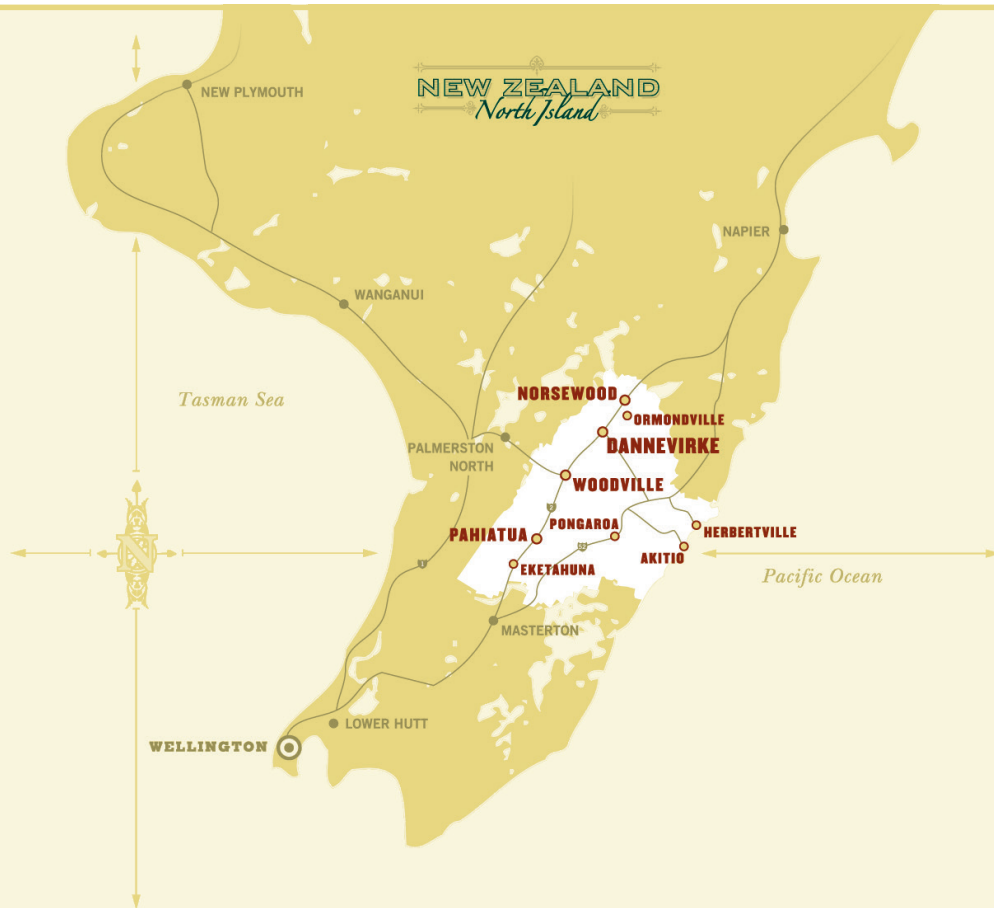




ANNUAL PLAN 2016/17



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

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

In the beginning...

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

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

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

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

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

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

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

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

ANNUAL PLAN 2016/17

TARARUA DISTRICT COUNCIL

This document is the Annual Plan of the Tararua District Council, for the period 1 July 2016 to 30 June 2017.

The Annual Plan 2016/17 was adopted by Council on 29 June 2016.

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

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Overview

1



Welcome from the Mayor and Chief Executive

Council will still deliver all the services as stated in the Long Term Plan, as well as continue with the extensive urban wastewater and water capital works programme.

Council adopted a new 10-year Plan for Tararua in June 2015, and reaffirmed the focus on core infrastructure, economic development and financial prudence, as well as responding to challenges and opportunities for the Tararua district.

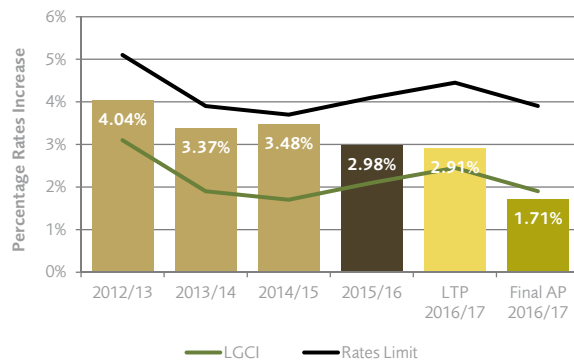
This Annual Plan covers year two of the 2015–2025 Long Term Plan (Long Term Plan). Council's proposed budget for 2016/17 has considered the huge challenges facing our farmers from low product prices, and the impacts of these lower incomes on the agricultural support businesses, retailers, professional support businesses and those who work in these industries.

Where possible, Council has moved to minimise costs while still delivering the planned service levels. Prudent financial management in recent years has left us in a strong financial position, enabling lower rates increases.

The overall rates increase is 1.71%. This is significantly less than the 2.91% increase forecasted in the Long Term Plan.

Council will still deliver all the services as stated in the Long Term Plan, as well as continue with the extensive urban wastewater and water capital works programme. Road network standards will be maintained and resilience improved, helped by an increase in the subsidy levels from the NZ Transport Agency. Our debt levels continue to be modest and well below our debt limits.

RATES INCREASES



2016/17 overall rates increase:

1.71%



The rates increases by sector reflect the upgrades of the urban water and wastewater networks; as well as further investment in economic development and increased costs for footpaths, solid waste recycling and disposal. The estimated rates increases proposed by sectors are:

Sectors	Annual Plan 2016/17	Long Term Plan Year 2
Rural	0.96%	1.16%
Urban	2.57%	5.14%
Industrial / Commercial	2.66%	4.01%
Total Rates	1.71%	2.91%

We have made progress and delivered on many of the planned projects included in the Long Term Plan, including improved water and wastewater infrastructure and water quality. This focus continues in 2016/17 with the water and wastewater urban upgrades, most of which are carried out in partnership with the Ministry for the Environment, Ministry of Health and Horizons Regional Council.

Completion of these projects will see the Tararua in a great position for future growth and improved lifestyles. We are delivering environmental benefits to all residents, and the wider region, by improving the health of our rivers.

Council is also progressing a number of other key community projects across the district, including the Woodville combined services building and project planning for the Pahiatua and Eketahuna pool renewals. These projects were adopted as part of the Long Term Plan and we have been working on project plans in order to implement them. Some of the projects have changed in timing and/or scope as a number of issues have arisen that have impacted on the original plans. Council is working with relevant communities to progress these projects.

As well as these major projects, Council has a number of smaller projects to improve and renew community facilities. Examples of these include improvements at the Ferry Reserve (Ballance) to cater for more visitors, and new playground equipment at Fontaine Square, Woodville.

As a result of the decision made by Council to locate the Woodville combined Council services in the building previously known as Woodville Service Centre the future of the existing Woodville Service Centre/Library building will need to be determined. Council is aware that the Woodville community was largely supportive of retaining this building in some form for community use. Council will be calling for community led proposals for the future use of this building and will work directly with the Woodville community to set up this separate process. Council will need to consider the ongoing costs and community benefits from any proposed uses. If a viable community use can be identified, then Council will consider earthquake strengthening the building.

Council recently consulted on new fees and charges relating to the Food Act 2014. Submitters largely supported

Council's proposal to recover 35% of the costs associated with Council services in meeting the legal requirements of the Food Act 2014. Council has incorporated these fees into the 2016/17 Annual Plan.

Council strives to deliver services more efficiently. This involves considering new ways of decision-making, funding and delivering services. We have been open to new ways of providing services to the community, including shared services and partnerships, resulting in major benefits to our residents. Examples of this include the Tararua Alliance collaborative working agreement (for the management of our roading corridor network) and the delivery of some services through shared services contracts.

Over the next year, we will be looking at how we provide our services and considering what is the most efficient and effective way of doing so. Any significant proposed changes to current arrangements will be consulted on as part of the 2017/18 Annual Plan or 2018–2028 Long Term Plan.

After many years of declining population, there has been a welcome change to this trend over the last year. Population estimates are now showing modest increases, and a growing number of people migrating to the district.

We acknowledge the hard work councillors and staff have put in to identify efficiencies and minimise rates increases for the 2016/17 financial year.



Guide to the Annual Plan

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

Part 1: Overview

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

Part 2: Activities

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

Part 3: Rates

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

Part 4: Financials

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

Part 5: General Information

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

Associated Documents

A comprehensive list of fees and charges will be found in 'Fees and Charges 2016/17'.

Other associated policies include:

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

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

Key Changes From the 2015-2025 Long Term Plan

Woodville Combined Library, Service Centre, and i-SITE

Council included a project in the Long Term Plan to upgrade the combined Library, Service Centre, and Taranaki i-SITE Visitor Information Centre in Woodville in the existing building. With the limitations of the existing building – site size and structural strengthening required – this has proven to be significantly more expensive to achieve than budgeted for in the Long Term Plan. Council has now decided to move the Library, Service Centre and i-SITE into the now vacant Taranaki Alliance building located across the road. This building does not require earthquake strengthening, is larger and more flexible, and can meet the current and future needs of these Council services in Woodville. Car parking will also be significantly improved, as Council has purchased the vacant site adjacent to this building. Council has budgeted 263,000 in 2016/17 for this project, plus fitout costs. This is funded from the sale of the old Infracore building, and depreciation reserves.

The existing Council services building (Library, Service Centre and i-SITE) does not meet the current threshold for structural strength (34% of current building code) and is therefore deemed earthquake prone. Our latest estimates for the minimal earthquake strengthening required to meet legal requirements is around \$100,000. Council is calling for community led proposals for the future use of this building. The ongoing operating and renewal costs will be assessed against the proposed benefits to the Woodville community.

Timing of Wastewater Treatment and Discharge Upgrades

These upgrades are part of the partnership with the Ministry for the Environment 'Fresh Start for Fresh Water' subsidised wastewater improvements initiative and Horizons Regional Council, and is part of our commitments under the Manawatu River Leaders' Accord. This is an ambitious upgrade programme designed to improve the quality of our river systems, and to meet new discharge standards required to successfully renew our many wastewater discharge resource consents. The following projects that were programmed for completion in 2015/16 will now be completed in the 2016/17 year:

- Eketahuna wastewater upgrade (\$810,000)
- Pongaroa wastewater upgrade (\$159,000)

These two projects have been deferred so that the learnings, operational results, and final improvements of the new plant in Norsewood (which uses the same design) can be included in the final design in Eketahuna and Pongaroa.



Water Supply Upgrades

Council is now expecting that the completion of two water supply upgrade projects will be carried over to 2016/17.

Pahiatua

The Pahiatua water supply upgrade is focused on increasing the quantity of water available during drier months of the year and during emergencies, and complying with the NZ Drinking Water Standards. An alternative option emerged this year to use the water supply from the Tui Brewery site. A new pipeline would be required to connect this supply to the Pahiatua network and this would take considerable time to plan and construct.

In order to deliver an increase in water in time for the 2016/17 summer, Council has resolved to address the major issues of quality and resilience in two phases.

Phase 1: Quality and Quantity

Additional storage is needed so that river water is no longer needed to supplement the existing bore supply.

Council has resolved to construct a 6,000m³ additional water storage tank at a cost of \$1.134 million. The tank will be used to store water during periods of the year when demand for water is low, to supplement the bore supply in summer as demand increases. This will provide an additional 4.5 days of water storage and will be operational prior to summer 2016/17. This will improve water quality and ease the extent of water restrictions.

Phase 2: Resilience

Council staff will investigate options to improve the resilience (additional water supplies and storage) of the Pahiatua water supply network. Options will be considered in 2016/17.

Akitio

The upgrade to the Akitio supply has been delayed by the need to prepare a formal agreement over water flows and access with the landowner of the water source. It has also been identified that township key users need to install additional storage tanks on-site.

Rates Increase

The overall rates increase for 2016/17 is 1.71%. This is significantly less than the 2.91% increase forecasted in the Long Term Plan. This is consistent with the key outcomes in our Financial Strategy ("affordability") and Council Vision ("reducing rates increases").

Capital Programme

The total capital works programme for 2016/17 is \$13.9 million; compared to the \$11.8 million for year 2 of the Long Term Plan. This is largely the result of the additional \$1.46 million for the expansion of the Saddle Road project that is 100% funded by the NZ Transport Agency. The balance of additional capital costs are from the deferred 2015/16 projects. There have been some reductions in estimated capital costs due to lower inflation impacts than originally forecast.

Annual Plan Disclosure Statement

for the year ending 30 June 2017

What is the purpose of this statement?

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

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

Benchmark	Quantified Maximum Limit	Planned Limit	Met
Rates affordability benchmark			
- Income	\$21,475,000	\$21,022,000	Yes
- Increases	3.90%	1.71%	Yes
Debt Affordability:			
Net Debt as a percentage of total revenue	<50%	-2%	Yes
Net interest as a percentage of total revenue	<7%	0.73%	Yes
Net interest as a percentage of annual rates income (debt secured under debenture)	<10%	1.20%	Yes
Liquidity (External, term debt + committed loan facilities + available liquid investments to existing external debt)	>110%	245%	Yes
Balanced Budget Benchmark	100%	100.41%	Yes
Essential Services Benchmark	100%	118.69%	Yes
Debt Servicing Benchmark	10%	1.57%	Yes



Notes

1 Rates affordability benchmark

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

2 Debt affordability benchmark

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

3 Balanced budget benchmark

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

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

4 Essential services benchmark

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

5 Debt servicing benchmark

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

Activities

2

Groups of Activities

What the Council Does

Introduction

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

We have nine groups of activities and 21 activities.

Explanation of Activity Pages

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

Groups of Activities

Building Communities & Leadership ..18
Community & Recreation Facilities.....22
District Promotion & Economic Development32
Regulatory Services.....36
Roading & Footpaths42
Solid Waste Management46
Stormwater48
Wastewater.....51
Water Supplies54

Council Outcomes

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

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

How the Council Outcomes Relate to Council Services

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

Key: Strongly Related ✓ Related ● Partially Related ◆

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

Building Communities and Leadership

Activities in this Group and Service Levels Provided

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

Group Level Funding Impact Statement

Building Communities and Leadership

	Annual Plan 2015/16 (A)	LTP 2016/17 (B)	Annual Plan 2016/17 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	1,622	1,689	1,758	69
Targeted rates	-	-	-	-
Grants and subsidies operating	-	-	-	-
Fees and charges	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	33	35	75	40
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	1,655	1,724	1,833	109
Applications of Operating Funding				
Payment to staff and suppliers	1,160	1,189	1,326	(137)
Finance costs	-	-	-	-
Internal charges and overheads applied	458	496	519	(23)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,618	1,685	1,845	(160)
Surplus/(Deficit) of Operating Funding (A - B)	37	39	(12)	(51)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	10	10
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	-	-	10	10
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	-	-	-	-
- to replace existing assets	10	-	-	-
Increase (decrease) in reserves	27	39	(2)	41
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	37	39	(2)	42
Surplus/(Deficit) of Capital Funding (C - D)	(37)	(39)	12	51
Funding Balance ((A-B) + (C - D))	-	-	-	-

Community Support

Aim – to support communities to support themselves.

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Collaborative Council • Great lifestyle			
Public money is spent appropriately	Council funds and supports key community organisations in order to build district community capability	Percentage of residents rating Council's involvement in community support as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	75%
		All organisations receiving grants meet accountability requirements of Council	100%



Representation

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Collaborative Council • Great lifestyle • Prosperous economy • Efficient infrastructure • Sustainable environment			
Good governance	Providing leadership to represent and make decisions in the best interests of the district and its communities	Percentage of residents rating the overall performance of the Mayor and Councillors as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020 and 2023	75%
		Percentage of residents rating the overall performance of the Community Boards and Community Committees as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	75%
Ensuring correct public processes are followed	Provide processes and community boards/committees through which the community can have its views heard	Percentage of Council committee meetings that meet the requirements of the Local Government Official Information and Meetings Act	100%

Community and Recreation Facilities

Activities in this Group and Service Levels Provided

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



Group Level Funding Impact Statement

Community and Recreation Facilities

	Annual Plan 2015/16 (A)	LTP 2016/17 (B)	Annual Plan 2016/17 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	2,991	3,068	3,101	33
Targeted rates	1,580	1,665	1,627	(38)
Grants and subsidies operating	5	5	5	-
Fees and charges	567	581	539	(42)
Local authorities fuel tax, fines, infringement fees, and other receipts	394	407	373	(34)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	5,537	5,726	5,645	(81)
Applications of Operating Funding				
Payment to staff and suppliers	3,285	3,432	3,394	38
Finance costs	53	77	62	15
Internal charges and overheads applied	1,181	1,222	1,203	19
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	4,519	4,731	4,659	72
Surplus/(Deficit) of Operating Funding (A - B)	1,018	995	986	(9)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	603	575	738	163
Gross proceeds from sale of assets	-	212	-	(212)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	603	787	738	(49)
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	23	84	82	2
- to improve the level of service	691	1,166	962	204
- to replace existing assets	712	381	372	9
Increase (decrease) in reserves	195	151	308	(157)
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	1,621	1,782	1,724	58
Surplus/(Deficit) of Capital Funding (C - D)	(1,018)	(995)	(986)	9
Funding Balance ((A-B) + (C - D))	-	-	-	-

Cemeteries

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure			
Well presented cemetery grounds and facilities	The cemetery grounds are presented to a high standard	Percentage of residents rating cemeteries as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	75%
Access to cemetery plots	Plots are available in all local cemeteries	Percentage of cemeteries in district with plots available for next 12 months – based on historical burial data	100%



Community Buildings

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure • Great lifestyle			
Buildings support a range of activities which enhance residents' lifestyle	Council provides community buildings which are fit for purpose	Percentage residents "fairly satisfied" or "very satisfied" with community buildings in the community survey to be conducted in 2017, 2020, and 2023	90%
	Facilities are well-utilised	The total number of hours per annum facilities are booked through Council	>3100 hours

Housing

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure • Great lifestyle			
Council housing stock is fit for purpose	Housing units are maintained to a suitable standard	Percentage of housing units which, when inspected, are found to have maintenance issues which are more than minor	< 10%
Council acts as a good landlord and provides a professional tenancy service	Council acts as a good caring landlord	Tenants' satisfaction with the landlord service received from Council	90%



Libraries

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Prosperous Economy • Great lifestyle			
Quality community space	Access to information	Library services are clean, welcoming and open at times suited to their community based on the annual survey carried out internally by the library	90%
		Percentage of residents rating libraries as "fairly satisfactory" or "very satisfactory" in the community surveys conducted in 2017, 2020, and 2023	90%
The provision of information for residents	Provide access to a wide range of information and life-long learning opportunities	Library collections are current and accessible based on number inter-library loans, new items added and availability of online information	85%
Supporting the education of children	Supporting literacy in all it's forms	Number of programmes run annually	> 6
		Library customers are satisfied with the programmes offered	90%
Supporting ongoing education of adults	Enabling independent life-long learning, research and innovation	Library customers are satisfied with staff service (annual survey)	90%

Parks and Reserves

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Great lifestyle			
People are proud of the city's parks and streetscapes	Our parks and park facilities are well presented	Percentage of residents rating parks and reserves as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	90%
Community Outcome(s): Efficient infrastructure			
Facilities meet user needs	Our parks and reserves are in good condition	Number of recorded incidences where parks and reserves are found to be below the agreed maintenance standard	< 5
Playgrounds meet user needs	Playground equipment is safe to use and fit for purpose	Percentage of playgrounds in the district with all equipment meeting the AUS/NZ playground safety standard	90%



Public Conveniences

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure			
Public conveniences meet user needs	Public conveniences provided are fit for purpose	Percentage of residents rating public conveniences as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	90%
		The number of complaints received per annum about the condition of public toilets	<50

Service Centres

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Collaborative Council			
Customer Service staff are professional, knowledgeable and courteous	Customers experience friendly, efficient and reliable service from Council	Percentage of customers who lodge faults/ requests are satisfied with the service provided	94%
Customer Service staff respond to customer requests and enquiries promptly.	Customer requests are handled effectively and accurately	Average wait time for incoming calls	20 seconds
		Percentage of abandoned calls	< 10%
Council provide access to after-hours services.	Responsive 24/7 phone service	Percentage of customers who lodge faults/ requests are satisfied with the after hours service received.	90%
		Percentage of abandoned calls	< 10%
		Average wait time for incoming calls	20 seconds



Swimming Pools

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure			
Public pools provided meet community expectations	Public swimming pools provide a quality visitor experience	Percentage of residents rating pools as “fairly satisfactory” or “very satisfactory” in the community survey to be conducted in 2017, 2020, and 2023	80%
	Outdoor pools open during summer months, and Wai Splash all year around	The number of weeks each year Wai Splash is open for public use	52 weeks
		The number of weeks each year outdoor pools are open for public use	>10 weeks
The district can afford to support public pools	Public swimming pools are financially sustainable in the long term	Percentage of rates spent funding public swimming pools (base – average household rates)	< 4%

District Promotion and Economic Development

Activities in this Group and Service Levels Provided

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



Group Level Funding Impact Statement

District Promotion and Economic Development

	Annual Plan 2015/16 (A)	LTP 2016/17 (B)	Annual Plan 2016/17 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	266	274	262	(12)
Targeted rates	425	437	448	11
Grants and subsidies operating	-	-	-	-
Fees and charges	103	106	63	(43)
Local authorities fuel tax, fines, infringement fees, and other receipts	363	181	594	413
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	1,157	998	1,367	369
Applications of Operating Funding				
Payment to staff and suppliers	682	698	1,125	(429)
Finance costs	3	4	3	1
Internal charges and overheads applied	199	203	206	(3)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	884	905	1,334	(431)
Surplus/(Deficit) of Operating Funding (A - B)	273	93	33	(62)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	30	(17)	(106)	(89)
Gross proceeds from sale of assets	-	313	173	(140)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	30	296	67	(229)
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	40	15	20	(5)
- to replace existing assets	-	-	-	-
Increase (decrease) in reserves	263	374	80	296
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	303	389	100	291
Surplus/(Deficit) of Capital Funding (C - D)	(273)	(93)	(33)	62
Funding Balance ((A-B) + (C - D))	-	-	-	-

Commercial Investments

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure			
Properties do not become a burden to Council	Properties maximise returns to Council	Occupancy of commercial buildings each year	100%
		Net operating surplus each year	> 5%



District Promotion and Development

Aim – proactively supporting a sustainable social and economic environment.

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Prosperous economy • Collaborative Council			
Community partnerships and collaboration	Assist businesses to apply for Government subsidies and grants	Assist local businesses by referring to NZTE / Ministry of Science and Innovation	Minimum 5 per annum
Community Outcome(s): Great lifestyle • Collaborative Council			
Proactively supporting a sustainable social environment	Promote the Tararua at large events in and outside the district	Number of major events that "Tararua" is directly involved	Minimum 5 events
A district with a clear identity that promotes its lifestyle	Support community groups to run events in Tararua	Number of community events that are actively supported by Council	Minimum 10 per annum
Community Outcome(s): Great lifestyle			
A district that promotes its lifestyle	Provide professional customer service at the Tararua i-SITE	Percentage of customers surveyed are satisfied with the services received	85%
Responsive and collaborative district	Council Page content in Bush Telegraph and website is engaging and informative	Public Voice Survey of 700 residents	60%

Regulatory Services

Activities in this Group and Service Levels Provided

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



Group Level Funding Impact Statement

Regulatory Services

	Annual Plan 2015/16 (A)	LTP 2016/17 (B)	Annual Plan 2016/17 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	1,007	977	932	(45)
Targeted rates	220	224	239	15
Grants and subsidies operating	9	9	9	-
Fees and charges	756	777	840	63
Local authorities fuel tax, fines, infringement fees, and other receipts	26	28	23	(5)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	2,018	2,015	2,043	28
Applications of Operating Funding				
Payment to staff and suppliers	1,527	1,506	1,466	40
Finance costs	6	10	6	4
Internal charges and overheads applied	382	391	450	(59)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,915	1,907	1,922	(15)
Surplus/(Deficit) of Operating Funding (A - B)	103	108	121	13
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	59	145	(9)	(154)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	59	145	(9)	(154)
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	65	154	-	154
- to replace existing assets	73	3	6	(3)
Increase (decrease) in reserves	24	96	106	(10)
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	162	253	112	141
Surplus/(Deficit) of Capital Funding (C - D)	(103)	(108)	(121)	(13)
Funding Balance ((A-B) + (C - D))	-	-	-	-

Animal Control

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Collaborative Council • Great lifestyle			
Public safety	Animal control complaints and issues are resolved in a timely manner	Percentage of residents rate dog control as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	75%
		Percentage of calls that involve dog attacks responded to within 2 hours	100%
	Promoting responsible animal ownership through public education	Educational publications and programmes are available to the community	Minimum of 6 articles per year Minimum of 4 educational presentations per year



Emergency Management

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Collaborative Council			
Support the Community to prepare for an emergency	Facilitate Community Civil Defence Response Groups in all of our larger community's	Communities are organised and have a current Community Civil Defence Response Group Plan	Pongaroa, Ormondville, combined smaller communities plan completed
Community Outcome(s): Collaborative Council • Sustainable environment			
Leadership and training	Improve our ability to manage and coordinate emergency services during civil defence emergencies	Civil Defence and Emergency Management assessment of readiness and capability	85%
Community Outcome(s): Collaborative Council • Prosperous economy			
Agency partnerships and collaboration	Improve our ability to prevent and to respond promptly to uncontrolled fires in the rural area	Volunteer Rural Fire Forces respond to all fires within the rural area in accordance with 'NRFA Standard – Achieving Timely Responses to Fires'	100%

Health and Safety

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
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Community Outcome(s): Prosperous economy • Collaborative Council

Public safety	Ensure that the district's built environment is safe and healthy	All swimming pool and/or spa fencing inspected once every 5 years	100%
	Protect public health by regulating the sale of food, funeral parlours, offensive trades, hairdressing salons and camping grounds	Percentage of registered premises inspected for compliance	90%
Customer service	Building safe communities through cost effective and streamlined processes	Consents issued within statutory timeframes	100%

Community Outcome(s): Prosperous economy • Collaborative Council • Great lifestyle

Public health	Protect public health by regulating the sale of alcohol	Percentage of licensed premises inspected annually for compliance	95%
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Community Outcome(s): Collaborative Council • Great lifestyle

Livable communities	Excessive noise complaints will be attended to by council to minimise disturbance to others	Percentage of noise complaints responded to within an hour	95%
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Community Outcome(s): Collaborative Council • Sustainable environment • Great lifestyle

Attractive communities	Control excessive rubbish dumping, overhanging vegetation and fire hazards through monitoring and enforcement	Percentage of complaints responded to within 48 hours	95%
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District Planning

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Collaborative Council			
Quality customer service	Advice to customers is of good quality (fit for purpose)	Percentage of customers that rate advice received as being helpful	85%
Reliable customer service	District Planning service is reliable	Percentage of customers that receive a decision on their application within the statutory timeframe	100%
Responsive customer service	Council responds effectively to complaints about non-compliances	Non-compliances are resolved within 3 months of customer complaint.	95%

Roading and Footpaths

Activities in this Group and Service Levels Provided

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



Group Level Funding Impact Statement

Roading and Footpaths

	Annual Plan 2015/16 (A)	LTP 2016/17 (B)	Annual Plan 2016/17 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	94	98	123	25
Targeted rates	6,793	6,692	6,858	166
Grants and subsidies operating	3,848	3,965	3,942	(23)
Fees and charges	160	162	160	(2)
Local authorities fuel tax, fines, infringement fees, and other receipts	283	321	289	(32)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	11,178	11,238	11,372	134
Applications of Operating Funding				
Payment to staff and suppliers	6,604	6,696	6,601	95
Finance costs	121	133	102	31
Internal charges and overheads applied	1,270	1,299	1,396	(97)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	7,995	8,128	8,099	29
Surplus/(Deficit) of Operating Funding (A - B)	3,183	3,110	3,273	163
Sources of Capital Funding				
Subsidies and grants for capital expenditure	4,296	3,803	5,206	1,403
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	524	66	61	(5)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	4,820	3,869	5,267	1,398
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	1,681	640	2,086	(1,446)
- to replace existing assets	5,378	5,600	5,523	77
Increase (decrease) in reserves	944	739	931	(192)
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	8,003	6,979	8,540	(1,561)
Surplus/(Deficit) of Capital Funding (C - D)	(3,183)	(3,110)	(3,273)	(163)
Funding Balance ((A-B) + (C - D))	-	-	-	-

Footpaths

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure			
Footpaths are safe for pedestrians	Council maintains footpaths to an acceptable level to customers	Percentage of residents rate footpaths as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	75%
	Council maintains footpaths to an acceptable level to customers	The percentage of footpaths within the district fall within the footpath condition set out in the Asset Management Plan	90%
	Council ensures quality of footpaths and safety of users	Customer requests relating to footpaths are responded to within 5 working days*	85%
Community Outcome(s): Efficient infrastructure • Great lifestyle • Collaborative Council			
Town centre upgrades reflect the diversity, character and heritage of the community	Council ensures the needs of both local and visitors will be considered in the town upgrades	Percentage of residents rate town centre upgrades as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	85%

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



Roading

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure			
Ensure that our roading network is safe	Ensure roads are safe for all road users	The change (expressed as a number) from the previous financial year in the number of fatalities and serious injury crashes on the local road network*	0 or less over a 3 year average
Roads are maintained to the appropriate standards	Requests from the public are responded to in a timely manner	Customer requests relating to roads are responded to within 5 working days*	85%
		Percentage of residents rating urban and rural roading as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	70%
Clearance of damage by weather/emergency events	Ensure that all roads remain available to users	Initial response to impassable roads be undertaken within 24 hours	99%
Community Outcome(s): Efficient infrastructure • Great lifestyle • Collaborative Council			
Maintained roading network provides a safe and comfortable ride quality	Council ensures quality of roads and safety of users	The average quality of the ride on the sealed road network is measured by smooth travel exposure*	95%
		The percentage of the sealed local network that is resurfaced*	> 5%

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

Solid Waste Management

Activities in this Group and Service Levels Provided

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure			
Refuse and recycling services meet the needs of the district	Refuse and recycling services meet user needs	Percentage of residents rating rubbish collection services as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	75%
		Percentage residents rating recycling as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	75%
		Percentage residents rating landfills/transfer station management as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	75%
Community Outcome(s): Sustainable environment			
The impact of refuse on the environment is minimised	Council will promote and encourage recycling and reuse	Tonnage of waste sent to landfills by the district per annum	< 4,400
	Council's open and closed landfills are well managed	Percentage of landfills where all Horizons resource consent conditions are met	100%



Group Level Funding Impact Statement

Solid Waste Management

	Annual Plan 2015/16 (A)	LTP 2016/17 (B)	Annual Plan 2016/17 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	543	549	529	(20)
Targeted rates	864	880	900	20
Grants and subsidies operating	50	51	50	(1)
Fees and charges	567	581	541	(40)
Local authorities fuel tax, fines, infringement fees, and other receipts	29	27	24	(3)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	2,053	2,088	2,044	(44)
Applications of Operating Funding				
Payment to staff and suppliers	1,690	1,727	1,699	28
Finance costs	98	94	85	9
Internal charges and overheads applied	150	153	148	5
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,938	1,974	1,932	42
Surplus/(Deficit) of Operating Funding (A - B)	115	114	112	(2)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(95)	(100)	(70)	30
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	(95)	(100)	(70)	30
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	30	20	50	(30)
- to replace existing assets	40	41	10	31
Increase (decrease) in reserves	(50)	(47)	(18)	(29)
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	20	14	42	(28)
Surplus/(Deficit) of Capital Funding (C - D)	(115)	(114)	(112)	2
Funding Balance ((A-B) + (C - D))	-	-	-	-

Stormwater

Activities in this Group and Service Levels Provided

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure			
Protecting people and properties from flooding caused by stormwater runoff	An effective stormwater system that protects people and properties from flooding	The number of flooding events	< 40
		For each flooding event, the number of habitable floors affected, expressed per 1,000 properties connected to the stormwater system*	< 4
	A reliable stormwater network	Percentage of residents rating stormwater management as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	70%
		Number of complaints received by Council about the performance of its stormwater system, expressed per 1,000 properties connected to the stormwater system*	< 9



Major aspect	Level of service	Performance measure	2016/17 target
	A reliable stormwater network	Number of enforcement actions against Council for not meeting resource consent conditions for discharge from the stormwater system relating to*: <ul style="list-style-type: none"> • abatement notices • infringement notices • enforcement orders • convictions 	0 0 0 0
Responsiveness	Council ensures quality and efficiency of the stormwater network	Median time (hours) to attend a flooding event , measured from the time that Council receives a notification that service personnel reach the site*	2 hours

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

Group Level Funding Impact Statement

Stormwater

	Annual Plan 2015/16 (A)	LTP 2016/17 (B)	Annual Plan 2016/17 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	657	681	734	53
Grants and subsidies operating	-	-	-	-
Fees and charges	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	16	21	19	(2)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	673	702	753	51
Applications of Operating Funding				
Payment to staff and suppliers	85	88	147	(60)
Finance costs	63	78	70	8
Internal charges and overheads applied	284	290	306	(16)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	432	456	523	(68)
Surplus/(Deficit) of Operating Funding (A - B)	241	246	230	(17)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(20)	765	737	(28)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	(20)	765	737	(28)
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	61	830	800	30
- to replace existing assets	41	45	43	2
Increase (decrease) in reserves	121	136	123	13
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	221	1,011	966	45
Surplus/(Deficit) of Capital Funding (C - D)	(241)	(246)	(229)	17
Funding Balance ((A-B) + (C - D))	-	-	-	-



Wastewater

Activities in this Group and Service Levels Provided

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure • Sustainable environment			
Council systems are well managed	A reliable waste water service	The number of dry weather sewage overflows from the wastewater system per 1,000 connections*	< 5
		Percentage of residents rating wastewater management as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	70%
	Risks to public health and our natural environment are minimised	Number of schemes with consents that are current	6
		Number of enforcement actions against Council for not meeting resource consent conditions for sewage schemes relating to*:	
		• abatement notices	0
		• infringement notices	0
		• enforcement orders	0
		• convictions	0



Major aspect	Level of service	Performance measure	2016/17 target
Council provides a service which is responsive to the needs of the community	Council responds quickly when things go wrong	Median response time to attend a sewage fault, measured from the time Council receives notification to the time that service personnel reach the site*	1 hour
		Median time to resolve a sewage fault, measured from the time Council receives notification to the time that service personnel confirm resolution of the blockage or other fault*	8 hours
	Council services meet customer expectations	Number of complaints received about wastewater per 1,000 connections for*:	
		• sewerage odour	< 5
		• sewerage system faults	< 5
		• sewerage system blockages	< 7
		• Council's response to the above issues	< 10

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



Group Level Funding Impact Statement

Wastewater

	Annual Plan 2015/16 (A)	LTP 2016/17 (B)	Annual Plan 2016/17 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	107	114	102	(12)
Targeted rates	1,943	2,111	1,873	(238)
Grants and subsidies operating	-	-	-	-
Fees and charges	80	83	90	7
Local authorities fuel tax, fines, infringement fees, and other receipts	72	70	8	(62)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	2,202	2,378	2,073	(305)
Applications of Operating Funding				
Payment to staff and suppliers	809	834	730	104
Finance costs	312	337	269	68
Internal charges and overheads applied	324	332	343	(11)
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,445	1,503	1,342	161
Surplus/(Deficit) of Operating Funding (A - B)	757	875	731	(144)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	864	416	1,453	1,037
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	864	416	1,453	1,037
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	1,145	768	1,724	(956)
- to replace existing assets	453	356	343	13
Increase (decrease) in reserves	23	167	117	50
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	1,621	1,291	2,184	(893)
Surplus/(Deficit) of Capital Funding (C - D)	(757)	(875)	(731)	144
Funding Balance ((A-B) + (C - D))	-	-	-	-

Water Supplies

Activities in this Group and Service Levels Provided

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

Performance Measures

Major aspect	Level of service	Performance measure	2016/17 target
Community Outcome(s): Efficient infrastructure • Sustainable environment			
Council provides a reliable source of drinking water which meets the community's needs	Council provides a reliable water supply	Percentage of customers rating availability of water as "fairly satisfactory" or "very satisfactory" in the community survey to be conducted in 2017, 2020, and 2023	65%
		Number of recorded complaints per 1,000 connections to Council's networked reticulation system for:	
	Council provides water at a consistent volume	• drinking water pressure or flow*	5
	Water looks and tastes good	• drinking water taste*	5
		• drinking water clarity*	5
	• drinking water odour*	5	
	Interruptions to supply are minimised	• continuity of supply*	5



Major aspect	Level of service	Performance measure	2016/17 target
	Council is responsive to issues relating to water supplies	<ul style="list-style-type: none"> Council's response to the issues above 	5
	Water provided is safe to drink	Number of schemes with a Public Health Management Plan in place	7
		Number of schemes which comply with Part 4 (bacteria compliance criteria) of the NZ Drinking Water Standards*	5
	Water provided is safe to drink	Number of schemes which comply with Part 5 (protozoal compliance criteria) of the NZ Drinking Water Standards*	5
Council provides a service which is responsive to the needs of the community	Council is responsive to issues relating to water supplies	Median response time to attend an urgent call-out, measured from the time Council receives notification to the time that service personnel reach the site*	1 hour
		Median time to resolve an urgent call-out, measured from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption*	8 hours
		Median response time to attend a non-urgent call-out, measured from the time Council receives notification to the time that service personnel reach the site*	24 hours
		Median time to resolve a non-urgent call-out, measured from the time Council receives notification to the time that service personnel confirm resolution of the fault or interruption*	72 hours
Council manages water as a valuable community resource	Wastage of water is minimised	The percentage of real water loss from the Council's networked reticulation schemes based on the minimum night flow (MNF) analysis*	The lower of year-end actual result and target will be used as a baseline for future years showing a decrease in percentage of water loss.
		Average consumption of drinking water per day per resident connected to a Council scheme*	The lower of year-end actual result and target will be used for future years.

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

Group Level Funding Impact Statement

Water Supplies

	Annual Plan 2015/16 (A)	LTP 2016/17 (B)	Annual Plan 2016/17 (C)	Variance (B - C)
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	1,570	1,825	1,613	(212)
Grants and subsidies operating	-	-	-	-
Fees and charges	507	526	487	(39)
Local authorities fuel tax, fines, infringement fees, and other receipts	105	113	107	(6)
Internal charges and overheads recovered	-	-	-	-
Total Operating Funding (A)	2,182	2,464	2,207	(257)
Applications of Operating Funding				
Payment to staff and suppliers	785	809	805	4
Finance costs	257	286	251	35
Internal charges and overheads applied	283	290	252	38
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	1,325	1,385	1,308	77
Surplus/(Deficit) of Operating Funding (A - B)	857	1,079	899	(180)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	532	415	400	(15)
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	1,638	(231)	(65)	166
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	2,170	184	335	151
Application of Capital Funding				
Capital Expenditure:				
- to meet additional demand	-	-	-	-
- to improve the level of service	2,405	555	685	(130)
- to replace existing assets	366	379	373	6
Increase (decrease) in reserves	256	329	176	153
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	3,027	1,263	1,234	29
Surplus/(Deficit) of Capital Funding (C - D)	(857)	(1,079)	(899)	180
Funding Balance ((A-B) + (C - D))	-	-	-	-

Rates

3



Funding Impact Statement

Rating Policy

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

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

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

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

Components of the Rating System

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

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

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



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



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

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

Sector	Plan 2014/15	Annual Plan 2015/16		
		Rates by Sector	\$ change from current year	% Change from current year
Rural	12,599,176	12,942,295	343,119	2.72%
Urban	8,915,834	9,145,256	229,422	2.57%
Industrial/Commercial	1,498,815	1,547,243	48,428	3.23%
Windfarms	66,825	181,975	115,150	172.31%
Total Rates Requirement	23,080,650	23,816,769	736,119	3.19%



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

Long Term Plan 2016/17			Annual Plan 2016/17		
Rates by Sector	\$ change from current year	% Change from Current year	Rates by Sector	\$ change from current year	% Change from Current year
13,273,291	330,996	2.56%	12,977,959	123,900	0.96%
9,456,130	310,874	3.40%	9,419,824	235,703	2.57%
1,601,417	54,174	3.50%	1,608,743	58,660	3.78%
187,369	5,394	2.96%	168,948	(12,584)	(6.93%)
24,518,207	701,438	2.95%	24,175,474	(405,679)	1.71%

Examples of the Impacts of the Council's Rating Proposals

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

Council sent out sample rates invoices to each ratepayer to indicate the proposed rates for the Draft Annual Plan 2016/17 compared to current rates.

Property Type	Land Value	Capital Value	Annual Plan 2015/16	Annual Plan 2016/17	Difference \$	Percentage %
Urban properties						
Urban - Settlement	16,000	126,000	1,813	1,826	13	0.7%
Urban - Settlement	8,000	66,000	1,595	1,587	(8)	(0.5%)
Urban Low Land Value	29,000	136,000	2,034	2,079	45	2.2%
Urban Low Land Value	21,000	120,000	2,001	2,037	36	1.8%
Urban Medium Land Value	38,000	210,000	2,084	2,138	54	2.6%
Urban Medium Land Value	40,000	275,000	2,877	2,925	48	1.7%
Urban Medium Land Value	70,000	335,000	2,292	2,377	85	3.7%
Urban Medium Land Value	39,000	270,000	8,037	8,021	(16)	(0.2%)
Urban High Land Value	90,000	399,000	2,411	2,516	105	4.3%
Urban High Land Value	150,000	340,000	2,335	2,516	181	7.8%
Urban High Land Value	88,000	470,000	10,029	10,067	38	0.4%
Rural Properties						
Rural - Settlement	50,000	175,000	1,308	1,302	(6)	(0.5%)
Rural - Settlement	315,000	325,000	1,981	1,990	9	0.4%
Rural - Lifestyle	170,000	335,000	1,569	1,570	1	0.1%
Rural Medium Land Value	1,460,000	2,070,000	5,234	5,304	70	1.3%
Rural Medium Land Value	2,200,000	2,430,000	7,336	7,446	110	1.5%
Rural Medium Land Value	2,200,000	2,480,000	6,249	6,368	119	1.9%
Rural High Land Value	4,150,000	4,950,000	12,858	13,073	215	1.7%
Rural High Land Value	5,431,000	6,220,000	16,500	16,784	284	1.7%
Rural High Land Value	5,500,000	5,800,000	16,710	16,997	287	1.7%
Rural High Land Value	6,800,000	8,200,000	20,402	20,760	358	1.8%



Property Type	Land Value	Capital Value	Annual Plan 2015/16	Annual Plan 2016/17	Difference \$	Percentage %
Industrial/Commercial Properties						
Ind/Com - Urban Low Land/Capital Value	8,000	63,000	1,308	1,603	(9)	(0.5%)
Ind/Com - Urban Low Land/Capital Value	8,500	52,000	1,981	2,120	0	0.06%
Ind/Com Rural - Low - Land/Capital Value	25,000	116,000	1,569	1,218	(31)	(2.5%)
Ind/Com Rural - Medium - Land/Capital Value	20,000	265,000	5,234	3,147	(18)	(0.6%)
Ind/Com Urban - Medium - Land/Capital Value	175,000	810,000	7,336	3,890	116	3.1%
Ind/Com Urban - Medium - Land/Capital Value	76,000	590,000	6,249	2,889	70	2.5%
Ind/Com - Urban High - Land/Capital Value	160,000	1,860,000	12,858	4,935	269	5.8%
Ind/Com - Urban High - Land/Capital Value	405,000	3,630,000	16,500	9,754	493	5.3%
Ind/Com - Urban High - Land/Capital Value	-	9,790,000	16,710	17,856	1,382	8.4%
Ind/Com - Rural High - Land/Capital Value	600,000	64,300,000	20,402	51,409	22,393	77.2%
Ind/Com - Rural High - Land/Capital Value	850,000	7,650,000	10,253	9,405	(848)	(8.3%)
Ind/Com - Rural High - Land/Capital Value	355,000	5,750,000	7,090	6,420	(670)	(9.5%)
Ind/Com - Rural (Windfarm)	750,000	6,710,000	8,745	7,994	(751)	(8.6%)
Ind/Com - Rural (Windfarm)	1,300,000	8,890,000	12,165	11,186	(979)	(8.0%)

How Council Rates

Explanation of Rates

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

These may be charged in two ways:

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

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

General Rate

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

Function/Service	How it Operates
General Rate (various functions/services)	A District-wide Rate charged on Land Values

Uniform Annual General Charge

The Council applies the Uniform Annual General Charge (UAGC) as a specific rate of an equal amount on each rating unit. The UAGC is applied as a fixed amount to every rating

unit within the district and does not vary with the value of the rating unit.

It is used as a mechanism to ensure each rating unit contributes a minimum amount of the general rate. Individuals benefit as each has an equal opportunity to access and use the assets and services, and to an extent, many within the community make similar use of the assets and services.

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

Targeted Rates

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

Council has targeted rates for:

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

Targeted Rates

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

Ward Rates

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

The categories of Rateable Land for setting Targeted Rates are:

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

Sector Rates

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

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

Solid Waste Targeted Differential Uniform Rate

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



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

Specified Services Targeted Differential Rate

Land Value Rate for Rural

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

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

Land Value in this instance has been used because:

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

Land Value Rate for Urban

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

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

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

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

Land Value in these instances has been used because:

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

Capital Value Rate for Industrial Commercial: Rural & Urban

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

Rural A share of Economic Development plus Rural Fire

Urban A share of Economic Development plus Footpaths

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

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

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

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

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

Capital Value in these instances has been used because:

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

Roading (excluding special development targeted differential rate)

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

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

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

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

Roothing Rate – Targeted Differential

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

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

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

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

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

Dannevirke Footpaths Special Development Targeted Differential Rate

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

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

Woodville and Eketahuna Town Centre Special Development Targeted Differential Uniform Rate

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

Urban Water Rate

A targeted rate is charged as follows:

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



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

Water by Meter Rates

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

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

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

The standardised charges for water supplied through a meter are:

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

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

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

Pongaroa Water Rate

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

Wastewater Targeted Rate

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

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

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

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

A remission policy applies to educational establishments.

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

Urban Stormwater Rate

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

Fees and Charges

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

Setting of Rates

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

Utility Charges for Non-Rateable Properties

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

Instalments

Rates and charges for the year ending on 30 June 2016 will be assessed in four instalments, which will become due and payable on the following dates:

Instalment	Due Date
Instalment 1	31 August 2016
Instalment 2	30 November 2016
Instalment 3	28 February 2017
Instalment 4	31 May 2017

Charges for Water by Meter Rates for the year ending on 30 June 2017 will be assessed in four instalments, which will become due and payable on the following dates:

Instalment	Due Date
Instalment 1	20 July 2016
Instalment 2	20 October 2016
Instalment 3	20 January 2017
Instalment 4	20 April 2017

Penalties

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

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

Due Date	Current Rates Penalty Date
31 August 2016	1 September 2016
30 November 2016	1 December 2016
28 February 2017	1 March 2017
31 May 2017	1 June 2017

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

Due Date	Water by Meter Rates Penalty Date
20 July 2016	21 July 2016
20 October 2016	21 October 2016
20 January 2017	21 January 2017
20 April 2017	21 April 2017

Rates in Arrears Penalty Date

A penalty of 10% is added to previous year's rates "rates in arrears" that remain unpaid as assessed on 8 July 2016, and again on 8 January 2017.

Discount

A 3% discount under the Local Government (Rating) Act 2002 Section 55(3) will be provided for full payment of the 2016/17 rates on or before 31 August 2016.

Appendix 1 – Definitions

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

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

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

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

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

(2) A general rate may be set—

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

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

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

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

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

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

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

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

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

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



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

Rating unit means either:

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

Separately used or inhabitable part of a rating unit

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

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

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

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

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

- (a) all rateable land within the local authority's district; or
- (b) 1 or more categories of rateable land under Section 17.

- (4) A targeted rate may be set—

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

Uniform Annual General Charge Local Government

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

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

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

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

Summary of Rates by Charges

	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
Limit on General Rates: 30% Cap of Total Rates	29.0%	28.50%	29.15%
Uniform Annual General Charge	522.19	506.45	511.70
General Land Value Rate In Dollar	0.0009489	0.0010468	0.0010254
Targeted Uniform Rate - Libraries & Swimming Pools	200.99	211.61	206.57
Specified Services Targeted Differential - Land Value Rate			
- Rural	0.0000825	0.0000840	0.0000898
- Urban	0.0031837	0.0033313	0.0041452
Specified Services Targeted Differential - Capital Value Rate			
- Industrial Commercial Rural	0.0008727	0.0008964	0.0007567
- Industrial Commercial Urban	0.0015989	0.0016506	0.0017408
Refuse & Recycling Targeted Differential Rate			
- Rural	46.53	47.39	48.39
- Urban	155.39	156.76	164.00
- Industrial Commercial	240.44	255.12	228.13
Roading Land Value Rate - District-Wide	0.0018092	0.0017721	0.0017791
Roading Targeted Differential Uniform Rate			
- Rural	285.60	279.76	280.49
- Urban	45.35	44.32	44.53
- Industrial Commercial	97.74	95.74	95.55
Town Centre Special Development Fixed Amount Loan Rate			
Dannevirke Town Centre Refurbishment			
- North Ward	17.38	17.05	16.34
- South Ward	14.15	13.88	13.30
Woodville Town Centre Refurbishment			
- North Ward	12.03	11.93	10.11
- South Ward	14.91	14.79	12.53
Eketahuna Town Centre Refurbishment			
- North Ward	1.88	1.76	4.56
- South Ward	2.33	2.18	5.65
Urban Wastewater (95% of net cost including all loan costs)			
Per connected water closet/urinal			
Urban Wastewater Targeted Differential Rate			
- Full Charge	415.22	449.99	399.89
- Half Charge	207.61	224.99	199.94
- For Connected Multiple Use	138.39	149.98	133.28



	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
Urban Stormwater Targeted Uniform Rate	157.64	162.93	175.85
Urban Water Targeted Uniform Rate			
- Full Charge	347.82	406.74	356.65
- Half Charge	173.91	203.37	178.32
Pongaroa Water Targeted Uniform Rate	97.11	97.15	95.06
Water Meter / Large Industrial and Intake Line Charges			
- Quarterly Minimum Charge	86.95	101.68	89.16
- Meter fee per cubic metre above 100m ³ over 3 months	1.27	1.49	1.30
- Large Industrial and Line Intake - per cubic metre	0.64	0.74	0.65

Summary of Rates by Total

	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
Uniform Annual General Charge	4,105,329	3,985,946	4,029,099
General Land Value Rate in Dollar	2,507,657	2,766,618	2,709,682
Targeted Uniform Rate - Libraries & Swimming Pools	1,580,120	1,665,483	1,626,516
Specified Services Targeted Differential - Land Value Rate			
- Rural	202,058	205,844	220,170
- Urban	458,942	480,939	598,006
Specified Services Targeted Differential - Capital Value Rate - Industrial Commercial			
- Rural	143,870.28	147,771	147,702.15
- Urban	370,812.16	382,812	405,231.52
Refuse & Recycling Targeted Differential Rate			
- Rural	172,840	176,052	179,980.00
- Urban	587,656	594,176	620,931
- Industrial Commercial	103,704	110,033	98,989.00
Roading Land Value Rate - District-wide	4,781,506	4,683,697	4,701,372
Roading Targeted Differential Uniform Rate			
- Rural	1,058,589	1,036,935	1,040,848
- Urban	167,655	164,226	164,846
- Industrial Commercial	44,789	43,873	44,038.17
Town Centre Special Development Targeted Differential Uniform Rate			
Dannevirke Town Centre Refurbishment			
- North Ward	47,648	46,739	44,858
- South Ward	40,865	40,085	38,406
Woodville Town Centre Refurbishment			
- North Ward	50,576	50,164	42,586
- South Ward	54,122	53,682	45,527
Eketahuna Town Centre Refurbishment			
- North Ward	7,904	7,385	19,198
- South Ward	8,465	7,910	20,523
Urban Wastewater Targeted Differential Rate			
- Full Charge	1,888,712	2,050,778	1,820,362
- Half Charge	21,483	23,282	21,037.61
- For Connected Multiple Use	36,945	40,039	35,233.03



	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
Urban Stormwater General Targeted Uniform Rate	657,086	680,570	733,750
Urban Water Targeted Uniform Rate			
- Full Charge	1,482,914	1,734,117	1,524,277.01
- Half Charge	21,020.29	24,581	21,863.99
Pongaroa Water Targeted Uniform Rate	66,120.00	66,144	67,120.00
Total to Fund (excluding GST)	20,669,388	21,269,880	21,022,152
Increase in Rates	2.98%	2.91%	1.71%

Rate Funding Requirements

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

	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
District-wide General Activities			
Charged through the Uniform Annual General Charge + General Differential Land Value Rate In Dollar			
District & Treasury	229,439	233,929	241,323
Animal Control	19,445	21,989	6,485
Cemeteries	229,956	239,847	266,186
Commercial Property	-17,000	-17,408	(17,000)
Community Buildings	727,443	806,991	825,444
Community Support	365,820	378,708	348,817
District Promotion & Development (40% of net cost)	283,348	291,067	290,618
Emergency Management - Civil Defence	173,164	176,260	150,600
Footpaths (15% of net cost)	93,712	98,298	122,800
Health & Safety	546,252	497,182	509,428
Housing (Self Funding)	-	-	-
Parks and Reserves	1,188,793	1,150,385	1,215,262
Public Conveniences	252,120	264,360	257,183
Representation	1,013,749	1,062,505	1,091,267
Resource Management	267,706	282,047	265,327
Service Centres	593,064	605,930	536,998
Sewerage (5% of total cost)	102,481	111,268	98,770
Solid Waste Management	543,495	549,206	529,272
Subtotal (excluding GST)	6,612,987	6,752,564	6,738,780
Plus GST	991,948	1,012,885	1,010,817
Total to Fund (including GST)	7,604,935	7,765,449	7,749,597
Uniform Annual General Charge			
Number of Chargeable Properties	9,047	9,057	9,061
Total to Fund			
District-wide General Activities - Uniform Annual General Charge - Subtotal (excluding GST)	4,105,329	3,985,946	4,029,099
Plus GST	615,799	597,892	604,365
Total to Fund (including GST)	4,721,128	4,583,838	4,633,464



	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
General Land Value Rate in Dollar			
Total District Rateable Land Value	3,040,240,050	3,040,490,050	3,039,914,000
Total to Fund			
District-wide General Activities - General Land Value Rate in Dollar - Subtotal (excluding GST)	2,507,657	2,766,618	2,709,682
Plus GST	376,149	414,993	406,452
Total to Fund (including GST)	2,883,806	3,181,611	3,116,134
Targeted Uniform Rate - Libraries & Swimming Pools			
Estimated Number of Rateable Properties	9,047	9,057	9,061
Total to Fund			
Libraries	1,062,401	1,126,973	1,107,168
Swimming Pools	517,719	538,510	519,348
Subtotal (excluding GST)	1,580,120	1,665,483	1,626,516
Plus GST	237,018	249,822	243,977
Total to Fund (including GST)	1,817,138	1,915,305	1,870,493
Specified Services Targeted Differential - Land Value Rate - Rural			
Total Rural Rateable Land Value	2,818,601,000	2,818,601,000	2,819,710,450
Total to Fund			
Emergency Management: Rural Fire Protection (92% of net cost)	202,058	205,844	220,170
Plus GST	30,309	30,877	33,025
Total to Fund (including GST)	232,367	236,721	253,195
Specified Services Targeted Differential - Land Value Rate - Urban			
Total Urban Rateable Land Value	166,058,050	166,308,050	166,187,550
Total to Fund			
Emergency Management-: Rural Fire Protection (7% of net cost)	15,374	15,662	16,752
Footpaths (71% of net cost)	443,568	465,276	581,254
Subtotal (excluding GST)	458,942	480,939	598,006
Plus GST	68,841	72,141	89,701
Total to Fund (including GST)	527,783	553,080	687,707

	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
Specified Services Targeted Differential - Capital Value Rate - Industrial Commercial RURAL			
Total Industrial Commercial Rateable Capital Value for Rural	189,585,600	189,585,600	224,485,600
Total to Fund			
Economic Development (20% of net cost)	141,674	145,534	145,309
Emergency Management-Rural Fire Protection (1% of net cost) - new from 2012/13	2,196	2,237	2,393
Subtotal (excluding GST)	143,870	147,771	147,702
Plus GST	21,581	22,166	22,155
Total to Fund (including GST)	165,451	169,937	169,857
Specified Services Targeted Differential - Capital Value Rate - Industrial Commercial URBAN			
Total Industrial Commercial Rateable Capital Value for Urban	266,705,500	266,705,500	267,699,500
Total to Fund			
Economic Development (40% of net cost)	283,348	291,067	290,618
Footpaths (14% of net cost)	87,464	91,745	114,614
Subtotal (excluding GST)	370,812	382,812	405,232
Plus GST	55,622	57,422	60,785
Total to Fund (including GST)	426,434	440,234	466,017
Refuse & Recycling Targeted Uniform Rate - Rural			
Estimated Number of Rateable Properties	4,272	4,272	4,277
Total to Fund			
Solid Waste Management: Recycling (20% of net cost)	127,829	130,170	142,829
Solid Waste Management: Refuse (20% of net cost)	45,011	45,882	37,151
Subtotal (excluding GST)	172,840	176,052	179,980
Plus GST	25,926	26,408	26,997
Total to Fund (including GST)	198,766	202,460	206,977
Refuse & Recycling Targeted Uniform Rate - Urban			
Estimated Number of Rateable Properties	4,329	4,339	4,334
Total to Fund			
Solid Waste Management: Recycling (60% of net cost)	441,009	449,087	482,048
Solid Waste Management: Refuse (60% of net cost)	155,289	158,292	125,385
Subtotal (excluding GST)	596,298	607,379	607,433
Plus GST	89,445	91,107	91,115
Total to Fund (including GST)	685,743	698,486	698,548



	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
Refuse & Recycling Targeted Uniform Rate - Industrial Commercial			
Estimated Number of Rateable Properties	496	496	499
Total to Fund			
Solid Waste Management: Recycling (20% of net cost)	70,306	71,594	89,268
Solid Waste Management: Refuse (20% of net cost)	24,756	25,235	23,219
Subtotal (excluding GST)	95,062	96,829	112,488
Plus GST	14,259	14,524	16,873
Total to Fund (including GST)	109,321	111,353	129,361
Roading Land Value Rate - District-wide			
Total District Rateable Land Value	3,040,240,050	3,040,490,050	3,039,914,000
Total to Fund			
Roading District-wide (excludes Footpaths)	6,052,539	5,928,731	5,951,104
Less % charged through Rooding Fixed Amount Targeted Rates (% is rounded)	21%	21%	21%
Less Total \$ Amount Charged through Rooding Fixed Amount Targeted Rates	(1,271,033)	(1,245,034)	(1,249,732)
Subtotal (excluding GST)	4,781,506	4,683,697	4,701,372
Plus GST	717,226	702,555	705,206
Total to Fund (including GST)	5,498,732	5,386,252	5,406,578
Roading Targeted Differential Uniform Rate - Rural			
Estimated Number of Rateable Properties	4,265	4,265	4,270
Total to Fund			
Proportion of Capital Value for Sector	83.3%	83.3%	83.3%
Subtotal (excluding GST)	1,058,589	1,036,935	1,040,848
Plus GST	158,788	155,540	156,127
Total to Fund (including GST)	1,217,377	1,192,475	1,196,975
Roading Targeted Differential Uniform Rate - Urban			
Estimated Number of Rateable Properties	4,255	4,265	4,261
Total to Fund			
Proportion of Capital Value for Sector	13.2%	13.2%	13.2%
Subtotal (excluding GST)	167,655	164,226	164,846
Plus GST	25,148	24,634	24,727
Total to Fund (including GST)	192,803	188,860	189,573

	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
Roading Targeted Differential Uniform Rate - Industrial Commercial			
Estimated Number of Rateable Properties	527	527	530
Total to Fund			
Proportion of Capital Value for Sector	3.5%	3.5%	3.5%
Subtotal (excluding GST)	44,789	43,873	44,038
Plus GST	6,718	6,581	6,606
Total to Fund (including GST)	51,507	50,454	50,644
Town Centre Special Development Targeted Differential Uniform Rate - Dannevirke Town Centre Refurbishment North Ward			
Estimated Number of Rateable Properties	3,156	3,156	3,162
Total to Fund			
Subtotal (excluding GST)	47,648	46,739	44,858
Plus GST	7,147	7,011	6,729
Total to Fund (including GST)	54,795	53,750	51,587
Town Centre Special Development Targeted Differential Uniform Rate - Dannevirke Town Centre Refurbishment South Ward			
Estimated Number of Rateable Properties	3,322	3,322	3,322
Total to Fund			
Subtotal (excluding GST)	40,865	40,085	38,406
Plus GST	6,130	6,013	5,761
Total to Fund (including GST)	46,995	46,098	44,167
Town Centre Special Development Targeted Differential Uniform Rate - Woodville Town Centre Refurbishment North Ward			
Estimated Number of Rateable Properties	4,840	4,840	4,850
Total to Fund			
Subtotal (excluding GST)	50,576	50,164	42,586
Plus GST	7,586	7,525	6,388
Total to Fund (including GST)	58,162	57,689	48,974
Town Centre Special Development Targeted Differential Uniform Rate - Woodville Town Centre Refurbishment South Ward			
Estimated Number of Rateable Properties	4,176	4,176	4,180
Total to Fund			
Subtotal (excluding GST)	54,122	53,682	45,527
Plus GST	8,118	8,052	6,829
Total to Fund (including GST)	62,240	61,734	52,356



	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
Town Centre Special Development Targeted Differential Uniform Rate - Eketahuna Town Centre Refurbishment North Ward			
Estimated Number of Rateable Properties	4,842	4,842	4,850
Total to Fund			
Subtotal (excluding GST)	7,904	7,385	19,198
Plus GST	1,186	1,108	2,880
Total to Fund (including GST)	9,090	8,493	22,078
Town Centre Special Development Targeted Differential Uniform Rate - Eketahuna Town Centre Refurbishment South Ward			
Estimated Number of Rateable Properties	4,182	4,182	4,180
Total to Fund			
Subtotal (excluding GST)	8,465	7,910	20,523
Plus GST	1,270	1,187	3,079
Total to Fund (including GST)	9,735	9,097	23,602
Urban Wastewater Targeted Rate - Full Charge			
Estimated Number of Rateable Properties	5,231	5,241	5,235
Total to Fund			
Subtotal (excluding GST)	1,888,712	2,050,778	1,820,362
Plus GST	283,307	307,617	273,054
Total to Fund (including GST)	2,172,019	2,358,395	2,093,416
Urban Wastewater Targeted Rate - Half Charge			
Estimated Number of Rateable Properties	119	119	121
Total to Fund			
Subtotal (excluding GST)	21,483	23,282	21,038
Plus GST	3,222	3,492	3,156
Total to Fund (including GST)	24,705	26,774	24,194
Urban Wastewater Targeted Rate - For Connected Multiple Use			
Per connected water closet/urinal between 4 and 12 (inclusive) in number; & \$0 charge for 13 and above.			
Estimated Number of Rateable Units	307	307	304
Total to Fund			
Subtotal (excluding GST)	36,945	40,039	35,233
Plus GST	5,542	6,006	5,285
Total to Fund (including GST)	42,487	46,045	40,518



	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17
Urban Stormwater Targeted Uniform Rate			
Estimated Number of Rateable Properties to Receive Full Charges	4,789	4,799	4,794
Total to Fund			
Subtotal (excluding GST)	657,086	680,570	733,750
Plus GST	98,563	102,086	110,063
Total to Fund (including GST)	755,649	782,656	843,813
Urban Water Targeted Rate - Full Charge			
Estimated Number of Rateable Properties to Receive Full Charges	4,903	4,903	4,915
Total to Fund			
Subtotal (excluding GST)	1,482,914	1,734,117	1,524,277
Plus GST	222,437	260,118	228,642
Total to Fund (including GST)	1,705,351	1,994,235	1,752,919
Urban Water Targeted Rate - Half Charge			
Estimated Number of Rateable Properties to Receive Half Charges	139	139	141
Total to Fund			
Subtotal (excluding GST)	21,020	24,581	21,864
Plus GST	3,153	3,687	3,280
Total to Fund (including GST)	24,173	28,268	25,144
Pongaroa Water Targeted Rate			
Estimated Number of Rateable Properties	783	783	812
Total to Fund			
Subtotal (excluding GST)	66,120	66,144	67,120
Plus GST	9,918	9,922	10,068
Total to Fund (including GST)	76,038	76,066	77,188
Total of all Rates			
Total to Fund (excluding GST)	20,669,388	21,269,880	21,022,152
Plus GST	3,100,408	3,190,482	3,153,322
Total to Fund (including GST)	23,769,796	24,460,362	24,175,474
Total Number of Rateable Units	10,733	10,674	10,730

Financials

4

Prospective Financial Statements

Guide to the Financial Statements

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

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

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

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

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

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

What the Funding Impact Statement attempts to do is:

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

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

- show the planned application of funds in each year.

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

Financial Statements

Prospective Statement of Comprehensive Revenue and Expense

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

Prospective Statement of Changes in Net Assets/Equity

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

Prospective Statement of Financial Position

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

Prospective Statement of Cash Flows

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



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

Statement of Capital Expenditure

Provides a list of all capital projects by activities for the full 10 years.

Statement of Reserves and Special Funds

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

Funding Impact Statement

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



Forecast Statement of Comprehensive Revenue and Expense

For the year from 1 July 2016 to 30 June 2017

After allowance for inflation

(\$000's)	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17	Variance
Planned Income / Expenditure				
Operating Transactions				
Rates	21,176	21,796	21,022	(774)
Subsidies	8,740	8,249	9,612	1,363
Fees and charges	2,502	2,548	2,986	438
Finance income	245	281	291	10
Miscellaneous income	460	272	735	463
Total Income	33,122	33,146	34,646	1,500
Expenditure				
Operating expenses	16,596	17,009	17,387	(378)
Depreciation and amortisation	11,092	11,464	11,797	(333)
Employee benefit costs	4,640	4,743	4,775	(32)
Finance costs	596	721	544	177
Total Operating Expenditure	32,924	33,937	34,503	(566)
Other asset gains/(losses)	45	(216)	77	293
Operating Surplus/(Deficit)	243	(1,007)	220	1,227
Other Comprehensive Revenue and Expenses				
Gains on assets revaluations	12,918	15,789	14,054	1,735
Other Comprehensive Revenue and Expenses Subtotal	12,918	15,789	14,054	1,735
Total Comprehensive Revenue and Expenses	13,161	14,782	14,197	2,962



Forecast Statement of Changes in Net Assets/Equity

As at 30 June 2017

(\$000's)	Annual Plan 2015/16	LTP 2016/17	Annual Plan 2016/17	Variance
Net Assets/Equity at 1 July	881,197	894,357	884,307	(10,145)
Total recognised Comprehensive Revenue & Expense for the period	13,161	14,782	14,197	(801)
Net Assets/Equity at 30 June	894,358	909,139	898,504	(10,946)
Detailed Changes				
Accumulated Funds				
Balance at 1 July	350,352	348,816	353,976	6,028
Net Surplus (Deficit) after Tax for the Year	243	(1,007)	220	1,227
Transfers from Equity to Special Reserves	(1,779)	(1,758)	(1,830)	1,250
Balance at 30 June	348,816	346,050	352,366	6,005
Asset Revaluation Reserves				
Balance at 1 July	504,895	517,813	504,896	(12,917)
Increase in Revaluation Reserves	12,918	15,789	14,054	(1,735)
Balance at 30 June	517,813	533,602	518,950	(14,652)
Special Funded Reserves				
Balance at 1 July	25,900	27,679	25,308	(3,549)
Increase in Special Reserves	1,779	1,758	1,830	(1,250)
Balance at 30 June	27,679	29,437	27,138	(2,299)
Trust Funds				
Balance at 1 July	50	50	50	-
Increase in Trust Funds	-	-	-	-
Balance at 30 June	50	50	50	-
Net Assets/Equity at 30 June	894,358	909,139	898,504	(10,946)

* Closing balances for Long Term Plan 2015/16 are different from 2016/17 Annual Plan opening balance because the opening balance takes into account actual balance as at 28 February and the forecast expenditure and revenue to 30 June 2017.

Forecast Statement of Financial Position

As at 30 June 2017

(\$000's)	Annual Plan 2015/16	Long Term Plan 2016/17	Annual Plan 2016/17	Variance
Assets				
Current Assets				
Cash & Cash Equivalents	3,518	3,488	3,518	30
Debtors & Other Receivables	3,874	3,967	3,874	(93)
Other Financial Assets	7,013	7,613	8,597	984
Inventories	91	91	91	-
Total Current Assets	14,496	15,159	16,080	921
Non-Current Assets				
Investment Property	2,102	1,821	1,603	(529)
Biological Assets	1,269	1,301	1,449	148
Other Financial Assets	257	257	257	-
Property, Plant & Equipment	40,414	42,292	39,643	(2,649)
Infrastructural Assets	849,462	862,969	851,715	(11,254)
Restricted Assets	4,170	4,401	4,860	459
Intangible Assets	779	779	779	-
Total Non-Current Assets	898,453	913,820	900,306	(13,825)
Total Assets	912,949	928,979	916,386	(12,904)
Liabilities				
Current Liabilities				
Trade & Other Payables	3,466	3,529	4,266	(737)
Borrowings - Current	-	2,000	-	2,000
Employee Benefit Liabilities	549	560	407	153
Total Current Liabilities	4,015	6,089	4,673	1,416
Non-Current Liabilities				
Borrowings - Non-current	13,142	12,315	11,820	495
Employee Benefit Liabilities	73	75	29	46
Provision for Landfill Aftercare	686	686	686	-
Tenant Contributions	675	675	675	-
Total Non-Current Liabilities	14,576	13,751	13,210	541
Total Liabilities	18,591	19,840	17,883	1,957



(\$000's)	Annual Plan 2015/16	Long Term Plan 2016/17	Annual Plan 2016/17	Variance
Equity				
Retained Earnings	348,816	346,050	352,366	6,005
Asset Revaluation Reserves	517,813	533,602	518,950	(14,652)
Special Funded Reserves	27,679	29,437	27,138	(2,299)
Trust Funds	50	50	50	-
Total Equity	894,358	909,139	898,504	(10,946)
Total Liabilities & Equity	912,949	928,979	916,386	(12,904)

Forecast Cash Flow Statement

For the year from 1 July 2016 to 30 June 2017

(\$000's)	Long Term Plan 2015/16	Long Term Plan 2016/17	Annual Plan 2016/17	Variance
Cash Flows from Operating Activities				
Cash is provided from:				
Rates	21,176	21,704	21,022	(682)
Grants and Subsidies	8,740	8,249	9,612	1,363
Fees and Charges	2,501	2,548	2,986	438
Finance Income	245	281	291	10
Other Revenue	460	272	735	463
Total	33,122	33,054	34,646	1,593
Cash is applied to:				
Payments Staff & Suppliers	21,236	21,676	22,162	(486)
Finance Costs	596	721	544	177
Total	21,832	22,397	22,706	309
Net cash from operating activities	11,290	10,656	11,940	1,284
Cash Flows from Investing Activities				
Sale of fixed assets	-	525	173	(352)
Proceeds from investments realised	1,000	1,520	1,676	156
Total	1,000	2,045	1,849	(196)
Cash is applied to:				
Purchase of fixed assets	13,984	11,803	13,908	(2,105)
Purchase of investments	1,889	2,101	2,006	95
Total	15,873	13,904	15,914	(2,010)
Net cash from investing activities	(14,873)	(11,859)	(14,065)	1,814
Cash Flows from Financing Activities				
Cash is provided from:				
Loans raised	3,583	3,173	2,126	(1,047)
Total	3,583	3,173	2,126	(1,047)
Cash is applied to:				
Repayment of loans	-	2,000	-	2,000
Tenant Contributions repaid	-	-	-	-
Total	-	2,000	-	2,000
Net cash from financing activities	3,583	1,173	-	953
Net (decrease)/increase in cash held	-	(30)	1	31
Total cash & cash equivalent resources at beginning	3,518	3,518	3,518	-
Total cash resources at year end	3,518	3,488	3,519	31



Forecast Council Funding Impact Statement

	Plan 2015/16	Year 2 2016/17	Annual Plan 2016/17	Variance
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	6,617	6,756	6,730	(26)
Targeted rates	14,559	15,040	14,292	(748)
Subsidies & grants for operating purposes	3,912	4,030	4,006	(24)
Fees and charges	2,501	2,548	2,986	438
Interest and dividends from investments	245	281	291	10
Local authorities fuel tax, fines, infringement fees, and other receipts	460	272	735	463
Total Operating Funding (A)	28,294	28,927	29,040	113
Applications of Operating Funding				
Payment to staff and suppliers	21,235	21,740	22,162	(423)
Finance costs	596	721	544	177
Other operating funding applications	-	-	-	-
Total Applications of Operating Funding (B)	21,831	22,461	22,706	(246)
Surplus (Deficit) of Operating Funding (A - B)	6,463	6,466	6,234	(133)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	4,828	4,219	5,606	1,387
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	3,583	1,173	2,126	953
Gross proceeds from sale of assets	-	525	173	(352)
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total Sources of Capital Funding (C)	8,411	5,917	7,905	1,988
Applications of Capital Funding				
Capital Expenditure:				
- to meet additional demand	23	84	82	2
- to improve the level of service	6,117	4,149	6,327	(2,178)
- to replace existing assets	7,845	7,570	7,499	71
Increase (decrease) in reserves	889	580	330	250
Increase (decrease) of investments	-	-	-	-
Total Applications of Capital Funding (D)	14,874	12,383	14,238	(1,855)
Surplus (Deficit) of Capital Funding (C - D)	(6,463)	(6,466)	(6,334)	133
Funding Balance ((A - B) + (C - D))	-	-	-	-



Reconciliation Funding Impact Statement to Comprehensive Revenue and Expense

	Plan 2015/16	Year 2 2016/17	Annual Plan 2016/17
Income			
Prospective Statement of Comprehensive Revenue & Expense	33,122	33,146	34,646
Summary Funding Impact Statement			
Total operating funding	28,294	28,927	29,040
Add sources of capital funding:			
- Subsidies and grants for capital expenditure	4,828	4,219	5,606
Total Revenue	33,122	33,146	34,646
Expenditure			
Prospective Statement of Comprehensive Revenue and Expense			
Operating expenditure	32,924	33,937	34,503
Total applications of operating funding	21,832	22,473	22,706
Add depreciation and amortisation expense	11,092	11,464	11,797
Add non-cash entries	-	-	-
Total Expenditure	32,924	33,937	34,503



Note 1: Statement of Capital Expenditure

	Funding	Carry Forward	Annual Plan 2016/17	Total Budget - Annual Plan 2016/17	LTP 2016/17	Variance
COMMUNITY AND RECREATION FACILITIES						
Cemeteries						
Growth						
Mangatera new area	Loan	-	20	20	20	-
Mangatera new berms	Loan	-	58	58	59	(1)
Pahiatua new berms	Loan	-	4	4	4	-
Level of Service						
Settlers Cemetery fencing - Dannevirke	Loan	-	17	17	-	17
Cemeteries Total		-	99	99	83	16
Community Buildings						
Level of Service						
Pahiatua Service Centre earthquake work	Loan	84	200	284	205	79
Woodville Service Centre earthquake work	Loan	200	(100)	100	328	(228)
Woodville Sport Stadium - install heating	Loan	-	20	20	20	-
Woodville Alliance building conversion - Library / Service Centre	Loan / Sales proceeds	-	263	263	-	263
Renewal						
Dannevirke Sport Centre stadium - general	Depreciation Reserve	-	12	12	12	-
Dannevirke Town Hall renewal - general	Depreciation Reserve	-	6	6	6	-
District off-road carpark sealing	Depreciation Reserve	-	150	150	154	(4)
District renewals - seating	Depreciation Reserve	-	3	3	3	-
Eketahuna Medical Centre	Depreciation Reserve	-	5	5	5	-
Pahiatua Stadium	Depreciation Reserve	-	2	2	2	-
Pahiatua Town hall	Depreciation Reserve	-	15	15	15	-
Pongaroa Community Hall - general	Depreciation Reserve	-	12	12	12	-
Community Buildings Total		284	688	872	762	110
Libraries						
Level of Service						
RFID Software	Loan	-	83	83	85	(2)
Renewal						
Books	Depreciation Reserve	-	100	100	102	(2)
Furniture and fittings	Depreciation Reserve	-	10	10	10	-
Libraries Total		-	193	193	197	(4)



Funding		Carry Forward	Annual Plan 2016/17	Total Budget - Annual Plan 2016/17	LTP 2016/17	Variance
Parks & Reserves						
Level of Service						
District-wide walkway development	Loan	-	10	10	10	-
District-wide drainage	Loan	-	5	5	5	-
Woodville play equipment	Loan	-	60	60	-	60
Renewal						
Dannevirke Domain grandstand	Depreciation Reserve	-	2	2	2	-
Eketahuna Camping Ground	Depreciation Reserve	-	2	2	2	-
Pahiatua Camping ground renewal	Depreciation Reserve	-	2	2	2	-
Parks & Reserves Total			81	81	21	60
Public Conveniences						
Renewal						
Dannevirke Barraud Street	Depreciation Reserve	-	2	2	2	-
District-wide general renewals	Depreciation Reserve	-	10	10	10	-
Resurface toilet floors - Woodville	Depreciation Reserve	-	2	2	2	-
Woodville toilets - Fontaine Square	Depreciation Reserve	-	30	30	31	(1)
Public Conveniences Total			-	44	45	(1)
Swimming Pools						
Level of Service						
Pahiatua outdoor pool development	Loan	-	-	-	513	(513)
Renewal						
Eketahuna outdoor pool renewal	Depreciation Reserve	-	2	2	2	-
Pahiatua pool renewal	Depreciation Reserve	-	2	2	2	-
Woodville pool renewal	Depreciation Reserve	-	3	3	3	-
Swimming Pools Total			7	7	520	(513)
DISTRICT PROMOTION & ECONOMIC DEVELOPMENT						
District Promotion and Development						
Level of Service						
Computer hardware	Loan	-	10	10	5	5
District-wide fibre project	Loan	-	10	10	10	-
Te Apiti walkway development	Loan	25	(25)	-	-	-
District Promotion & Development Total			25	(5)	15	5



Funding	Carry Forward	Annual Plan 2016/17	Total Budget - Annual Plan 2016/17	LTP 2016/17	Variance
REGULATORY SERVICES					
Animal Control					
Level of Service					
Dannevirke pound	Loan	-	-	154	(154)
Animal Control Total		-	-	154	(154)
Emergency Management					
Renewal					
Civil Defence - radio renewals	Depreciation Reserve	-	6	3	3
Emergency Management Total		-	6	3	3
ROADING AND FOOTPATHS					
Footpaths					
Level of Service					
District-wide footpath development	Loan	-	30	30	-
Eketahuna town centre upgrade	Loan	-	120	-	120
Renewal					
Footpath renewals	Depreciation Reserve	-	150	152	(2)
Footpaths Total		-	300	182	118
Roading					
Level of Service					
Manawatu/Hawkes Bay alternate route (Saddle Road)	Subsidy	-	1,455	-	1,455
Minor improvements	Subsidy 64% / Loan 36%	-	601	609	(8)
Renewal					
Carpark renewals	Depreciation Reserve	-	20	20	-
Drainage renewals	Subsidy 64% / Depreciation Reserve 36%	-	511	518	(7)
Pavement rehabilitation	Subsidy 64% / Depreciation Reserve 36%	-	1,704	1,728	(24)
Sealed road resurfacing	Subsidy 64% / Depreciation Reserve 36%	-	2,375	2,409	(34)
Structures component replacement	Subsidy 64% / Depreciation Reserve 36%	-	95	96	(1)
Traffic services renewal	Subsidy 64% / Depreciation Reserve 36%	-	93	94	(1)
Unsealed road metalling	Subsidy 64% / Depreciation Reserve 36%	-	575	583	(8)
Roading Total		-	7,429	6,057	1,372



Funding		Carry Forward	Annual Plan 2016/17	Total Budget - Annual Plan 2016/17	LTP 2016/17	Variance
Solid Waste Management						
Level of Service						
Dannevirke transfer station - road improvements	Loan	-	30	30	31	(1)
Eketahuna capping	Loan	-	20	20	20	-
Renewal						
Recycling centres - minor capital	Depreciation Reserve	-	10	10	10	-
Solid Waste Management Total		-	60	60	61	(1)
Stormwater						
Level of Service						
District stormwater management	Loan	-	800	800	830	(30)
Renewal						
District-wide mains replacement	Depreciation Reserve	-	43	43	45	(2)
Stormwater Total		-	843	843	875	(32)
Wastewater						
Level of Service						
Akitio sewer option report	Loan	15	-	15	-	15
CCTV heavy mains cleaning	Loan	-	-	-	21	21
Dannevirke sewer network - Adelaide Road investigation	Loan	-	10	10	10	-
District generators	Loan	-	150	150	156	(6)
Eketahuna treatment plant	Loan	810	-	810	-	810
Norsewood treatment plant	Loan	-	50	50	52	(2)
Pongaroa treatment plant	Loan	159	-	159	-	159
Sewerage treatment plant membrane cassettes	Loan	-	500	500	519	(19)
Telemetry sewerage renewals	Loan	-	10	10	10	-
Renewal						
District-wide mains replacements	Depreciation Reserve	-	280	280	291	(11)
District-wide manhole replacements	Depreciation Reserve	-	10	10	10	-
District-wide preventative maintenance	Depreciation Reserve	-	70	70	52	22
District-wide pump replacements	Depreciation Reserve	-	3	3	3	-
Wastewater Total		984	1,083	2,067	1,124	943



	Funding	Carry Forward	Annual Plan 2016/17	Total Budget - Annual Plan 2016/17	LTP 2016/17	Variance
Water Supplies						
Level of Service						
Akitio upgrade	Loan	150	-	150	-	150
Leak detection - Pahiatua and Norsewood	Loan	-	25	25	26	(1)
Pongaroa town water supply	Subsidy 80% / Loan 20%	-	500	500	519	(19)
Dannevirke impounded supply	Loan	-	10	10	10	-
Renewal						
District-wide mains replacement	Depreciation Reserve	-	315	315	327	(12)
Meter reading device renewals	Depreciation Reserve	8	-	8	-	8
Preventative renewals	Depreciation Reserve	-	50	50	52	(2)
Water Supplies Total		158	900	1,058	934	124
Support Activities						
Renewal						
Business continuity - generator and UPS	Depreciation Reserve	-	8	8	8	-
Dannevirke Civic Centre	Depreciation Reserve	-	5	5	5	-
Dannevirke Library refurbishment	Depreciation Reserve	-	5	5	5	-
Eketahuna Library refurbishment	Depreciation Reserve	-	31	31	32	(1)
Fibre cabling renewals	Depreciation Reserve	-	3	3	3	-
Information Services hardware renewals	Depreciation Reserve	-	306	306	311	(6)
Information Services software renewals	Depreciation Reserve	-	84	84	85	(1)
Miscellaneous renewals	Depreciation Reserve	-	5	5	5	-
Pahiatua Service Centre	Depreciation Reserve	-	5	5	5	-
Photocopier replacement	Depreciation Reserve	-	33	33	34	(1)
Telephone replacement	Depreciation Reserve	80	20	100	20	80
Vehicle renewals	Depreciation Reserve	-	239	239	245	(6)
Woodville Library renewal	Depreciation Reserve	-	1	1	1	-
Woodville Service Centre	Depreciation Reserve	-	5	5	5	-
Support Activities Total		80	749	829	764	65
Capital Expenditure Grand Total		1,531	12,377	13,908	11,797	2,111
SUMMARY OF CAPITAL PROJECTS						
Growth		-	82	82	83	(1)
Level of Service		1,443	4,884	6,327	4,178	2,149
Renewals		88	7,411	7,499	7,536	(37)
Total		1,531	12,377	13,908	11,797	2,111

Note 2: Statement of Reserves and Special Funds

Reserves

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

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

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

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

These discretionary reserves are disaggregated into the following categories:

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



Depreciation Reserves

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

Description	Purpose of Fund	Opening Balance 1-Jul-2016 (\$000's)	Transfers in (\$000's)	Transfers out (\$000's)	Closing Balance 30-Jun-2017 (\$000's)
Council Depreciation	To receive depreciation funded each financial year, less any outgoings to pay for capital renewal of assets or debt prepayment for amount borrowed to fund capital development. This is the only reserve that can be used to fund internal borrowing.	17,072	9,307	(7,499)	18,880
Makuri Water Scheme	To establish a depreciation reserve to fund the renewal of assets for this scheme.	8	-	-	8
Pongaroa Water Supply Depreciation	To establish a depreciation reserve to fund the renewal of assets for this scheme.	748	38	-	786
Tararua Aquatic Community Trust Wai Splash Depreciation	To establish a depreciation reserve to fund the renewal of major assets.	255	49	-	305
Bush Multisport Depreciation	To establish a depreciation reserve to fund the renewal of major assets.	116	4	-	121

Special Funded Reserves

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

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

Description	Purpose of Fund	Opening Balance 1-Jul-2016 (\$000's)	Transfers in (\$000's)	Transfers out (\$000's)	Closing Balance 30-Jun-2017 (\$000's)
Tararua General Purpose	<p>Created for financing specific projects which shall be determined at Council's discretion.</p> <p>This reserve is also to receive:</p> <ul style="list-style-type: none"> • Proceeds from sale or disposal of assets where a particular function is discontinued, and for property sales. • Insurance monies received when buildings or property are damaged and not reinstated. • Residual of all existing reserves which have outlived their original purpose and could therefore be usefully merged as a general purpose fund and so classified. 	819	209	(186)	842
Tararua Emergency Roading	To provide funds to re-establish the district's infrastructural assets following a disaster, together with funds received from Central Government. There is no plan to use this reserve other than if a disaster occurs.	2,389	86	-	2,475
Tararua Gratuity	This reserve is for staff who have qualified or qualify for gratuities.	152	-	(1)	151
Infrastructure Protection Reserve	This reserve is created to accumulate funds to pay for Council's share in the event of a major disaster resulting in loss of assets.	135	5	(90)	50
Tararua Housing	To account for any surplus from the housing activity and proceeds from sales/disposal of housing assets. These reserves will be used solely for the Housing activity.	728	360	(455)	633
Dannevirke Airport Authority	To account for any surplus from Dannevirke Aerodrome and proceeds from sales/disposal of Dannevirke Aerodrome assets. This reserve will be used solely for operation and capital expenditure for Dannevirke Aerodrome.	4	-	-	5



Description	Purpose of Fund	Opening Balance 1-Jul-2016 (\$000's)	Transfers in (\$000's)	Transfers out (\$000's)	Closing Balance 30-Jun-2017 (\$000's)
District-wide Cemetery	To accumulate funds from the purchase of cemeteries plots in the District. This reserve will be used solely for operation and capital expenditure for the Cemeteries activity.	23	1	-	24
Recreation Grant	To accumulate funds to support recreational projects in the district.	108	24	-	132
Tenant Contribution (Debt Repayment)	To account for and refund tenant contributions for leasing of Council's housing properties.	747	27	-	774
Heritage Reserve	To accumulate funds to be used to further the District land use outcomes. The reserve is to be applied to the management and protection of those items listed in the District Plan Part 9 Appendix 2: Schedule of Heritage Resources.	63	12	-	76
Biodiversity Protection	To support: <ul style="list-style-type: none"> Sustainable management of the district's natural and physical environment Protection and enhancement of the community's environment values <p>The reserve is to be applied to the management and protection of those items listed in the District Plan Part 9 Appendix 3: Schedule of Natural Features (significant trees, vegetation and habitats landscapes).</p>	12	11	(10)	13
Forestry	Proceeds from forestry not otherwise required for the funding of continued operations and maintenance of the forest.	1,151	72	-	1,223
Election	To account for elections funds, rate funded each year to spread out election cost in the year of election.	20	20	(61)	(19)
Waste Management Fund	To account for the waste management levies received. This reserve will be solely used to fund specific projects for this activity.	213	58	(50)	221
Domain Boards Bank Balances	To account for the bank balances of the Domain Board in trust.	428	15	-	444

Trust Funds

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

Description	Purpose of Fund	Opening Balance 1-Jul-2016 ('000)	Transfers in ('000)	Transfers out ('000)	Closing Balance 30-Jun-2017 ('000)
Arts Council of New Zealand	To account for the annual grant that we receive from Creative New Zealand for allocation to support arts and cultural projects.	-	-	-	-
Mayoral Storm Relief Fund	To account for government assistance that Council receives to provide support (mainly for the welfare of farmers and businesses) major disruption in the Manawatu/Wanganui region.	8	-	-	8
Ormondville Playground	Funds held on behalf of the Ormondville community to purchase playground equipment in the town.	1	-	-	1
Pahiatua Heritage Trust	Funds left over from the old Pahiatua Arts Council that has since been wound up. Will be used towards Heritage assets in the district.	21	-	-	21
Dannevirke Fairbrother Trust	Funds bequest by the Trust for projects that benefit the Dannevirke community.	20	-	-	20



Note 3: Depreciation Expense by Group of Activity

	Long Term Plan 2016/17	Annual Plan 2016/17
Building Communities & Leadership	4	4
Community & Recreation Facilities	1,975	1,983
District Promotion & Economic Development	7	11
Regulatory Services	91	105
Roading & Footpaths	7,079	7,640
Solid Waste Management	91	92
Stormwater Drainage	238	226
Wastewater	865	798
Water Supplies	1,114	939
Total	11,464	11,797

General
Information

5

Council

His Worship the Mayor



R A (Roly) Ellis

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



North Ward Councillors



Cr J E (Jim) Crispin

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



Cr K R (Keith) Fenemor

92A Adelaide Road
 Dannevirke
 06 374 5450
 027 374 2011
keith.fenemor@tararua.govt.nz



Cr C J (Carole) Isaacson

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



Cr D A (David) Roberts

PO Box 69
 Dannevirke
 06 374 6405
 027 644 9459
david.roberts@tararua.govt.nz

South Ward Councillors



Cr T H (Tracey) Collis

674 Kakariki Road
 RD 6
 Eketahuna
 06 376 6756
 027 630 4057
tracey.collis@tararua.govt.nz



Cr S (Shirley) Hull

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



Cr P (Peter) Johns

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



**Deputy Mayor
 Cr W H (Bill) Keltie**

RD 1
 Pahiatua
 06 376 8996
bill.keltie@tararua.govt.nz

Community Boards and Council Committees

Community Boards

Dannevirke Community Board

Generally meets on the first Monday of the month at 3:00pm.

- **Chairperson**
Mr R A (Bob) Dresser
22 Ries Street, Dannevirke 4930
06 374 6270
dresser234@msn.com
- **Deputy Chairperson**
Mr W R (Ross) MacDonald
91 Piri Piri Road, RD 7, Dannevirke 4977
06 374 7996
gloriarossmacdonald@gmail.com
- Mr E (Ernie) Christison
677 Laws Road, Dannevirke 4978
027 442 8099
ernie.contracting@xtra.co.nz
- Mr T (Tim) Delaney
41 Riverdale Road, Dannevirke 4930
06 374 5200
woollybuttskennel@gmail.com
- **Councillor**
Mrs C (Carole) Isaacson
RD 8, Umutaoroa, Dannevirke 4978
06 374 5577
carole.isaacson@tararuadc.govt.nz

Eketahuna Community Board

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

- **Chairperson**
Mr C C (Charlie) Death
Nireaha Road, RD 2, Eketahuna 4994
06 375 8503
deaths@inspire.net.nz
- **Deputy Chairperson**
Mrs D F (Diana) Eagle
1775 Mangaone Valley Road, RD 4,
Eketahuna 4993
06 376 8256 or 027 323 3570
eagleeketahuna@xtra.co.nz
- Ms T (Trudi) Hull
120 Priest Road, RD 2, Eketahuna 4994
06 375 8220
chris.trud@xtra.co.nz
- Ms S (Sharon) Shannon
125 Larsens Road, Eketahuna
06 375 8130
bevansharon@hotmail.com
- **Councillor**
Mrs T H (Tracey) Collis
674 Kakariki Road, RD 6, Eketahuna 4995
06 376 6756 or 027 630 4057
tracey.collis@tararuadc.govt.nz

Community Committees

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

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



Council Committees

Chief Executive's Performance Appraisal Committee

His Worship the Mayor, Mr R A (Roly) Ellis (Chairperson)

Cr S A (Shirley) Hull

Deputy Mayor, Mr W H (Bill) Keltie

Cr D A Roberts

Tribunal and Hearings Committee

His Worship the Mayor, Mr R A (Roly) Ellis

Cr T H (Tracey) Collis

Cr S A (Shirley) Hull

Audit and Risk Committee

Mr K (Kevin) Ross (Chairperson)

His Worship the Mayor – Mr R A (Roly) Ellis

Cr T H (Tracey) Collis

Cr S A (Shirley) Hull

Forestry Committee

His Worship the Mayor, Mr R A (Roly) Ellis (Chairperson)

Cr K R (Keith) Fenemor

Deputy Mayor, Mr W H (Bill) Keltie

Tararua District Licensing Committee

Mr David Lea (Chairperson)

Mr Nick Perry

Mrs Maureen Reynolds

Mr Kerry Sutherland



Management Team

Executive Staff

Blair King ME (Civil) MIPENZ
Chief Executive

Peter Wimsett CA, BBS
Manager Strategy & District Development

Raj Suppiah CA
Chief Financial Officer

Kathy Dever-Tod
Manager Assets Group

Chris Edsall
Manager Tararua Alliance

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



Directory

Head Office and Council Chambers

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

Service Centre Locations

Dannevirke
26 Gordon Street, Dannevirke
(06) 374 4080

Eketahuna
31 Main Street, Eketahuna
(06) 376 0219

Pahiatua
136 Main Street, Pahiatua
(06) 376 0110

Woodville
42 Vogel Street, Woodville
(06) 376 0200

Other

Bankers

Westpac New Zealand Ltd
Dannevirke

Bank of New Zealand
Dannevirke

Auditors

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

Insurance Brokers

Aon New Zealand Ltd
Wellington

Glossary of Terms

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

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

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

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

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

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

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

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

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

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

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

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

A) held by one or more local authorities; or

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

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

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

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

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

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

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

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

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

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

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



Land Value The probable price that would be paid for the bare land as at the date of valuation. The value includes development work such as drainage, excavation, filling, levelling, retaining walls, clearing, fertility build-up, flood protection.

Long Term Plan A plan which outlines the Council's programme for the next 10 years and how it will contribute to achieving the community outcomes. Formerly referred to as the Long Term Council Community Plan (or Community Plan).

Measure The actual piece of information or data used to gauge an indicator.

Mission This describes Council's basic purpose (its fundamental reason for being) and specifies the role Council is going to play in its environment.

Operational Expenditure All funding for providing services on a day to day basis, excluding renewal and capital expenditure.

Operating Revenue Revenue received as part of day-to-day activities. Includes user charges and rates but not capital revenue (such as new loans).

Performance Measure Measure by which organisational performance may be judged in relation to objectives.

Policy A course of action or set of parameters adopted by the Council or by management within which decisions can be made and action can be taken.

Private Benefit This occurs when individuals who benefit from a service can be clearly identified and therefore charged for that service. It applies to user charges, application fees, purchase price, and water by meter, though there are exceptions to the rule.

Public Benefit This relates to spending which benefits the community in general and for which no individual beneficiaries can be clearly identified.

Renewal Expenditure Funding for works that replace the existing assets over their projected lifetime. Generally funded from the depreciation reserve fund.

Reserve Funds Money set aside for a specific purpose. (See also Special Funds.)

Resource Consent This is permission to use resources such as land, water and air, granted under the Resource Management Act 1991.

Restricted Assets Assets that cannot be disposed of because of legal or other restrictions and that provide benefit or service to the community. They include reserves vested under the Reserves Act 1977, endowments and property held in trust for specific purposes.

Revenue Money received by Council.

Revenue and Financing Policy This is a statement about who should pay for the services provided by Council. The policy outlines who will benefit for each Activity and who should pay for it, taking into account fairness and what is practical.

Separate Rate A rate levied over a particular group of properties that receive or are capable of receiving a specific service or benefit additional to that provided by general rate funding.

Service Delivery Plan Outlines each of the Council's activities including service levels, performance measures, issues and future demand.

Significance This is the degree of importance of an issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impacts, and or likely consequences.

Special Funds Money set aside for a specific purpose. (See also Reserve Funds.)

Strategy Outlines how the district is going to undertake particular actions to deliver the community outcomes.

Submission Your opportunity to tell the Council your views on the Ten Year Plan. Submissions need to be made in writing.

Ten Year Plan A plan, adopted every three years, that sets the strategic direction for the Council over the next 10 years and outlines Council's contribution towards achieving the community outcomes. The Ten Year Plan is the same as the Long Term Plan. The term "Ten Year Plan" is used for ease of understanding.

Toby A valve situated at the property boundary for the purpose of controlling the flow of water to the property.

User fees and charges Fees charged to the community for use of specific services and facilities provided by the Council.

Vision Council's view of the future state of its community. It is used to inspire people into action, define future direction and implies that what we do now can influence and change the future for the better.