

CENTRAL HAWKE'S BAY



I hereby give notice that a Meeting of Council will be held on:

Date: Thursday, 8 February 2018
Time: 9.30am
Location: Council Chamber
28-32 Ruataniwha Street
Waipawa

A G E N D A

Council Meeting

8 February 2018

Monique Davidson
Chief Executive

Order Of Business

1	Prayer	3
2	Apologies	3
3	Declarations of Conflicts of Interest.....	3
4	Standing Orders.....	3
5	Confirmation of Minutes.....	4
6	Local Government Act Compliance – Planning, Decision Making and Accountability	4
7	Report Section	5
7.1	Minutes of the Council Meeting 14 December 2017	5
7.2	ADOPTION OF THE SUPPORTING INFORMATION AND CONSULTATION DOCUMENT FOR THE 2018-28 LONG TERM PLAN FOR PUBLIC CONSULTATION	26
8	Public Excluded Business	263
8.1	PE MINUTES OF THE COUNCIL MEETING 14 DECEMBER 2017.....	263
9	Date of Next Meeting	263
10	Time of Closure.....	263

CENTRAL HAWKE'S BAY DISTRICT COUNCIL

Notice is hereby given that a meeting of the Central Hawke's Bay District Council will be held in the Council Chamber, 32 Ruataniwha Street, Waipawa on **Thursday 8 February 2018** commencing at **9.30am**.

PRESENT: Her Worship the Mayor, A R Walker
Councillors T H Aitken, K R Annand, S M Burne-Field, T R Chote,
G A Minehan, B W Muggeridge, I G S Sharp and D N Tennent

IN ATTENDANCE: M R Davidson [Chief Executive]
P S McKinley [Land Transport Manager]
J Lloyd [Group Manager, Community Infrastructure & Development]
B M Smith [Group Manager, Corporate Support and Services]
S J Thrush [Technical Services Manager]
L G Harrison [Organisation Transformation Lead]

Roger C A Maaka [Maori Consultative Committee Representative]

1 PRAYER

*"We dedicate ourselves to the service of the District of
Central Hawke's Bay/Tamatea and its people.
We ask for God's help
to listen to all
to serve all
and to lead wisely.
Amen."*

2 APOLOGIES

3 DECLARATIONS OF CONFLICTS OF INTEREST

4 STANDING ORDERS

RECOMMENDATION

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers

RECOMMENDATION

THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

5 CONFIRMATION OF MINUTES

Attached as 7.1 and 8.1

6 LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY

Council is required to make decisions in accordance with the requirements of Part 6 Subpart 1 of the Local Government Act 2002.

RECOMMENDATION

THAT Council has read the reports associated with items 7.1, 7.2 and 8.1 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting

7 REPORT SECTION**7.1 MINUTES OF THE COUNCIL MEETING 14 DECEMBER 2017****File Number:** COU1-1400**Author:** Monique Davidson, Chief Executive**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Council Minutes 14 December 2017**PURPOSE**

Attached are the minutes of the Council Meeting held on 14 December 2017.

RECOMMENDATION

THAT the minutes of the Council Meeting held on the 14 December 2017, as circulated be confirmed as true and correct.

CENTRAL HAWKE'S BAY DISTRICT COUNCIL

Minutes of a meeting of the Central Hawke's Bay District Council held in the Council Chamber, 32 Ruataniwha Street, Waipawa on **Thursday 14 December 2017** commencing at **10.59am**

PRESENT: Her Worship the Mayor, A R Walker
Councillors T H Aitken, K R Annand, S M Burne-Field, T R Chote,
G A Minehan, B W Muggeridge, I G S Sharp and D N Tennent

IN ATTENDANCE: M R Davidson [Chief Executive]
P S McKinley [Land Transport Manager]
T R Cook [Regulatory Services Manager]
H Robinson [Interim Utilities Manager]
B M Smith [Chief Financial Officer]
S J Thrush [Technical Services Manager]
L G Harrison [Administration Assistant]

Roger C A Maaka [Maori Consultative Committee Representative]

1.0 PRAYER

2.0 APOLOGIES

3.0 DECLARATIONS OF CONFLICTS OF INTEREST

None

4.0 STANDING ORDERS

RESOLVED:

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers

THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

Crs Sharp / Tennent
CARRIED

5.0 CONFIRMATION OF MINUTES

RESOLVED:

THAT the minutes of the Council Meeting held on 1 November 2017 and 30 November 2017, as circulated, be confirmed as true and correct.

Crs Minehan / Aitken
CARRIED

6.0 LOCAL GOVERNMENT ACT COMPLIANCE – PLANNING, DECISION MAKING AND ACCOUNTABILITY

Council is required to make decisions in accordance with the requirements of Part 6 Subpart 1 of the Local Government Act 2002.

RESOLVED:

THAT Council has read the reports associated with items 7.0, 8.0, 9.0, 10.0, 11.0, 12.0, 13.0, 14.0, 15.0, 16.0, 17.0 and 18.0 and considers in its discretion under Section 79(1)(a) that sufficient consultation has taken place in addition to the Councillors knowledge of the items to meet the requirements of Section 82(3) in such a manner that it is appropriate for decisions to be made during the course of this meeting.

Crs Burne-Field / Chote
CARRIED

7.0 2017 BYLAW REVIEW UPDATE

During the presentation the following was discussed:

- The Regulatory Services Manager spoke to the report.
- The Interim Utilities Manager spoke to the report.
- The Chief Executive spoke to the report.

RESOLVED:

1. THAT the report be received.

The reason for the decision is

That it meets the purpose of local government as stated below.

The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

Crs Annand / Aitken
CARRIED

2. The Water Supply Bylaw, Trade Waste Bylaw, and the Keeping of Animals, Poultry and Bees Bylaw, be adopted with amendments previously consulted on.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Her Worship Mayor / Cr Tennent
CARRIED

3. That a detailed review of the formula within the Trade Waste Bylaw is completed, and that further public consultation is undertaken where recommended amendments are more than minor in the context of the Big Water Story.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Annand / Burne-Field
CARRIED

4. That Council publicly consult on making provision for the keeping of bees, and, the keeping of pet pigs, in residential and/or township zones, as part of the review and consultation of the draft District Plan.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Muggeridge / Burne-Field
CARRIED

8.0 WASTEWATER SERVICES UPDATE – WAIPAWA AND WAIPUKURAU

During the presentation the following was discussed:

- The Chief Executive spoke to the report.
- The Mayor gave an update on the presentation held at the HBRC yesterday on this issue.
- The Deputy Mayor thanked Her Worship the Mayor and CEO on the presentation they gave to the HBRC yesterday.
- Cr Tennent noted that he appreciated there has been an Independent Review.

RESOLVED:

THAT the update on Waipukurau and Waipawa wastewater treatment work be received.

THAT the Report “Waipukurau and Waipawa Wastewater Treatment Plant Review” by The Wastewater Specialists be adopted.

THAT Council request the Chief Executive to formally begin the implementation of the reports recommendations.

THAT 6 weekly updates are provided to the Environment and Regulatory Subcommittee on progress related to the recommendations outlined in the independent review.

THAT the Chief Executive provide to Council in the New Year terms of reference for a Wastewater working party made up of elected officials and community representatives to guide Officers and Independent experts in their consideration of long term solutions.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Sharp / Chote
CARRIED

9.0 ADOPTION OF PROCUREMENT APPROACH FOR KEY SERVICES CONTRACT

During the presentation the following was discussed:

- The Chief Executive spoke to the report.

RESOLVED:

THAT Council note the report prepared by Tim Munroe on the Facilities Management Service Delivery Review (S17a) and Procurement Strategy.

THAT Council adopt the Procurement Strategy for the Facilities Management Service Delivery Contract.

THAT Council notes that in adopting the Procurement Strategy, Council authorises staff to undertake the procurement and evaluation and report back to Council when a preferred supplier has been identified.

The reason for the decision is

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Crs Chote / Muggeridge
CARRIED

THAT Council nominate Cr Tennent to represent elected officials formally throughout the evaluation process and that Cr Muggeridge attend as an observer.

The reason for the decision is

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Crs Sharp / Minehan
CARRIED

10.0 MAYOR'S REPORT

During the presentation the following was discussed:

- The Mayor spoke to the report.

RESOLVED:

THAT the Mayor's report be received.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Annand / Minehan
CARRIED

The meeting adjourned at 12.29pm for lunch and reconvened at 1.25pm.

11.0 MONTHLY CHIEF EXECUTIVE REPORT

During the presentation the following was discussed:

- The Chief Executive spoke to the report.
- Mayor acknowledged a good report.

RESOLVED:

THAT Council note the contents of the Chief Executives report.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Her Worship the Mayor / Cr Annand
CARRIED

12.0 REPORTS FROM CE EMPLOYMENT AND PERFORMANCE COMMITTEE

Attached are the minutes of the CE Employment and Performance Committee meeting held on 6 December 2017.

RESOLVED:

THAT the minutes of the meeting of the CE Employment and Performance Committee held on 6 December 2017 be received.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Annand / Muggeridge
CARRIED

13.0 REPORTS FROM DISTRICT PLAN SUBCOMMITTEE WORKING PARTY

Attached are the minutes of the District Plan Subcommittee Working Party Committee meeting held on 29 November 2017.

RESOLVED:

THAT the minutes of the meeting of the District Plan Subcommittee Working Party Committee held on 29 November 2017 be received.

The reason for the decision is

That it meets the purpose of local government as stated below.

The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

Crs Annand / Chote

CARRIED

The Committee refers the following recommendations to Council:

1. FINAL RECOMMENDATIONS FOR URBAN ENVIRONMENT REVIEW

1. The final draft chapters of the Urban Environment Review

a. Part 5 Residential Zone

Issues, Objectives & Policies

- Improved objectives and policies to reflect best practices;
- Improved linkages between the provisions; and
- Improved wording

Rules & Standards

- Removed provisions relating to pigs, bees, poultry etc (Council by-laws)
- Clarifies 'day-care facility' provision and 'community' / 'recreation' activity provisions, including amended definitions:
- Introduced a new provision for show homes;
- New catch-all non-complying activity rule introduced for greater clarity and to better catch unanticipated activities;
- Consistency with other district plans, particularly neighbouring ones (HDC and NCC) where appropriate, including a new light and glare performance standard.

Definitions

Amendments to:

- Accessory Buildings
- Community Activity
- Day Care Facility
- Educational Facility
- Emergency Service Activities
- Home Occupations
- Residential Activity

New Definitions for:

- Home-based Education and Care Services
- 'Show home'

(Consistency with HDC and NCC District Plans)

- Residential Unit
- Setback

Assessment Criteria

- New assessment criteria for light and glare;
- Amendment in part to 14.2.8 'noxious or unpleasant activities' by amending to refer to Screening for visual amenity;
- New part 14.4(1) for community activities and recreation activities greater than 100m² gross floor area, and day care facilities; and
- Deleted 14.1(1) for pig, poultry, rooster and bees

b. Part 6 Rural Townships Zone**High Level Changes**

- Renamed Townships Zone to 'Rural Townships Zone'
- Inclusion of Porangahau as a Rural Township and deletion of the coastal settlements from this zone; and
- Inclusion of individual rural townships descriptions in the introduction

Issues, Objectives & Policies

- Amended issue;
- Improved objectives and policies to reflect best practice;
- Improved linkages between the provisions; and
- Improved wording

Rules & Standards

- Updates to align with changes to the Residential Zone;
- Rule 6.6.1(a) residential activities, removal of reference to pigs, poultry, rooster and bees;
- Rule 6.6.3 new restricted discretionary activity;
- Rule 6.6.5 catch all, non-complying activity;
- Introduce limits and additional categories for industrial activities (GFA/Activity Status)

- Introduce limits for commercial activities (GFA/Activity Status)
- New standard for light and glare; and
- Building Density

Definitions

Amendments to:

- Camping ground
- Visitor accommodation (consistency with HDC and NCC District Plan)

c. Part 7A Commercial Zone and Part 7B Mixed Use Industrial Zone

Map 3 - Proposed Commercial Zone – Waipukurau

Issues, Objectives & Policies

- Added a new objective that supports rules that provide for complimentary and compatible activities within the zones, that recognise the sensitivities and amenity levels within the zones;
- Improved objectives and policies to reflect best practice;
- Improved linkages between the provisions; and
- Improved wording

Rules and Standards

- Deleted standards relating to activities within the airport noise boundary applying to the Commercial Zone i.e. they only apply to the Mixed Use Industrial Zone;
- Added a new Restricted discretionary Activities rule;
- Amended the Non-complying Activities rule;
- Deleted Prohibited Activities rule and replaced it with a Non-complying rule;
- Deleted building coverage standard
- Deleted hours of operation standard relating Licensed Premises; and
- Added new light and glare standard for the zones

Definitions

Amendments to:

- Commercial Activity
- Industrial Activity
- Licensed Premises
- Service Activity
- Service Station (consistency with HDC and NCC District Plan)

d. New Part 3.1A Sustainable Subdivision & Building**Introduction**

- Refers to sustainable subdivision and building being characterized by;
- Significantly reduced energy consumption;
- Improved resource efficiency;
- Reduced environmental impacts;
- Lower impact on local infrastructure; and
- Being easier to manage

Issues, Objectives & Policies

- One issue that recognises that new urban development can have adverse effects on the environment (including cumulative effects) through, for example, increased stormwater runoff or increased water or energy consumption
- One objective to promote sustainable subdivisions and buildings in the District
5 new policies to encourage:
 - Subdivision design and building development that optimises efficient resource and energy use and conservation measures through improved subdivision and building design, including by orientation to the sun and utilising principles of low impact urban design;
 - Use of on-site stormwater attenuation measures where appropriate, including rainwater harvesting devices, green roofs, site landscaping, rain gardens, wetland treatment systems and low impact stormwater attenuation systems;

- Water recycling (grey water) and installation of water saving devices;
- Implementation of principles of sustainable building practice through provision of advice and information; and
- Sustainable building design that:
 - Uses durable low maintenance and energy efficient materials;
 - Inert exterior cladding (avoiding the use of materials containing copper or zinc);
 - Maximises access to sunlight (including the location of outdoor living areas) and natural ventilation; and
 - Incorporates mechanical and electrical systems that optimise energy efficiency

Implementation Methods

- Exempting roof water tanks, solar panels and solar hot water systems from having to comply with the Recession Lines performance standard in any zone;
- Ensuring subdivision and engineering standards do not preclude adoption of alternative sustainable building technologies and services, where appropriate; and
- Advocating the adoption of environmentally sustainable building design principles and providing advice and information to subdividers and developers

Environmental Results Anticipated

- Improved subdivision and building development and greater uptake of environmentally sustainable design;
- More efficient use of energy and existing infrastructure;
- Reduced adverse environmental effects;
- A higher quality urban environment; and
- Increased use of renewable energy sources, including solar energy

e. New Part 3.1B Housing and Business Growth

- i. Map 1 - Waipukurau Proposed Zones and Indicative Growth Nodes
- ii. Map 2 – Waipawa & Otane Proposed Zones and Indicative Growth Nodes

Introduction

- Refers to the National Policy Statement on Urban Development Capacity:
 - Requirements to ensure sufficient, feasible housing and business land development capacity in the short, medium and long term;
 - Short term – supported with development infrastructure actually in place;
 - Medium term = must have development infrastructure either in place or identified in a 10-year long term plan under the LGA;
 - Long term – supported by infrastructure that is identified in a 30-year infrastructure plan under the LGA
- Refers to the provisions in Chapter 3.1B Managing the Built Environment in the Hawke's Bay Regional Policy Statement;
 - Establish compact, and strongly connected urban form throughout the Regions;
 - Ensure development is integrated with the provision of strategic and other infrastructure, the provision of services, and associated funding mechanisms;
 - Ensure planning and provision of transport infrastructure is integrated with development and settlement patterns;
 - Requires any rezoning for urban growth to be accompanied by a structure plan for inclusion in the District Plan

Issues, Objectives & Policies

- One issue that recognises the need to provide sufficient development capacity for housing and business growth in order to keep up with demand and to facilitate economic growth
- Objective to provide a sustainable supply of housing and business land in the District
- Objective to avoid ad hoc urban development onto valuable versatile land in the District
- Objective to ensure urban development is planned for and undertaken in line with the Regional Policy Statement
- Policy to ensure a range of housing and business development opportunities with the District

- Policy to avoid unnecessary expansion of urban activity onto valuable versatile land
- Policy to prioritise efficient utilization of existing infrastructure
- Policy to prepare structure plans for identified urban growth areas prior to rezoning

Implementation Methods

- Zoning to avoid ad hoc urban development;
- Direct resources toward infrastructure upgrades to accommodate growth;
- Structure planning;
- Monitoring and review of uptake of residential and business land in the District; and
- 5-yearly review of the draft 30-year Urban Growth Strategy for Waipukurau and Waipawa/Otane

Environmental Results Anticipated

- A well-functioning residential market that is able to cater for and respond to demand for a range of residential housing types;
- Sufficient business land to be responsive to business demands and encourage economic growth;
- Urban development that avoids, remedies or mitigates adverse environmental effects, and minimises the loss of valuable versatile land; and
- The strategic integration of infrastructure with land use

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Chote / Tennent
CARRIED

14.0 REPORTS FROM ENVIRONMENT AND REGULATORY COMMITTEE

Attached are the minutes of the Environment and Regulatory Committee meeting held on 30 November 2017.

RESOLVED:

THAT the minutes of the meeting of the Environment and Regulatory Committee held on 30 November 2017 be received.

The reason for the decision is

That it meets the purpose of local government as stated below.

The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

Crs Muggeridge / Annand
CARRIED

1. POLICY REVIEW

THAT the following policies listed below be adopted:

- 2.6 Dangerous and Insanitary Buildings Policy
- 4.1 Solid Waste Policy

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Chote / Annand
CARRIED

15.0 REPORTS FROM FINANCE AND PLANNING COMMITTEE

Attached are the minutes of the Finance and Planning Committee meeting held on 30 November 2017.

RESOLVED:

THAT the minutes of the meeting of the Finance and Planning Committee held on 30 November 2017 be received.

The reason for the decision is

That it meets the purpose of local government as stated below.

The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

Crs Annand / Sharp
CARRIED

1. APPROVAL FOR ADDITIONAL REVEWAL FUNDING FOR WAIPAWA AND DISTRICT CENTENNIAL MEMORIAL BATHS

THAT Council do not approve the additional budget of \$100,000 and contingency funding of \$250,000 for filter for the Waipawa and District Centennial Memorial baths

THAT Council consult during the Long Term Plan 2018-2028 on the Council contribution of \$650,000 towards the Waipawa and District Centennial Memorial Baths in year one.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Minehan / Sharp
CARRIED

2. FUNDING THE INSTALLATION OF TESTABLE BOUNDARY BACKFLOW PREVENTERS ON THE WATER SUPPLY TO SPECIFIC PROPERTIES

THAT

For new connections requiring a testable backflow preventer

Customer pays 100% of the device and installation. Customer also pays for the annual maintenance and testing via Fees and Charges. Replacement of the backflow preventer at the end of the 30 year life span would be also funded by the customer. The device is then vested in Council.

For existing connections requiring a testable backflow preventer

Customer pays 100% of the device and installation. Customer also pays for the annual maintenance and testing via Fees and Charges. Replacement of the backflow preventer at the end of the 30 year life span would be also funded by the customer. The device is then vested in Council.

The reason for the decision is

That it meets the purpose of local government as stated below.

The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

Crs Chote / Annand
CARRIED

3. LOCAL GOVERNMENT EXCELLENCE PROGRAMME PARTICIPATION

THAT Central Hawke's Bay District Council participates in the Local Government Excellence Programme.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Aitken / Chote
CARRIED

Crs Minehan, Tennent and Muggeridge voted against.

4. TOUR DE BEAUTIFUL WAYNE KIRK MITSUBISHI CRITERION EVENT

THAT under Section 342(b) and the Tenth Schedule of the Local Government Act 1974, that all streets as requested are temporary closed provided all conditions as listed are provided for the Cycling CHB Tour de Beautiful Wayne Kirk Mitsubishi Criterion event.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Annand / Minehan
CARRIED

5. POLICY REVIEW

THAT the following policies listed below, as amended, be adopted:

- 2.15 District Licensing Committee Appointment of Members
- 6.9 Retirement Housing Policy
- 6.11 District Hall Committees Policy
- 6.12 District Hall Policy
- 7.20 Special Fund Accounts Policy

And

THAT the policy listed below be deleted:

- 2.10 Sale of Liquor Policy

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Annand / Minehan
CARRIED

16.0 ADOPTION OF COMMUNITY WELLBEING STRATEGY

During the presentation the following was discussed:

- The Chief Executive spoke to the report.
- Cr Burne-Field acknowledged the work done to complete the strategy.

RESOLVED:

THAT Council adopt the Community Wellbeing Strategy.

THAT Council request from the Chief Executive a quarterly report on the progress of the implementation of the Community Wellbeing Strategy to the Community Development Committee.

THAT Council note they will consider the adoption of the Youth Action Plan, Positive Ageing Action Plan, Disability Action Plan and Safer Central Hawke's Bay Action Plan in the New Year.

The reason for the decision is

That it meets the purpose of local government as stated below.

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Crs Annand / Minehan
CARRIED

17.0 CENTRAL HAWKE'S BAY DISTRICT COMMUNITY TRUST

During the presentation the following was discussed:

- The Chief Executive spoke to the report.

RESOLVED:

THAT Council approve the proposed increase in casual swim charges by the CHB District Community Trust.

The reason for the decision is

That it meets the purpose of local government as stated below.

The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

Crs Sharp / Aitken
CARRIED

18.0 PUBLIC EXCLUDED BUSINESS**RESOLVED:**

THAT in accordance with Section 48(1) of the Local Government Official Information and Meetings Act 1987, the public be excluded from the following part of the proceedings of this meeting.

The general subject of the matter to be considered while the public is excluded; the reason for passing the resolution and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution being as follows:

Item No	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
1	CE Employment and Performance Committee minutes	Good reason to withhold exists under section 7	Section 48(1)(a)

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

Item No	
1	Protect the privacy of natural persons, including that of deceased natural persons (Section 7(2)(a))

Crs Minehan / Aitken
CARRIED

Meeting went into public excluded at 2.13pm.

19.0 DATE OF NEXT MEETING**RESOLVED:**

THAT the next meeting of the Central Hawke's Bay District Council be held on 8 February 2018.

Crs Tennent / Muggeridge

20.0 TIME OF CLOSURE

There being no further business the meeting closed at 2.50pm.

Confirmed this 22ND Day of February 2018

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7.2 ADOPTION OF THE SUPPORTING INFORMATION AND CONSULTATION DOCUMENT FOR THE 2018-28 LONG TERM PLAN FOR PUBLIC CONSULTATION**File Number:** COU1-1400**Author:** Bronda Smith, Chief Financial Officer**Authoriser:** Monique Davidson, Chief Executive

Attachments:

1. LTP Consultation Document 2018-2028
2. Community Outcomes
3. Draft Financial Strategy 2018-28
4. Funding Impact Statement
5. Group FIS Statements
6. Groups of Activities and Performance Measures
7. LTP Forecast Financial Statements 2018-28
8. LTP Infrastructure Strategy Draft 2018-28
9. Maori Contribution to Decision making
10. Rates Remission and Postponement Policies
11. Revenue and Finance Policy and Statement of Proposal
12. Schedule of Fees and Charges
13. Significance and Engagement Policy
14. Significant Assumptions

PURPOSE

Obtain a decision from Council to adopt the Supporting Information and Consultation Document for the 2018-28 Long Term Plan for public consultation.

RECOMMENDATION

That COUNCIL

- Adopt the Draft Revenue and Financing Policy and Statement of Proposal in accordance with section 102(1) of the Local Government Act 2002.
- Adopt the Draft Rates Remission Policy in accordance with section 102(1) of the Local Government Act 2002.
- Adopt the Supporting Information for the 2018-28 Long Term Plan to support the consultation process in accordance with section 93G of the Local Government Act 2002.
- Adopt the Consultation Document for the 2018-28 Long Term Plan to support the consultation process in accordance with section 93G of the Local Government Act 2002.
- Delegate responsibility to the Chief Executive and Group Manager – Corporate Support and Services to approve the final edits required to the Supporting Information and Consultation Document in order to finalise the documents for printing and distribution.
- Approves the public consultation approach for the Long Term Plan.

REASON

That it meets the purpose of local government as stated below.

Council is required to consult on the Long Term Plan pursuant to Section 93(2) of the Local Government Act 2002.

The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

BACKGROUND

All Councils are required by section 93 of the Local Government Act 2002 (LGA) to adopt a Long Term Plan (LTP) and review it every three years.

The LTP sets out Council's activities, plans, budgets and policies and must be adopted before the beginning of the first year it relates to and continues in force until the close of the third consecutive year to which it relates.

Part of the process of developing the LTP is to consult with the public on the activities, plans, budgets and policies of Council. The Consultation Document and Supporting Information is prepared and adopted under the requirements of the special consultative procedure under section 83 of the Local Government Act 2002. The purpose of the Consultation Document is to provide the community with an effective basis for public participation in local authority decision making relating to the LTP (section 93B of the LGA).

The process to develop the LTP 2018-28 began in March 2017 with the commencement of community engagement that was called Project Thrive. Council invited the community to participate in thirteen consultation sessions across the District. Feedback was also requested via email and also via an online form on the Council website page. 3500+ feedback matters and outcomes were collected and collated into themes and possible initiatives during the following 2 weeks. On the 1st – 3rd May the outcomes and initiatives were workshopped with staff and Council. Following this a public presentation of the draft outcomes of the consultation was presented to the community at a public meeting on the 3rd May.

From Project Thrive and the projected economic, business and population growth, Council believed the strongest message within the feedback was the importance of the water to the future of the District. Based on this feedback, a capital program has been developed that responds to the requirements of the community for durable infrastructure that supports smart growth. Feedback was sort from the community regarding the capital program that Council called the Big Water Story along with other initiatives developed from Project Thrive.

Also since the beginning of March, thirteen workshops have been held to review the Long Term Plan 2018-28 and to develop the plans and activities for the next ten years for Central Hawke's Bay. Along with this process and Project Thrive, budgets and policies have been developed in response to the outcomes of these discussions.

During the workshops Council has reviewed all the components of the Long Term Plan including:

- Community Outcomes – these have been updated from the themes developed during Thrive and form part of the Supporting Information.
- The Levels of Service and Performance Measures – these have been updated based on the Council feedback on the critical aspects of the Activities and in response to the Strategy priorities of Council developed over the previous 6 months and form part of the Supporting Information.
- Revenue and Finance Policy –this has been reviewed and a Statement of Proposal is being consulted on in conjunction with the Long Term Plan.

- Groups of Activities - this has been reviewed and the addition of the Compliance and Monitoring activity included for the Long Term Plan.
- Financial Strategy – this has been reviewed and updated based on the current expectations of Council to facilitate prudent financial management
- Infrastructure Strategy – has been updated to show the current significant infrastructure issues and how the Council will manage these over the next 30 years.
- Significance and Engagement Policy - this have been updated and forms part of the Supporting Information.
- Significant Assumptions – these have been reviewed and updated based on current information.
- Development Contributions – this policy has been reviewed with no changes and the contributions will be updated based on the assumptions and budgets included within the Long Term Plan.
- The Budget and Rates requirements for the next ten years - these have been reviewed and form part of the overall consultation on the Long Term Plan.

In accordance with section 93B of the LGA, officers have developed a Consultation Document and Supporting Information that reflect the decisions made and to provide the basis for consultation with the community. The Consultation Document sets out the issues and opportunities facing Central Hawke's Bay, along with the key issues for consultation to inform the final LTP and the proposals and options put forward by Council. The Supporting Information includes the detailed information relied on to prepare the consultation document.

In accordance with section 93C of the LGA, the Consultation Document contains an audit report from Ernst Young that the consultation document gives effect to the purpose set out in section 93B and the quality of the information and assumptions underlying the forecast information provided in the consultation document.

The consultation on the LTP using the Consultation Document and Supporting Information must be done in accordance with section 83 of the LGA. As part of this an Engagement Plan has been developed to ensure compliance with section 83 and with the key principles of accessibility, transparency and genuine engagement.

Following is the proposed timeline leading up to the adoption of the Long Term Plan:

19 February	Consultation opens
30 March	Consultation closes
26 April & 3 May	Hearings for Submissions
31 May 2018	Adoption of the Long Term Plan

ASSESSMENT OF OPTIONS

THAT Council

Option 1

- Adopt the Draft Revenue and Financing Policy and Statement of Proposal in accordance with section 102(1) of the Local Government Act 2002.
- Adopt the Draft Rates Remission Policy in accordance with section 102(1) of the Local Government Act 2002.
- Adopt the Supporting Information for the 2018-28 Long Term Plan to support the consultation process in accordance with section 93G of the Local Government Act 2002.

- Adopt the Consultation Document for the 2018-28 Long Term Plan to support the consultation process in accordance with section 93G of the Local Government Act 2002.
- Delegate responsibility to the Chief Executive and Group Manager – Corporate Support and Services to approve the final edits required to the Supporting Information and Consultation Document in order to finalise the documents for printing and distribution.
- Approves the public consultation approach for the Long Term Plan 2018-28.

Option 2

If Council chose not to adopt the draft documentation for public consultation, discussion would be required on which amendments were needed and an amended timeframe for consultation related to this process would be required.

STATUTORY IMPLICATIONS

Local Government Act 2002.

CONSULTATION

In accordance with section 83 and 93A of the Local Government Act 2002, Council will consult with the public on the 2018-28 Long Term Plan.

The consultation period will commence on 19 February 2018 and end on 29 March 2018.

The Supporting Information and Consultation Document will be made available for public inspection at Council offices, libraries and on Council website in order to provide all ratepayers and residents of the District with reasonable access.

The Consultation Document will also be distributed to all ratepayers by distribution with the CHB Mail or via mail for out of town ratepayers. A Rates Estimate invoice for the 2018/2019 rates will also be sent in February. This will allow ratepayers to provide feedback to Council during the consultation period.

Media information and Public notice will be given which will include a statement about how persons interested in the proposal may obtain or view copies of this draft, and how they may make a submission.

A submission hearing will be held on 26 April for submissions to be presented to Council.

All submissions received will be treated according to the process laid down in the special consultative procedure.



The Journey So Far – From the Council

After the last election in 2016, the clear message from the people of Central Hawke's Bay was that a new approach to delivering value for our community was required.

With this in mind, we started the conversation for this Long Term Plan early so that we could get a good picture of what was the most important for us to do differently.

In March 2017 we launched the initiative we called *Project Thrive*. We asked what you loved about our district and your home, what a thriving Central Hawke's Bay would look like, and what was holding us back from that.

We spoke with over 270 people and gathered 3,500+ pieces of feedback from across the community which was consolidated into consistent themes and potential initiatives we could pursue. The full report of this work is available on the Council website.

Together we Thrive – Our Mission –

Our Vision for Central Hawke's Bay is a proud and prosperous district made up of strong communities and connected people who respect and protect our environment and embrace our beautiful part of New Zealand.

From this feedback we have been able to create a very clear picture of the future, how council should fit into that picture, and what actions we can take to support progress in Central Hawke's Bay. They are now described as our mission, purpose and objectives respectively and you will see them pop up in council facilities and documents over the next few months.

Why we do what we do – Our Purpose –

It's our goal to create an environment that supports a thriving Central Hawke's Bay district, by providing efficient and appropriate infrastructure, services and regulatory functions.



The outcomes we want to achieve – Our Objectives –



- A proud district.
- A prosperous district.
- Strong communities.
- Connected citizens.
- Smart growth.
- Environmentally responsible.
- Durable infrastructure.

The objectives have been incorporated in the 'community outcomes' expected from council that are part of this LTP. The objectives have also been incorporated into other key work programmes such as the review of the District Plan, strategies and policies of council.

The work in *Project Thrive* distilled a number of initiatives that the Council has considered as part of the LTP development process. In this consultation document you will see where the most significant of these initiatives have been developed into key components of the LTP. We don't have the space here to cover all of the great ideas and actions that came out of *Thrive*, but have included many into our planning and operations.

One of the strongest messages we got during *Thrive* was the importance of water to the future of our District. This, combined with strong signals for economic, business and population growth from both our urban and rural residents, has driven the review of our investment in our Three-Waters infrastructure over the next 30 years.

This was the main theme of the #bigwaterstory expos and engagement in November 2017 – a chance for us to check-in with the community to see that we had heard you properly and were on the right track. The feedback was very supportive of where we were heading so the capital programme has been included in the Consultation Document as part of the engagement for our LTP.

While developing the capital program for this LTP, we continue to deal with the issue of breaching resource consent requirements at the Waipukurau and Waipawa Wastewater Treatment Plants. There is more investigation work to do to find a viable solution for these issues. This is highlighted in detail on page 5.

We as a Council are using the term 'smart growth' in our objectives as we balance the pride and sense-of-community we have across the district, alongside the signals for more business, residential and rural investment.

While we firmly believe that [#thebigwaterstory](#) is the main priority for our Council, other transformational initiatives to build pride, prosperity and environmental protection will come from a focus on Town Centre and Community Plans. These can be thought of as 'road-maps' so that community and council are both clear about identity, priorities and future plans and can provide directions for when activity is happening in those respective communities – whether council or other groups. There are many parts to our district – each with individual identities that our communities want to protect and nurture.

So we are asking you to get involved and give us feedback. We really need to hear from you so that we can plan for a future that includes all of our community and provide you with all the services you need to be able to thrive now and in the future.

Have Your Say

We encourage you to take the time to get involved. Consultation runs from 19 February to 29 March.

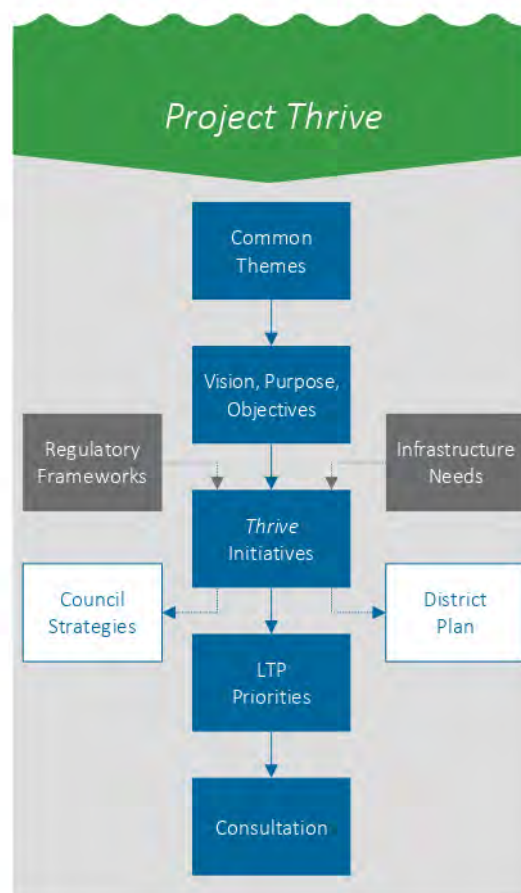
You can comment on the Key Initiatives that are outlined in the document or anything else that you would like Council to consider.

For more information, including the supporting information for this consultation document, you can:

- visit www.chbdc.govt.nz or
- visit the Council office, service centre or library.

Final decisions will be made by June 2018 and will be available on www.chbdc.govt.nz in July.

THE PROCESS SO FAR



Long Term Plan 2018-28 Consultation Document

Why do we do a Long Term Plan?

The Long Term Plan is more than something the Council does because it has to.

The Long Term Plan is the way the Council can let the community know what it plans to do for the next 10 years when it comes to expenditure and infrastructure investment. It also outlines that infrastructure investment over the next 30 years. It's how we let you know what work is going to be done, what services will be provided, what the rate impact is going to be and how much we will have to borrow to achieve the outcomes the Council wants to deliver.

The LTP is important because effectively it represents our commitment to the community about how we will spend the funds we have to make our communities better. These funds come from you – through rates – and also from other sources, such as fees for certain services, investment returns and government grants or subsidies. We need to make sure we are spending these funds prudently.

While the Council might represent a single organisation, what the Council does is broken down into what are called activities.

For each of these activities, such as Water Supply, Roding, Building Control, or Parks and Reserves, we need to plan both for what we currently provide and how we will provide these services in the future.

What each activity provides can be affected by many things. For example, law changes can alter the rules a Council must follow in providing a service. They can also require Council to provide something to a certain standard to protect people's health and wellbeing (e.g. drinking water standards). Communities may want

How our district economy is changing or growing may mean we have to provide services in new, faster or different ways. Changes in population numbers or how our population is made up may also impact on the services the Council provides way into the future.

The law requires Councils to prepare a 30 year Infrastructure Strategy (IS). For a community, this is the framework that reassures us that we are maintaining and investing in our infrastructure in the most appropriate way to ensure our children and grandchildren will have a community in which to thrive for the future.

At a minimum, the Infrastructure Strategy covers the big stuff provided by the Council – the roads and footpaths you drive and walk on; how sewage is collected, treated and managed; the systems delivering clean, fresh water to your tap; and the stormwater systems that handle rainfall and runoff from our roads and towns. These systems and facilities are critical to running modern communities and need to be well planned for and managed. The IS outlines major issues for these areas over the next 30 years (e.g. such as how we will replace ageing infrastructure) and how the Council plans to deal with them.

Your elected representatives have used your feedback from *Project Thrive* to work through all the key activities, infrastructure needs and future initiatives to bring you this Consultation Document. It is a culmination of more than 12 months of listening, learning, investigating, discussing and prioritising to try and deliver the outcomes required to meet your expectations and for our community to thrive.

The document you are reading is our LTP consultation document. It outlines the key issues raised as a result of this LTP review and asks for your feedback before we finalise the LTP.



"Working with the Council was critical in getting the skate park built. A really key part of the process was submitting to the Long Term Plan on the redevelopment of Russell Park. It made sure our youth voice was heard."

Tama Bucknell, EPIC Ministries

The key initiatives

This LTP is about building for the future and creating the environment for a thriving district.

We have challenges with our current infrastructure that we need to address so that the district is able to sustain its current residents, businesses and farms as well as provide for smart growth opportunities. Hand-in-hand with this is the crucial objective that we have set, as informed by our community, that we need durable, fit-for-purpose infrastructure and council services.

There are a number of initiatives that will support this and we have identified a number of specific initiatives and plans that we need your feedback on.

These initiatives are:

1. The Big Water Story – our three waters infrastructure
2. Funding for drinking water and wastewater in our district
3. Upgrade of the Waipawa Memorial Centennial Baths
4. Developing Town and Community-specific Plans
5. Funding of Emergency Management for Central Hawke's Bay

For each of these initiatives we have discussed the options available, the impact of those options and have outlined the preferred option of the Council. These can be seen over the following pages.

We have also talked about a number of other things that the Council needs to consider and we have detailed those as well.

Looking after our district – delivering services to our community

Looking after our infrastructure – our 30 year infrastructure strategy

Looking after the finances – our Financial Strategy

We encourage you to read through all sections of this document as they do fit together like a jigsaw puzzle and will greatly assist your understanding of what we are proposing.

Waipukurau and Waipawa Wastewater Treatment Plants

While developing the capital program for this LTP, we continue to deal with the issue of breaching resource consent requirements at the Waipukurau and Waipawa Wastewater Treatment Plants.

The resource consents for the Waipukurau and Waipawa were renewed as required in 2008. This required the treatment plants to be upgraded and between 2009 and 2012 over 20 options were considered. After a decision by Council, the Wastewater treatment plants were upgraded in 2013 & 2014 for \$6.34m. Since then we have made additional investment of \$2.39m to improve the performance of the treatment plants. Despite these actions, the treatment plants continued to breach consent requirements for Ammonia and E.coli. In March 2017, Council was prosecuted for breaching E.Coli limits at Waipawa. This has resulted in a court enforced review of the treatment plant.

At the same time, Council were experiencing significant complaints regarding odour at Waipukurau Treatment Plant and continued Ammonia exceedances. As a result an additional independent review was commissioned with the resulting report released publicly in November 2017.

While we are no longer breaching E.coli consent conditions at Waipawa, the removal of Ammonia is still an issue at both plants. Ammonia nitrogen has an effect that plant growth in the river is accelerated.

There is more detailed investigation work to do to find a viable solution for these issues which will include community and expert input. Two options highlighted in the Report include activated sludge treatment or discharge to land. The estimated costs for these options range between \$11million and \$36 million. While investigation allowances and minor improvements are budgeted in the proposed capital program of \$2.1m, we understand that more significant investment will be needed and will require formal consultation with the community once the viable options have been identified and funding options determined.

Reviews of what work is required, how much it will cost, how it will be prioritised and how it could be funded will be carried out during 2018 and 2019. This is likely to result in an amendment to this Long Term Plan sometime over the next 1 to 2 years.

Supporting Information

The Report is available on the website www.chbdc.govt.nz, at Council Offices and at the Libraries

1. The Big Water Story – How do we make sure our three waters infrastructure is fit for the future?

The Issue

As part of *Project Thrive*, the importance of water to our community was one of the loudest messages. This, combined with a vision for growth and prosperity, environmental responsibilities, as well as strong and durable infrastructure is how #thebigwaterstory began.

We are already experiencing significant growth in Central Hawke's Bay and we are expecting as many as 1025 new households in the next 30 years. Of those households, 535 are expected in the next 10 years. To build our network so that we can support this growth we need to carry out improvements to the existing water networks. We are expecting that this will take at least 10 years to do, and will then give us opportunities to grow our network to attract new industry and employment to the District.

To be able to deliver on all of these the Council has developed a programme of upgrades and improvements to we can ensure that the drinking water, wastewater and stormwater infrastructure is able to meet the current and future needs of the community.

WE HAVE SOME WORK TO DO SO THAT WE:

- Can upgrade infrastructure so that it will last longer and we can maintain the service you have always relied on
- Meet the changing legislative and compliance requirements
- Build resilience in our waters infrastructure by having second supplies, firefighting capacity and right sized reticulation systems
- Take on the learnings from the Havelock North water inquiry
- Ensure we are providing for smart growth in the District including the rapidly growing number of new homes being built in our residential areas and forecast over the next 10 years
- Can supply those who are connected to Drinking Water with a safe, clean and reliable drinking water source in particular those smaller communities
- Deal with wastewater and stormwater so we are having the least impact on our rivers as possible
- Ensure we do not burden future generations with aging infrastructure

So what additional investment do we need over the next 30 years?*

Drinking Water

		YEARS 1-10 \$000S	YEARS 11-20 \$000S	YEARS 21-30 \$000S
Waipukurau	Second Supply	5,716		
	New Main from Pukeora		4,952	
	New Industrial Area		1,419	
	Build Resilience	3,981		
Waipawa	Build Resilience	4,125		
Otane	Alternative Supply	2,701		
Takapau, Porangahau, Kairakau & Pourerere	Treatment Upgrades	2,303		
Network Wide	Extension for Growth	374	2,759	1,790
Total		19,200	9,130	1,790

Waste Water

		YEARS 1-10 \$000S	YEARS 11-20 \$000S	YEARS 21-30 \$000S
Waipukurau	Treatment Improvements	1,060		
	New Industrial Area and Current Reticulation		4,915	
	Build Resilience	487		
Waipawa	Main Trunk Renewal	1,770		
	Treatment Improvements	1,060		
	Build Resilience	128	266	
Takapau	Treatment Upgrade	831		
Otane	Treatment Upgrade	845		
Porangahau/ Te Paerahi	Treatment Upgrade	1,849		
Network Wide	Extension for Growth		2,571	3,018
Total		8,031	7,752	3,018

Stormwater

		YEARS 1-10 \$000S	YEARS 11-20 \$000S	YEARS 21-30 \$000S
Waipukurau	CBD Improvements	698		
	Build Resilience		4,152	
Waipawa	Build Resilience		2,039	
Network Wide	Build Resilience	310		
	Extension for Growth			8,153
Total		1,008	6,191	8,153

*The figures included in these tables include both rate funded and loan funded expenditure. **Normal renewal expenditure is not included.** Build resilience in our waters infrastructure by having second supplies, firefighting capacity and right sized reticulation systems

The Options

1. Invest based on the Big Water Story plan	2. Invest over a longer period	3. Continue maintaining the existing assets
<p>To carry out all the proposed works for the first 10 years such as the Second Water Supply for Waipukurau and Main Trunk Renewal for Waipawa wastewater (see list of projects on the previous page), Council would fund the investment from loans which would be repaid over 35 years. This means that payment for the infrastructure is spread over the different generations of residents that will use the network. In the first 10 years this would mean an average rates increase in Year 1 (2018/19) of \$42.37 and by Year 10 the total increase would be \$342.43 for those connected to all three water services (see table below for the detail of each activity). Borrowing for the three activities would increase to a total of \$22.8m.</p>	<p>The infrastructure programme could be done over a longer time frame. For example in Waipukurau and Waipawa, upgrades to pipes, connections and pumps to build resilience could be spread over 20 years; the Waipukurau Second Supply could be delayed by 4 years; and Otane alternative supply could be delayed by 2 years. The delayed programme would reduce the rate impact in the short term and limit the Year 1 rates increase to \$18.57, through to a Year 10 increase of \$295.10. Borrowing for the three activities would reduce by \$3.6m. This option could impact the levels of service for those connected as the new connections inside the zone would put pressure on the current infrastructure. Also any expansion of the supply zones could be delayed as the resilience work inside the network (upgrades to pipes, connections and pumps) allows future options for expansion.</p>	<p>The maintenance of the existing assets would include only renewal work based on historical expenditure and those projects required based on resource consents for the current supply. Based on the projections for growth and the requirements of meeting legislation, this option would likely reduce the levels of service for existing users. New connections inside the zones would put pressure on the current networks which could mean a potential loss of service to current connections. Also we would be unable to expand the current zones for the networks. This could also limit future growth in the district due to lack of infrastructure.</p>

The Preferred Option

Council's preferred option is option 1. To meet our desired outcomes for a thriving Central Hawke's Bay, the Council must provide infrastructure based on the estimated growth of the district, the need to build resilience and ensure the infrastructure is fit for the future. This proposed work-programme will provide for this as well as maintaining the current level of service for existing connections. Delaying the upgrade works would only be delaying the rates impact and not decreasing it overall. The impact on the external borrowings of Council is included on page 23.

Below is the rate increase for ratepayers connected to the networks each year based on the funding of the loan required for the above capital programme. This is based on current connections and will reduce as new connections are made during the 10 years of the capital programme.

Yearly rates increase for the three waters

ACTIVITY	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Water Supply	29.40	106.74	158.04	169.50	182.80	192.69	202.16	209.41	217.15	222.43
Wastewater	8.24	36.58	69.02	91.89	103.50	104.59	105.04	106.19	107.61	108.82
Stormwater	4.73	10.32	11.18	11.18	11.18	11.18	11.18	11.18	11.18	11.18
Total	42.37	153.64	238.24	272.57	297.48	308.46	318.38	326.78	335.94	342.43

*Average based on current connections. Each year includes the rate increase from the previous year.

2. How do we fund our Drinking Water and Wastewater Infrastructure?

Currently all of the costs associated with our water and wastewater activities are paid for by the people connected to the networks through the targeted water and wastewater rates.

In 2017/18 the budgeted Annual Plan spending on the water and wastewater is 21.7% of the total spend for Council.

During *Project Thrive*, the whole community gave us a strong message that water and wastewater are important for all – residential, urban, business and rural.

Council believes that there is a wider benefit to the whole district in ensuring that our drinking water and wastewater infrastructure is fit for purpose.

- The safe disposal of wastewater minimises the otherwise harmful effects to our environment.
- Conservation of our drinking water affects the summer flows of our rivers that we use and enjoy.
- Our businesses rely on durable infrastructure to provide products and services to the whole community.
- Smart growth requires quality infrastructure by allowing for the development of businesses and industries which provide employment.

- Durable infrastructure ensures our children are not burdened with paying for aging infrastructure due to underinvesting now.

These factors were also key in how [#thebigwaterstory](#) began.

In recognising the wider benefits to the community, a balance is needed between the district wide benefit, the benefits of the services for those connected to the network and the affordability of those services and investment in them.

Based on this Council is proposing to fund 5% of the rates requirement for Water Supply and Wastewater from a district wide uniform annual charge.

In the supporting information there is a Statement of Proposal that includes the detailed information and the draft Revenue and Financing Policy that details how this will be collected.

Supporting Information

Statement of Proposal and other supporting information is available on the website www.chbdc.govt.nz, at Council Offices and at the Libraries



“We need good and adequate water supply for our towns”

Feedback during Project Thrive

The Options

<div>1.</div> <div>Retain the current funding for drinking water and wastewater.</div>	<div>2.</div> <div>Change the funding of water and wastewater to have a District Wide Targeted Rate set on uniform basis of 5% of the total funding requirement. This would be paid for by everyone in the district whether or not you are connected to the network.</div>	<div>3.</div> <div>Change the funding of water and wastewater to have a District Wide Targeted Rate set on uniform basis of 7.5% of the total funding requirement. This would be paid for by everyone in the district whether or not you are connected to the network.</div>																		
<div>Based on the current funding model where all rates required for water and wastewater are paid by those connected there is no change to the way the rates are collected.</div>	<div>This funding model will see 5% of the rates funding requirements for water and wastewater paid district wide*. This has been proposed as a District Wide Targeted Rate set on uniform basis. This would be paid by all ratepayers in the district whether or not you are connected to the networks.</div> <div>For both water and wastewater this totals</div> <table><tr><td>2018/19</td><td>\$49</td></tr><tr><td>2019/20</td><td>\$53</td></tr><tr><td>2020/21</td><td>\$57</td></tr></table>	2018/19	\$49	2019/20	\$53	2020/21	\$57	<div>This funding model will see 7.5% of the rates funding requirements for water and wastewater paid district wide*. This has been proposed as a District Wide Targeted Rate set on uniform basis. This would be paid by all ratepayers in the district whether or not you are connected to the networks.</div> <div>For both water and wastewater this totals</div> <table><tr><td>2018/19</td><td>\$73</td></tr><tr><td>2019/20</td><td>\$80</td></tr><tr><td>2020/21</td><td>\$85</td></tr></table>	2018/19	\$73	2019/20	\$80	2020/21	\$85						
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<div>The annual water charge for the first 3 years of the LTP for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$669</td></tr><tr><td>2019/20</td><td>\$751</td></tr><tr><td>2020/21</td><td>\$795</td></tr></table>	2018/19	\$669	2019/20	\$751	2020/21	\$795	<div>The annual water charge for the first 3 years of the LTP including the 5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$648</td></tr><tr><td>2019/20</td><td>\$729</td></tr><tr><td>2020/21</td><td>\$771</td></tr></table>	2018/19	\$648	2019/20	\$729	2020/21	\$771	<div>The annual water charge for the first 3 years of the LTP including the 7.5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$643</td></tr><tr><td>2019/20</td><td>\$723</td></tr><tr><td>2020/21</td><td>\$764</td></tr></table>	2018/19	\$643	2019/20	\$723	2020/21	\$764
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2020/21	\$764																			
<div>The annual wastewater charge for the first 3 years of the LTP for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$883</td></tr><tr><td>2019/20</td><td>\$946</td></tr><tr><td>2020/21</td><td>\$1,019</td></tr></table>	2018/19	\$883	2019/20	\$946	2020/21	\$1,019	<div>The annual wastewater charge for the first 3 years of the LTP including the 5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$866</td></tr><tr><td>2019/20</td><td>\$928</td></tr><tr><td>2020/21</td><td>\$1,000</td></tr></table>	2018/19	\$866	2019/20	\$928	2020/21	\$1,000	<div>The annual wastewater charge for the first 3 years of the LTP including the 7.5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$858</td></tr><tr><td>2019/20</td><td>\$919</td></tr><tr><td>2020/21</td><td>\$990</td></tr></table>	2018/19	\$858	2019/20	\$919	2020/21	\$990
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2020/21	\$1,000																			
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2019/20	\$919																			
2020/21	\$990																			

*Assessed for each Separately Used or Inhabited Part of a rating unit (SUIP). Based on current SUIP numbers.

The Preferred Option

Council's preferred option is option 2. The change to the funding has been included in the budgets at the rate of 5% by way of a District Wide Targeted Rate set on uniform basis. The Council feel that this reflects the right balance between the benefits to those connected the networks and the community as a whole who benefit from there being durable water and wastewater infrastructure in our community that is fit for purpose, control our environmental impact and provide for smart growth. However, Council would also seriously consider using Option 3 but would like your feedback on this.

3. How do we upgrade the Waipawa and District Centennial Memorial Baths?

The Waipawa and District Centennial Memorial Baths were opened in 1962 thanks to significant fundraising by the Central Hawke's Bay community.

The baths has an outdoor non-heated 33m pool that is open in the summer months. The paddling pool is not operational. In late 2017, we discovered significant age related defects and cracks and concrete and plaster works when the old paint work was taken off for repainting. The cost to fix this was an additional \$100,000 to what was already budgeted. We have also known that the pool filter could break at any time. In the last LTP it was agreed that if the filter broke down funding from the community would be required as there was no budget allocated. The filter would cost approximately \$250,000 to replace and bring it up to NZ standards.

Due to the poor condition of the Waipawa and District Centennial Memorial Baths it was unable to be opened for the 2017/2018 summer period.

Prior to the discovery Council had started investigation work on the development of the Waipawa Baths with the view to go out to the community as a separate consultation with a number of possible options. Due to the pool not being open for the 2017/18 year and this being a reduction in the level of service to our community, we made a commitment at the public meeting held at the pool in December 2017 that this would be included in the consultation for the LTP.

This is a significant asset for the whole district and we want to ensure it is a facility for everyone to enjoy.

As an outdoor pool, it provides recreational, social and wellbeing benefits for us to enjoy and it would be a great asset for the future residents of Central Hawke's Bay to enjoy.

A proposed design used to estimate cost of a full upgrade

- 1 New Mytha Renovation System to Main Pool
 - 25 x 15m 6 Lanes, 1.4-1.0m deep
 - Overflow channels to both sides
 - New delivery and return recirculation pond/renovation ponds
- 2 New Users Pool
 - 15 x 7m, 0.7-0.9m deep
 - Vinyl lined & ramp access
 - Overflow at ends
 - Softwalk Floor
- 3 New Wet Deck (150m²) including Water Toys and Sun Shade
- 4 New Entry Kiosk and Accessible Ramp
- 5 New Accessible / Family Change (Priv.)
- 6 New Under Binch Pool Covers
- 7 Upgraded Male/Female Toilets and Showers
- 8 Upgrade Mudge Hunters Park Toilets
- 9 New P&T to Main Pool, Users Pool and Wet Deck, plus extension to Plant Room
- 10 New Solar Heat Pump
- 11 New Visual / Acoustic Screen
- 12^a New BBQ's, Seating and Landscaping for enhanced privacy and ambience
- 12^b New Planting and Landscaping
- 13 New Spectator Seating
- 14 New Pool Store for linables and fixtures
- 15 New raised surrounds to enhance accessibility



The Options

1.

Upgrade to the pool with a 25m pool and Splashpad at a cost of \$870,000 with Council loan funding \$650,000 and the balance to be fundraised by the community

The project would be scheduled to be completed in the first year of the LTP with loan funding from Council of \$650k and the \$220k remaining being fundraised via sponsorship and from the wider community.

This option would require the funding to be raised before the project could be started and there is the potential that the pool wouldn't be open for the 2018/19 summer if the funds are not raised in time.

The Uniform Annual General Charge has been budgeted to include \$8.13 for the repayment of the loan.

2.

Upgrade of the pool to a 25m lap pool only at a cost of \$700,000 which is fully loan funded by Council.

This option allows for the current 33m pool to be replaced by a 25m lap pool and would be completed in the first year of the LTP. Council would fully fund the upgrade of the pool

The Uniform Annual General Charge would be \$8.75 for the repayment of the loan. This does not include upgrades to the changing rooms or any other facilities at the baths.

3.

A staged upgrade to the pool estimated at \$1.72m with Council loan funding \$650,000 and the remainder being fundraised and completed as funds become available

This option allows for the current pool to be replaced by a 25m lap pool and a 7m Learn to Swim pool. This would be completed in the first year of the LTP at a cost of \$900k with Council loan funding \$650k. The \$250k remaining would need to be fundraised via sponsorship and from the wider community. This would be underwritten by the Council from reserves to ensure the project is completed for the 2018/19 summer.

The remaining parts of the project would be completed as funds are raised via sponsorship and from the wider community.

The Uniform Annual General Charge has been budgeted to include \$8.13 for the repayment of the loan.

The Preferred Option

Council's preferred option is option 3. This option ensures the Waipawa and District Centennial Memorials Baths remains a significant asset for the community. A staged approach to the completion of the pool allows time for us to do the fundraising for the completion of the project. With first part of the project would include the completion of the 33m pool to be replaced by a 25m lap pool and a 7m Learn to Swim pool for the pool to be open over the 2018/19 summer. The remaining parts of the project would be completed over the next 2-3 years as the fundraising is completed. Whatever option is decided, Council will be seeking significant community partnership to ensure a successful project.

Community Partnership

There are a number of good examples of community partnerships with Council which has resulted in exciting projects. Some successful projects are:

- AW Parsons Pool
- CHB Municipal Theatre
- Russell Park Skate Park
- Tukituki River Trails

Council will be looking at creating a strong community partnership to drive the development of the Baths.

4. How do we plan for the future for our Towns and Communities?

While talking to you about the future of the district, we had a lot of feedback about how proud you are of our district and that encouraging new residents and business shouldn't be at the cost of our identity.

It was also clear that how Council interacts with the different communities could be improved – allowing for more proactive relationships. For example, this could be how Council connected community web or social media activity into their district promotion, or how we make sure that community assets like parks, public toilets or footpaths were developed in a way that was consistent with the identity and priorities of the individual communities.

This is also part of a set of values brought into council by your elected members – better communication, a focus on “customer service”, transparency and process. This has been pivotal to us using the term smart growth in our strategy – not just growth for growth's sake.

It's important to you that we have vibrant and bustling towns and communities who can show their identity while being part of the wider Central Hawke's Bay.

You confirmed this to us throughout *Project Thrive* and your elected members believe that this community planning approach allows council and community to work together in a far more constructive way.

This will happen by developing Town Centre Plans and Community Plans that bring together the way we want to develop the different parts of our communities and have a plan for that development.

Town Centre Plans identify the issues and opportunities, provide a long term vision and recommends actions that need to be taken to achieve that vision.

Community plans help identify the key components that make that community unique and how this will be maintained.

So as part of the development of the Long Term Plan, invigorating and developing pride in our district, and providing for a “team” approach for district development (with council, community and other partners where appropriate) we have included this in our Long Term Plan.



The Options

1.

Address plans and issues for the Town Centres and Communities at the time of each issue.

An issues or plans for the towns would be done as issues arise. Development of infrastructure and services would be planned as they arose.

2.

Develop Town Centre Plans for Waipukurau and Waipawa and Community Plans for Tikokino, Onga Onga, Takapau, Porangahau and Otane.

With this option, a budget of \$50,000 per year has been included to develop the Town and Community Centre Plans. These would be developed over the next ten years and would include consultation with the community about what is important and what issues need addressing. This allows for a thought out and focused development of the towns and villages that maintains their identity. This would feed into the development of a long term vision and action plans that would be supported by Council and the Community.

The Preferred Option

Council's preferred option is option 2. Funding has been included in the budgets for completing the Town Centre and Community Plans. We will be looking for keen community participation from groups and individuals.

Work with communities on these plans would begin in 2018/19. From the second year of the Long Term Plan a budget of \$50,000 per year has been included to further develop and implement the Town and Community Centre Plans. This will be staged over a number of years and also allows for revision of the plans once they have been developed. This has the impact of increasing the UAGC by \$7.81.

5. How do we fund Emergency Management?

Hawke's Bay is situated in one of the most seismically-active parts of the world.

We are periodically in the path of former tropical cyclones, other adverse weather events and at risk from earthquakes, tsunami and volcanos. It is likely that, during a lifetime, at least one major natural disaster will affect our communities.

The Hawke's Bay Civil Defence Emergency Management Group is made up of the Wairoa District, Hastings District, Napier City, Central Hawke's Bay District and Hawke's Bay Regional Councils. As a collective, it is responsible for the reduction of risks and the readiness, response and recovery of our communities to disasters. Our Mayor represents us at the joint governance committee that oversees this activity.

In 2011 the Canterbury Earthquakes resulted in the largest coordinated response and recovery to a natural disaster in New Zealand since the Hawke's Bay earthquake in 1931.

As a result of lessons identified from Canterbury and a review of the Hawke's Bay civil defence capability, the councils started a process of strengthening the way the Group works with communities and partner organisations to increase our resilience to disasters.

As a Group, it has developed the Civil Defence Emergency Management into a shared service model with a common vision, objectives and work programme. In early 2017, the Group adopted a common structure with all civil defence staff now working in the same organisation, administered by Hawke's Bay Regional Council.

Consequently, the existing fragmented funding model now constrains the Group's cooperative and collaborative intent to increase Hawke's Bay's overall resilience to disasters.

All of the Councils across Hawke's Bay are consulting to bring the funding and operation of Civil Defence Emergency Management together.

The Options

1. Fund the costs of Civil Defence through Hawke's Bay Regional Council Rate

To support the shared service model for Civil Defence Emergency Management, the rating for the group would be included in the rates from Hawke's Bay Regional Council and would not be included in our General Rate. This is a reduction of \$128,000 in the General Rate and would reduce the rate by \$19.94 on average.

2. Continue to fund Civil Defence through the General Rate

If this does not go ahead, we would be required to fund the Civil Defence Management for Central Hawke's Bay. This would add \$128,000 to the budget and increase the General Rate by \$19.94 on average.

The Preferred Option

Council's preferred option is option 1. There is a reduction in the budget for the removal for the requirement to fund Civil Defence Management of \$128,000. The historical funding of \$47,000 has been reallocated from Civil Defence to other parts of the budget.

We believe that taking a shared service approach to Civil Defence and Emergency Management is the best way to improve the capability for Hawke's Bay to respond to and bounce back from a disaster. This proposed change to how we fund civil defence will help this to happen.

Looking after the district

The Council looks after our District by providing a wide range of services, facilities and infrastructure for the current and future ratepayers.

During the planning process, we look at how these services are being delivered and if they meet the needs of our community. We also look at what assets are required to deliver these services and how the Council will maintain these assets, including the capital investment required.

In Council speak, this is known as “levels of service”. The levels of service are a promise that the Council makes to you about providing services, whether it’s the length of time for a building consent, the number of transfer stations in our district or the quality and amount of roading in our community.

Supporting Information

Levels of Service Performance Measures and other supporting information is available on the website www.chbdc.govt.nz, at Council Offices and at the Libraries

What this means to you

- If we reduce any levels of service by removing or limiting them, we can generally reduce costs and therefore rates.
- The reverse of that is also true. More services or extensions of services generally cost us more and the extra funding needs to be raised and be affordable for our current and future communities.
- You also want to be sure that the services required by you in the future are not put in jeopardy by decisions we make today.

As part of *Project Thrive*, we heard from the community that while we needed to keep rates affordable, it is important for Council to balance affordability with creating a thriving district.

This is reflected in the information and costs highlighted in the Consultation Document. There has been a focus on developing a sustainable capital program, inclusion of initiatives from *Project Thrive*, continued review of value of service delivery and maintaining the current service levels based on the feedback from *Thrive*.



Looking after the big stuff – Infrastructure Strategy

Part of how the Council looks after our community is by providing a key group of services and assets – roading, water supply, waste water and storm water.

Collectively the assets that Council builds and maintains to provide these services are known as local infrastructure.

As part of the LTP process, the Council looks at the current infrastructure and reviews what needs to be done to maintain these assets and whether new assets are required.

The Council looks at

- How it will renew and replace existing assets
- How it will respond to growth or decline in demand by increasing or decreasing population
- How it will manage the renewal or replacement of existing assets over their lifetime
- How planned increases or decreases in levels of service will be allowed for
- How public health and environmental outcomes will be maintained or improved
- How natural hazard risks will be addressed in terms of infrastructure resilience and financial planning

This helps develop the 30 year Infrastructure strategy and takes into account issues that may significantly impact on Council operations, future demand for Council services and the likely direction of legislation and policies.

Infrastructure is a big ticket item and the cost of maintaining and developing the assets needs to be affordable for our current and future ratepayers. By looking out beyond the next 10 years to what is required over the next 30 years, we are balancing the current ratepayers' ability to pay and the future ratepayers having a well maintained and functioning infrastructure.

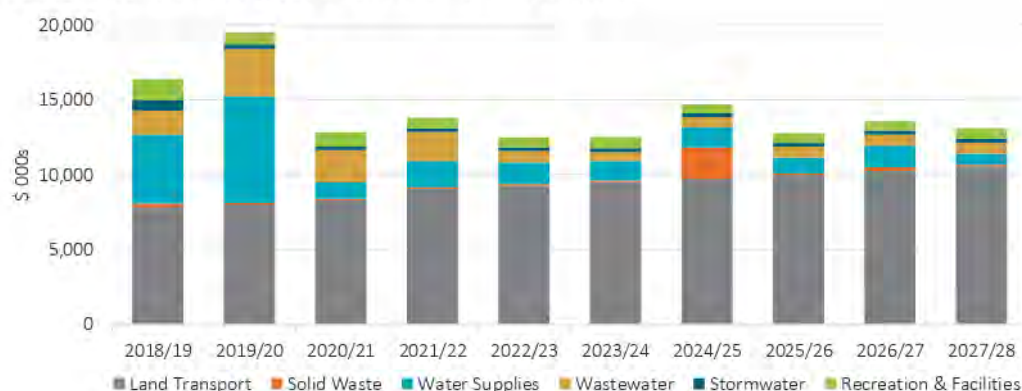
Over the next 30 years, Central Hawke's Bay population is expected to increase overall. In 2018 the population of the district is estimated at 13,840. Over the period to 2028 an increase of 360 people to 14,200 is expected (2.6%) and then it is expected to increase to 14,900 by 2,048 (7.66%).

During this period the average age of the population is expected to increase. In 2018, the average age is 44.2 years and by 2028 this is expected to be 46.4 years. The increase in numbers of people over 65 is expected to rise from 2,800 to 4,950, an increase of 76.8%.

Although the total population is set to increase by 1,060 in the next 30 years, the number of households is expecting a greater increase of 1075 due to the fall in the average household occupancy. This is a common trend in New Zealand due to the interaction of a range of social/community factors such as the ageing population, breakdown of the traditional marriage situation, growth of sole parent households and increasing demand for rental housing.

The impacts of the population changes have been taken into account when developing the investment required in our infrastructure assets.

Capital Expenditure by group of activities for first 10 years



To be able to predict the investment required, an understanding of the condition of the assets is important. As Rooding assets are above ground and are regularly inspected we have a very sound knowledge of the assets. We have also done considerable work with our Three Waters assets doing surveying, CCTV inspections and constant gathering of contractor feedback and are confident about our knowledge of these assets.

Water Supply

Water Supply is a key focus for us in the next 30 years. Along with changes in legislation and policies following the Havelock North Water Enquiry, the strong message from *Project Thrive* helped us develop the capital programme for the next 30 years. It looks at building resilience in the current networks to cope with the number of new residential and business connections in the current zones and then allow for the expansion of the networks for the projected growth in houses and population.

Before we are able to expand the networks, the current networks need to be upgraded to ensure that those currently connected maintain the same level of service when the networks are expanded. This includes increasing the size of the pipes and upgrading the reticulation. Currently \$8.1m has been included in the first 10 years of the budgets for Waipukurau and Waipawa.

A second supply for Waipukurau is being investigated to increase drinking water storage and to provide for redundancy should anything happen to the Pukeora reservoir or pipe into town. This will also assist with providing pressure to the whole Waipukurau network. This is in the budget for year 2018-2020 at a cost of \$5.7m.

A larger trunk main for Otane has also been budgeted in 2018-20 at a cost of \$2.7m. This is to provide security of supply as there is currently a single pipe supplying water from Waipawa.

The review of the District Plan will assist with the identification of growth areas for Central Hawke's Bay and a budget of \$4.9m has been included starting in 2027 for 25 years to expand the networks and allow for the population growth projected based on the outcome of the District Plan Review.

AREA	PROJECT	2018-28 \$000S	2029-38 \$000S	2039-48 \$000S
Water	Waipukurau			
	Second Supply	5,716		
	New Main from Pukeora		4,952	
	New Industrial Area		1,419	
	Build Resilience	3,981		
	Waipawa			
	Build Resilience	4,125		
	Otane			
	Alternative Supply	2,701		
	Takapau, Porangahau, Kairakau & Pourerere			
	Treatment Upgrades	2,303		
	Network Wide			
	Extension for Growth	374	2,759	1,790
	Network Wide			
	Renewals	2,698	7,546	10,770
	Total	21,898	16,676	12,560



Wastewater

While developing the capital program for this LTP, we are dealing with the issue of breaching resource consent requirements at the Waipukurau and Waipawa Wastewater Treatment Plants. There is more investigation work to do to find a viable solution for these issues and although investigation allowances and minor improvements have been made in the proposed capital program of \$2.1m, we understand that more investment will be needed and will require another consultation with the community once the viable options have been identified. This is likely to result in an amendment to this Long Term Plan sometime over the next 1 to 2 years. Reviews of what work is required, how much it will cost, how it will be prioritised and how it could be funded will be carried out during 2018/19.

Over the next 10 years there will be treatment upgrades of \$3.6m at Otane, Takapau and Porangahau. There will also be an upgrade to the Waipawa Main Trunk which goes from McGreevy Street area to the wastewater ponds of \$1.7m. To allow for growth in the district, extension to the network, based on the District Plan Review, start in 2030 and over the next 16 years a total of \$5.6m has been included. These projects will include extensions of the reticulation network based on the outcome of the District Plan Review. Also budgeted is \$4.9m to enable growth for the industrial area of Waipukurau and upgrades to industrial area reticulation.

AREA	PROJECT	2018-28 \$000S	2029-38 \$000S	2039-48 \$000S
Wastewater	Waipukurau			
	Treatment Improvements	1,060		
	New Industrial Area & Current Reticulation		4,915	
	Build Resilience	487		
	Waipawa			
	Main Trunk Renewal	1,770		
	Treatment Improvements	1,060		
	Build Resilience	128	266	
	Takapau			
	Treatment Upgrade	831		
	Otane			
	Treatment Upgrade	845		
	Porangahau/ Te Paerahi			
	Treatment Upgrade	1,849		
	Network Wide		2,571	3,018
	Extension for Growth			
	Network Wide	5,085	7,576	11,877
	Renewals			
Total		13,117	15,328	14,895

Stormwater

Stormwater is a key focus for us as it has an impact on the environment with the majority of the stormwater being released into our streams and rivers. Along with the drains that run alongside the roads and are included with the roading infrastructure, we also maintain a stormwater network across both Waipawa and Waipukurau. There are also smaller networks across the townships of Otane, Takapau, Porangahau, Te Paerahi, Kairakau, and Blackhead Beach.

Upgrades to the Waipukurau CBD have been included in the first two years at a budget of \$698k along with \$310k of resilience upgrade across the first 10 years of the LTP. This continues for years 11-30 with a programme of upgrades to build resilience across the networks.

Extensions to the networks have been included further out in the capital programme and will be prioritised based on the outcome of the District Plan Review

AREA	PROJECT	2018-28 \$000S	2029-38 \$000S	2039-48 \$000S
Stormwater	Waipukurau			
	CBD Improvements	698		
	Build Resilience		4,152	
	Waipawa			
	Build Resilience		2,039	
	Network Wide			
	Build Resilience	310		
	Extension for Growth			8,153
	Renewals	1,943	1,073	4,023
Total		2,951	7,264	12,176

Roading

The roading network in Central Hawke's Bay is the Council's biggest asset. At the end of June 2017 it accounted for \$660m of the \$783m held by Council. Our district has 1,264km of roads with 73km of urban roads and 1191km of rural roads.

Most of the roads are sealed at a total of 863km with the remaining 401km being unsealed roads. Over the next 30 years the number of kilometres of road is not expected to change as the roading network is able to cope with the project increase in population. However if there is development that happens in urban areas, the number of kilometres of road may change. Any roads created through development will be paid for by the developer.

The Council manages the roading network in conjunction with the New Zealand Transport Agency (NZTA) who subsidises the maintenance and renewal work. In 2015 the NZTA agreed that the Funding Assistance Rate (FAR) paid to CHBDC would be 60% of the cost of maintenance and renewal. We apply to NZTA on a three yearly basis for funding and the funding for the 2018-21 period is expected to be approved in May 2018.

We have assessed the risk of alterations to the funding as 'Low' based on previous history of successful funding approval and our increase in expenditure matching NZTA's expectations.

During the next 3 years, we will spend \$150k inspecting all the bridges and structures in the district to assess when and how much will be required for bridge replacement in the future. We have budgeted \$50k in Year 1 to start the Bridge Replacement Fund and this will continue adjusted by inflation to build up over the next 30 years. Once the inspection programme has been completed, this amount will be reassessed based on the requirements.

There has also been \$50k inflated added to the budget on an annual basis for the extension of the footpath network based on feedback from *Project Thrive* as part of being a connected community.

Prioritisation criteria are being developed and any surplus funds from the footpath renewals will be added to this to fund additional footpaths in the following years.

AREA	PROJECT	2018-28	2029-38	2039-48
		\$000S	\$000S	\$000S
Roading	Network Wide			
	Road Surface Renewals	46,284	61,033	78,127
	Future Bridge Renewals	1,129	1,457	1,865
	Safety renewals	12,645	16,414	21,011
	Road Structure Renewals	23,647	30,695	39,293
	Emergency Renewals	4,984	6,445	8,251
	Footpaths and Carports	3,834	5,132	6,569
Total		92,523	121,176	155,116

Solid Waste

Solid Waste has been included to show the investment in 2024/25 for a new cell at the Landfill. This has been estimated at \$1.98m.

Supporting Information

The Infrastructure Strategy and other supporting information is available on the website www.chbdc.govt.nz, at Council Offices and at the Libraries

Looking after the numbers – Financial Strategy

At the heart of looking after our finances is the requirement of Council to balance the needs of our current and future ratepayers and delivering the District's services and infrastructure in a prudent and sustainable manner. This is delivered by the Financial Strategy.

The Financial Strategy outlines how Council will fund its expenditure, the major issues relating to its ability to achieve what is presented in the LTP and the impact this will have on services, debt and rate levels.

We have been faced with a number of challenges when developing the Financial Strategy. During *Project Thrive*, the community told us that we need to be committed to making sustainable investment in durable infrastructure for drinking water, wastewater and stormwater.

We came out to you with the #bigwaterstory in November 2017 and this has been included in the LTP based on your feedback. While developing this capital program, we are also dealing with the issue of breaching resource consent requirements at the Waipukurau and Waipawa Wastewater Treatment Plants.

There is more investigation work to do to find a viable solution for these issues and although investigation allowances have been made in the capital program, we understand that more investment will be needed and will require another consultation with the community once the viable options have been identified.

There has been a focus on developing a sustainable capital program, inclusion of initiatives from *Project Thrive*, continued review of value of service delivery and maintaining services based on the feedback from *Thrive*.

Just like you, we experience rising costs through inflation. As part of the planning, we have built in inflation allowances into the budgets.



Projected Population and Household Numbers over the next 30 years.

YEAR	TOTAL POPULATION	NO. OF HOUSEHOLDS	MEDIAN AGE (YEARS)	AVERAGE HOUSE OCCUPANCY	65+
2018	13,840	5,625	44.2	2.46	2,800
2028	14,200	6,160	46.4	2.31	3,650
2038	14,550	6,430	48.6	2.26	4,455
2048	14,900	6,700	51.0	2.22	4,950

Rates

Rates income accounts for 66% of the revenue of Council over the next 10 years.

This meets our financial limits around rates which are:

- The percentage increase each year will not exceed Local Government Cost Index + 3%.
- Total rates to existing ratepayers will not exceed the LTP projected total rates + 1%

Proposed total rates and rates increase – 2018-28



Rates have been forecast to increase by an average of 3.21% (including inflation) over the next 10 years. This will see the total rates rise to \$25.7m in 2027/28. Annual increases will vary according to the timing of various projects and funding proposal outlined in this Consultation document.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	AVERAGE
Total %	2.47	4.14	3.79	3.92	4.00	3.99	3.58	2.13	2.02	2.24	3.21
Non targeted %		5.06	2.43	2.71	3.90	3.54	3.09	1.46	2.88	2.49	3.01
Targeted %		2.23	6.70	6.41	4.19	4.88	4.54	3.43	0.40	1.75	3.64
LCGI	1.80	2.00	2.20	2.20	2.20	2.30	2.30	2.40	2.50	2.60	2.29

Supporting Information

The Financial Strategy and other supporting information is available on the website www.chbdc.govt.nz, at Council Offices and at the Libraries

The impact of the proposed rate increases for the next three years on a sample of properties across the district have been included to give you an idea of the impact in your area.

PROPERTY DESCRIPTION			2015 VALUES		2017/18		2018/19		2019/20			2020/21		
Type	District	Value	Land value	Capital value	Amount	Amount	Change \$	Change %	Amount	Change \$	Change %	Amount	Change \$	Change %
Residential town	Waipukurau	Low	18,000	73,000	2,131	2,219	88	4.1%	2,369	150	6.8%	2,498	129	5.5%
	Waipukurau	Medium	77,000	200,000	2,562	2,707	145	5.7%	2,843	136	5.0%	2,988	145	5.1%
	Waipukurau	High	77,000	260,000	2,691	2,862	172	6.4%	2,990	128	4.5%	3,141	151	5.0%
	Waipawa	Low	35,000	180,000	2,406	2,541	136	5.6%	2,678	136	5.4%	2,818	141	5.3%
	Waipawa	Medium	35,000	170,000	2,384	2,516	131	5.5%	2,653	138	5.5%	2,793	140	5.3%
	Waipawa	High	27,000	255,000	2,544	2,713	169	6.7%	2,839	126	4.6%	2,987	148	5.2%
	Otane		54,000	205,000	2,239	2,301	62	2.8%	2,466	165	7.2%	2,598	132	5.4%
	Porangahau	Low	27,000	59,000	1,984	2,055	71	3.6%	2,215	160	7.8%	2,339	124	5.6%
	Porangahau	High	27,000	175,000	2,129	2,192	64	3.0%	2,355	163	7.4%	2,484	129	5.5%
	Takapau		20,000	110,000	2,029	2,097	68	3.3%	2,257	161	7.7%	2,383	126	5.6%
	Takapau	Lifestyle	265,000	425,000	2,230	2,297	66	3.0%	2,418	121	5.3%	2,503	85	3.5%
Beach	Tikokino		48,000	170,000	690	778	88	12.8%	804	26	3.3%	823	20	2.5%
	Blackhead		230,000	420,000	1,495	1,569	73	4.9%	1,609	41	2.6%	1,651	42	2.6%
	Kairakau		175,000	435,000	1,999	2,064	65	3.3%	2,180	117	5.7%	2,261	80	3.7%
	Mangakuri		360,000	800,000	2,321	2,372	50	2.2%	2,428	56	2.4%	2,495	67	2.8%
	Te Paerahi	Low	175,000	245,000	2,618	2,663	45	1.7%	2,834	172	6.4%	2,975	141	5.0%
Rural	Te Paerahi	Medium	270,000	495,000	3,187	3,217	30	0.9%	3,399	182	5.7%	3,557	158	4.6%
	District	Lower	300,000	310,000	1,530	1,614	83	5.4%	1,655	42	2.6%	1,696	41	2.5%
	District	Lower	390,000	460,000	1,943	2,036	92	4.8%	2,085	50	2.4%	2,138	53	2.5%
	District	Medium	1,560,000	1,990,000	7,043	7,028	-15	-0.2%	7,172	144	2.1%	7,364	192	2.7%
	District	Medium	620,000	670,000	2,847	2,910	63	2.2%	2,976	66	2.3%	3,052	76	2.5%
	Aramoana	High	3,140,000	3,670,000	13,425	13,312	-112	-0.8%	13,575	263	2.0%	13,937	362	2.7%
	Ruataniwha	High	3,420,000	4,220,000	14,870	14,724	-145	-1.0%	15,014	290	2.0%	15,418	404	2.7%
	Ruahine	High	10,200,000	10,850,000	41,532	41,006	-526	-1.3%	41,793	787	1.9%	42,898	1,105	2.6%
Commercial	Ruahine	Medium	1,770,000	2,310,000	8,012	7,978	-34	-0.4%	8,140	162	2.0%	8,359	219	2.7%
	Waipukurau		165,000	520,000	6,883	7,001	118	1.7%	7,357	356	5.1%	7,790	433	5.9%
Industrial	Waipawa		58,000	87,000	2,380	2,364	-16	-0.7%	2,514	150	6.3%	2,647	133	5.3%
	Waipukurau		150,000	360,000	4,068	4,158	90	2.2%	4,336	178	4.3%	4,570	235	5.4%
Council average %					2.47%		4.14%		3.79%		3.92%			

Other Revenue

Other revenue to pay for Council services comes from a number of areas including Subsidies and Grants, Fees and Charges, Interest Income and other sources.

Council is investigating other sources of revenue to assist with affordability for our rate payers. Council will also be reviewing the Development Contributions policy once the draft District Plan is notified.

The graph below breaks down the revenue expectation over the next 10 years. The majority of the Other Revenue is made up of the subsidy from NZTA to maintain our roading network. This is 68% of revenue other than rates.



Debt

Debt is used for those projects that result in services that apply across generations of ratepayers.

When we build or upgrade infrastructure or facilities, the use of debt means that the cost of the project is paid for across the generations rather than the ratepayers in the year that it is built. It also means that it is affordable for the current ratepayers. The graph below shows the debt profile of the Council over the next 10 years peaking at \$17.2m. This meets our debt limits which are:

- Total debt of \$2,000 per population – \$27.68m
- Interest expense as a percentage of total revenue – 10%



Where do my Rates go?

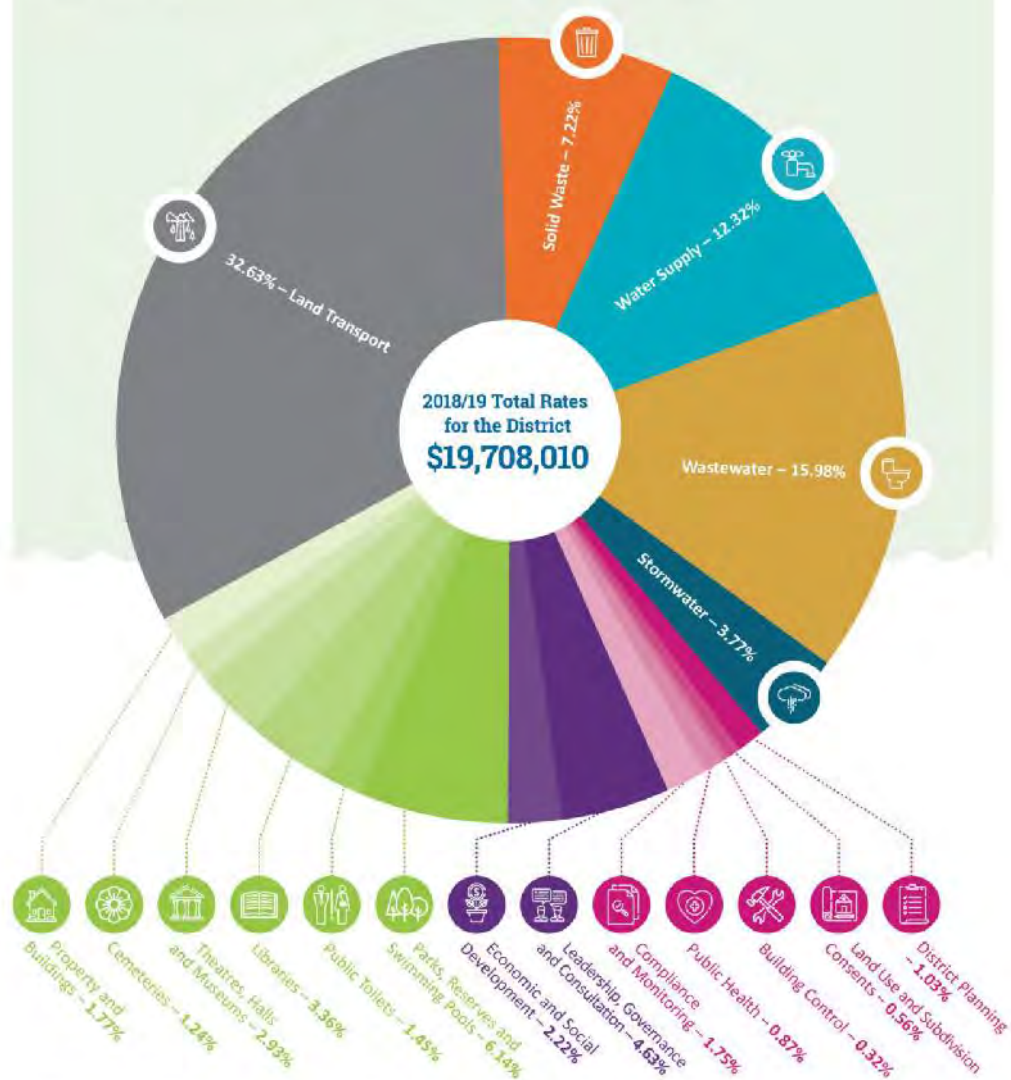
As a property owner, it may sometimes be hard to visualise where your rates payments are going.

This graphic shows the range of services that your 2018/19 rates will go towards. Many of them you use daily without thinking.

In total, rates make up about 66% of the Council's annual income.

Key

- Planning and Regulatory Group
- Community Leadership Group
- Recreation and Community Facilities Group
- Land Transport
- Solid Waste
- Water Supply Group
- Wastewater Group
- Stormwater Group



This infographic includes the total rate increase for 2018/19.
The increase for individual properties will vary depending on where you live, the services you receive, the capital and land value of your property.

Audit Report



Chartered Accountants

To the reader:

Independent auditor's report on Central Hawkes Bay District Council's consultation document for its proposed 2018/28 Long-Term Plan

I am the Auditor-General's appointed auditor for Central Hawkes Bay District Council (the Council). Section 93C of the Local Government Act 2002 (the Act) requires an audit report on the Council's consultation document. We have done the work for this report using the staff and resources of Ernst & Young. We completed our report on 8 February 2018.

Opinion

In our opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2018/28 long-term plan, because it:
 - fairly represents the matters proposed for inclusion in the long-term plan, and
 - identifies and explains the main issues and choices facing the Council and district, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

Uncertainty due to the resource consent breach for the wastewater treatment plants

Without modifying our opinion, we draw your attention to the disclosure on page 5, about the resource consent breach for the Waipukurau and Waipawa wastewater treatment plants. This requires more investigative work in order to find a viable solution and complete the remedial work to meet resource consent requirements for both plants. The cost of this work could be significant and is not included in the consultation document and the associated supporting information. Council expects further consultation with the community will be required once solutions are identified and the potential costs are known. This is likely to result in further costs in addition to those included in the financial forecasts for the consultation document and an amendment to the 2018/28 Long-Term Plan.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information* that were consistent with those requirements.

A member firm of Ernst & Young Global Limited



We assessed the evidence the Council has to support the information and disclosures in the consultation document. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

We did not evaluate the security and controls over the publication of the consultation document.

Responsibilities of the council and auditor

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and long-term plan whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and long-term plan that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

We are responsible for reporting on the consultation document, as required by section 93C of the Act.

We do not express an opinion on the merits of any policy content of the consultation document.

Independence

In carrying out our work, we complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

Other than our work in carrying out all legally required external financial statement audits, we have no relationship with or interests in the Council.

David Borrie
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand

A member firm of Ernst & Young Global Limited

Have Your Say

We heard your feedback during *Project Thrive* and now we want to hear your views on our LTP, so we encourage you to take the time to get involved. The public consultation runs from **19 February to 29 March 2018**.

There are a number of ways you can give feedback depending on what suits you. These include:

Written Feedback

You can contribute feedback online at www.chbdc.govt.nz or fill out the attached feedback form drop it into the Council offices or libraries or send to:

Central Hawke's Bay District Council
P O Box 127
Waipawa 4210

You can also email us at thrive@chbdc.govt.nz.

In Person

Come and talk to us at one of our Have Your Say events. This is the opportunity for you to give feedback in person and be heard by the Council.

- There's no need to register or pre-book
- There's no need to make a submission ahead of the event
- People have a chance to hear the views of others as well as saying your own
- Note-takers capture the feedback
- Subject-matter experts are available to answer questions
- Elected members will be present; their role is to listen to the conversation and ask questions to seek understanding

Events will be held in Waipukurau and Waipawa on the following dates:

Waipukurau	Xx/xx/xx
Waipawa	Xx/xx/xx

We will also be having Pop Ups with Ivan the Caravan in the following towns:

WAIPUKURAU | WAIPAWA | OTANE |
TAKAPAU | PORANGAHU | ONGA ONGA

The events will run from 3pm to 7pm and we will have information available including the ability to submit on the day. For the dates of the pop ups please visit our website www.chbdc.govt.nz.

Social Media

Comments made through Facebook will be considered feedback:

Post on [facebook.com/CHBDistrictCouncil](https://www.facebook.com/CHBDistrictCouncil)
– using #chbltp

Alternatively if you have questions for one or more of you Councillors or Mayor you can phone them.

Alex Walker	+64 27 860 7752
Tim Aitken	+64 27 472 4587
Kelly Annand	+64 27 472 4587
Shelley Burne-Field	+64 27 630 6363
Tim Chote	+64 27 448 2014
Gerard Minehan	+64 27 479 3773
Brent Muggeridge	+64 21 332 353
Ian Sharp	+64 21 614 311
David Tennent	+64 27 445 0952

Where To Find More Information

You can find everything you need to know at www.chbdc.govt.nz including the supporting information and the online feedback form.



Alex Walker
Mayor



Monique Davidson
Chief Executive

We are very proud about the development of the Long Term Plan so far but really want your feedback. Please get involved.

Submission Form

YOUR details

Submitters Name: _____

Postal Address: _____

Day Phone: _____

Night Phone: _____

Mobile: _____

Email: _____

Do you wish to present your comments to Council in person at a hearing? Yes ☐ No ☐

Please note that your submission (including any personal information supplied) will be made available to Councillors and the public.

Submissions Close on 29 March 2018 at 5pm

Submission Questions

1.

How do we make sure our Three Waters Infrastructure is fit for the future?

Invest based on the plan ☐

Invest over a longer time frame ☐

Maintain the current assets ☐

Please provide any comments

2.

How do fund our drinking water and wastewater infrastructure?

Retain the current funding ☐

District wide charge at 5% ☐

District wide charge at 7% ☐

Please provide any comments

3.

How do we upgrade the Waipawa and District Centennial Memorial Baths?

Council funds \$650k of 25m pool and Splashpad ☐

Council funds \$700k of 25m pool only ☐

Council funds \$650k of staged project ☐

Please provide any comments

4.

How do we plan for the future of our Towns and Communities?

Address each issue at the time ☐

Develop Town Centre and Community Plans ☐

Please provide any comments

5.

How do we fund Emergency Management?

Fund costs of Civil Defence through Regional Council rates ☐

Continue to fund through the CHBDC General rate ☐

Please provide any comments

ANY OTHER SUGGESTIONS

You are able to comment on anything included in the Consultation Document or provide any other feedback.

Need more room? You can attach extra pages but please make sure they include your name and contact information.

Community Outcomes



CHBDC Long Term Plan 2018-28 Supporting Information

Activity	Proud District	Prosperous District	Strong Communities	Connected Citizens	Smart Growth	Environmentally Responsible	Durable Infrastructure
Leadership, Governance and Consultation	√	√	√	√	√	√	√
Economic and Social Development	√	√	√	√	√		
District Planning	√	√			√	√	√
Land Use and Subdivision Consents	√	√			√	√	
Building Control	√	√	√		√		
Public Health	√	√	√		√		
Animal Control	√	√	√				
Compliance & Monitoring	√	√	√		√		
Land Transport	√	√	√	√	√	√	√
Solid Waste	√	√	√	√	√	√	√
Water Supplies	√	√	√	√	√	√	√
Wastewater	√	√	√	√	√	√	√
Storm Water	√	√	√	√	√	√	√
Parks, Reserves and Swimming Pools	√		√	√		√	
Public Toilets	√		√	√		√	
Retirement Housing	√		√	√			
Libraries	√		√	√			
Theatres, Halls and Museums	√		√	√			
Cemeteries	√		√	√		√	
Property and Buildings	√		√	√			

Financial Strategy

Summary

The purpose of the Financial Strategy is to provide prudent financial management by providing a guide for the Council to consider when evaluating proposals for funding and expenditure.

The theme of the Financial Strategy supporting the Long-Term Plan 2018-28 (LTP) is “Building for a Smart Future”. As part of Project Thrive the community gave a strong indication that while affordability of rates is a key issue, it is important for Council to balance affordability with creating a thriving district. The Council has listened to this feedback and has reviewed what the district needs to promote a prosperous district, enable smart growth and deliver durable infrastructure. This means the Council has the challenge of maintaining services levels while ensuring affordability and managing the growth projected for the district.

The Financial Strategy contributes to the community outcomes of a proud and prosperous district with strong communities and connected citizens. The Council is committed to delivering smart growth through durable infrastructure while being environmentally responsible. It also contributes to the community enjoying the great Central Hawke’s Bay lifestyle by delivering valued services.

There have been a number of challenges facing the Council when developing the Financial Strategy. During Thrive, the community told Council that it needs to be committed to making sustainable investment in durable infrastructure for drinking water, wastewater and stormwater. The #bigwaterstory was discussed with the community in November 2017 and has been included in the LTP based on this feedback. While developing this capital program Council is dealing with the issue of breaching resource consent requirements at the Waipukurau and Waipawa Wastewater Treatment Plants. There is more investigation work to do to find a viable solution for these issues and although investigation allowances have been made in the capital program, Council understands that more investment will be needed and will require another consultation with the community once the viable options have been identified.

There has been a focus on developing a sustainable capital program, inclusion of initiatives from Project Thrive, continued review of value of service delivery and maintaining services based on the feedback from Thrive.

Introduction

The financial strategy outlines how Council will fund its activities, the major issues relating to its ability to achieve what is presented in the Long Term Plan (LTP) and the impact this will have on services, debt and rate levels over the period of the plan. The Strategy is used as a guide for the Council to consider proposals for funding and expenditure and is the cornerstone for Council to manage its affairs in a prudent and sustainable manner.

The Financial Strategy is based on the new Council’s Mission Statement; Our vision for Central Hawke’s Bay is a proud and prosperous district made up of strong communities and connected people who respect and protect our environment and celebrate our beautiful part of New Zealand.

During Project Thrive, Council heard from the community that it is important for Council to balance affordability with creating a thriving district. To “Build for a Smart Future”, the Council needs to create the right environment for the community to thrive. The District Plan is an important document that provides for change, development and use of the environment in our district, while

CHBDC Long Term Plan 2018-28 Supporting Information

protecting and safeguarding it for future generations. Council has committed to having the draft District Plan out for consultation by the end of 2018. This, along with the Long Term Plan, will help Council set the right environment that supports a thriving Central Hawke's Bay.

Alongside the District Plan, Council needs to provide durable infrastructure. During Thrive, the community told Council that it needs to be committed to making sustainable investment in durable infrastructure for drinking water, wastewater and stormwater. The #bigwaterstory was discussed with the community in November and has been included in the LTP based on this feedback

Growth

Based on the development of the significant assumptions for the LTP, the district population is expected to grow by 360 people over the next 10 years however household numbers are expected to increase by 535. This is reflected on the number of people per household dropping from 2.46 people per household to 2.30 people per household. During this time the percentage of people over 65 increases from 20% to 26%

Year	Total Population	Number of Households	Median Age (Yrs)	65+
2018	13,840	5,625	44.2	20%
2028	14,200	6,160	46.4	26%

Therefore Council has recognised:

- the desire to balance rate rises to keep rates affordable while building for smart growth
- that costs of service delivery and maintaining services are continually reviewed to ensure services are delivering value to the community
- the growth in public debt is principally to fund water, wastewater and stormwater upgrades
- the benefit to the wider community of durable water and wastewater infrastructure and takes this into account in the Revenue and Financing Policy
- and the application of a user pays principle may mean above average increases in targeted rates

The use of land is expected to remain the same with the main use of land being sheep and beef farming, vegetable and grain crops and pipfruit outside of the main urban areas.

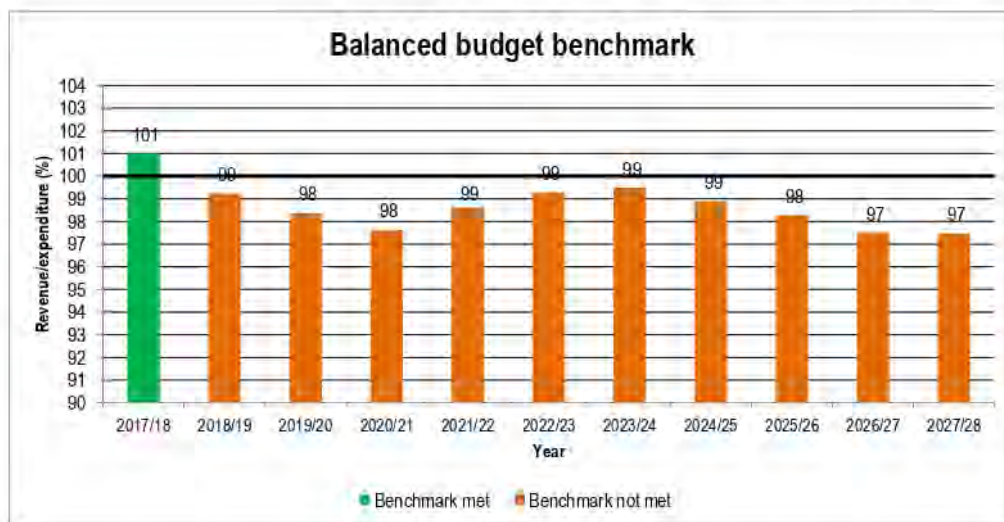
Balancing the Budget

CHBDC has a view that each year of the LTP will have a balanced budget. In other words total revenue will match or exceed total expenditure. However it is important that Council lives within its means while it keeps the rates affordable for our community.

The Council does not fully fund depreciation, but funds renewals which are based on individual Activity Asset Management Plans or separate consultant reports and also funds the repayment of debt associated with new capital projects. Council considers the level of asset renewals projected in the LTP is adequate to maintain the integrity of Council's core infrastructure.

Therefore the Council Revenue is below Council Accounting Expenditure for the LTP as the Expenditure includes Depreciation which is higher than Renewals and Debt Repayment. This however does not constitute a funding deficit.

CHBDC Long Term Plan 2018-28 Supporting Information



Council also rates for some items, such as election expenses, in every year even though expenditures largely will occur in the year of an election. This enables the smoothing of rates to avoid one off jumps in rates. Funds are held in reserves for the purpose for which they were raised, until they are required.

It is also important that Council maintains adequate levels of reserves to meet natural and other disasters which might befall the District. Nearly \$1m of these funds were used to meet Council's share of the cost of reinstatement of the roading network following the April 2011 storms which affected coastal areas. Council increased the Catastrophic Events Fund over the last three years to over \$2m to be able to meet the requirement of replacing significant roading assets in the event of a catastrophic natural event. This increase is required to meet the drop in NZTA funding levels for emergency work from 90% to 80% of any one event and was funded from Land Transport Rates.

Debt

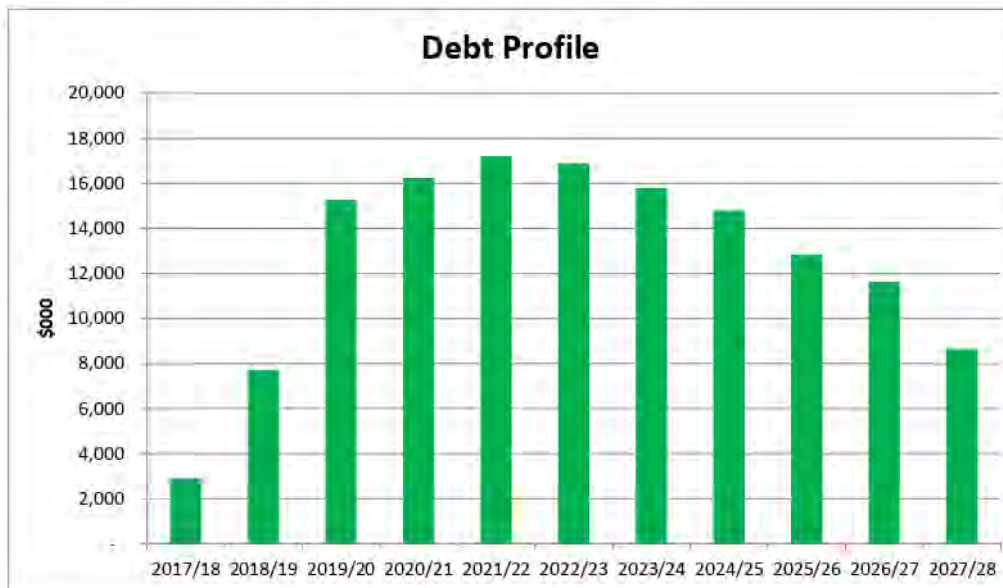
Council borrows for capital projects and the District Plan review but does not borrow for operating expenses.

Borrowing and security are included in Council's Liability Management Policy. Council gives security over special rates as its preferred method of providing security.

Council's current debt profile sees modest debt of \$7.7m forecast at June 2019 and rising to a maximum of \$17.2m in 2021/22. While debt is within our debt limits, Council is mindful of the communities' ability to pay back any new debt that it may incur through new capital projects and that more investment will be needed for the issues with the Waipawa and Waipukurau Wastewater treatment. During the course of the LTP, Council projects to incur \$15,03m of new debt and repay \$9.28m.

CHBDC Long Term Plan 2018-28 Supporting Information

The following graph shows the debt projection for the next 10 years.



The key drivers for this change in debt are

- upgrades to the Waipawa and Waipukurau water supply for resilience
- second water supply to Waipukurau in 2018 to 2020
- an alternative water supply to Otane in 2018 to 2020
- consent and upgrades to wastewater in Otane, Takapau and Porangahau and Te Paerahi.
- consent and upgrades to water supply in Otane, Porangahau and Te Paerahi, Kairakau and Pourerere

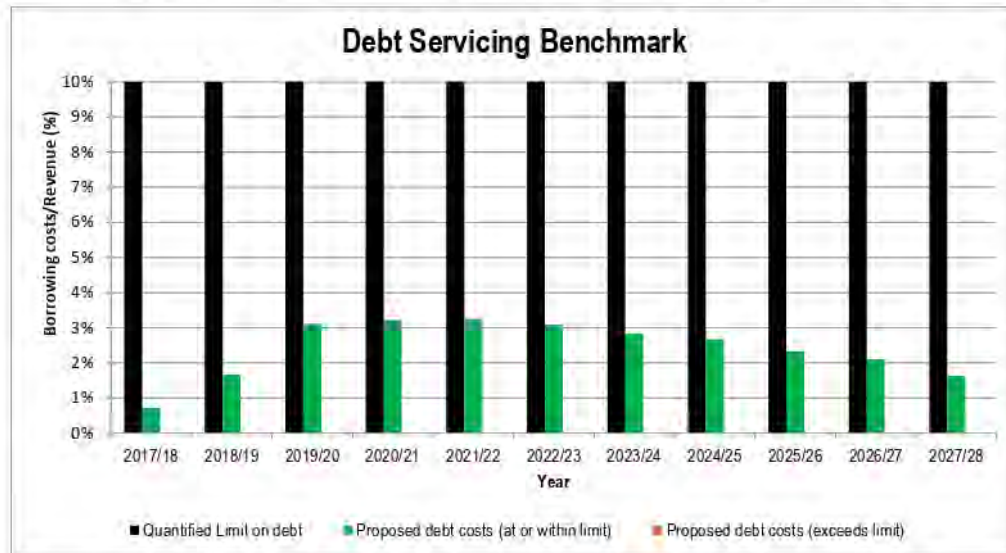
CHBDC Long Term Plan 2018-28 Supporting Information

To ensure that Debt Servicing is affordable for our communities the Council has set the following limit:

Debt Servicing Costs

Debt servicing costs will not exceed 10% of total revenue.

The following graph shows that Debt Servicing Costs remain well within the above limit.

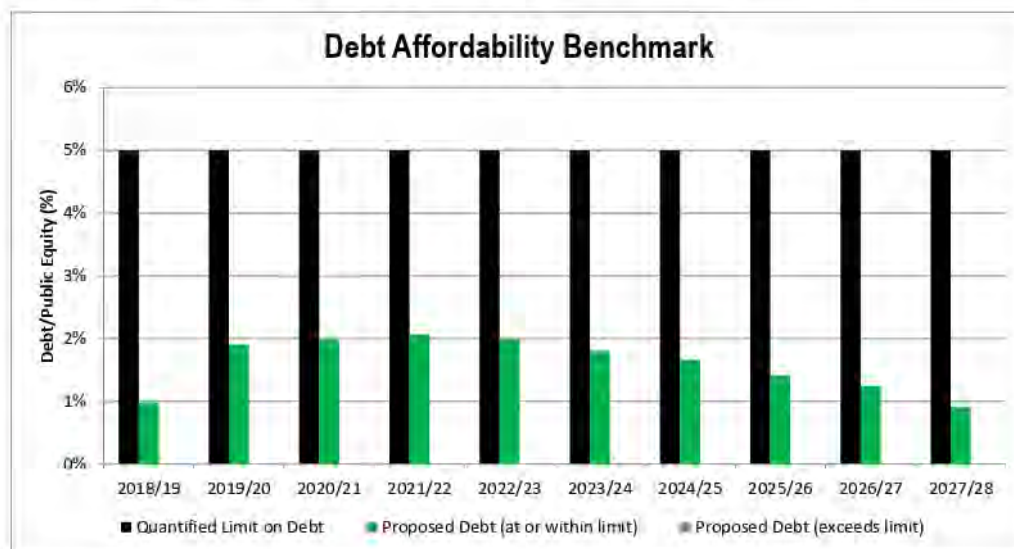


To ensure that Debt is affordable for our current and future ratepayers the Council has set the following limit:

Debt Affordability

Debt must not exceed as 5% of total public equity and accumulated funds.

The following graph shows that Debt Affordability remain well within the above limit.



CHBDC Long Term Plan 2018-28 Supporting Information

Investments

Investments are governed by Council's Investment Policy.

It may be appropriate to have limited investment in equity when Council wishes to invest for strategic, economic development or social reasons. The income expectation for each equity investment will be assessed as part of the acquisition process. Currently Council holds equity shares in Civic Financial Services Ltd and HB LASS Ltd. These shares are held for strategic reason and there is no expectation of income from these investments.

Council's primary objective when investing in property investments is to only own property that is necessary to achieve its strategic objectives as stated in the LTP or deemed to be a core Council function. All rented or leased properties will be at an acceptable commercial rate of return so as to minimise the rating input, except where Council has identified a level of subsidy that is appropriate.

Council has prudently established reserves for special purposes, and holds these reserves in low risk conservative financial investments. These include funds set aside to fund future capital, operating costs and for emergency purposes.

Council's primary objective when investing in financial investments is the protection of its investment, but generally Council aims to achieve a return equal to the 90 day bill rate.

These returns are credited to each reserve based on the opening balance of the reserve for the financial period.

Development Contributions

Council will endeavour to charge up to 7.5% of the growth related portion of new capital projects to those who create the demand.

Other Income

Council has limited ability to generate income other than through rates and is therefore very dependent on this source of income. Council's ability to therefore shelter the ratepayer from the impacts of increased expenditure by finding new ways of generating income are limited. Council is investigating other sources of revenue to assist with affordability for our rate payers. Council will also be reviewing the Development Contributions policy once the draft District Plan is notified.

The level of income from grants is low, and generally funds received are administered and dispensed by Council in terms of the conditions attached to the particular grant.

However Council receives significant subsidy (60%) from the New Zealand Transport Agency towards the upkeep of Council's roading infrastructure.

This level of subsidy determines the level of rate funding required each year and the ability of Council to maintain its roading asset.

CHBDC Long Term Plan 2018-28 Supporting Information

Other Significant Items

Critical factors which impact on this Financial Strategy include –

NZTA Funding

The level of funding received from the New Zealand Transport Agency to subsidise maintenance and renewal of our roading network is a significant amount of the revenue for the Council. Council applies to NZTA on a three yearly basis for funding and the funding for the 2018-21 period is expected to be approved in May 2018. The Council has assessed the risk of alterations to the funding as low based on previous history of successful funding approval and an increase matching NZTA expectations.

\$'000s	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
NZTA Subsidy	6,879	7,052	7,242	7,892	8,081	8,276	8,482	8,702	8,937	9,187

Legislation

The impact of Central Government legislative changes, particularly where these affect water and sewerage supply.

Rates

A formal rating review was conducted in 2005 and rating policies have been reassessed for each Activity and are contained in the Revenue and Financing Policy. The Revenue and Financing Policy has been reviewed and is being consulted on in at the same time as the Long Term Plan.

The main change included in the review of the Revenue and Financing Policy is a change to the funding of Water and Wastewater Activities. A wider community benefit has been assessed by Council and currently as part of the Long Term Plan, a district wide rate for Water and Wastewater has been set as 5% of the funding requirements of both Activities. A Statement of Proposal is being consulted on in conjunction with the Long Term Plan to get feedback from the community.

The majority of rates are collected on a uniform (as opposed to a differential) basis, using land value as an appropriate basis for land transport costs and capital value when it is considers wealth to be an appropriate basis for targeting a rate. Uniform annual charging is used when the benefit is considered to be shared equally by all ratepayers.

Council measures the inflationary pressures that it faces through the Local Government Cost Index which projects that the basket of goods and services that the local government sector typically expects to consume will have higher inflationary pressures than that of the typical consumer. For this reason the projected rate increases are expected to be higher than CPI.

The impact of increased borrowing on targeted rates will mean that these increases may not be uniform across all ratepayers.

However, with

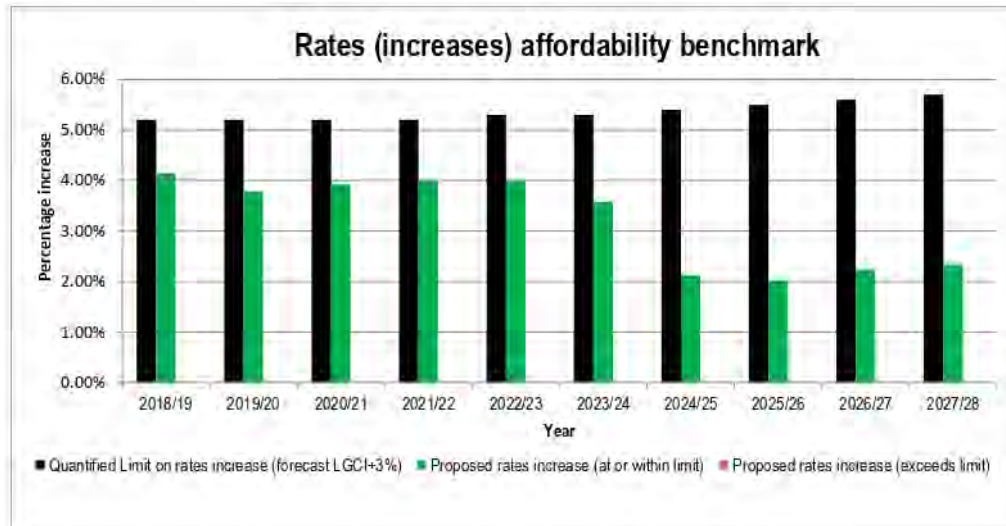
- largely maintaining existing levels of service
- developing capital management programme based on the feedback from the community
- reviewing operating costs

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Council has set the following limits on rates -

Rates Percentage Increases

Rates Increases to existing ratepayers will not exceed the projected Local Government Cost Index plus 3%



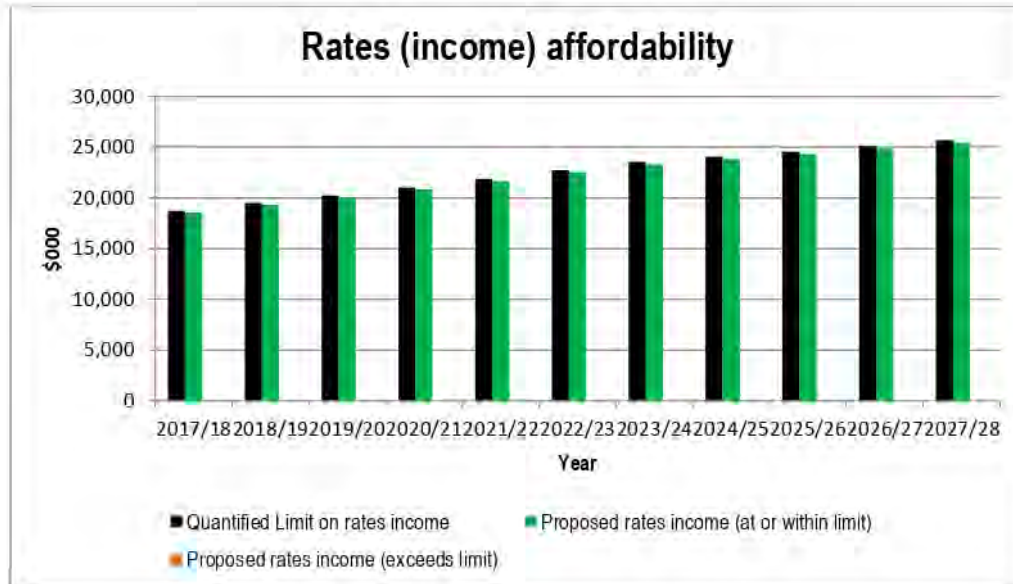
The additional 3% over LGCI provided in the rates increases limit is included to cover costs relating to natural disasters, new initiatives, additional responsibilities or higher standards imposed by central government, or increases to the levels of services approved by Council. The limits set for rates increases are the upper limit and Council will work hard to maintain increases to levels below these limits.

These limits apply to the average rate increases. Increases for individual properties are dependent on a range of factors (such as property valuation, and connections to Council water and sewer systems).

CHBDC Long Term Plan 2018-28 Supporting Information

Total Rates

Total rates to existing ratepayers will not exceed the LTP projected total rates plus 1%



The additional 1% provided in the total rates is included to cover costs relating to natural disasters, additional responsibilities or higher standards imposed by central government. These items are outside of the Council's control and are outside of the Council's ability to budget. The limits set for rates increases are the upper limit and Council will work hard to maintain increases to levels below these limits.

CHBDC Long Term Plan 2018-28 Supporting Information

Capital Expenditure planned for the District

Including inflation

Total

Activity	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Land Transport	7,809	8,013	8,299	9,064	9,281	9,504	9,742	9,995	10,265	10,552	92,523
Solid Waste	277	95	97	99	101	104	2,090	109	235	115	3,321
Water Supplies	4,592	7,123	1,088	1,746	1,451	1,314	1,348	1,045	1,446	744	21,898
Wastewater	1,607	3,168	2,168	1,945	755	601	675	723	743	732	13,117
Stormwater	676	304	226	231	237	242	249	255	262	269	2,951
Parks, Reserves and Pools	972	176	159	277	122	295	127	190	134	201	2,654
Public Toilets	36	104	123	38	39	40	41	42	43	44	549
Retirement Housing	36	36	37	38	39	40	41	42	43	44	396
Libraries	150	102	104	106	109	111	114	117	120	123	1,155
Theatres, Halls and Museums	132	291	319	141	256	148	151	155	159	163	1,915
Cemeteries	29	29	136	30	31	32	33	33	34	35	423
Property and Buildings	77	79	81	83	85	86	89	91	93	96	859

To Improve Levels Of Service \$000s

Activity	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Land Transport	300	300	300	381	391	400	410	421	432	444	3,779
Parks, Reserves and Pools	663	52	0	54	0	57	0	60	0	63	949
Public Toilets	0	68	0	0	0	0	0	0	0	0	68

Meeting additional demand \$000s

Activity	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Water Supplies	0	0	0	0	0	0	0	0	374	0	374

Existing Levels Of Service \$000s

Activity	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Land Transport	7,509	7,713	7,999	8,682	8,891	9,104	9,332	9,574	9,833	10,108	88,745
Solid Waste	277	95	97	99	101	104	2,090	109	235	115	3,321
Water Supplies	4,592	7,123	1,088	1,746	1,451	1,314	1,348	1,045	1,072	744	21,524
Wastewater	1,607	3,168	2,168	1,945	755	601	675	723	743	732	13,117
Stormwater	676	304	226	231	237	242	249	255	262	269	2,951
Parks, Reserves and Pools	309	124	159	222	122	238	127	131	134	138	1,704
Public Toilets	36	36	123	38	39	40	41	42	43	44	481
Retirement Housing	36	36	37	38	39	40	41	42	43	44	396
Libraries	150	102	104	106	109	111	114	117	120	123	1,155
Theatres, Halls and Museums	132	291	319	141	256	148	151	155	159	163	1,915
Cemeteries	29	29	136	30	31	32	33	33	34	35	423
Property and Buildings	77	79	81	83	85	86	89	91	93	96	859

Funding Impact Statement

The purpose of the funding impact statement is to provide information about the income and funding streams we will use and is an indication of the amount of funding we will generate from each stream.

Council will use a mix of revenue sources to meet operating expenses, with major sources being general and targeted rates, land transport subsidies and fees and charges.

Capital expenditure for new works will be funded from loans and development contributions, with capital renewals being funded by rates and reserves set aside for this purpose.

At various points in this funding impact statement the Council has included an indicative level of rate or charge. These indicative figures support the calculations in the rates sample models and are included to provide you with an indication of the level of rates we are likely to assess on your rating unit in the coming year. So long as we set the rates in accordance with the system described in this statement, the amounts may change.

The following rating mechanisms are intended to be used in the 2018-2028 Long Term Plan.

CHBDC Long Term Plan 2018-28 Supporting Information

Central Hawke's Bay District Council: Funding impact statement for 2018/2028 (whole of council)

	Annual Plan 2018 \$000	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Sources of operating funding											
General rates, uniform annual general charges and rates penalties	12,592	13,191	13,511	13,876	14,417	14,927	15,387	15,612	16,062	16,462	16,883
Targeted rates	6,404	6,545	6,966	7,396	7,697	8,062	8,418	8,702	8,746	8,903	9,076
Subsidies and grants for operating purposes	2,052	2,607	2,670	2,699	2,932	3,002	3,075	3,151	3,232	3,319	3,411
Fees, charges	2,254	2,903	2,947	3,004	3,076	3,141	3,215	3,299	3,375	3,463	3,563
Interest and dividends from investments	162	124	113	119	126	132	143	107	110	126	114
Local authorities fuel tax, fines, infringement fees and other receipts	158	169	173	177	181	185	189	194	198	204	209
Total operating funding	23,622	25,540	26,380	27,271	28,429	29,449	30,428	31,064	31,724	32,476	33,257
Applications of operating funding											
Payments to staff and suppliers	15,670	17,934	18,272	18,881	19,660	20,121	20,578	21,079	21,601	22,168	22,752
Finance costs	406	474	938	1,003	1,064	1,047	986	950	843	776	613
Other operating funding applications	0	(264)	(276)	(290)	(296)	(303)	(310)	(318)	(325)	(334)	(343)
Total applications of operating funding	16,076	18,144	18,934	19,593	20,428	20,864	21,254	21,711	22,118	22,610	23,022
Surplus (deficit) of operating funding	7,546	7,396	7,447	7,677	8,001	8,584	9,174	9,353	9,605	9,866	10,234
Sources of capital funding											
Subsidies and grants for capital expenditure	4,501	4,387	4,499	4,663	5,082	5,204	5,329	5,462	5,604	5,756	5,917
Development and financial contributions	22	22	22	22	22	22	22	22	22	22	22
Increase (decrease) in debt	66	4,810	7,541	977	964	(312)	(1,101)	(1,002)	(1,945)	(1,209)	(2,971)
Gross proceeds from sale of assets	48	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	4,637	9,219	12,062	5,662	6,068	4,914	4,250	4,482	3,682	4,568	2,967
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	1,260	7,680	10,707	3,566	3,774	2,239	1,948	3,923	1,747	2,229	1,459
- to replace existing assets	9,990	9,134	9,273	9,761	10,286	10,480	10,899	11,169	11,396	11,703	12,083
Increase (decrease) in reserves	0			()			()		()		
Increase (decrease) of investments	933	(199)	(471)	13	9	780	577	(1,257)	144	503	(341)
Total application of capital funding	12,183	16,615	19,509	13,339	14,069	13,499	13,424	13,835	13,287	14,434	13,202
Surplus (deficit) of capital funding	(7,546)	(7,396)	(7,447)	(7,677)	(8,001)	(8,584)	(9,174)	(9,353)	(9,605)	(9,866)	(10,234)
Funding balance	0	0	0	0	0	0	0	0	0	0	0

CHBDC Long Term Plan 2018-28 Supporting Information

2018/19 Rates Factors

The table below lists the rate factors for the 2018/19 year (1 July 2018 to 30 June 2019) that are proposed to be set by the Central Hawke's Bay District Council under the Local Government (Rating) Act 2002.

Description	Land Liabie	Differential	Factor of Liability	Rate Value **	Amount Sought including GST \$
District Wide Rates					
General	All rateable property	Uniform	Capital Value	0.12	\$4,948,150
Uniform Annual General Charge	All rateable property	Uniform	Fixed Amount per SUIP*	\$409.63	\$2,628,383
District Land Transport	All rateable property	Uniform	Land Value	0.27	\$7,247,794
District Wide Water	All rateable property	Uniform	Fixed Amount per SUIP*	21.32	\$136,779
District Wide Wastewater	All rateable property	Uniform	Fixed Amount per SUIP*	27.40	\$175,818
Targeted Rates					
Refuse Collection	Service Available	Uniform	Fixed Amount per SUIP *	\$15.19	\$60,652
Kerbside Recycling Collection	Service Available	Uniform	Fixed Amount per SUIP *	\$69.14	\$205,275
Water Supply	Service Available/Connected	Service Available/Connected	Fixed Amount per SUIP *	\$313.53 / \$627.05	\$2,598,809
Sewerage	Service Available/Connected	Service Available/Connected/Use	Fixed Amount per SUIP *, per Pan	\$419.40 / \$838.80	\$3,340,538
Stormwater	Catchment Area	Uniform	Capital Value	0.14	\$836,449
Drainage	Te Aute	Classifications	Fixed Amount per point	\$0.46	\$34,017
Water by Meter	Extraordinary users	Volume, land use category	Fixed Amount per cubic metre	\$2.44 / \$1.85	\$451,548
Total Sought					\$22,664,212

* Separately used or inhabited part

** Where no \$ sign shows, amounts are in cents per dollar, rounded

CHBDC Long Term Plan 2018-28 Supporting Information

Rates Samples

PROPERTY DESCRIPTION			2015 VALUES		2017/18	2018/19			2019/20			2020/21		
Type	District	Value	Land value	Capital value	Amount	Amount	Change \$	Change %	Amount	Change \$	Change %	Amount	Change \$	Change %
Residential town	Waipukurau	Low	18,000	73,000	2,131	2,219	88	4.1%	2,369	150	6.8%	2,498	129	5.5%
Residential town	Waipukurau	Medium	77,000	200,000	2,562	2,707	145	5.7%	2,843	136	5.0%	2,988	145	5.1%
Residential town	Waipukurau	High	77,000	260,000	2,691	2,862	172	6.4%	2,990	128	4.5%	3,141	151	5.0%
Residential town	Waipawa	Low	35,000	180,000	2,406	2,541	136	5.6%	2,678	136	5.4%	2,818	141	5.3%
Residential town	Waipawa	Medium	35,000	170,000	2,384	2,516	131	5.5%	2,653	138	5.5%	2,793	140	5.3%
Residential town	Waipawa	High	27,000	255,000	2,544	2,713	169	6.7%	2,839	126	4.6%	2,987	148	5.2%
Residential town	Otane		54,000	205,000	2,239	2,301	62	2.8%	2,466	165	7.2%	2,598	132	5.4%
Residential town	Porangahau	Low	27,000	59,000	1,984	2,055	71	3.6%	2,215	160	7.8%	2,339	124	5.6%
Residential town	Porangahau	High	27,000	175,000	2,129	2,192	64	3.0%	2,355	163	7.4%	2,484	129	5.5%
Residential town	Takapau		20,000	110,000	2,029	2,097	68	3.3%	2,257	161	7.7%	2,383	126	5.6%
Residential town	Takapau	Lifestyle	265,000	425,000	2,230	2,297	66	3.0%	2,418	121	5.3%	2,503	85	3.5%
Residential town	Tikokino		48,000	170,000	690	778	88	12.8%	804	26	3.3%	823	20	2.5%
Beach	Blackhead		230,000	420,000	1,495	1,569	73	4.9%	1,609	41	2.6%	1,651	42	2.6%
Beach	Kairakau		175,000	435,000	1,999	2,064	65	3.3%	2,180	117	5.7%	2,261	80	3.7%
Beach	Mangakuri		360,000	800,000	2,321	2,372	50	2.2%	2,428	56	2.4%	2,495	67	2.8%
Beach	Te Paerahi	Low	175,000	245,000	2,618	2,663	45	1.7%	2,834	172	6.4%	2,975	141	5.0%
Beach	Te Paerahi	Medium	270,000	495,000	3,187	3,217	30	0.9%	3,399	182	5.7%	3,557	158	4.6%
Rural	District	Lower	300,000	310,000	1,530	1,614	83	5.4%	1,655	42	2.6%	1,696	41	2.5%
Rural	District	Lower	390,000	460,000	1,943	2,036	92	4.8%	2,085	50	2.4%	2,138	53	2.5%
Rural	District	Medium	1,560,000	1,990,000	7,043	7,028	-15	-0.2%	7,172	144	2.1%	7,364	192	2.7%
Rural	District	Medium	620,000	670,000	2,847	2,910	63	2.2%	2,976	66	2.3%	3,052	76	2.5%
Rural	Aramoana	High	3,140,000	3,670,000	13,425	13,312	-112	-0.8%	13,575	263	2.0%	13,937	362	2.7%
Rural	Ruataniwha	High	3,420,000	4,220,000	14,870	14,724	-145	-1.0%	15,014	290	2.0%	15,418	404	2.7%
Rural	Ruahine	High	10,200,000	10,850,000	41,532	41,006	-526	-1.3%	41,793	787	1.9%	42,898	1,105	2.6%
Rural	Ruahine	High	1,770,000	2,310,000	8,012	7,978	-34	-0.4%	8,140	162	2.0%	8,359	219	2.7%
Commercial	Waipukurau		165,000	520,000	6,883	7,001	118	1.7%	7,357	356	5.1%	7,790	433	5.9%
Commercial	Waipawa		58,000	87,000	2,380	2,364	-16	-0.7%	2,514	150	6.3%	2,647	133	5.3%
Industrial	Waipukurau		150,000	360,000	4,068	4,158	90	2.2%	4,336	178	4.3%	4,570	235	5.4%
Council average %					2.47%			4.14			3.79			3.92

CHBDC Long Term Plan 2018-28 Supporting Information

Rates

The following rates are proposed to be set and assessed on all property within the District for the 2018/19 year:

District Wide Rates

1. General Rate

A general rate set under section 13 of the Local Government (Rating) Act 2002 for the purposes of providing all or some of the cost of:

- All regulatory activities, including district planning, land use and subdivision consent costs, building control, public health, animal control, and compliance.
- Solid waste
- Parks and reserves, public toilets, theatres and halls, cemeteries, and miscellaneous property costs

For the 2018/19 year this rate will be 0.118 cents per dollar (including GST) based on the rateable capital value of all rateable land within the District.

2. Uniform Annual General Charge

A rate set under section 15 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit within the District. See definition below. This rate is for the purpose of providing:

- Community leadership, including administration, cost of democracy, community voluntary support grants, and economic and social development.
- A portion of the cost of solid waste
- Libraries and swimming facilities

For the 2018/19 year this rate will be \$409.63 (including GST).

3. District Land Transport Rate

A rate for the Council's land transport facilities set under section 16 of the Local Government (Rating) Act 2002. This rate is set for the purpose of funding the operation and maintenance of the land transport system.

For the 2018/19 year this rate will be 0.283 cents per dollar (including GST) based on the land value of all rateable land in the district.

Targeted Rates

Separately Used or Inhabited Parts of a Rating Unit

Definition – for the purposes of the Uniform Annual General Charge and the targeted rates above, a separately used or inhabited part of a rating unit is defined as –

A separately used or inhabited part of a rating unit includes any portion inhabited or used by [the owner/a person other than the owner], and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

CHBDC Long Term Plan 2018-28 Supporting Information

This definition includes separately used parts, whether or not actually occupied at any time, which are used by the owner for occupation on an occasional or long term basis by someone other than the owner.

Examples of separately used or inhabited parts of a rating unit include:

- For residential rating units, each self-contained household unit is considered a separately used or inhabited part. Each situation is assessed on its merits, but factors considered in determining whether an area is self-contained would include the provision of independent facilities such as cooking/kitchen or bathroom, and its own separate entrance.
- Residential properties, where a separate area is used for the purpose of operating a business, such as a medical or dental practice. The business area is considered a separately used or inhabited part.

These examples are not considered inclusive of all situations.

4. District Wide Water Rate

A rate set under section 16 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit within the District. See definition below. This rate is for the purpose of providing:

- A proportion of the funding for the maintenance, operation and capital upgrades of water supplies and treatment in those parts of the District where these systems are provided.

For the 2018/19 year this rate will be \$21.32 (including GST).

5. District Wide Wastewater Rate

A rate set under section 16 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit within the District. See definition below. This rate is for the purpose of providing:

- A proportion of the funding for the maintenance, operation and capital upgrades of sewerage collection, treatment and disposal systems in those parts of the District where these systems are provided.

For the 2018/19 year this rate will be \$27.40 (including GST).

6. Water Supply Rates

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for water supply operations of a fixed amount per separately used or inhabited part of a rating unit. The purpose of this rate is to fund water supplies for Otane, Takapau, Waipukurau, Waipawa, Kairakau, Porangahau and Te Paerahi.

The purpose of this rate is to fund the maintenance, operation and capital upgrades of water supplies and treatment in those parts of the District where these systems are provided.

The rate is subject to differentials as follows:

- (a) a charge of per separately used or inhabited part of a rating unit connected in the Otane, Takapau, Waipukurau, Waipawa, Kairakau, Porangahau, and Te Paerahi Beach communities.
- (b) a half charge per separately used or inhabited part of a rating unit which is serviceable for the above locations.

For this rate:

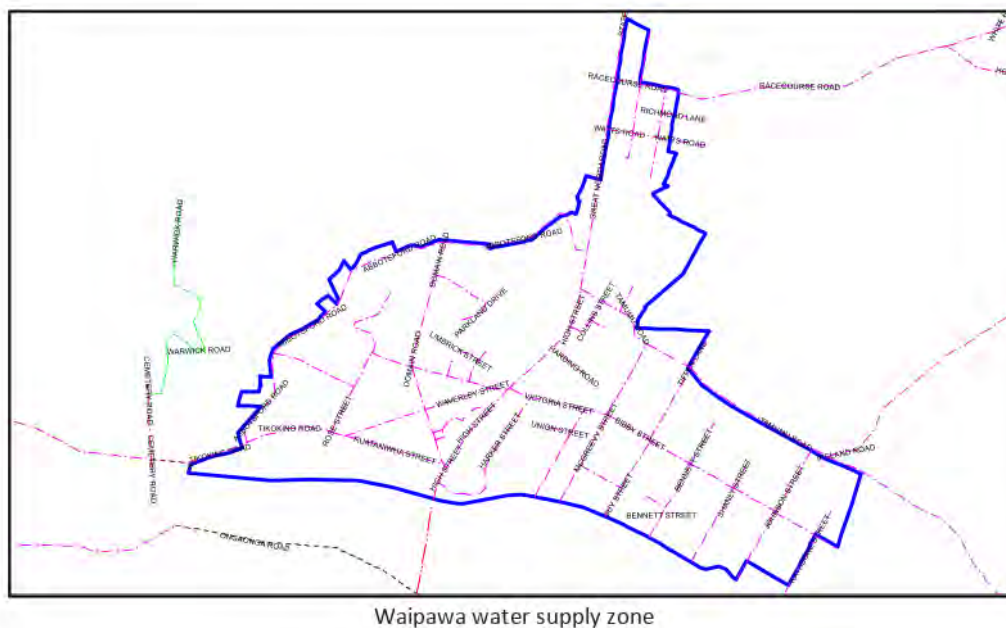
- "Connected" means a rating unit to which water is supplied.

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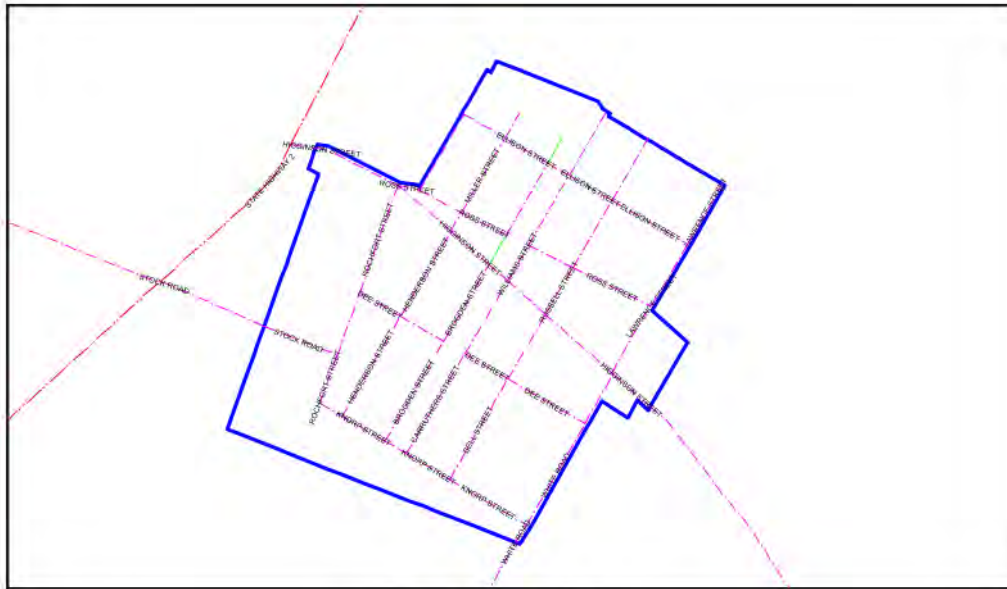
- "Serviceable" means a rating unit to which water is not being supplied, but the property it is situated within 100 metres of the water supply.

For the 2018/19 year these rates will be:

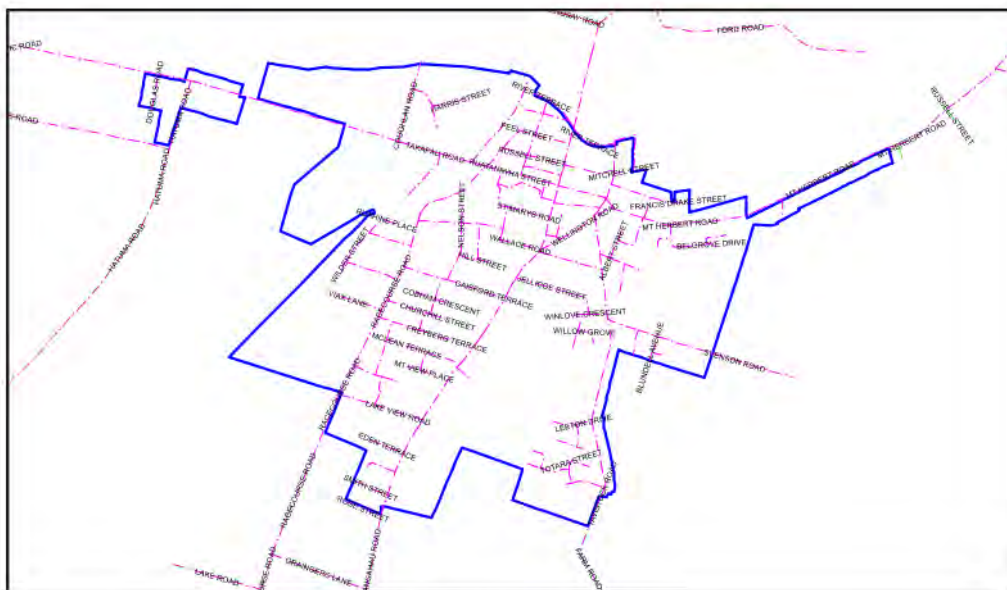
	Charge	Water Rate (incl GST)
a	Connected	\$627.05
b	Serviceable, not connected	\$313.53



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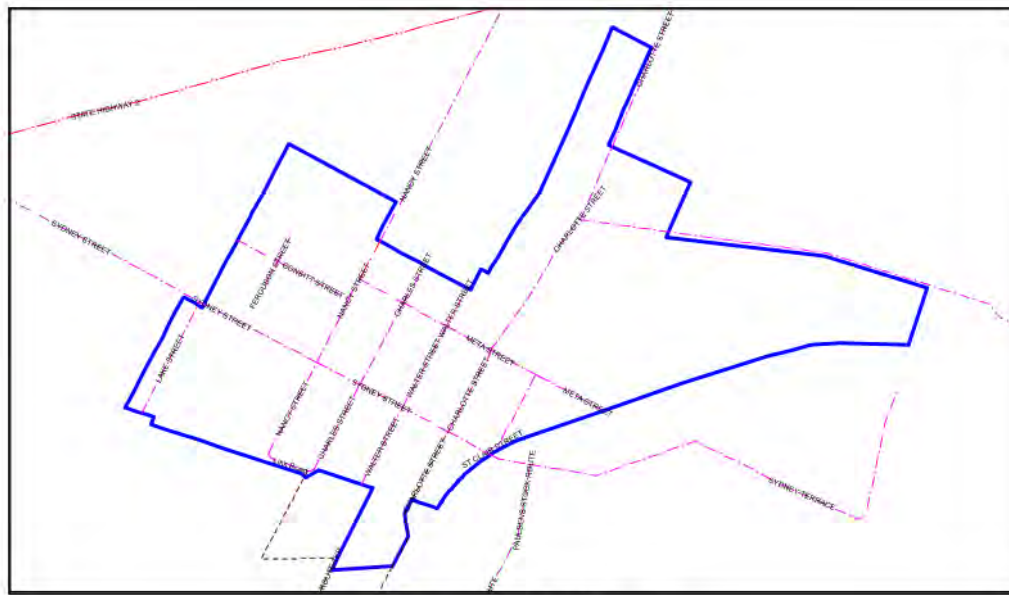


Otane water supply zone



Waipukurau water supply zone

CHBDC Long Term Plan 2018-28 Supporting Information



Takapau water supply zone

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Kairakau water supply zone



Te Paerahi water supply zone

7. Metered Water Rate

The rate is subject to differentials as follows:

- For the 2018/19 year these rates will be:

	Volume of water (cubic metres)	Rate per cubic metre (incl GST)
a	Below 40,000	\$2.44
b	Above 40,000, non- industrial	\$2.44
c	Above 40,000, industrial	\$1.85

CHBDC Long Term Plan 2018-28 Supporting Information

8 Sewerage Rates

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Council's sewage disposal function of fixed amounts in relation to all land in the district to which the Council's sewage disposal service is provided or available, as follows:

- (a) a charge per rating unit connected.
- (b) a charge per pan within the rating unit, after the first one.
- (c) a charge per rating unit which is serviceable.

The rate is subject to differentials as follows:

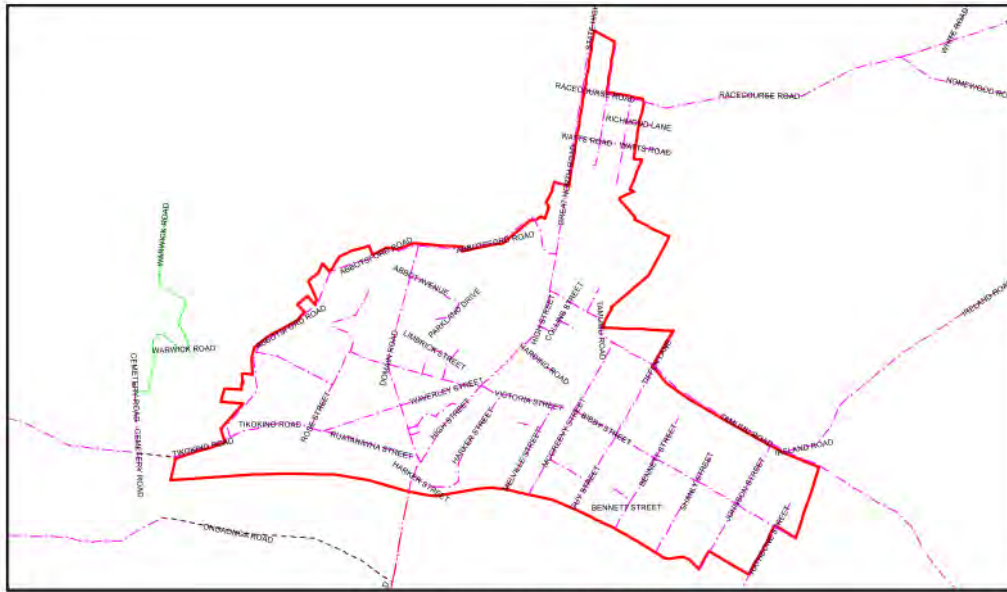
- "Connected" means the rating unit is connected to a public sewerage system.
- "Serviceable" means the rating unit is not connected to a public sewerage drain but is within 30 metres of such a drain.
- A rating unit used primarily as a residence for one household is treated as not having more than one pan.
- For commercial accommodation providers, each subsequent pan will be rated at 50% of the charge.
- For those Clubs who qualify for a rebate of their General Rates under Council's Community Contribution and Club Rebate Remission Policy, and who are connected to the sewerage network, each subsequent pan will be rated at 50% of the Sewerage Charge.

The purpose of this rate is to fund the maintenance, operation and capital upgrades of sewerage collection, treatment and disposal systems in those parts of the District where these systems are provided.

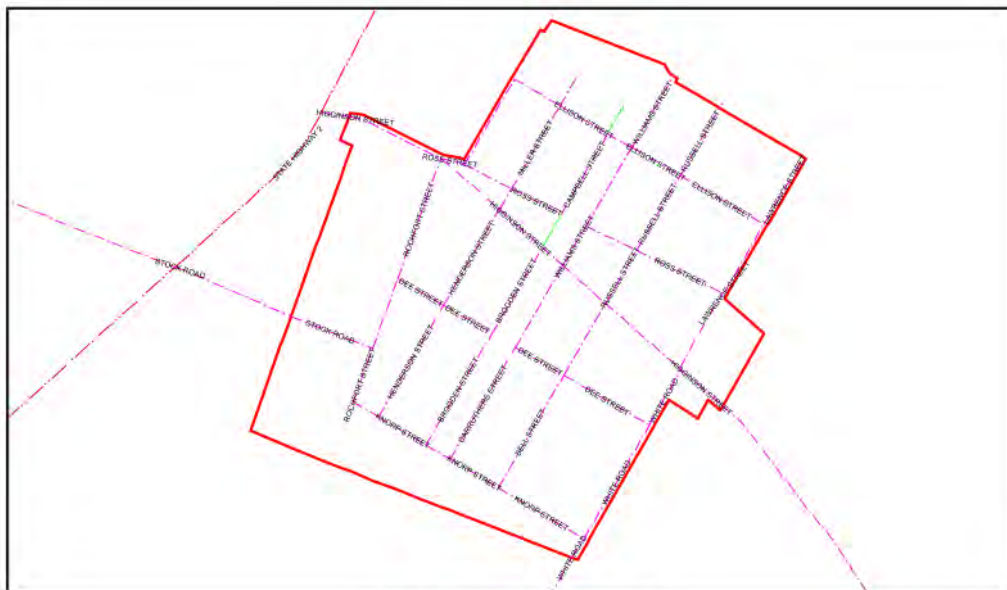
For the 2018/19 year these rates will be:

	Charge	Sewerage Rate (incl GST)
a	First charge per separately used or inhabited part of a rating unit connected	\$838.80
b	Additional charge per pan after the first	\$838.80
c	Serviceable, not connected, per separately used or inhabited part of a rating unit	\$419.40
d	Additional charge per pan after the first – commercial accommodation provider, qualifying club	\$419.40

CHBDC Long Term Plan 2018-28 Supporting Information

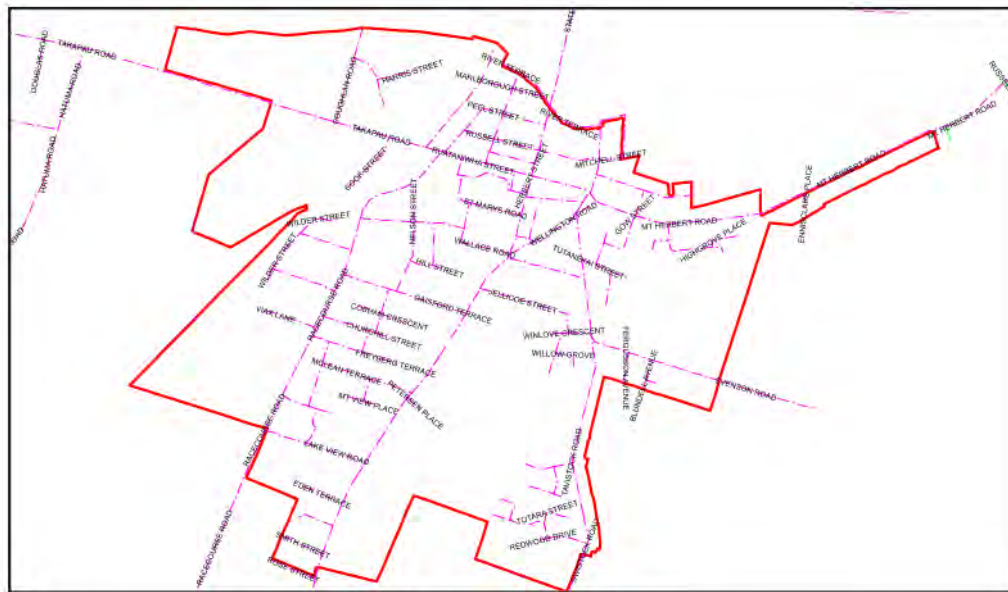


Waipawa sewer operation zone



Otane sewer operation zone

CHBDC Long Term Plan 2018-28 Supporting Information



Waipukurau sewer operation zone

CHBDC Long Term Plan 2018-28 Supporting Information



Takapau sewer operation zone



Te Paerahi sewer operation zone

This map illustrates the geographical layout of the City of Portland, Oregon. The city's boundary is clearly marked with a red line. A network of streets is shown, including major thoroughfares like Division Street and smaller local streets such as Collingwood Street, Burke Street, and Division Street. The map also depicts the city's proximity to the Columbia River and its connection to neighboring municipalities like Beaverton and Clackamas. The map is oriented with North at the top, and the city's irregular shape is evident from the various inlets and protrusions along its border.

9. Stormwater Rates

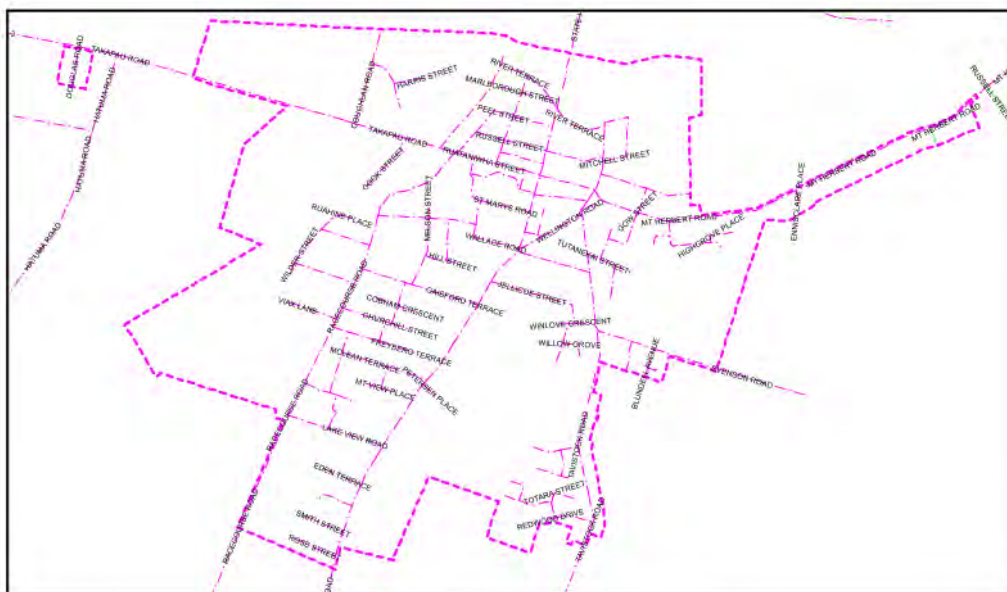
A uniform targeted rate on the capital value of all rateable land in the Waipukurau and Waipawa Stormwater Catchment Areas.

The Waipukurau and Waipawa Stormwater Catchment Areas are defined by reference to stormwater catchment boundary plans held.

CHBDC Long Term Plan 2018-28 Supporting Information



Waipawa stormwater operation zone



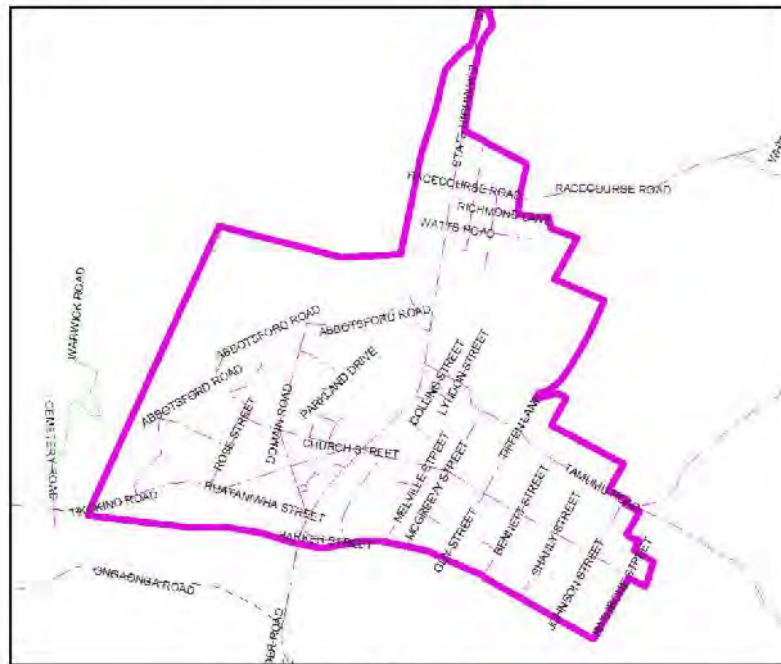
Waipukurau stormwater operation zone

CHBDC Long Term Plan 2018-28 Supporting Information

10. Kerbside Recycling Rate

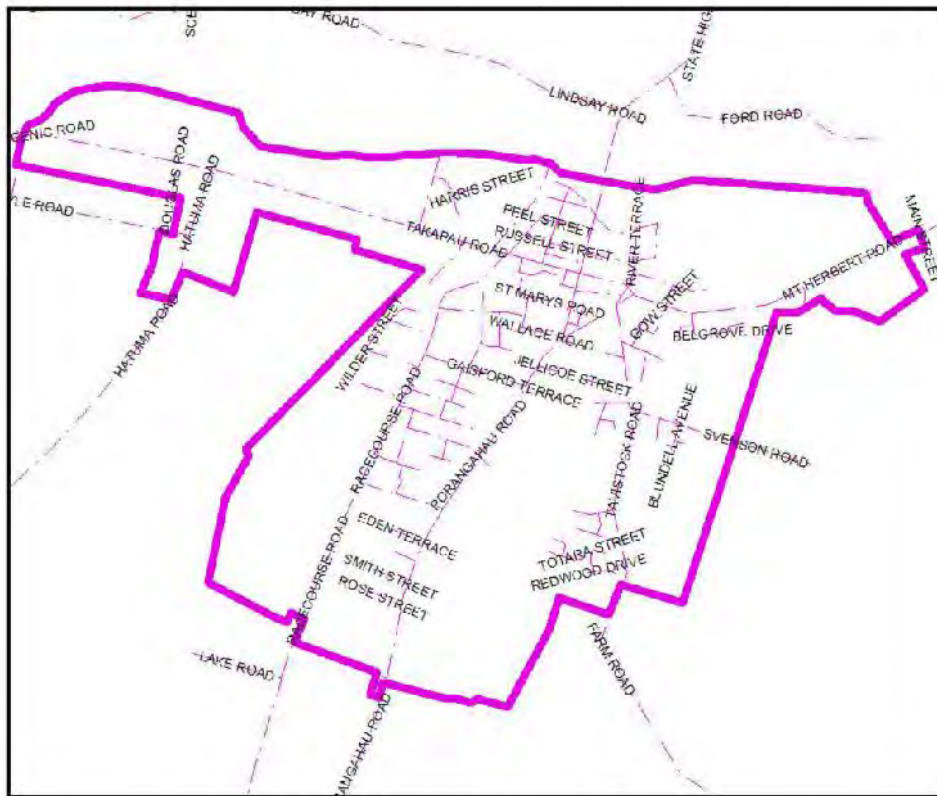
A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Council's collection of household recyclables for Waipukurau and Waipawa on each separately used or inhabited part of a rating unit to which the Council provides the service.

For the 2018/19 year this rate will be \$69.14 (including GST).



Waipawa kerbside recycling collection zone

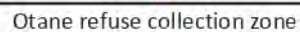
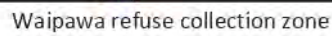
CHBDC Long Term Plan 2018-28 Supporting Information



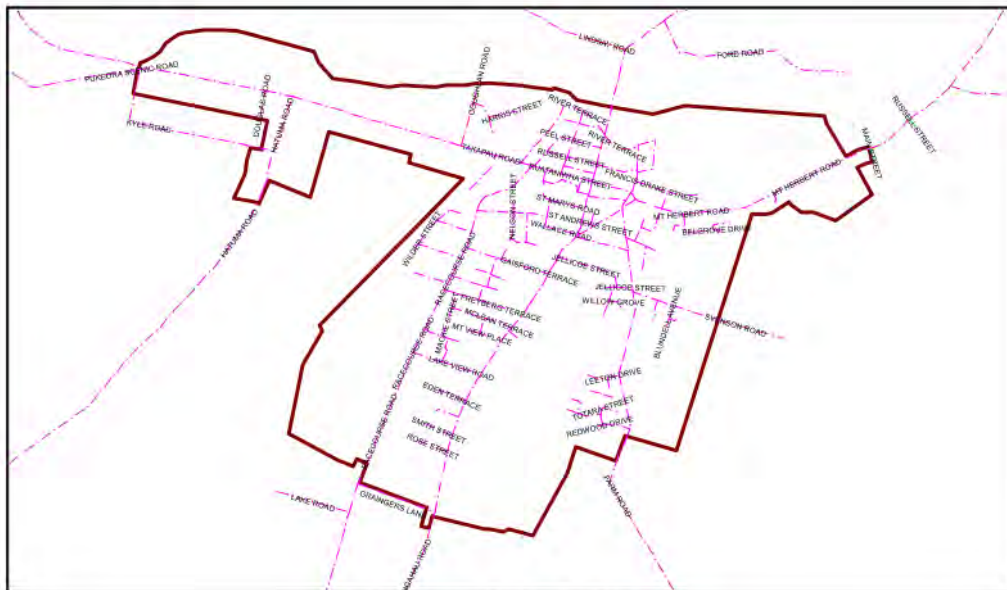
Waipukurau kerbside recycling collection zone

11. Refuse Collection Rate

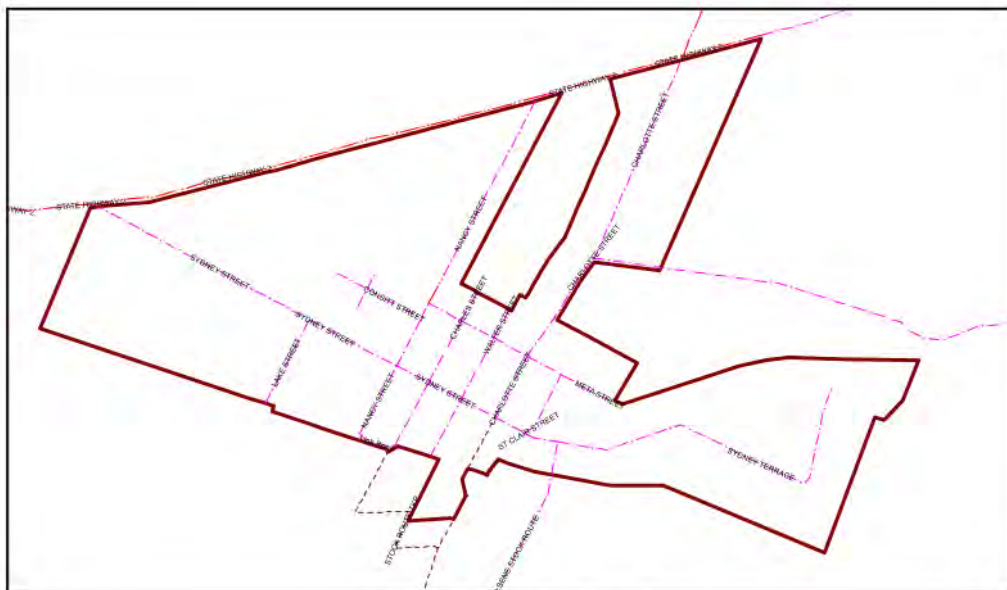
For the 2018/19 year this rate will be \$15.19 (including GST).



CHBDC Long Term Plan 2018-28 Supporting Information



Waipukurau refuse collection zone



Takapau refuse collection zone

CHBDC Long Term Plan 2018-28 Supporting Information



Te Paerahi refuse collection zone

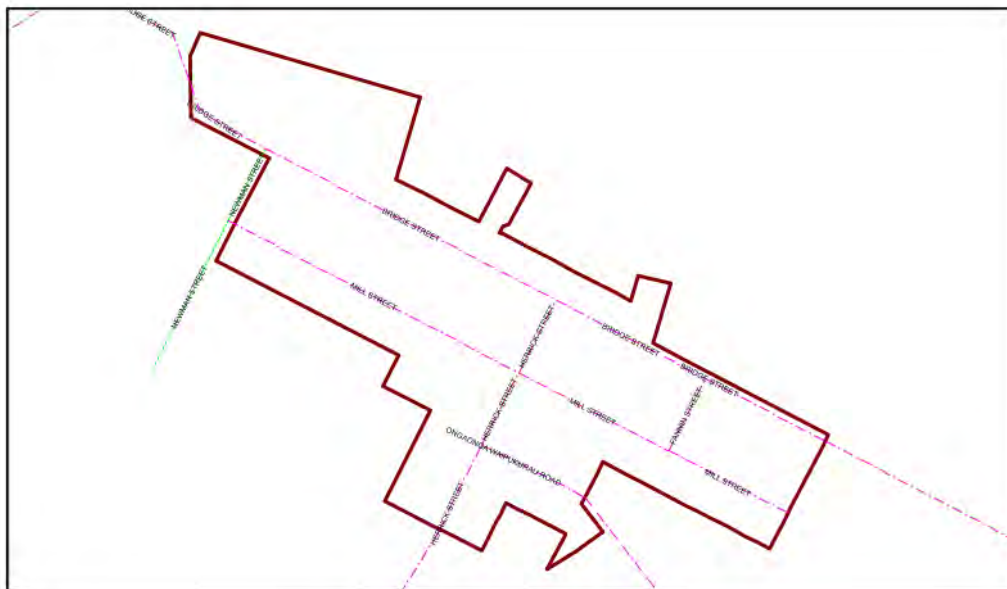


Porangahau refuse collection zone

CHBDC Long Term Plan 2018-28 Supporting Information



Tikokino refuse collection zone



Onga Onga refuse collection zone

CHBDC Long Term Plan 2018-28 Supporting Information



Pourerere Beach refuse collection zone

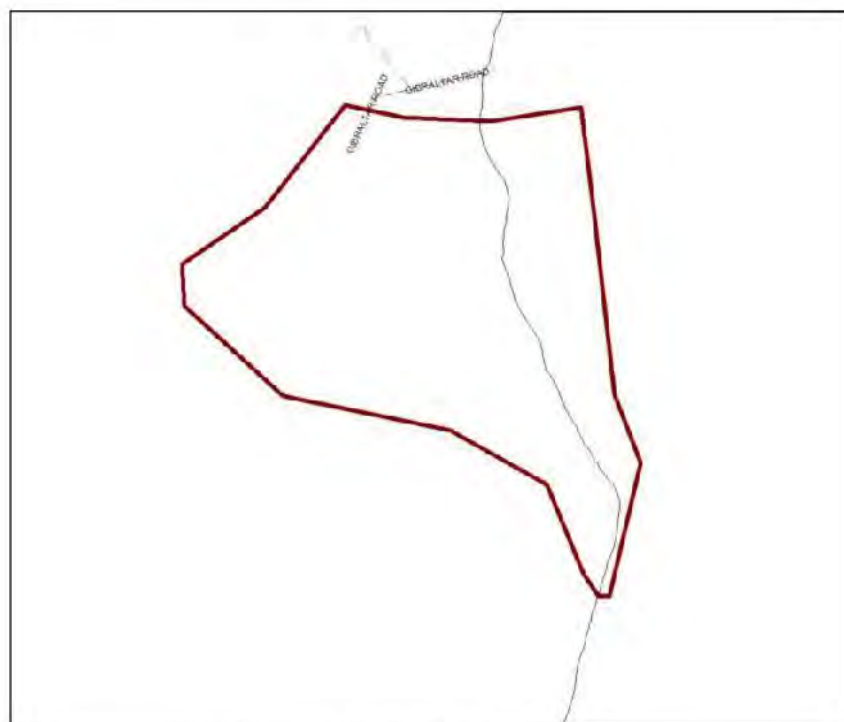


Kairakau Beach refuse collection zone

CHBDC Long Term Plan 2018-28 Supporting Information

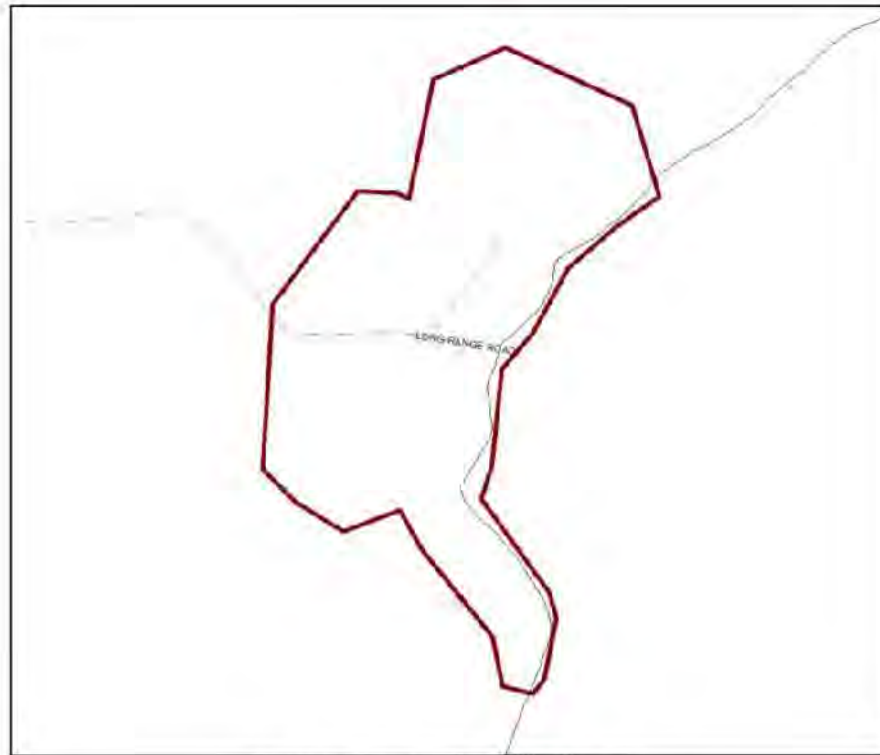


Mangakuri Beach refuse collection zone



Aramoana Beach refuse collection zone

CHBDC Long Term Plan 2018-28 Supporting Information



Blackhead Beach refuse collection zone

12. Te Aute Drainage Rate

Te Aute Drainage rates are set on all rateable area of rateable property within the designated area subject to a graduated scale for the purpose of funding the operations, loan charges and the repayment of loans for the Te Aute Drainage Scheme area.

The amount required and the classification is set by the Te Aute Drainage Committee.

Each hectare of land in each property is classified according to the susceptibility of that hectare to flooding as follows:

A (100 points), B (80 points), C (15 points), F (3 points), and G (0 points).

The total number of points is 73614. The total amount of funding required each year determines how much each of these points are worth. In this way, the total amount required is apportioned on a pro rata basis using the weightings on each hectare.

The total amount of funding required for 2018/19 is \$34,017

The amount per point is 46.2 cents including GST.

CHBDC Long Term Plan 2018-28 Supporting Information

The Te Aute drainage scheme area is defined by reference to the classification list establishing the graduated scale.

Valuation Number	Hectares in each classification				Total Points	Amount
	A (100pts)	B (80pts)	C (15pts)	F (3pts)		
1092000300	0	11.3	8.15	31.63	1,121	\$518.01
1092000800	0	32.83	74.69	23.42	3,817	\$1,763.83
1092001001	77.96	39.78	50.27	51.27	11,886	\$5,492.52
1092001100	78.22	0	15.28	39.73	8,171	\$3,775.67
1092001107	0	0	10.00	61.44	334	\$154.49
1092001400	0	0	0	14.16	42	\$19.41
1092001600	0	0	0	10.12	30	\$13.86
1092001700	38.74	51.06	36.24	45.12	8,638	\$3,991.62
1092002100	188.81	0	0	23.93	18,953	\$8,758.17
1092002300	125.04	9.34	21.59	29.25	13,663	\$6,313.57
1092002900	0	0	0	0.81	2	\$0.92
1092003400	0	0	8.02	6.6	140	\$64.69
1092005800	0	18.63	0	4.93	1,505	\$695.46
1092006100	0	65.81	0	15.84	5,312	\$2,454.67
Total	508.77	228.75	224.24	358.25	73,614	\$34,017.00

Approach to Rating

Rates are set and assessed under the Local Government (Rating) Act 2002 on all rateable rating units on the value of the land and improvements as supplied by Quotable Value New Zealand Limited. The last revaluation was carried out effective from 1 July 2016.

The objectives of the council's rating policy is to:

- (i) spread the incidence of rates as fairly as possible
- (ii) be consistent in charging rates
- (iii) ensure all ratepayers pay their fair share for council services
- (iv) provide the income needed to meet the council's goals.

The Central Hawke's Bay District Council rating system provides for all user charges and other income to be taken into account first, with the rates providing the balance needed to meet the council's objectives.

Rating Base

The rating base will be the database determined by the contracted rating service provider. Because this database is constantly changing due to change of ownership, subdivision, regular revaluations, change of status from rateable to non-rateable (and reverse), the rating base is not described in detail in this policy.

Rating Information Database and Rates Records

Council's rating information database and rates records are available for public inspection at the Council offices in Waipukurau and Waipawa during normal office hours -

- Waipukurau (Hours Monday – Friday 9am to 5.00pm)
- Waipawa (Hours Monday – Friday 8am to 5.00pm)

CHBDC Long Term Plan 2018-28 Supporting Information

Due Dates for Rate Payments

Pursuant to Section 24 of the Local Government (Rating) Act 2002 the following dates are proposed to apply for assessing the amount of each instalment of rates excluding metered water rates for the year 1 July 2018 to 30 June 2019. Each instalment will be assessed in four equal amounts, rounded.

Instalment number	Instalment Start Date	Last day of payment without additional charge	Penalty date
1	1 July 2018	20 August 2018	21 August 2018
2	1 October 2018	20 November 2018	21 November 2018
3	1 January 2019	20 February 2019	21 February 2019
4	1 April 2019	20 May 2019	21 May 2019

Due Dates for Metered Water Rates

Pursuant to Section 24 of the Local Government (Rating) Act 2002 the following dates are proposed to apply for assessing the amount of metered water rates for the year 1 July 2018 to 30 June 2019. The assessment is applied to water users after the first 300 cubic metres of water without additional charge has been used as part of the Water Supply Rate.

Area/Users	Water Meters read during	Last day of payment
High Users	Monthly	20th month following
Waipukurau Takapau	Sep-18	20-Oct-18
	Dec-18	20-Jan-19
	Mar-19	20-Apr-19
	Jun-19	20-Jul-19
Waipawa Otane Kairakau Porangahau/Te Paerahi	Aug-18	20-Sep-18
	Nov-18	20-Dec-18
	Feb-19	20-Mar-19
	May-19	20-Jun-19

CHBDC Long Term Plan 2018-28 Supporting Information

Penalty Charges**(Additional Charges on Unpaid Rates)**

Pursuant to Section 58(1)(a) of the Local Government (Rating) Act 2002, an additional charge of 10% will be added on the penalty date above, to all amounts remaining unpaid for each instalment excluding metered water rates.

Pursuant to Section 58(1)(b) of the Local Government (Rating) Act, a further additional charge of 10% will be added on 1 July 2019 to the amount of rates assessed in previous financial years and remaining unpaid as at 30 June 2018 (Section 58(1)(b)) excluding metered water rates.

Payment Options

Rate payments on instalments are to be received by Council no later than 5.00pm on the last day of payment detailed above. Payment options include:

- Online through Internet Banking.
- Direct Debit.
- Automatic Payments via your bank account, or Telephone Banking.
- Cheque sent by Post.
- At Council Offices in Waipukurau (Hours Monday – Friday 9am to 5.00pm) or Waipawa (Hours Monday – Friday 8am to 5.00pm). We accept Cash, Cheque and Eftpos.
- Online by Credit Card from our website.

Lump Sum Contributions

Council will not accept lump sum contributions in respect of any targeted rate.

Rating Base Information

For all the rating units in the district, estimated for 30/06/2018

Number of Rating Units	7423
Capital Value	4,181,571,250
Land Value	2,665,359,950



Central Hawke's Bay District Council: Funding impact statement for 2018/2028 (Community Leadership)

	Annual Plan 2018 \$000	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Sources of operating funding											
General rates, uniform annual general charges and rates penalties	888	1,323	1,396	1,419	1,451	1,484	1,523	1,559	1,598	1,639	1,684
Targeted rates	26	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	25	46	47	48	49	50	51	53	54	55	57
Fees, charges	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	939	1,369	1,443	1,467	1,500	1,534	1,574	1,612	1,652	1,695	1,740
Applications of operating funding											
Payments to staff and suppliers	703	996	1,070	1,093	1,117	1,142	1,168	1,196	1,226	1,257	1,291
Finance costs	0	0									
Other operating funding applications	252	378	378	379	388	397	411	421	432	443	455
Total applications of operating funding	955	1,374	1,448	1,473	1,505	1,539	1,579	1,617	1,657	1,700	1,746
Surplus (deficit) of operating funding	(16)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	0	0	0	0	0	0	0	0	0	0	0
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	(15)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total application of capital funding	(15)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Surplus (deficit) of capital funding	15	5	5	5	5	5	5	5	5	5	5
Funding balance	0	()	0	0	0	0	0	0	0	0	()

Central Hawke's Bay District Council: Funding impact statement for 2018/2028 (Planning and Regulatory)

	Annual Plan 2018 \$000	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Sources of operating funding											
General rates, uniform annual general charges and rates penalties	1,171	845	879	903	945	963	989	1,007	1,029	1,054	1,083
Targeted rates	0	0									
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges	695	998	1,000	1,014	1,042	1,060	1,086	1,119	1,140	1,170	1,208
Interest and dividends from investments	0	0									
Local authorities fuel tax, fines, infringement fees and other receipts	10	21	21	22	22	23	23	24	24	25	26
Total operating funding	1,877	1,864	1,899	1,939	2,009	2,046	2,099	2,150	2,194	2,249	2,317
Applications of operating funding											
Payments to staff and suppliers	1,488	1,335	1,352	1,361	1,404	1,429	1,462	1,499	1,528	1,568	1,619
Finance costs	0	2	9	19	24	21	19	17	14	11	9
Other operating funding applications	378	523	524	525	537	549	569	583	597	613	630
Total applications of operating funding	1,866	1,860	1,884	1,905	1,965	2,000	2,050	2,099	2,140	2,193	2,258
Surplus (deficit) of operating funding	11	3	15	33	44	46	49	51	54	57	59
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0									
Increase (decrease) in debt	0	78	194	201	(44)	(46)	(49)	(51)	(54)	(57)	(59)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	0	78	194	201	(44)	(46)	(49)	(51)	(54)	(57)	(59)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	82	208	234	0	0	0	0	0	0	0
- to replace existing assets	11	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total application of capital funding	11	82	208	234	0	0	0	0	0	0	0
Surplus (deficit) of capital funding	(11)	(3)	(15)	(33)	(44)	(46)	(49)	(51)	(54)	(57)	(59)
Funding balance	0	0	0	0	0	0	0	0	0	0	0

Central Hawke's Bay District Council: Funding impact statement for 2018/2028 (Land Transport)

	Annual Plan 2018 \$000	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Sources of operating funding											
General rates, uniform annual general charges and rates penalties	6,232	6,302	6,420	6,554	6,881	7,351	7,540	7,625	7,822	8,032	8,257
Targeted rates	50	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	1,968	2,492	2,553	2,579	2,810	2,877	2,947	3,020	3,098	3,181	3,270
Fees, charges	14	18	19	19	20	20	21	21	22	22	23
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	142	143	146	149	152	156	160	163	167	172	176
Total operating funding	8,406	8,956	9,138	9,302	9,863	10,404	10,667	10,830	11,109	11,407	11,726
Applications of operating funding											
Payments to staff and suppliers	3,729	4,577	4,677	4,730	5,125	5,248	5,375	5,509	5,651	5,803	5,965
Finance costs	3	0	0	0	0	0	0	0	0	0	0
Other operating funding applications	972	944	933	922	943	966	1,004	1,028	1,054	1,082	1,112
Total applications of operating funding	4,704	5,521	5,610	5,653	6,068	6,214	6,378	6,537	6,705	6,885	7,077
Surplus (deficit) of operating funding	3,702	3,435	3,528	3,649	3,795	4,190	4,288	4,292	4,404	4,522	4,649
Sources of capital funding											
Subsidies and grants for capital expenditure	4,501	4,387	4,499	4,663	5,082	5,204	5,329	5,462	5,604	5,756	5,917
Development and financial contributions	3	3	3	3	3	3	3	3	3	3	3
Increase (decrease) in debt	(47)	0	0	0	0	0	0	0	0	0	0
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	4,457	4,390	4,502	4,666	5,085	5,207	5,332	5,465	5,607	5,759	5,920
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	299	1,000	1,000	1,000	1,144	1,172	1,200	1,230	1,262	1,296	1,332
- to replace existing assets	7,657	6,809	7,013	7,299	7,919	8,109	8,304	8,512	8,733	8,969	9,220
Increase (decrease) in reserves	203	16	16	16	(184)	116	116	16	16	16	16
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total application of capital funding	8,159	7,825	8,029	8,315	8,880	9,397	9,620	9,758	10,011	10,281	10,568
Surplus (deficit) of capital funding	(3,702)	(3,435)	(3,528)	(3,649)	(3,795)	(4,190)	(4,288)	(4,292)	(4,404)	(4,522)	(4,649)
Funding balance	0	0	0	0	0	0	0	0	0	0	0

Central Hawke's Bay District Council: Funding impact statement for 2018/2028 (Solid Waste)

	Annual Plan 2018 \$000	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Sources of operating funding											
General rates, uniform annual general charges and rates penalties	1,312	1,163	1,193	1,195	1,204	1,215	1,202	1,306	1,411	1,444	1,478
Targeted rates	239	231	236	242	247	253	258	265	271	278	286
Subsidies and grants for operating purposes	43	52	53	54	56	57	58	60	61	63	64
Fees, charges	948	1,107	1,132	1,156	1,182	1,209	1,237	1,267	1,298	1,332	1,368
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	2,542	2,553	2,614	2,648	2,689	2,733	2,756	2,897	3,042	3,117	3,196
Applications of operating funding											
Payments to staff and suppliers	1,878	1,860	1,911	1,942	1,986	2,043	2,079	2,129	2,182	2,239	2,299
Finance costs	95	94	92	85	78	71	64	108	151	145	139
Other operating funding applications	289	340	341	342	349	358	370	379	389	399	410
Total applications of operating funding	2,262	2,295	2,344	2,369	2,414	2,471	2,513	2,616	2,722	2,783	2,848
Surplus (deficit) of operating funding	280	258	270	278	275	262	243	280	320	334	348
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(97)	78	(115)	(122)	(125)	(109)	(88)	1,860	(160)	(48)	(182)
Gross proceeds from sale of assets	0	0									
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	(97)	78	(115)	(122)	(125)	(109)	(88)	1,860	(160)	(48)	(182)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	184	0	0	0	0	0	1,984	0	123	0
- to replace existing assets	96	93	95	97	99	101	104	106	109	112	115
Increase (decrease) in reserves	87	59	59	59	51	51	51	51	51	51	51
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total application of capital funding	183	336	154	157	150	152	155	2,141	160	285	166
Surplus (deficit) of capital funding	(280)	(258)	(270)	(278)	(275)	(262)	(243)	(280)	(320)	(334)	(348)
Funding balance	0	0	0	0	0	0	0	0	0	0	0

Central Hawke's Bay District Council: Funding impact statement for 2018/2028 (Water Supplies)

	Annual Plan 2018 \$000	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Sources of operating funding											
General rates, uniform annual general charges and rates penalties	0	119	134	142	145	158	173	182	179	182	186
Targeted rates	2,656	2,652	2,943	3,099	3,170	3,430	3,717	3,916	3,868	3,925	4,020
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	2,656	2,771	3,077	3,240	3,314	3,588	3,890	4,098	4,047	4,107	4,206
Applications of operating funding											
Payments to staff and suppliers	1,180	1,247	1,276	1,586	1,621	1,658	1,697	1,737	1,781	1,827	1,876
Finance costs	113	199	453	616	643	674	695	713	723	733	734
Other operating funding applications	589	423	424	425	435	445	461	472	484	496	510
Total applications of operating funding	1,882	1,870	2,153	2,628	2,698	2,778	2,852	2,922	2,987	3,056	3,120
Surplus (deficit) of operating funding	774	902	924	613	616	810	1,038	1,177	1,060	1,051	1,086
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	5	5	5	5	5	5	5	5	5	5	5
Increase (decrease) in debt	(234)	3,836	6,319	220	850	536	371	367	29	391	(347)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	(229)	3,841	6,324	225	855	541	376	372	34	396	(342)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	3,990	6,506	456	1,098	787	634	651	334	717	0
- to replace existing assets	590	603	617	632	648	664	680	698	711	730	744
Increase (decrease) in reserves	(45)	150	125	(250)	(275)	(100)	100	200	50	0	0
Increase (decrease) of investments	0	0									
Total application of capital funding	545	4,742	7,248	838	1,471	1,351	1,414	1,548	1,095	1,446	744
Surplus (deficit) of capital funding	(774)	(902)	(924)	(613)	(616)	(810)	(1,038)	(1,177)	(1,060)	(1,051)	(1,086)
Funding balance	0	0	0	0	0	0	0	0	0	0	0

Central Hawke's Bay District Council: Funding impact statement for 2018/2028 (Wastewater (Sewerage))

	Annual Plan 2018 \$000	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Sources of operating funding											
General rates, uniform annual general charges and rates penalties	0	153	164	176	188	192	195	198	202	206	208
Targeted rates	2,944	2,905	3,111	3,352	3,563	3,651	3,703	3,765	3,833	3,906	3,957
Subsidies and grants for operating purposes	0	0									
Fees, charges	157	235	240	245	250	256	262	268	275	282	290
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	3,101	3,292	3,515	3,774	4,001	4,099	4,160	4,232	4,310	4,394	4,455
Applications of operating funding											
Payments to staff and suppliers	1,116	1,309	1,404	1,519	1,633	1,671	1,709	1,750	1,794	1,840	1,862
Finance costs	560	552	620	698	743	748	718	684	651	616	578
Other operating funding applications	488	465	465	467	477	488	506	518	531	545	560
Total applications of operating funding	2,164	2,326	2,489	2,684	2,853	2,907	2,933	2,952	2,976	3,001	3,000
Surplus (deficit) of operating funding	937	967	1,026	1,090	1,148	1,192	1,227	1,279	1,334	1,393	1,455
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0									
Development and financial contributions	10	10	10	10	10	10	10	10	10	10	10
Increase (decrease) in debt	348	661	2,163	1,100	820	(414)	(603)	(579)	(585)	(623)	(695)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	358	671	2,173	1,110	830	(404)	(593)	(569)	(575)	(613)	(685)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0									
- to improve the level of service	736	1,074	2,621	1,609	1,373	169	0	59	91	93	64
- to replace existing assets	549	533	546	559	572	586	601	616	632	649	668
Increase (decrease) in reserves	10	31	31	32	33	33	34	35	36	37	38
Increase (decrease) of investments	0	0									
Total application of capital funding	1,295	1,638	3,199	2,200	1,978	788	635	710	759	780	769
Surplus (deficit) of capital funding	(937)	(967)	(1,026)	(1,090)	(1,148)	(1,192)	(1,227)	(1,279)	(1,334)	(1,393)	(1,455)
Funding balance	0	0	0	0	0	0	0	0	0	0	0

Central Hawke's Bay District Council: Funding impact statement for 2018/2028 (Stormwater)

	Annual Plan 2018 \$000	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Sources of operating funding											
General rates, uniform annual general charges and rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	488	757	676	703	718	729	740	757	774	793	813
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees, charges	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding	488	757	676	703	718	729	740	757	774	793	813
Applications of operating funding											
Payments to staff and suppliers	163	340	264	256	262	268	274	281	288	295	303
Finance costs	3	41	27	28	27	27	26	25	25	25	24
Other operating funding applications	104	149	150	150	153	157	163	166	171	175	180
Total applications of operating funding	270	531	441	435	443	451	462	473	483	495	507
Surplus (deficit) of operating funding	218	226	235	269	275	278	277	284	291	298	306
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	(8)	450	70	(43)	(44)	(41)	(35)	(35)	(36)	(36)	(37)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	(8)	450	70	(43)	(44)	(41)	(35)	(35)	(36)	(36)	(37)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	460	84	0	0	0	0	0	0	0	0
- to replace existing assets	210	215	221	226	231	237	242	249	255	262	269
Increase (decrease) in reserves	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total application of capital funding	210	676	304	226	231	237	242	249	255	262	269
Surplus (deficit) of capital funding	(218)	(226)	(235)	(269)	(275)	(278)	(277)	(284)	(291)	(298)	(306)
Funding balance	0	0	0	0	0	0	0	0	0	0	0

Central Hawke's Bay District Council: Funding impact statement for 2018/2028 (Recreational & Community Facilities)

	Annual Plan 2018 \$000	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Sources of operating funding											
General rates, uniform annual general charges and rates penalties	2,926	3,261	3,301	3,461	3,577	3,537	3,739	3,705	3,791	3,875	3,957
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	16	16	17	17	17	18	18	19	19	20	20
Fees, charges	438	542	554	566	579	592	606	620	636	652	670
Interest and dividends from investments	0	6	6	6	6	6	6	6	6	7	7
Local authorities fuel tax, fines, infringement fees and other receipts	5	0	0	0	0	0	0	0	0	0	0
Total operating funding	3,385	3,825	3,877	4,050	4,179	4,153	4,369	4,351	4,453	4,554	4,654
Applications of operating funding											
Payments to staff and suppliers	2,069	2,253	2,303	2,375	2,405	2,461	2,517	2,578	2,642	2,711	2,784
Finance costs	129	173	167	175	176	171	166	157	148	139	129
Other operating funding applications	454	664	665	667	682	698	722	740	759	779	800
Total applications of operating funding	2,652	3,090	3,134	3,216	3,263	3,329	3,405	3,475	3,549	3,628	3,713
Surplus (deficit) of operating funding	733	734	743	834	916	823	963	876	904	926	941
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	4	4	4	4	4	4	4	4	4	4	4
Increase (decrease) in debt	104	753	133	185	(141)	(81)	(147)	(215)	(167)	(231)	(165)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	108	757	137	189	(137)	(77)	(143)	(211)	(163)	(227)	(161)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	225	890	287	266	158	111	114	0	60	0	63
- to replace existing assets	572	541	532	693	555	568	638	595	610	626	643
Increase (decrease) in reserves	44	59	62	64	65	67	68	69	71	73	75
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total application of capital funding	841	1,491	880	1,023	779	746	820	664	741	699	781
Surplus (deficit) of capital funding	(733)	(734)	(743)	(834)	(916)	(823)	(963)	(876)	(904)	(926)	(941)
Funding balance	0	0	0	0	0	0	0	0	0	0	0

Groups of Activities

The Central Hawke's Bay District Council's activities fall into the following eight groups:

1. Community Leadership
2. Planning and Regulatory
3. Land Transport
4. Solid Waste
5. Water Services
6. Wastewater (Sewerage)
7. Stormwater
8. Recreation and Community Facilities

These eight groups cover twenty separate activities as follows:

Community Leadership Group

1. Leadership, Governance and Consultation
2. Economic and Social Development

Planning and Regulatory Group

3. District Planning
4. Land Use and Subdivision Consents
5. Building Control
6. Public Health
7. Animal Control
8. Compliance and Monitoring

Land Transport Group

9. Land Transport

Solid Waste Group

10. Solid Waste

Water Supplies Group

11. Water Supplies

Wastewater (Sewerage) Group

12. Wastewater (Sewerage)

Stormwater Group

13. Stormwater

Recreation and Community Facilities Group

14. Parks, Reserves and Swimming Pools
15. Public Toilets
16. Retirement Housing
17. Libraries
18. Theatre, Halls and Museums
19. Cemeteries
20. Property and Buildings

Governance								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
A Council that listens to its community, responds efficiently and effectively, communicates well and has a can do customer services attitude.	Responsive	The percentage of people who consider that Council has responded well or very well to community needs and issues.	New	50%	65%	75%	85%	Independent Community Views Survey
	Compliant	The percentage of formal consultation which follows legislative and policy requirements.	New	100%	100%	100%	100%	Exception reporting provided to Council on a quarterly basis.
	Responsive	Every time consultation occurs more than 4 engagement methods are used.	New	>4	>4	>4	>4	Exception reporting provided to Council on a quarterly basis.
	Compliant	The percentage of Council and committee agendas made available to the public four working days before the meeting.	New	100%	100%	100%	100%	Exception reporting provided to Council on a quarterly basis.

	Informative	The percentage of people who consider that Council has communicated well on Council business.	New	70%	75%	80%	85%	Independent Community Views Survey
	Inclusive	Council meets formally with Taiwhenua o Tamatea at least 4 times a year.	New	4	4	4	4	Formal meeting minutes to be reported to Council.
	Compliant	Documents audited receive an unmodified audit opinion.	100%	100%	100%	100%	100%	Audit opinion letters.

Economic and Social Development								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
To have a strong Council voice that advocates and leads change in economic and social issues and opportunities for the District.	Participates	Council actively participates in regional collaborative initiatives around economic and social development	New	Yes	Yes	Yes	Yes	Progress provided to Council on a quarterly basis.
	Leads	Council develops and implements a Community Wellbeing and Economic Development Strategy.	New	Yes	Yes	Yes	Yes	Progress provided to Council on a quarterly basis.
	Inclusive	The percentage of the Youth Action Plan that is implemented and achieved.	New	40%	60%	80%	100%	Progress provided to Council on a quarterly basis.
	Inclusive	The percentage of the Safer CHB Action Plan that is implemented and achieved.	New	40%	60%	80%	100%	Progress provided to Council on a quarterly basis.

	Inclusive	The percentage of the Older Persons Action Plan that is implemented and achieved.	New	40%	60%	80%	100%	Progress provided to Council on a quarterly basis.
	Inclusive	The percentage of the Disability Action Plan that is implemented and achieved.	New	40%	60%	80%	100%	Progress provided to Council on a quarterly basis.
	Effectiveness	The annual visitor spends increases by \$1 million annually.	\$32 million	+\$1 million	+\$1 million	+\$1 million	+\$1 million	Progress provided to Council on a quarterly basis.
	Accessibility	The number of participants in events financially supported by Council.	New	1000	2000	3000	4000	Progress provided to Council on a quarterly basis.
	Effectiveness	Create net new jobs within the District	New	50	50	50	50	Progress provided to Council on a quarterly basis.
	Quality	The percentage of the community satisfied with the Economic and Social Development activity of Council.	New	70%	80%	95%	95%	Independent Community Views Survey

District Planning								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
The District Plan is kept up to date and relevant to the needs of our community - helping us to maintain a well-designed and sustainable district	Effectiveness	Review of the District Plan is completed within timeframes	Review of the District Plan	Draft District Plan Notified	District Plan Operational	Rolling Review of Operational District Plan	Rolling Review of Operational District Plan	Project plan monitoring

Land Transport								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
The provisions of a safe and secure local roading network that meets the needs of our community	Safety	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	Reducing trend	Reduce total number to 0	Reduce total number to 0	Reduce total number to 0	Reduce total number to 0	NZTA accident reporting system to produce an annual report
	Quality	The average quality of ride on a sealed local road network, measured by smooth travel exposure	New	Between 85 & 90%	Between 85 & 90%	Between 85 & 90%	Between 85 & 90%	Annual performance reports generated by NZTA ONRC reporting tool
	Quality	At least 20% of the footpaths in excellent condition and no more than 10% of the footpaths in poor condition measured annually	Excellent >74.4% Poor <6.4%	Excellent >50% Poor <10%	Excellent >50% Poor <10%	Excellent >50% Poor <10%	Excellent >50% Poor <10%	Results of annual condition assessment

Land Transport								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
	Quality	The percentage of the sealed local road network that is resurfaced	8.5%	Between 6 and 8%	Between 6 and 8%	Between 6 and 8%	Between 6 and 8%	Management Reporting
	Responsiveness	The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within 3 working days	87%	100%	100%	100%	100%	Request for Service system
	Customer Service	The percentage of users satisfied with the roading service provided	New	90%	90%	90%	90%	Independent Community Views Survey

Building Control								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
The building consent process is compliant, efficient and user friendly	Timeliness	The percentage of building consents processed within 20 working days (the statutory timeframe)	100%	100%	100%	100%	100%	Building Consents Database
	Safety	The maintenance of building consent authority accreditation status	Achieved	Achieved	Achieved	Achieved	Achieved	Annual internal audit plus a two yearly external audit
	Customer Service	The percentage of customers satisfied with the building consent services provided	90%	90%	90%	90%	90%	Internally delivered survey of building control customers from the previous 12 months

Public Health								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
The public health process is compliant, efficient and user friendly	Health and safety	The percentage of food and other premises inspected at least once a year	100%	100%	100%	100%	100%	Property Database
	Health and safety	Where premises do not meet minimum standards, a corrective plan is put in place to help them within 10 working days	New	100%	100%	100%	100%	Property Database
	Responsiveness	Complaints received are responded to within 3 working days	100%	100%	100%	100%	100%	Per the Request for Service system
	Customer Service	The percentage of customers satisfied with the public health services delivered	New	95%	95%	95%	95%	Internally delivered survey of public health customers from the previous 12 months

Animal Control									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
Excellent customer service is provided to our customers and the animal control activity minimises nuisance and makes our community a safer place to live	Compliance		The percentage of known dogs registered	>95%	>95%	>95%	>95%	>95%	Per the Dog Registration System
	Safety		Percentage of serious dog incidences responded to within 2 hours	100%	100%	100%	100%	100%	Per the Request for Service system
	Safety		Response to all stock complaints and requests within 24 hours	100%	100%	100%	100%	100%	Per the Request for Service system
	Customer Service		The percentage of users satisfied with the Animal Control service provided	New	90%	90%	90%	90%	Independent Community Views Survey

Compliance and Monitoring									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
The compliance and monitoring process of is compliant, efficient and user friendly	Safety		Owners, or their agents, advised that their BWOFF has lapsed within one month of expiry	90%	95%	95%	100%	100%	Property Database
	Efficiency		All of PIMs, LIMs, and CCCs issued within the statutory timeframe	100%	100%	100%	100%	100%	Property Database
	Timeliness		Respond to complaints about non-compliance with bylaws within 3 days	New	100%	100%	100%	100%	Per Request For Service System
	Compliance		The percentage of resource consents monitored within two years of being issued	New	100%	100%	100%	100%	Property Database
	Customer Service		The percentage of users satisfied with the Compliance and Monitoring service provided	New	90%	90%	90%	90%	Independent Community Views Survey

Land Transport								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
The provisions of a safe and secure local roading network that meets the needs of our community	Safety	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	Reducing trend	Reduce total number to 0	Reduce total number to 0	Reduce total number to 0	Reduce total number to 0	NZTA accident reporting system to produce an annual report
	Quality	The average quality of ride on a sealed local road network, measured by smooth travel exposure	New	Between 85 & 90%	Between 85 & 90%	Between 85 & 90%	Between 85 & 90%	Annual performance reports generated by NZTA ONRC reporting tool
	Quality	At least 20% of the footpaths in excellent condition and no more than 10% of the footpaths in poor condition measured annually	Excellent >74.4% Poor <6.4%	Excellent >50% Poor <10%	Excellent >50% Poor <10%	Excellent >50% Poor <10%	Excellent >50% Poor <10%	Results of annual condition assessment

Land Transport								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (208/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
	Quality	The percentage of the sealed local road network that is resurfaced	8.5%	Between 6 and 8%	Between 6 and 8%	Between 6 and 8%	Between 6 and 8%	Management Reporting
	Responsiveness	The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within 3 working days	87%	100%	100%	100%	100%	Request for Service system
	Customer Service	The percentage of users satisfied with the roading service provided	New	90%	90%	90%	90%	Independent Community Views Survey

Solid Waste									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
Council supports and provides incentives for waste reduction, reuse and recycling in line with its Waste Management & Minimisation Plan	Effectiveness		The tonnes of recyclables through the centre each year	1,871	>1,000 tonnes	>1,000 tonnes	>1,000 tonnes	>1,000 tonnes	Monthly records from Contractors
	Effectiveness		The amount of greenwaste composted each year	New	>2,250 m3	>2,250 m3	>2,250 m3	>2,250 m3	Monthly records from Contractors
	Awareness		The number of schools participating in waste minimisation programmes	New	75%	75%	75%	75%	Management Reporting
	Awareness		Hold waste minimisation promotional events in the District	New	4	4	4	4	Management Reporting
	Customer Service		The percentage of users satisfied with the solid waste service provided	90%	90%	90%	90%	90%	Independent Community Views Survey

Water Supply									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
A continuous supply of water is provided at the right quantity, quality and pressure so that residents and industry can do what they need to do (for example, irrigation, showering and recreation)	Safety		The extent to which the local authorities drinking water supply complies with Part 4 of the drinking water standards (bacteria compliance criteria)	All potable supplies 100%	All potable supplies 100%	All potable supplies 100%	All potable supplies 100%	All potable supplies 100%	Yearly reporting to DHB
			The extent to which the local authorities drinking water supply complies with Part 5 of the drinking water standards (protozoal compliance criteria)	All potable supplies 100%	All potable supplies 100%	All potable supplies 100%	All potable supplies 100%	All potable supplies 100%	Yearly reporting to DHB
	Quality		Percentage of real water loss from the local authority's networked reticulation system	New	≤ 30%	≤ 30%	≤ 30%	≤ 30%	Minimum night flows compared to the average water consumption.
	Responsiveness		Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	0.15 hours	≤ 2 hours	≤ 2 hours	≤ 2 hours	≤ 2 hours	Request for Service System

		Resolution of urgent call outs: from the time that the Local Authority receives notification to the time the service personnel confirm resolution of the fault or interruption	7.12 hours	≤ 12 hours	≤ 12 hours	≤ 12 hours	≤ 12 hours	Request for Service System
		Attendance for non-urgent call outs: from the time that the Local Authority receives notification to the time the service personnel reaches the site	0.33 hours	≤ 6 hours	≤ 6 hours	≤ 6 hours	≤ 6 hours	Request for Service System
		Resolution of non-urgent call outs: from the time that the Local Authority receives notification to the time the service personnel confirm resolution of the fault or interruption	15.36 hours	≤ 72 hours	≤ 72 hours	≤ 72 hours	≤ 72 hours	Request for Service System
	Customer Service	Number of complaints relating to drinking water received (per annum per 1000 connections to the local authority's networked reticulation system)	0	≤ 5	≤ 5	≤ 5	≤ 5	Request for Service System

		Drinking water clarity, Drinking water taste, Drinking water odour, Drinking water pressure or flow, Continuity of supply, The local authority's response to any of these issues.						
	Demand	The average consumption of drinking water per day per water connection	1.64m ³	≤1.80m ³	≤1.80m ³	≤1.80m ³	≤1.80m ³	Management Reporting
	Quality	The percentage of users satisfied with the water supply service provided	90%	90%	90%	90%	90%	Independent Community Views Survey

Waste Water									
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting	
The sewerage system is convenient, safe and reliable	Quality	Target number of dry weather sewerage overflows (per 1000 connections to the total sewerage systems)	0	≤10	≤10	≤10	≤10	Request for Service System	
		Target number of total sewerage overflows (per 1000 connections to the total sewerage systems)	1.16	≤30	≤30	≤30	≤30	Request for Service System	
	Compliant	Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:							
		abatement notices;	0	0	0	0	0	Management Reporting	

Waste Water									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
			infringement notices;	0	0	0	0	0	Management Reporting
			enforcement orders; and	0	0	0	0	0	Management Reporting
			convictions, received by the territorial authority in relation those resource consents.	1	0	0	0	0	Management Reporting
	Responsive		Median response time for attending sewerage overflows resulting from blockages or other faults (measured from the time that notification is received to the time that the service personnel reach the site)	14.5 mins	≤1hr	≤1hr	≤1hr	≤1hr	Request for Service System

Waste Water									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
			Median resolution time for attending sewerage overflows resulting from blockages or other faults (measured from the time that notification is received to the time that service personnel confirm resolution of the blockage or other fault)	2.78 hrs	≤ 4 hrs	≤ 4 hrs	≤ 4 hrs	≤ 4 hrs	Request for Service System

Waste Water									
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting	
	Customer Service	Number of complaints received per annum per 1000 sewerage connections about any of the following: Sewage odour, Sewerage system faults, Sewerage system blockages or Council's response to issues with its sewerage systems.	72.76 for odour 0 for all others	≤ 10	≤ 10	≤ 10	≤ 10	Request for Service System	
	Customer Service	The percentage of users satisfied with the wastewater service provided	New	90%	90%	90%	90%	Independent Community Views Survey	

Stormwater									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
A safe and operational stormwater drainage network for design events	Quality		For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)	0	0	0	0	0	Request for Service System
	Compliant		Compliance with the territorial authority's resource consents for discharge from its stormwater systems measured by the number of:						
			abatement notices;	0	0	0	0	0	Management Reporting
			infringement notices;	0	0	0	0	0	Management Reporting

Stormwater									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
			enforcement orders; and	0	0	0	0	0	Management Reporting
			successful prosecutions, received by the territorial authority in relation those resource consents.	0	0	0	0	0	Management Reporting
	Responsive		The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	≤2hr	≤2hr	≤2hr	≤2hr	≤2hr	Request for Service System

Stormwater								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
	Customer Service	The number of complaints received about the performance of the stormwater system (expressed per 1000 properties connected to the stormwater system)	≤ 5	≤ 5	≤ 5	≤ 5	≤ 5	Request for Service System
	Customer Service	The percentage of users satisfied with the stormwater service provided	90%	90%	90%	90%	90%	Independent Community Views Survey

Parks, Reserves and Swimming Pools									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
A range of parks and reserves that are affordable, well maintained and safe that provide for the sporting, cultural and well-being of the community.	Safe		Safety checks on playground equipment are carried out monthly	New	Achieved	Achieved	Achieved	Achieved	Utilities Team Inspection Sheet
	Accessible		The percentage of people that have used or visited a park or reserve in the last 12 months	New	65%	65%	65%	65%	Independent Community Views Survey
	Quality		The percentage of people that are satisfied with the park or reserve used or visited in the last 12 months	New	90%	90%	90%	90%	Independent Community Views Survey
Access to good quality swimming pool facilities for fun, recreation and exercise	Accessible		The number of A W Parsons pool users	New	75,000	76,500	78,000	79,500	Report from Pool Operators

Parks, Reserves and Swimming Pools									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
	Accessible		The number of Waipawa pool users	New	3,000	3,050	3,120	3,180	Report from Pool Operators
	Safe		Both pools complies with the lifeguard pool safety standard requirements	New	Achieved	Achieved	Achieved	Achieved	Receipt of certification
	Quality		The percentage of people that are satisfied with the swimming pools used or visited in the last 12 months	New	65%	65%	65%	65%	Independent Community Views Survey

Public Toilets								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
Facilities are clean, safe, in good working order and meet the needs of our community & visitors	Health and Safety/ Quality	The percentage of the public satisfied with the cleanliness and provision of public toilets	New	90%	90%	90%	90%	Independent Community Views Survey

Retirement Housing								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
Safe, well maintained and comfortable community housing for the ageing population in the District living on fixed income.	Responsiveness	The percentage of retirement housing units that are occupied	95%	95%	95%	95%	95%	Monthly Reporting of Occupancy
	Quality	Tenants' overall satisfaction with Council's Retirement Housing service	New	80%	80%	80%	80%	Internally delivered survey of pensioner housing tenants

Libraries								
What customers want / Customer Value	Customer of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
Our libraries are inclusive places and all people are encouraged to make use of the library's services	Accessibility	The percentage of the Central Hawke's Bay population that use the library services	New	65%	65%	65%	65%	Independent Community Views Survey
	Accessibility	The number of people visiting our libraries measure by						
		Physical Visits	New	114,878	117,176	119,519	120,714 – 128,140	Door Counter and website visits
		Online Visits	New	4,189	4,272	4,358	4,401 – 4,718	
	Quality	The percentage of library users satisfied with the service provided	90%	90%	90%	90%	90%	Independent Community Views Survey

Theatres Halls & Museums									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
Safe, affordable and appropriate facilities that provide for the cultural and social well-being of the communities	Safety		All Community Owned Halls have a current BWOF	100%	100%	100%	100%	100%	Management Reporting
	Accessibility		The number of users of the Memorial Hall	New	5,000	5,100	5,200	5,300 – 5,975	Report from Facility
	Accessibility		The number of users of the Civic Theatre	New	16,500	16,830	17,150	17,500 – 19,000	Report from Facility
	Accessibility		The number of bookings of the CHB Municipal Theatre	New	180	184	187	191-215	Report from Facility
	High Quality		The percentage of hirers that are satisfied with the Memorial Hall	New	85%	85%	85%	85%	Internally delivered survey of hirers from the previous 12 months

Theatres Halls & Museums								
What customers want / Customer Value	Customer Levels of Service	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
	High Quality	The percentage of hirers that are satisfied with the Civic Theatre	New	85%	85%	85%	85%	Internally delivered survey of hirers from the previous 12 months
	High Quality	The percentage of hirers that are satisfied with the CHB Municipal Theatre	New	85%	85%	85%	85%	Internally delivered survey of hirers from the previous 12 months

Cemeteries									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
Cemetery grounds provide a special place of remembrance for loved ones amongst attractive and well maintained grounds	Availability		The number of plots available for burial or cremation in the district	2,042	500	500	500	500	Via the Sexton
	Quality		The percentage of the community satisfied with cemetery facilities (including shade and seating)	90%	90%	90%	90%	90%	Independent Community Views Survey
	Accessibility		All burial records available to be viewed on the internet	100%	100%	100%	100%	100%	Database

Property and Buildings									
What customers want / Customer Value	Customer of Service	Levels	Performance Measure	Baseline	Year 1 Target (2018/19)	Year 2 Target (2019/20)	Year 3 Target (2020/21)	Year 4-10 Target (2019/20)	Performance Measure Reporting
Ensure safe buildings for public use	Safety		Monthly Building Warrant of Fitness (BWOFF) checks are carried out	Achieved	Achieved	Achieved	Achieved	Achieved	Management Reporting

CHBDC Long Term Plan 2018-28 Supporting Information

Prospective Statement of Comprehensive Income

	Annual Plan 2018 \$000	Note	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Rates revenue	18,518		19,736	20,477	21,272	22,114	22,989	23,806	24,314	24,808	25,365	25,959
Subsidies and grants	6,554		6,994	7,169	7,362	8,014	8,206	8,404	8,613	8,836	9,074	9,328
Fees and Charges	2,586		2,904	2,948	3,005	3,077	3,142	3,217	3,300	3,376	3,464	3,564
Interest and dividends	123		123	112	117	124	130	142	105	109	124	113
Development contributions	22		22	22	22	22	22	22	22	22	22	22
Other revenue	205		169	173	177	181	185	189	194	198	204	209
Total revenue	28,009		29,949	30,901	31,956	33,533	34,675	35,779	36,548	37,350	38,253	39,195
Expenditure												
Personnel costs	4,037		4,522	4,606	4,836	4,950	5,064	5,180	5,305	5,438	5,579	5,730
Depreciation and amortisation	11,932		11,988	12,432	13,090	13,525	14,015	14,661	15,195	15,837	16,574	17,146
Finance costs	199		499	964	1,028	1,090	1,073	1,013	977	870	804	641
Other operating expenses	11,633		13,148	13,389	13,755	14,414	14,754	15,087	15,456	15,838	16,255	16,680
Total operating expenditure	27,802		30,157	31,391	32,710	33,979	34,906	35,942	36,933	37,983	39,212	40,196
Operating surplus/(deficit) before tax	207		(209)	(490)	(754)	(446)	(231)	(163)	(385)	(633)	(958)	(1,000)
Income tax expense	0		0	0	0	0	0	0	0	0	0	0
Net surplus/(deficit) after tax	207		(209)	(490)	(754)	(446)	(231)	(163)	(385)	(633)	(958)	(1,000)
Other comprehensive income												
Gains/(Losses) on the revaluation of property, plant, equipment	11,754		13,777	20,536	14,436	16,922	24,501	16,808	19,552	28,278	20,248	23,406
Total other comprehensive Income	11,754		13,777	20,536	14,436	16,922	24,501	16,808	19,552	28,278	20,248	23,406
Total comprehensive income for the year	11,961		13,568	20,046	13,682	16,475	24,270	16,645	19,167	27,645	19,289	22,406

CHBDC Long Term Plan 2018-28 Supporting Information

Prospective Statement of Changes in Equity

	Annual Plan 2018 \$000	Note	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Opening Equity Balance	781,618		793,579	807,147	827,193	840,875	857,350	881,620	898,265	917,433	945,078	964,367
Total comprehensive income for the year	11,961		13,568	20,046	13,682	16,475	24,270	16,645	19,167	27,645	19,289	22,406
Closing Equity Balance	793,579		807,147	827,193	840,875	857,350	881,620	898,265	917,433	945,078	964,367	986,773
Components of Equity												
Ratepayers Equity at the beginning of the Year	244,613		244,579	244,185	243,384	242,295	241,502	240,861	240,369	239,676	238,648	237,264
Net Surplus/(Deficit) for the Year	11,961		13,568	20,047	13,682	16,474	24,270	16,646	19,167	27,644	19,289	22,406
Transfers to (from) other reserves	(11,996)		(13,962)	(20,847)	(14,771)	(17,267)	(24,911)	(17,138)	(19,860)	(28,672)	(20,673)	(23,802)
Ratepayers Equity at end of Year	244,579		244,185	243,384	242,295	241,502	240,861	240,369	239,676	238,648	237,264	235,869
Special Funds at the beginning of the Year	6,162		6,404	6,589	6,900	7,236	7,581	7,991	8,322	8,630	9,024	9,449
Transfers to (from) Special Funds	242		185	311	336	345	410	331	308	394	425	395
Special Funds at the end of the Year	6,404		6,589	6,900	7,236	7,581	7,991	8,322	8,630	9,024	9,449	9,844
Trust Funds at the beginning of the Year	184		184	184	184	184	184	184	184	184	184	184
Transfers to (from) Trust Funds	0		0	0	0	0	0	0	0	0	0	0
Trust Funds at the end of the Year	184		184	184	184	184	184	184	184	184	184	184
Revaluation Reserves at the beginning of the Year	530,658		542,412	556,190	576,725	591,161	608,083	632,584	649,392	668,944	697,222	717,469
Transfers to (from) Revaluation Reserves	11,754		13,777	20,536	14,436	16,922	24,501	16,808	19,552	28,278	20,248	23,406
Revaluation Reserves at the end of the Year	542,412		556,190	576,725	591,161	608,083	632,584	649,392	668,944	697,222	717,469	740,876
Total Equity at end of Year	793,579		807,147	827,194	840,875	857,350	881,620	898,266	917,434	945,078	964,367	986,773
* 1 July 2017 Opening Balance Sheet has been reforecast for the 2017/18 Annual Plan based on 30 June 2017 Actuals and expected performance for 2017/18.												

CHBDC Long Term Plan 2018-28 Supporting Information

Prospective Balance Sheet

	Annual Plan 2018 \$000	Note	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Assets												
Current assets												
Cash and cash equivalents	2,453		2,453	2,453	2,453	2,453	2,453	2,453	2,453	2,453	2,453	2,453
Accounts receivable	2,512		2,512	2,512	2,512	2,512	2,512	2,512	2,512	2,512	2,512	2,512
Prepayments	229		229	229	229	229	229	229	229	229	229	229
Stock on Hand	23		23	23	23	23	23	23	23	23	23	23
Current Investments	1,268		496	0	0	0	0	0	32	0	0	0
Total current assets	6,485		5,713	5,218	5,218	5,218	5,218	5,218	5,250	5,218	5,218	5,218
Non-current assets												
Investments	1,993		2,566	2,591	2,604	2,612	3,392	3,969	2,680	2,857	3,359	3,019
Property, plant and equipment	794,982		813,585	841,668	856,340	873,796	897,002	911,995	931,444	957,028	974,633	994,436
Total non-current assets	796,975		816,151	844,259	858,943	876,409	900,394	915,964	934,125	959,884	977,992	997,454
Total assets	803,460		821,864	849,476	864,161	881,626	905,611	921,182	939,374	965,102	983,210	1,002,672
Liabilities												
Current liabilities												
Trade and other payables	4,627		4,627	4,627	4,627	4,627	4,627	4,627	4,627	4,627	4,627	4,627
Employee entitlements	253		253	253	253	253	253	253	253	253	253	253
Current public debt	43		727	43	43	43	43	43	2,043	43	43	43
Total current liabilities	4,923		5,607	4,923	4,923	4,923	4,923	4,923	6,923	4,923	4,923	4,923
Non-current liabilities												
Non-current public debt	2,866		6,992	15,218	16,195	17,159	16,847	15,746	12,744	12,799	11,590	8,619
Provisions for landfill closure	2,092		2,117	2,142	2,168	2,194	2,220	2,247	2,274	2,301	2,329	2,357
Total non-current liabilities	4,958		9,109	17,360	18,362	19,353	19,067	17,993	15,017	15,100	13,919	10,975
Total liabilities	9,881		14,716	22,283	23,286	24,276	23,991	22,916	21,941	20,024	18,842	15,899
Equity												
Special and other funds	6,404		6,589	6,900	7,236	7,581	7,991	8,322	8,630	9,024	9,449	9,844
Trust funds	184		184	184	184	184	184	184	184	184	184	184
Revaluation reserve of assets	542,412		556,190	576,725	591,161	608,083	632,585	649,391	668,944	697,222	717,469	740,876
Ratepayers' equity	244,579		244,185	243,384	242,295	241,502	240,861	240,369	239,676	238,648	237,264	235,869
Total equity	793,579		807,148	827,194	840,875	857,350	881,621	898,266	917,434	945,078	964,367	986,773
Total Liabilities and Equity	803,460		821,864	849,477	864,161	881,626	905,612	921,182	939,374	965,102	983,209	1,002,672
* 1 July 2017 Opening Balance Sheet has been reforecast for the 2017/18 Annual Plan based on 30 June 2017 Actuals and expected performance for 2017/18.												

CHBDC Long Term Plan 2018-28 Supporting Information

Prospective Statement of Cash Flows

	Annual Plan 2018 \$000	Note	Year 1 2019 \$000	Year 2 2020 \$000	Year 3 2021 \$000	Year 4 2022 \$000	Year 5 2023 \$000	Year 6 2024 \$000	Year 7 2025 \$000	Year 8 2026 \$000	Year 9 2027 \$000	Year 10 2028 \$000
Cash flows from operating activities												
Cash was provided from:												
Receipts from rates revenue	18,518		19,736	20,477	21,272	22,114	22,989	23,806	24,314	24,808	25,365	25,959
Subsidies and grants received	6,554		6,994	7,169	7,362	8,014	8,206	8,404	8,613	8,836	9,074	9,328
Fees and charges received	2,586		2,904	2,948	3,005	3,077	3,142	3,217	3,300	3,376	3,464	3,564
Interest received	123		123	112	117	124	130	142	105	109	124	113
Receipts from other revenue	157		169	173	177	181	185	189	194	198	204	209
Development contributions	22		22	22	22	22	22	22	22	22	22	22
Cash was disbursed to:												
Payments to suppliers of goods and services	(11,633)		(13,148)	(13,389)	(13,755)	(14,414)	(14,754)	(15,087)	(15,456)	(15,838)	(16,255)	(16,680)
Payments to employees	(4,037)		(4,522)	(4,606)	(4,836)	(4,950)	(5,064)	(5,180)	(5,305)	(5,438)	(5,579)	(5,730)
Interest paid	(175)		(474)	(938)	(1,003)	(1,064)	(1,047)	(986)	(950)	(843)	(776)	(613)
Net cash from operating activities	12,116		11,804	11,967	12,362	13,105	13,810	14,525	14,838	15,232	15,644	16,173
Cash flows from investing activities												
Cash was provided from:												
Proceeds from sale of property, plant and	48		0	0	0	0	0	0	0	0	0	0
Proceeds from investments	366		1,280	535	0	0	0	0	0	32	0	0
Cash was disbursed to:												
Purchase of investment	(1,402)		(1,081)	(64)	(13)	(9)	(780)	(577)	1,257	(176)	(503)	341
Purchase of intangible assets	0		0	0	0	0	0	0	0	0	0	0
Purchase of property, plant and equipment	(11,266)		(16,814)	(19,979)	(13,326)	(14,060)	(12,719)	(12,847)	(15,092)	(13,143)	(13,932)	(13,543)
Net cash from investing activities	(12,254)		(16,615)	(19,509)	(13,339)	(14,069)	(13,499)	(13,424)	(13,835)	(13,287)	(14,434)	(13,202)
Cash flows from financing activities												
Cash was provided from:												
Proceeds from borrowing	137		4,810	8,225	977	964	(312)	(1,101)	(1,002)	55	(1,209)	(2,971)
Cash was disbursed to:												
Repayment of borrowings	(0)		(0)	(684)	(0)	0	0	0	(0)	(2,000)	0	(0)
Net cash from financing activities	137		4,810	7,541	977	964	(312)	(1,101)	(1,002)	(1,945)	(1,209)	(2,971)
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	0		0	0	0	0	0	0	0	0	0	0
Cash, cash equivalents and bank overdrafts at the beginning of the year	2,453		2,453	2,453	2,453	2,453	2,453	2,453	2,453	2,453	2,453	2,453
Cash, cash equivalents and bank overdrafts at the end of the year	2,453		2,453	2,453	2,453	2,453	2,453	2,453	2,453	2,453	2,453	2,453
* 1 July 2017 Opening Balance Sheet has been reforecast for the 2017/18 Annual Plan based on 30 June 2017 Actuals and expected performance for 2017/18.												

CHBDC Long Term Plan 2018-28 Supporting Information

Prospective Statement of Reserve Movements

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Reserves held for Emergency Purposes											
Opening Balance	3,133	3,237	3,356	3,360	3,363	3,358	3,353	3,348	3,343	3,338	3,333
Transfers to Reserves	104	114	(2)	(2)	(10)	(10)	(10)	(10)	(10)	(10)	(10)
Transfer From Reserves		5	5	5	5	5	5	5	5	5	5
Closing Balance	3,237	3,356	3,360	3,363	3,358	3,353	3,348	3,343	3,338	3,333	3,328
Reserves held for Future Asset Purchases											
Opening Balance	2,089	2,185	2,316	2,572	2,854	3,153	3,518	3,802	4,065	4,413	4,793
Transfers to Reserves	153	131	257	281	300	364	285	262	349	379	349
Transfer From Reserves	0	0	0	0	0	0	0	0	0	0	0
Closing Balance	2,185	2,316	2,572	2,854	3,153	3,518	3,802	4,065	4,413	4,793	5,142
Reserves held for Future Operational Costs											
Opening Balance	770	820	871	922	973	1,023	1,074	1,125	1,176	1,226	1,277
Transfers to Reserves	78	51	51	51	51	51	51	51	51	51	51
Transfer From Reserves	0	0	0	0	0	0	0	0	0	0	0
Closing Balance	820	871	922	973	1,023	1,074	1,125	1,176	1,226	1,277	1,328
Other Reserves Held											
Opening Balance	42	47	47	47	47	47	47	47	47	47	47
Transfers to Reserves	0	0	0	0	0	0	0	0	0	0	0
Transfer From Reserves	0	0	0	0	0	0	0	0	0	0	0
Closing Balance	47	47	47	47	47	47	47	47	47	47	47
Total Reserve Funds	6,289	6,589	6,900	7,236	7,581	7,991	8,322	8,630	9,024	9,449	9,844

Introduction

Infrastructure plays an important part in our everyday lives, providing a platform for healthy, thriving communities and allowing our business community to deliver goods and services to customers. 'Infrastructure' refers to the fixed, long-lived structures that facilitate the production of goods and services and underpin many aspects of quality of life¹.

Purpose of the Infrastructure Strategy

- Significant infrastructure issues facing the Central Hawkes Bay District over the next 30 years
- The principal options for managing these issues and the implications of these options

- it will respond to growth or decline in demand,
- it will manage the renewal or replacement of existing assets over their lifetime;
- planned increases or decreases in levels of service will be allowed for;
- public health and environmental outcomes will be maintained or improved; and
- natural hazard risks will be addressed in terms of infrastructure resilience and financial planning

- water supply
- sewage and the treatment and disposal of sewage (wastewater)
- stormwater drainage
- roads and footpaths
- flood protection and control works

- state highways as planning for, providing and managing state highways is the responsibility of the New Zealand Transport Agency
- flood protection and control assets as these are the responsibility of the Hawkes Bay Regional Council.

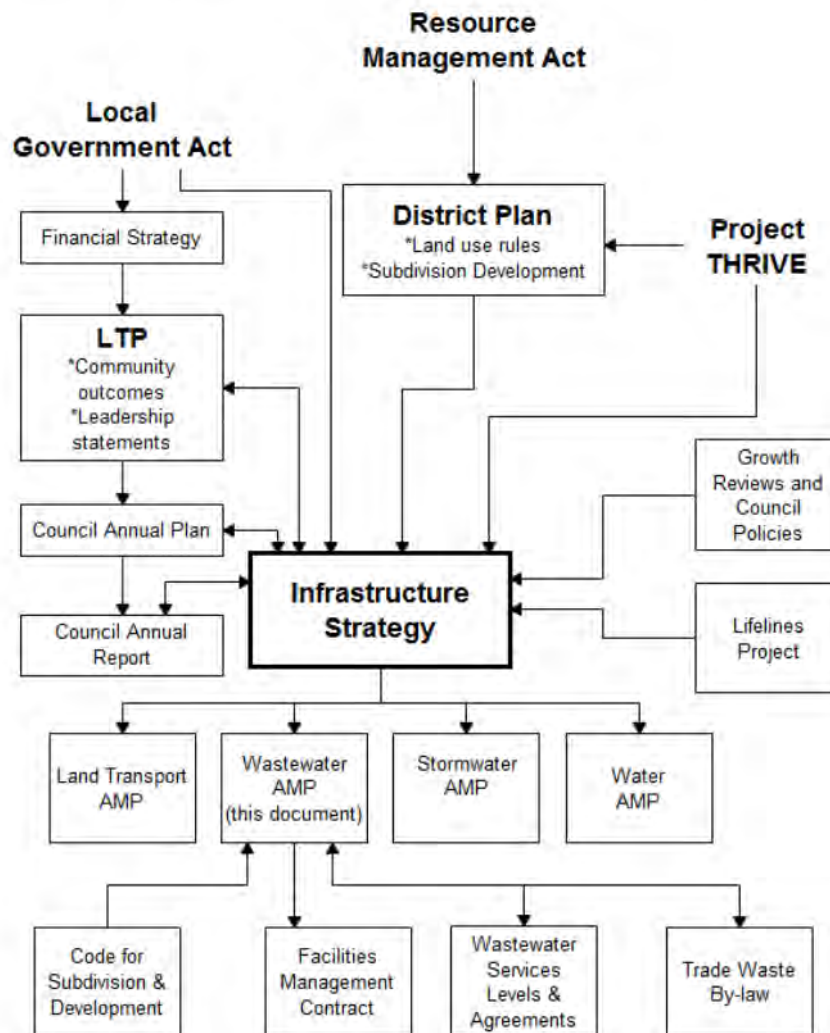
Page 1

CHBDC Long Term Plan 2018-28 Supporting Information

Relationship of Infrastructure Strategy to Other Plans

This strategy provides the link between a number of important Council documents such as the District Plan, Council's Financial Strategy, Wastewater, Stormwater, Water and Land Transport Activity Management Plans and the funding of these through the Long Term Plan (LTP).

The diagram below shows the relationship between the infrastructure strategy with other Council Plans and Policies interlinking with this document.



Based on the strategic direction set out in this document it is expected that Council will develop a schedule of intended capital works for the next 30 years. Council will prioritise these projects based on funding available and

CHBDC Long Term Plan 2018-28 Supporting Information

the needs of the community. The projects identified will be discussed in more detail in the respective Activity Management Plans.

Central Hawke's Bay District Council Infrastructure Strategy

Infrastructure is a big ticket item and the cost of maintaining and developing our assets needs to be affordable for current and future ratepayers. Affordably and sustainably, managing networked infrastructure like roads, water supply, wastewater and stormwater with low levels of growth while standards and service level expectations continue remain the same over the period of this document. Developing this strategy assists Council to look at what is likely to be required over the next 30 years; balancing the current ratepayer's ability to pay and future ratepayers having well maintained and functioning infrastructure.

Our approach to ensuring that we manage existing infrastructure assets efficiently and effectively and invest in new infrastructure assets wisely will be based on the following approach:

Managing our existing assets efficiently and effectively

This approach enables us to achieve best value for the investment we have already made in existing assets. Many of our assets have long lives and we need to take a long-term view. Managing our assets over their full life requires us to take an integrated long-term approach based on good underlying data about our assets and to:

- optimise the way in which we operate, maintain, renew or replace our assets
- ensure our infrastructure meets the needs of current and future generations in an affordable way
- ensure that future generations are not disadvantaged by decisions made by Council in the short term
- ensure that risks to service levels and public safety are acceptable

Retain existing supply network boundaries verse extending the boundaries

Projections suggest that growth in residential housing in our district will be halfway between the medium to high for the period up to 2028 and high from 2028 to 2048. However, based on previous trends we expect that we will continue to experience life style residential development on the fringe of existing urban areas but outside of our existing reticulated water network. This type of development can result in pressure on Council to extend existing networks. However, we need to ensure that our water supply networks remain affordable and sustainable for current and future generations. To ensure the continued affordability of our water supply networks council is currently consulting with the community to grow the networks to allow expansion into the rural residential zones as identified by the proposed District Plan. Therefore our approach to the growth pressure is:

- to encourage utilisation of existing infrastructure where existing capacity allows
- Allow connections inside our current boundaries as of right
- Only allow connection to extend existing networks beyond our existing supply boundaries where they meet specified criteria as proposed in the amended Water By-law.
- Upgraded the existing networks to meet the legislative requirements for firefighting as well as growth with the view of providing extension to the network beyond current boundaries when they are adopted in the new District Plan.
- not provide for new reticulation beyond the urban areas until the reticulation inside the boundaries has been upgraded and the District Plan as confirmed the new service areas.

We are currently reviewing our District Growth Strategy and District Plan and these approaches will be reviewed.

Right-size our infrastructure

Given that our population is projected to increase over the next 30 years so we will be experiencing a growth in dwellings between medium to high and coupled with the recent findings in modelling highlighting lack of firefighting/supply capacity to meet legislative needs in the Waipukurau, Waipawa and Otane networks. Council has planned significant upgrades to these networks over the coming years. This work also include new

CHBDC Long Term Plan 2018-28 Supporting Information

treatment plant work to improve water quality in line with the new drinking water standards and provisional findings from the enquiry in to the Havelock North water issues as well as meeting higher resource consent conditions for wastewater and stormwater. Where practical council will utilise demand management tools to support this approach to ensure that our assets are not placed under too much stress during peak periods or in years where our climatic conditions place constraints on our ability to meet demand for services (e.g. manage demand for water in years when we have very dry summers, stormwater retention devices for new dwellings) until the upgrades can be completed.

Continue to deliver existing service levels

Increasing service levels can increase the cost of operating and maintaining our assets. Our population is ageing and over the next 30 years we will have more residents with fixed incomes who may be less able to absorb the costs of increased service levels. Assumptions is that while the number of houses is expected to increase over the next 30 years levels of service will remain the same over the period of this document.

Central Hawke's Bay District – Te Kaunihera o Tamatea

Our District – Physical Context

Our district covers an area of 3,324 square kilometres. It covers the area from Pukehou in the north, to Whangaehu and Takapau in the south, and from the western Ruahine ranges to the eastern coast. The District extends from high hill country bordered by the Ruahine Ranges through gently rolling plains into rugged coastal farmland. Much of the area is highly modified for pasture and cropping, with remnants of forest and scrub.

Sheltered by the Ruahine ranges, Central Hawke's Bay enjoys a dry, sunny and temperate climate. The District averages around 2,200 sunshine hours and an average rainfall of around 900 millimetres.

The district has a number of outstanding natural features and landscapes, with the mountain, river and beaches as key features.

The District has three main river systems: the Tukituki, Waipawa and Porangahau Rivers. There is a major groundwater system under the Ruataniwha Plains. It comprises a shallow unconfined aquifer, with several deeper confined aquifers.

Natural hazards and climate change

Our district is subject to a number of natural hazards such as earthquakes, coastal inundation and erosion, tsunami and landslides and these can result in disruption to services and damage to our infrastructure. This can lead to unforeseen and often high costs to repair infrastructure and restore services.

These hazards impact on our networks in different ways. For example, where our infrastructure networks are near the coast they may be subject to coastal erosion, coastal inundation, tsunami and landslips. Our urban infrastructure networks are more likely to be impacted by earthquakes and flooding.

Climate change is likely to have an impact on the Central Hawkes Bay over the coming years, with changes to wind and weather patterns, sea level rises, increased flood risk and frequency of extreme weather events predicted². Climate change is not expected to create new natural hazards in our District but it may change the intensity and frequency of natural hazards. In Central Hawkes Bay, increasing levels and intensity of rainfall may cause localised flooding issues, placing pressure on our stormwater drainage systems and wastewater systems (for example, if stormwater infiltrates our wastewater network). This could impact negatively on our natural environment, our water quality and increase public health risks. Sea level raise could be a major issue for our coastal settlements and roading network that runs along the foreshore. Council has a statutory requirement to consider sea level raise under the RMA and new District Plan where rule and process will be set after consultation with the public and other governing bodies.

Changing Environmental Standards and Legal Obligations

The National Policy Statement for Freshwater Management (NPS-FM) will require the Council to meet high levels of treatment for the disposal of waste from our pond discharges. This has certainly been the case with the increase in consent condition for the Waipukurau and Waipawa discharge consents. As a result of this Council envisages consent conditions are likely to more prescriptive for Takapau, Porangahau and Te Paerahi similar to the more prescriptive approach the HBRC have taken with the Otane consent.

Also from the hearing over the Havelock North water crisis council has experienced more attention from the regional council and the district health board on how we manage and run our drinking water supplies. This has not only impacted on capital works projects such as new UV water treatment but has added cost on the operational side of council water supply systems. In the short term council is envisaging further operation cost increases as the legal process over the water issue progress.

² <http://www.mfe.govt.nz/climate-change/climate-change-resources/guidance-local-government/>

CHBDC Long Term Plan 2018-28 Supporting Information

Similar to wastewater the regional council consents have increased cost both in capital and operation works to manage our stormwater discharges. In the short term this will impact on operational cost but in the long term additional work is envisaged improving the quality of stormwater discharges in to the receiving catchments such as the Tuki Tuki River.

The District**Our People****Household Growth**

Understanding the characteristics of our current households (households are used instead of population as it directly links to service demand) and how these are likely to change over the next 30 years is critical for the effective management of our infrastructure. Different demographic groups have different needs and preferences for services. Our people live in dispersed settlements across the district and each of these settlements is likely to change in different ways over the life of this strategy and this may influence how, when and where we provide infrastructure across our district in the future.

The Central Hawke's Bay District has a population of around 13,720 with approximately 5,560 households in the District (2017 Census update by Sean Bevin). Based on past trends, medium to high projections suggest that our district will experience a growth of households around 9.5% in total across the district for the next 10 years from 2018, with a growth of around 9.0% over the following 20 years to 2048. By 2048, projections number of households is suggest around 6,700 across the district.

Projections suggest that over the next 30 years, the household increase in all of our townships will follow a similar trend.

CHBDC Long Term Plan 2018-28 Supporting Information

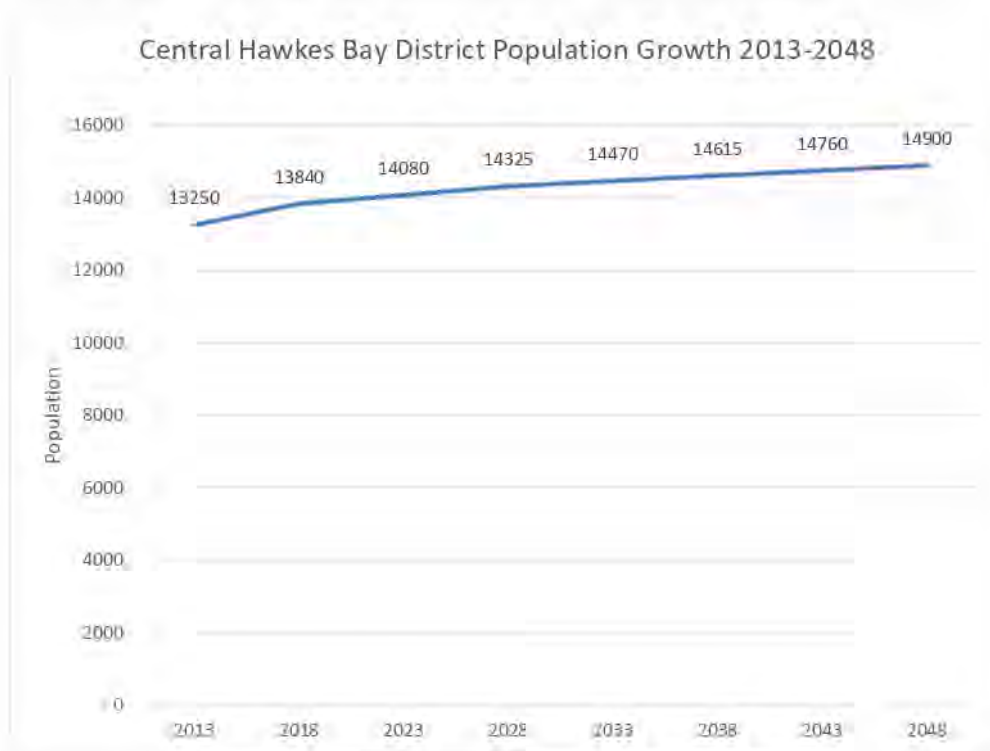
Demographic Change

Like many parts of New Zealand, our population is ageing. In 2015 around 20% of our population is over the age of 65 and the median age of our population is 42 years of age. By 2048, around 36% of our population is expected to be over the age of 65 and the median age of our population will be over 50 years of age. This means that an increasing proportion of our residents will be reliant on fixed incomes and will be less able to absorb increased costs of service.

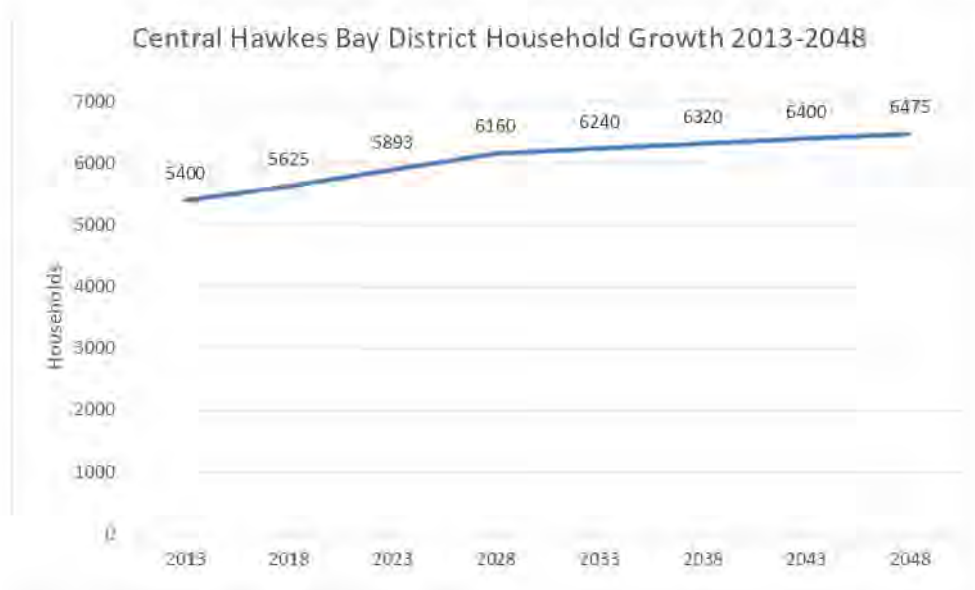
Our Settlements

There are two main towns in Central Hawke's Bay - [Waipukurau](#) and [Waipawa](#) - with a number of smaller rural townships including [Otane](#), [Takapau](#), [Tikokino](#), Porangahau, Te Paerahi Beach and [Onga Onga](#). In addition there are several beach townships including Kairakau, Pourerere, Blackhead and Te Paerahi.

Approximately 55% of the District's population lives in the urban areas. The main towns of Waipukurau and Waipawa house 5,080 and 2,510 residents respectively. Of the rural townships the villages of Takapau and Otane have the highest populations with approximately 500 - 650 people in each settlement.



Central Hawkes Bay District Household Growth 2013-2048



Changing preferences and Future Residential Growth

Based on past residential growth trends we are likely to continue to experiencing a mixture of life style residential development on the fringes of our existing urban areas and more intense development within our town boundaries.

We are currently reviewing our Urban Growth Strategy and our initial work indicates that there is sufficient land available for infill development in the towns of Waipukurau, Waipawa and Otane to meet the anticipated housing growth.

Infill housing and urban intensification have the potential to increase pressure on existing infrastructure. Larger houses generally have larger garages and hard standing areas as well. In general these new developments have fewer permeable surfaces, which results in higher stormwater flows.

Improved standards of living and increased use of water-consuming appliances and garden watering devices have coincided with a customer expectation of a right to a continuous water supply and the right to dispose of all wastewater created.

Most houses now being built are larger than the average dwelling was 20 years ago and often contain multiple bathroom and toilet facilities. Despite a reduction in the number of household occupants, water demand is still expected to increase over time because of higher water use per capita.

Our Economy

The district's "bread and butter" is still sheep and beef farming, vegetable and grain crops, pip-fruit, with more recent increases in dairy farming. Non-traditional industries are being explored and finding some success including top quality vineyards. However, over the next 30 years our economic profile is not expected to change significantly.

CHBDC Long Term Plan 2018-28 Supporting Information

Overview of our Infrastructure Assets

Land Transport

Our land transport networks are managed directly by Council with assistance from Consultants, with operations and maintenance activities contracted to a third party. Council is responsible for allowing movement of people within our communities on local roads and footpaths. New Zealand Transport Agency is responsible for managing the state highways that run through our District and connect our communities regionally.

Asset Group	Asset Type	Quantity	Units
Pavements	Pavements	1,264	km
	Saeled Roads	863	km
	Unsealed	401	km
	Urban Roads	72.9	km
	Rural	1191.1	km
Pavement Drainage	Drainage Asset	8,852	No
	Surface Water Channels	1,756	km
Bridges & Guard Rails	Bridges & Large Culverts	264	No
	Guard Rails	7,419	m
Retaining Structures	Retaining Walls	299	No
	Stock Underpass	3	No
Carriageway Lighting	Lighting Poles	310	No
	Lighting Brackets	879	No
	Lights	881	No
Traffic Facilitates	Marking - Linear	1,079	km
	Marking - Symbols	1,878	No
	Signs	5,098	No
	Railings	6,816	m
	Footpath	68.4	km

CHBDC Long Term Plan 2018-28 Supporting Information

Water Supply

Council owns and operates seven treated water supply schemes that supply water to domestic, commercial and industrial properties in each of these schemes. Many of these networks were originally installed in the early 1900s. There is also a small water supply scheme at Pourerere for two connections only including the camping ground and public toilets.

	Connections	Pipes	Valves	Hydrants	Pump Stations	Reservoirs
	Number	metres	Number	Number	Number	Number
Waipukurau	2,173	77,859	342	322	1	3
Waipawa	981	52,295	115	190	2	3
Otane	273	18,488	72	36		2
Takapau	272	16,406	44	51	1	13
Porangahau	110	10,138	37	22		3
Te Paerahi	133	6,349	46	17	1	15
Kairakau	84	3,312	9	2	3	5
Pourerere	5	6,120				4
Total	4,031	190,966	665	640	8	48

CHBDC Long Term Plan 2018-28 Supporting Information

Wastewater

Council collects, treats and disposes of wastewater at six treatment plants at Otane, Waipawa, Waipukurau, Takapau, Porangahau, and Te Paerahi. The oldest parts of our wastewater networks were installed in the early 1900s in Waipukurau and Waipawa. In all our networks, wastewater treatment currently occurs primarily in oxidation ponds.

	Connections	Pipes	Manholes	Lampholes	Pump Stations	Treatment Plants
	Number	metres	Number	Number	Number	Number
Waipukurau	1,948	54,867	577		5	1
Waipawa	858	30,037	248	12	2	1
Otane	252	9,832	83		0	1
Takapau	199	8,449	55		1	1
Porangahau	105	4,030	33		1	1
Te Paerahi	126	4,847	26		2	1
Total	3,488	112,061	1,022	12	11	6

Stormwater

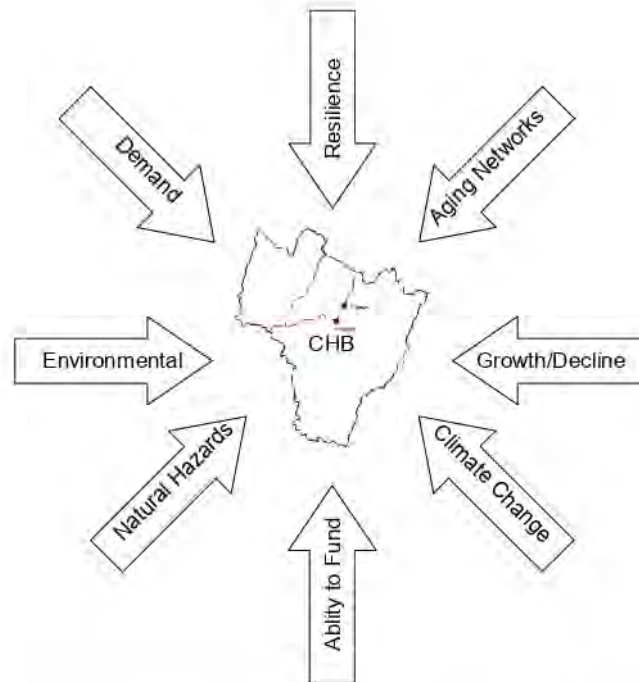
Council collects and disposes of stormwater in the built up areas of Central Hawke's Bay District. The stormwater network consists of two separate systems servicing the two main towns of Waipawa and Waipukurau. There are also six smaller networks providing varying levels of coverage for the townships of Otane, Takapau, Porangahau, Te Paerahi, Kairakau, and Blackhead Beach.

	Inlet/Outlet Structures	Gravity Mains	Manholes	Open Drains
	Number	Metres	Number	Metres
Waipukurau	130	25,997	406	10,404
Waipawa	120	10,718	142	4,417
Otane	3	184.9	0	136
Takapau	2	58.14	1	802
Porangahau	8	2,217	69	291
Te Paerahi	1	325.63	0	0
Kairakau	3	379.92	5	496
Blackhead	1	135.88	1	0
Total	268	40,017	624	16,546

CHBDC Long Term Plan 2018-28 Supporting Information

Significant Infrastructure Issues

The figure below outlines (but is not limited to) a number of significant issues that could impact on the Central Hawke's Bay District



The following tables set out the significant issues for each type of infrastructure; land transport, water supply, wastewater, and stormwater. A short high level discussion on the implications of the issues and Councils suggested response is included against each issue.

Where the scenario translates into physical projects Council endeavours to follow the basic risk analysis approach outlined in Australian/New Zealand Standard AS/NZ 4360. These are covered in more detail in the Activity Management Plans for the respective infrastructure areas.

CHBDC Long Term Plan 2018-28 Supporting Information

Transport			
Significant Infrastructure Issues		Principle Options for Managing the Issues	Implications
Network Resilience	Council has a number of roads that are located on unstable land that is prone to landslides or land movement in wet conditions and this can result in damage to roads.	<p>Our key action is to ensure that road drainage is adequate and well maintained so that we avoid the wet conditions which increase the likelihood of landslides or land movement for roads which we know are on unstable land.</p> <p>We also take a proactive approach to managing and maintain our roads, particularly with the roads on known unstable land.</p> <p>If roads are damaged but do not need to be completely closed we may need to put restrictions in place to ensure the safety of road users, for example, reducing sections of road to one lane or putting speed reductions in place.</p>	<p>There is a risk of affected communities being inaccessible, or facing long detours, by road after a significant storm or rain event that results in landslides or land movement.</p> <p>The repair and clean up needed to reinstate roads could place considerable strain on our financial resources.</p>
	Our District is located in a region with high earthquake risk. This may cause major disruption to the roading network due to loss of bridges or as a result of significant damage to roads.	<p>Council manages earthquake risk in a number of ways; we:</p> <ul style="list-style-type: none"> • develop and put in place and test Emergency Response Plans as well as working with our neighbouring Councils for resources • maintain a catastrophic events reserve fund to mitigate the financial impacts of natural disasters and in the event of our network being damaged we would use this fund to undertake a prioritised program of repairs • ensure that our road drainage is adequate and proactively manage and maintain road drainage to protect the integrity of our roads 	<p>Natural disaster will impact our communities as they may be cut off in the event or face long detours until access can be restored or damages to roads repaired.</p> <p>Significant damage to our roads following an earthquake may make restoring other critical assets or services difficult and this may pose health and safety risks.</p> <p>Changes in the way in which the New Zealand Transport Agency funds disaster repairs may impact on our ability to fund the repair work associated with disaster events.</p>

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Page 15

CHBDC Long Term Plan 2018-28 Supporting Information

Transport		
	Significant Infrastructure Issues	Principle Options for Managing the Issues
Demand Management	<p>Usage of our road network by industry can impact on the volume of traffic on our roads and heavy vehicles can accelerate the deterioration of our roads. We anticipate additional demand on our road network due to:</p> <ul style="list-style-type: none"> logging trucks within our District are projected to increase as a number of forestry blocks in our District are ready to be harvested. They currently do not cause significant damage to our road network but this may change with the forecast increase in forest harvesting logging trucks crossing our District on four local roads from Taranaki District to the Napier Port. We understand that these truck movements are important for the national economy but they do have an impact on our local roads as well as road safety issues for our community the possibility of oil exploration off the coast of our District which could result in additional heavy traffic, although this with the sharp reduction in global oil prices is unlikely in the short to medium term. 	<p>Our main responses include:</p> <ul style="list-style-type: none"> We will continue to work with the logging industry to understand their forest harvesting in the short to medium term and any likely potential damage to our local roads. We will then allow for the maintenance and renewal activities to be scheduled to maximise the efficiency for the log haulers and minimise the damage to the road network We have prepared a business case for enhanced targeted funding assistance rate to mitigate the impact of the logging trucks crossing our District due to the economic importance nationally. We will continue with our proactive discussions with NTZA for a favourable outcome. We will continue to monitor any new oil exploration sites within our District and any increase in the number of heavy vehicles on minor road. It seems unlikely that there will be further sites in the short to medium term.
	<p>With the increase in demand for more affordable section there is a pressure on our rural towns like Tikokino to develop the paper roads to service existing land parcels</p>	<p>Develop a policy at a strategic level on how Council will manage and fund the development increasing pressure to construct new roading assets on existing paper roads.</p>

CHBDC Long Term Plan 2018-28 Supporting Information

Transport			
Significant Infrastructure Issues		Principle Options for Managing the Issues	Implications
Changing Standards	<p>NZTA and LGNZ have implemented the One Network Road Classification (ONRC) system so that road users will have consistent customer levels of service across the country. Like other Road Controlling Authorities, we are still in the process of fully understanding the implications on our District.</p> <p>The proposed new road classification will be based on a roads main function. This may result in lower customer levels of service in the future (for example, road roughness) for some of our extensive road network.</p> <p>The Ministry of Transport is steadily increasing the amount of weight allowed to be carried on all networks. This includes initiatives such as 50 Max (50 tonnes); HPMV (62 tonnes) and 46 tonnes as of right which have the potential to increase the deterioration rate on our bridge network.</p>	<p>Our main responses include:</p> <ul style="list-style-type: none"> We will work collaboratively with NZTA recognising that this process is still subject to refinement. The refinement will consist of adding more reporting requirements and specifications As the ONRC is now in place we will work with NZTA to better understand the impacts and minimize the effects where possible. We will start to analyse at a high level to understand the impact across our network in terms of customer levels of service Ensure that the only routes that the council approves for 50 Max and HPMV are routes that do not have bridges on them. Screen all of the bridges in the district to determine which bridges cannot carry 46 tonnes and restrict those bridges that are understrength Undertake an investigation as to the remaining life of the individual bridges and begin to create a fund for bridge replacement which would allow through reconstruction and ability to carry heavier weights 	<p>Although the impacts of the ONRC are not fully understood at this time it is likely that there will be some changes to levels of service on the network that NZTA are prepared to subsidise. This might mean that some parts of our road network, particularly where there is low volume of vehicles, may have reduced service levels – for example, roads may be rougher than they are now.</p> <p>At this stage we have not quantified this and any subsequent financial impact.</p> <p>a catastrophic failure of one or more of our bridges thus restricting access to some areas and increasing travel times through the use of detours</p> <p>a faster deterioration of our bridges which the district may not be able to fund thus increasing travel times through detours and potentially isolating communities for long periods of time</p>

CHBDC Long Term Plan 2018-28 Supporting Information

Transport			
Significant Infrastructure Issues		Principle Options for Managing the Issues	Implications

CHBDC Long Term Plan 2018-28 Supporting Information

Water Supply			
Significant Infrastructure Issues		Principle Options for Managing the Issues	Implications
Infrastructure Age and Condition	Some parts of our water network are ageing in particular in townships like Waipawa and Waipukurau, and over the next 30 years will reach the end of their asset life and will need renewal to maintain the existing levels of service. To compound this modelling has shown deficiency with the ability of the network to provide adequate firefighting response.	<p>Our key actions will be to increase the focus on asset management activities such as investigations, data gathering, break analysis, renewal candidate assessments, field verification, and improved asset records and information about asset condition.</p> <p>We will continue to work across Council to align renewal of different types of infrastructure, for example, to align water supply renewals with our land transport's AWTP, when we replace infrastructure. This has the cost benefit of sharing the re-instatement work with other parts of Council as well as reducing disruption to our community.</p>	<p>As our assets age, they are more likely to fail which will result in service interruptions. These unplanned water outages will become increasingly unacceptable for our residents and businesses.</p> <p>There may also be increased operational costs with responding to the breakages as well as major leakages.</p>
Increasing Standards: Environmental	<p>The Hawkes Bay Regional Council (HBRC) Plan change 6 is now operative which is imposing high environmental standards for the Tukituki catchment, for example around the amount of water that we are allowed to take. It also plans to set new water quality and allocation limits for groundwater from rivers, and increase the minimum river flows.</p> <p>This may have the effect of reducing the quantities of water that can be extracted for town supplies, particularly reducing the peak flow rates.</p> <p>This may result in water restrictions for longer periods in the summer periods and constrains our ability to service additional wet industries in our main town Waipukurau.</p>	<p>Council's main response to reduce flows and the consequential restriction on water takes is to impose water restrictions and bans on irrigation and other non-potable water uses.</p> <p>With the high minimum flow rates likely to be imposed under Plan Change 6, Council is looking at other options for supplying water to the towns.</p> <p>We will continue to monitor our water demand as well as undertaking more detailed growth analysis to understand growth patterns better.</p>	<p>Plan Change 6 also has put constrain on flows in the river networks. This increase the level for minimum flows which will impact on our ability to extract from the rivers and may result in more or longer extraction restrictions.</p> <p>Plan Change 6 may constrain our ability to cater for additional wet industries in Waipukurau as well as residential growth in our four main townships. This may impact our District's prosperity in the long term.</p>

CHBDC Long Term Plan 2018-28 Supporting Information

Water Supply			
Significant Infrastructure Issues		Principle Options for Managing the Issues	Implications
Network Resilience	<p>Some of our water supply schemes are serviced by a single supply main pipeline in the road corridor. This means that these water supply schemes are vulnerable to:</p> <ul style="list-style-type: none"> • Damage resulting from the work undertaken in the road corridor • Asset failure • The impact of natural hazard events <p>In particular, our largest town Waipukurau has a single supply pipeline so is vulnerable.</p>	<p>Our key actions include:</p> <ul style="list-style-type: none"> • Regular maintenance, renewal and replacement of our water supply assets to ensure that they continue to deliver services and provide the foundation for a prosperous economy and healthy, thriving communities across the District • We provide tanker supplies to our smaller townships as part of emergency response processes. When assets for our larger towns fail they are rapidly repaired by our maintenance facility contractor. • We are taking resilience into account in our discussions about how we develop and replace or infrastructure especial with Waipukurau and Otane. • An additional management options for the conservation of the water resource that Council will need to consider is the use of on-site storage tank attached to new or existing dwellings. 	<p>There is a risk of communities being without water services which are an essential service for drinking water as well as providing firefighting capability. This may result in health and safety risks if there are major water outages.</p>
	<p>The impact of infrastructure failure due to natural hazards has been highlighted by the Canterbury earthquakes. Our water supply networks are the most vulnerable of all our infrastructural assets to seismic risk.</p> <p>In the towns of Waipukurau and to a lesser extent Waipawa, there are a number of points where the infrastructure crosses known fault lines.</p>	<p>We manage the risk of earthquakes in a number of ways:</p> <ul style="list-style-type: none"> • We check and action any leaks that may arise after earthquake activity as part of our emergency response plans. • We use flexible water pipelines so that there is less likelihood of failure. • We ensure that our water reservoirs are able to cope with seismic risk. • We have set up a catastrophic events fund to mitigate the financial impacts of natural disasters. 	<p>In the event of a natural disaster our communities may be without water services for a significant period. This may result in health and safety risks with limited or no drinking water as well as firefighting capability.</p>

CHBDC Long Term Plan 2018-28 Supporting Information

Water Supply		
Significant Infrastructure Issues	Principle Options for Managing the Issues	Implications
<p>Natural Hazards: coastal impacts</p> <p>Council owns two reticulated systems that service coastal settlements. They may be impacted with water inundation as they are located on low lying land.</p> <p>Climate change could increase the risk of this, with these communities subject to coastal inundation from rising sea levels.</p>	<p>The impact of water inundation on our regional coastline is currently being modelled by Hawkes Bay Regional Council. We will collaborate with the Regional Council on the findings of this study and practical options if any for our District for these two coastal communities.</p> <p>We will also manage the impact of natural hazards by:</p> <ul style="list-style-type: none"> Monitoring and assessing the risk of coastal hazards on our existing water supply assets Work with our communities to ensure that they are prepared for and able to manage in the event of a natural disaster. This approach is supported by our Civil Defence and Emergency Management Group who assist with building resilient, prepared communities 	<p>Council could be faced with considerable costs if water supply infrastructure needed to be relocated or abandoned. A worst case scenario is that these two coastal communities would need to be relocated as the most affordable and pragmatic solution.</p>
<p>Security of Supply</p> <p>Increases in long dry periods will put significant pressure on our already stretched summer water supplies. This pressure is already causing restrictions to be enforced during the summer periods.</p>	<p>Our key actions include:</p> <ul style="list-style-type: none"> Sound leakage management practices are in place to ensure water is not wasted unnecessarily. We will continue with our smart operations to ensure pump stations are not running excessively and that our reservoirs are not draining below safe levels. We will continue to monitor our resource consents and apply for resource consents for enhanced or extended water take in a timely manner as demands change 	<p>Water restrictions in the summer period will continue and may lengthen in duration or we may need to put tougher restrictions in place.</p> <p>It will be difficult to attract development to our District without ample water supply and this may affect our long term prosperity.</p>

CHBDC Long Term Plan 2018-28 Supporting Information

Wastewater			
Significant Infrastructure Issues		Principle Options for Managing the Issues	Implications
Infrastructure Age and Condition	Some parts of our wastewater network are ageing, in particular in townships like Waipawa and Waipukurau. Over the next 30 years some of our wastewater assets will reach the end of their useful life and will need to be renewed or upgraded.	<p>Council is actively looking at new ways to deliver the wastewater service to the community, including the methods of treatment, improved pipe laying and lining technology.</p> <p>Take a proactive planned approach to maintaining and renewing our assets to minimise reactive renewals.</p> <p>The use of technology to extend the life of infrastructure. For example, Council is currently undertaking a programme of work using technology such as relining pipes to extend the life of our wastewater infrastructure.</p>	<p>As our assets age they are more likely to be subject to service interruptions or to fail and this may impact on levels of service and on the resilience of our wastewater networks.</p> <p>Assets which are ageing or in poor condition are more likely to have a negative impact on the quality of our environment and on public health.</p> <p>There are significant periods in the near future when large portions of our networks will require replacing or upgrading to maintain current service levels. The cost of this work could be beyond Councils ability to fund projects depending on the timing required by the AMPs.</p>
Increasing Standards: Environmental	The Hawkes Bay Regional Council (HBRC) Plan change 6 is now operative which is imposing high environmental standards for the Tukituki catchment, for example around the amount of water that we are allowed to take and around discharging to water and land.	Council is currently undertaking upgrades at the Waipukurau and Waipawa treatment facilities so these networks should meet new standards. However, some of our other wastewater networks may need to be upgraded in the future to meet new environmental standards.	Upgrading wastewater networks to meet new environmental standards imposed by new resource consents will be costly.

CHBDC Long Term Plan 2018-28 Supporting Information

Wastewater			
Significant Infrastructure Issues		Principle Options for Managing the Issues	Implications
Stormwater Inflow and Infiltration	<p>During wet weather events stormwater can enter or infiltrate our wastewater networks, increasing the volume of water that needs to be treated.</p> <p>Some of our wastewater networks are more prone to infiltration because:</p> <ul style="list-style-type: none">• of the age or condition of our assets• the design of some of our networks means that stormwater infiltration is more common irrespective of asset age and condition <p>Climate change could result in increases in the frequency or intensity of wet weather events and this could mean that stormwater infiltration becomes more of an issue.</p>	<p>The principle method of resolving this issue is to reduce infiltration. This reduces the volume of wastewater for treatment and maintains capacity in the networks to cater for small increases in demand.</p> <p>Council currently undertakes ongoing monitoring of stormwater infiltration and where major issues are found, a prioritised program of pipe replacement or re-lining is implemented.</p> <p>Where stormwater infiltration is the result of leaking pipes, Council's main response is the use of the latest pipe lining technology. This not only protects the pipe lines from infiltration but extends the useful life of the network. Where this is not a practical option, pipeline replacement is considered.</p> <p>For areas such as the commercial centre of Waipukurau, the relining of the main trunk line may not be a practical due to the construction of a number of buildings over the mains. This will require the design of an alternative route which could require land purchases and the redesign of existing infrastructure.</p>	<p>If our wastewater networks are placed under pressure due to stormwater inflow and infiltration this may impact on:</p> <ul style="list-style-type: none">• Our ability to maintain service levels• The condition and sustainability of our network, resulting in unplanned service interruptions and increased maintenance and renewals cost <p>Improving our network to address stormwater infiltration could be costly, particularly where addressing infiltration requires re-routing or redesigning our networks. This could place an unreasonable financial burden on our rating base.</p>

CHBDC Long Term Plan 2018-28 Supporting Information

Wastewater		
Significant Infrastructure Issues	Principle Options for Managing the Issues	Implications
<p>Network growth</p> <p>Projections suggest residential growth in our district will be halfway between the medium to high for the period up to 2028 and high from 2028 to 2048. However, based on previous trends we expect that we will continue to experience life style residential development on the fringe of existing urban areas but outside of our existing reticulated wastewater network. This type of development can result in pressure on Council to extend existing networks so that these developments can connect to town wastewater networks.</p> <p>We also expect to continue to see more intense development within our existing towns. This type of development can place pressure on the capacity of our existing wastewater networks.</p> <p>However, we need to ensure that our wastewater supply networks remain affordable and sustainable for current and future generations.</p>	<p>To ensure the continued affordability of our water supply networks our current approach is:</p> <ul style="list-style-type: none"> to encourage utilisation of existing infrastructure where existing capacity allows not to extend existing networks beyond our existing supply boundaries (e.g. not allow houses or developments which are outside our existing supply network boundaries to connect to the network) not provide for new services in areas which are currently un-serviced <p>We are currently reviewing our District Growth Strategy and District Plan and these approaches will be reviewed.</p>	<p>Extending our reticulated wastewater system could have major cost implications and we already have limited funds.</p> <p>The cost of the extension could be covered by targeted rating schemes.</p> <p>Extending our wastewater networks would increase demand for water and may mean we need additional water sources to meet demand.</p>
<p>Levels of Service</p> <p>Modelling of the Waipukurau network suggests that we have some networks constraints or bottlenecks and that these may need to be addressed to maintain existing levels of service.</p>	<p>To maintain the existing service levels these constraints of bottle necks will need to be addressed.</p>	<p>Provided we take a proactive and planned approach to addressing these constraints or bottlenecks, Council is of the view that this issue will have very little impact on the users.</p>

CHBDC Long Term Plan 2018-28 Supporting Information

CHBDC Long Term Plan 2018-28 Supporting Information

Wastewater		
Significant Infrastructure Issues	Principle Options for Managing the Issues	Implications
<p>Natural Hazards</p> <p>In the towns of Waipukurau and to a lesser extent Waipawa, some of our wastewater infrastructure crosses known earthquake fault lines, so could be damaged in the event of an earthquake.</p> <p>Our district is also prone to flooding, particularly in the event of storms or heavy rainfall and this could result in damage to our infrastructure assets.</p>	<p>To manage the impact of natural hazards on our assets we:</p> <ul style="list-style-type: none"> • Monitor and assess the risk of natural hazards on our existing assets • Where new infrastructure is planned the potential risk of natural hazards, such as earthquakes and flooding is considered when determining location and design • Work with our communities to ensure that they are prepared for and able to manage during service interruptions. This approach is supported by our Civil Defence and Emergency Management Group who assist with building resilient, prepared communities <p>In the event of an earthquake, Council monitors and responds to damage to the network.</p> <p>Most parts of our District that are particularly prone to flooding are protected from the impact of flooding by stop banks. Council has adopted a practise of fixing the problem should an event occur.</p> <p>In addition, Council:</p> <ul style="list-style-type: none"> • has ensured that its insurances are adequate to ensure Council has adequate cover over all infrastructure assets <p>maintains a catastrophe reserve fund which can be used to undertake a prioritised program of repairs</p>	<p>In the event of a minor earthquake it can take some time before damage to our networks is identified.</p> <p>The impact of a major event such as seen in Christchurch which has unforeseen damage the only course open to Council is to ensure that we have the correct level of insurance to fund the repairs.</p>

CHBDC Long Term Plan 2018-28 Supporting Information

Wastewater		
	Significant Infrastructure Issues	Principle Options for Managing the Issues
Climate Change	<p>Climate change could have an impact on some of our wastewater networks. For example, in the future our District could experience more intense periods of storm activity, resulting in:</p> <ul style="list-style-type: none"> Large volumes of stormwater entering our networks which may be unable to treat the resulting volume of wastewater our wastewater assets being damaged, for example by flooding <p>In the future rising sea levels could impact on the coastal township networks especial the township of Te Paerahi.</p>	<p>To manage the impact of natural hazards on our assets we monitor and assess the risk that climate change poses to our existing assets.</p> <p>Where new infrastructure is planned the potential risk from climate change, e.g. rising sea levels, or increased flooding, is considered when determining location and design. For example if there is an increased risk of flooding in some parts of our district we could ensure that new critical structures, such as control cabinets, are in locations where the risk of flooding is low or above expected flood levels.</p> <p>In terms of these events flooding the underground network, Council is reducing the points of entry and thus reducing the impact on the normal flows.</p>
		<p>Some options for mitigating the impact of climate change, such as raising critical assets like control cabinets would be relatively affordable. However, it may sometimes be costly to minimise the impacts of climate change on our assets.</p> <p>If our wastewater networks are subject to more intense or frequent storm events it could result in our networks being unable to treat the volume of wastewater and this could result in discharges to our natural environment. If this occurred:</p> <ul style="list-style-type: none"> Council could breach the discharge limits set allowed under our resource consents it could have a negative impact on our natural environment and water quality <p>it could have a negative impact on public health</p>

Stormwater			
Significant Infrastructure Issues		Principal options for response	Implications
Capacity Constraints	<p>The South West area of Waipukurau drains to Lake Hatuma and can silt up at times creating a constraint for the single outlet. This may cause flooding upstream including onto the Racecourse and a constraint for future development in this catchment.</p> <p>Also we currently have minimum floor height restrictions in a small area of Waipukurau due to limitations on the stormwater network and low lying land.</p>	<p>The principle method of resolving this issue is to manage future development by:</p> <ul style="list-style-type: none"> Encouraging water sensitive design so that stormwater from new imperviousness areas are released slowly through natural assets to reduce the volume and velocity of stormwater runoff Ensuring that new developments do not make the effect any worse than pre development state through use of retention tanks or similar devices 	<p>If our stormwater network in Waipukurau cannot drain sufficiently and in a timely manner to Lake Hatuma this may impact on:</p> <ul style="list-style-type: none"> Our ability to maintain flood protection service levels for the Racecourse and this may have an economic impact for their business Future development may be stopped or reduced due to the capacity constraints It may be uneconomic for future development to implement the mitigation measures to pre development state for effective stormwater management <p>Further modelling to find alternative designs to reduce the impact of surface flooding in these areas.</p>
Stormwater Inflow and Infiltration	<p>As noted in the section on wastewater, during wet weather events stormwater can enter or infiltrate our wastewater networks, increasing the volume of water that needs to be treated.</p> <p>Climate change could result in increases in the frequency or intensity of wet weather events and this could mean that stormwater infiltration becomes more of an issue.</p> <p>For further detail see the section on the impact of stormwater infiltration on our wastewater networks.</p>	<p>The principle method of resolving this issue is to reduce infiltration. This reduces the volume of wastewater for treatment and maintains capacity in the networks to cater for small increases in demand.</p> <p>Council currently undertakes ongoing monitoring of stormwater infiltration and where major issues are found, a prioritised program of pipe replacement or re-lining is implemented.</p> <p>For further detail see the section on the impact of stormwater infiltration on our wastewater networks.</p>	<p>Improving our network to address stormwater infiltration could be costly, particularly where addressing infiltration requires re-routing or redesigning our networks. This could place an unreasonable financial burden on our rating base.</p> <p>For further detail see the section on the impact of stormwater infiltration on our wastewater networks.</p>

CHBDC Long Term Plan 2018-28 Supporting Information

Stormwater		
Significant Infrastructure Issues		Implications
Increasing Standards: Environmental	The Hawkes Bay Regional Council (HBRC) Plan change 6 is now operative which is imposing high environmental standards for the Tukituki catchment, for example around the amount/quality of water that we are allowed to discharge.	Upgrading wastewater networks to meet new environmental standards imposed by new resource consents will be costly.

CHBDC Long Term Plan 2018-28 Supporting Information

Infrastructure Investment Programme

Our most likely scenario is to deliver to current day standards while remaining affordable for our community.

To achieve this scenario over the next 30 years we will focus on:

- ongoing maintenance and renewals programmes to meet current service levels
- minor road safety improvements
- a small number of growth related water supply and wastewater projects in our larger townships
- investment to meet standards and consent conditions where necessary

Total Expenditure

This strategy covers assets used to provide water supply, wastewater, stormwater drainage, and land transport. Council currently owns assets, for the purpose of delivering these activities, estimated at over \$751 million. These range from pipes under the ground to reservoirs and roads.

The following table shows total expected capital and operational expenditure for each infrastructure asset class over the 30 year period between 2018 and 2048.

Infrastructure Activity	Operational Expenditure	Capital Expenditure
Land transport	\$563 million	\$369 million
Water supply	\$140 million	\$52 million
Wastewater	\$149 million	\$44 million
Stormwater and drainage	\$34 million	\$23 million
Total	\$886 million	\$488 million

Over the next 30 years we expect that:

- Given future growth estimates indicate medium to high growth related infrastructure planned mainly for water supply and wastewater infrastructure assets in urban areas. This expenditure relates to water supply infrastructure mainly based in Waipukurau and Waipawa but does include treatment upgrades to other supplies.
- Operational expenditure, including the costs of labour, depreciation, materials and maintenance accounts for the majority of expenditure for all four infrastructure asset groups.
- Our expenditure on renewals, across all infrastructure categories is variable over the 30 year period. We know that we have ageing water supply and wastewater in the older settlements of Waipawa and Waipukurau and these will be the focus of our programme of works.
- Our expenditure on maintaining service levels will see us focusing on a programme of upgrades to our water supply schemes to meet the Drinking Water Standards 2005 (revised 2008) and meeting higher standard required for consent conditions at a number of our wastewater treatment plants.
- We have an ongoing programme to address high priority road safety issues.
- We expect that NZTA funding assistance will continue at existing subsidy levels.

Further detail about our expected operational and capital expenditure for transport, water supply, wastewater and stormwater is set out in following sections.

CHBDC Long Term Plan 2018-28 Supporting Information

The following figure shows expected capital expenditure across the four types of infrastructure assets for the period from 2018 to 2048 by expenditure category.

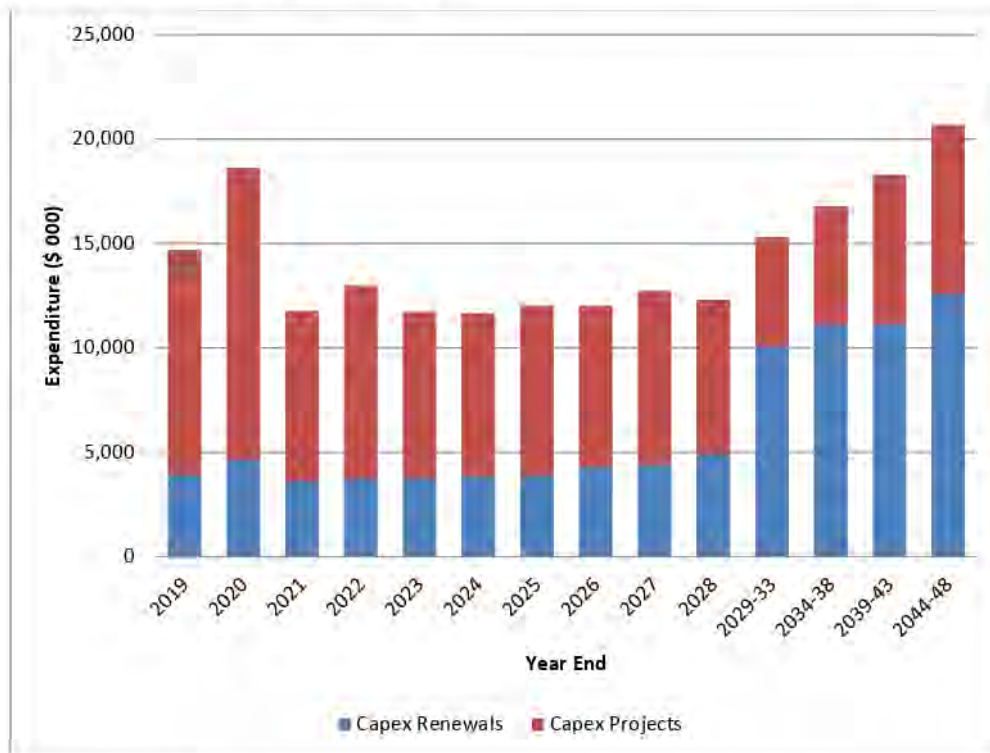


Figure 1: Summary of 30 year total expenditure

Source: 2018 LTP budget (as at 1st November 2017) (2028-2048 5 year averages) (excluding any remediating work required by the HBRC)

Significant Decisions about Capital Expenditure

The following table shows the likely timing and estimated cost of significant capital projects. Note that there are currently no significant stormwater capital projects until there is better understanding of the network performance. This will be addressed with detailed modelling planned for Waipukurau in the next three years.

CHBDC Long Term Plan 2018-28 Supporting Information

Wastewater Project	Description	Timing	Estimated Cost (Inflated)
Wastewater: Program of wastewater treatment plant upgrades			
Most Likely Scenario	Programme of upgrades to meet the higher standards for consent requirements at Otane, Takapau, Porangahau, and Te Paerahi wastewater treatment plants.	2018 to 2023	\$3.6 million
Wastewater: Waipawa trunk main renewal			
Most Likely Scenario	Replacement of the trunk gravity main through the lower part of Waipawa required due to its age and importance as a critical asset for this town.	2019 to 2020	\$1.7 million
Wastewater: Waipukurau & Waipawa treatment Improvements			
	Upgrade treatment	2020/2021	\$2.1 million
Wastewater: Waipukurau reticulation improvements			
	Upgrade to reticulations improvements and removal of bottle necks	2025 to 2027	\$0.4 million
Wastewater: Waipawa reticulation improvements			
	Upgrade to reticulations improvements and removal of bottle necks	2028 to 2030	\$0.4 million
Wastewater: Reticulation increase for growth			
	Up-size and additional mains to meet growth demands	2030 to 2045	\$5.6 million
Wastewater industrial servicing			
Most Likely Scenario	Wastewater project to enable growth for the industrial area of Waipukurau with additional wastewater infrastructure.	2030/32	\$3.4 million
Wastewater industrial servicing			
Most Likely Scenario	Wastewater project to enable growth for the industrial area of Waipukurau with a new main from this area to the wastewater treatment plant.	2029/2030	\$1.5 million

CHBDC Long Term Plan 2018-28 Supporting Information

Water Project	Description	Timing	Estimated Cost (Inflated)
Waipukurau Water Supply: Second Supply			
Most Likely Scenario	A project to construction a second supply to Waipukurau including new pump station, treatment plant and reservoir to provided security of supply and increased demand.	2019/20	\$5.7 million
Water Supply: Alternative supply to Otane			
Most Likely Scenario	Project for larger trunk main for an alternative supply for Otane to improve security.	2019/20	\$2.7 million
Waipukurau Water Supply: Increase/Improve reticulation			
Most Likely Scenario	Project to provide additional flows around Waipukurau to meet demand and firefighting demands.	2019 to 2025	\$3.9 million over seven year period
Waipawa Water Supply: Increase/Improve reticulation			
Most Likely Scenario	Project to provide additional flows around Waipukurau to meet demand and firefighting demands.	2020 to 2027	\$4.12 million
Takapau Water Supply: Treatment Upgrade and improvements			
Most Likely Scenario	A project to upgrade improves to the treatment plant at Takapau to meet demand from NZDWS.	2019	\$0.77 million
Porangahau Water Supply: Treatment Upgrade and improvements			
Most Likely Scenario	A project to upgrade improves to the treatment plant at Porangahau to meet demand from NZDWS.	2020	\$0.82million
Kairakau Water Supply: Treatment Upgrade and improvements			
Most Likely Scenario	A project to upgrade improves to the treatment plant at Kairakau to meet demand from NZDWS.	2022	\$0.55 million
Pourerere Water Supply: Treatment Upgrade and improvements			
Most Likely Scenario	A project to upgrade improves to the treatment plant at Pourerere to meet NZDWS.	2022	\$0.17 million
District Water Supply: Increase/Improve reticulation			
Most Likely Scenario	Project to provide additional flows around Other water supply systems to meet demand and firefighting demands.	2018 to 2048	\$4.923 million
Waipukurau Water Supply: New main			
Most Likely Scenario	A project to provide new main from the existing reservoir into town. Project to enable the resilience of Waipukurau network.	2037 and 2038	\$4.9 million
Waipukurau Water Supply: Takapau Road Industrial area Reticulation			

CHBDC Long Term Plan 2018-28 Supporting Information

Water Project	Description	Timing	Estimated Cost (Inflated)
Most Likely Scenario	A project to provide reticulation to service water supply to the Waipukurau industrial area that may be developed in the future.	2032	\$1.4 million

Stormwater Project	Description	Timing	Estimated Cost (Inflated)
Waipukurau Stormwater: CBD upgrades			
Most Likely Scenario	A project to upgrade the stormwater reticulation in the CBD area to reduce flooding issues.	2019	\$0.6 million
Waipukurau Stormwater: Upgrades to the network			
Most Likely Scenario	Project is to upgrade the stormwater network in Waipukurau to meet future demands.	2031 to 2036	\$4.1 million
Waipawa Stormwater: Upgrades to the network			
Most Likely Scenario	Project is to upgrade the stormwater network in Waipawa to meet future demands.	2033 to 2038	\$2.0 million
District wide Stormwater: Upgrades to the network			
Most Likely Scenario	Project is to upgrade the stormwater network across the district to ensure resilience in the networks	2018 to 2028	\$0.31 million
District wide Stormwater: Upgrades to the network			
Most Likely Scenario	Project is to upgrade the stormwater network in District wide to meet future demands.	2040 to 2048	\$8.2 million

CHBDC Long Term Plan 2018-28 Supporting Information

Land Transport Project	Description	Timing	Estimated Cost (Inflated)
Transport: New Roads programme			
Most Likely Scenario	The creation of new infrastructure on existing paper road corridors to cater for new homes in rural township such as Tikokino.	2018-2048	\$1 million over 30 year period
Transport: Renewals programme			
Most Likely Scenario	Programme of ongoing roading renewals including emergency works, resilience improvements, metalling unsealed roads, resurfacing and rehabilitation of sealed roads. It is also for the timely replacement of the other road assets including drainage, structures, footpaths and traffic services as they age and fail.	2018-2048	\$357 million over 30 year period
Transport: Minor improvements programme			
Most Likely Scenario	Programme of minor transport improvements to resolve safety issues on an annual basis.	2018 to 2048	\$14 million over 30 year period
Transport: Bridge Renewals Investigation programme			
Most Likely Scenario	Investigation into all bridges to identify the condition and life span of all the bridges within the CHB roading network. Thus enabling a forward works/ replacement program to be designed.	2018-2021	\$0.2 million over 3 year period
Transport: Bridge Renewals programme			
Most Likely Scenario	Based on the forward works programme look at replacement of bridges in the roading network.	2022-2048	\$2.2 million

Water Supply Infrastructure Expenditure

The water supply networks are managed directly by Council with operations and maintenance activities contracted to a third party. Council owns and is responsible for managing seven public water supply networks at Otane, Waipawa, Waipukurau, Takapau, Porangahau, Te Paerahi, and Kairakau. We also have a small scheme which supplies water to the Pourerere Camping Ground and Pourerere toilet block. Council is upgrading the water supplies to meet the Drinking Water Standards 2005 (revised 2008) and developing Water Safety Plan to mitigate public health risks.

Council's water supply assets are valued at around \$58 million (total replacement cost as at 30 June 2017). Council's water supply networks include six treatment plants that distribute water through 190 km of pipeline, 48 reservoirs and 8 pump stations.

Over the next 30 years we expect that:

- Operational expenditure including the labour costs, renewals, materials and maintenance accounts for most of the water supply expenditure at about 73 percent.

CHBDC Long Term Plan 2018-28 Supporting Information

- Expenditure on renewals relates to the replacement of infrastructure mainly in the older townships of Waipawa and Waipukurau.
- Expenditure on maintaining service levels in the first 10 years relates to installing second water supply for Waipukurau and improving the reticulation. The pump station works includes new pumping configuration to provide greater range of flow rates. This is planned to be undertaken in 2017/18.
- Further expenditure on maintaining service levels is planned in 2026/27 with water treatment at Takapau, Porangahau, Kairakau and Pourerere townships. The Takapau, Porangahau, Kairakau improvements are required to meet the 2008 Drinking Water Standards 2005 (revised 2008) at the pump station. The Pourerere costs are required for an automated chlorine injection system (as currently manual). We have budgeted around \$2.6 million to provide an alternative supply for the Otane Township with a new main into town in 2019/20 to improve the service to user and allow for the additional water users.
- We intend to install reticulation for the Waipawa township to provide additional flows to meet demand initially in 2027/43 (estimated at \$3.2 million in total).
- Most of the growth related water supply infrastructure is planned for Waipukurau estimated at \$13.6 million in total with the works programme starting in 2019/20. A significant project is to provide a second supply for the District's largest township including treatment plant and pumping station and additional reservoir. The new reticulation will provide additional flows for the town to meet demand in particular for enabling industrial development.

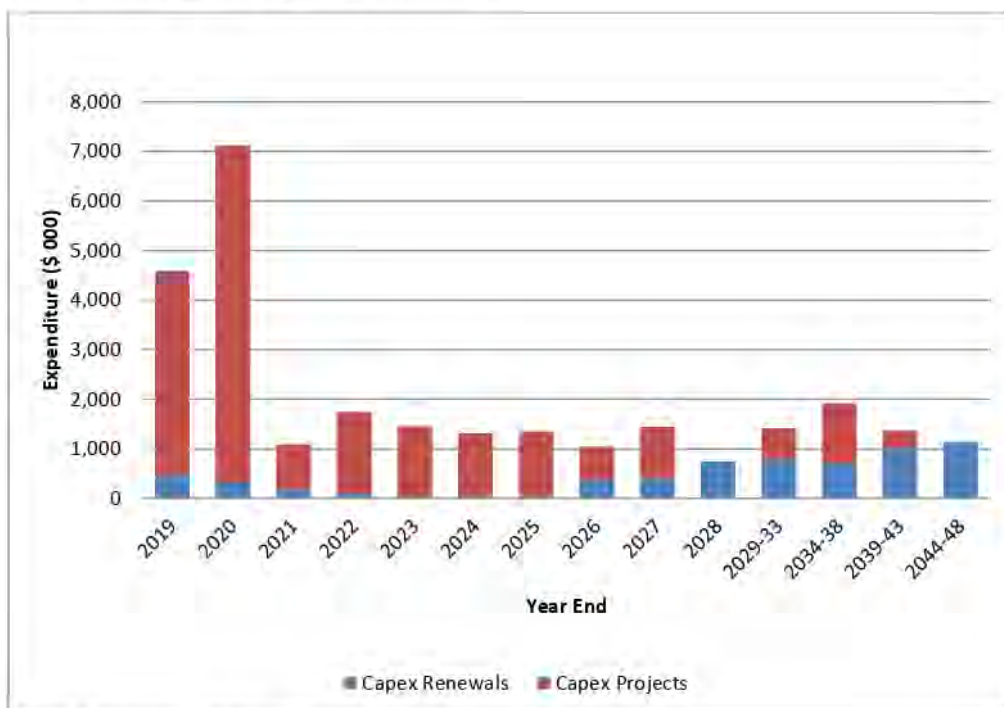


Figure 2: Summary of 30 year water supply expenditure

Source: 2018 LTP budget (as at 18 October 2017) (2028-2048 5 year averages)

Wastewater Infrastructure Expenditure

Council collects, treats, disposes of wastewater at six treatment plants. Each area serviced with a wastewater network has a treatment facility. Council's wastewater assets are valued at around \$80 million (total replacement

CHBDC Long Term Plan 2018-28 Supporting Information

cost as at 30 June 2017). Council's wastewater networks include 112 kilometres of pipeline, around 1022 manholes and 11 pump stations.

Over the next 30 years we expect that:

- Operational expenditure including the labour costs, renewals, materials and maintenance accounts for most of the wastewater expenditure at about 77 percent.
- Expenditure on renewals relates to the replacement of infrastructure mainly in the older townships of Waipawa and Waipukurau. There are also resource consent renewals for Otane, Porangahau, Te Paerahi and Takapau in the first 5 years. Specific renewal projects in the first 6 years are the improvement to treatment upgrades and Waipawa trunk main renewal (estimated at \$3.4 million).
- Expenditure on maintaining service levels is planned in the first 10 years and relates to meeting the higher standards for consent requirements estimated at \$7.7 million in total. It is expected that upgrading of the treatment process will be required as part of the new consents to remove phosphorus and nitrogen at Otane, Takapau, Porangahau, and Te Paerahi wastewater treatment plants.
- We are budgeting around \$5.6 million in Waipukurau to improve capacity for servicing the industrial area, improving capacity in the existing network, providing a new main from the industrial area to the treatment plant, and to service the rural area of Racecourse Rd as it becomes subdivided. We also plan to reticulate the small townships of Onga Onga and Tikokino that are currently on septic tanks in the last 30 year period.

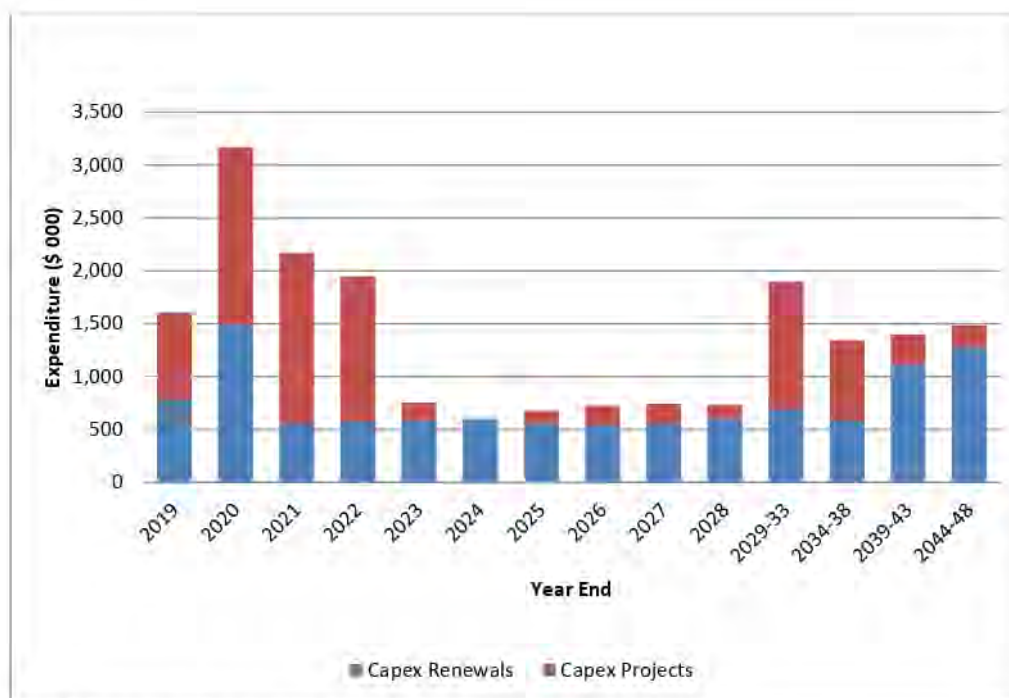


Figure 3: Summary of 30 year wastewater expenditure

Source: 2018 LTP Budget (as at 18 October 2017) (2028-2048 5 year averages) (excluding any remediating work required by the HBRC)

While developing this capital program for this LTP, we are dealing with the issue of breaching resource consent requirements at the Waipukurau and Waipawa Wastewater Treatment Plants. There is more investigation work to do to find a viable solution for these issues and although investigation allowances and minor improvements have been made in the capital program of \$2.1m, we understand that more investment will be needed and will require another consultation with the community once the viable options have been identified. This is likely to result in an amended Long Term Plan.

Stormwater Infrastructure Expenditure

The stormwater networks are managed directly by Council with operations and maintenance activities contracted to a third party. Council's stormwater assets are valued at around \$27 million (total replacement cost as at 30 June 2017). Council's stormwater networks include 40 km of pipeline, 624 manholes, 268 inlets and outlets, and 16km of open drains.

The catchments in Waipawa consist of around 25 kilometres of open watercourses and piped reticulation. They drain into the Waipawa River or to the north to the Papanui Stream. The catchments in Waipukurau consist of around 36 kilometres of open watercourses and piped reticulation. They drain into the Tukutuki River through a number of systems including the Pah Flat Stream, or to the south and east to the Mangatarata Stream system, while the south west drains into Lake Hatuma.

Council also manages some minor reticulation in Otane, Takapau, Porangahau, Te Paerahi, Pourerere beach and Blackhead beach settlement consist of open drains with some piped sections, generally being roading drainage. Over the next 30 years we expect that:

- Operational expenditure including the labour costs, renewals, materials and maintenance accounts for most of the stormwater expenditure at about 69 percent.
- Expenditure on renewals relates to the replacement of infrastructure mainly in the two main townships of Waipawa and Waipukurau.
- Our focus in the next few years will be completing a detailed model of Waipukurau to better understand the stormwater network performance. This will assist us with developing new works for stormwater where appropriate.

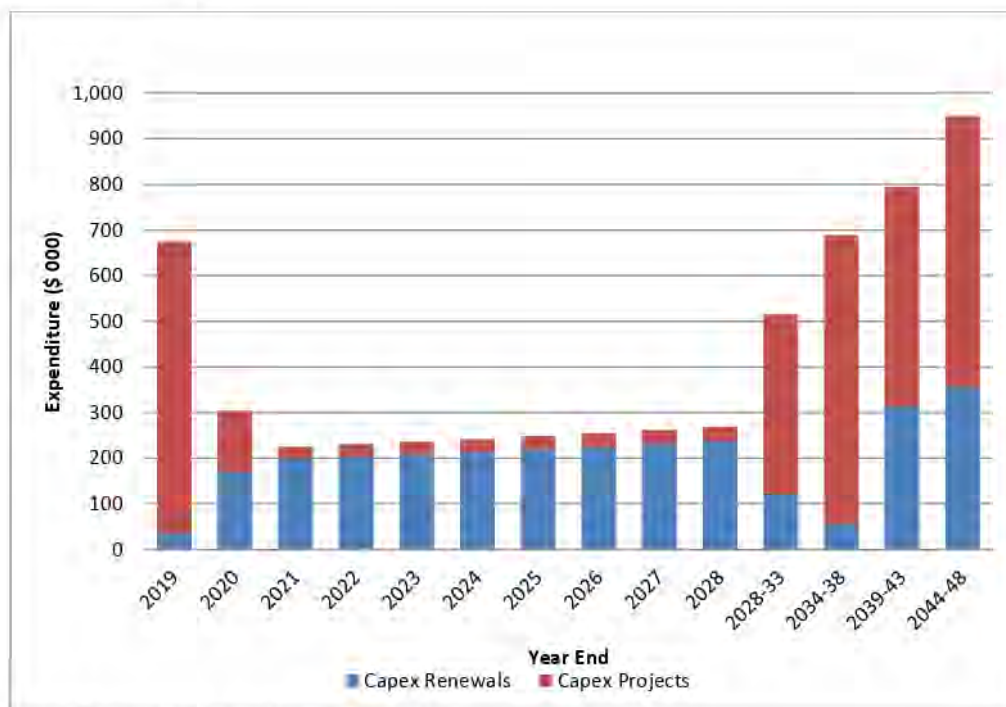


Figure 4: Summary of 30 year stormwater expenditure

Source: 2018 LTP budget (as at 18 October 2017) (2028-2048 5 year averages)

Transport and Footpaths Infrastructure Expenditure

Council's land transport network consists of 862 kilometres of sealed and 402 kilometres of unsealed roads, 265 bridges, 7,907 culverts, and 68 kilometres of footpaths. To ensure road safety Council has a large number of signs, street lights and lane marking to aid the road user to safely navigate their way around the district. Council's transport assets are valued at around \$670 million (total replacement cost as at 30 June 2017 excluding land under roads).

Over the next 30 years we expect that:

- Operational expenditure including the labour costs, renewals, materials and maintenance accounts for most of the transport expenditure at about 60 percent.
- There will be no significant vested assets expected for the next 30 years from developers.
- *There will be no growth driven related roading infrastructure planned and funded by Council.*
- Expenditure on service level improvements is for minor improvements to resolve safety issues and is constant over the 30 year period (estimated at around \$14 million in total).
- Expenditure on renewals relates to emergency works, resilience improvements, metalling unsealed roads, resurfacing and rehabilitation of sealed roads. It is also for the timely replacement of the other road asset classes including drainage, structures, footpaths and traffic services as they age and fail. About one third of the transport expenditure is for renewals and estimated at around \$357 million in total for the 30 year period.
- Council is currently inspecting all bridges at a cost of \$150,000 over the next 3 years to develop a replacement/renewal program.

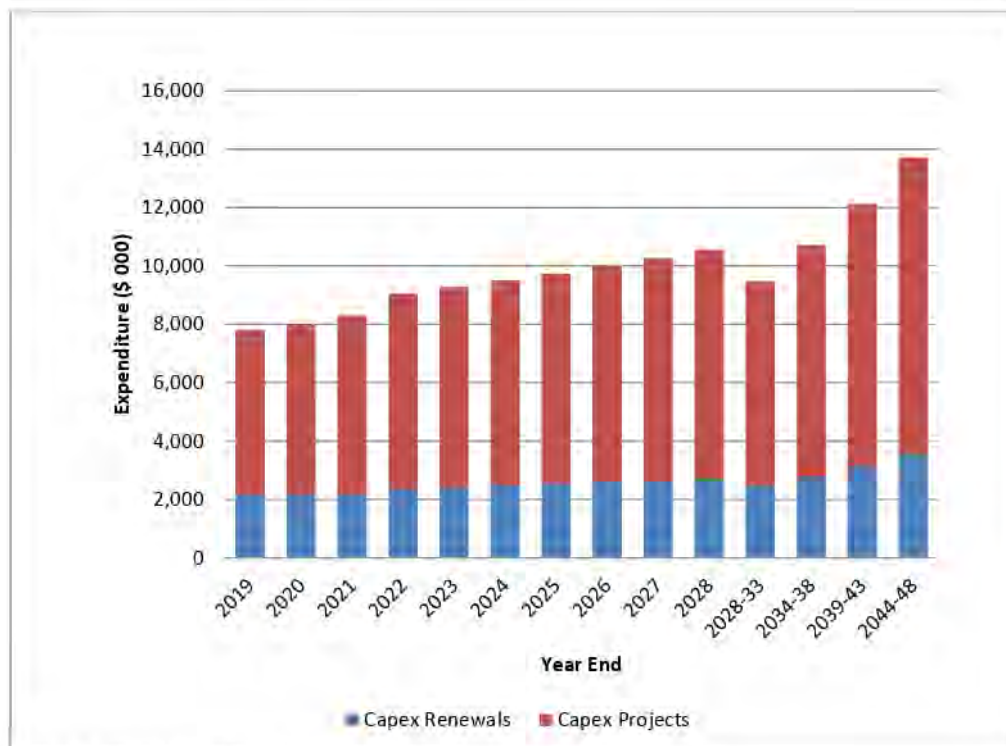


Figure 5: Summary of 30 year transport expenditure

Source: 2018 LTP budget (as at 18 October 2017) (2028-2048 5 year averages)

CHBDC Long Term Plan 2018-28 Supporting Information

Key Assumptions

This section describes some of the assumptions or limitations made when developing the Infrastructural Strategy. It is hoped this will give the user some insight in the discussions made in the plan and how they should be interrupted and the limitations of the decisions.

The following are the key assumptions have been when preparing this Strategy.

- Council will continue to be involved with the infrastructure discussed in the document.
- The demand (or decline) for these infrastructure elements are based on the work done in the Central Hawkes Bay District Long-Term Planning – Demographic and Economic Growth Directions 2018 – 2048 Growth Environment and Outlook document that has been prepared for Council.
- We expect that NZTA funding assistance will continue at existing subsidy levels.
- Depreciation will be raised and used to fund replacement of deficient infrastructure.
- The forecasts are based on the best available knowledge of asset condition and performance, and on the levels of service that are being delivered. More detailed evaluation of asset renewal requirements will be undertaken by the use of predictive deterioration modelling during the periodic review of this Infrastructure Strategy.
- Predicted areas of development are based on the best available knowledge at the time of writing this document. It will be subject to changes through the review of the development Urban Growth Strategy and as part of the District Plan Review.
- Funding for capital improvements will be limited by political decisions as to the level of funding permitted under the financial strategy.
- It is expected that some funding will be available through the Development Levy Policy for new infrastructure listed in the Capital Work Projects.
- The dollar values shown in this Document are June 2018 dollars and have been adjusted to include inflation in accordance with the guidelines provided by the Society of Local Government Managers; set out in the BERL *Forecasts of Price Level Change Adjustors – 2018 Update*.
- All capital costs are rough order of cost estimates that will need to be further researched and refined.
- The knowledge of the practitioners directly providing this plan, both on a day-to-day basis and historically, has been relied upon. These practitioners include staff in Council's Technical Services, Utilities, Land Transport and Financial Services Departments, as well as staff from the Facilities Management Contractor
- Inspection and condition rating of some of the key assets is continually being updated to form a better overall picture of the infrastructure, particularly in buried assets
- It has been assumed that climate change will happen at a gradual rate over the next 100 years.
- In regards to the potential for any business development of an industrial/processing nature, the assumed responses do not allow for a medium to large scale wet industry.
- There is a key risk with the market place is reaching capacity in the following areas industry experts, personnel resources, consultancy capacity, and contracting capacity that will impact on the Council ability to deliver the proposed projects both on time and within budgets.
- Remediating work on the wastewater ponds at Waipukurau and Waipawa as part of the requirements from the HBRC have not been included in this document as investigation work is still ongoing at the time of writing.
- With the fact that the Land Transport Activities is clearly identified because it mostly above ground we have a high level of confidence about the accuracy of the data used to produce the forward projections outlined in this document.
- Council has done a considerable amount of work surveying, CCTV inspections contractor feedback etc. on the 3 water networks so bearing in mind that the major of these assets are buried will believe that the data currently held in the databases can be considered reliable.

Maori Contribution to Decision Making

As a Council, we recognise the special position of Tangata Whenua within this District and the important role Māori have to play in Council's decision-making processes.

Schedule 10 of the Local Government Act (LGA) 2002 requires Council to include in its Long Term Plan (LTP) any steps that it intends to take, having considered ways in which it might foster the development of Māori capacity to contribute to the decision making processes of the Council over the next 10 years.

The LGA (Parts 2 and 6) provides principles and requirements for local authorities that are intended to facilitate participation by Māori in their decision making processes. In accordance with section 81 of the LGA the Council must:

1. Establish and maintain processes to provide opportunities for Māori to contribute to the decision making processes of the local authority;
2. Consider ways in which it may foster the development of Māori capacity to contribute to the decision making processes of the local authority; and
3. Provide relevant information to Māori for the purposes of (1) and (2) above. Through its decision making processes Council recognises the principles of the Treaty of Waitangi and kaitiakitanga.

Māori see people and the environment as closely interrelated and share with Council a strong interest in maintaining and protecting the environment as well as developing the economic future of the area. The Council is committed over the period covered by this LTP and beyond to continuing the process of consultation and engagement with local Māori.

Maori Representation

The purpose of the Maori representation is to provide advice and guidance to Council.

This is a valued relationship. Council continues to develop a much stronger relationship with Te Taiwhenua o Tamatea, who represent all 9 marae in Central Hawke's Bay.

Te Taiwhenua o Tamatea have appointed Roger Maaka as their representative at every scheduled ordinary, special, and extraordinary meeting of full Council. This representative does not vote.

Council is continuing to work closely with Te Taiwhenua o Tamatea to develop a partnership accord. This partnership accord is currently in draft form and is with marae in Central Hawke's Bay for feedback.

Maori Wards

The Local Electoral Act 2001 gives Council the ability to establish separate wards for Maori electors. Council is required to review its representation arrangements at least once every six years. This review must include deciding whether or not to have separate wards for electors on the Maori roll.

The formula to establish the number of Maori seats is governed by population. Based on the population of this district it may be possible that one Maori seat could be established.

Council conducted a representation review in 2011 and resolved that "Council does not establish Maori ward/s as provided for in the Local Electoral Act 2001, at this time."

Rates Remission and Postponement Policies

Community Contribution and Club Rebate Remission Policy

OBJECTIVE OF THE POLICY

To assist clubs who provide their own facilities and enable them to facilitate the ongoing provision of non-commercial community services and recreational opportunities to the District.

CONDITIONS AND CRITERIA

Council may remit 50% of the general rates where the application meets the following criteria:

1. Where land is owned by Council or owned and occupied by a society or association of persons, and the land is used exclusively or principally:
 - (a) As a showground or place of meeting which is incorporated under the Agricultural and Pastoral Societies Act 1908; or
 - (b) For games or sports, except galloping, harness or greyhound races; or
 - (c) For the purposes of any branch of art.
2. The policy will not apply to organisations operated for private pecuniary profit, or which charge commercial tuition fees.
3. The Policy will not apply where a club licence under the Sale of Liquor Act 1989 is in force.
4. The policy will not apply to organisations that engage in the above mentioned sporting or community services, as a secondary purpose only.
5. The policy shall apply to such organisations as approved by the Chief Financial Officer and the Chief Executive, as meeting the relevant criteria.
6. The extent of any remission to any qualifying organisation shall be as determined by the Chief Financial Officer and the Chief Executive.
7. No remission will be granted in respect of those rates referred to in Section 16 of the Local Government (Rating) Act 2002 (e.g targeted rates for water supply, sewage disposal or waste collection).
8. Organisations making application should include the following documents in support of their application:
 - Statement of objectives.
 - Full financial accounts.
 - Information on activities and programmes.
 - Details of membership or clients.

The Community Contribution and Club Rebate Remission Policy will be reviewed every 3 years as part of the triennial Long Term Plan Process.

Remission of Additional Charges Policy

OBJECTIVE OF THE POLICY

The objective of the Remission of Additional Charges Policy is to enable Council to act fairly and reasonably in its consideration of rates, which Council have not received by the penalty date, due to circumstances outside the ratepayer's control.

CONDITIONS AND CRITERIA

Council grants to the Chief Financial Officer or their nominee delegated authority in the following circumstances to approve on receipt of an application, the remission of such additional charges which have been incurred by any ratepayer as a consequence of their payment being received after the due date:

1. Where the rate payment history of the property over the last 3 years (or back to purchase date where the property has been owned by the offending ratepayer less than 3 years) shows no previous evidence of late payment and the instalment was received by Council no later than 3 working days after the day of adding the instalment additional charge.
2. Where the balance to clear the rest of the year's rates (undiscounted and including any arrears) are paid before penalties are added for the next instalment.
3. Where payment has been late due to significant family disruption i.e. in the case of death, illness, or accident of a family member, as at the due date.
4. Where the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control.
5. Where a property changes hands (sale or lease) and the new owner/lessee is responsible for an instalment, when the original account was issued in the name of the previous owner/lessee.
6. Where a direct debit authority is commenced in time for the next instalment.
7. Where an error has been made on the part of Council staff, or arising through error in the general processing or levying, which has subsequently resulted in an additional charge being imposed.

Each application will be considered on its merits and remission will be granted where it is considered just and equitable to do so.

Uniform Annual Charges on Contiguous Properties Remission Policy

OBJECTIVE OF THE POLICY

To enable Council to act fairly and reasonably and provide for the possibility of rates remission where two or more Uniform Annual General Charges (UAGC) are levied on rating units which are occupied or used by the same ratepayer being a lessee/owner using the rating units jointly as a single property.

CONDITIONS AND CRITERIA

Section 20 of the Local Government (Rating) Act 2002, stipulates that there shall be one property for the purposes of levying the UAGC, where two or more separately rateable properties are:

- (a) Owned by the same ratepayer (owner or person with right to occupy by virtue of lease for more than 10 years); and
- (b) Used jointly as a single unit(for the same purpose); and
- (c) Contiguous or separated only by road, railway, drain, water race, river or stream, they shall be deemed to be one property for the purposes of any Uniform Annual General Charges.

Council will allow, without further enquiry (except for clarification), applications made by ratepayers in the form of a statutory declaration to the effect that two or more separately rated properties are occupied by the same ratepayer and are used jointly for the same purpose and the Uniform Annual General Charge and any other relevant Separate Uniform Annual Charge levied on the second and subsequent assessments will be cancelled.

Council may remit the rates where the application meets the following criteria:

- 1. The rating units must be contiguous and occupied by the same ratepayer who is the lessee/owner of each unit and who uses them jointly as a single property contiguous or separated only by road, railway, drain, water race, river or stream and used for the same purpose.
- 2. Where farming or horticultural operations conducted on separate blocks of land are so far apart as to indicate that there is no possible continuity between them, full charges may be levied on each. Factors such as stock rotation, stock driving, property size, and the number of properties affected will be taken into account.
- 3. Council may, on written application from a ratepayer of such rating units, reduce or cancel any separate Uniform Annual General Charge levied on the rating units if it considers it to be reasonable in the circumstances to do so.
- 4. Council grants to the Chief Financial Officer or their nominee delegated authority in the above circumstances to approve on receipt of an application, the cancellation of Uniform Annual General Charge and any other relevant Separate Uniform Annual Charge levied on the second and subsequent assessments.

Remission and Postponement of Rates on Maori Freehold Land Policy

The Policy

The Central Hawke's Bay District Council recognises the complex problems involved when dealing with Maori land, and has formulated a policy (the Maori Land Policy) to deal with some of these. When, in the judgement of Council, it would be unfair or unreasonable to collect rates at this time, land may be placed on this Maori Land Register, and retired from rating liability for a period.

In general, reasons for placement on the register would include some or all of the following:

- **Fragmented ownership** – ownerships vary in number and individual share proportions. Owners are scattered throughout the country and even worldwide. An attempt to contact a majority representation is often painstaking and difficult.
- **Unsecured legal title** – there may be some land titles that have not been surveyed. They would not be able to be registered with the District Land Registrar. Owners seeking finance for development of their land are restricted, as mortgages cannot be registered against the title.
- **Isolation and marginal in quality** – the geographical isolation and economic climate of the district are clearly illustrated by the much needed development, as the lands are of marginal quality.
- **No management structures** - lands have no management or operating structures in place to administer matters.
- **Rating problems** – because of the above factors there is a history of rate arrears and/or a difficulty in establishing who is/should be responsible for the payment of rates.

Note: The register is not designed as a way for owners to elect not to use land and therefore not to pay rates.

The Register

Maori land owners can apply to have their lands entered on the register. By making an application, owners are asking Council for a discretionary remission of rates.

If accepted, the land will be 'retired' from rates for a term specified by Council, with a maximum term of three years. While lands are 'retired' or 'parked up', the onus is on the owners to ensure that no one breaches the conditions by using the land.

Lands on the register are inspected regularly to monitor for any breaches.

Each application is examined on its own merits. Intending applications should not be compared to others already on the register.

The Criteria

The criteria to determine eligibility for application to the Maori Land Register is as follows:

- It must be Maori land (as defined in Te Ture Whenua Act 1993 Part VI Section 129 or the Local Government (Rating) Act 2002, Part 1, Sub-paragraph 1, Section 5).
- It must have historical, ancestral or cultural significance.
- It must be unoccupied. The definition of occupation which comes direct from Part 4 Section 96 of the Local Government (Rating) Act 2002 says that 'occupation' is where a person/persons does one or more of the following:
 - Resides upon the land
 - De-pastures or maintains any livestock whatsoever on the land
 - Cultivates the land and plants any crop on the land

CHBDC Long Term Plan 2018-28 Supporting Information

- Stores anything on the land
- Uses the land or any improvements in any way

General Comment

For an application to be considered:

- Communication must be established between owners and the Council
- Rating problems must have been identified and amicable solutions worked towards
- Where the land has potential for land use, owners are provided with the time to re-assert responsibility and should be actively seeking prospective occupiers or usage. Land that is unrealistic for rating purposes can be identified, eg mudflats, heavily eroded cliff faces, severe bush and scrub.

Remission of Rates for Natural Calamities Policy**OBJECTIVE OF THE POLICY**

To assist ratepayers experiencing financial hardship as a result of a natural event detrimentally affecting the use of the land or the income derived from the land, and which directly affects their ability to pay rates.

CONDITIONS AND CRITERIA

Council may postpone wholly or in part, any rate or charge in respect of the property, where it considers it to be fair and reasonable to do so. This will be in circumstances where Central Government have recognized the seriousness of the event and provided financial assistance to enable the remission to occur.

The term and nature of the postponement, the proof of financial hardship and any other criteria considered necessary will be determined by Council in each case.

Decisions on the extent of remissions shall be as determined by the Chief Financial Officer through the Chief Executive, as meeting the relevant criteria.

Rates Holiday / Postponement Policy**OBJECTIVE OF THE POLICY**

To assist ratepayers who undertake economic development that benefits the District as a whole.

CONDITIONS AND CRITERIA

- 1) The applicant must be the current rate payer of the rating unit.
- 2) Council must be satisfied that economic benefits will flow to the district from the development.
- 3) The ratepayer must make application to Council.
- 4) Applications for a rates holiday will be considered by Council.

Remission of Rates for QEII Trust and Land for Natural, Historic or Cultural Conservation Policy

OBJECTIVE OF THE POLICY

To recognise and support the environmental value of such protected areas and to acknowledge the non-commercial use of such protected land. To preserve and promote natural resources and heritage by encouraging the protection of land for natural, historic or cultural conservation.

CONDITIONS AND CRITERIA

1. The extent of the rates remission if approved is to be 100%.
2. Applications are to be received in writing requesting rates relief be given to areas protected by the registration of a QEII Open Space Covenant or a covenant that gives the same effect.
3. Pest eradication shall be primarily the responsibility of the owner.
4. No portion of the covenanted area is to be developed or utilised in any way for commercial activity. This includes generating income for maintenance of the covenanted area.
5. Authority to consider applications is delegated to the Chief Financial Officer with right of appeal to the Chief Executive and Council.

Sundry Remission of Rates Policy

OBJECTIVE OF THE POLICY

To remit rates and charges that are the result of fundamental errors; or where the balance owing is considered uneconomic to recover; or where the amount levied is unable to be covered pursuant to sections 67/76 of the Local Government (Rating) Act 2002; or where Council or its delegated officer(s) consider the levy impractical to recover.

To facilitate the use of Maori Freehold Land (and therefore the collection of rates), by removing the burden on the potential lessee of existing arrears.

CONDITIONS AND CRITERIA

Council or its delegated officer(s) shall determine the extent of any remission based on the merits of each situation. Decisions on the extent of remissions shall be as determined by the Chief Financial Officer through the Chief Executive, as meeting the relevant criteria.

CHBDC Long Term Plan 2018-28 Supporting Information

Remission of Water Meter Rates Attributable to Water Leaks Policy

OBJECTIVE OF THE POLICY

To provide relief to people in situations where water usage is high due to a water leak.

OBJECTIVE OF THE POLICY

To provide relief to people who use .

CONDITIONS AND CRITERIA

Council may remit water meter rates where all of the following apply:

- A remission application has been received; and
- Council is satisfied a leak on the property has caused excessive consumption and is recorded on the water meter; and
- The leak has been repaired within one calendar month of being identified (unless evidence is provided that the services of an appropriate repairer could not be obtained within this period); and
- Proof of the leak being repaired has been provided to Council promptly after repair of the leak.

The amount of the remission will be the difference between the average consumption of the property prior to the leak, as deemed reasonable by Council, and the consumption over and above that average.

Remission is limited to the period where the leak was identified and fixed and the last invoice. Remission for any particular property will generally be granted only once every year. Where a remission for a water leak has been granted to a property under this policy within the last year, the remission decision is to be made by the Chief Financial Officer.

Any remission over 4,000 cubic metres of water is to be referred to the relevant Council Committee for decision.

School Sewerage Charges Remission Policy

OBJECTIVE OF THE POLICY

To ensure that schools are not disproportionately charged for sewerage services based on the number of connections. Charges will be based on the school's staff and student numbers.

CONDITIONS AND CRITERIA

The policy will apply to the following educational establishments:

- Established as a special school under Section 98(1) of the Education Act 1964; or
- A state school under Section 2 (1) of the Education Act 1989; or
- An integrated school under Section 2 (1) of the Private Schools Conditional Integrated Act 1975; or
- A special institution under Section 92 (1) of the Education Act 1989; or
- An early childhood centre under Section 308 (1) of the Education Act 1989, but excluding any early childhood centre operated for profit.

The policy does not apply to school houses occupied by a caretaker, principal or staff.

1. An amount levied using the same mechanism as are applying to other separately rateable rating units within the District and reduced in accordance with the following formula:-

CHBDC Long Term Plan 2018-28 Supporting Information

- (a) Divided by the number of toilets as determined in accordance with condition 3 below (the full charge); and reduced in accordance with the following graduated formula:
- (i) The full charge for each of the first 4 toilets or part thereof;
 - (ii) 75% of the full charge for each of the next 6 toilets or part thereof;
 - (iii) 50% of the full charge for each toilet after the first 10.
- (b) For the purpose of 1 (a) above the number of toilets for a rating unit used for the purposes of an educational establishment is 1 toilet for every 20 students and staff or part thereof, irrespective of the actual number of toilets contained in the qualifying part of the rating unit.
- (c) The number of students in an educational establishment is the number of students on its roll on 1 March in the year immediately before the year to which the charge relates.
- (d) The number of staff in an educational establishment is the number of teaching staff and administration staff employed by that educational establishment on 1 March immediately before the year to which the charge relate.
2. Calculation of Council's standard sewerage charge (based on the number of water closets/urinals).
3. Calculation of the number of full time equivalent on-site students and staff divided by 20 and multiplied by the applicable waste water targeted rates.
4. The amount to be remitted is the difference between the amount calculated under 1 and the amount that would have applied, had the rating unit not been used by an educational institution.
5. That the Finance Manager be delegated authority to approve remission of the sewage charges in excess of the charges payable according to the policy.

Example

Green Intermediate School is situated in Moa District Council. Moa collects its rates by way of a pan charge of \$100 per pan. At 1 March 2011, Green Intermediate has 500 students, 30 staff and 28 toilet pans. How much will it pay in sewage disposal rates?

Answer: Green School would be levied \$1762.93.

The total charge in this case would be $100 \times 28 \text{ pans} = \2800 . *Local Government New Zealand* has a legal opinion which holds that the actual number of pans should be used for this part of the calculation.

The number of rateable pans is $530/20 = 26.5$ pans which gets rounded to 27 pans for the purposes of reducing the rates.

Council calculates that the full charge on each toilet would be $2800/27 = \$103.70$ per pan.

The total charge is then calculated with reference to the scale e.g.

4 pans at the full charge ($103.70 \times 4 = \$414.80$)
 6 pans at 75 percent of the full charge ($77.78 \times 6 = \$466.68$)
 17 pans at 50 percent of the full charge ($51.85 \times 17 = \$881.45$).

Total = $(414.8 + 466.68 + 881.45) = \1762.93



Revenue and Financing Policy

Statement of Proposal February 2018

CENTRAL HAWKE'S BAY DISTRICT COUNCIL



Summary

As part of the review of the Long Term Plan, Council has recognised the need to review the funding of the core activities of Water Supply and Wastewater.

During Project Thrive, the whole community gave us a strong message that drinking water and wastewater are important for all parts of our community. Not only is it important for those using the infrastructure but also to the community as a whole. Durable infrastructure supports smart growth by allowing for the development of businesses and industries which provide employment. Durable infrastructure takes our environmental responsibility into account and ensures that we have as little impact on our environment as possible. Durable infrastructure ensures that the infrastructure we build is fit for the future and ensures our children are not burdened with paying for aging infrastructure due to underinvesting now.

Currently all of the costs associated with our water and wastewater activities are paid for by the people connected to the networks through the targeted rates. However Council believes that there is a wider benefit to the community in ensuring that our drinking water and wastewater infrastructure is fit for purpose. The health of our rivers is impacted by our wastewater. Conservation of our drinking water affects the summer flows of our rivers. Our businesses rely on durable infrastructure to provide products and services to the whole community.

Based on this Council is proposing to fund 5% of the rates requirement for Water Supply and Wastewater from a District Wide Targeted Rate set on a uniform basis.

Background

As part of the review of the Long Term Plan (LTP), Council has reviewed its Revenue and Financing Policy and has recognised the need for a change to the funding of Water and Wastewater activities. As part of the engagement conducted during Project Thrive and the growth projections that formed the basis of the development of the LTP 2018-28, the Council recognised the requirement to review the funding of these core infrastructure activities.

This matter affects everyone in the district and will determine how the Council derives the revenue it needs in order to undertake these activities on behalf of the community at desired service levels. In accordance with s82 of the Local Government Act 2002, this Statement of Proposal initiates a consultation that is being run in conjunction with the Consultation on the Long Term Plan. Council is seeking the community's views on the proposed changes. The full proposed Revenue and Financing Policy is included with this Statement of Proposal.

Funding Allocation Among Available Revenue Sources

In performing its review of revenue sources, Council gave consideration to the availability of alternative funding sources, the cost effectiveness of administration and collection, and the factors that determine the scope and level of service for Water Supply and Wastewater.

The analysis is based on the following criteria:

- a) The community outcomes to which the activity primarily contributes
- b) The distribution of benefits
- c) The period in or over which those benefits are expected to occur
- d) The extent to which behaviour affects the scope and need for an activity
- e) The costs and benefits of funding the activity distinctly from other activities

Council is then required to consider the overall impact of any allocation of liability for revenue needs on the community.

Council seeks to achieve an appropriate balance considering factors such as affordability and its vision for the district. As part of the review, Council considered the community wide benefit of the activities of Water Supply and Wastewater.

For these reasons, Council has taken a holistic view and applied weightings to ensure that the distribution of its funding needs is appropriate and sustainable.

Based on the review the Council has proposed a change the allocation of the targeted rates for Water Supply and Wastewater to include 5% of the rates requirement from a District Wide Targeted rate set on a uniform basis that is assessed on all Separately Used or Inhabited Parts of a rating unit in the District whether connected to the networks or not.

STATEMENT OF PROPOSAL FEBRUARY 2018

The Options

<div>1.</div> <div>Retain the current funding for drinking water and wastewater.</div>	<div>2.</div> <div>Change the funding of water and wastewater to have a District Wide Targeted Rate set on uniform basis of 5% of the total funding requirement. This would be paid for by everyone in the district whether or not you are connected to the network.</div>	<div>3.</div> <div>Change the funding of water and wastewater to have a District Wide Targeted Rate set on uniform basis of 7.5% of the total funding requirement. This would be paid for by everyone in the district whether or not you are connected to the network.</div>																		
<div>Based on the current funding model where all rates required for water and wastewater are paid by those connected there is no change to the way the rates are collected.</div>	<div>This funding model will see 5% of the rates funding requirements for water and wastewater to be paid district wide*. This has been proposed as a District Wide Targeted Rate set on uniform basis. This would be paid by all ratepayers in the district whether or not you are connected to the networks.</div> <div>For both water and wastewater this totals</div> <table><tr><td>2018/19</td><td>\$49</td></tr><tr><td>2019/20</td><td>\$53</td></tr><tr><td>2020/21</td><td>\$57</td></tr></table>	2018/19	\$49	2019/20	\$53	2020/21	\$57	<div>This funding model will see 7.5% of the rates funding requirements for water and wastewater paid to be paid district wide*. This has been proposed as a District Wide Targeted Rate set on uniform basis. This would be paid by all ratepayers in the district whether or not you are connected to the networks.</div> <div>For both water and wastewater this totals</div> <table><tr><td>2018/19</td><td>\$73</td></tr><tr><td>2019/20</td><td>\$80</td></tr><tr><td>2020/21</td><td>\$85</td></tr></table>	2018/19	\$73	2019/20	\$80	2020/21	\$85						
2018/19	\$49																			
2019/20	\$53																			
2020/21	\$57																			
2018/19	\$73																			
2019/20	\$80																			
2020/21	\$85																			
<div>The annual water charge for the first 3 years of the LTP for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$669</td></tr><tr><td>2019/20</td><td>\$751</td></tr><tr><td>2020/21</td><td>\$795</td></tr></table>	2018/19	\$669	2019/20	\$751	2020/21	\$795	<div>The annual water charge for the first 3 years of the LTP including the 5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$648</td></tr><tr><td>2019/20</td><td>\$729</td></tr><tr><td>2020/21</td><td>\$771</td></tr></table>	2018/19	\$648	2019/20	\$729	2020/21	\$771	<div>The annual water charge for the first 3 years of the LTP including the 7.5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$643</td></tr><tr><td>2019/20</td><td>\$723</td></tr><tr><td>2020/21</td><td>\$764</td></tr></table>	2018/19	\$643	2019/20	\$723	2020/21	\$764
2018/19	\$669																			
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2018/19	\$643																			
2019/20	\$723																			
2020/21	\$764																			
<div>The annual wastewater charge for the first 3 years of the LTP for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$883</td></tr><tr><td>2019/20</td><td>\$946</td></tr><tr><td>2020/21</td><td>\$1,019</td></tr></table>	2018/19	\$883	2019/20	\$946	2020/21	\$1,019	<div>The annual wastewater charge for the first 3 years of the LTP including the 5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$866</td></tr><tr><td>2019/20</td><td>\$928</td></tr><tr><td>2020/21</td><td>\$1,000</td></tr></table>	2018/19	\$866	2019/20	\$928	2020/21	\$1,000	<div>The annual wastewater charge for the first 3 years of the LTP including the 7.5% for those connected to the network would be</div> <table><tr><td>2018/19</td><td>\$858</td></tr><tr><td>2019/20</td><td>\$919</td></tr><tr><td>2020/21</td><td>\$990</td></tr></table>	2018/19	\$858	2019/20	\$919	2020/21	\$990
2018/19	\$883																			
2019/20	\$946																			
2020/21	\$1,019																			
2018/19	\$866																			
2019/20	\$928																			
2020/21	\$1,000																			
2018/19	\$858																			
2019/20	\$919																			
2020/21	\$990																			

*Assessed for each Separately Sued or Inhabited Part of a rating unit (SUIP). Based on current SUIP numbers.

The Preferred Option

Council's preferred option is option 2. The proposed change to the funding has been included in the draft budgets at the rate of 5% by way of a District Wide Targeted Rate set on a uniform basis for

STATEMENT OF INTENT ON WASTE FEBRUARY 2018

each service. The Council feels that this reflects the right balance between the benefits to those connected to the networks and the community as a whole who benefit from there being durable water and wastewater infrastructure in our community that is fit for purpose, control our environmental impact and provide for smart growth.

The Submission Process

The proposal contained in this document is open for public submission in conjunction with consultation on the Long Term Plan from 19 February to 29 March 2018. This is your opportunity to let the Mayor and Councillors understand your views about the policy proposals.

The operative Revenue and Financing Policy of Council may be found on the Council website as part of the Long Term Plan 2015-25.

Your submission can be sent to Council by:

- Sending an email to cp@chbdc.govt.nz
- Completing the online submission form
- Completing the submission form at the end of the Long Term Plan Consultation Document and delivering it to:

Central Hawke's Bay District Council
32 Ruataniwha Street
Waipawa 4210

Or mailing it to:

Central Hawke's Bay District Council
PO Box 127
Waipawa 4240

Once the public consultation period has concluded, Council will schedule hearings on the proposal as part of the Long Term Plan Consultation. Submitters will be advised of the hearing dates, and those who have indicated that they wish to present their views in person will be advised of their allocated speaking time. Council will consider all submissions received and submitters will be advised of the outcome of their submission as part of the Long Term Plan submission process.

STATEMENT OF INTENTIONS 8 FEBRUARY 2018

Revenue and Financing Policy

The Revenue and Financing Policy is required under Section 102 of the Local Government Act 2002 (**LGA**) and the required contents are set out in section 103 of the LGA. The policy must be included in full in the LTP. Section 103(2) allows the following funding mechanisms to be used when funding operating and capital expenditure:

- General Rates
- Uniform Annual General Charge
- Targeted Rates
- Grants and Subsidies
- Interest and Dividends from Investments
- Fees and Charges
- Borrowing
- Proceeds from Assets Sales
- Development or Financial Contributions
- Lump Sum Contributions
- Any other source

This policy summarises the funding sources to be used by Council and their intended use. Sources are identified for each Council activity, including those that may be used to fund operating and capital expenditure. The General Rate is set on a District Wide basis (not on a differential basis), on the capital value of the rating unit. Council sets a Uniform Annual General Charge that is assessed on separately used or inhabited parts of a rating unit in the district.

Council must consider the following elements in deciding on appropriate funding mechanisms for each activity:

- *Community Outcomes* – the community outcomes an activity will primarily contribute to.
- *Distributions of benefits* – the distribution of benefits between the community as a whole, any identifiable parts of the community and individuals.
- *Timeframes of benefits* – the period in and over which those benefits are expected to occur. For example, the benefits may occur on an ongoing basis, but may also benefit future generations.
- *Contributors to need for activity* – the extent to which actions or inactions of particular individuals or groups contribute to the need to undertake the activity.
- *Costs and Benefits of distinct funding* – the cost and benefits, including for transparency and accountability, of funding the activity distinctly from other activities.

The Council has also considered the overall impact of any allocation of liability on the community and has determined this doesn't require any modification to the activity by activity analysis.

2

CENTRAL HAMMERSLEY DISTRICT COUNCIL

STATEMENT OF PROPOSAL FEBRUARY 2018

Funding of Operating Expenditure

The following table shows which mechanisms may be used to fund operating expenditure for Council's activities:

	General Rates	Uniform Annual General Charge	Targeted Rates	Grants and Subsidies	Fees and Charges
Community Leadership Group					
Leadership, Governance and Consultation	✓	✓		✓	
Economic and Social Development	✓	✓	✓		
Planning and Regulatory Group					
District Planning	✓				
Land Use and Subdivision Consents	✓				✓
Building Control	✓				✓
Public Health	✓				✓
Animal Control	✓				✓
Compliance & Monitoring	✓				✓
Land Transport Group					
Land Transport	✓		✓	✓	✓
Solid Waste Group					
Solid Waste	✓	✓	✓		✓
Water Supplies Group					
Water Supplies			✓		✓
Wastewater Group			✓		✓
Wastewater					
Stormwater Group			✓		
Stormwater					
Recreation and Community Facilities Group					
Parks, Reserves and Swimming Pools	✓	✓			✓
Public Toilets	✓				
Retirement Housing					✓
Libraries	✓	✓			✓
Theatres, Halls and Museums	✓				✓
Cemeteries	✓				✓
Property and Buildings	✓				✓

- Council does not fund operating expenditure by Borrowing unless in exceptional circumstances by way of Council resolution.
- Interest and Dividends are used to offset the general rate requirement except where the interest is credited to a special fund or reserve fund.
- Proceeds from the Sale of Land and Buildings are transferred to the Capital Projects fund for funding future capital projects by resolution of Council. Proceeds from Sale of other Assets are used to fund the renewals of assets within the activity.

STATEMENT OF FINANCIAL PERFORMANCE FEBRUARY 2018

Funding of Capital Expenditure

The following table shows which mechanisms may be used to fund capital expenditure for Council's activities:

	General Rates	Targeted Rates	Borrowings	Reserves	Funding assistance/User Charges	Development Contributions
Community Leadership Group						
Leadership, Governance and Consultation	No Capital Expenditure					
Economic and Social Development	No Capital Expenditure					
Planning and Regulatory Group						
District Planning			✓			
Land Use and Subdivision Consents	No Capital Expenditure					
Building Control	No Capital Expenditure					
Public Health	No Capital Expenditure					
Animal Control	No Capital Expenditure					
Compliance & Monitoring	✓				✓	
Land Transport Group		✓	✓	✓	✓	✓
Solid Waste Group	✓		✓	✓		
Water Supplies Group		✓	✓	✓		✓
Wastewater Group		✓	✓	✓		✓
Stormwater Group		✓	✓	✓		✓
Recreation and Community Facilities Group						
Parks, Reserves and Swimming Pools	✓			✓	✓	
Public Toilets	✓		✓	✓		
Retirement Housing				✓	✓	
Libraries				✓		
Theatres, Halls and Museums	✓		✓	✓	✓	
Cemeteries	✓			✓		
Property and Buildings	✓			✓		

- Council takes into account the useful life of the asset and the use by future generations in the funding of the capital expenditure.
- Lump sum contributions are not utilised by Council.

Community Leadership Group

Leadership, Governance and Consultation

Description

The Leadership, Governance and Consultation activity includes the elected Council.

Community Outcomes

This activity contributes to all of the community outcomes.

Distributions of benefits

Benefits from the Leadership, Governance and Consultation activity are for the community generally. Council is the vehicle for making decisions affecting the district.

Timeframes of benefits

Ongoing.

Contributors to need for activity

Living in a democratic society contributes to the need for this activity.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 100% public funding based on a Uniform Annual General Charge.

Economic and Social Development

Description

Economic and Social Development is undertaken by a number of outside organisations.

- These are CHB Promotions, Business Hawke's Bay and joint study by Hawke's Bay Councils, funded partly by the Council
- Department of Internal Affairs –which funds a Community Development Coordinator

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth

Distributions of benefits

Benefits from economic development accrue largely to the community, due to the ongoing economic benefits of visitor spending, creation of employment and investment in the potential of the district. Similarly social benefits accrue the wider community. Some benefits may accrue to businesses or individuals using these services, but it is difficult and illogical to recover these benefits.

Timeframes of benefits

Ongoing.

Contributors to need for activity

All groups contribute to the need for this activity.

10 | P a g e

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 100% public funding for this activity. Public funding is collected through the Uniform Annual General Charge.

Planning and Regulatory Group

District Planning

Description

The Land Use Planning and Management Activity, as part of Council's statutory obligations under the Resource Management Act 1991, involves -

- Providing advice on the District Plan
- Providing Policy advice on planning and rules of the District Plan
- Monitoring of the effectiveness and efficiency of the policies and rules in the District Plan

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

The district planning services benefit the users of the District Plan through clear information available for development and land use.

The community benefits highly through protection of the environment, appropriate and sustainable development of land and property.

Timeframes of benefits

Ongoing.

Contributors to need for activity

People who do not comply with legislative regulations may contribute to the need for this activity.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 100% public funding for this activity. Public funding is through the capital value based general rate.

Land Use and Subdivision Consents

Description

The Council is required by the Resource Management Act 1991 to prepare, implement and administer a District Plan that meets the needs of the community. The Resource and Subdivision Activity ensures that development occurs in a manner that complies with the District Plan, through processing resource consent applications and monitoring.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible

Distributions of benefits

The district planning services mainly benefit the users of the resource and subdivision consent process through meeting legislative requirements.

The community benefits through protection of the environment, appropriate and sustainable development of land and property.

Timeframes of benefits

Ongoing.

Contributors to need for activity

People who do not comply with legislative regulations may contribute to the need for this activity. Generally this is met through extra charges on these people.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 37.49% private funding for this activity, with the remainder coming from public funding. Public funding is through the capital value based general rate and private funding is collected through fees and charges.

Building Control

Description

Building Control is responsible for administering and enforcing the Building Act 2004 (and related legislation). This includes -

- Processing applications for building consents
- Enforcing the provisions of the Building Act 2004 and associated regulations
- Processing Land Information Memoranda

Once a consent has been obtained, Council monitors compliance through inspections and provides code compliance certificates confirming that new building work meets the provisions of the building code.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Smart Growth

STATEMENT OF PURPOSES (OPTIONAL TITLE)

Distributions of benefits

Benefits from building control accrue mainly to users of these services (ie people who build or alter buildings) through meeting legislative requirements and safe buildings. The community benefits through the enforcement of regulations that ensure safe, sanitary and accessible buildings in which people live, play and work.

Timeframes of benefits

Ongoing.

Contributors to need for activity

People who do not comply with legislative regulations may contribute to the need for this activity. In some cases (e.g. property purchase where consent standards are not met), it may be difficult to identify who should pay.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 70-85% private funding for this activity, with the remainder funded from public funding. Private funding is collected through various fees and charges. Public funding is through the capital value based general rate.

Public Health**Description**

The Public Health Activity covers the regulatory functions relating to environmental health, liquor licensing, hazardous substances, and other environmental monitoring.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Smart Growth

Distributions of benefits

Benefits from environmental health services accrue to both the community and individuals and organizations. Individuals and organizations benefit from assurances that their premises are of an acceptable standard to the consumer and meet other legislative requirements (e.g. liquor licensing). The community benefits through the expectation that

- standards of operation are being met and
- assurances of a safe and healthy environment for residents and visitors.

Timeframes of benefits

Ongoing.

Contributors to need for activity

People who do not comply with legislative regulations may contribute to the need for this activity. Generally this is met through extra charges on these people.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 27-36% private funding for this activity, with the remainder from public funding. Public funding is through the capital value based general rate and private funding is collected through fees and charges.

Animal Control

Description

This activity includes the implementation of requirements of Dog Control Act 1996 and related legislation and Council bylaws. Main objectives include education, response to complaints and management of registration systems for dogs and stock.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities

Distributions of benefits

Benefits from the animal control service accrue mainly to animal owners from the provision of a service that either confines or returns lost or stray animals. The community generally benefits through the enforcement of regulations against aggressive and straying animals.

Timeframes of benefits

Ongoing, but occur mainly in the short-term.

Contributors to need for activity

People who do not properly control their animals can be a significant contributor to this activity. In some cases, it can be difficult to identify who these people are.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 91-95% private funding for this activity, with the remainder from public funding. Private funding is collected through various fees and charges – including fines and impounding costs. Public funding is through the capital value based general rate.

Compliance and Monitoring

Description

Compliance and Monitoring primarily involves the monitoring of resource consent conditions, responding to noise complaints and bylaw breaches, and carrying out territorial authority responsibilities as defined in legislation such as the inspection of swimming pool fences, earthquake prone buildings, and processing of Land Information Memoranda (LIMS), Compliance Schedules and Building Warrants of Fitness.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

Benefits from this activity accrue across the wider community, through ensuring that activities are monitored and comply with legislative, policy and bylaw requirements, thereby minimising negative impacts on residents of, and visitors to, the District.

18 BROADVIEW AVENUE, HAWKE'S BAY, NEW ZEALAND

Timeframes of benefits

Ongoing. Benefits occur now through continuous monitoring of activities, response to complaints, and public education.

Contributors to need for activity

Where matters of non-compliance are brought to Council's notice, there is a requirement to ensure that compliance is achieved for the safety and wellbeing of the wider public.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council has agreed on 10% private funding for this activity, with the remainder from public funding. Public funding is collected through the capital value based general rate. Private funding is obtained through various fees and charges including fines.

Land Transport Group

Land Transport

Description

The Local Government Act 2002 and Land Transport Management Act 2003 provide the framework under which Council operates a land transport network within the District. Council aims to achieve an integrated safe, responsive and sustainable land transport network. Council maintains 1261.81 km of roads, 64 km footpaths, 265 bridges, street lighting and other roading assets.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

There is a mix of public and private benefits with these activities. Public benefits include an attractive urban environment and streetscape, tidy roadsides, the ability to transport people, goods and services throughout the district, connections to other transport networks and location and property identification. Private benefits are for people and businesses using roads and footpaths to carry out their day to day business.

Timeframes of benefits

Ongoing.

Contributors to need for activity

All groups contribute to the need for this activity. In some cases damage may be caused, additional costs may be caused to Council through vandalism, accidents and activities beyond normal usage.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

INTERVIEW TO DETERMINE THE IMPACT OF THE ACTIVITY

Recommended Funding

Council has agreed to 100% public funding. Public funding is collected through the land value based targeted rate.

New Zealand Transport Agency funding applies to subsidised roading projects.

A small amount of private funding is recovered through fees and charges.

Solid Waste Group**Solid Waste****Description**

Central Hawke's Bay District Council provides the following services:

District landfill, transfer stations, recycling drop off centres, and kerbside refuse and recycling collections, litter bins and management of closed landfills.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

The benefits of the solid waste activity are largely public and private. Individuals benefit from not having to arrange their own systems of waste disposal. An environmentally sound landfill and rubbish collection maintains a sustainable and clean district.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits from having solid waste collection and disposal available. In some cases, illegal dumping and inappropriate disposal of hazardous wastes may result in extra costs to the Council.

Costs and Benefits of distinct funding

It is appropriate to recover the private benefit via a separate funding mechanism.

Recommended Funding

Council has agreed on 46-48% private funding for this activity. The remaining Public funding is collected through a combination of a Capital Value based General Rate, Uniform Annual General Charge and targeted rates for kerbside recycling and refuse collection. Private funding is derived from fees and charges.

Water Supplies Group

Water Supplies

Description

The Central Hawke's Bay District Council owns and operates 8 water supply schemes.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

Provision of water supplies provides a number of public benefits, including access to potable water and availability of water for key public services and amenities (eg fire fighting, landscaping, swimming pools). There are significant direct benefits to ratepayers and consumers connected to a Council piped water scheme through access to water for drinking and water availability for industry.

Timeframes of benefits

Ongoing and long-term for future generations.

Contributors to need for activity

Those sections of the community where water services are available benefit widely from having a supply available. The wider community who use the facilities and business who depend on the water supply also benefit.

Costs and Benefits of distinct funding

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity through targeted rates and charges.

Recommended Funding

Council has agreed on a 95% private funding for this activity. Public funding is collected through a District Wide Targeted rate set on a uniform basis for all separately used or inhabited parts of a rating unit in the district (whether connected or unconnected). Private funding is derived from a targeted rate from those connected to water systems and volumetric water meter rates.

Wastewater (Sewerage) Group

Wastewater (Sewerage)

Description

Central Hawke's Bay District Council sewer systems comprise of six reticulated systems and associated treatment plants.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District

- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

Provision of a sewerage system provides a number of public benefits, including maintenance of public health standards, prevention of disease and maintenance of a healthy environment. All properties, both domestic and industrial, that are connected to Council's sewerage system receive a direct benefit which relates to the cost of providing the service. A sewerage system is a key infrastructural need for maintaining public health and growth of business opportunities.

Timeframes of benefits

Ongoing and long-term for future generations.

Contributors to need for activity

The community benefits widely from having a sewerage system available. Additional costs may be caused through overloading of systems, disposal of hazardous material and illegal connections.

Costs and Benefits of distinct funding

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity through targeted rates and charges.

Recommended Funding

Council has agreed on a 95% private funding this activity. Public funding is collected through a District Wide Targeted rate set on a uniform basis for all separately used or inhabited parts of a rating unit in the district (whether connected or unconnected). Private funding is derived from a targeted rate from those connected to wastewater systems and from fees and charges and levies raised through the Trade Waste Bylaw.

Stormwater Group

Stormwater

Description

Central Hawke's Bay District Council stormwater systems comprise of 7 systems. The systems generally consist of a primary piped network with some open channel and secondary flow paths.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Prosperous District
- Strong Communities
- Connected Citizens
- Smart Growth
- Environmentally Responsible
- Durable Infrastructure

Distributions of benefits

Provision of a stormwater system provides a number of public benefits, including decreased risk from flooding and encouraging residential development. Private benefits are particularly to property owners via stormwater disposal away from their properties.

18 MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

Timeframes of benefits

Ongoing and long-term for future generations.

Contributors to need for activity

The community benefits widely from having a stormwater system available.

Costs and Benefits of distinct funding

Because the benefits of this activity are predominantly private, it is considered appropriate to fund the activity separately.

Recommended Funding

Council has agreed on 100% private funding for this activity. Public funding is collected through a targeted rate from those within stormwater catchment areas. The funding of the Te Aute drainage scheme is based on a targeted rate on scheme members.

Recreation and Community Facilities Group

Parks, Reserves and Swimming Pools

Description

A number of parks, reserves, war memorials and camping grounds are provided throughout the district for recreation, including sports fields, children's playgrounds and amenity areas. There are two swimming pools, one owned by the Council and one owned by a Community Trust that is largely funded by the Council.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

Distributions of benefits

Benefits from parks accrue to the community generally through the provision of facilities for groups and individuals to pursue active and passive leisure pursuits, education on the natural environment, community pride and contributing to community health and well-being.

There can be private benefits to people and sports groups through the use of sports fields for organized sport, but these are available to the wider community at other times.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having these facilities available.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council have agreed a 97% public, 3% private funding split and that the cost of funding the public component of the Parks, and Reserves should occur by way of 70% from the General Rate assessed on Capital Value and 30% (to meet the cost of swimming pools) from the Uniform Annual General Charge. The private funding component will be collected from fees and charges with market rentals being applied to camp grounds.

Public Toilets

Description

The Council provides 24 public conveniences located throughout the District.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

Distributions of benefits

Public toilets provide a mix of public and private benefits. While private benefits are obvious, public benefits are through having these essential facilities available for residents and visitors, and maintaining standards of public hygiene.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having public conveniences available.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council have agreed 100% public funding and that the cost of funding the public component of the Public Toilets should occur by way of 100% from the General Rate assessed on Capital Value.

Retirement Housing

Description

A total of 48 one bedroom flats are owned by Council in different locations in Waipukurau and Waipawa. These provide affordable housing for those elderly in need.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

Distributions of benefits

Benefits from housing accrue to tenants of the housing units. This is a relatively small and identifiable group who are provided with affordable accommodation in convenient locations. There may be some small community benefits through the availability of low cost housing to vulnerable groups in the community.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits from having housing available. The main benefit is to people who choose to tenant these units.

Costs and Benefits of distinct funding

STATEMENT OF FINANCIAL PERFORMANCE – COMMUNITY – 2017/18

The activity is self-funding and separate funding is not required.

Recommended Funding

The Council believes the optimum funding is 100% private, through user rental charges.

Libraries

Description

Libraries include the two libraries in Waipukurau and Waipawa.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

Distributions of benefits

Benefits from libraries accrue largely to the community, through contributing to a community that is literate and informed, has access to information and provision of a community resource. There is also direct benefit to each individual who reads a book or uses one of the other library services, and some of these can be recovered, although a high level of recovery may restrict the ability of some people to continue to use these services.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having library services available.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

The Council have agreed the optimum allocation of costs is 90% public to 10% private. Public funding is through the Uniform Annual Charge, with private funding through user charges for some library services.

Theatres and Halls

Description

Theatres, halls and museums include several community halls located throughout the District.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens

Distributions of benefits

Theatres and halls have a mix of public and private benefits. Public benefits are from the ability to use the facilities for public events and gatherings and as a hub for communities in the event of natural disaster. There are direct benefits for individuals and groups who choose to use the facilities available for personal functions.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having theatres, halls and museums available.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is not benefit perceived from separate funding.

Recommended Funding

Council have agreed 100% public funding. Public funding is 100% from the capital value based general rate, with limited private funding through user charges for hireage services.

Cemeteries**Description**

Council currently operates ten cemetery sites for burial and cremation interments.

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

Distributions of benefits

Benefits from cemeteries are considered to be largely private, although it is necessary for communities to have an interment system that meets appropriate health standards. Private benefits are from the provision of individual gravesites for remembrance and burial.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits widely from having cemeteries available. In some cases, vandalism and failure to maintain headstones may cause additional costs.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

The Council have agreed a 90% public, 10% private funding split. Public funding is from the capital value based general rate, with private funding through fees and charges.

Property and Buildings**Description**

Council owns a number of properties and buildings that are used to providing services to the public, but do not fit into a specific Activity grouping. These are owned for community or administrative reasons.

The properties included in this Activity are, the Council administration building, two library buildings, two other community building and miscellaneous sections.

STATEMENT OF URIBIDOSA | FEBRUARY 2018

Community Outcomes

This activity contributes primarily to the following community outcomes:

- Proud District
- Strong Communities
- Connected Citizens
- Environmentally Responsible

Distributions of benefits

Benefits from this activity largely accrue to the community, through cultural enrichment and community identity. There may be direct benefits to some people using these services, but a high level of recovery may restrict the ability of some people to continue to use these services.

Timeframes of benefits

Ongoing.

Contributors to need for activity

The community benefits from having safe community buildings.

Costs and Benefits of distinct funding

Benefits from this activity are community wide and there is no benefit perceived from separate funding.

Recommended Funding

Council have agreed 98-100% public funding. Public funding is from the capital value based general rate, with limited private funding (2%) through user charges for hireage and rentals.



CHBDC Long Term Plan 2018-28 Supporting Information

1. Schedule of Fees and Charges

Leadership and Governance Group

There are no applicable charges in this activity area.

CHBDC Long Term Plan 2018-28 Supporting Information

Planning and Regulatory Group

Resource Management	excl GST	GST	incl GST
Notes:			
<ul style="list-style-type: none">Pursuant to Section 36, 36(1) and 36(3) of the Resource Management Act 1991, Council may require the person who is liable to pay one or more of the below charges, to also pay an additional charge to recover actual and reasonable costs in respect of the matter concerned.These set fees relate to the minimum administration charge only. The actual fee payable includes the cost of time taken to process each application, memorandum, consent, certificate or schedule and the cost of the inspections required.Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs.			
Administrative Charges			
Private District Plan Change (Deposit)	\$13,043.48	\$1,956.52	\$15,000.00
Land Use and Subdivision Consents			
Notified Applications (deposit)	\$3,478.26	\$521.74	\$4,000.00
Limited Notified Applications (deposit)	\$2,173.91	\$326.09	\$2,500.00
Non Notified Applications (deposit)	\$782.61	\$117.39	\$900.00
Relocation Consent (deposit)	\$782.61	\$117.39	\$900.00
Boundary Dispensation (Written Approval)	\$130.43	\$19.57	\$150.00
Boundary Dispensation (No Written Approval)	\$782.61	\$117.39	\$900.00
Land Use Consents (deposit)	\$1,043.48	\$156.52	\$1,200.00
Subdivision Consents 1-8 Lots (deposit)	\$1,043.48	\$156.52	\$1,200.00
Subdivision Consents more than 8 Lots (deposit)	\$2,086.96	\$313.04	\$2,400.00
Deamalgamation (s226)	\$130.43	\$19.57	\$150.00
ROW application (S348 LGA)	\$521.74	\$78.26	\$600.00
Variation of Conditions of Consents	\$521.74	\$78.26	\$600.00
Designations and heritage orders (New and alterations) (deposit)	\$695.65	\$104.35	\$800.00
Certificate of Compliance (section 139 Resource Management Act 1991)	\$434.79	\$65.21	\$500.00
Subdivision Compliance Fee (section 223 and/or 224 Resource Management Act 1991	\$260.87	\$39.13	\$300.00
Subdivision Compliance Fee (section 223 and/or 224 Resource Management Act 1991 – more than 10 lots	\$1,304.35	\$195.65	\$1,500.00
Consent Notices and miscellaneous subdivision documents	\$95.66	\$14.34	\$110.00
Bond Administration Fee	\$104.35	\$15.65	\$120.00
Administration, monitoring and supervision of consents	Actual and reasonable costs		
Supply of documents	Photocopying costs		
District Plan (including Planning Maps) Hardcopy	\$173.91	\$26.09	\$200.00
District Plan (including Planning Maps) CD ROM	\$43.48	\$6.52	\$50.00
Engineering Plan Approval	Actual and reasonable costs		
Sec 224 12 Month Maintenance Bond for subdivision works equal to 5% of the cost of the construction works.			
Inspection Fee – Zone 1	\$173.91	\$26.09	\$200.00
Inspection Fee – Zone 2	\$182.61	\$27.39	\$210.00

Page 2

CHBDC Long Term Plan 2018-28 Supporting Information

Inspection Fee – Zone 3	\$200.00	\$30.00	\$230.00
Inspection Fee – Zone 4	\$226.09	\$33.91	\$260.00
Inspection Fee – Outside Zone 4	\$260.87	\$39.13	\$300.00
Hourly charge out rate	\$130.43	\$19.57	\$150.00
Travel Costs (per km)	\$0.87	\$0.13	\$1.00
Sale of Liquor Certificate (RMA)	\$65.22	\$9.78	\$75.00
Objection of RMA decisions (Section 357)	\$869.57	\$130.43	\$1000.00
Noise Complaints	excl GST	GST	incl GST
Note: <ul style="list-style-type: none"> Pursuant to Section 36(1) and 36(3) of the Resource Management Act 1991, Council may require the person who is liable to pay one or more of the below charges, to also pay an additional charge to recover actual and reasonable costs in respect of the matter concerned. 			
Seizure charge for noise emission equipment	\$173.92	\$26.08	\$200.00
Repeat Noise Complaints	\$173.92	\$26.08	\$200.00
Call Out Fee	\$130.44	\$19.56	\$150.00
Abatement Notice Fee	\$52.18	\$7.82	\$60.00

Building Consents			
NOTES: <ul style="list-style-type: none"> Building consent deposit payable on application. The actual fee payable includes the cost of time taken to process each application, project information memorandum, building consent or compliance schedule and the cost of the inspections required. Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs. Deposits are based on adequate documentation being provided to Council at the time of application and a set number of inspections. Further charges will be incurred should further work be required during processing and issuing consent or should extra inspections be required. It is anticipated that the scheduled deposit will cover some of Council's actual and reasonable expenses. Where additional costs are incurred, the applicant will be charged accordingly. Where, upon issue of a Code of Compliance Certificate, the deposit is found to exceed the actual and reasonable cost, a refund will be made. Building Research Association and Department of Building and Housing levies are additional to the above at the Rates specified from time to time by the Association. Pursuant to Building Research Association Legislation, materials, labour and plant costs must be included in the total value of building work for the calculation of levies. An additional charge for the Property Information Memoranda will be made when requested prior to a Building Consent Application being filed, and when the project is more than minor works. The accreditation fee is to cover continuing Central Government accreditation costs relating to the Building Act 2004. Council intend to introduce a mileage recovery component to the inspection fee. 			
Consent Fees	excl GST	GST	incl GST
Solid Fuel Burner – Free Standing (including accreditation fee) (deposit) plus travel fees	\$226.09	\$33.91	\$260.00
Solid Fuel Burner – In Built (including accreditation fee) (deposit) plus travel fees	\$308.70	\$46.30	\$355.00

CHBDC Long Term Plan 2018-28 Supporting Information

Marquee Consent / Inspection Fee	\$313.04	\$46.96	\$360.00
Minor plumbing and drainage works including new connections, replacement septic tanks and effluent fields, demolition work and swimming pool fences (deposit)	\$330.43	\$49.57	\$380.00
Dwellings, commercial/industrial buildings and building alterations, repiling and in ground pools (deposit)	\$1,739.13	\$260.87	\$2,000.00
Pole Barn / Garage / Carport / Conservatory under \$20,000 (deposit)	\$678.26	\$101.74	\$780.00
Minor building work (deposit)	\$330.43	\$49.57	\$380.00

CHBDC Long Term Plan 2018-28 Supporting Information

Consent Fees continued	excl GST	GST	incl GST
Semi-Permanent Awnings	\$130.43	\$19.57	\$150.00
Amendment to building consent (deposit)	\$434.78	\$65.22	\$500.00
Variation processing under s45 BA04 as minor - hourly rate	\$139.13	\$20.87	\$160.00
Hourly Processing Fee	\$139.13	\$20.87	\$160.00

Administrative Charges	excl GST	GST	incl GST
Administration Fee – under \$20,000	\$234.78	\$35.22	\$270.00
Administration Fee – over \$20,000	\$434.78	\$65.22	\$500.00
Administration Fee – over \$100,000 and commercial buildings	\$608.70	\$91.30	\$700.00
Compliance Schedules (BWO) hourly rate	\$139.13	\$20.87	\$160.00
Amendments to Compliance Schedules hourly rate	\$139.13	\$20.87	\$160.00
Compliance Schedules charge per specified system	\$8.70	\$1.30	\$10.00
Issue of Compliance Schedule	\$234.78	\$35.22	\$270.00
Buildign Warrant of Fitness Administration Fee	\$130.43	\$19.57	\$150.00
Building Warrant of Fitness Audit Fee (hourly rate additional)	\$139.13	\$20.87	\$160.00
Building Warrant of Fitness Audit Fee Hourly Rate	\$139.13	\$20.87	\$160.00
BRANZ and MBIE Levy	Actual cost		
Inspection Fee – Zone 1	\$173.91	\$26.09	\$200.00
Inspection Fee – Zone 2	\$182.61	\$27.39	\$210.00
Inspection Fee – Zone 3	\$200.00	\$30.00	\$230.00
Inspection Fee – Zone 4	\$226.09	\$33.91	\$260.00
Inspection Fee – Outside Zone 4	\$260.87	\$39.13	\$300.00
Re-Inspection Fee	As per Zone Fee		
Central Government Accreditation Recovery Fee – under \$20,000	\$30.43	\$4.57	\$35.00
Central Government Accreditation Recovery Fee – under \$100,000	\$60.87	\$9.13	\$70.00
Central Government Accreditation Recovery Fee – over \$100,000	\$108.70	\$16.30	\$125.00
Central Government Accreditation Recovery Fee – Commercial	\$160.87	\$24.13	\$185.00
Section 72 administration (Building subject to natural hazards)	\$173.92	\$26.08	\$200.00
Section 75 administration and Certification (Building across 2 or more allotments)	\$173.92	\$26.08	\$200.00
Hourly Charge Out Rate	\$139.13	\$20.87	\$160.00
Travel Costs (per km)	\$0.87	\$0.13	\$1.00
Peer review of engineering reports	Actual Cost		
Property File Request	\$30.43	\$4.57	\$35.00

CHBDC Long Term Plan 2018-28 Supporting Information

GIS Map Information		excl GST	GST	incl GST
Every Day Map Requests (No Photograph) – Note – A request that involves less than 15 minutes to produce				
	A4	\$8.70	\$1.30	\$10.00
	A3	\$12.18	\$1.82	\$14.00
	A2	\$21.74	\$3.26	\$25.00
	A1	\$26.09	\$3.91	\$30.00
Every Day Map Requests (With Photograph) – Note – A request that involves less than 15 minutes to produce				
	A4	\$17.39	\$2.61	\$20.00
	A3	\$24.35	\$3.65	\$28.00
	A2	\$43.48	\$6.52	\$50.00
	A1	\$52.18	\$7.82	\$60.00
Special Map Request Charges				
Note: <ul style="list-style-type: none"> Specialised maps are those which require new layers to be added, minor analysis work and/or specialised printing techniques. In addition to the printing charges outlined above there is a charge based on actual time taken plus any disbursements. 				
Hourly charge out rate		\$139.13	\$20.87	\$160.00
Minimum charge for specialist maps		\$65.22	\$9.78	\$75.00

CHBDC Long Term Plan 2018-28 Supporting Information

Information Memoranda	excl GST	GST	incl GST
Property Information Memoranda	\$304.35	\$45.65	\$350.00
Land Information Memoranda – ten (10) working days (Residential Property)	\$260.87	\$39.13	\$300.00
Urgent Land Information Memoranda – two (2) working days (Residential Property)	\$521.74	\$78.26	\$600.00
Land Information Memoranda (Commercial)	\$521.74	\$78.26	\$600.00
Certificate of Title	\$26.09	\$3.91	\$30.00
Hourly charge out rate	\$139.13	\$20.87	\$160.00

Miscellaneous Consents	excl GST	GST	incl GST
Certificate of Public Use	\$304.35	\$45.65	\$350.00
	Plus actual and reasonable costs		
Certificate of Acceptance	\$434.78	\$65.22	\$500.00
	Plus actual and reasonable costs		
Applications for Change of use of a building	\$434.78	\$65.22	\$500.00
	Plus actual and reasonable costs		
Inspections for which no other fee has been paid (mileage will be charged for inspections outside the district) – eg effluent system subdivision inspections	\$260.87	\$39.13	\$300.00
Non Consent Compliance Schedules / Warrant of Fitness check (per specified system) hourly rate	\$139.13	\$20.87	\$160.00
Hourly charge out rate	\$139.13	\$20.87	\$160.00

Swimming Pool Fences	excl GST	GST	incl GST
Compliance Inspection for existing fence (deposit)	\$173.92	\$26.08	\$200.00

CHBDC Long Term Plan 2018-28 Supporting Information

Registration of Premises	excl GST	GST	incl GST
Annual Registration of Premises			
Food premises / Food control plans	\$330.43	\$49.57	\$380.00
Verification Fee- hourly rate	\$130.44	\$19.56	\$150.00
Prepacked food only/low risk	\$173.92	\$26.08	\$200.00
Re-inspection for failure to comply / failure of CAR hourly rate	\$130.44	\$19.56	\$150.00
Offensive Trades: Operating under Schedule 3 of Health Act 1956	\$173.92	\$26.08	\$200.00
Hairdressers Registration	\$134.79	\$20.21	\$155.00
Camping Grounds	\$200.00	\$30.00	\$230.00
A discount of \$30 (inclusive GST) shall apply for any camping ground serviced with reticulated water and/or sewerage services. (i.e. \$30 (inclusive GST) discount for each service connected).	-\$26.09	-\$3.91	-\$30.00
Funeral Directors	\$173.92	\$26.08	\$200.00
Transfer of Registration	\$86.96	\$13.04	\$100.00
Registration of event on public / open space (Small) Food / Alcohol	\$65.22	\$9.78	\$75.00
Registration of event on public / open space (Medium / Large) Food / Alcohol	\$130.43	\$19.57	\$150.00
Market (Annual)	\$86.96	\$13.04	\$100.00
Street tables and chairs	\$173.92	\$26.08	\$200.00
Food Control Plan and National Programme Registration	\$173.92	\$26.08	\$200.00
Food Control Plan and National Programme Renewal	\$86.96	\$13.04	\$100.00
Verification Charge Food Control Plans hourly rate	\$130.43	\$19.57	\$150.00
Inspection/Investigation Fee (Non-compliance)	\$130.43	\$19.57	\$150.00

CHBDC Long Term Plan 2018-28 Supporting Information

Liquor	excl GST	GST	incl GST
Note:			
▪ Fees set by Regulation under Sale and Supply of Alcohol Act 2012			
Application Fees			
Very low risk application	\$320.00	\$48.00	\$368.00
Low risk application	\$530.00	\$79.50	\$609.50
Medium risk application	\$710.00	\$106.50	\$816.50
High risk application	\$890.00	\$133.50	\$1,023.50
Very high risk application	\$1,050.00	\$157.50	\$1,207.50
Annual Fees			
Very low risk application	\$140.00	\$21.00	\$161.00
Low risk application	\$340.00	\$51.00	\$391.00
Medium risk application	\$550.00	\$82.50	\$632.50
High risk application	\$900.00	\$135.00	\$1,035.00
Very high risk application	\$1,250.00	\$187.50	\$1,437.50
Special Licence Applications			
Class 1 – 1 large event, more than 3 medium events or more than 12 small events	\$500.00	\$75.00	\$575.00
Class 2 – 1 to 3 medium events or 3 to 12 small events	\$180.00	\$27.00	\$207.00
Class 3 – 1 to 2 small events	\$55.44	\$8.31	\$63.75
Other Applications			
Managers Certificate Application	\$275.00	\$41.25	\$316.25
Temporary Authority / Temporary Licence	\$258.00	\$38.70	\$296.70
Permanent Club Charters annual fee	\$550.00	\$82.50	\$632.50
Extract from registrar	\$50.00	\$7.50	\$57.50
Sale of Liquor Certificate (Building)	\$65.22	\$9.78	\$75.00
Sale of Liquor Certificate (Planning)	\$65.22	\$9.78	\$75.00
District Licensing Committee Costs	At actual costs		

CHBDC Long Term Plan 2018-28 Supporting Information

Hawkers, Pedlars, Itinerant Traders, Markets and Street Stalls	excl GST	GST	incl GST
Trading Licence (Public Places)			
Application and Licence Fee per annum - seasonal	\$434.78	\$65.22	\$500.00
Itinerant Trader	\$43.48	\$6.52	\$50.00
Markets – Event Organisers – seasonal	\$65.22	\$9.78	\$75.00
Markets – Food Stall Holder – seasonal	\$21.74	\$3.26	\$25.00
Raffle Days, Street Collections – Non Commercial	No permit fee is required		

Vehicle Stands	excl GST	GST	incl GST
Licences For Vehicle Stands On Streets (Omnibus and Taxicabs)			
Application	\$173.92	\$26.08	\$200.00
Annual Rental	\$100.00	\$15.00	\$115.00

Advertising Signs	excl GST	GST	incl GST
Hoardings and Signs			
Application and Permit	As for building consents		
Annual Licence Fees (per m ² or part thereof per month)	\$1.74	\$0.26	\$2.00

Amusement Devices and Shooting Galleries	excl GST	GST	incl GST
Note:			
▪ The Permit Fee for Amusement Devices is in addition to any Ground Rental etc that may be required.			
Amusement Devices Permit Fees			
For one device, for the first 7 days of proposed operation or part thereof	\$8.70	\$1.30	\$10.00
For each additional device operated by the same owner, for the first 7 days or part thereof	\$1.74	\$0.26	\$2.00
For each device for each further period of 7 days or part thereof	\$0.87	\$0.13	\$1.00
Annual Fixed Amusement Facility	\$86.96	\$13.04	\$100.00

CHBDC Long Term Plan 2018-28 Supporting Information

Class 4 Gaming Licensing	excl GST	GST	incl GST
Note: <ul style="list-style-type: none"> Pursuant to the Gambling Act 2003. 			
Application Fee	\$186.96	\$28.04	\$215.00
License Inspection Fee	\$130.44	\$19.56	\$150.00

Skateboard and Bicycle Confiscation	excl GST	GST	incl GST
Return of confiscated skateboards and bicycles	\$43.48	\$6.52	\$50.00

Animal Control	excl GST	GST	incl GST
Early Payment Discount: A discount of \$10.00 is only available for those registrations paid prior to 1 st July each year.			
Note: <ul style="list-style-type: none"> Proportionate fees apply for Dog Registration from 1st August for all dogs legally required to be registered from that date and pups that turn 3 months of age after that date. 			
Dog Registration			
Town Dogs	\$82.61	\$12.39	\$95.00
Responsible Dog Owner	\$47.83	\$7.17	\$55.00
Rural Dogs	\$40.87	\$6.13	\$47.00
Responsible Dog Owner Property Inspection	\$43.48	\$6.52	\$50.00
Pensioner / Gold Card Dog Owner	\$32.17	\$4.83	\$37.00
Dangerous Dog	\$434.78	\$65.22	\$500.00
Penalty for payment received after 1 August	\$17.39	\$2.61	\$20.00
Dog Impounding			
First impounding	\$43.48	\$6.52	\$50.00
Second impounding	\$56.52	\$8.48	\$65.00
Third impounding	\$108.70	\$16.30	\$125.00
Daily charge	\$13.91	\$2.09	\$16.00
After hours opening fee	\$43.48	\$6.52	\$50.00
Other charges			
Microchipping	\$26.09	\$3.91	\$30.00
Replacement tags	\$4.35	\$0.65	\$5.00
Collars – Large	\$8.70	\$1.30	\$10.00
Collars – Small	\$6.96	\$1.04	\$8.00

CHBDC Long Term Plan 2018-28 Supporting Information

Walk-eez lead with poop bag	\$8.70	\$1.30	\$10.00
Ranging Charges			
Note:			
▪ Pursuant to the Impounding Act 1955.			
Staff attendance at incidents of stock on roads including State Highways (per hour)	\$173.91	\$26.09	\$200.00
Travel Costs (per km)	\$0.87	\$0.13	\$1.00
Minimum charge	\$86.96	\$13.04	\$100.00

Impounding fees for stock (excluding dogs)	excl GST	GST	incl GST
Note:			
▪ Trespass rates shall be additional and as described in the Regulations to the Impounding Amendment Act 1980.			
Impounding for every animal per day	\$13.04	\$1.96	\$15.00
Sustenance for every animal per day	\$13.04	\$1.96	\$15.00
Notice to owner by post or delivery	\$13.04	\$1.96	\$15.00
Notice to owner by advertisement[s]	At cost		
Transport to Pound [By transport operators or other]	At cost		
Transport to Pound [By Council]	At cost		
Transport to Pound [By droving]	At cost		
Minimum charge for any impounding	\$130.43	\$19.57	\$150.00
Minimum Charge for second and subsequent impounding of stock from same owner -additional fee.	\$173.91	\$26.09	\$200.00

Emergency Management	excl GST	GST	incl GST
Attendance at bylaw breaches	\$173.92	\$26.08	\$200.00

CHBDC Long Term Plan 2018-28 Supporting Information

Land Transport Group

Vehicle Crossings	excl GST	GST	incl GST
Notes: <ul style="list-style-type: none"> Vehicle crossings must be installed by a contractor approved by the Council. Council must approve the design and location of crossing prior to installation. Full cost must be paid by the applicant. The applicant shall supply to the Council an estimate of the cost of the vehicle crossing along with a bond of 150% of the estimate prior to approval to construct being granted by the Council. The estimate must be not more than 30 days old and must be provided by a Contractor acceptable to Council. Bond is refundable. The vehicle crossing must be constructed within 12 months of being granted the approval to proceed or the Council will construct the crossing using the bond. Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs. 			
Administration Fee payable at time of Vehicle Crossing application	\$169.85	\$25.48	\$195.33
Bond Administration Fee	\$48.34	\$7.25	\$55.59

Plans and Consents	excl GST	GST	incl GST
Generic Traffic Management Plan (annual fee)	\$1,330.43	\$199.57	\$1,530.00
Individual Traffic Management Plan	\$51.00	\$7.65	\$58.65
Corridor Access Request	\$108.21	\$16.23	\$124.44
Generic Overweight Permit	\$169.85	\$25.48	\$195.33
Individual Overweight Permit	\$108.21	\$16.23	\$124.44

Temporary Road Closure	excl GST	GST	incl GST
Application	\$339.70	\$50.96	\$390.66
Road Inspection Staff (per inspection)	\$221.74	\$33.26	\$255.00
Travel Costs (per km)	\$0.89	\$0.13	\$1.02

Road Stopping	excl GST	GST	incl GST
Application	\$1,543.30	\$231.50	\$1,774.80

Livestock Crossing Permit	excl GST	GST	incl GST
Application	\$168.52	\$25.28	\$193.80

CHBDC Long Term Plan 2018-28 Supporting Information

Licence to Occupy – Road Reserve	excl GST	GST	incl GST
Note: <ul style="list-style-type: none">Pursuant to section 150 of the Local Government Act 2002.			
Application Fee		No Charge	
Annual Licence Fee (up to one acre (4000m ²))		No Charge	
Annual Licence Fee (larger than one acre (4000m ²))		No Charge	

CHBDC Long Term Plan 2018-28 Supporting Information

Solid Waste Group**NOTES:**

The following conditions apply to all trade refuse users of the landfill and transfer stations:

- The disposal of Special wastes (as defined in the landfill management plan) at the landfill requires the Waste Generator to complete the "Special Waste Questionnaire" and "Waste Profile Declaration". Special waste will be only accepted after Council's approval of the application.
- Hazardous waste, Prohibitive waste and Trade waste (as defined in Council's Solid Waste Bylaw) will not be accepted at Council facilities.
- Council will invoice commercial users at appropriate intervals. The assessment of volumes of refuse for charging will be based on the volume of refuse in the vehicle, not the compacted volume in the landfill. Council's assessment of volumes will be final.
- Unless agreed with Council NO truckloads of trade refuse or loads of clean fill greater than 0.2m³ will be accepted at the transfer stations. Such loads may be accepted at the landfill and will be charged for separately at the landfill charge.
- Unless agreed with Council or the landfill operator no after hour access is allowed to the landfill or transfer stations. No keys to the landfill or transfer stations will be issued.

Special/Difficult Refuse is waste that is bulky, lightweight or requiring immediate burying due to containing offensive odour, or is easily windblown, attractive to vermin, has health implications, contains asbestos, or as required by the Council or landfill operator.

* based on \$10/tonne Waste Levy contribution (excluding GST) and \$3.65/tonne carbon credits (GST exempt).

Refuse and Greenwaste		excl GST	Waste Min Levy	GST	Carbon credits	incl GST
Landfill (minimum charge of \$60.00)						
Standard Refuse (per tonne)	\$117.00	\$10.00*	\$19.05	\$3.65*	\$149.70	
Special/Difficult Refuse (per tonne)	Actual Costs of disposal (Min standard refuse rate charge)					
Landfill Keg Tag Bond	\$17.39	N/A	\$2.61	N/A	\$20.00	
Landfill Admin Fee for Manual Dockets	\$43.48	N/A	\$6.52	N/A	\$50.00	
Transfer Station - Refuse	excl GST	Waste Min Levy	GST	incl GST		
Car	\$10.66	\$0.65*	\$1.69	\$13.00		
Van or ute with a contained load being either a Wheelie bin/drum/small wool sack/up to 2 bags	\$10.66	\$0.65*	\$1.69	\$13.00		
Utilities and Vans	\$20.16	\$1.58*	\$3.26	\$25.00		
Trailers up to 2.0m long up to 1m high	\$20.16	\$1.58*	\$3.26	\$25.00		
Utilities and Trailers up to 2.0m loaded above 1m high (per 0.5m)	\$10.66	\$0.65*	\$1.69	\$13.00		
Trailers up to 2.6m long up to 1m high	\$29.90	\$2.27*	\$4.83	\$37.00		
Trailers up to 2.6m loaded above 1m high (per 0.5m)	\$20.16	\$1.58*	\$3.26	\$25.00		
Trailers larger than above	Per cubic metre rate					
Flat Deck Truck	Landfill or measured m³ rate					
Other Truck	Landfill or a pre agreed m³ rate					
Per cubic metre (compacted)	\$69.57	\$4.18*	\$10.43	\$80.00		

CHBDC Long Term Plan 2018-28 Supporting Information

CHBDC Long Term Plan 2018-28 Supporting Information

Transfer Station – Refuse continued	excl GST	Waste Min Levy	GST	incl GST
Per cubic metre (not compacted)	\$31.31	\$2.27*	\$4.69	\$36.00
Weighed load at Transfer Station (incl. weigh fee)	\$40.00 + per tonne fee			
Vehicle and Trailer	Charged for both individually			
Mixed loads	Charged at refuse rate			
Car Bodies (not accepted)	CHBDC's scrap metal partner			

Transfer Station – Greenwaste	excl GST	GST	incl GST
Car	\$6.09	\$0.91	\$7.00
Wheelie bin/ drum/ small wool sack / up to 2 bags	\$6.09	\$0.91	\$7.00
Utilities and Vans	\$11.30	\$1.70	\$13.00
Trailers up to 2.0m long up to 1m high	\$11.30	\$1.70	\$13.00
Utilities and Trailers up to 2.0m loaded above 1m high (per 0.5m)	\$6.09	\$0.91	\$7.00
Trailers up to 2.6m long up to 1m high	\$21.74	\$3.26	\$25.00
Trailers up to 2.6m loaded above 1m high (per 0.5m)	\$11.30	\$1.70	\$13.00
Trailers larger than above	Per cubic metre rate		
Flat Deck Truck	Measured m³ rate		
Other Truck	Pre agreed m³ rate		
Per cubic metre	\$26.09	\$3.91	\$30.00
Vehicle and Trailer	Charged for both individually		
Mixed loads	Charged at refuse rate		
Tyre Disposal - All tyres are to be charged independently and are on top of other refuse charges.			
Car	\$4.35	\$0.65	\$5.00
Motorcycle	\$2.61	\$0.39	\$3.00
4x4	\$6.09	\$0.91	\$7.00
Truck	\$8.70	\$1.30	\$10.00
Tractor	\$23.91	\$3.59	\$27.50
Tyres on rims	2 x individual tyre charge		
Tyres to landfill in bulk	Counted and charged individually		
Refuse bags / Recycling bin Charges (Recommended Retail Price)			
Refuse Bag – 35 litre	\$1.57	\$0.23	\$1.80
Refuse Bag – 60 litre	\$1.92	\$0.28	\$2.20
Recycling Bin	\$19.13	\$2.87	\$22.00
Unauthorised dumping - Council will prosecute persons caught dumping rubbish unlawfully.			
Staff time for investigating and clearing per hour	\$108.70	\$16.30	\$125.00
Travel Costs (per km)	\$0.87	\$0.13	\$1.00
Minimum Charge	\$108.70	\$16.30	\$125.00

CHBDC Long Term Plan 2018-28 Supporting Information

Water Services Group

Water Supply	excl GST	GST	incl GST
Charges for Water			
Notes: <ul style="list-style-type: none"> ▪ Extraordinary users may be charged by private arrangement with Council. ▪ Quarterly water billing will apply for metered water users. ▪ Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs. 			
Tankered water (taken from standpipes) per m ³	\$3.17	\$0.48	\$3.65
Note: <i>- for information only as this charge is a rate and is set as a rate</i>			
Water to metered properties per m ³	\$2.12	\$0.32	\$2.44
Common Charges			
Note: <ul style="list-style-type: none"> ▪ Water Connections from the Council main, to and including the toby and/or meter manifold must be installed by a contractor approved by Council for the installation of water connections, at the applicant's expense. 			
Application fee	\$111.30	\$16.70	\$128.00
Inspection fee	\$111.30	\$16.70	\$128.00
Debt Recovery – hourly rate	\$111.30	\$16.70	\$128.00
Restrictor Fee	\$111.30	\$16.70	\$128.00
	Plus actual costs		
Installation of testable Backflow Preventer	Contractors cost		
Maintenance and Annual Testing Fees	Contractors cost		
Disconnections and Reconnections	Contractors cost		
Reconnection following Council imposed disconnection	Contractors cost		
New Connections	Contractors cost		

CHBDC Long Term Plan 2018-28 Supporting Information

Wastewater (Sewerage) Group

Sewerage		excl GST	GST	incl GST
New Connections				
Notes: <ul style="list-style-type: none"> Sewerage connections must be installed by a contractor approved by the Council for the installation of sewerage connections. Connections at the applicant's expense. Note: Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs. 				
Application fee		\$111.30	\$16.70	\$128.00
Inspection fee		\$111.30	\$16.70	\$128.00
Existing Connections				
Note: <ul style="list-style-type: none"> Work and repair to existing connections to Council sewer main. All physical work associated with repair at applicant's expense. 				
Inspection fee		\$111.30	\$16.70	\$128.00
Discharge of Trade Waste				
Note: <ul style="list-style-type: none"> Charges for the discharge of Trade Waste and conditions thereof are recovered under the Central Hawke's Bay District Council Trade Waste Bylaw 2006. The following charges are provided in Schedule 1D of the Bylaw. 				
B Trade Waste Charges				
Category	Description	excl GST	GST	incl GST
B1 Volume	Payment based on the volume discharged \$/m ³			
	Waipukurau	\$0.21	\$0.03	\$0.24
	Waipawa	\$0.21	\$0.03	\$0.24
B3 Suspended solids	Payment based on the mass of suspended solids \$/kg			
	Waipukurau ISS	\$1.22	\$0.18	\$1.40
	VSS	\$0.15	\$0.02	\$0.17
	Waipawa ISS	\$1.57	\$0.23	\$1.80
	VSS	\$0.21	\$0.03	\$0.24
B4 Organic loading	Biochemical oxygen demand or chemical oxygen demand \$/kg.			
	Waipukurau	\$1.63	\$0.25	\$1.88
	Waipawa	\$1.03	\$0.16	\$1.19
B5 Nitrogen	Payment based on the defined form(s) of nitrogen \$/kg.			
	Waipukurau	\$2.44	\$0.37	\$2.81
	Waipawa	\$2.17	\$0.33	\$2.50
B6 Phosphorous	Payment based on the defined form(s) of phosphorous \$/kg.			
	Waipukurau	\$8.10	\$1.21	\$9.31
	Waipawa	\$6.53	\$0.98	\$7.51
Tanker Waste Charges				
Tanker Wastes (\$/m ³)		\$0.0174	\$0.0026	\$0.02

CHBDC Long Term Plan 2018-28 Supporting Information

Storm Water Group

Storm Water	excl GST	GST	incl GST
New Connections			
Note:			
<ul style="list-style-type: none"> Storm water connections must be installed by a contractor approved by the Council for installation of storm water connections. Connections at the applicant's expense. 			
Application fee	\$111.30	\$16.70	\$128.00
Inspection fee	\$111.30	\$16.70	\$128.00
Existing Connections			
Note:			
<ul style="list-style-type: none"> Work and repair to existing connections to Council's storm water drain, kerb and channel, or open drain. All physical work associated with repair at applicant's expense. 			
Inspection fee	\$111.30	\$16.70	\$128.00

CHBDC Long Term Plan 2018-28 Supporting Information

Recreation and Community Facilities Group

Parks and Reserves	excl GST	GST	incl GST
Note: <ul style="list-style-type: none"> Fees for Parks and Reserves are set and collected under the FM Contract. 			
Pourerere Beach Freedom Camping			
Note: <ul style="list-style-type: none"> For permits issued for a one week period between the 20th December and 6th February each summer. At all other times no fee applies. 			
Booking Administration Fee	\$30.44	\$4.56	\$35.00

Library Charges	excl GST	GST	incl GST
Notes: <ul style="list-style-type: none">All residents of Central Hawke's Bay have free membership.Charges are reduced at librarian's discretion as books and magazines get older.			
Rental Books			
Hardback	\$0.87	\$0.13	\$1.00
Paperback	\$0.87	\$0.13	\$1.00
Trade paperback	\$0.87	\$0.13	\$1.00
Magazines	\$0.87	\$0.13	\$1.00
Library Request books from libraries with reciprocal agreement	\$6.09	\$0.91	\$7.00
Library Request books from other libraries (fee as imposed by other library)	\$6.09 - \$21.73	\$0.91 - \$3.26	\$7.00 - \$25.00
Books for Sale	Librarians discretion		
Lost books	Charged at replacement cost (purchase price minus discount (if any), plus 30% administration charge)		
Other Charges			
Aotearoa People's Network Kaharoa printing - per page	\$0.17	\$0.03	\$0.20
DVDs 4+ discs/3 week issue	\$6.09	\$0.91	\$7.00

CHBDC Long Term Plan 2018-28 Supporting Information

Photocopying / Printing			
Note:			
■ There is no discount if the customer has supplied their own paper.			
A4 Single Sided per sheet	\$0.18	\$0.02	\$0.20
A4 Double Sided per sheet	\$0.35	\$0.05	\$0.40
A4 Colour Single Sided	\$1.31	\$0.19	\$1.50
A3 Single Sided per sheet	\$0.35	\$0.05	\$0.40
A3 Double Sided per sheet	\$0.70	\$0.10	\$0.80
A3 Colour Single Sided	\$2.61	\$0.39	\$3.00
A2 Single Sided per sheet (Council Office Only)	\$2.18	\$0.32	\$2.50
A1 Single Sided per sheet (Council Office Only)	\$4.35	\$0.65	\$5.00
A4 Scanning for first page	\$0.87	\$0.13	\$1.00
A4 Scanning for extra pages	\$0.18	\$0.02	\$0.20
A1 and A2 Scanning to USB drives only (Council Office Only)	\$8.70	\$1.30	\$10.00
Laminating			
A4 size	\$1.74	\$0.26	\$2.00
A3 size	\$3.48	\$0.52	\$4.00
Miscellaneous			
Replacement Library Cards	\$3.48	\$0.52	\$4.00
Book Covering	\$3.48	\$0.52	\$4.00
Bond for temporary membership	\$17.39	\$2.61	\$20.00
Road Code Bond	\$8.70	\$1.30	\$10.00
Fax - outwards NZ	\$1.30	\$0.20	\$1.50
Fax - outwards NZ - additional pages	\$0.43	\$0.07	\$0.50
Fax - outwards International	\$3.48	\$0.52	\$4.00
Fax - outwards international additional pages	\$0.87	\$0.13	\$1.00
Fax - inward	\$0.43	\$0.07	\$0.50

CHBDC Long Term Plan 2018-28 Supporting Information

Cemeteries and Crematoria			
Notes: <ul style="list-style-type: none"> R.S.A. Personnel: No charges are made for plots or niches for R.S.A. personnel in the R.S.A. section of the Takapau, Waipukurau or Waipawa Cemeteries but interment fees as below apply. The sale of reserve plots is restricted to one and then only in conjunction with the burial of a member of the same family. (With each application a standard form is filled out so that an accurate record of the reserve plot is kept. A copy of this form is also forwarded to the local Funeral Director.) Those persons who have reserved plots on behalf of another person or for family members cannot reserve a further plot until the original reserved plots are used. Pursuant to section 10 (4) of the Burial and Cremation Act 1964 the exclusive right of burial will lapse after sixty (60) years. All plots not used after 60 years will be offered for re-sale following deliberate effort to trace the purchaser or descendants thereof. The cost of general grounds maintenance in the cemetery including mowing plots in the lawn cemetery areas is carried out by Council and paid for in the Burial Plot Fee. However maintenance of headstones, fences, concrete-work, etc on any plot is the responsibility of the deceased's descendants and relatives. There are no additional charges for extra depth burial plots. With burials, including ashes and still born, where the grave has a concrete top additional charges are payable for concrete cutting and reinstatement. 			
Burial Plot Fees	excl GST	GST	incl GST
Burial Plots – adult	\$591.30	\$88.70	\$680.00
Burial Plots – children 12 & under (caskets up to 1200mm x 600mm)	No charge		
Burial Plots (stillborn – around the base of the memorial at Waipukurau Cemetery) (caskets up to 400mm x 340mm)	No charge		
Ashes or Crematorium Berm	\$189.57	\$28.43	\$218.00
Crematorium Garden Plot	\$234.78	\$35.22	\$270.00
Crematorium Family Garden Area (8 plots)	\$1,865.22	\$279.78	\$2,145.00
Crematorium Family Garden Area (10 plots)	\$2,313.04	\$346.96	\$2,660.00
Interment Fees			
Standard – including public holidays and weekends	\$646.09	\$96.91	\$743.00
Children 12 & Under and Stillborn - including public holidays and weekends	No charge		
Ashes	\$166.96	\$25.04	\$192.00
Miscellaneous Charges			
Permits for headstones	\$39.13	\$5.87	\$45.00
Permits for plaques	\$20.43	\$3.07	\$23.50
Permits for renovations	No charge		
Prepare Ashes Plot	\$86.96	\$13.04	\$100.00
Disinterment and Re-interment	Every disinterment and/or re-interment shall be at a fee set by the Council based on actual cost plus 20%.		

CHBDC Long Term Plan 2018-28 Supporting Information

Council Chamber	excl GST	GST	incl GST
Note: <ul style="list-style-type: none"> Non-Council organisations and club using the Council Chamber will be charged \$30.00 per hour with a minimum charge of \$60.00. This includes the use of the kitchen and crockery. 			
Minimum Charge	\$52.18	\$7.82	\$60.00
Hourly Charge	\$26.09	\$3.91	\$30.00

Retirement Housing	excl GST	GST	incl GST	
Notes: <ul style="list-style-type: none">Retirement housing rentals have been included in the Fees and Charges Schedule purely for review and information purposes. They do not form part of the Special Order procedures.New tenancies that occur during the year, may be negotiated at rentals which exceed the below.Rentals are reviewed annually.				
Kingston Place Waipawa or Ruahine Place Waipukurau (per week)	Single Occupancy	\$94.96	\$14.24	\$109.20
	Married Occupancy	\$103.17	\$15.48	\$118.65
With Council owned and maintained heat pump	Single Occupancy	\$106.83	\$16.02	\$122.85
	Married Occupancy	\$115.04	\$17.26	\$132.30
Wellington Road Waipukurau (per week)	Single Occupancy	\$108.65	\$16.30	\$124.95
	Married Occupancy	\$118.70	\$17.80	\$136.50
With Council owned and maintained heat pump	Single Occupancy	\$120.52	\$18.08	\$138.60
	Married Occupancy	\$130.57	\$19.58	\$150.15

Draft - Significance and Engagement Policy

Introduction

The decisions local authorities make affect their communities on a daily basis. Some decisions have greater significance than others. This policy explains how the Council will determine significance of matters. We know that Central Hawke's Bay will be stronger when we work together, as part of this we know that effective community engagement builds trust in Council decision making, as well as increasing Council's awareness of issues and ideas in the community. Council engages with the community during its everyday business using a range of informal methods. However, some Council decisions require a more structured form of engagement due to the significance that a matter has within the wider community, or for groups within the community.

Purpose of Policy

The purpose of the policy is:

- To enable the local authority and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities; and
- To provide clarity about how the community can expect to be engaged in decisions about different issues, assets, or other matters; and
- To inform the Council from the beginning of a decision-making process about-
- The extent of any public engagement that is expected before a particular decision is made; and
- The form or type of engagement required.

The extent of significance and engagement is determined on a case-by-case basis. This policy is intended to guide decision-making on these matters.

General Approach to Determining Significance and Level of Engagement

The Council will follow a three-step process to inform decision-making:

1. Determine significance – the Council will use agreed criteria to decide if a matter is of higher or lower significance.
2. Link level of significance to level of engagement – the level of significance will link to a corresponding level of engagement to be undertaken.
3. Consider methods of engagement – each level of engagement will have a range of methods that the Council is able to choose from to undertake the engagement required. As well as the views of communities and affected and interested parties, there is a wide range of information sources, considerations and perspectives that informs the Council's decisions, including the requirements of Government policy, technical matters and the financial implications.

The three steps

1. Determine Significance

The Council is responsible for judging for itself how it achieves compliance with the decision making requirements of the LGA. This must be largely in proportion to the significance of the matters affected by decisions to be made.

The Council will assess the importance of an issue, proposal or decision on the basis of its likely impact on the people expected to be most affected by or to have an interest in the matter, as well as the Council's capacity to perform its role, and the financial and other costs of doing so.

CHBDC Long Term Plan 2018-28 Supporting Information

All of the following criteria will be considered when determining the level (low to high) of significance of an issue, proposal or decision. The greater the cumulative impact of the decision as assessed by these criteria, the more significant the issue, proposal or decision will be:

- Number of people affected and/or with an interest;
- Level of impact on those people affected;
- Level of community interest already apparent for the issue, proposal or decision; or the potential to generate community interest;
- Level of impact on Māori, Māori culture and traditions - Significant decisions in relation to land or a body of water must take into account the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.
- Possible environmental, social and cultural impacts;
- Possible costs/risks to the Council, ratepayers and wider community of carrying out the decision;
- Possible benefits/opportunities to the Council, ratepayers and wider community of carrying out the decision;
- Level of impact on the capacity of the Council to carry out its role and functions;
- Whether the impact of a decision can be easily reversed;
- Whether the ownership or function of a strategic asset(s) is affected.

2. Link level of significance to level of engagement

The significance of the issue, proposal or decision will influence how much time, money and effort the Council will invest in exploring and evaluating options and obtaining the views of affected and interested parties. In linking the level of significance to the level of engagement it is important to find the right balance between the costs of engagement and the value it can add to decision-making.

The Council will consider the extent of community engagement that is necessary to understand the community's view before a particular decision is made and the form of engagement that might be required. This also includes the degree to which engagement is able to influence the decision and therefore the value of investing in engagement (e.g. if there is only one or very limited viable options such as a specific change required by new legislation).

Using the International Association of Public Participation engagement spectrum as a basis (see Appendix 1), the method(s) of engagement adopted by the Council before it makes a decision may depend on whether or not:

- A. The matter is of low or no significance (e.g. technical and/or minor amendments to a Council policy) and there may be a very small group of people affected by or with an interest in the decision;
- B. The matter is significant only to a relatively small group of people or is of low impact to many. They should be **informed** about the problem, alternatives, opportunities and/or solutions and/or **consulted** so that any concerns, alternatives and aspirations they have are understood and considered;
- C. The matter is significant not only to a small group of people particularly affected but also to a wider community that may have an interest in the decision to be made. They may be **informed**, **consulted** and/or **involved** to seek public input and feedback on analysis, alternatives and/or decisions.
- D. For more significant matters the Council may elect to **collaborate**, or partner, with a community in any aspect of a decision including the development of alternatives and the

identification of preferred solutions. This is more likely to occur where there is a distinct group of affected or particularly interested people.

Depending on the level of significance and the nature of the issue, proposal or decision being made, by using a range of engagement methods communities may be **empowered** to participate in the decision-making process.

3. Consider Methods of Engagement

There is a variety of ways in which the Council engages with the community.

- Once the level of significance of an issue, proposal or decision has been determined, the Council will consider the level and form of community engagement. Depending on the matter being considered and the stakeholders involved, the preferred method(s) or combination of engagement tools will be identified and applied to meet the goals of the specific engagement.
- The Council will build on existing relationships and networks with individuals and communities, and look to extend the range of parties involved in the community engagement as appropriate.
- The Council will consider engagement methods and tools relative to the level of significance. These will support communities' participation through an engagement spectrum approach, as set out in the following table.
- Differing levels and forms of engagement may be required during the varying phases of consideration and decision-making on an issue or proposal, and for different community groups or stakeholders. The Council will review the appropriateness and effectiveness of the engagement strategy and methods as the process proceeds.
- There may be occasions in which the Council chooses to carry out engagement at a level higher than that indicated by the significance of the decision as part of its commitment to promote participatory democracy.
- The Council will work to ensure the community is sufficiently informed to understand the issue(s) or proposal, options and impacts and has time to respond, so they are able to participate in engagement processes with confidence.

The type of community engagement undertaken will be proportionate to the significance of the matter and the number of affected residents. This is a judgement to be made on a case by case basis by the Council. Appendix 2 provides an overview of how significance and engagement link together and the types of engagement the community can expect.

Strategic Assets

An important objective of the Council is to achieve or promote outcomes that it believes are important to the current or future well-being of the community. Achieving these outcomes may require the provision of roads, water, wastewater and stormwater collection as well as libraries, reserves and other recreational facilities and community amenities.

Council-owned assets that provide these services are considered to be of strategic value and the Council has determined they need to be retained if its objective is to be met. These assets must be listed in the Council's Significance and Engagement policy. A decision to transfer the ownership or control of a strategic asset cannot be made unless it is explicitly provided for in the

CHBDC Long Term Plan 2018-28 Supporting Information

Council's Long Term Plan (LTP) and the public is consulted through the Special Consultative Procedure (SCP).

The Central Hawke's Bay District Council owns a number of assets and assets managed "as a whole" that it considers to be strategic, however not all trading decisions made regarding these assets are regarded as significant nor do they affect the assets strategic nature.

The following assets (asset groups) are considered strategic and therefore significant:

- Infrastructural assets relating to roads, water, stormwater, and wastewater
- The network of parks, sports grounds and other recreational facilities
- The districts aquatic facilities, including the Waipawa Memorial Pool
- Solid waste facilities, including transfer stations and the Farm Road Landfill
- Retirement Housing, as a whole
- CHB District Libraries, as a whole
- Cemeteries
- Cultural facilities

Monitoring implementation

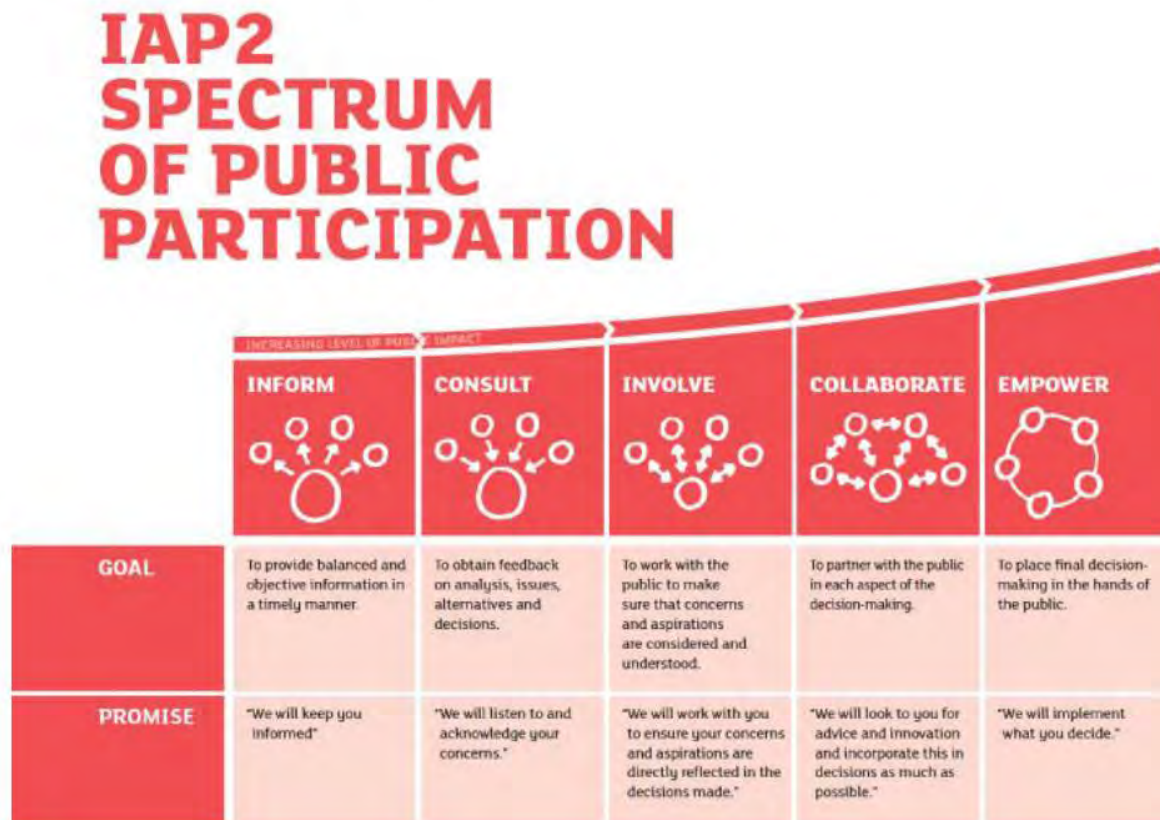
All reports by officers to Council seeking a decision will include a statement addressing the issue of significance. The report is to include a statement about how the relevant sections of the Local Government Act 2002 and the Significance and Engagement policy will be observed,

Notes:

- *This policy will not apply where, in the opinion of the Council, failure to make a decision urgently would result in unreasonable or significant damage to property, or risk to people's health and safety, or the loss of a substantial opportunity to achieve the Council's strategic objectives. Other policy and legislative requirements will still apply.*
- *In cases where legislation requires the Council to use the Special Consultative Procedure as set out in the Local Government Act 2002, that process will be used as a minimum requirement.*

CHBDC Long Term Plan 2018-28 Supporting Information

Appendix 1 – IAP2 Spectrum of Public Participation



CHBDC Long Term Plan 2018-28 Supporting Information

Appendix 2 – Examples of Engagement Activities (Adapted from IAP2 spectrum of engagement)

Engagement Level	Inform	Consult	Involve	Collaborate	Empower
What does it involve	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
Examples of tools the Council might use <i>(Note: these tools may be applicable across many levels of engagement)</i>	<ul style="list-style-type: none"> Email newsletter to local communities and networks Information flyers to neighbourhoods Public notices/info in community newspapers, website 	<ul style="list-style-type: none"> Formal submissions and hearings or the Special Consultative Procedure Focus groups Community meetings Online opportunities to submit ideas/feedback 	<ul style="list-style-type: none"> Workshops Focus/stakeholder groups' meetings Public meetings, drop-in sessions Online surveys/forums 	<ul style="list-style-type: none"> External working groups (involving community experts) Community Advisory Groups (involving community representatives) Forums 	<ul style="list-style-type: none"> Binding referendum Local body elections Delegation of some decision-making to a community
When the community is likely to be involved	Once a decision is made and is being implemented.	Once the Council has determined an initial preferred position it would endeavour to provide the community with sufficient time to participate and respond.	The community or specific communities could be engaged throughout the process, or at specific stages of the process as appropriate.	The community or specific communities will be engaged from the outset, including the development of alternatives to the identification of the preferred solution.	The community or communities will be engaged throughout the process to ensure ownership of the development of alternatives, identification of the preferred solution(s) and delegated decision-making on the preferred solution.

CHBDC Long Term Plan 2018-28 Supporting Information

Significant Assumptions

One of several key components of the Long Term Plan is the disclosure of significant forecasting assumptions and risks underlying the financial estimates. Due to the nature of the LTP as a strategic plan looking forward into future, we must ensure the information on which decisions within the LTP have been made are reasonable and present minimal risk.

According to Schedule 10 of the Local Government Act 2002, which dictates the contents of the LTP, where there is a high degree of uncertainty we must identify the uncertainty and estimate the potential effects of that uncertainty on the financial estimates.

The forecasting assumptions include such matters as:

- Useful life of significant assets
- Sources of funds for the future replacement of these significant assets
- Growth (population vs. household) and demand
- Inflation
- Depreciation

Forecasting Assumptions do not include statements of fact that fall within the decision making discretion of the Council, nor do they include reasonably unlikely events or probabilities about which an assumption needs to be made. Such matters are included in the Activity Statements or description of activity groups in this document.

Significant Assumptions

List of Significant Assumptions

Forecasting Assumption	Risk	Likelihood of Occurrence	Financial Effect	Effect of Uncertainty																																																			
KEY ASSUMPTIONS																																																							
Inflation - Business and Economic Research Ltd (BERL) provides independent Local Government Cost Index (LGCI) This is based on the Berl numbers provided in September 2017 FM contract + 3% in 2019 for contract re-tender	That inflation will be significantly higher than projected. These are national figures, with insufficient data to prepare robust local figures.	Low	Moderate	May mean improvement projects will be cancelled or levels of service reduced.																																																			
<table><tr><th rowspan="2">Year Ending</th><th colspan="3">Annual average %pa</th></tr><tr><th>CAPEX</th><th>OPEX</th><th>LGCI</th></tr><tr><td>Jun 19</td><td>2.0</td><td>2.0</td><td>2.0</td></tr><tr><td>Jun 20</td><td>2.2</td><td>2.2</td><td>2.2</td></tr><tr><td>Jun 21</td><td>2.2</td><td>2.2</td><td>2.2</td></tr><tr><td>Jun 22</td><td>2.2</td><td>2.2</td><td>2.2</td></tr><tr><td>Jun 23</td><td>2.3</td><td>2.3</td><td>2.3</td></tr><tr><td>Jun 24</td><td>2.3</td><td>2.4</td><td>2.3</td></tr><tr><td>Jun 25</td><td>2.4</td><td>2.4</td><td>2.4</td></tr><tr><td>Jun 26</td><td>2.5</td><td>2.5</td><td>2.5</td></tr><tr><td>Jun 27</td><td>2.5</td><td>2.6</td><td>2.6</td></tr><tr><td>Jun 28</td><td>2.6</td><td>2.7</td><td>2.7</td></tr><tr><td>20 year average %pa</td><td>2.4</td><td>2.6</td><td>2.4</td></tr></table>	Year Ending	Annual average %pa			CAPEX	OPEX	LGCI	Jun 19	2.0	2.0	2.0	Jun 20	2.2	2.2	2.2	Jun 21	2.2	2.2	2.2	Jun 22	2.2	2.2	2.2	Jun 23	2.3	2.3	2.3	Jun 24	2.3	2.4	2.3	Jun 25	2.4	2.4	2.4	Jun 26	2.5	2.5	2.5	Jun 27	2.5	2.6	2.6	Jun 28	2.6	2.7	2.7	20 year average %pa	2.4	2.6	2.4				
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Source: BERL Sept 2017																																																							

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Likelihood of Occurrence	Financial Effect	Effect of Uncertainty															
<p>Population Growth – Population growth has been allowed for at a rate equivalent to the halfway medium to high projection made by Statistics NZ. (Source: Central Hawke's Bay District Long Term Planning Demographic and Economic Growth Directions 2018-2048 Report)– Currently 13,720 (2017).</p> <table><tr><th>2018</th><th>2028</th><th></th></tr><tr><td>13,840</td><td>14,200</td><td>1.2%</td></tr></table>	2018	2028		13,840	14,200	1.2%	<p>That population growth is higher than predicted.</p> <p>That population growth is lower than predicted</p>	<p>Low</p> <p>Moderate</p>	<p>Moderate</p> <p>Moderate</p>	<p>Will put pressure on Council to provide additional infrastructure and services. Small increases above the current extensions can be covered</p> <p>May put pressure on Council to maintain existing infrastructure and services while the rating base falls.</p> <p>Official population projections are based on a standard set of variables that do not tend to change quickly (fertility, mortality and migration).</p>									
2018	2028																		
13,840	14,200	1.2%																	
<p>Population and Age Breakdown</p> <table><tr><th></th><th>Total population</th><th>% above 65 years</th></tr><tr><td>2013</td><td>13,250</td><td>17</td></tr><tr><td>2018</td><td>13,840</td><td>20</td></tr><tr><td>2028</td><td>14,200</td><td>26</td></tr><tr><td>2048</td><td>14,350</td><td>33</td></tr></table>		Total population	% above 65 years	2013	13,250	17	2018	13,840	20	2028	14,200	26	2048	14,350	33	<p>There will be a decline in the ability to pay measures, with more people on fixed incomes.</p>	<p>Moderate</p>	<p>Moderate</p>	<p>Levels of service could be at risk.</p>
	Total population	% above 65 years																	
2013	13,250	17																	
2018	13,840	20																	
2028	14,200	26																	
2048	14,350	33																	

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Likelihood of Occurrence	Financial Effect	Effect of Uncertainty												
<p>Housing Growth –</p> <p>Total new Households per year:</p> <table><tr><td></td><td>No of Households</td><td>Average No per Year</td></tr><tr><td>2018</td><td>5625</td><td></td></tr><tr><td>2028</td><td>6160</td><td>53.5</td></tr><tr><td>2048</td><td>6250</td><td>4.5</td></tr></table> <p>This is based on housing growth not slowing as much as the population as there has been a trend to a lower number of people per household.</p> <p>Demographic trends show growth is likely to occur in urban areas. .</p> <p>(Source: Central Hawke's Bay District Long Term Planning Demographic and Economic Growth Directions 2018-2048 Report basing household growth on the halfway medium to high projection made by Statistics NZ.).</p>		No of Households	Average No per Year	2018	5625		2028	6160	53.5	2048	6250	4.5	<p>That housing growth is higher than predicted.</p> <p>That housing growth is lower than predicted.</p>	<p>Low</p> <p>Moderate</p>	<p>Low</p> <p>Moderate</p>	<p>Will put pressure on Council to provide additional infrastructure.</p> <p>Council have opted to use a halfway moderate to high growth assumption.</p> <p>If this is not achieved it could result in lower number of ratepayers to fund Council activities and puts affordable Levels of Service at risk.</p>
	No of Households	Average No per Year														
2018	5625															
2028	6160	53.5														
2048	6250	4.5														
<p>Economic Growth –</p> <p>Although only limited economic growth has been recognised in this LTP – it is nevertheless important that there should not be negative growth (or a decline) in the District.</p>	<p>That the number of businesses and employees reduces.</p>	<p>Moderate</p>	<p>Moderate</p>	<p>Lower affordability, decrease in rate payers.</p>												
<p>Treaty Settlements</p> <p>Initial funding of \$1 million per marae is available from the settlement, once governance structures have been set up. This will take effect in 2019.</p>	<p>May be a demand for additional services for rural marae</p>	<p>High</p>	<p>Low</p>	<p>Will put pressure on Council to provide additional infrastructure.</p>												

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Likelihood of Occurrence	Financial Effect	Effect of Uncertainty
Ruataniwha Water Storage Dam – This project will not proceed in its current form, and has not been included in the LTP.		Low	Low	If the RWSS did go ahead, the Council would be required to complete the consent processes and this may require extra resourcing which can be charged for as part of the consent process.
Plan Change 6 – This will proceed and will affect current water consent holders, including the Council. There may be more periods where water takes are restricted due to low flow.	Urban water users may face greater water restrictions.	Moderate	Moderate	The impact is not considered likely in the first three years of this LTP. An amendment to the LTP would be required for any change within this period.
	For rural users, the less reliable supply of water may affect their businesses.	Moderate	Moderate	This may affect the affordability of rates for rural businesses
Climate Change and Natural Disasters - Climate change predictions are that storm events will become more frequent and more intense. Higher sea levels could result in coastal erosion.	Emergency work is required that exceeds normal budgets and the Catastrophic and Adverse Events fund.	Moderate	High	The potential effect of a natural disaster on Council is dependent upon the scale, duration and location of the event. At the time of such an event, the Council can apply to NZTA for additional funding. Council also holds funds in Reserve to assist in payment of Council's share of any such event.
	Existing stormwater systems will not cope with storms of increased intensity.	Moderate	High	The amendments to stormwater policy and planned improvements in urban catchments will go some way to mitigate this, but will need to be monitored to see that they are sufficient.
	The viability of coastal settlements will be at risk.	Low - Moderate	Moderate	The District Plan review may be required to take account of changes in coastal areas.

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Likelihood of Occurrence	Financial Effect	Effect of Uncertainty
Central Government Reform - There will be no effect of central government-initiated structural reforms as a result of the change in Government.	There will be structural reforms initiated by central government that impact on local government.	Moderate	Moderate	While change is likely, the implications cannot be quantified. In addition, some changes may result in positive outcomes for the Council, where responsibility for activities passes from Council to central government agencies. Any changes by Central Government that changes Services delivered or Levels of Service would likely require an amendment to the LTP
One Network Road Classification - A new NZTA classification system that sets the "minimum" levels of service for each road based on its classification which is determined by traffic volumes and the purpose of the road. NZTA has required councils to transition to the new classifications over the 3 years prior to the LTP period, with the requirement for it to be fully implemented by the National Land Transport 2018-21 programme. This will be completed by 1 July 2018 and it is anticipated that all requirements have been met.	The minimum level of service for our roads may reduce through unforeseen consequences of the change. As a result, the amount of subsidy paid to Council may reduce.	Low for years 1-3 Moderate	Moderate to High	The total subsidy available is reduced and this could have a longer term detrimental effect on our network. Levels of service may have to reduce if subsidy rates or level of funding decreases or rates will need to increase to keep the same levels of service.
New Zealand Transport Agency subsidy (NZTA) – Subsidy rates and criteria will remain the same or similar. Level of funding will increase by BERL	The subsidy rate may fall, reducing the amount of subsidy paid to Council. The level of funding from NZTA increase at a lower rate than BERL	Low for 3 years, then moderate	Moderate to High	The subsidy is the largest source of Council revenue after rates and is projected at a base rate of 60%. This is set until 2023, then will be reviewed within the Hawke's Bay Region. Of greater concern is that if the total subsidy available is reduced, this could have a longer term detrimental effect on our network. Levels of service may have to reduce if subsidy rates or level of funding decreases.
Infrastructure Review – that there will be no change in the way that the three waters are provided. There is a review of the provision of three water services being undertaken by the Department of Internal Affairs, which will report at the end of 2018.	This review results in changes in the way the three waters are provided.	Unknown	High	Any changes by Central Government that changes Services delivered or Levels of Service would likely require an amendment to the LTP

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Likelihood of Occurrence	Financial Effect	Effect of Uncertainty
Drinking Water Supply Standards That there is no change in the Drinking water standards and requirements. There is currently a review of the Havelock North disease outbreak. Some provision for additional monitoring, etc has been allowed. The report was due in December 2017 with the resulting requirements to follow.	That the report results in increased planning, monitoring and testing, above what has been allowed. Additional treatment may be required.	High	Moderate to High	This may require increased rates to fund additional requirements and may require an amendment to the LTP.
Emissions Trading Scheme (ETS) That additional costs and flow on effects are covered in the LTP That there is no reduction in Landfill revenue which might occur as a result of the ETS. Council is to hedge its future ETS liability for 5 years and recover this cost through increased fees and charges at the time.	The value of NZUs required to be purchased to meet Council's liability exceed the value of NZUs hedged and funded through Fees and Charges.	Moderate	Moderate	There could be an unfunded liability - although monitoring of tonnages received into the landfill through the year will allow an adjustment to Fees and Charges to reduce this liability. It is also likely that any significant increases will be attributable to specific customers and adjustments can be negotiated with those customers.
Levels of Service - No changes to levels of service are proposed, either in terms of increasing or reducing them, that will impact on asset requirements or operating costs unless otherwise stated in Activity Statements.	That there are significant changes in customer expectations.	Low	Low	The community has largely defined the levels of service taking into account what they receive and how much they are prepared to pay for that service.
Staff recruitment and Retention That sufficient qualified staff can be recruited and retained to implement the Council plans effectively and efficiently.	Qualified staff cannot be recruited or retained.	Low	Moderate	Levels of services may not be maintained and projects may not be delivered on time and within budgets. This is being mitigated by the development of a performance management framework and succession planning.
Affordability of Rates - That rates rises are affordable of all sectors of the community	Rates rises may not be affordable for sectors of the community	Moderate	Moderate	A rates review may be required, or reduction in the level of service. This is mitigated by having a sound financial strategy and engaging and consulting with the ratepayers.

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Likelihood of Occurrence	Financial Effect	Effect of Uncertainty
Funding Sources Council is dependent on a number of sources of income through fees and charges. These are usually levied on a user pays basis.	User charges may not be achievable.	Moderate in some activities	Moderate in some activities	This may occur through changes in major businesses or reduction of revenue without the ability to reduce costs, especially in landfill income.
Technology While it is recognised that advances in technology over the forecast period could change the way the activity is carried out, the forecasts are based on known technology as currently used.	New technology could change the way the activity is carried out, affecting both financial estimates and levels of service	High	Moderate	There are both risks and opportunities in technology changes The effect is unknown, but will be reviewed on an on-going basis in subsequent Annual Plans
Asset Life – the useful life of assets is as recorded in Asset Management Plans.	Assets wear out earlier than expected.	Low	Moderate	Asset lives are robust estimates established by engineers and valuers. Capital projects could also be brought forward in the event of early expiration of assets. In addition, some assets may last longer than expected.
Revaluation and Depreciation The cost of new and replacement assets will rise in line with BERL estimates of inflation New capital works will be depreciated according to their expected life for utilities and roading.	A revaluation may alter the depreciation expense.	Moderate	Low	Although actual renewals may vary from the Berl estimates, this will have a Income Statement (but not cash effect) as maintenance of infrastructure is funded based on asset management plans.

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Likelihood of Occurrence	Financial Effect	Effect of Uncertainty
Sources of funding for replacement of significant assets				
It is assumed that funding for the replacement of significant assets will be in accordance with the Council's Revenue and Finance Policy and Financial and Infrastructure Strategies.				
Renewal Works Costs – Renewals to replace existing assets is based on: <ul style="list-style-type: none"> Asset management plans Consultants' advice 	The real cost of renewals exceeds the budgeted amount.	Moderate	Moderate	Ratepayers are required to fund additional costs to maintain the level of service.
Capital Works Costs – the costs of major capital works will not vary significantly from the estimates at concept stage.	That some project costs are greater than estimated, resulting in increased debt levels.	Moderate to High	Moderate	Council has less confidence in the long-term regarding the costs of capital projects due to fluctuations in the economy, growth patterns, consent conditions etc. Loan funding of capital works may require loans to be raised that results in Council exceeding its Debt Limits within the Financial Strategy
Contracts – The re-tendering of contracts for operations and maintenance are based on Berl assumptions of inflation. (See FM contract below).	There is a significant variation in price of re-tendering contracts.	Low year 1-3 Moderate years 4-10	Moderate Moderate	The risk is likely to come from fluctuating input prices – fuel, construction materials. If contract prices were to increase significantly, Council would be forced to review the amount of work programmed and undertaken or levels of service.
Fuel Costs and road resealing costs - based on Berl assumptions of inflation.	May increase more than forecast, flowing through to other costs.	Moderate	Moderate	This could result in increasing both operational and capital costs and affecting the timing of projects or levels of service.

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Likelihood of Occurrence	Financial Effect	Effect of Uncertainty
No changes to government funding regimes for operating costs – including petrol tax and grant schemes.	Central government will remove or alter funding schemes.	Low to Moderate	Low to Moderate	The Council receives approximately \$140,000 as our local share of petrol tax, \$14,900 from Creative New Zealand (on a population basis), and \$9,500 from Sport and Recreation New Zealand annually. The withdrawal of this funding would put pressure on Council to make up for it.

CHBDC Long Term Plan 2018-28 Supporting Information

Significant Assumptions

Forecasting Assumption	Risk	Level of Uncertainty	Effect of Uncertainty
FINANCIAL ASSUMPTIONS			
Term of loans – future internal loans will be taken out for; <ul style="list-style-type: none"> 35 year term for all waters infrastructure 10 year term for the district plan 20 year term for other activities 	Loan Capital will not be available when required	Low	<p>Non availability of capital may restrict planned capital projects.</p> <p>This has been mitigated by joining Local Government Funding Agency which borrows from national and international wholesale markets.</p>
Invest Revenue - Council is assuming that dividends will be zero (or immaterial) and that the rate of interest earned on all future investments for the life of this LTP will be 3%	There is potential for interest earned to be higher or lower than estimated.	Low to Moderate	Lower interest rates on Council's investments would lead to lower revenue. However, investment revenue is not significant and as such there would be only a minimal financial impact for Council if these rates were lower than anticipated.
Interest Costs - Council is assuming for the 10 year period of this LTP that the interest rate for new borrowing will be below or equal to 5%	That loan costs will be significantly higher than this.	Low	Higher interest rates will have an impact on Council's interest expense and consequently the affordability of services provided and the ability to afford capital improvements which are funding from borrowing.
Property values - Relative property values used for rating basis remain constant throughout the district over the 10 years of the plan. Staff will obtain updates from QV during the LTP process.	Some parts of Central Hawke's Bay may have larger increases in rateable value than others.	Low to Moderate	This could affect the affordability of rates in some parts of the district. In extreme cases these may mean a review of how rates are applied over the district.
Goods and Services Tax (GST) – GST is excluded from all financial statements, with the exception of accounts receivable and payable, and the funding impact statement. GST cannot be claimed on the Retirement Housing Activity.	n/a	n/a	n/a
Insurance – Insurance costs are based on 2017/18 costs of renewal plus annual BERL increases with no effect of 3 yearly revaluations.	That these costs are significantly higher than budgeted.	High	Insurance may be targeted to cover only key assets to reduce costs.

Significant Assumptions

Forecasting Assumption	Risk	Level of Uncertainty	Effect of Uncertainty
ACTIVITY SPECIFIC ASSUMPTIONS			
Asset Management Plans – that consultants employed to prepare Asset Management Plans are expert and experienced.	As a result of consultant's errors Council does not set aside sufficient funds to maintain its infrastructural assets.	Low	Renewals and maintenance of assets is underfunded which impacts on the life and replacement of affected assets.
Regulatory Services Changes A review of the Liquor fees and charges is carried out every 5 years from 2017. These reviews are considered to have minimal effect on the activity.	Central Government legislation causes increased operating costs to Council.	Low	Increased costs require to be met from increased user charges or rates.
District Plan costs – that the cost to complete the District Plan from mid 2019 is on budget.	That additional costs may be incurred	Moderate	Increased costs will be funded from a loan which will increase rate requirements to repay the loan.
Earthquake Prone buildings The Building (Earthquake Prone Buildings) Amendment Act 2016 came into effect on 01 July 2017. This amendment requires Council to identify and issue notices on a property owner for priority earthquake prone buildings in the district within 2.5 years, and other earthquake prone buildings within 5 years	That engineering, compliance and monitoring costs in meeting requirements of the Act have not been quantified in this planning cycle.	Moderate	This may require additional rates to fund the Council's role in this.

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Level of Uncertainty	Effect of Uncertainty
Animal Control – Review of RSPCA agreement to provide pound services Council operates its pound facilities through a service agreement with the Central Hawke's Bay SPCA. Council has established a number of kennels purely for the housing of impounded dogs, with care and sustenance provide for by the SPCA. Due to looming changes in national delivery and funding of services by the RSPCA, this service agreement will require review in November 2017. It is assumed that current terms and conditions of the service agreement will continue for the life of the LTP.	That the RSPCA withdraw the current agreement, requiring Council to establish a fully compliant Pound, elsewhere in the district.	Moderate	This may require increased rates to fund additional requirements and may require an amendment to the LTP.
Change in the provision of Civil Defence services That there will be a change in provision of services. The Hawke's Bay Regional Council will provide staffing for civil defence services other than those required as an ECO. Costs required to be covered by CHBDC have been included in the LTP.	That the proposal to fund civil defence through Hawke's Bay Regional Council will not be adopted	Low	If this decision is made by HBRC it would mean an increase in rates required
Roading Network- The current network will be maintained for the life of the plan	That NZTA will cease to fund some renewals, based on the cost of repair versus the number of residents.	Low 1-3 years Moderate	There may be additional rates required to continue to maintain these pieces of the roading network. Otherwise levels of service will reduce.
Land transport regulation – There will be no significant changes in regulation over the LTP period.	That the regulation changes increase the ratepayer share of the roading costs.	Moderate	Over the second half of the plan period. This could affect the affordability of the levels of service. Changes could also be positive.
Infrastructure Capacity and Growth Water supply, Waste water and Stormwater – Existing zones for the three waters will remain as stated in the LTP and proposed District Plan.	Zones may be expanded. Additional infrastructure capacity will be required.	Low	Capacity for growth has been built into the LTP and is being developed as part of the Urban Growth Strategy for the District Plan.
Bridge Renewal – There is sufficient provision for funding any bridge failure, based on the transfer of funds each year into the bridge reserve fund. To meet the anticipated need.	That this is insufficient to cover the Council's share of bridge replacements.	Low- first 5 years Mod - second 5 years	This could affect levels of service in roading, if money has to be diverted from other budgets to cover costs.

CHBDC Long Term Plan 2018-28 Supporting Information

Forecasting Assumption	Risk	Level of Uncertainty	Effect of Uncertainty
Landfill operation costs The solid waste management and minimisation plan (WMMP) will be reviewed by July 2018. The Council is selling landfill space to offset the operating costs of the landfill. This plan assumes the income level remains at budgeted levels. Landfill cell extensions included in this LTP are dependent on volumes received into the landfill – and timings of cell extensions may change.	Budgeted sales are not achieved.	Low to Moderate	Council does have an exposure to external sales income and a relatively small pool of potential customers.
Multi-Sport Turf - Other Russell Park projects are tied to the completion of the multi-sport turf in 2017/18 and 2018/19	That with will be completed in 2017/18 to allow other Russell Park projects to proceed	Moderate	This would mean that proposed projects are delayed or reconsidered.

8 PUBLIC EXCLUDED BUSINESS**RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
8.1 - PE MINUTES OF THE COUNCIL MEETING 14 DECEMBER 2017	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

9 DATE OF NEXT MEETING**RECOMMENDATION**

THAT the next meeting of the Central Hawke's Bay District Council be held on 22 February 2018.

10 TIME OF CLOSURE