reporting effective for periods beginning on or after 1 January 2021, with early application permitted.

- The Council plans to apply these standards in preparing its 30 June 2022 financial statements. The Council and Group has not yet assessed the effects of the new standards.

Public Benefit Entity Prospective Financial Reporting Standards

The Council has complied with PBE FRS 42 in the preparation of these prospective financial statements.

DESCRIPTION OF THE NATURE OF THE ENTITY'S CURRENT OPERATION AND ITS PRINCIPAL ACTIVITIES

The Council is a territorial local authority, as defined in the Local Government Act 2002. The Council's principal activities are outlined within this Long Term Plan.

PURPOSE FOR WHICH THE PROSPECTIVE FINANCIAL STATEMENT ARE PREPARED

It is a requirement of the Local Government Act 2002 to present prospective financial statements that span 10 years and include them within the Long Term Plan. This provides an opportunity for ratepayers and residents to review the projected financial results and position of the Council. Prospective financial statements are revised annually in the Annual Plan to reflect updated assumptions and costs.

BASES FOR ASSUMPTIONS, RISKS AND UNCERTAINTIES

The financial information has been prepared on the basis of best estimate assumptions as the future events which the Council expects to take place. The Council has considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined within the Significant Forecasting Assumptions section of this Long Term Plan.

CAUTIONARY NOTE

The financial information is prospective. Actual results are likely to vary from the information presented, and the variation may be material.

OTHER DISCLOSURES

The prospective financial statements were authorised for issue on TBA March 2021 by Manawatu District Council. The Council is responsible for the prospective financial statements presented, including the assumptions underlying the prospective financial statements and all other disclosures. The Long Term Plan is prospective and as such contains no actual operating results.

Revenue and Financing Policy

Te Kaupapahere mō ngā Moni Whiwhi me te Ahumoni

Purpose and principles

Ngā Take me ngā Mātāpono

The purpose of this Policy is to:

- a. Set out all the potential revenue and funding sources available to Council and outline its policies about how and when it will use each,

Set out the Council's policies for the funding of operating expenditure and capital expenditure,

- b. Set out Council's funding arrangements for each of its activities following consideration of the factors in section 101(3) of the Local Government Act 2002. ("the LGA"),
- c. Comply with Sections 101, 102 and 103 of the LGA

In order to determine the funding arrangements (including the appropriate sources of funding) for each activity, Council has considered:

- a. the community outcomes to which each activity primarily contributes,
- b. the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals,
- c. over what period of time the benefits are expected to occur,
- d. the extent to which the actions or inaction of particular individuals or groups contribute to the need to undertake the activity; and
- e. the costs and benefits, including consequences for transparency and accountability, of funding any activity distinctly from other activities.

In determining what sources of funding are appropriate to meet the funding needs of the Council, the Council has also considered the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.

The funding arrangements and supporting principles outlined in this policy have been determined alongside the development of Council's Performance Management Framework. This ensures alignment between the activity funding arrangements and the assessment of each activity's contribution to Council's community outcomes as well as the overall impact of the arrangements on the current and future social, economic, environmental, and cultural well-being of the community.

Definitions

Ngā Tautuhinga

- **Capital value (CV)** - as per Section 2(1) of the Rating Valuations Act 1998.
- **Differentials** – weighting applied based on the different categories of rateable land.
- **Exacerbator** - a person or group of people whose actions or inactions contribute to the need to undertake an activity.
- **General rate** - generally used by the Council to fund activities that are of public benefit and cannot be charged to specific users. The Council assesses the **general rate** on CV and LV.

- **Land value (LV)** - as per Section 2(1) of the Rating Valuations Act 1998.
- **Private funding** – funding received from any source that is not rates.
- **Public funding** – funding received from rates under the definition set out in the Local Government Act 2002.
- **Scheme** - Defined area of rateable units receiving a specific utility service.
- **Uniform Annual General Charge (UAGC)** - a single rate applied uniformly across all ratepayers in the District as per section 15 of the Local Government (Rating) Act 2002.
- **Targeted rate** - A rate set for one or more Council activities. Some **targeted rates** may have **differentials** applied.
- **Uniform targeted rate (UTR)** – a **targeted rate** set on a uniform basis as per section 16(4)(a) of the Local Government (Rating) Act 2002.
- **User fees and charges** – a charge to the user of a service to contribute to the costs associated with the provision of that service.

Policy Statement

Te Tauāki Kaupapahere

SOURCES OF FUNDING FOR OPERATING EXPENDITURE

Operating expenses are funded annually using the sources listed below:

- **General rates** (Council assesses the **general rate** on **capital value** except for Defence Force land which must be assessed on **land value**.)
- **Targeted rates**
- Lump sum contributions
- **User fees and charges**
- Interest and dividends from investments
- **Uniform Annual General Charge (UAGC)** a single rate applied uniformly across all ratepayers in the District
- **Differentials** are set applied based on Council's assessment of user benefit of various activities within the District.

Council may choose not to fully fund operating expenditure in any particular year if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years. An operating deficit will only be budgeted when beneficial to avoid significant fluctuations in rates, fees or charges.

SOURCES OF FUNDING FOR CAPITAL EXPENDITURE

Council funds capital expenditure from borrowing and then spreads the repayment of that borrowing over several years. This enables Council to match charges placed on the community against the period of benefits from capital expenditure.

Borrowing is managed within the framework specified in the Liability Management Policy. While seeking to minimise interest costs and financial risks associated with borrowing is of primary importance, Council seeks to match the term of borrowings with the average life of assets when practical.

Council's overall borrowing requirement is reduced to the extent that other funds are available to finance capital expenditure. Such other funds include:

- Council reserves, including reserves comprising financial contributions under the Resource Management Act 1991
- Contributions towards capital expenditure from other parties such as NZ Transport Agency (in relation to certain roading projects)
- Development contributions
- Annual revenue collected to cover depreciation charges
- Proceeds from the sale of assets
- Any other sources.

EXACERBATOR COSTS

Recovery of **exacerbator** costs will be in full where possible.

ACTIVITY FUNDING SOURCES

The table below summarises the funding arrangements for each activity of Council determined as a result of the considerations outlined in section 1.2 of this policy. A brief precis of the funding rationale for each activity follows.

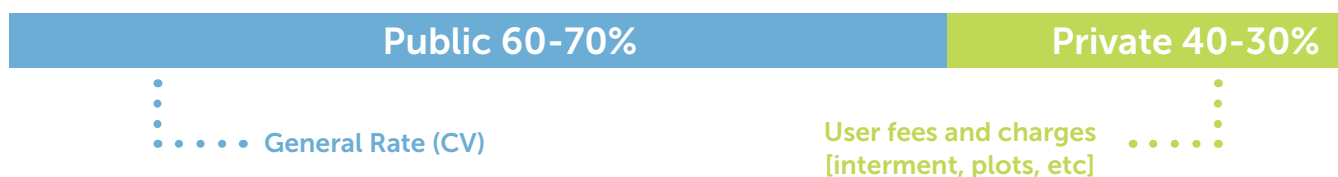
The funding split percentages and funding source percentages in this Policy (and including the tables below) are indicative only.

Activity	Funding Split		Funding Source	
	Public	Private	Public	
Community Facilities				
Cemeteries	60-70%	40-30%	General Rate (CV)	User fees and charges interments, plots, etc.
Libraries	95-98%	5-2%	UTR (Feilding 60%, Rural 40%)	User fees and charges fines, fees, internet, etc.
Makino Aquatic Centre	70-75%	30-25%	UTR (Feilding 60%, Rural 40%)	User fees and charges [admission, hireage, classes, etc]
Parks, Reserves and Sports Grounds	95-98%	5-2%	Targeted Rate (CV) / UTR	User fees and charges [ground fees and hireage]
Property	90-95%	10-5%	General Rate (CV)	User fees and charges [leases and rent]
Property 38- 40 Bowen Street	0%	100%		User fees and charges [leases and rent]
Halls and Recreation Complexes	95-100%	5-0%	UAGC	Lease fees and cost recovery
Public Conveniences	100%	0%	UAGC	n/a
District Development				
Community Development	95-100%	5-0%	General Rate (CV)	Grants
Economic Development	100%	0%	General Rate (CV)	n/a
District Plan	100%	0%	General Rate (CV) 24% / UTR 76%	n/a
Feilding CBD Security	100%	0%	General Rate (CV) 20% / UTR CBD only 80%	n/a
Emergency Management				
Emergency Management	100%	0%	General Rate (CV)	n/a

Activity	Funding Split		Funding Source	
	Public	Private	Public	
Regulatory				
Animal Control	40%	60%	UTR	User fees and charges [registration, impoundments, infringements, etc]
Building Control	40%	60%	General Rate (CV) 24% / UTR 76%	User fees and charges [building consents, warrants, infringements, etc]
Compliance and Monitoring	90%	10%	General Rate (CV) 24% / UTR 76%	User fees and charges [registration, licences, permits, certificates, etc]
Consent Planning	70%	30%	General Rate (CV) 24% / UTR 76%	User fees and charges [consents, infringements, etc]
Governance and Strategy				
Governance and Strategy	95-100%	5-0%	General Rate (CV) 50% / UAGC 50%	Election related revenue during an election year
Roading				
Feilding CBD Redevelopment	100%	0%	General Rate (CV) 15% / Targeted Rate (CV) CBD only 85%	n/a
Roading – Non Subsidised	100%	0%	Targeted Rate (CV) / UTR	n/a
Roading – Subsidised (2021/22)	47%	53%	Targeted Rate (CV) / UTR	Subsidies [Waka Kotahi NZTA subsidy] Subject to contract change
Roading – Subsidised (2022/23)	48%	52%	Targeted Rate (CV) / UTR	Subsidies [Waka Kotahi NZTA subsidy] Subject to contract change
Roading – Subsidised (2023/24)	49%	51%	Targeted Rate (CV) / UTR	Subsidies [Waka Kotahi NZTA subsidy] Subject to contract change
Solid Waste				
Solid Waste Collection and Disposal	35-45%	65-55%	UAGC	User fees and charges [blue bag sales, transfer station gate takings, fines]
Kerbside Recycling Collection	100%	0%	UTR	n/a
Stormwater				
Rural Land Drainage	100%	0%	Targeted rate (LV) Scheme Specific	n/a
Urban Stormwater	100%	0%	General Rate (CV) 20% / UTR 80%	n/a
Wastewater				
Wastewater	70-80%	30-20%	Targeted Rate (fixed) [connected/available/restricted]	User fees and charges [trade waste, rental and lease]
Nursery	0%	100%		Plant sales and planting charges
Water Supply				
Water Supply	100%	0%	Targeted Rate (fixed) [connected/available/restricted] / Water by Metre Rate (volumetric)	n/a
Water Supply – Scheme Specific	100%	0%	UTR scheme specific rate	n/a

Community Facilities Ngā Taiwhanga Hapori

CEMETERIES



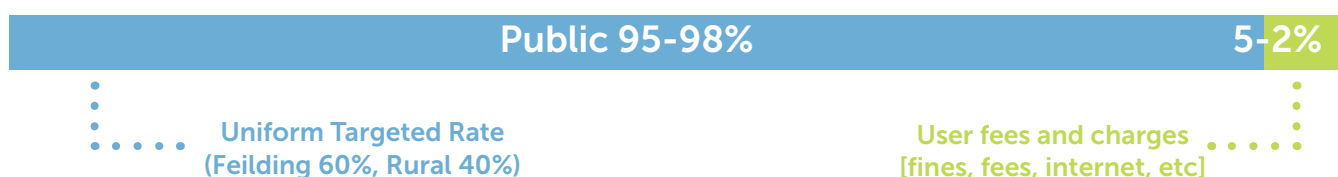
Rationale for Funding Choice:

- The entire community benefits from provision of cemeteries.
- There should be a cost to the individual or family for interments in cemeteries.

Cemeteries provide both public and private benefits. The public expect provision of a cemetery service that everyone can use. While the Burial and Cremation Act 1964 requires local authorities to provide cemeteries it is appropriate that the individual or family meet the costs of burial.

Council determined that the most appropriate funding arrangements for this activity is a combination of a **uniform targeted rate** (district-wide) and **user fees and charges**.

MANAWATŪ DISTRICT LIBRARIES



Rationale for Funding Choice:

- It is fair for individuals to pay for some of the services they use in the library such as learning and personal development, printing services, etc. No-cost lending provides significant public benefit for lifelong learning and improvement of literacy.
- Feilding residents receive more benefit than rural residents.
- **User fees and charges** are moving away from lending charges and fines to focus on paying for services and programmes.

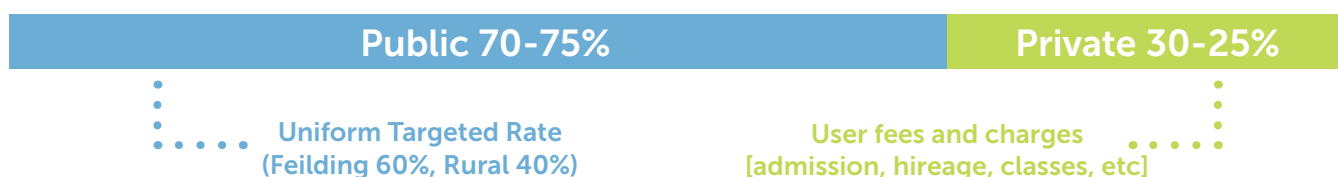
Manawātū District Libraries provide both public and private benefit. They provide services and spaces for the community which promote lifelong learning and connectedness, as well as being repositories for important historical and community information.

Libraries also provide private benefit through individual access to written and online educational resources, research materials and leisure time reading.

Council determined that the most appropriate funding arrangement for the Manawātū District Libraries is a combination of targeted rates and fees.

Due to the proximity of the library to Feilding residents, 60% of the required funding will be recovered from ratepayers within the 2009 Feilding Differential Rating Area (FDRA), and 40% will be recovered from the remainder of the district.

MAKINO AQUATIC CENTRE



Rationale for Funding Choice:

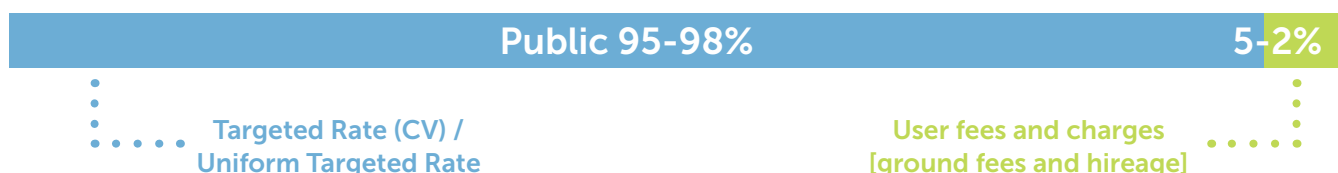
- Aquatic programmes, activities, education & physical exercise opportunities provide significant public benefit.
- It is fair for individuals and groups using the pool to pay for entry, programmes and activities.
- The facility is well used and supported by both Feilding and rural residents.

The Makino Aquatic Centre is available to all and provides supervised recreational and educational programmes which benefit both individuals and the community as a whole. Council considers it important that the Makino Aquatic Centre remains competitive with other pools in the region.

Council determined that the most appropriate funding arrangement is a combination of **targeted rates** and user fees. Due to the proximity of the Makino Aquatic Centre to Feilding residents, 60% of the required funding is recovered from ratepayers within the 2009 Feilding Differential Rating Area (FDRA), while 40% is recovered from the remainder of the district.

Recovery of costs for extra services, such as holiday programmes and swimming lessons will be in full from the participant.

PARKS RESERVES AND SPORTS GROUNDS



Rationale for Funding Choice:

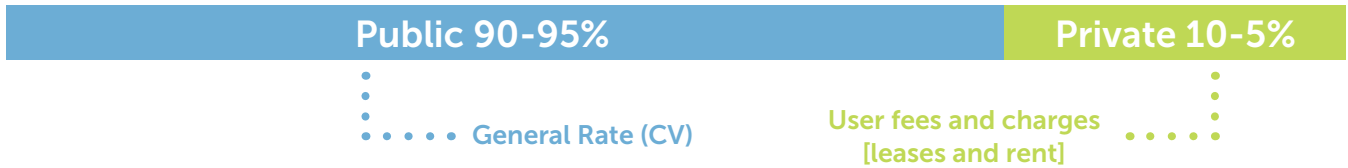
- Parks, reserves and sportsgrounds support the whole community by providing safe, well-maintained spaces for public recreation.

Parks reserves and sports grounds, including open spaces, gardens, trees and playgrounds, provide significant public benefit and some private benefits.

Benefits are ongoing to groups and individuals. Future generations will benefit in areas set aside for parks, reserves and sports grounds.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of **uniform targeted rate** (district wide) and a **targeted rate** (based on **capital value** with **differentials**) and fees and charges as well as donations.

PROPERTY



Rationale for Funding Choice:

- Council-owned buildings and land provide significant public benefit and support a range of services to the entire district.
- Community groups, businesses and not for profit organisations should pay to rent or lease property from MDC.

The exception to this is 38-40 Bowen Street, Feilding which is privately funded under a commercial lease agreement, with no expected impact on the ratepayer.

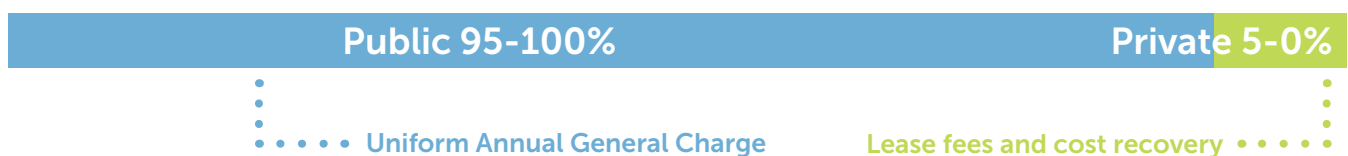
38-40 BOWEN STREET



Council-owned houses, buildings and land throughout the district provide significant public benefit as they allow individuals, businesses and non-profit organisations the opportunity to rent or lease properties throughout the district. Council will only acquire and hold properties to assist in achieving the strategic objectives of Council and does not involve itself in acquiring properties for investment purposes.

Council determined that the most appropriate funding arrangement for this activity is a **general rate** (based on **capital value** with **differentials**).

HALLS AND RECREATION COMPLEXES



Rationale for Funding Choice:

- Community halls and recreational complexes support the community.
- The entire community benefits from the use of halls and recreational complexes for events such as training programmes, leisure, sporting activities and performing arts.

Rural and community halls and recreation complexes provide significant public benefit through provision of multi-use venues for local communities and a hub for the community in the event of a natural disaster. Halls contribute to enhancing the community's sense of social connectedness, cultural wellbeing and civic pride.

Council determined that the most appropriate funding arrangement for this activity is a **UAGC**.

PUBLIC CONVENIENCES

Public 100%



Uniform Annual General Charge

Rationale for Funding Choice:

- Public conveniences provide benefit to all residents and visitors in the district.
- Individuals should not pay to use these facilities.

Public conveniences are an essential service for the community and provide significant public benefit such as maintaining appropriate standards in public health and meeting the expectations of residents and visitors. Public conveniences provide some private benefit, in the form of personal comfort.

It is impractical to collect payment for the use of public conveniences without significant investment. Council determined that the most appropriate funding arrangement for this activity is a **UAGC**.

District Development Te Tipu o te Rohe

COMMUNITY DEVELOPMENT

Public 95-100%

Private 5-0%



General Rate (CV)



Grants

Rationale for Funding Choice:

- The provision of funding and support for community organisations, individuals and community development is of benefit to the district as a whole.

The provision of funding and support for community organisations, individuals and community development initiatives is of significant public benefit to the whole district. Public benefit includes the delivery of local projects, actions, events and programmes to promote economic, social, environmental and cultural well-being in our district.

Council determined that the most appropriate funding arrangement for this activity is a **general rate** (based on **capital value** with **differentials**). Extra funding may be given in the form of low interest loans or reserve funds.

ECONOMIC DEVELOPMENT

Public 100%



General Rate (CV)

Rationale for Funding Choice:

- The economic development activity confers district-wide public benefit.

The whole community benefits from Economic Development. Through funding a range of economic development activities Council provides support to businesses to enhance the economic potential and employment opportunities of the district, promote the district to potential investors and increase the pride and quality of life of all residents.

DISTRICT PLANNING

Public 100%

••••• Uniform annual general charge (76%), General Rate (24%)

Rationale for Funding Choice:

- The development and review of district planning policies confers district-wide public benefit.

The whole community benefits from district planning. Providing sufficient land with suitable zoning, infrastructure and services supports the expansion of economic activity and well-being in the district.

Council decided the most appropriate funding arrangement for this activity is a 76/24 split between a **uniform annual general charge** (a standard amount that each ratepayer is charged) and the **general rate** (determined by **capital value**) to be consistent with the rest of the regulatory activity.

FEILDING CENTRAL BUSINESS DISTRICT (CBD) SECURITY

Public 100%

••••• General Rate (CV) 20% / Uniform Targeted Rate CBD only 80%

Rationale for Funding Choice:

- The benefits of Feilding CBD security services are greatest for those businesses within the defined CBD area.
- Residents and visitors also benefit from an attractive and safe CBD.

Benefits of Feilding CBD security services are greatest for those businesses within the defined CBD area, with reduced risk of burglary or vandalism. Residents and visitors also benefit from security services which keep the CBD attractive and safe.

Council determined that the most appropriate funding arrangement for this activity is the **general rate** (based on **capital value** with **differentials**) and a **targeted rate** on the defined CBD area only (based on **capital value**).

Emergency Management Te Rauhi Hapori i te Ohotata

EMERGENCY MANAGEMENT

Public 100%

••••• General Rate (CV)

Rationale for Funding Choice:

- The Emergency Management activity provides significant public benefit to the entire district.

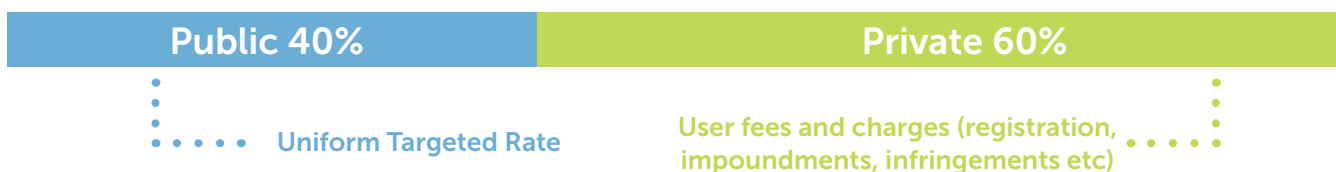
Emergency Management provides significant public benefit through:

- Increased preparedness for natural disasters.
- Helping minimise the effects of a natural disaster on people and property.
- Giving peace of mind for residents.
- Providing a system for recovery following a natural disaster.

The system aims to protect the whole community, although some individuals may benefit more than others.

Council determined that the most appropriate funding arrangement for this activity is a **general rate**.

ANIMAL CONTROL



Rationale for Funding Choice:

- Individuals should pay privately for the benefit they receive, e.g. ownership of a dog(s).
- Irresponsible animal owners should receive fines for their actions.
- The residents of the entire district derive some benefit through protection from dangerous, menacing and/or wandering animals.

Animal Control provides some public good through enhancing public health and safety, controlling problem animals, and preventing nuisances, potential injury and distress. Animal owners also receive significant private benefit, such as recovery of their animals if they stray and protection from dangerous animals.

Council incurs significant extra costs due to people who fail to keep their animals under adequate control.

Council determined that the most appropriate funding arrangements for this activity is a combination of a **uniform targeted rate** (district wide) and **user fees and charges**.

BUILDING CONTROL



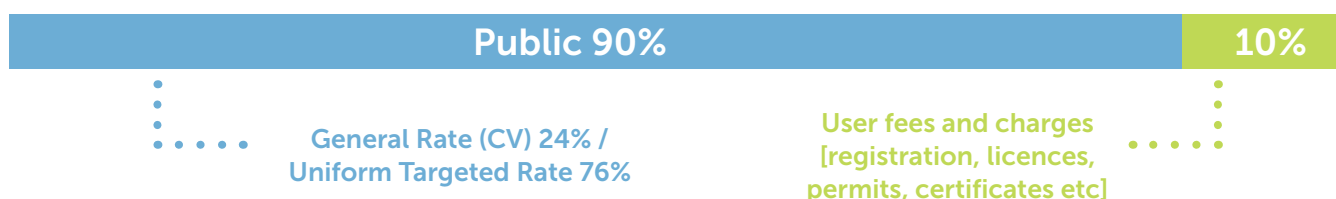
Rationale for Funding Choice:

- Significant private benefit is experienced by consent applicants through meeting legislative requirements and community expectations, and increases in property values over time.
- Some public benefit exists from auditing Building Warrants of Fitness, inspection of swimming pool fencing, earthquake prone building administration and responding to complaints, for example, dangerous buildings.

The public benefit of Building Control include planned development of the district, protection of the public and consistency in building standards. Applicants for consents receive significant private benefit through meeting legislative requirements and community expectations. Private benefit may include an increase in property values over time.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of a **general rate** (based on **capital value** with **differentials**), a **uniform targeted rate** (district wide) and for the private portion of the activity, **user fees and charges**.

COMPLIANCE AND MONITORING



Rationale for Funding Choice:

- Significant public benefit includes protection of public health, ensuring safe food and alcohol premises, response to nuisance complaints (for example, noise) and bylaw non-compliance.
- Some private benefit exists for businesses and consent holders meeting legislative requirements and community expectations. They are also able to signal to the community that they have an acceptable standard of food and beverage hygiene.

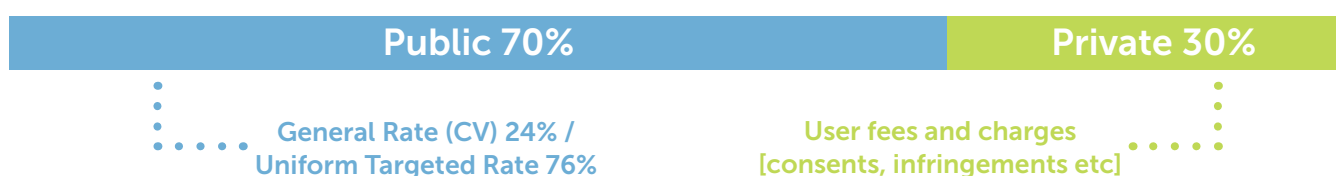
Public benefits of environmental health compliance and monitoring include enhancing public health and meeting the community's expectation for safe food and alcohol premises. Consent applicants receive significant private benefits through meeting legislative requirements and community expectations. The consent provides a signal that food and licensed premises are of an acceptable standard to the consumer.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of a **general rate** (based on **capital value** with **differentials**), a **uniform targeted rate** (district wide), and for the private portion, **user fees and charges**.

Legislation sets alcohol-licensing fees, which impacts on funding recoveries.

Policy work in the alcohol licensing area such as delivery of education initiatives will be met via **public funding**. Likewise, Council involvement in checking general legislative compliance confers significant public benefits.

CONSENT PLANNING



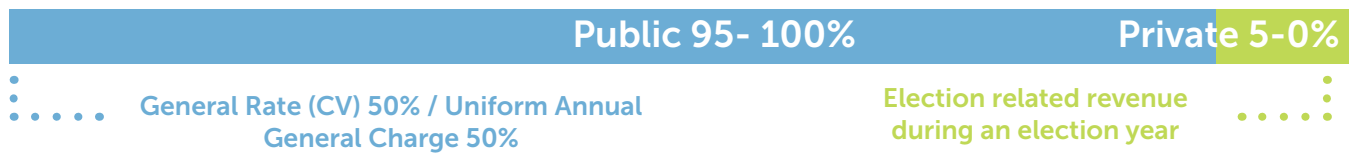
Rationale for Funding Choice:

- Consent applicants receive some private benefit through meeting legislative requirements and community expectation, and also experience monetary gain and increases in property values.
- Significant district-wide public benefit includes safe and orderly development of the district and consistent district standards.

Consent Planning provides both public and private benefits. Public benefits include safe and orderly development of the district, enhancement of public health and safety, consistent district standards for current and future generations, protection for the environment and opportunity for neighbours to comment on development proposals which exceed the norm. Applicants for consents receive significant private benefits through meeting legislative requirements and community expectations, monetary gain and increases in property values.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of a **general rate** (based on **capital value** with **differentials**), a **uniform targeted rate** (district wide), and for the private portion, **user fees and charges**.

GOVERNANCE AND STRATEGY



Rationale for Funding Choice:

- The Governance and Strategy activity provides district-wide benefit such as responsiveness to local community needs, advocacy on community issues, and development of community pride and ownership.

Governance provides significant benefit to all district residents. Benefits include organised development, maintenance of key infrastructure, response to local community needs, advocacy on community issues, and development of community pride and ownership.

Council determined that the most appropriate means to fund this activity is through a **uniform targeted rate** (district wide). Of the available systems, use of a **uniform targeted rate** comes closest to ensuring all ratepayers pay equally for Governance.

The 5% flexibility allows for revenue that is received during an election year through election candidate deposits and recovery of costs associated with supporting the elections of other local bodies.

Roading Ngā Arawaka

FEILDING CENTRAL BUSINESS DISTRICT (CBD) REDEVELOPMENT



Rationale for Funding Choice:

- The CBD development provides some district-wide public benefit through development of attractive business centre.
- CBD businesses receive significant private benefits from upgrades to their street locations and services, drawing more customers and greater business.

There are significant public benefits associated with the development of an attractive business centre. Feilding CBD provides the main retail business area in the Manawatū District. A redeveloped CBD contributes to a sense of civic pride, promotes the district, creates a positive atmosphere and is available to everyone. It helps maintain the attractiveness of the area for retail and provides business and employment opportunities.

CBD businesses receive private benefit from upgrades to their street locations and services, drawing more customers and greater business.

Council determined that the most appropriate funding arrangement for this activity is reserves or loans. These would be repaid over twenty years by a combination of a **general rate** (based on **capital value** with **differentials**), a **uniform targeted rate** (CBD only).

ROADING NETWORK – SUBSIDISED

2021/22



2022/23



2023/24



Rationale for Funding Choice:

- The roading network provides significant public benefit to the community, e.g. connections to other transportation networks, access and mobility for people, goods and services.
- Substantial private benefit also exists through use of roads, and footpaths, access to locations, mobility and maintenance of property values.

The roading and footpath network provides significant public benefit to the community, including:

- Connections to other transportation networks
- Contributions to the social and economic well-being of the district
- Access and mobility for people, goods and services
- Locality and property identification
- Separation of pedestrians from the main flow of traffic (i.e. footpaths)

Road users also receive significant private benefit through use of roads and footpaths, access to locations, mobility, and identification of properties and maintenance of property values.

Council determined that the most appropriate funding arrangement for the public portion of this activity is through a combination of a **targeted rate** and a **uniform targeted rate** (district wide). The private component of the activity would be recovered through the Waka Kotahi NZTA subsidy.

ROADING NETWORK – NON SUBSIDISED

Public 100%



•••• Targeted Rate (CV) / Uniform Target Rate

Rationale for Funding Choice:

- Non-subsidised roading projects are those that do not meet Waka Kotahi NZTA criteria for safety and economic benefit to the wider public of sealing the road compared to the status quo and do not attract a subsidy. Therefore these roads should be sealed on a user pays basis.

Road users receive significant private benefits through access to and from their property and maintenance of property values.

Council determined that the most appropriate funding arrangement for this activity is through a combination of a **targeted rate** (based on capital value) and a **uniform targeted rate** (district wide).

Solid Waste Te Para Totoka

SOLID WASTE COLLECTION AND DISPOSAL

Public 35-45%

Private 65-55%



•••• Uniform Annual General Charge

User fees and charges [blue bag sales,
transfer station gate takings, fines]



Rationale for Funding Choice:

- Significant public benefits accrue to the community through maintenance of a healthy and safe environment, and enabling appropriate and centralised disposal of solid waste.
- Private benefits are experienced including removal of household solid waste, reduction of health risks, and delivery of waste minimisation objectives.
- Private users should pay for removal of their household solid waste, e.g. blue rubbish bags.

The public benefits of solid waste collection include preventing and avoiding health hazards, keeping the district tidy and attractive, creating a cleaner environment for current and future generations, helping to reduce congestion at the landfill, and Council delivering on the objectives outlined in the Waste Minimisation Plan.

The private benefits of solid waste collection include removal of household solid waste and reducing potential health risks from stock-piling of solid waste. Collection also saves residents time and costs of travelling to landfills and reduces litter on roadsides.

The public benefits of solid waste disposal include maintaining a healthy and safe environment, preventing health hazards for the public, enabling appropriate disposal of solid waste in common locations.

The private benefits of solid waste disposal include provision of common locations for solid waste disposal by individuals or groups, and health and environmental benefits.

The public benefits of transfer station recycling include preserving the environment, saving landfill space, meeting community expectations for waste minimisation, and Council delivering on the objectives outlined in the Waste Minimisation Plan.

The private benefits of transfer station recycling include reducing personal cost of solid waste disposal and private contributions to protection of the environment.

Council determined that the most appropriate means to fund this activity is through a **uniform annual general charge** (district wide) and **user fees and charges**.

KERBSIDE RECYCLING COLLECTION

Public 100%

• • • • • Uniform Targeted Rate

Rationale for Funding Choice:

- Significant private benefit by way of reducing personal cost of solid waste disposal and private contribution to protection of the environment.
- Public benefit from recycling includes preserving environment, saving landfill space, meeting community expectations for waste minimisation.

Kerbside recycling collection provides significant private benefit to Feilding residents and businesses by way of reducing personal cost of solid waste disposal and private contributions to protection of the environment.

Council determined that the most appropriate funding arrangement for this activity is a **uniform targeted rate** on those properties serviced by the Feilding kerbside recycling **scheme**.

Stormwater Te Wai Ua

RURAL LAND DRAINAGE

Public 100%

• • • • • Targeted rate (LV) Scheme Specific

Rationale for Funding Choice:

- The public benefits through managed risks from flooding, protecting the community (including people, property and community assets).
- The land owner benefits through managed risks from flooding, protecting the community, maintaining the economic productivity of rural land.
- Significant private benefits to each person connected to a rural stormwater service, which also increases the productive capacity of their land.

Rural land drainage provides public benefits through managing risks from flooding, protecting the community (including people, property and community assets), maintaining the economic productivity of rural land and property values and encouraging residential development.

There are significant private benefits from rural land drainage. Each person connected to a service uses a proportion of the available capacity. Rural land drainage provides direct benefits to land owners through increasing the productive capacity of their land. It is difficult to exclude properties from being part of a rural **scheme**.

Council determined that the most appropriate funding arrangement for this activity is a **targeted rate** (based on **land value**) on areas serviced by individual **schemes**.

Loan funding over time will meet capital expenditure, such as expansions to the system.

URBAN STORMWATER

Public 100%

•••• General Rate (CV) 20% / Uniform Targeted Rate 80%

Rationale for Funding Choice:

- The public benefits through managing risks from flooding and protecting the community.
- Significant private benefits to users connected to a **scheme**.

Urban stormwater provides public benefits through managing risks from flooding, protecting the community (including people, property and community assets), maintaining the economic productivity of rural land and property values and encouraging residential development.

Urban stormwater provides significant private benefits to users with each connection using a proportion of the available capacity.

Council determined that the most appropriate funding arrangement for this activity is a combination of the **general rate** (based on **capital value** with **differentials**) and **uniform targeted rates** on areas served by the various **schemes**.

Over time capital expenditure, such as expansions to the system will be met.

Wastewater Te Wai Para

WASTEWATER

Public 70-80%

Private 30-20%

•••• Targeted Rate (fixed)
[connected/available/restricted] [trade waste, rental and lease] ••••

Rationale for Funding Choice:

- **Exacerbator** pays for a clean and healthy environment, prevention of disease and maintenance of public health standard.
- **Scheme** users are provided with a collective wastewater disposal **scheme**, removal of human waste and protection against disease.
- Trade waste should pay fees and charges for inclusion in wastewater **scheme**.

Wastewater services provide public benefits, including a clean and healthy environment for present and future generations, prevention of disease, maintenance of public health standards, enabling economic growth.

A good quality and effective wastewater disposal system is a key service to attract people and businesses to the district and to help sustain economic growth. **Scheme** users receive significant private benefits from provision of a collective wastewater disposal **scheme**, including the removal of human waste and protection against disease. Many rural and lifestyle properties have onsite wastewater disposal so do not directly benefit from Council's reticulated wastewater network.

The costs of providing and improving wastewater infrastructure in some areas of the district may be beyond the ability of the community to pay.

Council determined that the most appropriate funding arrangement for this activity is **targeted rates** on areas serviced by individual **schemes**.

Loans and /or depreciation funding over time will meet capital expenditure, such as the renewal of pipes or expansions to the system.

NURSERY

Private 100%

••••• Plant sales and planting charges

Rationale for Funding Choice:

- The nursery is privately operated and not open to the general public.
- The nursery is not competing with other local and regional nurseries.

The Native Plant Nursery caters for significant planting projects associated with a range of community restoration initiatives. These include supporting Council beautification initiatives and strengthening remnant populations of surviving native plants across the district.

Council determined that the most appropriate funding arrangement for this activity is **private funding** through plant sales and planting charges.

Water Supply Te Ratonga Wai

WATER SUPPLY

Public 100%

••••• Targeted Rate (fixed) [connected/available/restricted]/
water by Metre Rate (volumetric)

Rationale for Funding Choice:

- The public benefits from being connected to the available potable water supply for public health and services, recreational facilities, and enhancing well-being and economic development.
- Private users benefit in the same way as the public, but also benefit in terms of personal health and wellbeing.

Water Supply provides public benefits, including availability of water for public health and services (e.g. fire-fighting) and recreational facilities (e.g. gardens, swimming pools), enhancing community well-being and economic development, and conveyancing system for wastes.

The costs of providing and improving water supply infrastructure in some areas of the district may be beyond the ability of the community to pay.

There are significant private benefits attached to urban and rural water supplies. The benefits listed above also apply to private users. A good water supply contributes to personal health and well-being.

Council determined that the most appropriate means to fund this activity is through targeted rates on areas serviced by individual **schemes** and **user fees and charges** (e.g. water meters).

Loans and /or depreciation funding over time will meet capital expenditure, such as the renewal of pipes or expansions to the system.

WATER SUPPLY – SCHEME SPECIFIC

Public 100%

- • • • • Uniform Targeted Rate scheme specific rate

Rationale for Funding Choice:

- Rural water schemes provide local benefit to specific users without clear benefit to the wider community. A targeted rate captures direct beneficiaries.

Individual rural **schemes** pay separate, individual **UTRs**. They are charged on a per-unit basis.

Rates Remission and Postponement Policy

Te Kaupapahere Tautāwhi i te Hunga Utu Rēti

This policy explains the conditions and criteria under which the Council might consider it appropriate to assist a ratepayer by providing rates relief.

Definitions:

'District wide uniform rates' includes the following:

- **Uniform annual general charge**
- Parks reserves and sports grounds uniform targeted rate
- Roothing uniform targeted rate
- Makino Aquatic Centre targeted rate
- Library targeted rate

'Contiguous properties' is defined in section 20 of the Local Government (Rating) Act 2002 - "Two or more rating units must be treated as one rating 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 road, railway, drain, water race, river or stream."

Remission for properties farmed as one Te tautāwhi rēti mō ngā kaipāmu takitahi

OBJECTIVE

This policy is to provide relief from 'district wide uniform rates' for non-contiguous rating units that are farmed as a single farming operation.

CONDITIONS AND CRITERIA

The following criteria must be met to be granted this remission:

- Ratepayers must own or occupy more than one non-contiguous rating unit
- The rating units must be used as a single farming operation

Note: The ratepayer must pay one 'district wide uniform rate' for the combined rating units and for each additional dwelling.

APPLICATION PROCESS

Application must be submitted on the required form. This includes a statutory declaration signed by the owner or ratepayer confirming that the rating units are and will continue to be operated as a single farming operation.

Applications must be received before the end of the first quarter of the rating year (30 September). Applications received after this date will have the remission applied to the next rating year. Applications will not be applied retrospectively.

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy.

Remission for additional dwellings that are unoccupied **Te tautāwhi rēti mō ngā whare āpiti kāore e nohongia ana**

OBJECTIVE

This policy is to provide relief from 'district wide uniform rates' applicable to an additional unoccupied dwelling on a rating unit.

CONDITIONS AND CRITERIA

The policy applies to ratepayers who have additional dwellings that:

- Are currently uninhabited and will be uninhabited for the next 12 months
- Have had the power, water and telephone services disconnected
- Are part of contiguous or non-contiguous rating units that are owned or occupied by the same ratepayer
- Each rating unit will be charged at least one 'district wide uniform rate'.

APPLICATION PROCESS

Annual reapplication is required on a form supplied by Council. This includes a statutory declaration signed by the owner or ratepayer confirming that the additional dwelling is uninhabited and will be uninhabited for the next 12 months, and that the power, water and telephone services are disconnected.

Applications must be received before the end of the first quarter of the rating year (30 September). Applications received after this date will have the remission applied to the next rating year. Applications will not be applied retrospectively.

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy.

Remission of penalties

Te tautāwhi i te hunga e noho nama rēti ana

OBJECTIVE

This policy is to provide relief from the penalty incurred for non-payment of rates.

Council is to act fairly and reasonably in its consideration to provide this relief due to circumstances outside the ratepayer's control.

CONDITIONS AND CRITERIA

The Council will remit the penalty incurred in the following circumstances:

- No other remission of penalty has been granted on the property within the current financial year.
- Automatic remission of the penalty incurred on instalment one will be made where the ratepayer pays the total amount due for the year on or before the due date of the second instalment.
- Instalment penalty will be remitted if a direct debit has been established to pay the rates in full by the end of the financial year.

The Council may remit the penalty incurred where the application meets the following criteria:

- Remission of penalty will be considered in any one rating year where payment has been late as a result of significant family disruption. Remission will be considered in the case of death, illness or accident of a family member.
- Remission of the penalty may be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post, or the late payment has otherwise resulted from matters outside their control. Each application will be considered on its merits and remission will be granted where it is considered just and equitable to do so.
- The Council may remit small balances because of cash rounding.
- Where the ratepayer has entered into an arrears repayment agreement for the duration of the agreement and provided that the conditions are adhered to, the account will be exempt from current instalment penalty charges and fifty % of arrears penalties.

In implementing the policy, it is conditional that the full amount of rates due has been paid and circumstances of each case be taken into consideration on their individual merits.

APPLICATION PROCESS

Unless the remission is initiated by Council staff, all requests for penalty remissions must be in writing (including email).

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy.

Remission of the serviceable wastewater / water targeted rate (half charge)

Te tautāwhi i ngā kaiutu rēti wai para, rēti ratonga wai i tū motuhake ai ō rātou whare i mua i te taenga atu o ngā ratonga Kaunihera

OBJECTIVE

This policy is to provide relief from the serviceable wastewater targeted rate (half charge) and/or the serviceable water targeted rate (half charge) charged for rating units that had an existing on-site wastewater disposal and/or water supply system prior to Council extending their reticulation system to the property.

CONDITIONS AND CRITERIA

The following criteria must be met to be granted this remission:

- On-site wastewater disposal and/or water supply systems were in place prior to Council extending the reticulation system to the property.

APPLICATION PROCESS

A written application is required from the ratepayer of the rating unit.

This remission will continue until such time as the ratepayer connects to the Council services available. This remission will not be approved retrospectively.

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy.

Remission of school sewerage charges

Te tautāwhi i tā te kura utu rēti parakaingaki

OBJECTIVE

To recognise that schools may be disproportionately disadvantaged by Council's present "pan charge system" and to ensure schools are fairly charged for sewerage services based on their staff and student numbers rather than number of connections.

CONDITIONS AND CRITERIA

The following criteria must be met to be granted this remission:

- Schools must meet the definition of an "Educational Establishment" as defined in schedule 1 of the Local Government (Rating) Act 2002.

The remission will be calculated based on the following:

- Council will remit sewerage rates by subtracting the sum of calculation (b) from the sum of calculation (a).
- Calculation (a) - Council's standard sewerage charge (based on the number of water closets/urinals).
- Calculation (b) - the number of full time equivalent on-site students and staff divided by 20 and multiplied by the Uniform Targeted Rate for Sewerage. If the sum of calculation (b) is greater than (a) no remission will apply.

APPLICATION PROCESS

No application is required. Council will liaise with the Ministry of Education each year to obtain rolls numbers as at 1 March. The remission will be applied automatically, based on the roll numbers.

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy.

Remission of rates charged to utilities owned by not-for-profit organisations

Te tautāwhi i ngā rēti pūnahahanga e utua ana e ngā hinonga monihua-kore

OBJECTIVE

To provide rates relief for utilities in differential category 6 that are owned by not-for-profit organisations or local authorities.

CONDITIONS AND CRITERIA

The following criteria must be met to be granted this remission:

- The rating unit(s) must be a utility rated under differential category 6.
- The utility is owned by a recognised not-for-profit organisation (defined by the Charities Commission or determined through common law) or a local authority.

APPLICATION PROCESS

Council will apply this remission automatically if the ownership structure of the utility owner is known. In other cases written application is required.

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy.

Remission of rates charged to charitable organisations

Te tautāwhi i ngā rēti e utua ana e ngā hinonga ohaoha

OBJECTIVE

The purpose of granting rates support is to reduce the rating obligations on those charitable organisations that benefit the community.

This policy provides for additional rating support than is statutorily required through the Local Government (Rating) Act 2002 to support the arts, culture and heritage, sport and recreation and welfare, where these organisations support Council's vision and outcomes.

This includes those organisations whose land may be non-rateable under Schedule 1 Section 9 of the Local Government (Rating) Act 2002.

CONDITIONS AND CRITERIA

Rates remissions for charitable organisations under this policy will be administered annually and may be made for a multi-year term to a maximum of three years.

Council may remit rates where the application meets the following criteria:

- Directly links with the Council's vision and outcomes; and
- A rating unit that may be owned by Council or owned and occupied by a charitable organisation, which is used principally for sporting, recreation, art or community purposes; or
- A rating unit that is leased by a charitable organisation for a period of at least one year; is used principally for recreation, sporting or community purposes, and where the organisation is liable for the payment of the Council's rates under the property's lease agreement.

The definition of "charitable organisation" is a charitable entity which means a society, an institution, or the trustees of a trust that is or are registered as a charitable entity under the Charities Act 2005.

The policy does not apply to organisations that are not income tax exempt.

In allocating the rates support, Council will prioritise against the following:

- Activities that support sport and recreation.
- Activities that will attract and retain residents.
- Activities that will encourage the arts and contribute to a vibrant, thriving Manawatū.

Applications will also be assessed against:

- Opportunity for participation/accessibility to Manawatū District residents.
- Compliance with previous reporting requirements.

Remission scale:

- Council may remit 50% of the total rates payable, including the annual water meter charge, for those organisations that qualify under this policy.

APPLICATION PROCESS

All applications must be submitted on the required form. Applications must be received before the end of April to apply to the following financial year. Applications will not be applied retrospectively.

Organisations who apply need to include (where applicable):

- Statement of organisation's objectives
- Current financial statement
- Proof of charitable status
- Information on activities and programmes
- Details of membership or client numbers
- Any other information that supports the application in relation to the eligibility criteria

Council will consider each application on its merits, and provision of rates support in any year does not set a precedent for similar level of support in any future years.

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy.

Remission of rates for small dwellings

Te tautāwhi i ngā rēti whare iti

OBJECTIVE

This policy is to provide relief from 'district wide uniform rates' for ratepayers in respect of rating units that have two or more separately used and inhabited parts, where one or more dwellings are considered to be small.

CONDITIONS AND CRITERIA

The following criteria apply:

- Floor area of each dwelling (not including garage) is less than 65sq metres
- The dwelling(s) must be used for residential purposes only
- The dwelling(s) must be located on one rating unit

The Council may reduce each 'district wide uniform rate' charge up to 35% where an excess of one 'district wide uniform rate' applies. i.e. the first 'district wide uniform rate' will be at the full rate with 35% remission applying to each subsequent 'district wide uniform rate'.

APPLICATION PROCESS

Application must be submitted on the required form. This includes a statutory declaration signed by the owner or ratepayer confirming that the dwelling(s) have a floor space of less than 65 square metres.

Applications must be received before the end of the first quarter of the rating year. Applications received after this date will have the remission applied to the next rating year. Applications will not be applied retrospectively.

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy.

Remission of water by meter rates in the event of a water leak

Te tautāwhi i ngā rēti ratonga wai-ine ina hua ake he turuturutanga wai

OBJECTIVE

To provide relief from excess water by meter charges resulting from a water leak on a property.

CONDITIONS AND CRITERIA

Ratepayers are liable for water supplied through the water meter and are responsible for the maintenance of the supply system on their property. However they may experience a leak or damage to the supply of which they are unaware. Council considers it reasonable to allow a remission of water charges in these circumstances.

In certain circumstances Council may provide for relief of water by meter charges that occur as a result of leaks. The following criteria apply:

- Council is satisfied a leak on the property has caused the excessive consumption and the leak has been repaired.
- The remission granted will be based on the excess water usage, less the normal consumption of water for similar periods.
- The remission will apply to the quarter the leak was identified and the following quarter, providing adequate time to repair the leak. Where there are extenuating circumstances, the period of the remission may be extended.
- It is the ratepayer's responsibility to maintain the water assets on their property. Recurring leaks may be an indication of systemic failure and the remission may be declined.

APPLICATION PROCESS

Application must be made in writing explaining the circumstances of the situation and providing evidence of the remedial action taken to repair the leak.

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy, following the recommendation from the General Manager – Infrastructure or Utilities Manager.

Remission of rates for land affected by natural calamity

Te tautāwhi i ngā rēti ki ngā whenua e pāpāngia kinotia ana e te aituā

OBJECTIVE

To assist ratepayers experiencing financial hardship due to a natural calamity.

CONDITIONS AND CRITERIA

Remissions approved under this policy do not set a precedent and will be applied only for each specific event and only to properties affected by the event.

The Council may remit all, or part of, any rate on any rating unit where the application meets the following criteria:

- Where erosion, subsidence, submersion or other natural calamity has affected the use or occupation of any rating unit.
- It is applicable for each single event. This does not apply to erosion, subsidence etc. that may have occurred without a recognised major event.

Council has discretion in applying this remission and may change criteria with each event. In exercising this discretion Council will consider the nature and the severity of the event and available funding at the time.

The Council may require financial or other records to be provided as part of the remission approval process.

APPLICATION PROCESS

The application process will be determined by Council at the time of determining the criteria for each event.

DELEGATIONS

An individual event or calamity is to be approved by Council.

Remission of rates for Queen Elizabeth II National Trust Open Spaces Covenants Te tautāwhi rēti ki ngā whenua kua tāpuia i raro i Te Kawenata a Kuīni Irihāpeti II

OBJECTIVE

To provide rates relief where land is legally protected under a Queen Elizabeth II (QE II) Open Space Covenant.

CONDITIONS AND CRITERIA

Council may remit rates where the application meets the following criteria:

- The land, or portion of land, has a legal binding QE II Open Space Covenant registered on the title.
- The land, or portion of land, is not being used for other purposes.
- There are no buildings on the land.

Calculation of the remission is on a case-by-case basis, with the determination of the capital value for the covenanted land to be made by Council's valuation service provider.

APPLICATION PROCESS

This remission will be applied automatically if Council is aware of the QE II Open Space Covenant. In other cases written application is required.

DELEGATIONS

The Chief Executive, General Manager - Corporate and Regulatory or Chief Financial Officer have the delegated authority to approve or decline applications under this policy.

Remission of rates for miscellaneous circumstances Te tautāwhi i ngā rēti i runga i tētehi pūāhua noa

OBJECTIVE

Council recognises that not all situations in which the Council may wish to remit rates will be provided for in Council's specific policies or necessarily be known about by the ratepayer in advance.

CONDITIONS AND CRITERIA

The Council may remit rates on a rating unit where it considers it just and equitable to do so and where:

- The application does not meet the circumstances provided for in any of the Council's other remission policies.
- Financial records may be required.

APPLICATION PROCESS

Council may apply this remission if it considers the rating system is inequitable. In other cases written application from the ratepayer is required.

DELEGATIONS

The Chief Executive and the General Manager - Corporate and Regulatory have the delegated authority to approve or decline applications under this policy.

Rates postponement policy

Te kaupapahere whakatārewa rēti

Council does not have a rates postponement policy.

Remission and postponement policy for Māori freehold land

Te kaupapahere mō te tautāwhi me te whakatārewa rēti ki ngā whenua Māori herekore

Council is required pursuant to section 102 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Māori freehold land.

Māori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court.

Section 108 of the Local Government Act 2002 prescribes that policy does not require Council to provide for remission of, or postponement of, the requirement to pay rates on Māori freehold land.

Council is aware that there is little, if any, undeveloped Māori freehold land within the District that may require a policy to provide rates relief. It is also aware that applications for rates relief that meet certain criteria can be considered under existing Council policies and legislation. As a consequence the Council will not provide for any remissions or postponements under this policy.







Appendices

Ngā ĀpitiHanga Kōrero

Section 7

Kei tēnei wāhanga o te mahere auroā ētehi taipitopito, ētehi rangahautanga i āta tiro tirohia, me ētehi atu kōrero, pūrongo rānei e noho ana hei tūāpapa mō te mahere.

Appendix 1: Forecasting Assumptions

Ngā Matapaenga

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COVID-19

Assumption: There will not be a lockdown or significant community transmission over the life of the 10-Year Plan.

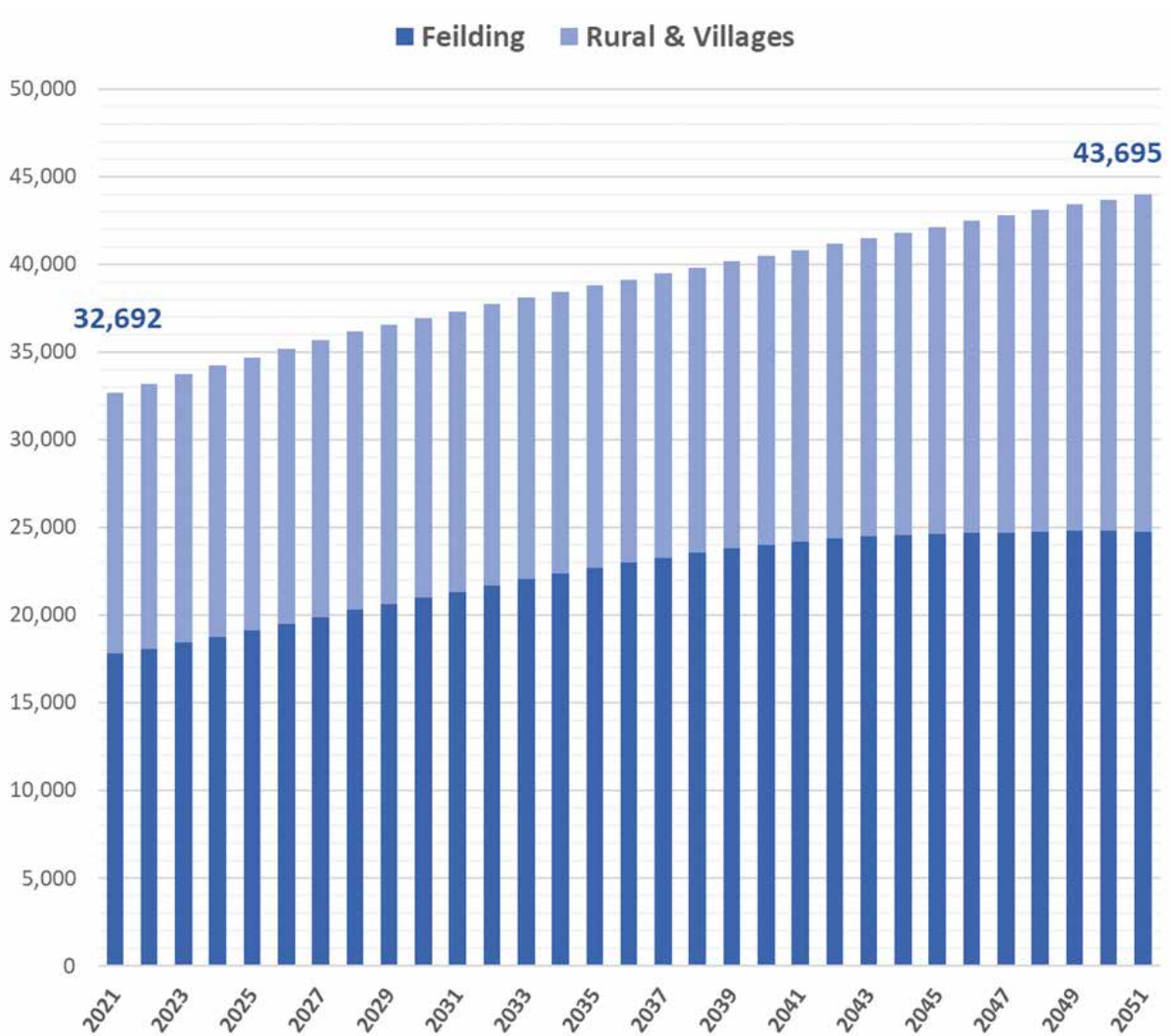
Alternative 1	That there will be a lockdown or significant community transmission over the life of the 10-Year Plan.
Impact	<p>Moderate</p> <p>Council does not anticipate further alert level changes or significant community transmission that would impact on council costs and revenue over the life of the 10-Year Plan.</p> <p>If alert level changes of level 2 or above were to occur over the life of the 10-Year Plan, this would impact on the collection of revenue from council facilities in addition to the potential for additional costs to be incurred from response related costs. The impact on council finances would depend on the magnitude and duration of restrictions but for context, restrictions over the 2019-20 financial year resulted in an estimated reduction in revenue of \$70,000 across Council facilities. This includes the period of level 4 restrictions between 26 March and 27 April, Level 3 restrictions which remained in place until 13 May, followed by level 2 restrictions lifted on 8 June 2020.</p> <p>While the Council would experience negative impacts from the imposition of further COVID-19 restrictions, the local economy is insulated from the worst impacts of restrictions due to limited reliance on visitors for the collection of council revenues. Changes to the public and private funding splits also enables an increased share of funding for the Makino Aquatic Centre and the Feilding District Library to be collected from rates, as opposed to user charges. These changes will provide a buffer from the impacts of COVID-19 restrictions should further restrictions be imposed.</p>
Likelihood	<p>Possible</p> <p>There is a moderate level of uncertainty when considering the likelihood of further lockdowns, changes to alert levels or significant community transmission of COVID-19.</p> <p>The national response to COVID-19 has been successful at limiting widespread community transmission of the disease. The vaccination rollout has also begun across the country, with border workers and healthcare workers the first groups to be vaccinated. The public rollout is expected to begin in June 2021.</p> <p>While it is possible that there would be further community outbreaks that would result in government restrictions being imposed, the risk of this is declining. It is envisaged that the vaccine rollout in 2021 and improvements in the governments contact tracing capability will drastically reduce the risk of further restrictions or community transmission that would affect the Manawatū District over the life of the 10-Year Plan.</p>
Overall Risk	<p>Guarded (6)</p>
Reasons & Financial Effect of Uncertainty	<p>Reduced revenue from community facilities would impact on the level of funding available for delivery of services.</p>
Mitigating Factors (if applicable)	<p>Changes in the funding split between rates and user pays for Council facilities in the 2021/31 10-Year Plan will provide a buffer from the impacts of alert level changes on Council revenues. In the event of a level 3 or above lockdown, costs associated with operating the Makino Aquatic Centre would be reduced as energy and causal/seasonal costs would be avoided. This would offset some of the loss in revenue associated with closure of the pool.</p>

Population Growth

In the absence of Statistics New Zealand subnational projections, the population growth projections for the Manawatū District were commissioned from Infometrics. The projections have taken into account the impacts of COVID-19 on population growth over the life of the 10-Year Plan.

Assumption: That the population of the Manawatū District will increase from 32,692 residents in 2021 to 43,695 in 2051. The population is expected to grow by 1.4% over the year to June 2022, followed by 1.7% growth over the year to June 2023. Moderate population growth of between 1.1% and 1.4% per annum is anticipated between 2024 and 2031 with annual population growth decreasing to between 0.7% to 1.0% over the period 2032 to 2051.

Figure 1: Population Growth 2021 to 2051



Alternative 1	That the resident population of the Manawatū District will increase more rapidly than forecast in Figure 1.
Impact	<p>Moderate</p> <p>Significantly higher population growth may impact negatively on levels of service as infrastructure has insufficient capacity to meet demand. Infrastructure may need to be extended or new infrastructure installed earlier than planned to accommodate additional growth.</p>
Likelihood	<p>Possible</p> <p>Population forecasts are based on the medium growth scenario published by Infometrics (August 2020). These forecasts have considered anticipated changes in international migration as a result of COVID-19 in addition to projected labour force growth, and infrastructure and construction investment flowing into the district and wider region.</p> <p>Favourable conditions for our food producers in addition to high levels of investment and strong jobs growth in the region are expected to support levels of net migration to the District over the 10 Year Plan period. This is supported by the availability of land and a greater range of lifestyle choices in the District relative to neighbouring Palmerston North. The expansion of Ōhakea Air Force Base and the relocation of an estimated 280 staff along with families from Whenuapai to the region is further expected to drive population growth in the district to 2031.</p> <p>The above factors are reflected in the population growth scenario adopted as a basis for the 2021-31 10 Year Plan. While the projections are based on the best information available, uncertainty is elevated due to the closure of national and international borders, a lack of certainty on when borders will reopen, and how migration trends will change in response to the impacts of COVID-19.</p>
Overall Risk	Guarded (6)
Reasons & Financial Effect of Uncertainty	<p>Significantly higher population growth than expected will put pressure on existing infrastructure and services. Council may need to find ways of raising the extra revenue required, or consider lower levels of service.</p> <p>Higher than expected population growth will also mean that Council receives more development contributions. This will help to partially offset higher expenditure on servicing this growth.</p>
Mitigating Factors (if applicable)	<p>Council regularly reviews population growth and development trends through the following processes:</p> <ol style="list-style-type: none"> 1. Monitoring and reporting under the National Policy Statement – Urban Development (NPS-UD); 2. Annual Estimated Resident Population (ERP) from Statistics New Zealand; 3. 10 Year Plan process <p>Major projects and significant changes to levels of service are assessed against affordability through the Annual Plan Process. In addition, subdivision and building consent data is used for annual updates to the schedule of works contained within Council’s Development and Financial Contributions Policy.</p> <p>Through the above processes, actual growth will be assessed against projected growth enabling review of the need for, and timing of capital expenditure over the 10 Year Plan period. Growth projects may be brought forward due to excess demand or reducing capacity in existing infrastructure networks.</p>
Source	<i>Infometrics.(August, 2020). Manawatū-Whanganui Population Projections 2018-2053. Medium series.</i>

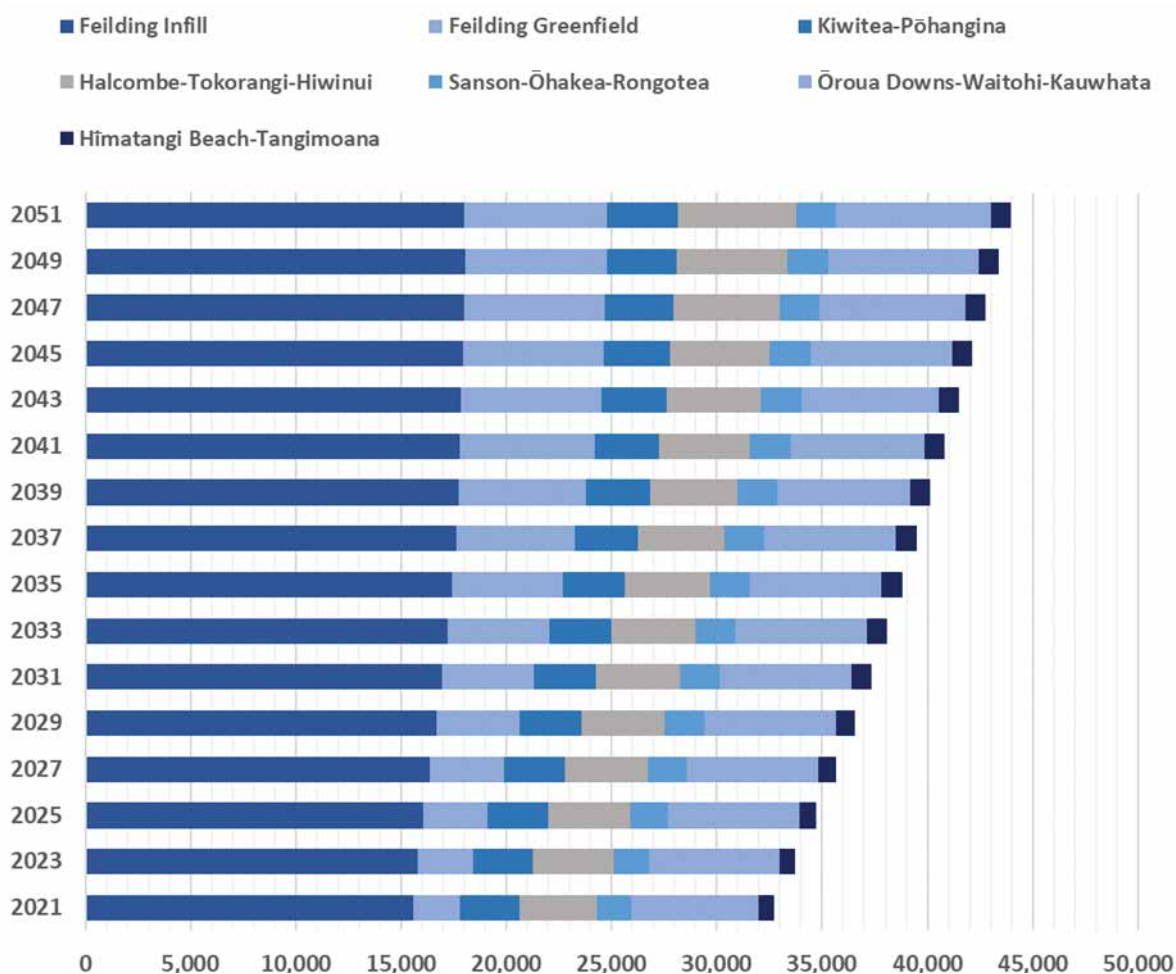


Alternative 2	That the resident population of the Manawatū District will increase more slowly than forecast in Figure 1.
Impact	<p>Minor</p> <p>Significantly lower population growth than forecast will mean that Council's revenue from rates and development contributions will be less than forecast. This may mean that planned infrastructure investment is deferred. Decreased rates revenue may also increase costs for current ratepayers to fund capital projects and service delivery.</p>
Likelihood	<p>Possible</p> <p>Population forecasts are based on the medium growth scenario published by Infometrics in August 2020. These forecasts have considered anticipated changes in net international migration driven by COVID-19 alongside projected growth in the labour force, and infrastructure and construction investment flowing into the district and wider region.</p> <p>While the projections are based on the best information currently available, uncertainty is elevated due to the closure of national and international borders, a lack of certainty on when borders will reopen, and how migration trends will change in response to COVID-19. The additional layer of uncertainty imposed by COVID-19 has increased the likelihood of lower than forecast population growth from unlikely to possible.</p>
Overall Risk	<p>Guarded (3)</p>
Reasons & Financial Effect of Uncertainty	<p>Lower rates of population growth could increase the costs per property of delivering agreed levels of service.</p> <p>Lower than expected population growth will also mean that Council collects less revenue through development contributions. This will require Council to revisit the need for, and timing of capital projects to support growth.</p>
Mitigating Factors (if applicable)	<p>Council regularly reviews population growth and development trends through the following processes:</p> <ol style="list-style-type: none"> 1. Monitoring and reporting under the National Policy Statement – Urban Development (NPS-UD); 2. Annual Estimated Resident Population (ERP) from Statistics New Zealand; 3. 10 Year Plan process <p>Major projects and significant changes to levels of service are assessed against affordability through the Annual Plan Process. In addition, subdivision and building consent data is used for annual updates to the schedule of works contained within Council's Development and Financial Contributions Policy.</p> <p>Through the above processes, actual growth will be assessed against projected growth enabling review of the need for, and timing of capital expenditure over the 10 Year Plan period. Growth projects may be delayed due to the availability of supply or capacity in existing infrastructure networks.</p>
Source	<p><i>Infometrics.(August, 2020). Manawatū-Whanganui Population Projections 2018-2053. Medium series.</i></p>

Population Distribution

Assumption: That population distribution across the Manawatū District will occur as illustrated in figure 2.

Figure 2: Population Distribution



Alternative 1	That population distribution across the Manawatū District will differ substantially from forecast population distribution.
Impact	<p>Minor</p> <p>The pattern of residential development across the Manawatū District is relevant when considering the nature and location of land supply to service growth, the types of services required, the timing of capital investment and the installation of infrastructure to support growth. Should actual patterns of population distribution differ substantially from forecast, this would impact on the location and delivery of services, and the timing and scale of capital projects.</p>
Likelihood	<p>Possible</p> <p>Patterns of population distribution are driven by a range of factors including labour demand, net migration, central government legislation, Regional and District Plan regulations, market conditions, land supply, housing affordability and levels of investment. While the most up-to-date information has been used to develop the population distribution model, it is likely that some factors will change. These changes may influence the overall pattern of development across the district over time.</p>
Overall Risk	Guarded (3)
Reasons & Financial Effect of Uncertainty	<p>If the actual pattern of development differs considerably from forecast development, the timing and scale of growth projects will need to be revisited. Where investment occurs in areas where growth is not realized, this will impact on the affordability of service delivery and the ability of Council to recover growth expenditure from development contributions.</p>

Mitigating Factors (if applicable)

Council regularly reviews population growth and development trends through the following processes:

1. Monitoring and reporting under the National Policy Statement – Urban Development (NPS-UD);
2. Annual Estimated Resident Population (ERP) from Statistics New Zealand;
3. 10 Year Plan process

Major projects and significant changes to levels of service are assessed against affordability annually through the Annual Plan Process. In addition, subdivision and building consent data is used for annual updates to the schedule of works contained within Council’s Development and Financial Contributions Policy.

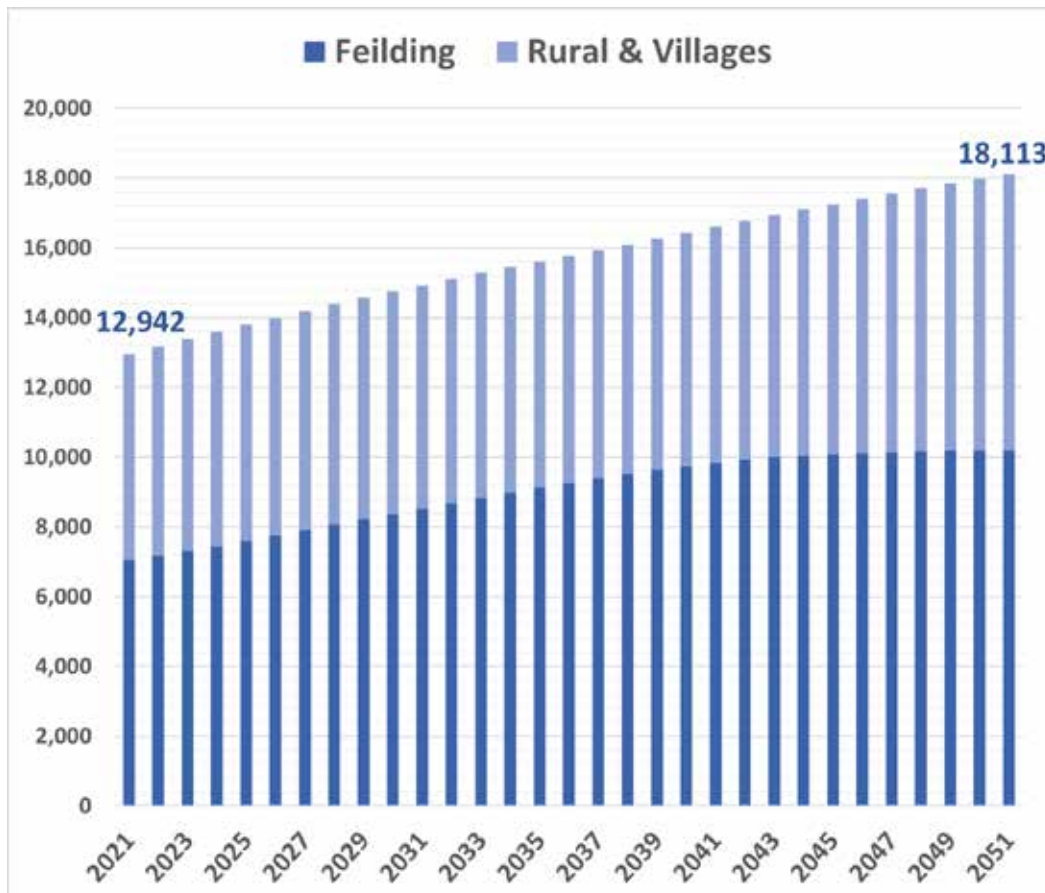
Through the above processes, the scale and spatial characteristics of population growth will be assessed against projected growth enabling review of the need for, location of, and timing of capital expenditure over the 10 Year Plan period. Growth projects may be delayed or relocated to meet demand from the pattern of population growth across the district.

Household Growth

In the absence of Statistics New Zealand subnational projections, household growth projections for the Manawatū District were commissioned from Infometrics. The projections have taken into account the impacts of COVID-19 on household growth over the life of the 10-Year Plan.

Assumption: That the number of households in the Manawatū District will increase from 12,942 in 2021 to 18,113 in 2051 as illustrated in Figure 3 below. The number of households in the district are forecast to increase by 1.7% per annum over the first two-years of the 10-Year Plan, declining to 1.5% growth per annum between 2024 and 2026 and 1.2% - 1.4% per annum over the remainder of the 10-Year Plan period. Household growth is estimated to range between 0.7% - 1.2% per annum over the period 2032 to 2051.

Figure 3: Household Growth



Alternative 1	That the number of households in the Manawatū District in 2051 will be significantly more than forecast in Figure 3.
Impact	<p>Moderate</p> <p>Demand for land and infrastructure will be greater than anticipated. This may mean that additional land needs to be rezoned and new infrastructure provided to meet this demand.</p>
Likelihood	<p>Possible</p> <p>Household forecasts are based on the medium growth scenario published by Infometrics (August, 2020). These forecasts have considered anticipated changes in net international migration driven by COVID-19 alongside projected infrastructure and construction investment flowing into the district and wider region.</p> <p>Favourable conditions for our food producers in addition to high levels of investment and strong jobs growth in the region are expected to support levels of net migration to the District over the 10 Year Plan period. This is supported by the availability of land and a greater range of lifestyle choices in the District relative to neighbouring Palmerston North. The expansion of Ōhakea Air Force Base and the relocation of an estimated 280 families from Whenuapai to the region is further expected to drive household growth in the district over the life of the 10 Year Plan period.</p> <p>The above factors are reflected in the household growth scenario adopted as a basis for the 2021-31 10 Year Plan. While the projections are based on the best information available, uncertainty is currently elevated due to the closure of national and international borders, a lack of certainty on when borders will reopen, and how migration trends will change in response to the impacts of COVID-19. Recent household growth data and the district's proximity to Palmerston North supports a relatively strong growth scenario versus historical averages.</p>
Overall Risk	Guarded (6)
Reasons & Financial Effect of Uncertainty	<p>Household growth generally results in new subdivisions and therefore an increase in the rating base. This spreads the costs of providing Council services, providing no major infrastructure investment is required.</p> <p>Growth in the number of households will increase the number of connections to reticulated water, wastewater and stormwater networks. There will also be increased stormwater runoff to manage from hard surfaces in urban areas.</p> <p>We may not have sufficient land available in the range of locations needed to provide the level of choice demanded by the market.</p>
Mitigating Factors (if applicable)	<p>Council regularly reviews development trends through the following processes:</p> <ol style="list-style-type: none"> 1. Monitoring and reporting under the National Policy Statement – Urban Development (NPS-UD); 2. Annual Estimated Resident Population (ERP) from Statistics New Zealand; 3. 10 Year Plan process <p>Major projects and significant changes to levels of service are assessed against affordability annually through the Annual Plan Process. In addition, subdivision and building consent data is used for annual updates to the schedule of works contained within Council's Development and Financial Contributions Policy.</p> <p>Through the above processes, actual growth in households will be assessed against projected growth enabling review of the need for, and timing of capital expenditure over the 10 Year Plan period. Planned rezoning and investment in growth infrastructure may be brought forward to reflect greater than anticipated demand.</p>

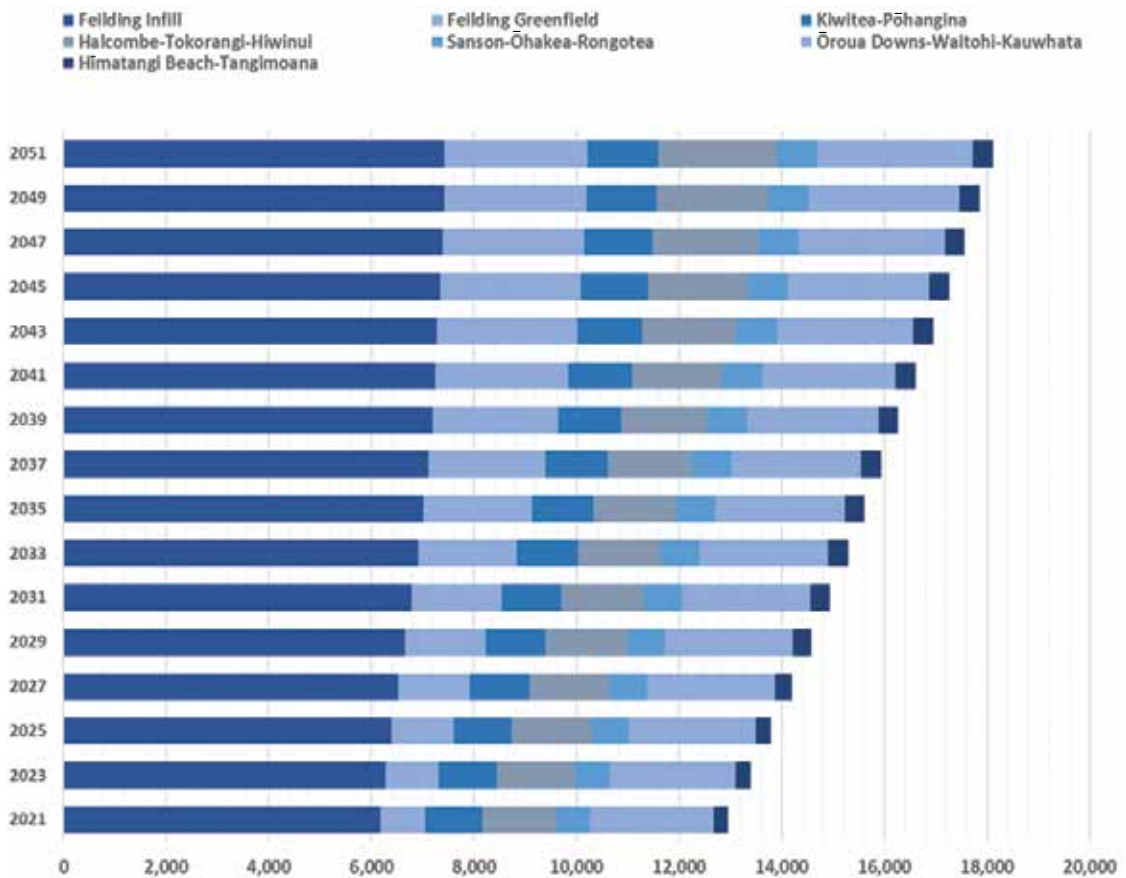
Alternative 2	That the number of households in the Manawatū District in 2051 will be significantly less than forecast in Figure 3.
Impact	<p>Minor</p> <p>Demand for land and infrastructure will be less than anticipated. This may mean that additional land has been rezoned and new infrastructure provided well in advance of demand, which could impact on Council’s ability to fund levels of service.</p>
Likelihood	<p>Possible</p> <p>Household forecasts are based on the medium growth scenario published by Infometrics (August, 2020). These forecasts have considered anticipated changes in net international migration driven by COVID-19 alongside projected infrastructure and construction investment flowing into the district and wider region.</p> <p>While the projections are based on the best information available, uncertainty is currently elevated due to the closure of national and international borders, a lack of certainty on when borders will reopen, and how migration trends will change in response to the impacts of COVID-19.</p> <p>If population growth is significantly less than forecast or if the average household occupancy rate is higher than forecast, the number of new households is likely to be lower than forecast.</p>
Overall Risk	<p>Guarded (3)</p> <p>If the number of households in the urban areas do not increase as forecast, then there will be limited increases in the rating base. This will mean that the costs of providing the planned levels of service for network infrastructure will be higher per connection and there will be more rating pressure on existing households and businesses.</p>
Reasons & Financial Effect of Uncertainty	
Mitigating Factors (if applicable)	<p>Council regularly reviews development trends through the following processes:</p> <ol style="list-style-type: none"> 1. Monitoring and reporting under the National Policy Statement – Urban Development (NPS-UD); 2. Annual Estimated Resident Population (ERP) from Statistics New Zealand; 3. 10 Year Plan process <p>Major projects and significant changes to levels of service are assessed against affordability annually through the Annual Plan Process. In addition, subdivision and building consent data is used for annual updates to the schedule of works contained within Council’s Development and Financial Contributions Policy.</p> <p>Through the above processes, actual growth in households will be assessed against projected growth enabling review of the need for, and timing of capital expenditure over the 10 Year Plan period. Reduced development pressure will mean that available land is not exhausted as quickly. Planned rezoning and new infrastructure may be delayed until such time as demand warrants the expenditure.</p>



Household Distribution

Assumption: That residential development in the Manawatū District will occur as illustrated in figure 4.

Figure 4: Residential development



Alternative	That residential development in the Manawatū District will differ substantially from forecast development.
Impact	<p>Minor</p> <p>The pattern of residential development across the Manawatū District is relevant when considering the nature and location of land supply to service growth, the types of services required, the timing of capital investment and the installation of infrastructure to support growth. Should actual patterns of household growth differ substantially from forecast, this would impact on the location of, and delivery of services, and the timing and scale of capital projects.</p>
Likelihood	<p>Possible</p> <p>Patterns of household distribution are driven by a range of factors including labour demand, net migration, central government legislation, Regional and District Plan regulations, market conditions, land supply, housing affordability and levels of investment. While the most up-to-date information has been used to develop the household distribution model, it is likely that some factors will change over time. These changes may influence the overall pattern of development across the district over time.</p>
Overall Risk	Guarded (3)
Reasons & Financial Effect of Uncertainty	<p>If the actual pattern of development differs considerably from what is forecast, the timing and scale of growth projects will need to be revisited. Where investment occurs in areas where growth is not realized, this will impact on the affordability of service delivery and the ability to recover the costs of growth expenditure from development contributions.</p>

Mitigating Factors (if applicable)	<p>Council regularly reviews population growth and development trends through the following processes:</p> <ol style="list-style-type: none"> 1. Monitoring and reporting under the National Policy Statement – Urban Development (NPS-UD); 2. Annual Estimated Resident Population (ERP) from Statistics New Zealand; 3. 10 Year Plan process <p>Major projects and significant changes to levels of service are assessed against affordability annually through the Annual Plan Process. In addition, subdivision and building consent data is used for annual updates to the schedule of works contained within Council’s Development and Financial Contributions Policy.</p> <p>Through the above processes, the scale and spatial characteristics of household growth will be assessed against projected growth enabling review of the need for, location of, and timing of capital expenditure over the 10 Year Plan period. Growth projects may be delayed, brought forward, or relocated to meet demand from the pattern of household growth across the district.</p>
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Land supply – NPS-UD

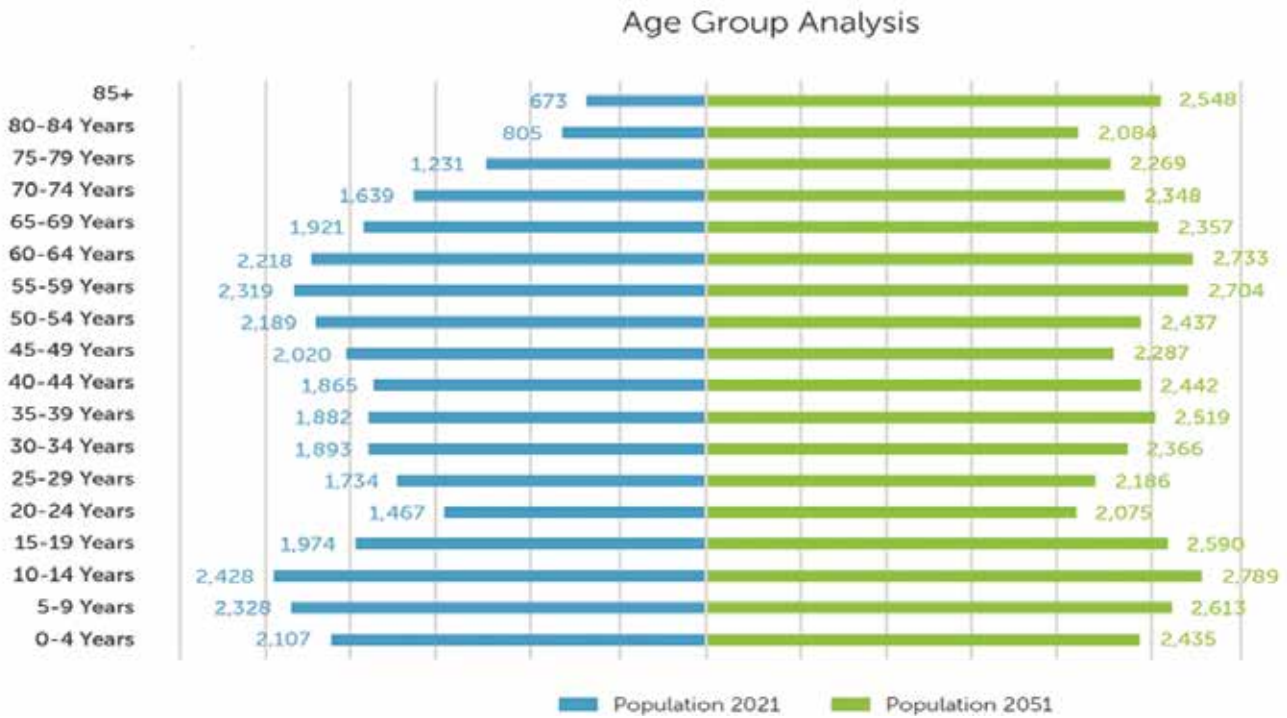
Assumption: That to support choice, competitiveness and affordability in housing and business land markets, Council will enable the supply of land for development as recommended by the National Policy Statement – Urban Development (NPS-UD).

Alternative 1	That development will progress at a much slower rate than forecast by Council’s household growth projections.
Impact	<p>Major</p> <p>The NPS-UD came into effect 20 August, 2020 and sets out objectives and policies for urban development under the RMA 1991. Council is required to give effect to these national objectives and policies by ensuring enough land is zoned for development to support choice and competitiveness of land markets. This requires enabling the development of 20% more land than assumed by forecast household growth over the short to medium term and 15% over the longer term.</p> <p>Residential development is based on a number of factors including land availability, infrastructural capacity, the influence of central and regional government legislation, anticipated demographic change, economic conditions and anticipated District Plan changes. Any of the above factors may be significantly different from forecast, affecting patterns and timing of development across the district.</p> <p>Planning for growth under the NPD-UD requires Council to zone land for development and invest in infrastructure prior to development occurring.</p> <p>There will be financial implications for Council of servicing land for development in advance of demand; and in particular where actual growth or the location of growth differs substantially from forecast growth.</p>
Likelihood	<p>Unlikely</p> <p>Council is required to monitor and report on patterns of development across the district; increasing Council’s ability to adjust projects and budgets to respond to a decline in the scale and location of development.</p>
Overall Risk	Moderate (8)
Reasons & Financial Effect of Uncertainty	Should development fall short or differ substantially from the forecast pattern of development, there may be financial implications for Council. This would include the potential for under-collection of development contributions and the smaller than anticipated rating base potentially impacting on the affordability of service delivery and/or rates affordability.
Mitigating Factors (if applicable)	<p>Council is required to undertake quarterly monitoring and annual reporting of development trends under the provisions of the NPS-UD.</p> <p>Through this process, the location and scale of household growth will be assessed against projected growth enabling review of the need for, location of, and timing of district plan changes and growth expenditure over the 10 Year Plan period. Growth projects may be delayed or relocated to meet demand from the actual pattern of household growth across the district.</p>
Sources	Infometrics Medium Population Forecasts, 18 August 2020, the Roding Activity Management Plan and the 3-Waters Asset Management Plan.

Demographic Change

Assumption: That the demographics of the Manawatū District will follow the Infometrics medium growth scenario (August 2020) over the period 2021 to 2051 as described in Figure 5 below.

Figure 5: Demographic change



Alternative	That the demographics of the Manawatū District will differ significantly from the Infometrics medium age group projections (August 2020) to 2051 as described in Figure 5.
Impact	<p>Minor</p> <p>The forecast demographics of the Manawatū District Community is relevant when considering the types of services, projects and activities delivered by Council.</p> <p>If the actual demographics differ significantly from forecasts, this will influence demand for Council facilities, including parks, reserves and sports facilities. Greater than forecast growth in the young adult to middle age brackets could place pressure on housing availability and the delivery of services to support young families. Greater than forecast shifts towards older demographics could change the mix of services demanded from Council, and the ability to pay for those services.</p>
Likelihood	<p>Possible</p> <p>The demographic forecasts from Infometrics medium series indicates increases in the total number of residents across all age brackets. However, increases as a percentage of the total District Population are predominantly forecast in the 70+ age groups. The forecast increase in older residents is relatively certain and is supported by analysis of trends and generational characteristics.</p> <p>In the middle age brackets, demographic forecasts show the proportion of total residents aged between 35 and 39 years increasing between 2021 and 2033 and the proportion of residents aged between 40 and 44 years increasing between 2026 and 2040. The forecast increases in these age brackets is supported by trends revealed in the Live and Work Survey (2018 Census). Labour demand to enable the construction and operation of major regional projects such as the Regional Freight Hub, Ōhakea Expansion, the Rural Ring Road and the demand for new housing is expected to further drive population growth in the middle age brackets.</p> <p>Given the number of factors that contribute to population demographics it is not possible for Council to have a high level of certainty around these forecasts. However, as the demographic forecasts from Infometrics take into consideration anticipated growth based on known regional projects, the likelihood that these forecasts prove false is considered "possible."</p>

Overall Risk	Guarded (3)
Reasons & Financial Effect of Uncertainty	Uncertainty in the future demographic characteristics of the Manawatū District impacts on the ability to plan for the needs of future communities and the priority that Council places on certain projects and services in its future planning.
Mitigating Factors (if applicable)	<p>Council reviews demographic trends based on census data every five years and estimated resident population data from Statistics NZ every 12 months to June. Council's overall strategic direction with respect to changes in population demographics is reviewed every three years as part of each 10 Year Plan process. Quarterly monitoring and reporting to Council provides interim trends on matters that impact upon population wellbeing, including housing availability and affordability. In addition, major projects and significant changes to levels of service are assessed against affordability annually through the Annual Plan process.</p> <p>The above processes will enable Council to respond to changes in the demographic characteristics of the district over time, including the prioritisation of projects and service delivery to meet the needs of the community.</p>

Land Use Change

Assumption: On the basis of current and anticipated Government Legislation, current land uses will not change significantly over the next 3 years. However, some changes in land use are anticipated between years 4 and 10 of the 10 Year Plan, and significant land use change is expected in the District between 2032 and 2051.

The types of land use changes anticipated in the medium to long term include:

- Some diversification of land use from agricultural activities towards forestry and other low emissions land uses and innovation and technology to reduce on farm emissions from livestock farming to meet our obligations under the Zero Carbon Act, the Paris Agreement and for carbon credits.
- Constraints on expansion of agricultural activities due to more stringent discharge requirements in the One Plan and Governments freshwater reforms, including the National Policy Statement – Freshwater Management.
- Highly versatile land will be retained for productive uses, including land conversions for food production on suitable land, as growers relocate from neighboring Districts including the Horowhenua due to inability to meet the discharge requirements of the One Plan.
- Land use change from rural to industrial between Feilding and Palmerston North as the Palmerston North City Council's North East Industrial Zone develops as a freight and industrial hub following construction of the Regional Freight Hub, the rural ring road and the Manawatū Gorge replacement road.
- Areas of native vegetation will be protected from development and areas of land within urban areas will be set aside for revegetation to meet the requirements of the National Policy Statement for Indigenous Biodiversity and the Regional Biodiversity Strategy.
- Changes in housing preferences including the shifting rental/ownership split, different forms of housing in recognition of rising housing costs, and more mixed-use activity.



Alternative 1	That current land use in the District will change more rapidly, or in different locations or ways than anticipated.
Impact	<p>Moderate</p> <p>Rapid changes in land use could result in unanticipated demand for new reticulated services and the need to undertake additional road maintenance or improvement works.</p> <p>New activities can generate additional employment that can increase the rate of population and household growth and stimulate economic activity.</p> <p>If additional rural land needs to be rezoned to accommodate residential or industrial development this would impact on the District Plan Review Programme and may alter priorities for infrastructural investment.</p>
Likelihood	<p>Unlikely for years 1 – 3, Possible for years 4 to 10 and Likely for years 11 to 30</p> <p>The interplay between new legislation, National Policy Statements under the Resource Management Act 1991 and Horizons One Plan mean that land use change in the moderate to long term is inevitable, but there is a high level of uncertainty about where, how and when that land use change will take place. The level of uncertainty increases over time as new targets are set in legislation and through National Policy Statements and plans.</p> <p>Certain changes in land use are undesirable for our District, such as shifts from agricultural use to forestry or carbon farming. Council may therefore introduce controls through the District Plan or other mechanisms to slow or restrict land use change to certain types or locations.</p> <p>The rate of land uptake for residential and industrial development is dependent on several factors including population growth, household growth, migration patterns, inward investment and economic prosperity. Significant changes in any of these factors will affect when additional land needs to be rezoned.</p> <p>While Council is aware of current land use trends, including rural land being used more intensively than it was in the past, these trends may slow or reverse as new requirements are introduced to the District Plan and to the One Plan to ensure compliance with legislative requirements. Council is also aware that large areas of forestry in the District will reach harvestable age between 2021-2030.</p>
Overall Risk	<p>Guarded for years 1 to 10 (4-6) and Moderate for years 11 to 30 (8)</p>
Reasons & Financial Effect of Uncertainty	<p>Significant changes in land use will likely impact on the roading network, particularly in rural areas. Additional expenditure may be required to ensure that roads are fit for purpose.</p> <p>Significant changes in land use may also impact on Council's investment and priorities for infrastructural investment, particularly in relation to extensions to reticulated networks.</p> <p>The attraction of new industrial activities to the District may place increased demand on water, wastewater and stormwater networks, including the capacity of the Feilding Wastewater Treatment Plant to treat trade waste.</p>
Mitigating Factors (if applicable)	<p>Council monitors land use change through the monitoring and reporting requirements of the NPS-UD. This includes monitoring of land use, subdivision and building consents. The zoning of land and the activities permitted on land is managed through the District Plan Review, informed by expert advice and investigations.</p> <p>New infrastructure and roading needed to support residential and industrial growth are controlled through Structure Plans that have been incorporated into the District Plan through the Plan Change process and will be funded by development contributions.</p> <p>A new growth strategy is proposed to be developed in Year 3 of the 10 Year Plan. This will help to guide future rezoning and give effect to new legislative requirements, including the National Policy Statements for Highly Productive Land, Urban Development and Indigenous Biodiversity.</p> <p>The cost for new services to support new residential, industrial or commercial areas will be partially funded by development contributions.</p> <p>Rural land is largely self-serviced so changes in land use will not alter demand for reticulated networks, but may impact on roading.</p> <p>Council has already anticipated increased pressure on the rural roading network, with increasing numbers of heavy vehicles to service intensive farming and forestry harvest. As a result, additional funding has been set aside for road maintenance and renewals in the Roothing Activity Management Plan.</p> <p>Council monitors, reports and submits on new legislative requirements as they are notified by Government. Additional budget has been included within the 10 Year Plan in anticipation of the new responsibilities and resource implications of new legislative requirements.</p>

Alternative 2	That current land use in the District will persist or that land use change will occur at a much slower rate or in fewer locations or ways than forecast.
Impact	<p>Minor</p> <p>Less significant land use change will mean less demand for new reticulated services and road maintenance or improvement works.</p> <p>Continuation of current land uses, or a more gradual change in land use than anticipated will mean greater stability in economic and social performance due to our capability and capacity being maintained within established industries.</p> <p>Slower land use change in our District compared to neighbouring territorial authorities may mean that our District is slower in adapting to climate change and other legislative requirements. It may also mean that the District has not capitalised on regional projects and developments or new and emerging industries and may therefore be comparatively disadvantaged.</p>
Likelihood	<p>Unlikely for years 1 to 30</p> <p>As a lot of the forecast land use change is as a result of new legislative requirements, it is unlikely that there would be little or no land use change over the life of this 10 Year Plan and the 30-year period of the Infrastructure Strategy.</p> <p>However, given the number of different factors that influence land use change, it is possible that the rate of change, and the location and nature of change is different and less significant than forecast.</p> <p>For land use change to occur at a slower rate than forecast, a significant shift in central government policy direction would be required.</p>
Overall Risk	Low (2) for years 1 to 30
Reasons & Financial Effect of Uncertainty	Slower or less significant land use change will mean less demand on the roading network and other Council-owned infrastructure. Investment to facilitate or manage land use change may need to be deferred.
Mitigating Factors (if applicable)	<p>Council monitors land use change through monitoring and reporting requirements under the NPS-UD. This includes monitoring of land use, subdivision and building consents. The zoning of land and the activities permitted on land is managed through the District Plan Review, informed by expert advice and investigations.</p> <p>Funding within the 10 Year Plan that is intended to service land use change and new legislative requirements can be reduced through subsequent Annual Plans and 10 Year Plans if it is not required.</p>



Climate Change

Assumption: That climate change will influence the intensity and frequency of extreme weather and climate events in the Manawatū District as predicted by NIWA based on the IPCC Fifth Assessment Report. Some of the climatic changes anticipated are:

- The temperature will increase by between 0.7-1.1 degrees Celsius by 2040 and by up to 3.1 degrees Celsius by 2090.
- Annual average precipitation will increase by 15-20% in the north of the Region and decrease by 20% in the south east of the region.

The impacts of climate change are discussed in more detail in the Climate Change section of the 10-Year Plan.

Alternative 1	That climatic changes in the Manawatū District, including the intensity and frequency of extreme weather events, are more extreme than predicted by NIWA based on the IPCC Fifth Assessment Report.
Impact	<p>Major</p> <p>Any significant climatic changes would affect demand for Council services and could adversely affect infrastructure.</p> <p>Effects of climate change that are a concern for Council are primarily increased incidences of extreme weather.</p> <p>Risks include more frequent or costlier storm damage from flooding, and that stormwater standards will not be met. This would increase costs from repair works, and also possibly lead to demand for increased levels of service. Other risks include impacts on the economic and social wellbeing of our communities through more frequent or severe flooding, drought and/or heavy snowfall. Such events also cost Council in terms of infrastructure repair, Civil Defence and emergency management response to events, and community assistance (such as provision of a supplementary water supply).</p>
Likelihood	<p>Unlikely</p> <p>Ministry for the Environment and NIWA reports have predicted change in weather patterns including wind, rainfall, drought and snowfall.</p> <p>There is more certainty that weather patterns in the short term will have predictable impacts due to climate change that can be provided for through our Asset Management Plans and Activity Management Plans. There is less certainty about impacts of weather patterns in the long term as predictions are less reliable.</p>
Overall Risk	<p>Moderate (8)</p>
Reasons & Financial Effect of Uncertainty	<p>Significant impacts are not expected to be frequent in the next few decades. Council has a policy of holding depreciation renewal reserves. Insurance claims from damages associated with extreme weather are likely to rise as the incidence of these events increases in the future. This is expected to increase the costs of insurance cover. Operating programmes to mitigate impacts of climate change such as reducing peak demand for water and leak detection in wastewater are already underway and are built into the operating budgets of Council.</p>
Mitigating Factors (if applicable)	<p>Financial impacts will be mitigated by ensuring adequate insurance cover and appropriate maintenance is undertaken as a preventative measure.</p> <p>Major flood protection works (stop banks) have been completed for the lower Manawatu, the KIWITEA Stream and Ōroua River flood control scheme. These stop banks are designed to withstand the current 1% Annual Exceedance Probability (AEP) flood event, 1 in 100-year flood.</p> <p>Technology is always changing and it is likely that new and cost effective plant and materials will be available to meet some of the challenges in the future.</p>

Alternative 2	That climatic changes in the Manawatū District, including the intensity and frequency of extreme weather events, are less extreme than predicted by NIWA based on the IPCC Fifth Assessment Report.
Impact	Minor If climatic changes are less extreme than predicted, expenditure on infrastructure repairs and maintenance will be lower.
Likelihood	Unlikely Ministry for the Environment reports have predicted change in weather patterns including wind, rainfall, drought and snowfall. There is more certainty that weather patterns in the short will have predictable impacts term due to climate change that can be provided for through our Asset Management Plans and Activity Management Plans. There is less certainty about impacts of weather patterns in the long term as predictions are less reliable.
Overall Risk	Low (2)
Reasons & Financial Effect of Uncertainty	Fewer significant weather events such as flooding, droughts or heavy snowfall, means that expenditure on infrastructure repairs and maintenance and insurance claims from weather events will be lower. Renewal reserves will need to be retained to address climate change impacts in the longer term.
Mitigating Factors (if applicable)	Financial impacts will be mitigated by ensuring adequate insurance cover and appropriate maintenance is undertaken as a preventative measure.

Emergency Events

Assumption: The Manawatū District Council is prepared to respond to emergency events over the life of the 10 Year Plan. However, a catastrophic event, such as a major earthquake, will exceed Council's financial provision to respond.

Alternative	That an emergency event occurs that exceeds Council's financial ability to respond.
Impact	Major to Severe Manawatū District Council and other businesses in the district could be subject to a break in business continuity in the event of a catastrophic emergency event. Council services including water (treatment, drinking), the road network and wastewater networks and treatment could be disrupted for considerable periods of time. Depending on the severity or timing of emergency events, Council may not have enough staff to manage recovery and response. A series of emergency disasters may exhaust Council reserves and prudent borrowing ability. There is a risk that Council may not have access to Government support in the future. Emergency events elsewhere in New Zealand and across the world may mean that there are periods of time where insurance cover is unavailable, or unavailable for certain types of event. The repair or renewal of lower priority infrastructure may be delayed due to a lack of borrowing ability and the need to focus resources on high priority projects.
Likelihood	Unlikely The top 10 hazards for the Manawatū District, in order of priority, are severe earthquake, river flood, tsunami, drought, landslide (widespread hill country), human pandemic, animal epidemic, transportation incident (HAZNO spill), rural fire (widespread) and high wind/storm event. The likelihood and consequences of an event is different for each hazard. This complicates efforts to assign a single likelihood score; however, the chances of an emergency event occurring in the District that exceeds Councils ability to respond, such as a strong earthquake, is considered low. Earthquake forecasts from GeoNet in December 2017 provide a best estimate of 30% (unlikely) of a magnitude 7 or higher earthquake occurring within the Central North Island within the next 10 years.
Overall Risk	Moderate (12) to High (24)
Reasons & Financial Effect of Uncertainty	A catastrophic emergency event would impact on Council by demanding immediate funding. This would reduce the resilience of the Council for meeting future unforeseen costs. Additional borrowing would impact on future rating levels.

Mitigating Factors (if applicable)	<p>The Council is preparing a detailed business continuity plan, which outlines both crisis response and recovery. Civil Defence emergency planning is in alignment with business continuity preparedness. The Council also continues to be part of the Manawatū-Wanganui Civil Defence and Emergency Management Group working to ensure preparedness for any emergency event, co-ordinate a response and support recovery.</p> <p>Council has a \$5 million buffer between our financial strategy and the Borrowing Management Policy to ensure we have adequate borrowing facilities in case of emergencies. Catastrophic emergency events are assumed to attract Government and private charitable sector support.</p>
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Social Housing

Assumption: There is inadequate provision of social housing in the Manawatū District.

Alternative	There is adequate provision of social housing in the Manawatū District
Impact	<p>Minor</p> <p>If there is adequate provision of social housing to meet demand this will have beneficial impacts on the social and economic wellbeing of the portion of the Manawatū Community that qualifies for this assistance.</p>
Likelihood	<p>Unlikely</p> <p>Current data and trends suggest that the need for social housing continues to increase strongly over time and that meeting this need will require a concerted effort by a number of agencies and providers.</p> <p>The Social Housing Register (June 2020) shows that the number of families eligible for social housing in the District increased from 7 in June 2015 to 77 in June 2020. Across the region, registered families increased from 57 to 1,061 over the same period. Social housing eligibility is based on both the lack of availability and affordability of rental properties.</p>
Overall Risk	Low (2)
Reasons & Financial Effect of Uncertainty	<p>Council is not currently a direct provider of social housing. However, given the change to the purpose of local government (Section 10 of the Local Government Act 2002) to include promotion of the "...social, economic, environmental and cultural wellbeing of communities in the present and for the future" Council is evaluating what it can do to support the provision of social housing through this 10 Year Plan.</p> <p>If the provision of social housing in the District is sufficient to meet demand, Council will not need to resource or invest directly or indirectly in social housing.</p>
Mitigating Factors (if applicable)	<p>Quarterly monitoring and reporting to Council provides interim trends on matters concerning population wellbeing, including eligibility for social housing, housing availability, and housing affordability.</p> <p>Major projects and significant changes to levels of service are assessed against affordability annually through the Annual Plan Process.</p>



Earthquake-Prone Buildings

Assumption: Current Crown assistance for earthquake-prone buildings will be insufficient to motivate the majority of building owners, particularly of priority buildings in the Feilding CBD, to strengthen their buildings. Without financial assistance from Council, some earthquake-prone buildings will be demolished, impacting on the vibrancy of the Feilding CBD.

Alternative	That the majority of earthquake-prone buildings, particularly in the Feilding CBD, will be strengthened by building owners, without the need for financial assistance from Council.
Impact	<p>Minor</p> <p>If the appetite of building owners to strengthen rather than demolish their earthquake-prone buildings is greater than Council anticipates, this will mean that fewer buildings are demolished and the current vibrancy of the Feilding CBD will be maintained.</p> <p>However, there will be some disruption and loss of vibrancy while strengthening works are underway, particularly if this is not coordinated or managed efficiently. If businesses are unable to find alternative accommodation while strengthening work is undertaken, this could impact on the financial viability of these businesses.</p>
Likelihood	<p>Unlikely</p> <p>Council anticipates that at least some earthquake-prone buildings in the Feilding CBD and elsewhere in the District will be demolished due to cost of strengthening buildings and the time it would take to recover this investment through future revenue and rents.</p>
Overall Risk	<p>Low (2)</p>
Reasons & Financial Effect of Uncertainty	<p>If Council does not have to provide financial assistance or other resource to building owners to motivate or facilitate them to strengthen their earthquake-prone buildings, this money could be reallocated to other priorities.</p>
Mitigating Factors (if applicable)	<p>Council has been working closely with owners of earthquake-prone buildings, particularly priority buildings. Heritage equip has also been working with a group of building owners to assist with developing acceptable solutions for required strengthening. Through these avenues Council may be able to assist in ensuring a coordinated approach to earthquake strengthening to minimise disruption and adverse impacts on the vibrancy of the Feilding CBD.</p>

Legislative Change

Assumption: That the Manawatū District Council is prepared to respond to signalled legislative change. However, there will be resource implications as Council will need to increase its capacity to meet the requirements of additional central government legislation and legislative instruments.

Alternative	That the Manawatū District Council will be unable to meet the requirements under new legislation and legislative instruments due to insufficient capacity.
Impact	<p>Major</p> <p>The impact of Council being unable to meet its obligations under new legislation and legislative instruments due to insufficient capacity and/or capability is dependent on what penalties are imposed by Government for non-compliance. If all or most Councils are unable to meet new obligations, this will likely lessen the response from Central Government and may result in a reconsideration of the timeframes or scope of new legislation or legislative instruments. However, if the Manawatū District Council is alone in its inability to meet its obligations, the worst-case scenario is that Government will appoint commissioners to take over the governance role of Council.</p>
Likelihood	<p>Possible</p> <p>Council is aware of a large number of new obligations and requirements for local government being imposed by Central Government through new legislation or legislative instruments. Some new roles and responsibilities for local government have already been introduced and others are proposed to come into effect when new legislation or legislative instruments are enacted in the second half of 2020, including the following:</p> <ul style="list-style-type: none"> • NPS – Urban Development • The Climate Change Response (Zero Carbon) Amendment Bill • The Essential Freshwater Programme • Three Waters Reforms • Emissions Trading Scheme Policy • Proposed National Policy Statement (NPS) for Highly Productive Land • Proposed NPS – Indigenous Biodiversity • Road to Zero Strategy for roading • Resource Management Act Reforms <p>When considering the cumulative cost and resourcing requirements of new legislation and legislative instruments, it is possible that Council will be unable to meet all of its obligations. For example, Council may be unable to attract or retain staff with the necessary skills and experience to meet the requirements of new legislation or legislative instruments. Even if Council has the capability to meet new roles and responsibilities, the cost of doing so may exceed Council's debt cap or makes rates unaffordable.</p>
Overall Risk	<p>Moderate (12)</p>
Reasons & Financial Effect of Uncertainty	<p>If Central Government does not provide local government with the financial assistance it needs to meet these new obligations, the costs will fall on ratepayers. The cumulative impact on rates may exceed the Council's debt cap or other financial controls, or exceed ratepayer's ability to pay.</p> <p>Council recognises that there is a national shortage of specialist staff, such as ecologists and planners, that will be needed to meet the new requirements of legislation. The inability to attract the necessary staff could result in more shared arrangements and outsourcing of work to consultants, potentially increasing costs.</p>
Mitigating Factors (if applicable)	<p>Council monitors, reports and submits on new legislative requirements as they are notified by Government. Additional budget has been included within the 10 Year Plan in anticipation of the new responsibilities and resource implications of new legislative requirements.</p>

Three Waters

Assumption: That Council anticipates that the status quo will continue and that Council will continue to own and manage its three waters assets over the life of the 10 Year Plan.

Alternative	That an alternative entity will take over the three waters assets and delivery of services in the Manawātū District within the 10 Year Plan period.
Impact	<p>Major</p> <p>Over the past three years, central and local government have been considering solutions to challenges facing the regulation and delivery of the three water services. This has seen the development of new legislation to create the new Water Services Regulator, Taumata Arowai, to oversee and enforce a new drinking water regulatory framework with an additional oversight role for wastewater and stormwater networks.</p> <p>Several events around the country in the last few years have demonstrated a need to ensure robust regulation, consistent enforcement and address under-investment in relation to three waters infrastructure. As a country, our three waters infrastructure is not in good shape.</p> <p>This is not the case for Manawātū District Council. In the last decade, Council has invested proactively in its three waters assets, and is confident of the resilience of our network to provide safe drinking water and sustainable wastewater and stormwater services for decades to come.</p> <p>There will be significant financial and structural implications for Council if the ownership of three waters assets and the delivery of services is no longer undertaken by Council. For instance, overhead allocations from these services fund parts of back-office services, but there may only be a small reduction in these services if these services are no longer part of the Council. This would increase the overhead allocation for other parts of the Council, and therefore increase the remaining Council activities service delivery costs. The reforms may also require the Council to alter its approach to rating to ensure it continues to comply with the Local Government (Rating) Act 2002, particularly the requirement in section 21 for uniform rates not to exceed 30 per cent of overall rates in addition to recovering for previous upgrades to the three waters infrastructure.</p>
Likelihood	<p>Possible</p> <p>There is uncertainty regarding the final form of the proposed three waters reforms.</p> <p>On 24 August 2020, Manawātū District Council signed a Memorandum of Understanding (MoU) with the Crown to work constructively together to explore future service delivery options and identify an approach to service delivery reform that considers how the government might design:</p> <ul style="list-style-type: none"> • water service delivery entities that are: <ul style="list-style-type: none"> ○ big enough to achieve economies of scale over the medium to long-term (most likely multi-regional) ○ asset-owning entities with financial autonomy, able to access a wider range of funding sources than individual councils ○ structured as statutory entities with appropriate and relevant commercial disciplines and competency-based boards. • delivery of drinking water and wastewater services as the main priority, with the ability to extend to stormwater service provision only where effective and efficient to do so • water entities that are publicly owned entities, with a preference for collective council ownership • ways to enable communities to provide input in relation to the new entities.
Overall Risk	Moderate (12)
Reasons & Financial Effect of Uncertainty	The three waters reform process creates a level of uncertainty around how (including by what agency), drinking water, wastewater services and potentially stormwater services, will be delivered to the community in the future, and the scale of the impact on Councils finances and structure.
Mitigating Factors (if applicable)	The release of the cabinet paper 'Progressing the Three Waters Service Delivery Reforms' (14 December 2020) indicates the preference for a voluntary approach to participation in any new service delivery system, including the ability to opt out. This may provide Council with a mechanism to retain the status quo, where the quality of our three waters infrastructure means our community is better off from retaining three waters assets and services within Council. Central government has also signalled substantial investment to meet the costs associated with implementation of the three waters reform programme alongside funding to maintain planned investment and asset quality, and support large-scale three waters asset replacements. The MoU provides Councils with the opportunity to work with the Crown to influence the final form of the three waters reforms.

Infrastructural Capacity

Assumption: That the infrastructure projects outlined in the Infrastructure Strategy are necessary to ensure that there is sufficient capacity to meet forecast population, household and business growth.

Alternative 1	That our infrastructure will have excess capacity due to lower than forecast growth.
Impact	<p>Minor</p> <p>Maintenance costs to maintain the current level of service may not be sustainable. This means that levels of service may need to be reduced.</p>
Likelihood	<p>Unlikely</p> <p>Population forecasts are based on the Infometrics medium projections published in August 2020. Business growth is based on trends from past and current development and the consideration of current and the expectation of future economic circumstances. Decisions around infrastructure investment are based on past and current development trends and information that Council holds on the capacity of the current networks. Changes in population growth rates, growth demand and the location of growth within the District can all influence what infrastructure projects are needed and when.</p>
Overall Risk	Low (2)
Reasons & Financial Effect of Uncertainty	If the number of new households connecting to reticulated infrastructure networks is lower than forecast, the revenue from rates and development contributions will be lower. This means that the costs for maintenance and renewal will be higher per ratepayer.
Mitigating Factors (if applicable)	<p>Any major changes to the growth trend will be identified through processes in place to monitor population growth and patterns of development across the district.</p> <p>As each project needs to be economically justifiable, projects are unlikely to proceed until there is sufficient demand.</p>

Alternative 2	That our infrastructure will have insufficient capacity to meet growth demand.
Impact	<p>Moderate</p> <p>Additional investment will be required in new infrastructure if the level of service is not being met.</p> <p>The Three Waters distribution and collection networks and treatment facilities have capacity to meet some increased forecast growth related needs. The networks overall are in good condition.</p>
Likelihood	<p>Unlikely</p> <p>Population forecasts are based on the Infometrics medium projections published in August 2020. Business growth is based on trends from past and current development and the consideration of current and the expectation of future economic circumstances. Decisions around infrastructure investment are based on past and current development trends and information that Council holds on the performance of the existing network. Changes in population growth rates, growth demand and the location of growth within the District can all influence what infrastructure projects are needed and when.</p>
Overall Risk	Guarded (4)
Reasons & Financial Effect of Uncertainty	Growth significantly above forecast rates will mean that major infrastructure networks will need to be expanded earlier than planned. If infrastructure is not able to keep up with demand, levels of service may suffer, making the District a less attractive place to live.
Mitigating Factors (if applicable)	Funding for growth projects will be partially funded through development contributions. Growth will need to be significantly above forecast levels before additional investment in infrastructure is required. Any major changes to growth trends will be identified through processes in place to monitor development trends across the District. Council has proactively invested in growth related developments, particularly in Precincts 4 and 5.

Achievement of Capital Works Programme

Assumption: That Council will have both the internal and external resources required to achieve 85% to 105% of its annual capital works programme over the life of the 10-year Plan.

Alternative	That Council will not have the resources available to achieve 85% to 105% of its annual capital works programme over the life of the 10-year plan.
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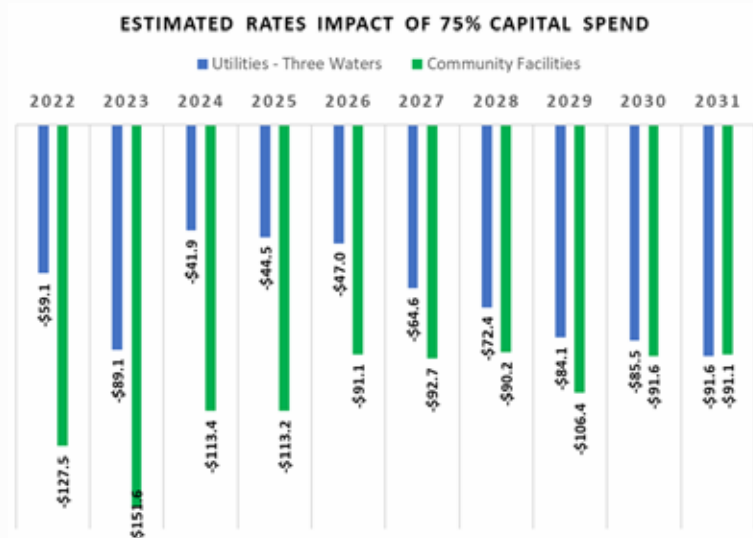
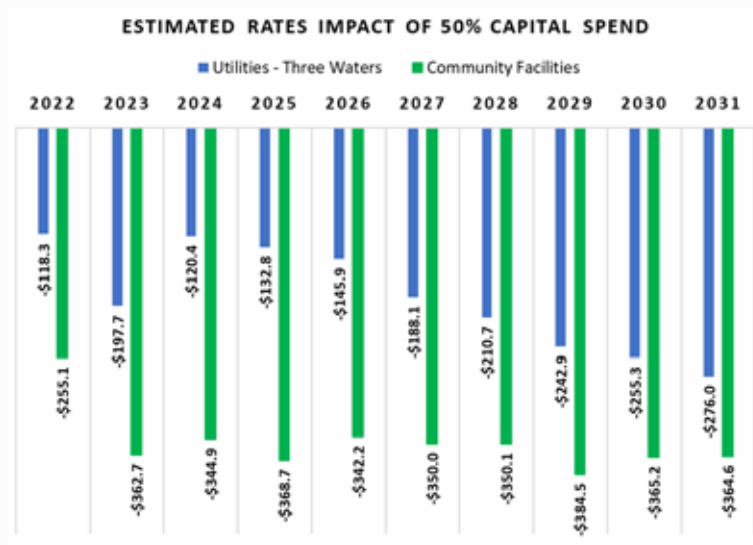
Impact

Moderate

Council has adopted the target to complete between 85%-105% of its capital works programme annually. This target is included as a Key Performance Indicator for the Chief Executive.

If Council is unable to meet this target, the cost of capital (interest payments) to service debt on loans for capital works would be minimised. This would have a positive impact on rates but may impact on availability and/or levels of service to the community.

The following graphs indicate the impact on rates resulting from 50% and 75% capital expenditure of utilities and community facilities capex over the life of the 10-Year Plan.



Likelihood	<p>Likely</p> <p>While Council is proceeding on the expectation that capital works programme targets will be met, it is acknowledged that average annual capital expenditure of 79% has been completed over the period 2015-2020.</p> <p>To support the completion of the capital works programme, internal resourcing has been boosted with the appointment of an additional Project Manager and Design Engineer, and administration support staff.</p> <p>The additional resources will support staged and integrated project management and procurement practices, with the objective of bundling multiple projects into tenders to attain contractor commitment and ensure delivery. This includes bundling of projects across multiple agencies. Allowances will be made at the time of tender acceptance to add stages to the contracts, and contract completion times may be extended to allow contractors to programme their work effectively. This has been taken into account within projected project milestone and completion dates.</p> <p>Factors that may affect delivery are the availability of additional specialist engineering expertise and external contractors (including prequalification requirements for contractors), the capacity of Regional Council to process resource consent applications within statutory timeframes, and the ability to procure products and equipment from offshore.</p> <p>An additional risk is elevated demand due to the large capital works programmes of both neighbouring Councils and central government in the region. It is expected that the bundling of projects will drive resource efficiency and support completion of capital projects across the region.</p>
Overall Risk	<p>Moderate (8)</p> <p>We are currently well resourced to deliver to capital works programme targets however factors outside the control of Council may impact on the achievement of targets.</p>
Reasons & Financial Effect of Uncertainty	Planned upgrades, renewals and maintenance works will continue as set out in the Infrastructure Strategy, the 10 Year Plan and the Forward Works Programme in the Three Waters Asset Management Plan. Any deferral of planned capital works will have a positive impact on rates affordability in that year.
Mitigating Factors (if applicable)	Staging and integrated project management and procurement processes will be employed to support capital works programme delivery. As above, this includes seeking opportunities to bundle capital works projects across the wider region.
Source	<p>MDC. (2021). 3 Waters Asset Management Plan (Draft). 2021-2031. Manawatū District Council.</p> <p>MDC. (2021). Community Facilities Asset Management Plans (Draft). Manawatū District Council.</p>

Useful Life of Assets

Assumption: That assets will deliver the required level of service over their documented useful life.

Alternative 1	That assets will fail earlier than their documented useful life
Impact	<p>Major</p> <p>Insufficient renewals would impact on the reliability of service delivery with the increasing likelihood of asset failures.</p> <p>Significant asset failure would require additional funding which would impact on debt levels and rates increases.</p>
Likelihood	<p>Possible</p> <p>Various factors can affect when an asset is replaced, including an extraordinary event, increased demand, or an increased rate of deterioration. Council has very few water supply assets dating before 1950 and large numbers of sewer and stormwater reticulation with a default installation date of 1931. This network profile skews the current age based renewals programme.</p> <p>The gaps in the accuracy of asset information impact on the timing of renewals and the reliability of service delivery. This is relevant to assessing the risk and timing of an optimised renewals programme.</p> <p>To address this, CCTV inspections have been conducted in older parts of the network. This information is currently being reviewed along with internal knowledge of fault areas. The information from these investigations will be used to determine a targeted inspections programme which will inform the renewals programme.</p> <p>The targeted renewals programme will reduce the likelihood of asset failure across the network.</p>

Overall Risk	Moderate (12) There is little evidence to indicate that large scale asset failures are imminent. The inspection programme will further define this risk to increase certainty and inform risk management practices.
Reasons & Financial Effect of Uncertainty	A renewals programme to match current failure rates has been included in the 10-Year Plan. The funding for this programme has been increased in years 4-10 of the 10-Year Plan to ensure that the risk of bulk failure is minimised.
Mitigating Factors (if applicable)	Council has recognised where there are gaps in asset information and has implemented a maintenance and monitoring programme to inform a targeted renewals programme.
Source	IPWEA. (2015). International Infrastructure management Manual. Institute of Public Works Engineering Australasia. International Edition.

New Zealand Drinking Water Standards

Assumption: That Council can continue to deliver safe and cost effective drinking water supplies to the community in accordance with the Drinking Water Standards of New Zealand (DWSNZv2018). That the Central Government changes to legislation do not fundamentally change the current DWSNZv2018 delivery model. That the DWSNZv2018 does not dramatically change its performance criteria.

Alternative 1	That the DWSNZv2018 and associated national regulations and the delivery model remain unchanged.
Impact	Minor All drinking water supplies will be required to comply with the DWSNZv2018. Water supply activities will continue as planned in the 10 Year Plan with no impact on budgets or programmes.
Likelihood	Unlikely The expectation is that there will be some form of legislative change to the delivery model as set by Central Government. However, it is uncertain that this will eventuate, and if so, how extensive these changes will be.
Overall Risk	Low (2) We are currently well placed to deliver under the current criteria and performance standards.
Reasons & Financial Effect of Uncertainty	Planned upgrades, renewals and maintenance works will continue as set out in the Infrastructure Strategy, the 10 Year Plan and the Forward Works Programme in the Three Waters Asset Management Plan.
Mitigating Factors (if applicable)	Following completion of planned upgrades to water treatment plants, all of Councils reticulated drinking water networks will comply with the current New Zealand Drinking Water Standards.v2018.

Alternative 2	That the changes to the DWSNZv2018 and associated national regulations and the delivery model are greater than anticipated.
Impact	<p>Moderate</p> <p>All of Council's water supplies are already chlorinated and all surface water takes have UV treatment. Hence, we are well placed under the DWSNZv2018 and can easily implement minor additional changes to achieve compliance if required. The changes to date have consisted of a more rigorous testing regime to monitor total coliforms and enumeration testing for E.Coli. The changes to the water delivery model however, could be significant as these could fundamentally change how and who is responsible for supplying drinking water. Council's debt profile places Council at financial risk if significant changes are needed, and costs incurred to comply with standards and requirements for drinking water supplies.</p>
Likelihood	<p>Possible</p> <p>The Department of Internal Affairs Report on the Havelock North Drinking Water Inquiry: Stage 2, recommended significant changes to be made to the regulatory system for water supplies and to the Drinking Water Standards for New Zealand. The DWSNZv2018 has since been released with relatively minor increases in compliance criteria.</p>
Overall Risk	Guarded (6)
Reasons & Financial Effect of Uncertainty	The delivery model is beyond the control of the territorial authorities. Through its lobby group LGNZ, Council has recommended the status quo with respect to the delivery model. This may be amended however to a more regional or national approach delivery model. It is likely that changes will result in additional capital and operational expenses for Council.
Mitigating Factors (if applicable)	Council is already well placed as all urban drinking water supplies are chlorinated. In addition, all surface water takes for water supply networks are UV treated. These mitigation measures were already in place when increased compliance requirements came into force 1 July 2019.

Transportation Funding – Assumption One

Assumption: That the Council will receive funding from Waka Kotahi NZTA for the maintenance and renewal of roads.

Alternative 1	That roading maintenance and renewal projects will not secure Waka Kotahi NZTA funding.
Impact	<p>Major</p> <p>The land transport network is a core facility maintained by the Council to assist it in meeting its Community Outcomes through enabling the efficient movement of people and goods throughout the district and into neighbouring districts.</p> <p>The removal of Waka Kotahi NZTA funding for roading maintenance and renewal projects would impose substantial additional costs on Council and threaten the affordability of providing a roading network that is both fit for purpose and meets the expectations of the community.</p>
Likelihood	<p>Rare</p> <p>Waka Kotahi NZTA has not signalled the removal or further reduction of subsidies to local government for the maintenance and renewal of local roads.</p>
Overall Risk	Guarded (4)
Reasons & Financial Effect of Uncertainty	The removal of subsidies for roading maintenance and renewal would limit the capacity of local government to respond to the changing needs of the community in addition to placing a substantial burden on Council budgets.
Mitigating Factors (if applicable)	The Council intends to maintain its awareness of any issues that impact on the ability of Council to access Waka Kotahi NZTA funding. Funding for the changing needs and expectations of the community has been recognised in the 10 year plan.

Alternative 2	That there are delays in finalising Waka Kotahi NZTA funding, impacting on Council's delivery of maintenance and renewal projects.
Impact	Minor A delay in funding could temporarily delay projects or put pressure on Council roading budgets. These considerations are built into Council planning processes to ensure the impact on the community is minor.
Likelihood	Possible Capacity constraints in central government in addition to budget constraints could affect the timing of funding to support local government maintenance and renewal of roads.
Overall Risk	Guarded (3)
Reasons & Financial Effect of Uncertainty	Significant changes in land use will likely impact on the roading network, particularly in rural areas. Expenditure may need to be expanded or brought forward to ensure that the communities' expectations are met and that local roads are fit for purpose.
Mitigating Factors (if applicable)	The Council intends to maintain its awareness of any issues that impact on the timing of Waka Kotahi NZTA funding. Funding for the changing needs and expectations of the community has been recognised in the 10 year plan.

Transportation Funding – Assumption Two

Assumption: That the Council will receive 53% of the cost of roading maintenance and renewal projects from Waka Kotahi NZTA over the year to June 2022 followed by 52% subsidy in the 2023 financial year, dropping to 51% over the remainder of the period of the 10 Year Plan as published within the Waka Kotahi NZ Transport Agency Funding Assistance Rates Policy released in August 2020.

Alternative	That the total level of Waka Kotahi NZTA funding for maintenance and renewal of roads is reduced.
Impact	Moderate The land transport network is a core facility maintained by the Council to assist it in meeting its Community Outcomes through enabling the efficient movement of people and goods throughout the District and into neighbouring districts. Any reduction in the level of Waka Kotahi NZTA funding for the maintenance and renewal of the local roading network will impact on Council budgets and the affordability of maintaining a roading network that is safe and efficient, and meets the expectations of the community. Rather than the level of subsidy available to Council, the biggest impact on Council budgets would come from the need to reduce budgets further to fit within a reduced level of central government funding available to local government for roading maintenance and renewal. This is considered separately in the following Forecasting Assumption.
Likelihood	Rare Waka Kotahi NZTA announced a reduction in the rate of subsidy to the Manawātū District for the maintenance and renewal of roads in August 2020. It is considered highly unlikely that Waka Kotahi NZTA would reduce the level of subsidy below 51% over the life of the 10 Year Plan.
Overall Risk	Low (2)
Reasons & Financial Effect of Uncertainty	Further reduction in the rate of subsidy for roading maintenance and renewal would limit the capacity of local government to respond to the changing needs of the community in addition to placing a substantial burden on Council budgets.
Mitigating Factors (if applicable)	Council intends to maintain its awareness of any issues that impact on the level of Waka Kotahi NZTA funding. Funding for the changing needs and expectations of the community has been recognised in the 10 year plan.

Transportation Funding – Assumption Three

Assumption: That the total amount of central government funding available to local government to subsidise roading maintenance and renewal programmes will not reduce from levels released within the National Land Transport Fund (NLTP).

Alternative	That the total level of Waka Kotahi NZTA funding for local government maintenance and renewal of roads is reduced from levels released within the National Land Transport Fund (2020).
Impact	<p>Major</p> <p>The land transport network is a core facility maintained by the Council to assist it in meeting its Community Outcomes through enabling the efficient movement of people and goods throughout the District and into neighbouring districts.</p> <p>Council was asked to reduce the budget for roading maintenance and renewal by \$2m in February of 2021, to fit in with funding constraints currently being experienced by Waka Kotahi NZTA. Council has reduced the budget as requested.</p> <p>Any further reduction in the level of Waka Kotahi NZTA funding available to Council for the maintenance and renewal of the local roading network will have a major impact on Council budgets and the affordability of maintaining a roading network that is safe and efficient, and meets the expectations of the community. Council can either fund the additional expenditure required to maintain the roading network, which will impact on rates or delay roading maintenance and renewal works to fit within funding constraints.</p>
Likelihood	<p>Possible</p> <p>Waka Kotahi NZTA has advised Councils that it is facing funding constraints which will affect its development of the 2021-24 NLTP. Without higher than forecast revenue or additional funding or financing, the National Land Transport Fund cannot afford to fund activities above the lower limit.</p>
Overall Risk	<p>Moderate (12)</p>
Reasons & Financial Effect of Uncertainty	<p>Further reduction in the level of funding available to support local government roading maintenance and renewal programmes would limit the capacity of Councils to respond to the changing needs of the community in addition to placing a substantial burden on Council budgets.</p>
Mitigating Factors (if applicable)	<p>Council intends to maintain its awareness of any issues that impact on the level of Waka Kotahi NZTA funding. Funding for the changing needs and expectations of the community has been recognised in the 10 year plan.</p>

Resource Consents

Assumption: That applications to renew resource consents will be granted but that Council will face additional costs and delays through the application process, particularly in relation to wastewater discharges. Monitoring costs and requirements will be higher for consent renewals due to more stringent conditions.

Alternative 1	That consents will be renewed in a timely manner and issued without any major changes to existing conditions or requirements.
Impact	<p>Minor</p> <p>If consents are renewed without major changes to conditions and requirements, there will be no need to increase the budget for consent monitoring and renewal included in the Asset Management Plans. Those that have already been adjusted in anticipation of new requirements, may have a surplus.</p>
Likelihood	<p>Unlikely</p> <p>Consents already approved under the One Plan have been subject to more stringent conditions and requirements than those issued under the previous Regional Plans. Given the recent Environment Court decision that ruled against Horizons Regional Council (NZEVC ENV-2016-WLG-000038), we think it is likely that the trend towards increasing consent costs, delays, and more stringent consent requirements will continue.</p>
Overall Risk	Guarded (4)
Reasons & Financial Effect of Uncertainty	Council has a good understanding of its existing consent requirements and monitors expiry dates through Asset Management Plans. However, while Council can advocate to Regional Council, there is limited flexibility in terms of determining consent conditions.
Mitigating Factors (if applicable)	Council has a good working relationship with Horizons and knowledge and understanding of working under the Horizons One Plan. The Council will monitor and work with Horizons to ensure it has sufficient notice of, and is well-placed to manage any consent changes required.

Alternative 2	That existing resource consents are not renewed and/or granted.
Impact	<p>Severe</p> <p>If existing consents cannot be renewed and/or granted, our existing treatment facilities would be potentially redundant. For new consents, new works could be delayed, impacting on provision of services. Council would need to develop alternative ways of managing infrastructure to find solutions that are able to be consented.</p>
Likelihood	<p>Rare</p> <p>While we are anticipating increased costs and time delays in meeting new consent requirements, we consider it highly unlikely that Council will fail to obtain consent. Council may need to make changes, such as eliminating any water-based treatment of wastewater discharges, but should be able to find solutions that meet the requirements of the One Plan and are supported by iwi, the community and other stakeholders.</p>
Overall Risk	Moderate (8)
Reasons & Financial Effect of Uncertainty	If Council continued to operate its treatment facilities and/or discharge without consent, it may face enforcement action and fines. Affordability of services in small communities could become increasingly difficult.
Mitigating Factors (if applicable)	<p>Council has a good working relationship with Horizons and knowledge and understanding of working under Horizons One Plan. The Council will monitor and work with Horizons to ensure it has sufficient notice of and is well-placed to manage any consent changes required.</p> <p>Additional budget has been included in Asset Management Plans to offset the increased costs for consent renewals and to ensure compliance with new consent conditions. Council has applied for and been granted a singular consent to pipe wastewater from the Villages to the Manawatu Wastewater Treatment Plan in Feilding for treatment. This will reduce the number of wastewater discharge consents that need to be renewed, thereby reducing the risk that consents will be declined or that significant upgrades will be required to wastewater treatment plans to meet new consent conditions.</p>

Impact of Inflation on Council Budgets – Assumption One

Assumption: Costs will increase as set out in the Business and Economic Research Ltd (BERL) Local Government Cost Adjustor Forecasts Three Scenarios (September, 2020) with the exception of insurance. Council has adopted the Faster rebuild scenario price indices. This scenario is relevant to the Manawatū-Whanganui Region due to a high proportion of employment in agriculture and government with lower reliance on industries hit hardest by COVID-19, such as tourism and retail.

The local government annual growth rates across groupings is included below:

BERL group	Description	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Planning & regulation	BERL Plan & Reg	2.60	2.60	2.50	2.50	2.50	2.50	2.50	2.40	2.40	2.40
Transport	BERL Transport	2.70	2.70	2.70	2.70	2.60	2.60	2.60	2.60	2.60	2.60
Community	BERL Community	3.10	2.80	2.80	2.80	2.80	2.60	2.80	2.80	2.80	2.60
Water & Environment	BERL Water & Environ	4.10	3.40	3.40	3.50	3.50	3.00	3.40	3.40	3.40	3.00
Roading	BERL Roothing	3.30	3.20	3.20	3.20	3.10	3.10	3.10	3.10	3.10	3.00
water, sewer, drainage	BERL Water	4.50	3.20	3.20	3.30	3.40	2.60	3.30	3.30	3.30	2.60
Local Govt Admin	BERL Adminstration	2.20	2.20	2.10	2.10	2.10	2.10	2.00	2.00	2.00	1.90
earth works and site work	BERL Earthmoving & Site	4.10	4.10	4.00	4.00	4.00	3.90	3.90	3.80	3.80	3.80
LGCI Mid point	BERL LGCI OPEX	3.10	2.90	2.90	2.90	2.90	2.70	2.80	2.80	2.80	2.70
LGCI Mid point	BERL LGCI CAPEX	3.30	3.00	3.00	3.00	3.00	2.80	3.00	3.00	3.00	2.80
LGCI Mid point	BERL LGCI Combined	3.20	2.90	2.90	2.90	2.90	2.80	2.90	2.90	2.90	2.70

Alternative 1	That inflation costs will increase at a significantly higher rate than forecast by BERL.
Impact	Major Council may face increased costs if inflation rates differ significantly from forecasts. The biggest impact in the short term would be to threaten the rates affordability in subsequent years. Significant (and unexpected) cost increases will raise questions over levels of service and affordability.
Likelihood	Unlikely The inflation forecasts in appendix one have been used to prepare the financial information within the 10 Year Plan. These forecasts are updated each year and each new 10 Year Plan uses the most recent update.
Overall Risk	Moderate (8)
Reasons & Financial Effect of Uncertainty	Councils may face increased costs if inflation rates differ significantly from forecasts. The biggest impact would be the need to reconsider the levels of services provided.
Mitigating Factors (if applicable)	Council utilises industry specific advice on current inflation and predicted trends. Major projects and most infrastructure maintenance are subject to tenders. These tend to be multiyear contracts that reduce the risk to Council in the short term. Council can decide to halt projects if tendered costs exceed the budget. Council closely monitors its budget and performance against budget. Emerging trends in the economy affecting inflation can be identified at early stages and budgets and spending adjusted if necessary to ensure there are no sudden impacts. Council also utilises several sources of funds, including external and internal borrowing at different rates, so the risk of inflation does not apply to all sources of funding.

Source

BERL. (2020). *Local Government Cost Adjustor Forecasts Three Scenarios*. Mahuru, 2020.

Alternative 2	That inflation costs will increase at a significantly lower rate than forecast by BERL.
Impact	<p>Minor</p> <p>It is possible that rates requirements will reduce, affecting a one year surplus and potentially reducing rate requirements for the future year.</p>
Likelihood	<p>Unlikely</p> <p>The inflation forecasts in appendix one have been used to prepare the financial information within the 10 Year Plan. These forecasts are updated each year and each new 10 Year Plan uses the most recent update.</p>
Overall Risk	Low (2)
Reasons & Financial Effect of Uncertainty	Councils may face reduced costs if inflation is significantly lower than forecast. This would have a positive impact on Council budgets as costs associated with capital and operational spending would be less than anticipated.
Mitigating Factors (if applicable)	<p>Council utilises industry specific advice on current inflation and predicted trends in addition to closely monitoring performance against budget.</p> <p>Through this process, emerging trends that may impact on inflation can be identified at an early stage and budgets and spending adjusted where necessary to ensure there are no sudden impacts.</p>
Source	BERL. (2020). <i>Local Government Cost Adjustor Forecasts Three Scenarios</i> . Mahuru, 2020.

Impact of Inflation on Council Budgets – Assumption Two

Assumption: That Insurance costs will increase as advised by Council’s insurance providers over the first 3 years of the 10 Year Plan, then at the relevant inflation category over the remainder of the 10 Year Plan period.

Alternative 1	That insurance costs will increase at a significantly higher rate than forecast.
Impact	<p>Major</p> <p>Council will face increased costs if insurance price pressures are higher than forecast. Alongside the impact on Council budgets and rates affordability, the biggest impact would be on the ability of Council to afford to insure Council assets.</p>
Likelihood	<p>Possible</p> <p>Expert advice provided by Council’s insurer suggests price pressures may become an issue in the first 3-years of the 10 Year Plan period. The inflation forecasts for insurance have taken this advice into account.</p> <p>The inflation forecasts included in appendix one have been used to prepare the financial information within the 10 Year Plan. These forecasts are updated each year and each new 10 Year Plan uses the most recent update.</p>
Overall Risk	Moderate (12)
Reasons & Financial Effect of Uncertainty	Insurance claims from damages associated with extreme weather are likely to rise as the incidence of these events increases in the future. This is expected to increase the costs of insurance cover. In addition, emergency events elsewhere in New Zealand and across the world may mean that there are periods of time where insurance cover is unavailable, or unavailable for certain types of event.
Mitigating Factors (if applicable)	<p>Due to expert advice, Council has opted to apply the industry inflation forecasts to the first 3-years of the 10 Year Plan, rather than the BERL forecasts. This will enable Council to plan appropriately for strong growth in insurance costs over the 10 Year Plan period.</p> <p>Council closely monitors actual expenditure against budget. Emerging trends in insurance markets that impact on the cost of insurance to Councils, can be identified at an early stage and budgets and spending adjusted, if necessary, to manage impacts.</p>
Source	BERL. (2020). <i>Local Government Cost Adjustor Forecasts Three Scenarios</i> . Mahuru, 2020.

Alternative 2	That insurance costs will increase at a significantly lower rate than forecast.
Impact	<p>Minor</p> <p>The impact of lower than forecast growth in insurance costs would be positive for Council budgets and may enable the release of funds to support other Council activities.</p>
Likelihood	<p>Unlikely</p> <p>Recent advice from Council’s insurance provider highlights the likelihood of strong inflationary pressures over the 10 year plan period. Based on this industry advice, Council has assessed the likelihood of lower than anticipated insurance costs over the life of the 10 Year Plan as unlikely.</p>
Overall Risk	Low (2)
Reasons & Financial Effect of Uncertainty	Councils may face lower costs if the increase in insurance costs is significantly less than forecast. The most significant impact would be the release of funds to support other Council activities.
Mitigating Factors (if applicable)	Council has applied the latest insurance industry advice to forecast the impact of insurance cost inflation over the period of the 10 Year Plan. These forecasts are updated each year and each new 10 Year Plan uses the most up-to-date information, ensuring responsiveness to changes in price pressure over the period of the 10 Year Plan.
Source	BERL. (2020). <i>Local Government Cost Adjustor Forecasts Three Scenarios</i> . Mahuru, 2020.

Interest Rates – Assumption One

Assumption: That the interest on loans raised will be 2.4% over the 2021 to 2023 financial years, rising to 2.85% between 2024 and 2026, and 3.75% over the period 2027 to 3021.

Alternative 1	That interest rates on loans raised will be significantly higher than forecast.
Impact	<p>Minor</p> <p>Significant increases in interest costs may impact on Council’s ability to fund infrastructure and community activities in addition to major upgrades and planned asset renewals. Investment rates however, generally follow interest rates and maintain a consistent difference, reducing the impact on Council budgets of higher than expected interest rates on loans.</p>
Likelihood	<p>Unlikely</p> <p>Global financial market signals and domestic monetary policy settings imply that higher than forecast interest costs are unlikely.</p>
Overall Risk	<p>Low (2)</p>
Reasons & Financial Effect of Uncertainty	<p>Interest rates are influenced by both international factors and domestic monetary policy. While expert advice provides some comfort that interest rates are likely to stay low for a considerable period of time, international factors that influence interest rates such as financial market risk, are outside the control of domestic policy and economic conditions.</p>
Mitigating Factors (if applicable)	<p>The Reserve Bank of New Zealand (RBNZ) has indicated it is considering negative interest rates. In response, the NZ financial markets are factoring in a 76% probability that the OCR will go below zero by October 2021. This view is supported by all four big banks that are predicting negative interest rates in 2021-22.</p> <p>The Liability Management policy outlines the mitigating strategies that Council has around interest rate risk.</p> <p>The Council is also a member of the LGFA and as such has access to lower interest rates.</p> <p>The term of existing debt is spread out to 2029 using a combination of fixed and floating rates. This enables Council to be less affected by fluctuations in interest rates.</p>
Source	<p>Bancorp Treasury advice, 2021.</p>
Alternative 2	That interest rates on loans raised will be significantly lower than forecast.
Impact	<p>Minor</p> <p>A significant decline in interest rates may improve the affordability of Council capital expenditure and service delivery. Depending on Council budget decisions, this may either reduce rates increases or enable greater investment in community infrastructure and the delivery of services to the community. Investment rates however, generally follow interest rates and maintain a consistent difference, moderating the impacts on Council of fluctuating interest rates.</p>
Likelihood	<p>Unlikely</p> <p>Interest rates are at historical lows. While interest rates may well drop further over the early years of the 10 Year Plan, there is little room for substantially lower interest rates. This is due to the impact of existing loans serviced at a higher interest rate, and the diminishing marginal impact of a lower or negative OCR on bank and LGFA interest rates.</p>
Overall Risk	<p>Low (2)</p>
Reasons & Financial Effect of Uncertainty	<p>Interest rates are influenced by both international factors and domestic monetary policy. While expert advice provides some comfort that interest rates are likely to stay low for a considerable period of time, international factors that influence interest rates such as financial market risk, are outside the control of domestic policy and economic conditions.</p>
Mitigating Factors (if applicable)	<p>The RBNZ has indicated it is considering negative interest rates, this is most likely to reduce actual costs of borrowing closer to zero as opposed to delivering a return on funds borrowed. The most likely impact of a lower OCR, is stable and low interest rates over the longer term.</p> <p>The Liability Management policy outlines the mitigating strategies that Council has around interest rate risk.</p>
Source	<p>Bancorp Treasury advice, 2021.</p>

Interest Rates – Assumption Two

Assumption: That the return on cash investments made by Council will be an average of 1.0% over the period of the 10 Year Plan.

Alternative 1	That returns on cash investments will be significantly higher than forecast.
Impact	<p>Minor</p> <p>Council does not rely on interest revenue for running its operations therefore the impact on delivery of Council services would be minimal.</p> <p>Higher interest rates received on cash investments could result in positive cashflow enabling consideration of higher levels of service or reduced expenditure.</p>
Likelihood	<p>Unlikely</p> <p>Global financial market signals and domestic monetary policy settings imply that higher than forecast interest on cash investments is unlikely.</p>
Overall Risk	<p>Low (2)</p>
Reasons & Financial Effect of Uncertainty	<p>A 10 year interest rate of 1.0 % considers the outlook for returns on cash investments over the 10 Year Plan period and is therefore intentionally conservative.</p>
Mitigating Factors (if applicable)	<p>When return on investment are high, these are usually followed by higher costs of borrowings. As a result, the net effect of higher than forecast returns on cash investments is deemed to be minor.</p> <p>The Annual Plan Process will enable adjustments to be made to budgets should interest rates differ significantly from projected.</p>
Alternative 2	That returns on cash investments will be significantly lower than forecast.
Impact	<p>Minor</p> <p>There will be no significant effect on the community or levels of service. Council does not rely on interest revenue for running its operations so the impact will be minimal.</p>
Likelihood	<p>Unlikely</p> <p>Interest rates are at historical lows. While interest rates may well drop further over the early years of the 10 Year Plan, there is little room for substantially lower interest rates due to the diminishing marginal impact of a lower or negative OCR.</p>
Overall Risk	<p>Low (2)</p>
Reasons & Financial Effect of Uncertainty	<p>A 10 year interest rate of 1.0 % takes into account the outlook for returns of cash investments over the 10 Year Plan period and is therefore intentionally conservative for the reasons outlined above.</p>
Mitigating Factors (if applicable)	<p>When return on investment are low, these are usually followed by lower costs of borrowings. As a result, the net effect of lower than forecast returns on cash investments is deemed to be minor.</p> <p>The Annual Plan Process will enable adjustments to be made to budgets should interest rates differ significantly from projected.</p>

Capital Works Cost

Assumption: Capital works costs will not vary significantly from those budgeted.

Alternative 1	That capital works costs will be significantly more than budgeted.
Impact	<p>Major</p> <p>The effect on the community depends on the scale of the variance. Council could face higher than budgeted costs that do not fit within the Financial Strategy limits.</p>
Likelihood	<p>Unlikely</p> <p>Financial budgeting is indicative and it is common for projects to incur cost overruns or under-budget results. More time is spent on estimating projects in the first three years of the 10 Year Plan, with generally less confidence given to projects in years 4-10. Greater certainty of conditions during the initial years of the 10 Year Plan reduces the likelihood that actual costs would be significantly more than budgeted.</p>
Overall Risk	Moderate (8)
Reasons & Financial Effect of Uncertainty	Significantly higher costs than anticipated could result in increased debt levels and unbudgeted interest repayments, or deferral of programmes.
Mitigating Factors (if applicable)	<p>The following processes reduce the likelihood of costs being significantly higher than forecast, in addition to mitigating impacts of any budget overruns:</p> <ol style="list-style-type: none"> 1. Project planning and business case processes to increase the accuracy of planned projects; 2. Projects are re-assessed as part of each 10 Year Plan process and costs are updated to reflect the latest costings and technology changes; and, 3. Where needed, levels of service can be revised annually.
Alternative 2	That capital works costs will be significantly less than budgeted.
Impact	<p>Minor</p> <p>Lower than budget capital works costs would have a positive impact on Council budgets.</p>
Likelihood	<p>Unlikely</p> <p>Financial budgeting is indicative and it is common for projects to incur cost overruns or under-budget results. More time is spent on estimating projects in the first three years of the 10 Year Plan, with generally less confidence given to projects in years 4-10. Greater certainty of conditions during the initial years of the 10 Year Plan reduces the likelihood that actual costs would be significantly less than budgeted.</p>
Overall Risk	Guarded (2)
Reasons & Financial Effect of Uncertainty	If costs are lower, Council could increase levels of service or reduce rate increases.
Mitigating Factors (if applicable)	Lower than anticipated costs result in a net benefit to Council, as this may either release resources to other projects or provide an opportunity to increase levels of service or reduce rates. The re-assessment of projects through the Annual Plan and 10 Year Plan processes enables regular review of actual costs against forecast, enabling decisions to be made regarding reallocation of budgets.

Valuations

Assumption: The value of infrastructure, land and buildings will increase at the same rate as the relevant inflation category as published by Business and Economic Research Ltd (BERL, September 2020). Council has adopted the Faster rebuild scenario price indices. This scenario is relevant to the Manawatū-Whanganui Region due to a high proportion of employment in agriculture and government with lower reliance on industries hit hardest by COVID-19, such as tourism and retail. The relevant average annual growth rates for infrastructure (three waters and roading) are included below. Land and buildings are revalued and therefore adjusted every three years. The growth rates below indicate the forecast cumulative increase in the value of Council's land and buildings over the life of the 10 Year Plan.

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
Three waters	4.50	3.20	3.20	3.30	3.40	2.60	3.30	3.30	3.30	2.60
Roading	3.30	3.20	3.20	3.20	3.10	3.10	3.10	3.10	3.10	3.00
Land and buildings		5.98			15.14			24.84		

Alternative 1	That the value of infrastructure, land and buildings will increase at a higher rate than forecast.
Impact	Moderate Increased valuations would require higher than forecast depreciation funding. This would impact on Council's ability to spend in other areas.
Likelihood	Unlikely The process for review of valuations will enable depreciation funding to be adjusted regularly throughout the 10 Year Plan process.
Overall Risk	Guarded (4)
Reasons & Financial Effect of Uncertainty	Higher valuations could result in higher depreciation requirements that impact on Council level of services and the ability of Council to deliver planned projects within the forecast funding limits.
Mitigating Factors (if applicable)	Infrastructure assets are revalued annually on 1 July by internal staff members in accordance with the District Council's Policy. As accounting standard PBE IPSAS 17 Property, Plant and Equipment no longer requires internal revaluations to be subject to external peer review, the District Council has chosen to obtain an independent peer review every third year rather than annually. A peer review will be undertaken for the revaluation as at 1 July 2022 and three yearly thereafter. This process enables regular adjustments to levels of depreciation funding.
Source	BERL. (2020). <i>Local Government Cost Adjustor Forecasts Three Scenarios</i> . Mahuru, 2020.

Alternative 2	That the value of infrastructure, land and buildings will increase at a lower rate than forecast.
Impact	Moderate Lower valuations will require lower than forecast depreciation funding.
Likelihood	Unlikely Strong asset price inflation in the district and across New Zealand is expected to continue, reducing the likelihood that the value of assets would increase at a lower rate than forecast.
Overall Risk	Guarded (4)
Reasons & Financial Effect of Uncertainty	Council funds for depreciation. If depreciation costs are lower than anticipated, funding could be released to fund increased levels of service or reduce pressure on rates.
Mitigating Factors (if applicable)	Infrastructure revaluations are performed annually to mitigate any large changes to budget.
Source	BERL. (2020). <i>Local Government Cost Adjustor Forecasts Three Scenarios</i> . Mahuru, 2020

Renewability or Otherwise of External Funding

Assumption: Council will be able to borrow at the approved borrowings level.

Alternative	That Council will not able to borrow at the required level.
Impact	<p>Severe</p> <p>If Council is unable to borrow, then Council will either have to defer capital works, reduce levels of service, or increase rates or other operating funding (fees and charges, grants) to fund capital works. If capital works are deferred or delayed, this would lead to lower levels of service.</p>
Likelihood	<p>Rare</p> <p>The likelihood is considered rare as Council has access to the LGFA funding market. Local government in New Zealand has no current or forecast issues in accessing debt funding.</p>
Overall Risk	Moderate (8)
Reasons & Financial Effect of Uncertainty	While it is likely Council will be able to secure loans, it cannot be guaranteed.
Mitigating Factors (if applicable)	<p>The Council has access to finance through the New Zealand Local Government Funding Agency (LGFA), a dedicated financing vehicle for local government.</p> <p>The Council also enjoys access to an on demand loan facility with its transactional banker.</p> <p>Active monitoring of Councils financial position enables Council to react quickly to changes in the ability to borrow.</p>

Sources of Funds for Future Replacement of Significant Assets

Assumption: That the depreciation reserves will adequately fund the renewals of assets over the 10 year period and the longer term (to 2051).

Alternative	That the depreciation reserves are insufficient to fund the renewals of assets over the 10 year period and the longer term.
Impact	<p>Severe</p> <p>There would be a shortfall in funds available to replace assets. This would require Council to either reduce service levels, increase debt and/or increase rates.</p>
Likelihood	<p>Possible</p> <p>The depreciation reserves have been depleted by the level of replacement of assets over the past three years. This recent investment in renewals is expected to reduce the demand on the fund over the early years of the 10 Year Plan, however, it is possible that there will be insufficient depreciation reserves available to fund all renewal projects.</p>
Overall Risk	High (24)
Reasons & Financial Effect of Uncertainty	Since 2009 Council has built depreciation reserves to fund the long term renewals of assets, however many assets were nearing the end of their life at that time so recent renewals have depleted the fund.
Mitigating Factors (if applicable)	<p>Council will be carefully considering the demand on depreciation reserves within the 10 Year budget planning process.</p> <p>If required, Council is able to access borrowings to supplement depreciation reserves at levels forecast within the 10 Year Plan.</p>

Technological Change

Assumption: That Council will be able to take advantage of improvements in technology and asset management practices, resulting in continued efficiency gains and longer asset lives.

Alternative	That technology progresses slower than anticipated.
Impact	<p>Minor</p> <p>Advances in digital technology over the past 10 years have enabled more efficient linkages between condition assessments in the field and asset management systems in the Council. If current rates of technological advancement were to slow, Council would continue to manage, maintain, renew and replace assets using current technologies and best practice.</p>
Likelihood	<p>Unlikely</p> <p>Given recent trends in technological advancement it is considered unlikely that there will not be further advancements over the life of the plan (to 2031).</p>
Overall Risk	<p>Low (2)</p>
Reasons & Financial Effect of Uncertainty	<p>Maintenance and renewals programmes are based on current information and best practice and therefore should be able to be completed to budget. Any advances in technology that make projects more or less viable would be considered at the time and taken into account within Council's forecasting of future programmes and budget estimates.</p>
Mitigating Factors (if applicable)	<p>Through their professional memberships and ongoing training, Council officers keep pace with technological advancements that could result in greater efficiencies for Council. It is therefore unlikely that Council will fail to take advantage of new technologies as they become available.</p>

Appendix 2: Statement on Council Controlled Organisations

Te tauākī e hāngai ana ki ngā hinonga kei raro i te maru o te Kaunihera

LEGISLATIVE CONTEXT

The Local Government Act (LGA) 2002 defines Council Controlled Organisations (CCOs) as (section 6 (1)(b)):

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

1. Control, directly or indirectly, of 50% or more of the votes at any meetings of the members or controlling body of the organisation; or
2. The right, directly, or indirectly, to appoint 50% or more of the trustees, directors, or managers (however described) of the organisation.

CCOs are mostly set up to independently manage Council facilities or deliver specific services to local residents. Council may choose to work through a CCO when they consider governance by a Trust Board or Company with specialist skills in a specific area is required. CCO's can also attract funding from sources other than ratepayers.

CCOs operate at arm's length to the Council. CCOs are run by Trust Boards or Companies, not by the Council. Every year CCO's provide the Council with a completed Statement of Intent which outline its activities for the year ahead and describes how it will meet the Council's objectives.

Manawatū District Council has two organisations which fit within the definition.

Central Economic Development Agency (CEDA)

CEDA is jointly owned between the Manawatū District Council and the Palmerston North City Council. CEDA was established 1 September 2016 for the purpose of driving and facilitating the creation and growth of economic wealth in Manawatū and beyond.

Council's economic development priorities are set out in its Economic Development Strategy (September 2017):

GROWING BUSINESS AND EMPLOYMENT

- Through our actions we aim to attract, retain and grow highly productive businesses.
- We will promote the Manawatū district to attract new businesses, residents and visitors to the district.
- We will provide a high quality environment and lifestyle opportunities to retain residents and businesses in the district.
- We will work together with our local and regional partners to optimise collective opportunities for economic growth.
- We will support business decision making by providing accurate and timely regulatory and economic information to our community.
- Through CEDA we will provide business support services to sustain and grow existing business activity.
- Through CEDA we will provide start-up business support services to expand entrepreneurial activity.
- Through CEDA we will provide business support services to expand emerging opportunities for enterprise.

GROWING SKILLS AND CAPABILITY

- Through our actions we aim to attract, retain and grow highly productive and talented people.
- We will work with our partners to enable businesses to access new markets and opportunities for growth and job creation.
- We will work with our partners to attract a range of industries to our district; supporting the creation of employment in traditional alongside emerging growth industries.
- We will support our partners to improve pathways to employment for youth and workers displaced by labour market changes.
- We will support our Central Economic Development Agency (CEDA) to undertake labour market analysis and the implementation of a labour market strategy to match skill development with labour demand.

We monitor the CEDA's performance by measuring the following for the period 1 July 2020 to 30 June 2023:

(Note: these outcomes may be impacted by CEDA's requirements to be adaptable and responsive to the needs of the regional economy due to the impact of COVID-19).

Key Strategic Outcome: Attract, retain and develop talent in the region.

Service Level Statement: Develop the talent pipeline to grow a skilled workforce, and better utilise the existing labour market.

Performance Measures:

- Understanding of the future of work in the region and how best to prepare the region for change.
- Implementation of the talent attraction and retention strategy.

- Driving the development of skills in the region and supporting linkages to job opportunities.
- Implementation of the action plan as a result of the primary sector skills gaps analysis.

Service Level Statement: Lead and develop programmes and initiatives to attract more international students to the region.

Performance Measures:

- Increase the value of international students in the region
- Enhance the experience of international students while they are here
- Increase the employability of international students.

Key Strategic Outcome: Attract, retain and develop business and investment in the region.

Service Level Statement: Support our sectors of strength to grow through targeted business development and retention initiatives and activities.

Performance Measures:

- Assess and support opportunities for growth through key business engagement, cluster development and sector strategies and relationships with Māori
- Retain businesses in the region through engagement and identification of barriers to growth
- Develop and grow businesses by delivering information, advice, and support
- Facilitate access to specialist innovation, business development and start-up expertise.

Service Level Statement: Attract business and investment to the region.

Performance Measures:

- Implementation of Inward Investment Strategy with regional partners, targeting the agriculture, and distribution and logistics sectors
- Attraction of conference and business events that bring economic benefit to the region.

Key Strategic Outcome: Profile the region to attract people, business and investment.

Service Level Statement: Profile Manawatū locally, nationally and globally.

Performance Measures:

- Lead and develop the stories of Manawatū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi
- Lead the creation of quality, targeted regional content for distribution on owned and third-party platforms, working with media partners to showcase our region's strengths
- Grow engagement on regional web and digital platforms for increased promotion of and information on the region.

Key Strategic Outcome: Lead inclusive and sustainable economic development for the region.

Service Level Statement: Develop strategic partner relationships, leveraging opportunities.

Performance Measure:

- Continue to build on relationships with shareholders, central government agencies, key regional stakeholders, local iwi and Māori, and business support groups through the stakeholder engagement plan.

Service Level Statement: Data and insights communications on the performance of the region's economy.

Performance Measure:

- Economic impact information regularly communicated to stakeholders and business, including iwi and Māori business sector.

Service Level statement: Work plan aligned to delivery of Statement of Service Performance.

Performance Measure:

- Development of Business Plan with outcomes on delivery of the Statement of Intent.

(Note: The annual targets for these measures are specific to individual years and can be found in the Statement of Intent on Council's website.

Manawatū Community Wellbeing and Housing Trust (MCT)

MCT has been a Council Controlled Organisation (CCO) since June 2008. Council established the Manawatū Community Trust for the following purposes:

- Any charitable purpose within the Manawatū District
- To create a fund to be used for:
 - a. The promotion of any purpose or purposes within the Manawatū District for the relief of poverty and for the benefit of the residents of the Manawatū District;
 - b. The promotion of health services for the residents of the Manawatū District;
 - c. The promotion of wellbeing services for residents of the Manawatū District - these services shall include services promoting the improvement of the lifestyle, health and welfare of residents of the Manawatū District and creating a sense of community for the benefit of the residents of the Manawatū District;
 - d. The promotion of housing for the elderly and disabled residents of the Manawatū District;
 - e. To accept gifts and grants of whatever description, provided that any private benefit conferred on any individual is incidental to the above purposes.

We monitor the Manawatū Community Trust's performance by measuring the following for the period 1 July 2020 to 30 June 2023:

1. A housing portfolio that provides a modern, healthy living environment for the elderly and the disabled.
 - a. Refurbishments

Objective: The promotion and provision of housing for the elderly and disabled residents in the Manawatū District .

Baseline: All occupied flats meet or exceed healthy Living Standard Regulations.

Measure: Carry out refurbishment or complete upgrades on flats to ensure that they meet appropriate standards.

Target: Eight flats per annum.

b. Additional Housing Stock

Baseline: Strategic planning extends beyond five years.

Measure: Strategic Plan and cash flow beyond five years updated and actively followed.

Target: Have at least 10 new units constructed and occupied by June 2021.

2. Be responsive to urgent maintenance requirements or resident health and safety needs.

Objective: The promotion and provision of housing for the elderly and disabled residents in the Manawatū District.

Baseline: Residents receive prompt and appropriate responses to maintenance requests.

Measures:

- Maintenance requirement requests are responded to within two working days
- Resident safety needs are responded to within two hours.

Targets:

- 95% of urgent maintenance requests are responded to within two hours of notification
- 95% of non-urgent maintenance requests are responded to within two working days of notification.

3. Maintain a high occupancy level

Objective: The promotion and provision of housing for the elderly and disabled residents in the Manawatū District.

Baseline: From year ending June 2018 - 97%

Measure: Average annual month end occupancy level.

Target: 97%

4. Facilitate the redevelopment of Clevely Wing in Duke Street.

Objective: The promotion of health and welfare services for the residents of the Manawatū District.

Baseline: The Clevely wing is productively used.

Measure: The redevelopment of Clevely Wing.

Target: Clevely wing productively operational by June 2023.

5. The Manawatū Community and Development.

Objective: The promotion of wellbeing services for residents of the Manawatū District. These services shall include services promoting the improvement of lifestyle, health, and welfare of residents in the Manawatū District and creating a sense of community for the benefit of the residents of the Manawatū District.

Baseline: Review the recommendations made in Trust and district research reports alongside the Trust's strategic and operational planning process. (e.g. 'Encouraging Change' and 'Community wellbeing of the older persons living in Feilding')

Measure: Collaborate with groups working with older persons to explore where opportunities exist to improve or provide wellbeing services.

Target: Develop and maintain working project partnerships consistent with the Trusts vision with two other community groups by June 2023.

6. Manawatū District Council Partnership

Objective: Collaborate with the MDC in defining, developing and refining a strategy to address housing needs for elderly and disabled residents in the Manawatū District.

Baseline: Availability of suitable land and residential planning regulations have been assessed.

Measure: Agreements reached on cooperative goals.

Target: MCT has access to land for development by June 2023.

Council Controlled Organisations (exempt)

In accordance with section 7(3) of the LGA the Council can, by resolution, exempt small CCOs that are not Council Controlled Trading Organisations from the requirements of CCOs.

The Council has nine CCOs that have been exempt. The exemption is from 19 June 2020 until 19 June 2023

As these CCO's have the status of being exempt there is no requirement for Council to disclose the performance targets and measures.

Manawatū-Whanganui Local Authority Shared Service Limited (MW LASS Ltd)

Nature and scope of activities

MW LASS Ltd brings together Horizons Regional Council and Horowhenua, Manawatū, Rangitīkei, Ruapehu, Taranaki and Whanganui District Councils. MW LASS Ltd was established in 2008 to investigate, develop, and deliver shared services.

MW LASS Ltd provides for the Councils in this region (excluding Palmerston North City Council) to work together on mutually beneficial joint projects to ensure consistent levels of service throughout the region and to reduce the individual costs of delivering these services incurred by each Council. The projects that have been developed through MW LASS Ltd to date include (but are not limited to):

Policies and Objectives on Ownership and Control

MW LASS Ltd is managed by its own Chief Executive and member Councils are all represented by their Chief Executives on the Board of Directors.

Heartlands Contractor Limited

The Council has a 100% shareholding in Heartland Contractors Ltd. It is exempt from the reporting requirements

of a Council Controlled Organisation as per Councils resolution set in accordance with section 7 (3) of the Local Government Act 2002. The exemption is reviewed every three years.

The business of this company was sold on 1 March 2002 and has ceased to trade. Accordingly, no details of the company have been included in this 10 Year Plan.

Heartland Contractors Limited has been inactive for a number of years and does not provide any services to the community. As such the company is exempt from being a CCO for the purposes of Section 7(5) of the Local Government Act. The company therefore is not required to provide audited financial or operational reports to Council on their activities.

RNZAF Ōhakea Visitor Centre Trust

This Trust was established in 2007. An Electoral College appoints the five Trustees of the Trust.

The Electoral College comprises: two representatives of the Royal New Zealand Air Force, two representatives of the Manawatū District Council, the Palmerston North City Council and the Rangitīkei District Council, and a representative of the Manawatū Branch of the New Zealand Division of the Royal Aeronautical Society.

The purpose of the Trust is:

- To investigate the viability of the combined Heritage Visitor Centre (“Visitor Centre”) being located close to Ōhakea in tandem with RNZAF and Regional Partners including Destination Manawatū, Vision Manawatū, Palmerston North City Council, Manawatū District Council and the Rangitīkei District Council
- To attract visitors with an interest in aviation to the Visitor Centre
- To lead, foster and promote aviation history within the Manawatū region and the Rangitīkei District with a principal focus on presenting the history of the RNZAF Base at Ōhakea utilising the Visitor Centre. Also, to provide exhibition space for the promotion of the National Air Force Museum in Christchurch
- To foster a positive public, community and military image for RNZAF in the Manawatū region and the Rangitīkei District, recognising that RNZAF Base Ōhakea is the principal air base in New Zealand
- To cater for enthusiasts of aviation heritage in the wider regional community
- To contribute to the infrastructure development that assists in the display of regional aviation history in the Manawatū region and the Rangitīkei District
- To generally do or perform all such acts, matters and things which may be incidental to or conducive to the attainment of any of the foregoing aims and objectives.

Manawatū Whanganui Disaster Relief Fund Trust

This Trust was established in 2004 after the 2004 floods. Local authorities within the Manawatū-Whanganui Region namely Horizons Regional Council, Horowhenua District Council, Manawatū District Council, Palmerston North City Council, Rangitīkei District Council, Ruapehu District Council, Tararua District Council and Whanganui District Council established a fund for the primary purpose of meeting the welfare needs of people following a significant natural or man-made disaster in the Manawatū-Whanganui region or elsewhere in New Zealand.

Camp Rangi Woods Trust

This Trust was established in 1999, with a modification to the Trust Deed in 2014 resulting in it becoming a CCO, as Manawatū District Council at Feilding and The Young Men’s Christian Association Central Incorporated each appoint two Trustees each.

The purpose of the Trust is:

- To maintain and develop the facilities of Camp Rangī Woods for educational and recreational use
- To foster, promote, facilitate and encourage through education the safe and sound practices of all outdoor pursuits, knowledge nature and understanding and respect for the environment
- To develop and conduct educational and recreational programmes for persons of all ages.

New Zealand Local Government Funding Agency Limited (LGFA)

The LGFA is a partnership between Participating Local Authorities and the Government which enables councils to secure funding at lower interest margins and to make longer term borrowings.

The LGFA provides certainty of access to debt markets, enabling Council to obtain funds at the best possible rate to fund projects of benefit to the community.

The LGFA raises debt on behalf of local authorities through domestic and offshore sources, at a rate that is more favourable than that which would be secured if the council was to raise debt directly.

Awahuri Forest Kitchener Park Trust

The Awahuri Forest/Kitchener Park Trust has been a Council Organisation since July 2014. It is exempt from the reporting requirements of a Council Controlled Organisation as per Councils resolution set in accordance with section 7 (3) of the Local Government Act 2002. The exemption is reviewed every three years.

Council established the Awahuri Forest/Kitchener Park Trust for the following purposes:

- To assist in the ecological restoration, management and enhancement of the land at Kitchener Park and for this purpose to maintain a five year plan which, with an annual budget, will be made available to the Settlor for its approval prior to the commencement of each financial year;
- To steer and co-ordinate the raising of funds to assist the restoration, management, enhancement, promotion and further development of the land at Kitchener Park;
- To encourage community access to Kitchener Park, and foster knowledge of and interest in the ecological restoration activity at Kitchener Park;
- To ensure the continued protection and restoration of Kitchener Park where possible and restore biodiversity values;
- To create a safe haven for native plant and animal species, controlled for plant and animal pests;
- To collaborate with other relevant organisations and individuals to reintroduce locally extinct or threatened plant and animal species, to ensure their long term survival;
- To develop self-sustaining threatened species populations which will act as source populations for the creation of future community restoration projects in the Manawātū District;
- To care for some special collections, including the podocarp, epiphyte and lichen collections presently established at Kitchener Park;
- To support scientific and historic research of the Kitchener Park ecosystem or components thereof;
- To educate the general public, especially school children, about the need to conserve and protect native forest environments in New Zealand.

Feilding Civic Centre Trust

The Feilding Civic Centre Trust has been a CCO since July 2005. It is exempt from the reporting requirements of a CCO as per Councils resolution set in accordance with section 7 (3) of the Local Government Act 2002. The exemption is reviewed every three years.

Since July 2005, Feilding Civic Centre Trust has leased the Feilding Civic Centre property in Stafford Street, Feilding from Council. The Trust is responsible for day-to-day operations and promotion of the Feilding Civic Centre.

Council reviews its lease arrangement with the Trust every three years. Council, as the Settlor, appoints Trustees to the Trust.

Council established the Feilding Civic Centre Trust for the following purposes:

- The promotion of any purpose or purposes within the Manawatū region for the advancement of education particularly in the arts, culture, environment, recreation and sport and the fostering of a sense of community;
- Engendering a feeling of regional pride through strategies reflecting the positive image within the Manawatū region;
- Creating an awareness of the arts, culture, environment, recreation and sport of the Manawatū region;
- Encouraging participation of the community of all ages and persuasions including youth amateur in the arts, culture, environment, recreation and sport;
- To manage, control, develop, promote, market, enhance and maintain the Civic Centre for the use and enjoyment of the Manawatū Community and the wider New Zealand community.

Manawatū District Youth Development and Wellbeing Trust

The Trust was established in December 2019 between Manawatū District Council and New Zealand Police.

The activities of the Trust reflects an ongoing collaboration between the Manawatū District Council and New Zealand Police for the betterment of young people in the Manawatū District.

The charitable purposes of the Trust shall be to advance education, alleviate poverty and other matters beneficial to the community through activities that include the development and implementation of programs that assist and support young people to:

- Undertake physical education, including participation in outdoor pursuits;
- Develop a greater awareness of themselves within the community;
- Participate in team cohesion, spirit and co-operation activities;
- Develop habits and practices designed to reduce the risk of offending, reoffending, alcohol and drug abuse, truancy, disorder and dishonesty offences; and
- Participate and assist in community and cultural activities and life.

Appendix 3: Who are we - the Governance Team

Te Kāhui Urungi o te Kaunihera

Feilding Ward

5 Elected Members



Hilary Humphrey



Michael Ford



Grant Hadfield



Shane Casey

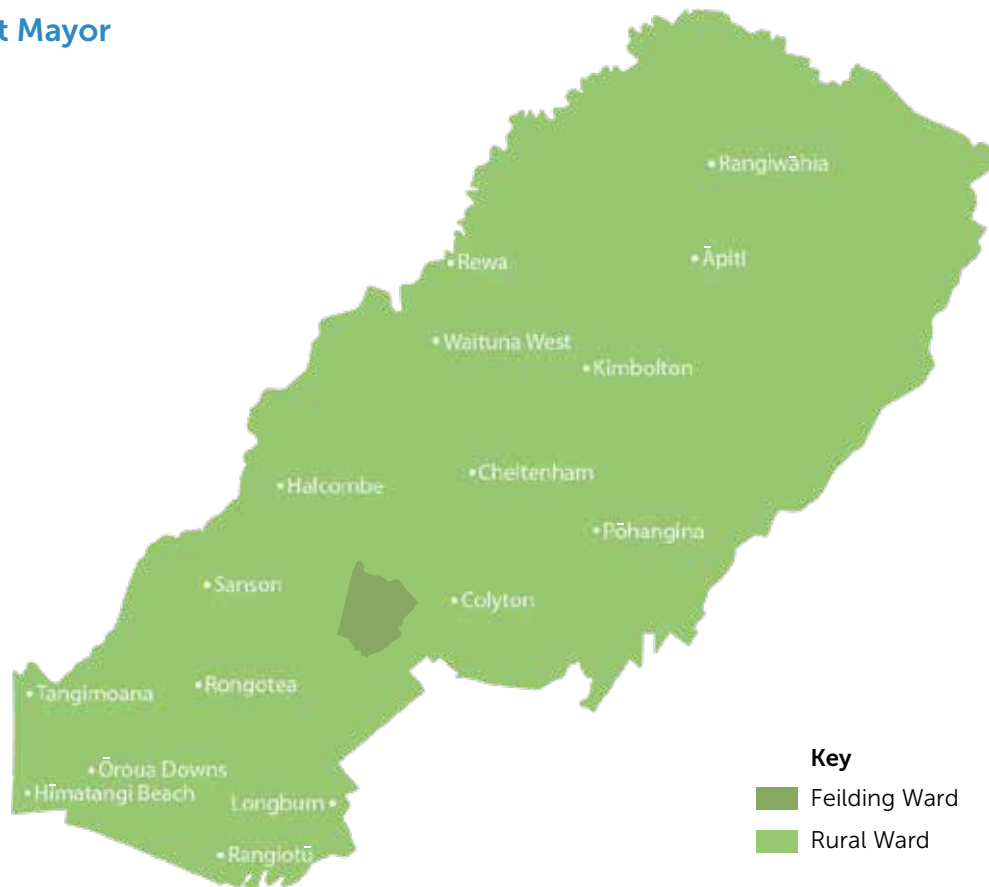


Stuart Campbell

Manawatū District Mayor



Helen Worboys



Manawatū Rural ward

5 Elected Members



Phil Marsh



Andrew Quarrie



Heather Gee-Taylor



Alison Short



Steve Bielski

Appendix 4: Who are we - the Executive Team

Te Kāhui Tumu Whakahaere o te Kaunihera



Acting Chief Executive

Shayne Harris

Consents and regulatory



Brent Limmer

General Manager Community & Strategy

Strategy, Community Facilities, Project Delivery,
Communication, District Planning and Media, Civil Defence



Hamish Waugh

General Manager Infrastructure

Roading Network, Utilities (3 Waters), Solid Waste



Karel Boakes

Acting General Manager Corporate & Regulatory

Building Control, Finance, Compliance & Monitoring, Animal Control,
Governance Services, Customer Services



Frances Smorti

General Manager People & Culture

Human Resources, Health & Safety

Appendix 5: Audit NZ opinion

Ngā whakaaro o Mana Arotake Aotearoa

Audit opinion





Manawatū District Council
135 Manchester Street
Private Bag 10001
Feilding 4743

..... P 06 323 0000
..... F 06 323 0822
..... E public@mdc.govt.nz
..... www.mdc.govt.nz