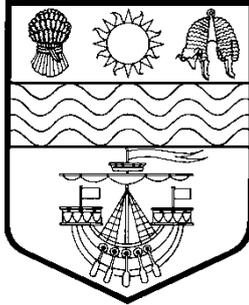


**Central Hawke's Bay
District Council**

**Annual Plan
2014/2015**

Central Hawke's Bay District Council



Our mission statement:

“The Central Hawke’s Bay District Council will be accountable to its citizens for the good management of the public assets of the District and provide open local government at minimum economic cost, with the least possible intervention in the private lives of residents.”

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What is it?

The Annual Plan contains the proposed annual budget and Funding Impact Statement for the up-coming year (1 July 2014 to 30 June 2015).

The Annual Plan identifies any variation from the financial statements and Funding Impact Statement included in Council's 2012/22 Long Term Plan.

Consultation on the proposed Annual Plan provides residents with an opportunity to participate in the decision making processes relating to the costs and funding of activities to be undertaken by Central Hawke's Bay District Council, and to contribute to the accountability of Council to the Central Hawke's Bay community.

How does it affect you?

You may be interested in any projects that Council has planned for the coming year, how those projects are likely to be funded, and how these form part of the integrated planning for the long term future of Central Hawke's Bay.

How the Annual Plan relates to other documents

The Annual Plan should be read in tandem with the **Central Hawke's Bay Long Term Plan 2012/2022** (LTP). The Annual Plan is merely a component of this overarching strategic planning document. The Long Term Plan (LTP) is our roadmap for the District for the next ten years (in this case from 2012 to 2022). In the LTP the community identifies its strategy of where it wants to be. The Council's role is to articulate that strategy, measure our progress and demonstrate what we are doing to realise that strategy.

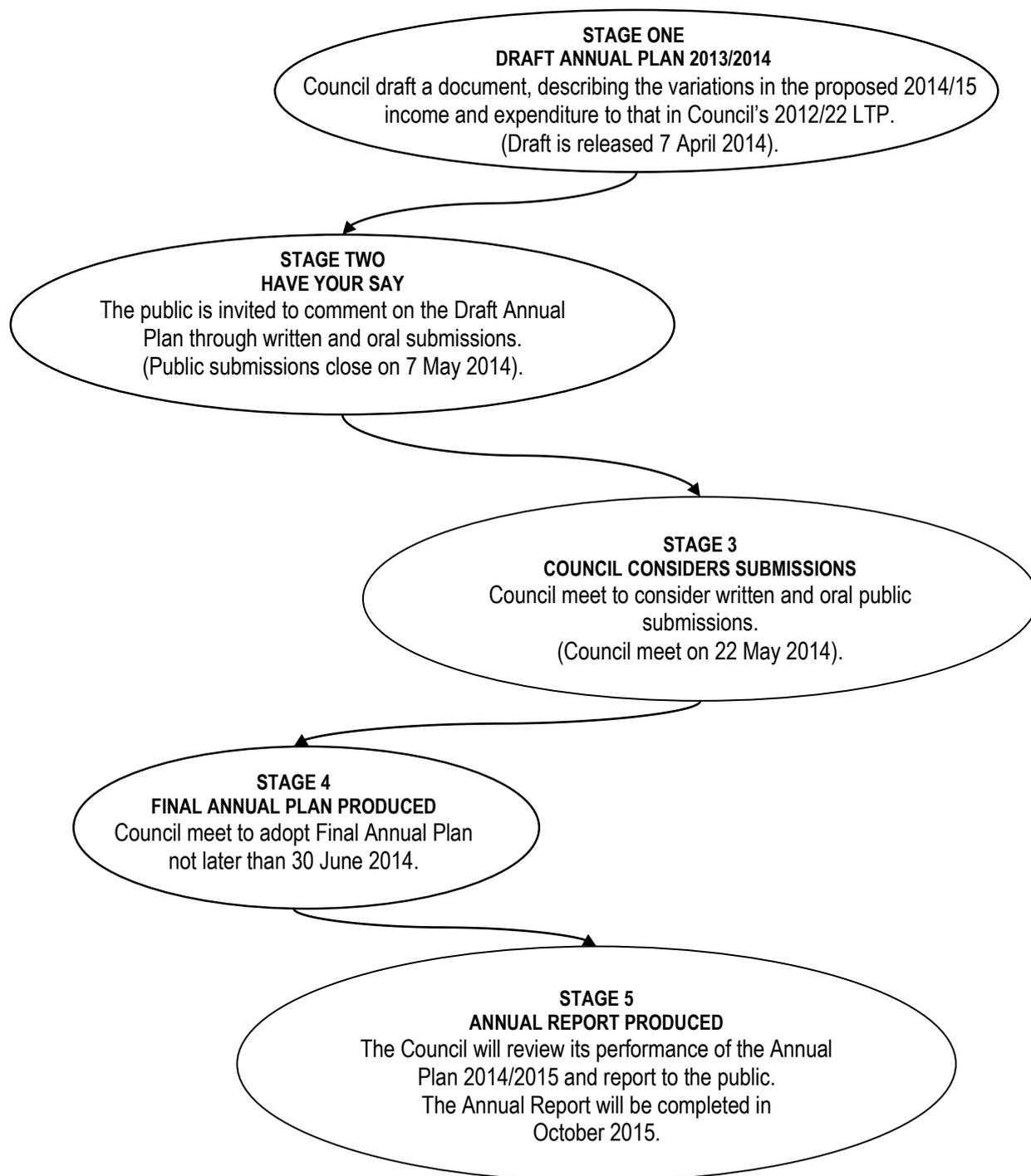
The purpose of the LTP is to ensure that Council's services are sustainable and affordable over time. Each year the Annual Plan is prepared based on information contained in the LTP, and any other relevant information available. The LTP can be viewed on Council's website www.chbdc.govt.nz.

Each year, in November, Council publishes the **Annual Report** that determines whether or not Council has achieved what it had proposed in the previous year's Annual Plan and the LTP.

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The Annual Plan Process



Mayor and Chief Executive Introduction

Our 2014/15 Annual Plan sits alongside our 2012/22 Long Term Plan (LTP) as a record of annual variations from the LTP. It is our primary annual planning document which identifies variations from the existing plans in our LTP and the consequent effects for annual rating.

This Annual Plan reflects no increase to the overall rate levels forecast in the 2014/15 year of our existing LTP. We made a commitment to you as ratepayers that we would attempt to do this to offset the increase suffered last year in bringing forward the capital works required on the Waipawa and Waipukurau wastewater treatment upgrades.

The Wastewater Project in Waipukurau is now all but completed and we are on track to meet the September 2014 discharge consent requirements within the allotted timeframe. Despite some negative media attention the Waipawa plant is proving very successful, with results achieved to date well below the limits set in the new standards.

This year is a significant one in terms of what's coming up for the District; a decision around whether the Ruataniwha Water Storage Project will go ahead will be made, a decision on whether there will be any form of amalgamation within Hawke's Bay, and also the decision about what changes will be made to the levels of subsidy that Council receives from New Zealand Transport Agency in their review of road funding for councils. All three of these decisions will have a major impact upon this district, and will be the driving force behind the Council's 2015-2025 Long Term Plan.

It is also exciting to note that the development in Russell Park is to continue, with Council applying \$250,000 of seed money towards the proposed multisport turf, approved at the 19th February Council meeting.

Council is also supporting the development of a cycleway project linking the Waipukurau and Waipawa townships by approving funding of \$150,000 to the Rotary Pathways Trust, who are driving and overseeing this project together with the Hawke's Bay Regional Council.

These projects will attract visitors to Central Hawke's Bay, while meeting our own sporting and recreational needs. Both are great future assets for our district. No further rates funding will be required.

The review of the Council owned earthquake prone buildings is nearing completion, with one of the three buildings identified considered safe, another requiring a reasonable amount of work, and the third requiring significant works. We have budgeted for capital works to be undertaken on these buildings, funded by loans and money carried forward rather than rates. Before we do this work we will engage with the community to determine the best outcome for the District.



Peter Butler
Mayor



John Freeman
Chief Executive



Elected Council Members

MAYOR

Peter Butler
699 Tikokino Road
RD3
Waipawa

Phone: 027 443 7981
peter.butler@chbdc.govt.nz

The Central Hawke's Bay District Council comprises His Worship the Mayor, and eight elected members who represent the district's two wards. Elections are held every three years. Why not get involved next time?

ARAMOANA/RUAHINE WARD

Sally Butler
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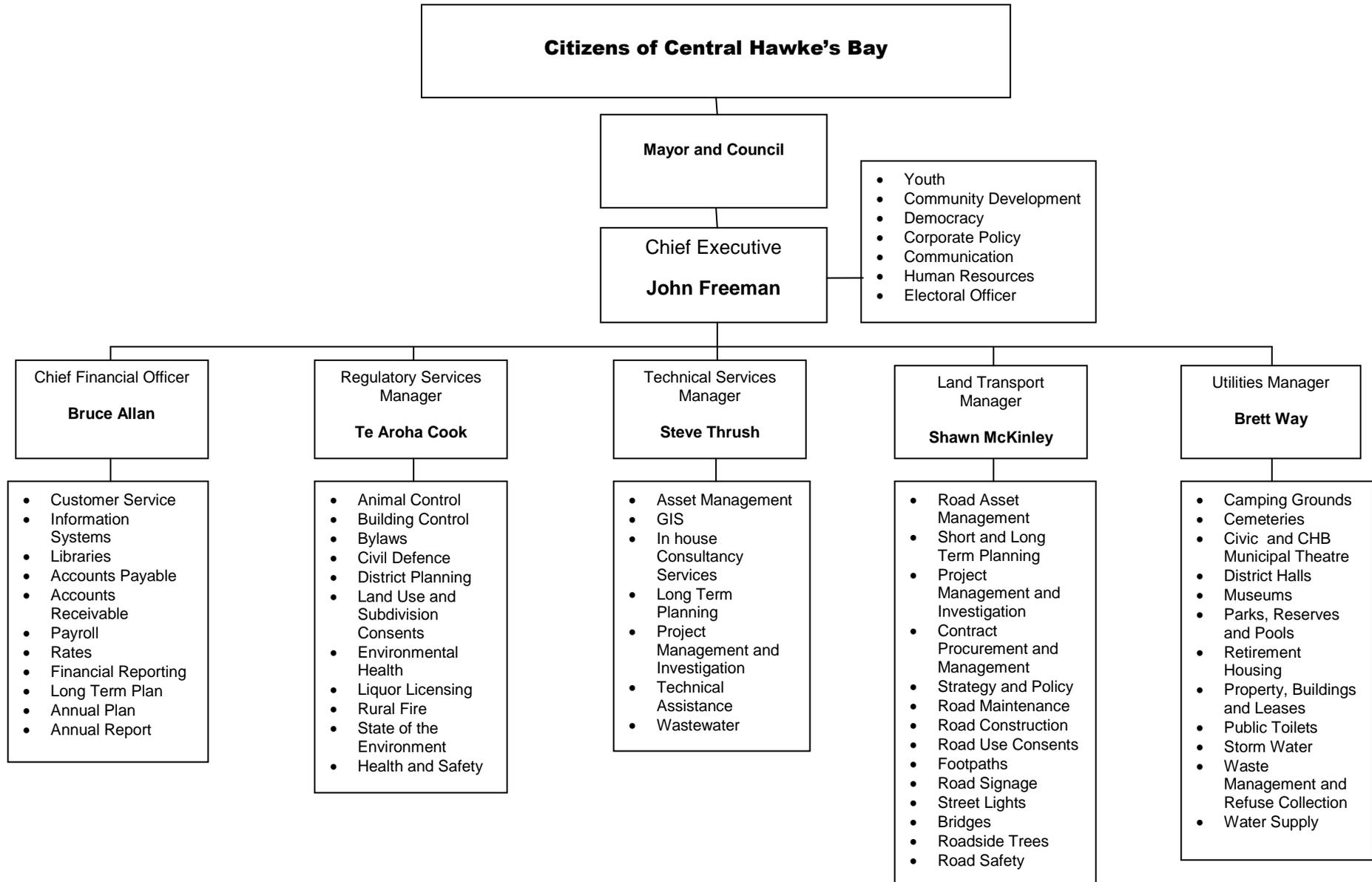
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Management Structure



Key Issues *Overview*

A key requirement of an Annual Plan is to identify any variation from the financial and funding impact statements contained in Council's LTP. This is particularly important where better information on costs and revenue is available, engineering solutions are more certain, and particularly when economic influences and Central Government change, impact on the budget estimates in the LTP.

A summary of key issues affecting the District is given below:

Amalgamation

No provision for any additional costs for the amalgamation process has been included for 2014/15.

The Plan has been written for 'business as usual' as a decision on the final amalgamation plan is unlikely to be made until late in 2014, after the current Local Government Act amendments before Parliament are passed into law.

Ruataniwha Water Storage Scheme

Council will be required to carry out significant work around the water storage scheme consenting process, should the proposal go ahead. We are working in collaboration with Hawke's Bay Regional Council and Hastings District Council consenting staff to minimise duplication and share costs in the consenting process. While the costs will be recovered from Hawke's Bay Regional Investment Company (HBRIC) as the applicants, our Council will fund them initially.

The scheme is expected to create 2300 jobs across Hawke's Bay, 1000 of these on and off farm in CHB. Council is working on proposed changes likely to be required in planning, economic and social development and infrastructure development. This will prepare the district to take full advantage of the opportunities that irrigation of 25,000 ha of the Ruataniwha plains will bring.

Waipukurau Library and Waipukurau Memorial Hall Earthquake Strengthening

- Waipukurau Library - We have received indicative pricing for the strengthening and remedial work totalling \$300,000.
- Waipukurau Memorial Hall - Estimates of \$190,000 have been received for the work on the Waipukurau Memorial Hall.

Both these amounts have been budgeted for in this Annual Plan. There is some funding carried forward from last year in preparation for this work, but the bulk of the funding will be from loans.

Both the Memorial Hall and Library are very well utilised and important district facilities. Council is looking at the best way to future proof these facilities including the option of providing a single facility to cover the requirements of both. We will be asking for input from the community before any final decision is made.

Waipukurau Hospital Options

Councillors are working with private enterprise and the property owner to see if there is an opportunity to clear the site for future development.

Russell Park Development

A concept plan for the upgrade of Russell Park was developed in July 2013. This was in response to the Council's and the Russell Park Users' Group desire for a long term vision for the park, including an artificial multisport turf. The Central Hawke's Bay District Community Trust have taken on the role to further advance the artificial multisport turf to a level where funding could be sought to construct the facility. Council has agreed to fund \$250,000 towards this project, which has an estimated total cost of \$1,700,000.

The playground facility for Russell Park approved as part of the 2012/22 LTP is included in the overall upgrade plan and is waiting for the overall park concept plan to be finalised and agreed, before work starts.

Other projects as part of the Russell Park upgrade are a skate park, a splash pad, fitness trail and treed park area. It is anticipated that funding for these projects will be from a combination of existing budgets, fundraising and grants.

Key Issues *Overview continued*

Land Transport Funding

The New Zealand Transport Agency (NZTA) is reviewing the Funding Assistance Rate (FAR) which is their contribution to the Central Hawke's Bay road programme. This contribution is currently 58% of the Council's road programme. Currently five options for change have been presented by NZTA of which only one favours Central Hawke's Bay. As the review is nationwide and should NZTA continue with any one of the options there is a significant chance that there will be a negative impact on Central Hawke's Bay. The impact could mean between 6 and 9 percent less funding assistance being provided to Central Hawke's Bay. The result of a change of this magnitude, should it happen, offers the Central Hawke's Bay the following choices:

1. Reduce the amount of maintenance and renewals that are taking place on the road network

OR

2. Increase rates to cover the decreased assistance from NZTA

NZTA have not made a decision at the time of writing this and the Council is taking every opportunity to influence their decision to get a positive impact from any change or minimise the negative impact to Central Hawke's Bay. NZTA wish to implement changes for the 2015 – 2018 three year funding programme. This will cover the first three years of the 2015-2025 Long Term Plan.

Waipawa and Waipukurau Treatment Plant Upgrades

The Waipawa project is complete and undergoing fine tuning; the results to date are very good and meet the more stringent consent conditions required in September 2014. The Waipukurau project is expected to be completed by June 2014, in order to meet the consent date of September 2014.

The project is expected to be completed within the original estimate of \$6.38 million.

Bringing this project forward by a year has meant that the impact on rates of the increased operational and loan costs was brought forward to 2013/14.

Drinking Water Standards

The next stage of the upgrade work for Waipawa and Waipukurau is to comply completely with the NZ Drinking Water Standards. This will involve the installation of UV treatment at both sites.

The cost is \$655,000 to upgrade both systems. Council are currently working on gaining a subsidy from Central Government to help fund this work.

Central Government Reform

Continuing changes in the Local Government Act 2002 Amendment Bill (No.3) including Development Contributions Policy, Planning and Accountability changes, Significance and Engagement Policy December 2014 Infrastructural Strategy 2015 LTP will affect all parts of the Council.

As the Bill is still in progress and not expected to be enacted until June 2014, it has minimal impact on this Plan.

Investment in the Ruataniwha Water Storage Scheme (RWSS)

This issue was raised after the start of the consultation period and was not included in the draft document.

Council initially raised its intent to invest in the RWSS at its Draft Annual Plan public meeting on 16 April 2014 in Waipawa. As a consequence of feedback from that public meeting Council resolved at the 8 May 2014 Council meeting to undertake a process of public consultation on its investment decision, should the RWSS go ahead.

CHB District Council is proposing to invest \$5 million in the Ruataniwha Water Storage Scheme through the Tukituki Investments Limited Partnership by way of acquiring units.

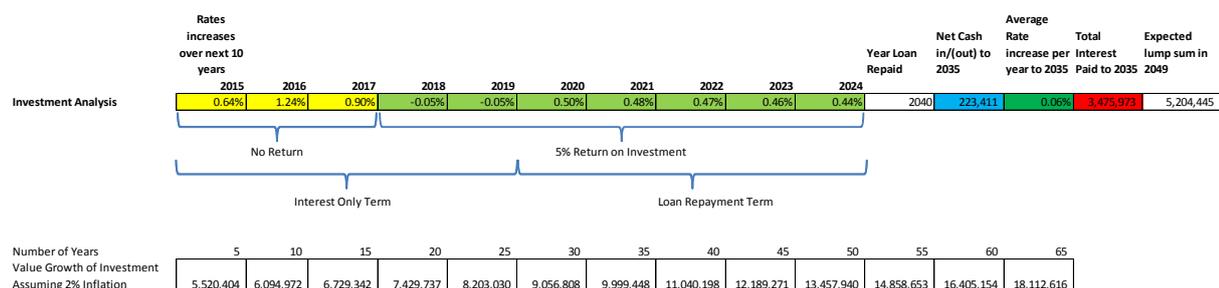
Key Issues *Overview continued*

A Statement of Proposal was issued for this investment

The following is an extract from the proposal:

Key points of the Proposal

- Council wishes to invest \$5 million into the Ruataniwha Water Storage Scheme.
- \$4 million of this would be loan funded with \$1 million from reserves.
- It is expected that the investment won't return anything in the first three (3) years.
- From year three (3) the investment will return 5%.
- From year 10 or when full uptake occurs, the investment will return a distribution of equity.
- Council's cost of funds is currently 6%.
- Council to invest in the dam in a stepwise manner over three years, 1/3, 1/3, 1/3.
- Council currently earns 5% on investments.
- Investment is made on the basis that the loan is interest only for five (5) years then repaid over 20 years after that.
- The cash flow returns do not take into account expected growth in investment.
- Investment in RWSS should be achieved without requiring any extra support from rates income. No rates increase should occur outside of the current 2012/2022 LTP predictions in the future as a result of Council's investment in the RWSS.



ALTHOUGH THE FIGURES ABOVE INDICATE THE EFFECT THAT THE ANNUAL NET CASH MOVEMENT WOULD HAVE ON RATES, COUNCIL IS CONFIDENT THAT WE CAN MANAGE THE IMPACT WITHIN THE CONSTRAINTS OF THE 2012/22 LTP RATES REQUIREMENT.

For Council to make the final decision on investing into the Ruataniwha Water Storage Scheme, four key areas all need to line up:

- A workable environmental consent from the Environmental Protection Agency (EPA)
- Enough farmers wanting to buy water
- Suitable investors and a sufficient funding base
- A viable construction contract.

Consultation closes on 13 June 2014. No hearings or decision will be made by Council on the submissions prior to the 2014/15 Annual Plan being adopted on 19 June 2014.

This means that the decision on the RWSS investment will be made after plan adoption and the Plan does not reflect any effects of this decision.

Changes to Draft Annual Plan as a result of Submissions

Side Line Behaviour Programme

Sport Hawke's Bay requested funds towards the Side Line Behaviour programme. This is a joint initiative with Regional Sports Organisations and EIT. Council has approved \$4200 towards signs for Russell Park, Coronation Park, Takapau Recreation Ground, Otane Receptions Ground and White Domain, Porangahau.

Community Facility - Combined Waipukurau Library, Service Centre and Memorial Hall

Council decided not to proceed with the proposed combined library and service centre at the Memorial Hall site.

However, because of the support for the concept of a community facility;

Council staff will look at the following options for the library and service centre:

- Extension to the existing building plus earthquake strengthening
- A new build on council owned or other land
- Property options including lease possibilities

Council staff will also investigate options for the Memorial Hall including enhancements to the building in addition to earthquake strengthening.

The current budget of \$490,000 has been retained to fund the progression of this proposal.

Financial Strategy

As part of the 2012/22 LTP Council set its Financial Strategy to reflect the strategic direction of Council and the concept of sustainability.

During the 2014/15 financial year, Council expects to spend \$15.4 million on operating costs and \$11.7 million on capital expenditure - as shown below. The total rating requirement will be \$17.469 million (2013/14 \$17.247 million) – which is the same as forecast in the 2014/15 year of the 2012/22 Long Term Plan.

| Actual | | Annual | Long Term | Annual |
|---|---|----------------|------------------|----------------|
| 12/13 | | Plan | Plan | Plan |
| \$' 000 | | 13/14 | 14/15 | 14/15 |
| | | \$' 000 | \$' 000 | \$' 000 |
| Sources of Operating Funding | | | | |
| 10,761 | Non targeted Rates (Gen 3807 UAC 1723 Land 6295) | 11,569 | 11,854 | 11,825 |
| 4,981 | Targeted Rates | 5,676 | 5,615 | 5,645 |
| 2,357 | Fees, Charges and Targeted Rates for Water Supply | 2,569 | 2,712 | 2,482 |
| 4,904 | Subsidies and Grants for operating purposes | 2,218 | 2,175 | 2,235 |
| 631 | Interest and dividends | 549 | 581 | 450 |
| 151 | Local authorities fuel tax, fines, infringements and other receipts | 147 | 151 | 153 |
| - | Development Contributions | 21 | - | - |
| 23,785 | Total operating funding | 22,750 | 23,087 | 22,790 |
| Applications of operating funding | | | | |
| 11,095 | Payments to staff and suppliers | 11,607 | 11,897 | 11,735 |
| 752 | Finance costs | 1,068 | 1,078 | 588 |
| 2,922 | Overheads | 3,183 | 2,969 | 3,077 |
| 14,769 | Total applications of operating funding | 15,858 | 15,944 | 15,400 |
| 9,016 | Surplus/(Deficit) of operating funds | 6,892 | 7,144 | 7,390 |
| Sources of Capital Funding | | | | |
| 4,046 | Subsidies and grants for capital purposes | 4,538 | 4,538 | 4,365 |
| (143) | Increase in Debt | 2,153 | 4,572 | - |
| 51 | Development Contributions | - | 22 | - |
| 3,954 | Total sources of capital funding | 6,691 | 9,132 | 4,365 |
| Application of capital funding | | | | |
| Capital Expenditure | | | | |
| - | to meet additional demand | 60 | 95 | 95 |
| 3,126 | to improve the level of service | - | - | 1,269 |
| 8,796 | to replace existing assets | 13,063 | 15,375 | 9,911 |
| 1,048 | Increase (decrease) in Reserves | (89) | 227 | 480 |
| - | Increase (decrease) in Investments | 549 | 581 | - |
| 12,970 | Total application of capital funding | 13,583 | 16,278 | 11,755 |
| (9,016) | Surplus (deficit) of capital funding | (6,892) | (7,146) | (7,390) |
| - | Funding balance | - | - | - |
| Depreciation expense for the year | | 11,122 | 12,065 | 12,294 |
| Funded depreciation | | 9,233 | 9,442 | 9,903 |
| Unfunded depreciation to reduce rates | | 1,890 | 2,624 | 2,391 |
| Total Rates | | | | |
| Overall Rates Increase compared to previous year | | 6.04% | 4.57% | 1.29% |
| Increase in District Wide Rates (Average over 10 years 3.6 | | 3.92% | 2.87% | 2.21% |
| Increase in Targeted Rates (Average over 10 years 3.1%) | | 10.64% | 8.32% | -0.56% |

Financial Strategy

Public Debt

Over the last year we have made considerable changes to the way that we manage our internal treasury function, and also how we accumulate funds and repay debt. This has allowed Council to reduce external debt considerably from a budgeted \$16.5 million in the Long Term Plan to a budgeted \$11.7 million in this Annual Plan. A reduction of nearly \$5 million which would equate to savings of roughly \$300,000 in interest costs. This will place Council in a strong position in terms of debt per capita in relation to other Councils and also allow Council more financial freedom to undertake significant capital projects for the betterment of the community.

Investments

We are budgeting for a lower level of investments in this Annual Plan in comparison to what was shown in Year 3 of the Long Term Plan. This is because we are using available investments to repay term debt. This is a sensible approach as we are now paying higher interest rates on term debt than we are receiving on investments.

Tamatea Limited

Tamatea Limited is a Council Controlled Organisation that holds a 34% shareholding in Infracon Limited. Council, in the recommendation of the directors of Tamatea Limited has decided to wind up the company, Tamatea Limited.

After a careful review of the company and a needs analysis, the only option was that we should wind this company up and bring the shareholding back into Council. The costs to maintain the company on an annual basis have been steadily increasing since the company was set up. The directors also felt that having the holding company also puts Council a further step removed from the board of Infracon Limited. The removal of Tamatea Limited will allow Council to have closer control of their investment, as well as reduce the costs to ratepayers of maintaining a holding company.

Rates Increases

As mentioned in the 2013/14 Annual Plan when we elected to bring forward the wastewater upgrade project by a year, we would attempt to keep the rate rise this year as low as possible. During the preparation of the Annual Plan we revised this for appropriateness given the current economic environment, and the legislative changes forced upon us by Central Government. Although we face inflationary factors over and above the rates rise we are proposing, we thought it important to match the LTP year 3 rates amount required, given that the difference between the two years should only be the shift in the year that the Waipukurau wastewater treatment plant was upgraded.

There is continuing pressure from Central Government for Local Authorities to manage rates increases more prudently. Affordability is a very big concern for our district and we feel that we have struck the right balance here in setting an average 1.29% rates increase for next year.

Movement in average rates for the last three years

The table below illustrates the movement in average rates required for each sector of the district over the last three years. In the Long Term Plan we predicted average increases across all areas of just over 3%. However this did not take into account the effect of the district revaluation, which is a Central Government requirement outside of our control.

The Actual figures show the impact that the revaluation has had on where the rates fall, and also the impact on Council's drive to reduce costs and pass on savings to the ratepayer.

| Sector within the District | LTP | Actual |
|----------------------------|------------------|------------------|
| | Average increase | Average increase |
| | 2012 - 2015 | 2012 -2015 |
| Beach | 3.53% | -1.30% |
| Commercial | 3.53% | 3.50% |
| Industrial | 3.16% | 2.50% |
| Residential town | 3.55% | 3.44% |
| Rural | 3.25% | 3.35% |

Financial Strategy

Fees and Charges

The following table shows the % target recovery for each activity from fees and charges. As part of the Annual Plan process we have reviewed and amended the target bands for the recovery. The reason we have done this is because there are a number of external factors and legislative changes that are having an impact on how some of the activities are collecting revenue. Some of the fees are also set by Central Government and not Council, so the changes are needed to create more flexibility within the activity as the original bands were very narrow and restrictive.

| Activity | LTP Recovery % | Amended Target Recovery % |
|--|----------------|---------------------------|
| Community Leadership Group | | |
| Leadership, Governance and Consultation | | - |
| Economic and Social Development | | - |
| Planning and Regulatory Group | | |
| District Planning | | - |
| Land Use and Subdivision Consents | 37-49% | 35-50% |
| Building Control | 66-89% | 60-90% |
| Public Health | 27-36% | 25-40% |
| Animal Control | 91-95% | 90-100% |
| Emergency Management | Up to 5% | 0 to 10% |
| Bylaws | Up to 5% | 0 to 10% |
| Land Transport Group | | |
| Land Transport | | - |
| Solid Waste Group | | |
| Solid Waste | 46-48% | 35-50% |
| Water Supplies Group | | |
| | Up to 10% | 0-15% |
| Wastewater Group | | |
| | Up to 5% | 0-10% |
| Stormwater Group | | |
| | | - |
| Recreation and Community Facilities Group | | |
| Parks, Reserves and Swimming Pools | Minimum of 3% | 3+% |
| Public Toilets | | - |
| Retirement Housing | 100% | 100% |
| Libraries | Up to 10% | 0-15% |
| Theatres, Halls and Museums | | - |
| Cemeteries | 10% | 5-20% |
| Property and Buildings | 2% | 0-10% |

Council Activities and the 2014/2015 Budget

This section includes a summary of the levels of service/activities provided by Council.

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

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

These eight groups cover twenty one 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. Emergency Management
9. Bylaws

Land Transport Group

10. Land Transport

Solid Waste Group

11. Solid Waste

Water Supplies Group

12. Water Supplies

Wastewater (Sewerage) Group

13. Wastewater (Sewerage)

Storm water Group

14. Storm water

Recreation and Community Facilities Group

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

Over the following pages of the Annual Plan you will find each activity's budget for the 2014/2015 year outlined and an explanation of how it has varied from the forecast budget in the Long Term Plan as required by the Local Government Act 2002.

Leadership, Governance and Consultation Activity

The Leadership, Governance and Consultation Activity include the following components:

- Facilitating Council decision making by running elections, holding meetings and maintaining standing committees to ensure the good governance of the District, providing information to elected representatives, secretarial support, minute taking, and providing notice of meetings.
- All local authorities now have more stringent consultation requirements, in addition the public and elected members demand better communication and information flows both to and from the public.
- Council provides and administers grant and scholarship schemes to provide individuals and groups with financial assistance. The Central Hawke's Bay District Council has one Council Controlled Organisation and three Council Organisations. The Council Controlled Organisation is Hawke's Bay Local Authority Shared Services Ltd (HB LASS) – a joint initiative among the five Hawke's Bay Councils. The three Council Organisations are CHB Promotions Inc, CHB Early Settlers Museum Society, and the Howard Estate Advisory Board.

The Council Controlled Organisation, Tamatea Limited, held Council's 34% share in Infracon Limited, but was wound up on 30 June 2014.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|--|---|------------------|
| Advocate on local, regional and national issues for the Central Hawke's Bay District | Advocacy on appropriate Central Hawke's Bay Community issues | Number of formal submissions to Central Government, Local Government NZ and similar advocacy institutions | 5 submissions |
| Develop Policy and make decisions for the benefit of the Central Hawke's Bay Community | Council and Committee meetings | Number of annual meetings | 8 |
| Communicate and consult with the Central Hawke's Bay Community on key issues | Statements of Proposal requiring consultation using Special Consultative Procedures to be made available on the Council website, at Council libraries and offices, and to be discussed in public meetings. | Meet statutory requirements | 100% compliance |
| Meet Local Government Act 2002 statutory reporting requirements | Production of Annual Plans, Annual Reports and Long Term Plans | Meet statutory deadlines | 100% compliance |

Leadership, Governance and Consultation Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 586 | 580 | 603 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | - | - | - |
| Subsidies and Grants for operating purposes | 23 | 22 | 24 |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements, and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 609 | 602 | 626 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 398 | 394 | 406 |
| Finance costs | - | - | - |
| Overheads | 211 | 209 | 220 |
| Total applications of operating funding | 609 | 602 | 626 |
| Surplus/(Deficit) of operating funds | - | - | - |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | - | - | - |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | - | - | - |
| Surplus (deficit) of capital funding | - | - | - |
| Funding balance | - | - | - |
| Depreciation expense for the year | - | - | - |
| Funded depreciation | - | - | - |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

There is an increase in operating expenditure for elected members' remuneration pool, set by the Remuneration Authority in Wellington.

Economic and Social Development Activity

Economic and social development within Central Hawke's Bay is undertaken by Council in conjunction with a number of outside organisations. These organisations include:

- CHB Promotions Inc, HB Chamber of Commerce, Business Hawke's Bay, Ministry of Social Development, Hawke's Bay Regional Council, Hastings District Council, Napier City Council, Hawke's Bay Tourism, Food HB, Work and Income, EIT and local and regional businesses.

Council's main role over the next 12 months will be in the development of opportunities for the district that may come from the Ruataniwha Water Storage Scheme.

The Ruataniwha Water Storage Scheme is a key project for the region as well as New Zealand Inc. This scheme will see the creation of approximately 2300 jobs in Hawke's Bay with approximately 1000 of these jobs on and off farm in CHB. The scheme will see summer water flows in the Tukituki increase by 30% and along with the measures proposed in the Regional Council's Plan Change 6 will produce long term improvement to the river system.

In preparing for the water storage scheme build and subsequent land irrigation Council is working with a number of groups to prepare our current community for opportunities that may come with new jobs, new businesses, change of land use and farming practices, as well as new families coming to the district.

Council will also participate in supporting Safe Communities, Economic Development, Youth Development and Positive Ageing through collaboration and implementation of strategies.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|---|----------------------------|--|------------------|
| CHB Promotions fulfils its contract obligations | Funding for CHB Promotions | Contractual objectives are met including: Running Visitor Information Centre Running annual Lamb Country Festival | Meet objectives |
| Community Development Coordinator completes the project | Oversight of project | Project plan milestones including: <ul style="list-style-type: none"> • Development of a Central Hawke's Bay Economic Development Strategy • Implementing a Positive Ageing Strategy adopted in 2011 • Implementing the CHB Youth Strategy 2013 • Developing the Council/ Taiwhenua relationship | Milestones met |

Economic and Social Development Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 117 | 121 | 121 |
| Targeted Rates | 25 | 25 | 25 |
| Fees, Charges and Targeted Rates for Water Supply | - | - | - |
| Subsidies and Grants for operating purposes | 40 | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements, and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 182 | 146 | 146 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 182 | 146 | 146 |
| Finance costs | - | - | - |
| Overheads | - | - | - |
| Total applications of operating funding | 182 | 146 | 146 |
| Surplus/(Deficit) of operating funds | - | - | - |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | - | - | - |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | - | - | - |
| Surplus (deficit) of capital funding | - | - | - |
| Funding balance | - | - | - |
| Depreciation expense for the year | - | - | - |
| Funded depreciation | - | - | - |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

No variance.

Whole of Planning and Regulatory Group

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 751 | 724 | 859 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 648 | 711 | 655 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements, and other receipts | 4 | 4 | 12 |
| Development Contributions | - | - | - |
| Total operating funding | 1,403 | 1,439 | 1,526 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 1,062 | 1,113 | 1,147 |
| Finance costs | 14 | - | - |
| Overheads | 317 | 315 | 330 |
| Total applications of operating funding | 1,393 | 1,429 | 1,477 |
| Surplus/(Deficit) of operating funds | 10 | 10 | 49 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | 10 | 10 | 10 |
| Increase (decrease) in Reserves | - | - | 39 |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 10 | 10 | 49 |
| Surplus (deficit) of capital funding | (10) | (10) | (49) |
| Funding balance | - | (0) | - |
| Depreciation expense for the year | 56 | 56 | 27 |
| Funded depreciation | 56 | 56 | 18 |
| Unfunded depreciation to reduce rates | - | - | 9 |

District Planning Activity

Council is required to provide a comprehensive District Plan that meets the needs of the community. The activity goal is to implement the Resource Management Act 1991.

Council has committed to a full review of the District Plan commencing in 2011 to comply with the Resource Management Act (RMA) requirements to review the Plan every 10 years.

Council recognises that matters pertaining to the Board of Inquiry's decision on the Tukituki Catchment Proposal, or outcomes from the Local Government reorganisations and the Ministry of Environment RMA Review may impact on the priorities of the review of the District Plan during the 2014/15 year.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|------------------------------------|---|---|---|
| Full review of the District Plan | District Plan reviewed within required timeframes | Milestones met to complete new plan for notification | Draft plan notified in 2014/15 |
| Ongoing monitoring of the Plan | Compliance Effectiveness of revised Plan Updates for new issues | Modifications, updates carried out as required | Not applicable until the new plan is notified |
| Tukituki Catchment Proposal (RWSS) | Certify management plans | Certification of management plans provided within approved timeframes | Within 20 working days |
| | Participation in and or contribution to advisory boards/groups | Participate in preparation of additional management plans | All milestones met |
| | Compliance with consent conditions | Monitoring against the consent conditions | Conditions monitored and reported |

District Planning Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 210 | 210 | 209 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | - | - | - |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 210 | 210 | 209 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 156 | 156 | 153 |
| Finance costs | - | - | - |
| Overheads | 54 | 53 | 56 |
| Total applications of operating funding | 210 | 210 | 209 |
| Surplus/(Deficit) of operating funds | - | - | - |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | - | - | - |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | - | - | - |
| Surplus (deficit) of capital funding | - | - | - |
| Funding balance | - | - | - |
| Depreciation expense for the year | - | - | - |
| Funded depreciation | - | - | - |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

Minor variance.

Land Use and Subdivision Consents Activity

The District Plan establishes specific rules around subdivision and land use activities. When applications for subdivision and land use activities are received, they are assessed against the requirements of the District Plan. This will determine the appropriate conditions to apply to the application.

Council processes resource consent applications and monitors conditions of consent.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|--|--|--|
| Legislative timeframes and other requirements are fulfilled | Processing of planning and resource consents | Completion of resource consents and other development applications within statutory timeframes | 100% compliance with statutory timeframes |
| Planning complaints are responded to efficiently and effectively in a manner that is fair to all parties | Response rate to complaints | Response times to complaints | All complaints responded to within 10 working days |

Land Use and Subdivision Consents Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 61 | 67 | 80 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 45 | 57 | 50 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 106 | 124 | 130 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 73 | 91 | 95 |
| Finance costs | - | - | - |
| Overheads | 33 | 33 | 35 |
| Total applications of operating funding | 106 | 124 | 130 |
| Surplus/(Deficit) of operating funds | - | - | - |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | - | - | - |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | - | - | - |
| Surplus (deficit) of capital funding | - | - | - |
| Funding balance | - | - | - |
| Depreciation expense for the year | 1 | 2 | 0 |
| Funded depreciation | 1 | 2 | 0 |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

Operating costs have been increased to more accurately reflect the costs of staff and consultants. Fees and charges revenue has been reduced to more accurately reflect the current environment. If the Dam Project goes ahead, we will see more subdivisions occurring within the district.

Building Control Activity

Building Control is responsible for administering and enforcing the Building Act 2004 (and related legislation). This includes –

- Processing applications for building consents
- Monitoring compliance through inspections and the issue of Code of Compliance Certificates
- Enforcing the provisions of the Building Act 2004 and associated regulations
- Processing Land Information Memoranda

While the activity goals are to ensure that the Building Act is applied with minimal compliance costs and that nuisance or objectionable effects on human health and safety are minimised, changes to the Act have required Council to follow an accreditation process. Over time the level of performance of a Building Control Authority to retain accreditation is being increased, therefore higher levels of quality control and documents are required, incurring additional costs. This process is subject to audit to ensure that due process is followed. All Building Officers are required to be accredited under the Act.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|---|--|---|
| Process PIMs, LIMs, CCCs and building consents in an efficient and timely manner | Processing of PIMs, LIMs, CCCs and building consents | All consents issued within 20 days | 100% compliance with statutory timeframes |
| Ensure the safety of buildings through the BWOFF regime | Monitor buildings for which the BWOFF regime applies | Advice to owners (or their agents) of BWOFF liability issues | Advise within one month of BWOFF expiry of non compliance |
| Carry out building inspections in a compliant manner | Site inspections of buildings | Audit of inspection records against the inspection regime | 95% compliance |
| Provide advice and education on building matters | Respond to building enquiries and provision of relevant information through Council's website and offices | Customer satisfaction surveys (annual survey of building consent applicants) | 90% satisfaction |

Building Control Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 122 | 76 | 214 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 349 | 405 | 342 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 471 | 481 | 556 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 337 | 362 | 427 |
| Finance costs | 14 | - | - |
| Overheads | 120 | 119 | 125 |
| Total applications of operating funding | 471 | 481 | 552 |
| Surplus/(Deficit) of operating funds | - | - | 3 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | - | - | - |
| Increase (decrease) in Reserves | - | - | 3 |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | - | - | 3 |
| Surplus (deficit) of capital funding | - | - | (3) |
| Funding balance | - | - | - |

| | | | |
|---------------------------------------|----|----|---|
| Depreciation expense for the year | 14 | 32 | 3 |
| Funded depreciation | 14 | 32 | 3 |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

Income has been reduced to reflect the level of activity in the current economic climate.

There is an increase of \$80,000 in rates for staff costs. This results from the additional measures required by Central Government for quality assurance for the Building Control Authority functions. If the Dam Project goes ahead, we will see more building activity occurring within the district.

Public Health Activity

The Public Health Activity covers the following services –

- Environmental Health – this administers the requirements of statutes and health regulations that cover subjects such as implementation and verification of Food Control Plans, safe water, disease containment, environmental nuisance, public accommodation and private housing.
- Liquor Licensing – the licensing and monitoring of premises under the provisions of the Sale and Supply of Alcohol Act 2012, and the operation of a District Licensing Committee.
- Hazardous substances – the control of hazardous substances has been taken over by the Environmental Risk Management Authority, ERMA, but Council will continue to provide local support at emergency incidents involving hazardous substances because of our local knowledge, expertise and proximity.
- Monitoring and response regarding the Gambling Act 2003 and Prostitution Reform Act 2003.
- Noise control responsibilities.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|---|--|--|---|
| Provide an assurance that premises supplying food and licensed premises selling/supplying liquor, meet required standards | Environmental health monitoring programme – safe food, sanitary standards, liquor licensing conditions | Annual inspection programme for compliance and follow up procedures for non compliant premises | 100% completion |
| Provide advice on environmental health matters and respond to complaints | Requests from advice/ investigations and responses to complaints | Responses to complaints | All complaints responded to within 5 working days |

Public Health Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 105 | 110 | 121 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 50 | 55 | 51 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 155 | 165 | 171 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 125 | 135 | 140 |
| Finance costs | - | - | - |
| Overheads | 30 | 30 | 31 |
| Total applications of operating funding | 155 | 165 | 171 |
| Surplus/(Deficit) of operating funds | - | - | - |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | - | - | - |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | - | - | - |
| Surplus (deficit) of capital funding | - | - | - |
| Funding balance | - | - | - |
| Depreciation expense for the year | 0 | 7 | - |
| Funded depreciation | 0 | 7 | - |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

The requirements of the Food Act 1981, the Food (Safety) Regulations 2002 and the Sale and Supply of Alcohol Act 2012, along with the shared service operating with Tararua District Council having now ceased, means an increase is required for staffing and vehicle costs.

Animal Control Activity

Council is required under statute to provide a regulatory function of Animal Control for dog and stock control. This is a requirement of the Dog Control Act 1996 and Council's Dog Control Bylaw and Livestock Movements and Animals in Public Places Bylaw both of which were adopted in June 2008.

One Animal Control Officer manages the control and registration of dogs with backup available from other regulatory staff as required. Ranging for control of other stock is undertaken between the Animal Control Officer and other regulatory staff.

An animal pound is operated in cooperation with the SPCA facilities. The pound kennels are on SPCA land in Coughlan Road, Waipukurau and the SPCA staff service the pound on a cost recovery basis.

This activity ensures that:

- Dog owners are held responsible for their pets and do not cause a nuisance to people and property.
- Roadside grazing and wandering stock are controlled to avoid risks to public safety.



How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|---|---|-------------------------|
| Provide education and advice on dog control to the community | Education and advice to ensure owners of animals keep their pets registered and under control | Number of dogs registered | >95% of dogs registered |
| Control of stock on roads and public places | By responding to stock on roads causing a hazard to traffic and managing roadside stock grazing | Response to all complaints and requests within 24 hours | 100% response rate |

Animal Control Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | - | 12 | 1 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 202 | 189 | 208 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | 3 | 3 | 11 |
| Development Contributions | - | - | - |
| Total operating funding | 205 | 203 | 220 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 153 | 151 | 135 |
| Finance costs | - | - | - |
| Overheads | 52 | 52 | 53 |
| Total applications of operating funding | 205 | 203 | 188 |
| Surplus/(Deficit) of operating funds | - | - | 32 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | - | - | - |
| Increase (decrease) in Reserves | - | - | 32 |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | - | - | 32 |
| Surplus (deficit) of capital funding | - | - | (32) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 7 | 5 | 1 |
| Funded depreciation | 7 | 5 | 1 |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

There has been an increase in income from fees, charges and infringements.

Emergency Management Activity

Council is required to meet its responsibilities under the Civil Defence Emergency Management Act 2002 and the Forest and Rural Fires Act 1977. The activity goals are to provide an effective Civil Defence and Rural Fire organisation to minimize the effects of disasters.

Civil Defence Centres and Rural Fire forces are established throughout the District. Central Hawke's Bay District Council is an active member of the Hawke's Bay Civil Defence Emergency Management Group.

Civil Defence is now carried out through a shared service arrangement with Hawke's Bay Regional Council. They employ one officer based in Central Hawke's Bay to carry out education of the community.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|---|--|----------------------------------|--|
| Emergency responders are suitably trained and equipped to respond to disaster | CD – annual exercise, training programme for EOC staff | CD - exercise competence levels | CD – annual exercise rated moderate |
| | RF – annual exercise, volunteer training programme | RF – fire teams training levels | RF – rural fire teams meet industry standard |



Emergency Management Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 195 | 189 | 211 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 2 | 5 | 5 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 197 | 195 | 216 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 166 | 164 | 180 |
| Finance costs | - | - | - |
| Overheads | 21 | 21 | 22 |
| Total applications of operating funding | 187 | 185 | 202 |
| Surplus/(Deficit) of operating funds | 10 | 10 | 14 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | 10 | 10 | 10 |
| Increase (decrease) in Reserves | - | - | 4 |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 10 | 10 | 14 |
| Surplus (deficit) of capital funding | (10) | (10) | (14) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 34 | 10 | 22 |
| Funded depreciation | 34 | 10 | 14 |
| Unfunded depreciation to reduce rates | - | - | 9 |

Variance from 2012/22 Long Term Plan

\$31,000 has been moved from the Bylaws activity in a rationalisation of both activities.

Bylaws Activity

Council is required to implement Bylaws.

The activity goals are to ensure that all controlled activities are managed in a manner appropriate to local requirements with the least possible intervention in the private lives of residents.

Council currently employs one staff member to cover bylaws as well as other duties.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|---|---|---|-------------------------|
| Enforcement through education of Council bylaws and related legislation | Enforcement of regulated activities with the least possible intervention on private lives | Response to all complaints and requests within 5 working days | 100% compliance |

Bylaws Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 58 | 60 | 23 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | - | - | - |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | 1 | 1 | 1 |
| Development Contributions | - | - | - |
| Total operating funding | 59 | 61 | 24 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 52 | 54 | 17 |
| Finance costs | - | - | - |
| Overheads | 7 | 7 | 8 |
| Total applications of operating funding | 59 | 61 | 24 |
| Surplus/(Deficit) of operating funds | - | - | - |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | - | - | - |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | - | - | - |
| Surplus (deficit) of capital funding | - | - | - |
| Funding balance | - | - | - |
| Depreciation expense for the year | - | - | - |
| Funded depreciation | - | - | - |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

\$31,000 has been moved to Emergency Management activity in a rationalisation of both activities.

An additional savings has been made of \$6,000 in reallocation of staff costs in this activity.

Land Transport Activity

Council owns and maintains the district road network. Network maintenance and renewals are funded by rates with substantial funding assistance from the New Zealand Transport Agency (NZTA). This is set at 58% for the 2012/15 period and will be reviewed at the end of this period. Council staff, assisted by consultants, manages the various aspects of the district road asset. All physical work that is carried out on the network is done by Contractors. These methods will continue into the future although minor changes will be made to obtain better value for money with the intent of lowering the costs to the ratepayer.

A comprehensive Land Transport Activity Management Plan has been written and is updated regularly to ensure it meets the requirements of the District. The road network is maintained on an “in perpetuity” basis and no significant capital works are planned such as constructing new roads or sealing new roads. Council bridges are ageing and will be in need of major repairs or replacement in the future. Council has started and will continue an investigation programme to define and implement maintenance and rehabilitation solutions to continuously extend the life of our bridge infrastructure.

Council continues to work with NZTA and the NZ Police to improve safety for all road users throughout the district and has an annual minor safety improvement programme to provide engineered solutions to unsafe areas on the network.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|---|--|--|--|
| Roads are maintained to community expectations | Ongoing inspection, maintenance, upgrades and renewals | Road roughness rating (NAASRA rating) | <70 arterial roads <100 other sealed roads <120 unsealed roads |
| Safe and efficient road network | The district produces a rolling 10 year monitoring programme of accident statistics in the following categories: <ul style="list-style-type: none"> • Poor observation • Loss of control bends • Road factors • Injury crashes minor, serious and fatal • Pedestrian casualties • Cyclist casualties | The district will show a reduction trend in the activities monitored <ul style="list-style-type: none"> • Poor observation • Loss of control bends • Road factors • Injury crashes minor, serious and fatal • Pedestrian casualties • Cyclist casualties | Measured and present to Council in August annually |
| Risks to public health are identified and appropriately managed | All identified safety risks are listed on the minor improvements programme and prioritised | The minor safety programme funding is applied to the prioritised risks on an annual basis | The projects are completed and the risk is minimised Identified safety risks are addressed under the minor improvements programme |

Land Transport Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 6,179 | 6,421 | 6,295 |
| Targeted Rates | 76 | 76 | 78 |
| Fees, Charges and Targeted Rates for Water Supply | 10 | 10 | 10 |
| Subsidies and Grants for operating purposes | 2,153 | 2,153 | 2,153 |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements, and other receipts | 142 | 147 | 140 |
| Development Contributions | - | - | - |
| Total operating funding | 8,560 | 8,807 | 8,675 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 4,127 | 4,142 | 4,159 |
| Finance costs | 24 | 20 | 17 |
| Overheads | 836 | 853 | 849 |
| Total applications of operating funding | 4,987 | 5,015 | 5,025 |
| Surplus/(Deficit) of operating funds | 3,573 | 3,792 | 3,651 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | 4,538 | 4,538 | 4,365 |
| Increase in Debt | (52) | (56) | (61) |
| Development Contributions | 4 | 4 | - |
| Total sources of capital funding | 4,490 | 4,486 | 4,303 |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | 533 |
| to replace existing assets | 8,009 | 8,024 | 7,171 |
| Increase (decrease) in Reserves | 54 | 254 | 250 |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 8,063 | 8,278 | 7,954 |
| Surplus (deficit) of capital funding | (3,573) | (3,792) | (3,651) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 8,895 | 9,566 | 9,569 |
| Funded depreciation | 7,473 | 7,491 | 7,704 |
| Unfunded depreciation to reduce rates | 1,422 | 2,075 | 1,865 |

Variance from 2012/22 Long Term Plan

A reduction of \$126,000 in rates has been made from lower tender prices.

Solid Waste Activity

The solid waste (refuse) collection and disposal services include:

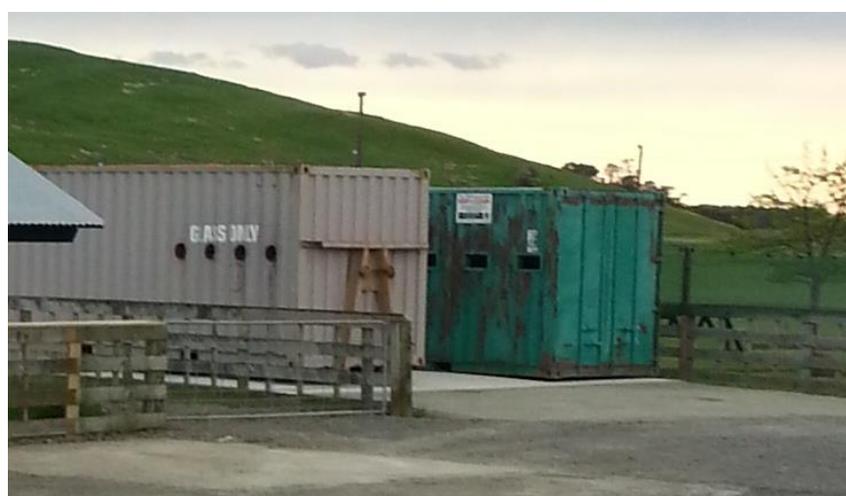
- Litter Bin Collection
- Refuse Collection
- Kerbside Recycling (Waipawa and Waipukurau only)
- Recycling Centres
- Transfer Stations
- Green Waste
- Landfill
- Education and Enforcement

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|---|---|--|--|
| Provide reliable and responsive kerbside collection services | Kerbside collection services completed on the designated day at a regular time | Number of complaints about the service | ¹ Less than 2 missed collections per month recorded in the Request For Service system |
| Ensure that the community are very satisfied with Council's Solid Waste services and facilities | Provide services and facilities that the community want and that the majority of the community are satisfied with | Through Council's biennial community satisfaction survey | More than 90% of survey respondents are satisfied or very satisfied with Council's Solid Waste services and facilities |
| CHB waste to be diverted from landfill through provision of reuse, recycling and compost programmes | Operation of transfer station with green waste disposal options and recycling centres | Achieve waste diversion targets | ² Volume of waste from transfer stations to landfill <3500 cubic metres per year |
| Environmental effects reduced through compliance with Resource Consents for the landfill | Compliance with resource consents for the landfill | Compliance with resource consents for the landfill | 100% compliance |

¹ Two missed collections per month judged by the number of Requests For Service or Service Requests sent out

² Previously measured by volumes of organic matter and other recycling diverted from landfill



Porangahau Recycling Centre

Solid Waste Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 1,303 | 1,302 | 1,293 |
| Targeted Rates | 255 | 260 | 213 |
| Fees, Charges and Targeted Rates for Water Supply | 1,180 | 1,328 | 1,015 |
| Subsidies and Grants for operating purposes | - | - | 43 |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements, and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 2,738 | 2,890 | 2,564 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 1,842 | 1,912 | 1,775 |
| Finance costs | 230 | 210 | 170 |
| Overheads | 404 | 401 | 252 |
| Total applications of operating funding | 2,476 | 2,523 | 2,197 |
| Surplus/(Deficit) of operating funds | 262 | 367 | 367 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | (276) | (278) | (213) |
| Development Contributions | - | - | - |
| Total sources of capital funding | (276) | (278) | (213) |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | 86 | 89 | 89 |
| Increase (decrease) in Reserves | (100) | - | 65 |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | (14) | 89 | 154 |
| Surplus (deficit) of capital funding | (262) | (367) | (367) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 95 | 163 | 291 |
| Funded depreciation | 86 | 89 | 177 |
| Unfunded depreciation to reduce rates | 8 | 74 | 114 |

Variance from 2012/22 Long Term Plan

The income received from the landfill has dropped since the LTP was done. The shortfall will be funded from the landfill income reserve and a reduction in operating costs. The result is a slight decrease in rates required.

Water Supplies Activity

Councils have the obligation to identify where a provision for potable water is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

In Central Hawke's Bay, there are currently seven public water supply systems located at Otane, Waipawa, Waipukurau, Takapau, Porangahau, Te Paerahi and Kairakau. Non potable water has also been supplied to the Pourerere Camping Ground and toilet block.

The quality of water supplied fully meets the New Zealand Drinking Water Standards 2005 (NZDWS) at Takapau, Te Paerahi and Porangahau. Other supplies meet most of the requirements, but not all protozoa identification requirements. Government has passed legislation making compliance with the NZDWS mandatory. This will require installation of new treatment plants at some sites. Comprehensive Activity Management Plans have been compiled for all water supplies. These are being updated as required.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|--|---|---|
| Compliance with Drinking Water Standards (DWS) | Upgrading all water systems to ensure compliance with DWS Monitoring and testing of supplied water to ensure DWS compliance | Compliance with DWS | Continued compliance with DWS all systems |
| Ensure compliance with resource consents and the sustainable management of the water takes | Ongoing monitoring and compliance Manage the water takes in periods of low flow in the District's rivers | Number of resource consent breaches | No more than minor breaches (ie not sufficient to attract a fine) of consent conditions |
| Continuity of supply | Work with our contractor to ensure a continuous improvement in outages caused through leaks/breaks/pump failure | Outages caused through leaks, breaks, pump failures, etc are repaired within contractual time frames and recorded for analysis in monthly reports | 100% of faults fixed within timeframes |

Note: The above timeframes vary from 3 hours to 3 days depending on the extent and location of the leak.

Water Supplies Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | | | |
| Targeted Rates | 2,098 | 2,208 | 2,219 |
| Fees, Charges and Targeted Rates for Water Supply | 206 | 213 | 285 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements, and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 2,305 | 2,420 | 2,504 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 1,137 | 1,204 | 1,079 |
| Finance costs | 150 | 165 | 157 |
| Overheads | 330 | 327 | 514 |
| Total applications of operating funding | 1,616 | 1,696 | 1,751 |
| Surplus/(Deficit) of operating funds | 689 | 724 | 754 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | (155) | 464 | 453 |
| Development Contributions | 3 | 3 | - |
| Total sources of capital funding | (152) | 467 | 453 |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | 655 |
| to replace existing assets | 534 | 1,206 | 551 |
| Increase (decrease) in Reserves | 3 | (15) | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 537 | 1,191 | 1,206 |
| Surplus (deficit) of capital funding | (689) | (724) | (754) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 582 | 625 | 627 |
| Funded depreciation | 534 | 551 | 551 |
| Unfunded depreciation to reduce rates | 48 | 74 | 76 |

Variance from 2012/22 Long Term Plan

There is a small increase in operating costs.

Wastewater (Sewerage) Activity

In Central Hawke's Bay, there are currently six public sewage collection and treatment systems located at Otane, Waipawa, Waipukurau, Takapau, Porangahau, and Te Paerahi.

After the draft LTP had gone out for consultation, based on a land based discharge system, the cost escalated from \$8.2 million to \$10.5 million and the finalised resource consent had still not been agreed. In light of this uncertainty Council chose the floating wetlands with river discharge option, using the existing 2008 consent.

The wastewater treatment plants will be completed in 2014, rather than 2015 as in the LTP. This will allow for both the Waipukurau and Waipawa plants to be completed prior to the deadline of September 2014.

The new resource consent for discharge into the Waipawa and Tukituki River must be met by that date.

Comprehensive Activity Management Plans have been compiled for all wastewater supplies.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|---|--|---|
| Ensure compliance with resource consents | Ongoing monitoring of treatment plants and compliance with consent requirements | The number of breaches as reported to Hawke's Bay Regional Council | No more than minor breaches of consent conditions |
| Maintain capacity of the wastewater systems for existing users and to meet future demand | Ongoing inspection, maintenance, upgrade and renewal | Number of instance of failure | Less than 100 blockages of pipes per annum |
| Continuity of service | Work with our contractor to ensure continuous improvement in outages caused through leaks, breaks, pump failure etc | Outages caused through leaks, breaks, pump failure are repaired within contractual timeframes and recorded for analysis in monthly reports | 100% of faults fixed within timeframes |



Wastewater (Sewerage) Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | - | - | - |
| Targeted Rates | 2,778 | 2,577 | 2,662 |
| Fees, Charges and Targeted Rates for Water Supply | 103 | 106 | 107 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements, and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 2,881 | 2,683 | 2,769 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 859 | 818 | 946 |
| Finance costs | 576 | 592 | 565 |
| Overheads | 407 | 404 | 425 |
| Total applications of operating funding | 1,843 | 1,814 | 1,937 |
| Surplus/(Deficit) of operating funds | 1,038 | 869 | 832 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | 2,683 | 3,936 | (223) |
| Development Contributions | 14 | 14 | - |
| Total sources of capital funding | 2,697 | 3,950 | (223) |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | 3,721 | 4,833 | 609 |
| Increase (decrease) in Reserves | 14 | (14) | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 3,735 | 4,819 | 609 |
| Surplus (deficit) of capital funding | (1,038) | (869) | (832) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 526 | 719 | 849 |
| Funded depreciation | 393 | 610 | 609 |
| Unfunded depreciation to reduce rates | 133 | 109 | 240 |

Variance from 2012/22 Long Term Plan

Increases are largely due to Facilities Management contract costs reallocated to the wastewater activity. No further loan funding is required for capital projects in this plan.

Storm Water Activity

The catchments in Waipawa consist of open watercourses and piped reticulation. They drain into the Waipawa River through either Coronation Park, the Bush Drain, or to the north to the Papanui Stream.

The catchments in Waipukurau consist of open watercourses and piped reticulation. They drain into the Tuki Tuki River through a number of systems including the Pah Flat Stream, or to the south and east to the Mangatarata Stream system. Flooding is not a major problem, except in excessive rainfall events.

The reticulation in Otane, Tikokino, Onga Onga, Takapau, Porangahau, Te Paerahi, and beach settlements consist of open drains with some piped sections, generally being road drainage.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|---|---|---|
| Maintain storm water systems to design levels | Ongoing inspection, maintenance, upgrades and renewal | Number of reported incidences of surface ponding, or flooding of properties each year | No more than 5 incidences in a 1 in 5 year rainfall event for residential areas, as a result of the storm water network |
| Meet customer request in a timely and efficient manner | Respond to customer queries and complaints | Biennial customer satisfaction surveys or targeted survey of customers who have used the services | 90%+ rate the service as "good" |
| | | All blockages and other faults repaired within contractual timeframes | 100% of faults fixed within timeframes |

Storm Water Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | - | - | - |
| Targeted Rates | 461 | 469 | 447 |
| Fees, Charges and Targeted Rates for Water Supply | - | - | - |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements, and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 461 | 469 | 447 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 172 | 169 | 140 |
| Finance costs | 6 | 9 | 9 |
| Overheads | 87 | 86 | 91 |
| Total applications of operating funding | 265 | 264 | 240 |
| Surplus/(Deficit) of operating funds | 196 | 205 | 207 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | (5) | 88 | 86 |
| Development Contributions | - | 1 | - |
| Total sources of capital funding | (5) | 89 | 86 |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | 95 | 95 |
| to improve the level of service | - | - | - |
| to replace existing assets | 192 | 199 | 199 |
| Increase (decrease) in Reserves | - | - | (1) |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 192 | 294 | 293 |
| Surplus (deficit) of capital funding | (197) | (205) | (207) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 197 | 218 | 233 |
| Funded depreciation | 192 | 199 | 199 |
| Unfunded depreciation to reduce rates | 5 | 20 | 35 |

Variance from 2012/22 Long Term Plan

The decrease is due to the reallocation of Facilities Management contract costs.

Whole of Recreational and Community Facilities Group

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 2,634 | 2,706 | 2,655 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 422 | 345 | 410 |
| Subsidies and Grants for operating purposes | 2 | - | 16 |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements, and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 3,057 | 3,051 | 3,081 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 2,042 | 1,998 | 1,985 |
| Finance costs | 82 | 82 | 81 |
| Overheads | 379 | 375 | 396 |
| Total applications of operating funding | 2,503 | 2,455 | 2,462 |
| Surplus/(Deficit) of operating funds | 554 | 596 | 619 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | (42) | 418 | 595 |
| Development Contributions | - | 1 | - |
| Total sources of capital funding | (42) | 419 | 595 |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | 60 | - | - |
| to improve the level of service | - | - | 80 |
| to replace existing assets | 512 | 1,014 | 1,228 |
| Increase (decrease) in Reserves | (60) | 1 | (94) |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 512 | 1,015 | 1,214 |
| Surplus (deficit) of capital funding | (554) | (596) | (619) |
| Funding balance | - | - | (0) |
| Depreciation expense for the year | 695 | 668 | 663 |
| Funded depreciation | 421 | 395 | 611 |
| Unfunded depreciation to reduce rates | 274 | 273 | 52 |

Parks, Reserves and Swimming Pools Activity

Council provides parks, reserves, swimming pools, and camping grounds for the leisure use of the community.

- Council actively maintains 48 parks, reserves, war memorials and the Waipawa Memorial Pool. These are maintained through the Facilities Management (FM) contract.
- Council provides funding to the CHB Community Trust which owns and operates the A W Parsons Heated pool in Waipukurau.
- Camping grounds are operated by lessees.
- War memorials are maintained through the Facilities Management (FM) contract.

Council also provide financial assistance to:

- Sport Hawke's Bay – for promotion of sport and leisure
- Forest Gate Domain Committee – to mow the Domain
- Takapau Rec Ground Committee – operational grant
- Lindsay Bush Reserve – maintained by Forest and Bird

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|---|--|---|---|
| Parks (including sports grounds), reserves, war memorials and pools are well maintained | Contractors will be employed to manage these facilities | Independent audit of management contract – twice per year | Contractors are meeting requirements |
| | | All Requests For Service completed within timeframes | 100% of Requests For Service completed within the timeframe |
| Residents and visitors have access to affordable beach accommodation | Provision of camp grounds under lease agreements | Current lease agreements | Lease arrangements met |
| Swimming Pool facilities are available to the community | Suitable range of opening hours to maintain community access | Opening hours | Facilities are open for advertised or contracted hours |



Otane Playground

Parks, Reserves and Swimming Pools Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 950 | 1,002 | 989 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 81 | 43 | 87 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 1,031 | 1,045 | 1,075 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 767 | 755 | 756 |
| Finance costs | 16 | - | 18 |
| Overheads | 150 | 148 | 156 |
| Total applications of operating funding | 933 | 903 | 930 |
| Surplus/(Deficit) of operating funds | 98 | 142 | 145 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | (8) | - | 49 |
| Development Contributions | - | 1 | - |
| Total sources of capital funding | (8) | 1 | 49 |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | 60 | - | - |
| to improve the level of service | - | - | 60 |
| to replace existing assets | 90 | 142 | 134 |
| Increase (decrease) in Reserves | (60) | 1 | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 90 | 143 | 194 |
| Surplus (deficit) of capital funding | (98) | (142) | (145) |
| Funding balance | - | - | (0) |
| Depreciation expense for the year | 85 | 121 | 119 |
| Funded depreciation | 85 | 121 | 119 |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

The decrease is due to the reallocation of Facilities Management contract costs and increased camping ground income.

Public Toilets Activity

Council is required by community expectation to provide public conveniences for the use of the public within the district. Council operates 24 permanent public toilets, as well as temporary toilets for freedom camping over the summer holiday period.

A refurbishment programme is in place with the objective of upgrading two to three toilet blocks each year.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|---|---|---|---|
| Clean facilities provided to the public | Provision of facilities and regular cleaning of facilities in key locations | Independent audit of management contract – twice per year | Contractors are meeting requirements |
| | | All Request For Service completed within timeframes | 100% of Requests For Service completed within the timeframe |
| Public toilets are well maintained | Maintenance and upgrades carried out as needed | Upgrades carried out as required | Activity completed |



Public Toilets Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 222 | 225 | 231 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | - | - | - |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 222 | 225 | 231 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 146 | 148 | 153 |
| Finance costs | 17 | 17 | 16 |
| Overheads | 22 | 22 | 23 |
| Total applications of operating funding | 185 | 187 | 192 |
| Surplus/(Deficit) of operating funds | 37 | 38 | 39 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | (6) | (6) | (7) |
| Development Contributions | - | - | - |
| Total sources of capital funding | (6) | (6) | (7) |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | 31 | 32 | 32 |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 31 | 32 | 32 |
| Surplus (deficit) of capital funding | (37) | (38) | (39) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 14 | 5 | 11 |
| Funded depreciation | 14 | 5 | 11 |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

An increase from slightly higher operating costs for the Facilities Management contract and insurance.

Retirement Housing Activity

Retirement Housing is provided for people aged 60 and over, who don't own property.

Council owns 48 flats. The flats are managed on a self funding basis with rental income covering operating and renewal costs.

- The management and letting of the flats is included as part of the Facilities Management Contract. Each tenant has a separate tenancy agreement with Council.
- Grounds maintenance is carried out by contract through a Facilities Management Contract.
- Day to day maintenance, refurbishing or upgrading of the buildings is carried out by contractors and is managed as part of the FM Contract.



How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|----------------------------|----------------------------------|----------------------------------|
| Units are fully occupied | Units meet demand | Occupancy rates | 95% occupancy |
| Quality units are provided for tenants | Provision of housing units | 6 monthly inspection completed | All units meet minimum standards |

Retirement Housing Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | - | - | - |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 233 | 221 | 231 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 233 | 221 | 231 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 151 | 106 | 165 |
| Finance costs | 13 | 12 | 1 |
| Overheads | 9 | 9 | 9 |
| Total applications of operating funding | 173 | 127 | 175 |
| Surplus/(Deficit) of operating funds | 60 | 94 | 56 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | (9) | (10) | (15) |
| Development Contributions | - | - | - |
| Total sources of capital funding | (9) | (10) | (15) |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | 20 |
| to replace existing assets | 51 | 84 | 35 |
| Increase (decrease) in Reserves | - | - | (14) |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 51 | 84 | 40 |
| Surplus (deficit) of capital funding | (60) | (94) | (56) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 65 | 72 | 87 |
| Funded depreciation | 51 | 72 | 35 |
| Unfunded depreciation to reduce rates | 14 | - | 52 |

Variance from 2012/22 Long Term Plan

An increase in operating expenditure is due to Facilities Management Contract costs and is recovered through the increase in Fees and Charges as rental income.

Libraries Activity

- Central Hawke's Bay District Libraries are situated in Council owned buildings in Waipukurau and Waipawa. This activity covers the daily running of the library services. The buildings are operated and maintained under the Properties and Buildings activity.
- The library services offered include various fiction and nonfiction collections, reference material, children and youth sections, magazines, large print, talking books, various electronic databases, DVDs, e-books, inter loan material, and networked computers offered through Aotearoa Peoples Network.
- The library service is a keen facilitator of community initiatives, particular through the Eastern and Central Community Trust sponsored EC Read 'n literacy programs, as well as other sponsored events and relationships with schools, retirement homes and elderly people.
- More than 50% of library users live outside Waipukurau and Waipawa.
- Funding is derived from rates, rental of books, tapes and DVDs, grants from various sources, and fund raising organised by library staff.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|--|--------------------------------------|---------------------------------|
| Availability of Library Services | Libraries will be open specified hours to the public and through the Council website | Opening hours | Minimum of 3950 hours per annum |
| Quality, safe and up to date library facilities and materials provided | Carry out a work program which ensures library fit outs and assets are adequately maintained Buying and providing up to date publications and databases | User satisfaction survey – biennial | 90% satisfaction levels |
| Provide active education/recreational programs and other services | Children's holiday programs and other reader services | Number of holiday and other programs | Four provided annually |



Libraries Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 465 | 472 | 499 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 47 | 47 | 34 |
| Subsidies and Grants for operating purposes | - | - | 14 |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 512 | 519 | 547 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 349 | 367 | 381 |
| Finance costs | - | - | - |
| Overheads | 72 | 71 | 75 |
| Total applications of operating funding | 421 | 438 | 456 |
| Surplus/(Deficit) of operating funds | 91 | 81 | 90 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | - | - |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | - | - |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | 91 | 81 | 91 |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 91 | 81 | 91 |
| Surplus (deficit) of capital funding | (91) | (81) | (91) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 55 | 30 | 55 |
| Funded depreciation | 55 | 30 | 55 |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

There has been a shift in staff costs to the library activity of \$14,000, due to a correction in account coding with no overall increase in rates. \$10,000 has been allocated for building renewals.

Theatre, Halls and Museums Activity

Council owns 12 buildings that are used to provide meeting places for the community. These are:

CHB Municipal Theatre: Leased to a private operator.

Waipukurau Civic Theatre: Managed by an independent manager who operates the theatre including showing movies, providing meeting facilities. The theatre is maintained jointly by council staff and the manager, with Council providing funding for renewal or replacement of assets.

Community Halls managed by Committees: Otane, Tikokino, Onga Onga, Takapau, Elsthorpe, Wallingford and Waipukurau Memorial Hall.

In addition three halls not owned by Council are supported financially by Council: Omakere (owned by Waiapu Board of Diocesan Trust), Sherwood (owned by the Ashley Clinton – Makaretu Hall Society), and Flemington (owned by the Flemington Community Trust).

Halls leased to Community Groups: Argyll, Porangahau and Otawhao Halls.

Museums – CHB Settlers Museum, managed by a committee and Onga Onga Museum, where a grant is provided.

Earthquake Strengthening - \$190,000 has been provided to complete the earthquake strengthening of the Waipukurau Memorial Hall.

In light of the expenditure required for earthquake strengthening of the Waipukurau Library and the Waipukurau Memorial Hall a number of options for optimizing Council property use are being investigated.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|---|--|--|-----------------------------------|
| Theatres and hall provide a community focus and promote their heritage | Communities are managing their own facilities | Proportion of community halls managed by community hall committees | 85% |
| Theatres, halls and CHB Settler's Museum provide safe place for the community | Building inspections | Monthly Building Warrant of Fitness (BWOFF) checks are carried out | All facilities have current BWOFF |
| CHB Settler's Museum is available to the community | Provision of CHB Settlers Museum under a management contract | Meets contract including opening hours reported in monthly reports | Management contract met |



Theatres, Halls and Museums Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 528 | 511 | 492 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 12 | 6 | 12 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 540 | 517 | 504 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 333 | 346 | 312 |
| Finance costs | - | 18 | - |
| Overheads | 69 | 68 | 72 |
| Total applications of operating funding | 402 | 432 | 383 |
| Surplus/(Deficit) of operating funds | 138 | 85 | 121 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | - | 455 | 300 |
| Development Contributions | - | - | - |
| Total sources of capital funding | - | 455 | 300 |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | 138 | 540 | 501 |
| Increase (decrease) in Reserves | - | - | (80) |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 138 | 540 | 421 |
| Surplus (deficit) of capital funding | (138) | (85) | (121) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 398 | 353 | 305 |
| Funded depreciation | 138 | 80 | 305 |
| Unfunded depreciation to reduce rates | 260 | 273 | - |

Variance from 2012/22 Long Term Plan

There has been a saving in loan repayments through reducing the Civic Theatre renewal cost. This is partially offset by the Waipukurau Memorial Hall earthquake strengthening requirement.

Cemeteries Activity

Council is required by community expectation and by the Burial and Cremation Act 1964 to provide burial and memorial facilities for the district's communities.

Council provides and maintains ten operational cemeteries and four closed cemeteries.

All Council owned cemeteries are managed by Council staff and maintenance is contracted out.



How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--|---|---|--|
| Well maintained and attractive facilities provided to the public | Maintenance of lawn plots and grounds to contract specifications, with capital work programs to maintain the assets | Independent audit of management contract – twice per year | Contractors are meeting their requirements |
| | | All Request For Service completed within timeframes | 100% of Request For Service completed within the timeframe |
| Accurate and complete historical records available to the public | Burial records will be maintained on the internet | All burial records available to be viewed on the internet | 100% |

Cemeteries Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates | 188 | 199 | 178 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 43 | 22 | 33 |
| Subsidies and Grants for operating purposes | 2 | - | 2 |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 232 | 221 | 213 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 142 | 130 | 121 |
| Finance costs | 13 | 12 | 11 |
| Overheads | 27 | 27 | 28 |
| Total applications of operating funding | 182 | 169 | 159 |
| Surplus/(Deficit) of operating funds | 50 | 52 | 54 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | (10) | (11) | (13) |
| Development Contributions | - | - | - |
| Total sources of capital funding | (10) | (11) | (13) |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | 40 | 41 | 41 |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 40 | 41 | 41 |
| Surplus (deficit) of capital funding | (50) | (52) | (54) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 1 | 1 | 1 |
| Funded depreciation | 1 | 1 | 1 |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

There has been an increase in fees and charges, resulting in a net decrease in rates required.

Property and Buildings Activity

Council owns a number of properties and buildings that are used to provide services to the public, but do not fit into a specific Activity grouping. These are owned for administrative or social reasons.

The properties included in this Activity are:

- Administration Building in Waipawa
- Waipukurau and Waipawa Libraries
- CHB Community Rooms (in Hunter Park Waipukurau)
- Takapau Plunket Rooms
- Otane Library Building
- Old St John's Hall, Waipawa - rented
- Miscellaneous sections

\$300,000 has been provided to complete the earthquake strengthening of the Waipukurau Library.

In light of the expenditure required for earthquake strengthening of the Waipukurau Library and the Waipukurau Memorial Hall a number of options for optimizing Council property use are being investigated.

How will we deliver this activity?

| Level of Service | What will we deliver? | How will we measure our success? | Target 2014/2015 |
|--------------------------------------|--|--|--|
| Ensure safe buildings for public use | Building inspections | Monthly Building Warrant of Fitness (BWOFF) checks are carried out | All Council buildings have a current BWOFF |
| Affordable services | All properties not required for Council or community use will be leased where possible | Lease income | Achieve 2% of the total funding required |



Properties and Buildings Activity

Activity Budget 2014/2015

| | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | |
| Non targeted Rates, Rates Penalties | 281 | 297 | 266 |
| Targeted Rates | - | - | - |
| Fees, Charges and Targeted Rates for Water Supply | 6 | 6 | 14 |
| Subsidies and Grants for operating purposes | - | - | - |
| Interest and dividends | - | - | - |
| Local authorities fuel tax, fines, infringements and other receipts | - | - | - |
| Development Contributions | - | - | - |
| Total operating funding | 287 | 303 | 279 |
| Applications of operating funding | | | |
| Payments to staff and suppliers | 154 | 146 | 99 |
| Finance costs | 23 | 23 | 34 |
| Overheads | 30 | 30 | 31 |
| Total applications of operating funding | 207 | 199 | 165 |
| Surplus/(Deficit) of operating funds | 80 | 104 | 114 |
| Sources of Capital Funding | | | |
| Subsidies and grants for capital purposes | - | - | - |
| Increase in Debt | (9) | (10) | 280 |
| Development Contributions | - | - | - |
| Total sources of capital funding | (9) | (10) | 280 |
| Application of capital funding | | | |
| Capital Expenditure | | | |
| to meet additional demand | - | - | - |
| to improve the level of service | - | - | - |
| to replace existing assets | 71 | 94 | 394 |
| Increase (decrease) in Reserves | - | - | - |
| Increase (decrease) in Investments | - | - | - |
| Total application of capital funding | 71 | 94 | 394 |
| Surplus (deficit) of capital funding | (80) | (104) | (114) |
| Funding balance | - | - | - |
| Depreciation expense for the year | 78 | 86 | 86 |
| Funded depreciation | 78 | 86 | 86 |
| Unfunded depreciation to reduce rates | - | - | - |

Variance from 2012/22 Long Term Plan

Additional income and review of some budgets has meant that the rates requirement has dropped. This is in spite of the remedial work required for the Waipukurau Library building.

Financial Forecasts

The following prospective financial statements contain budgets for the 2014/2015 financial year. The statements show the short term direction of Council and must be read in conjunction with the long term financial statements in the LTP 2012/2022.

Council's Financial Statements show:

- Its ability to meet operating expenses from operating revenues (Income Statement)
- How Council's net resources are increasing over time (Changes in Equity)
- What Council owns and owes (Balance Sheet)
- The turnover of cash experienced by Council each year (Cash Flows)

Basis and Assumptions for Financial Information

The financial statements that are contained on pages 63 to 68 shows the forecast of next year's budgets compared against last year's actual, this year's budget and the LTP budget adopted in 2012.

The significant assumptions are shown on pages 82 to 91.

Prospective Financial Statements *Revenue Statement*

| Actual | | Annual Plan | LTP Budget | Annual Plan Forecast |
|------------------------------------|--|---------------|---------------|----------------------|
| 12/13 | | 13/14 | 14/15 | 14/15 |
| \$' 000 | | \$' 000 | \$' 000 | \$' 000 |
| Revenue | | | | |
| 11,172 | Non Targeted Rates | 11,569 | 11,854 | 11,825 |
| 5,141 | Targeted Rates | 5,676 | 5,615 | 5,645 |
| 620 | Interest | 499 | 532 | 450 |
| 7,043 | Subsidies | 6,756 | 6,713 | 6,600 |
| 2,562 | Fees and Charges | 2,716 | 2,864 | 2,482 |
| 103 | Development Contributions | 21 | 23 | - |
| 282 | Other Revenue | - | 0 | 153 |
| 102 | Dividend | 50 | 50 | - |
| 27,025 | Total Revenue | 27,287 | 27,651 | 27,155 |
| Expenditure | | | | |
| Activity | | | | |
| 575 | Leadership/Governance | 595 | 604 | 626 |
| 211 | Economic Development | 182 | 146 | 146 |
| 1,376 | Regulatory | 1,403 | 1,429 | 1,503 |
| 12,774 | Roading | 13,885 | 14,580 | 14,594 |
| 2,310 | Solid Waste | 2,570 | 2,686 | 2,489 |
| 2,112 | Water | 2,198 | 2,321 | 2,378 |
| 2,277 | Waste Water | 2,631 | 2,533 | 2,786 |
| 400 | Stormwater | 461 | 482 | 473 |
| 1,067 | Parks/Reserves | 1,041 | 1,025 | 1,049 |
| 216 | Public Conveniences | 199 | 191 | 203 |
| 246 | Retirement Housing | 238 | 199 | 262 |
| 562 | Libraries | 477 | 468 | 511 |
| 653 | Theatres/Halls | 800 | 786 | 688 |
| 146 | Cemeteries | 183 | 170 | 160 |
| 221 | Property | 278 | 277 | 259 |
| 332 | Impairment | - | - | - |
| (265) | Fair value adjustments on investments | - | - | - |
| (256) | Fair value adjustments of public debt | - | - | - |
| 24,957 | Total Expenditure | 27,140 | 27,897 | 28,128 |
| 2,068 | Net Surplus | 146 | (246) | (973) |
| - | Taxation | - | - | - |
| 2,068 | Net Surplus after tax | 146 | (246) | (973) |
| Other Comprehensive Revenue | | | | |
| 1,548 | Property, Plant and Equipment (PPE) Revaluations | 30,069 | 27,331 | 25,335 |
| - | PPE adjustments prior year estimates | - | - | - |
| 3,616 | Total Comprehensive Income | 30,215 | 27,085 | 24,362 |
| 11,345 | Depreciation and Amortisation | 11,234 | 11,841 | 12,376 |
| 825 | Finance Costs | 1,068 | 1,078 | 600 |

Prospective Financial Statements *Changes in Equity*

| Actual 12/13 \$' 000 | | Annual Plan | LTP Budget | Annual Plan |
|----------------------------|---|------------------|------------------|------------------------------|
| | | 13/14 \$' 000 | 14/15 \$' 000 | Forecast 14/15 \$' 000 |
| 709,674 | Equity at the beginning of the year | 787,436 | 790,430 | 747,625 |
| - | PPE adjustments prior year estimates | - | - | - |
| 3,616 | Total Comprehensive Income | 30,215 | 27,085 | 24,362 |
| 713,290 | Public Equity at Year End | 817,651 | 817,515 | 771,987 |
| | Components of Equity | | | |
| 239,469 | Ratepayers Equity at the beginning of the year | 238,506 | 243,198 | 243,915 |
| 3,293 | Net Surplus/(Deficit) for the year | 942 | (89) | (1,394) |
| 242,762 | Ratepayers Equity at end of year | 239,448 | 243,109 | 242,520 |
| 9,515 | Special Funds at the beginning of the year | 10,571 | 10,153 | 3,199 |
| (1,234) | Transfers to/(from) Special Funds | (796) | (157) | 421 |
| 8,281 | Special Funds at end of year | 9,775 | 9,995 | 3,620 |
| 187 | Trust Funds at the beginning of the year | 187 | 182 | 195 |
| 8 | Transfers to/(from) Trust Funds | - | - | - |
| 195 | Trust Funds at end of year | 187 | 182 | 195 |
| 460,503 | Revaluation Reserves at the beginning of the year | 538,172 | 536,898 | 500,316 |
| 1,548 | Transfers to/(from) Revaluation Reserves | 30,069 | 27,331 | 25,335 |
| 462,051 | Revaluation Reserves at end of year | 568,241 | 564,229 | 525,651 |
| 713,289 | Total Equity at end of year | 817,651 | 817,515 | 771,987 |

Prospective Financial Statements *Financial Position*

| Actual | | Annual Plan Forecast | LTP Budget | Annual Plan Forecast |
|--------------------------------|--|----------------------|----------------|----------------------|
| 12/13 | | 13/14 | 14/15 | 14/15 |
| \$' 000 | | \$' 000 | \$' 000 | \$' 000 |
| Current Assets | | | | |
| 2,627 | Trade and other Receivables | 4,990 | 5,599 | 2,676 |
| 8,041 | Cash and Cash Equivalents | 9,232 | 7,539 | 5,887 |
| 226 | Prepayments | 164 | 165 | 241 |
| 1 | Assets held for sale | 1 | - | 1 |
| 3,717 | Loan to Tamatea Limited | 4,056 | 4,049 | - |
| 14,612 | Total Current Assets | 18,443 | 17,352 | 8,805 |
| Non Current Assets | | | | |
| 1 | Shares in Tamatea Limited | 1 | 1 | - |
| - | Shares in Infracon Limited | - | - | 3,717 |
| | Shares in Local Government Insurance | | | 34 |
| 6,434 | Term Investments | 6,896 | 0 | 1,320 |
| 715,511 | Property Plant and Equipment | 817,292 | 815,533 | 778,362 |
| 721,946 | Total Non Current Assets | 824,189 | 815,534 | 783,432 |
| 736,558 | Total Assets | 842,632 | 832,886 | 792,237 |
| Current Liabilities | | | | |
| 6,383 | Trade and other payables | 7,854 | 5,326 | 6,670 |
| 245 | Employee benefit liabilities | 286 | 281 | 262 |
| 3,409 | Current portion of Public Debt | 3,266 | 484 | 2,481 |
| 10,037 | Total Current Liabilities | 11,406 | 6,091 | 9,413 |
| Non Current Liabilities | | | | |
| 11,627 | Public Debt | 13,458 | 15,968 | 9,226 |
| 1,604 | Provision for Landfill Closure | 114 | 117 | 1,611 |
| 13,231 | Total Non Current Liabilities | 13,572 | 16,085 | 10,837 |
| 23,268 | Total Liabilities | 24,978 | 22,176 | 20,250 |
| Public Equity | | | | |
| 8,281 | Special Funds | 9,775 | 9,995 | 3,620 |
| 195 | Trust Funds | 187 | 182 | 195 |
| 462,051 | Revaluation Reserve of Assets | 568,241 | 564,229 | 525,651 |
| 242,762 | Ratepayer's Equity | 239,449 | 243,109 | 242,520 |
| 713,289 | Total Public Equity | 817,652 | 817,515 | 771,987 |
| 736,557 | Total Liabilities and Public Equity | 842,630 | 839,691 | 792,237 |

Prospective Financial Statements *Cash flow*

| Actual | | Annual Plan | LTP Budget | Annual Plan Forecast |
|---|--|-----------------|-----------------|----------------------------|
| 12/13 | | 13/14 | 14/15 | 14/15 |
| \$' 000 | | \$' 000 | \$' 000 | \$' 000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Cash was provided from: | | | | |
| 16,590 | Rates | 17,245 | 17,469 | 17,470 |
| 7,092 | Subsidies and Grants | 6,756 | 6,713 | 6,600 |
| 630 | Interest | 499 | 532 | 450 |
| 2,597 | User Charges | 2,716 | 2,864 | 2,482 |
| 103 | Development Contributions | 21 | 23 | - |
| 282 | Donations | | | |
| 102 | Dividends | 50 | 50 | - |
| 27,396 | Total cash provided | 27,287 | 27,651 | 27,002 |
| Cash was disbursed to: | | | | |
| (8,771) | Payments to Suppliers of Goods and Services | (8,873) | (23,025) | (15,019) |
| (3,370) | Payments to Employees | (3,643) | (3,752) | (3,240) |
| (825) | Interest paid | (1,068) | (1,152) | (600) |
| (12,966) | Total cash disbursed | (13,584) | (27,929) | (18,859) |
| 14,430 | Net Cash Flows from Operating Activities | 13,703 | (278) | 8,143 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Cash was disbursed to: | | | | |
| (15,865) | Purchase of Fixed Assets and Infrastructural Assets: | (13,123) | - | (11,274) |
| - | Realisation / (purchase) of investments | - | - | - |
| (15,865) | Net Cash Flows from Investing Activities | (13,123) | - | (11,274) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Cash was provided from: | | | | |
| 6,000 | Proceeds from Loan | 2,153 | - | 2,655 |
| Cash was applied to: | | | | |
| (14) | Increase in Investments | | | |
| (2,926) | Repayment of Loans | (1,754) | - | (2,655) |
| 3,060 | Net Cash Flows from Financing Activities | 399 | - | - |
| 1,625 | Net Increase (Decrease) in Cash Held | 979 | (278) | (3,132) |
| 6,417 | Add Opening Bank Brought Forward | 8,254 | 7,817 | 9,019 |
| 8,041 | Ending Funds | 9,233 | 7,539 | 5,887 |
| 8,041 | Bank Balances at Year End | 9,233 | 7,539 | 5,887 |

Prospective Financial Statements *Reserve Movements*

| Actual | | Annual Plan | LTP Budget | Annual Plan Forecast |
|---|----------------------------|----------------|---------------|----------------------------|
| 12/13 | | 13/14 | 14/15 | 14/15 |
| \$' 000 | | \$' 000 | \$' 000 | \$' 000 |
| Reserves held for Emergency Purposes | | | | |
| 1,070 | Opening Balance | 1,145 | 1,714 | 1,292 |
| 159 | Transfers to Reserves | 129 | 334 | 337 |
| (109) | Transfer From Reserves | - | - | - |
| 1,120 | Closing Balance | 1,275 | 2,047 | 1,629 |
| Reserves held for future Asset Purchases | | | | |
| 2,184 | Opening Balance | 2,249 | 1,807 | 1,485 |
| 209 | Transfers to Reserves | 86 | 91 | 75 |
| (509) | Transfer From Reserves | (244) | - | - |
| 1,884 | Closing Balance | 2,091 | 1,898 | 1,560 |
| Reserves held for future Operational costs | | | | |
| 1,712 | Opening Balance | 1,860 | 2,371 | 394 |
| 95 | Transfers to Reserves | 136 | 144 | 37 |
| (1,355) | Transfer From Reserves | - | - | - |
| 452 | Closing Balance | 1,996 | 2,515 | 431 |
| Reserves held for repayment of Maturing Debt | | | | |
| 4,503 | Opening Balance | 5,317 | 4,261 | - |
| 233 | Transfers to Reserves | 850 | 1,028 | - |
| - | Transfer From Reserves | (1,754) | (1,754) | - |
| 4,736 | Closing Balance | 4,413 | 3,535 | - |
| 8,192 | Total Reserve Funds | 9,775 | 9,996 | 3,620 |

Prospective Financial Statements *Funding Impact Statement*

| Actual 12/13 \$' 000 | | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | | |
| 10,761 | Non targeted Rates (Gen 3807 UAC 1723 Land 6295) | 11,569 | 11,854 | 11,825 |
| 4,981 | Targeted Rates | 5,676 | 5,615 | 5,645 |
| 2,357 | Fees, Charges and Targeted Rates for Water Supply | 2,569 | 2,712 | 2,482 |
| 4,904 | Subsidies and Grants for operating purposes | 2,218 | 2,175 | 2,235 |
| 631 | Interest and dividends | 549 | 581 | 450 |
| 151 | Local authorities fuel tax, fines, infringements and other receipts | 147 | 151 | 153 |
| - | Development Contributions | 21 | - | - |
| 23,785 | Total operating funding | 22,750 | 23,087 | 22,790 |
| Applications of operating funding | | | | |
| 11,095 | Payments to staff and suppliers | 11,607 | 11,897 | 11,735 |
| 752 | Finance costs | 1,068 | 1,078 | 588 |
| 2,922 | Overheads | 3,183 | 2,969 | 3,077 |
| 14,769 | Total applications of operating funding | 15,858 | 15,944 | 15,400 |
| 9,016 | Surplus/(Deficit) of operating funds | 6,892 | 7,144 | 7,390 |
| Sources of Capital Funding | | | | |
| 4,046 | Subsidies and grants for capital purposes | 4,538 | 4,538 | 4,365 |
| (143) | Increase in Debt | 2,153 | 4,572 | - |
| 51 | Development Contributions | - | 22 | - |
| 3,954 | Total sources of capital funding | 6,691 | 9,132 | 4,365 |
| Application of capital funding | | | | |
| Capital Expenditure | | | | |
| - | to meet additional demand | 60 | 95 | 95 |
| 3,126 | to improve the level of service | - | - | 1,269 |
| 8,796 | to replace existing assets | 13,063 | 15,375 | 9,911 |
| 1,048 | Increase (decrease) in Reserves | (89) | 227 | 480 |
| - | Increase (decrease) in Investments | 549 | 581 | - |
| 12,970 | Total application of capital funding | 13,583 | 16,278 | 11,755 |
| (9,016) | Surplus (deficit) of capital funding | (6,892) | (7,146) | (7,390) |
| - | Funding balance | - | - | - |

| | | | |
|---------------------------------------|--------|--------|--------|
| Depreciation expense for the year | 11,122 | 12,065 | 12,294 |
| Funded depreciation | 9,233 | 9,442 | 9,903 |
| Unfunded depreciation to reduce rates | 1,890 | 2,624 | 2,391 |

| Total Rates | | | |
|---|---------------|--------------|---------------|
| Overall Rates Increase compared to previous year | 6.04% | 4.57% | 1.29% |
| Increase in District Wide Rates (Average over 10 years 3.6 | 3.92% | 2.87% | 2.21% |
| Increase in Targeted Rates (Average over 10 years 3.1%) | 10.64% | 8.32% | -0.56% |

Statement of Accounting Policies

Reporting Entity

Central Hawke's Bay District Council (Council) is a New Zealand territorial local authority governed by the Local Government Act 2002.

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself as a public benefit entity as defined under the Public Benefit Entities International Public Sector Accounting Policies (PBE IPSAS).

Basis of Preparation

Statement of Compliance

The financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002 which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The prospective financial statements have been prepared to comply with Public Benefit Entity Standards (PBE Standards) for a Tier 2 entity. The Council is adopting the PBE Standards for the first time. The prospective financial statements incorporated within the ten year plan have been prepared in compliance with 'Financial Reporting Standards (FRS) 42: Prospective Financial Statements'.

The preparation of prospective financial statements in conformity with PBE IPSAS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods

Measurement Base

The financial statements have been prepared on an historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, and financial instruments.

Functional and Presentation Currency

The financial statements are presented in the functional currency of New Zealand, which is New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$'000).

Changes in Accounting Policies

The changes to the accounting policies include:

- All references to Tamatea have been deleted as this entity has been wound up at June 30th 2014

Significant Accounting policies

Revenue

Revenue is measured at the fair value of consideration received. Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Revenue may be derived from either exchange or non-exchange transactions.

Statement of Accounting Policies

Exchange Transactions

Exchange transactions are transactions where the Council receives assets (primarily cash) or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services, or use of assets) to another entity in exchange.

Non-exchange Transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange.

An inflow of resources from a non-exchange transaction recognised as an asset, is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As Council satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Rates Revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced quarterly within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Contribution Revenue

Development contributions are recognised as revenue when the Council provides, or is able to provide, the service that gave rise to the charging of the contribution. Otherwise development contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

Government subsidies

Council receives government grants from NZ Transport Agency, which subsidises part of Council's costs in providing the local roading infrastructure services. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Provision of services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Sale of Goods

Sales of goods are recognised when a product is sold to the customer. Sales are usually in cash.

Vested Assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in Council are recognised as revenue when control over the asset is obtained.

Interest and Dividends

Dividends are recognised when the right to receive payment has been established.

Interest revenue is recognised using the effective interest method.

Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Statement of Accounting Policies

Grant Expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

Income Tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Operating Leases

Assets leased to third parties under operating leases are included in property, plant and equipment in the Statement of Financial Position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental revenue (net of any incentives given to lessees) is recognised on a straight line basis over the lease term.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts where applicable are shown within borrowings in current liabilities in the statement of financial position.

Trade and Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation, and default in payments are considered indicators that the debtor is impaired.

When the receivable is uncollectible, it is written off against the provision account for receivables. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

Inventories

Raw materials and stores, and finished goods are stated at the lower of cost and net realisable value costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Financial Assets

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in the Prospective Statement of Comprehensive Revenue.

Statement of Accounting Policies

Purchases and sales of financial assets are recognised on trade-date, the date on which Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Council classifies its financial assets into the following categories: fair value through profit or loss, held-to-maturity investments, loans and receivables and fair value through equity. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses recognised in the prospective surplus or deficit.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. Council's loans and receivables comprise cash and cash equivalents, trade and other receivables, term deposits, and related party loans.

After initial recognition, they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the Prospective Statement of Comprehensive Revenue.

Held to Maturity Investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council has the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

Gains and losses when the asset is impaired or derecognised are recognised in the Prospective Statement of Comprehensive Revenue.

Financial assets at fair value through equity

Financial assets at fair value through equity are those that are designated as fair value through equity or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance date. Council's financial assets at fair value through equity comprise local authority stock and investments in quoted and unquoted shares.

Council includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.

Council's investments in its subsidiary and associate companies are not included in this category as they are held at cost, whereas, this category is to be measured at fair value.

After initial recognition, these investments are measured at their fair value, with gains and losses recognised directly in equity except for impairment losses, which are recognised in the Prospective Statement of Comprehensive Income. On derecognition the cumulative gain or loss previously recognised in equity is recognised in the Prospective Statement of Comprehensive Revenue.

Statement of Accounting Policies

Fair value

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

Impairment of Financial Assets

At each balance sheet date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Prospective Statement of Comprehensive Revenue.

Loans and Other Receivables

Impairment of a loan or a receivable is established when there is objective evidence that Council will not be able to collect amounts due according to the original terms. Significant financial difficulties of the debtor/issuer, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows.

For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Prospective Statement of Comprehensive Revenue. When the receivable is uncollectable, it is written off against the allowance account.

Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due).

For term deposits, local authority stock, government stock and community loans, impairment losses are recognised directly against the instruments carrying amount.

Impairment of term deposits, local authority, government stock, and related party and community loans is established when there is objective evidence that the Council will not be able to collect amounts due to the original terms of the instrument. Significant financial difficulties of the issuer, probability the issuer will enter into bankruptcy, and default in payments are considered indicators that the instrument is impaired.

Quoted and Unquoted Equity Investments

For equity investments classified as fair value through equity, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment. If such evidence exists for investments at fair value through equity, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the Prospective Statement of Comprehensive Revenue) is removed from equity and recognised in the Prospective Statement of Comprehensive Revenue.

Impairment losses recognised in the Prospective Statement of Comprehensive Income on equity investments are not reversed through the Prospective Statement of Comprehensive Revenue.

Non-Current Assets Held for Sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the Prospective Statement of Comprehensive Revenue.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Statement of Accounting Policies

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Property Plant and Equipment

Property, plant and equipment consist of:

Operational Assets

These include land, buildings, landfill post closure, library books, plant and equipment, and motor vehicles.

Infrastructure Assets

Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Restricted Assets

Restricted assets are parks and reserves owned by Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Prospective Statement of Comprehensive Revenue. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Land, land under roads, restricted assets, assets under construction, investment properties, and the museum assets are not depreciated.

Statement of Accounting Policies

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

| Asset Category | Useful Life | Depreciation Rate |
|--|-------------|-------------------|
| Operational & Restricted Assets | | |
| Buildings | 5-60 | (1.8%–20%) |
| Computer equipment | 4 | (25%) |
| Furniture and fittings | 10 | (10%) |
| Landfill post closure | 35-57 | (1.75%–2.8%) |
| Library books | 1–10 | (10%–100%) |
| Motor vehicles | 4-20 | (5%–25%) |
| Plant and equipment | 4-10 | (10%–25%) |
| Swimming pools | 9–50 | (2%–11.6%) |
| Infrastructural Assets | | |
| Rooding | | |
| Top surface (seal) | 15 | (6.7%) |
| Top surface (unsealed) | 7 | (14.3%) |
| Pavement (seal base course) | 100 | (1.0%–3.33%) |
| Pavement (unsealed base course) | 100 | (1.0%) |
| Sub-base (rural) | 100 | (1.0%) |
| Sub-base (urban) | 100 | (1.0%) |
| Formation | 100 | (1.0%) |
| Stormwater Channel | 50–80 | (1.25%–2%) |
| Footpaths | 20-80 | (1.25%–5%) |
| Signs | 8 | (12.5%) |
| Streetlights | 20 | (5%) |
| Bridges | 150 | (0.7%) |
| Sewerage Network | | |
| Pipes and manholes | 60-135 | (0.7%–1.7%) |
| Manholes | 100 | (1%) |
| Treatment ponds and pumps | 26 | (3.8%) |
| Flow monitoring equipment | 10 | (10%) |
| Stormwater | | |
| Pipes | 25-100 | (1%–4%) |
| Manholes | 100 | (1%) |

Statement of Accounting Policies

| Asset Category | Useful Life | Depreciation Rate |
|---------------------------------|-----------------|-------------------|
| Water Network | | |
| Monitoring equipment (hardware) | 10–20 | (5%–10%) |
| Monitoring equipment (software) | 4 | (25%) |
| Pipes, hydrants, valves | 50–100 | (1%–2%) |
| Treatment plants and pumps | 20-60 | (1.8%–4.9%) |
| Items under construction | Non-depreciable | |

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Revaluations

Council accounts for revaluations of property, plant and equipment on a class of asset basis.

| Revaluations | Frequency |
|---------------------------------|---------------|
| Infrastructural Assets | Every 3 years |
| Roads (except land under roads) | Annually |
| Bridges | Annually |
| Sewerage | Every 3 years |
| Stormwater | Every 3 years |
| Water | Every 3 years |
| Land | Every 3 years |
| Restricted Assets | Every 3 years |
| Buildings | Every 3 years |

Land, buildings (operational and restricted), and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value. All other asset classes are carried at depreciated historical cost.

Council assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Prospective Statement of Comprehensive Revenue. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Prospective Statement of Comprehensive Revenue will be recognised first in the Prospective Statement of Comprehensive Revenue up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Infrastructural asset classes: roads

Roading assets are revalued at fair value determined on an optimised depreciated replacement cost basis and reviewed by an independent valuer. The most recent valuation was performed and reviewed by GHD Ltd through their professional services contract. These assets are revalued annually as at 30 June.

Statement of Accounting Policies

Infrastructural asset classes: roads, water, sewerage and stormwater systems

Water, sewer and stormwater infrastructure assets are revalued at fair value determined on a depreciated replacement cost basis and reviewed by an independent valuer. Revaluation is based on straight line depreciation following the NZ Infrastructure Asset Valuation and Depreciation Guidelines (NZIAVDG), using Council asset management programs. Rates are based on current commercial rates and reviewed by Opus International Ltd. They are valued on a three yearly cycle.

Operational and Restricted Land and Buildings

These are revalued at fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Registered Valuer, Kerry Stewart BCom VPM PGDip(Com) SNZPI, QV Asset & Advisory and the valuation is effective as at 30 June 2012. They are valued on a three yearly cycle.

Land Under Roads

Land under roads, was valued based on fair value of adjacent land as determined by reference to the Council rating data. Subsequently, this has not been revalued.

Unformed or Paper Roads

An unformed or paper road is a term for a road that is legally established and recorded in survey plans, but has not been formed, and that ownership of the land associated with the paper road resides with Council.

Council does not recognise land under unformed paper roads in the statement of financial position because there is no service potential from the majority of paper roads. The public good of having access routes is very difficult to value. In addition there is a very limited market for sale to the surrounding or adjacent property owner, and cannot be measured reliably because of the small individual area of many paper roads to those adjacent or surrounding properties, and the high cost of sale.

Intangible Assets

Carbon Credits

Purchased carbon credits are recognised at cost on acquisition. They are not amortised, but are instead tested annually for impairment. They are derecognised when they are used to satisfy carbon emission obligations.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of Council's share of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisition of subsidiaries is included in "intangible assets".

Goodwill on acquisition of associates is included in "investments in associates" and is tested for impairment as part of the overall balance.

Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. An impairment loss recognised for goodwill is not reversed in any subsequent period.

Goodwill is allocated to cash generating units for the purposes of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination, in which the goodwill arose.

Creditors and Other Payables

Trade and other payables are measured by approved commitments.

Statement of Accounting Policies

Employee Benefits

Short-Term Benefits

Employee benefits are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements able to be settled within 12 months, and sick leave.

Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that Council anticipates it will be used by staff to cover those future absences.

Long-Term Benefits

Long Service Leave.

These are long-term employee benefits that are assessed on an actuarial entitlement basis at current rates of pay.

Provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Borrowing

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Accumulated funds
- Revaluation reserves
- Special funded reserves
- Trust funds

Special Funded and Council Created Reserves

Special funded reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Trust Funds

Trust funds are those subject to specific conditions accepted as binding by Council. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Statement of Accounting Policies

Good and Service Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Cost Allocation

Council has derived the cost of service for each significant activity of Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using specific allocation ratio.

Statement of Cash Flows

Cash means cash and cash equivalent balances on hand, held in bank accounts, demand deposits and other highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. The Council invests such assets as part of its day to day cash management.

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. They include cash received from all revenue sources (such as rates, taxes and government grants) and record the cash payments made for the supply of goods and services (including payments to other public benefit entities to finance their operations, but not loans). Agency transactions are not recognised as receipts and payments in the Statement of Cash Flows as they do not represent transactions that Council can control.

Investing activities are those activities relating to the acquisition and disposal of non-current assets, which are intended to generate future income and cash flows. Investing and financing activity transactions have had their respective sources and applications of cash netted off where roll over of financing has occurred and where there have been transfers between Council bank accounts.

Financing activities comprise activities that change the equity and debt capital structure of the Council.

Critical Accounting Estimates and Assumptions

In preparing these financial statements Council has made estimates and assumptions concerning the future.

These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Landfill Aftercare Provision

The appropriate note discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

Statement of Accounting Policies

Infrastructural Assets

There are a number of assumptions and estimates used when performing Depreciated Replacement Cost valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- estimating any obsolescence or surplus capacity of an asset; and
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under estimating the annual depreciation charge recognised as an expense in the Prospective Statement of Comprehensive Revenue.

To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced independent valuers are used in performing or reviewing the Council's infrastructural asset revaluations.

Critical Judgements in Applying Council's Accounting Policies

Management has exercised the following critical judgements in applying the Council's accounting policies for the periods ending 30 June 2012-2022.

Classification of Property

Council owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the Council's housing policy. These properties are accounted for as property, plant and equipment.

Group Prospective Financial Statements are not Included

The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users.

The main purpose of prospective financial statements in the Annual Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service.

The level of rates funding required is not affected by subsidiaries except to the extent that the Council obtains distribution from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council.

Prospective Financial Information

Public Benefit Entity Financial Reporting Standard 42 Prospective Financial Statements (PBE FRS 42)

The Council has complied with PBE FRS 42 in the preparation of these prospective financial statements. The purpose for which it has been prepared is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flow of Council.

Statement of Accounting Policies

The actual results achieved for any particular financial year is also likely to vary from the information presented, and may vary materially depending on the circumstances that arise during the period.

Cautionary Note

The forecast financial statements are prepared based on best estimates available at the time of preparing the accounts. Actual results are likely to vary from information presented and the variations may be material.

The purpose of this plan is to consult with the community on the spending priorities outlined within the plan, and may not be appropriate for any other purpose. Following the consultation period there may be changes made to the plan. The final plan will be adopted 19 June 2014.

Rounding

There will be rounding of numbers in the Plan as the model used calculates to the dollar but the Plan is rounded to the nearest thousands.

Statement of Accounting Policies

List of Significant Assumptions

| Forecasting Assumption | Risk | Likelihood of Occurrence | Financial Effect | Effect of Uncertainty | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--------------|--------------------------|--------------------|-----------------------|---------------|-------|-------|---------------|--|----------------------------|-----------------------|---|---------------|------|------|------|---------------|------|------|------|---------------|------|------|------|---------------|------|------|-----|---------------|------|------|------|---------------|------|------|------|---------------|------|------|------|---------------|------|------|------|---|--|----------|---|
| KEY ASSUMPTIONS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Inflation - Business and Economic Research Ltd (BERL) provides independent Local Government Cost Index (LGCI). The numbers used are the confirmed figures from October 2011.</p> <table border="1"> <thead> <tr> <th></th> <th>Overall LGCI</th> <th>Operating expenses</th> <th>Capital expenses</th> </tr> </thead> <tbody> <tr> <td>Jun-13</td> <td>3.79</td> <td>3.39</td> <td>4.31</td> </tr> <tr> <td>Jun-14</td> <td>3.46</td> <td>3.13</td> <td>3.88</td> </tr> <tr> <td>Jun-15</td> <td>3.17</td> <td>3.04</td> <td>3.34</td> </tr> <tr> <td>Jun-16</td> <td>3.27</td> <td>3.17</td> <td>3.41</td> </tr> <tr> <td>Jun-17</td> <td>3.42</td> <td>3.25</td> <td>3.63</td> </tr> <tr> <td>Jun-18</td> <td>3.26</td> <td>2.83</td> <td>3.8</td> </tr> <tr> <td>Jun-19</td> <td>3.38</td> <td>2.86</td> <td>4.03</td> </tr> <tr> <td>Jun-20</td> <td>3.69</td> <td>3.18</td> <td>4.31</td> </tr> <tr> <td>Jun-21</td> <td>3.89</td> <td>3.35</td> <td>4.54</td> </tr> <tr> <td>Jun-22</td> <td>3.90</td> <td>3.31</td> <td>4.61</td> </tr> </tbody> </table> | | Overall LGCI | Operating expenses | Capital expenses | Jun-13 | 3.79 | 3.39 | 4.31 | Jun-14 | 3.46 | 3.13 | 3.88 | Jun-15 | 3.17 | 3.04 | 3.34 | Jun-16 | 3.27 | 3.17 | 3.41 | Jun-17 | 3.42 | 3.25 | 3.63 | Jun-18 | 3.26 | 2.83 | 3.8 | Jun-19 | 3.38 | 2.86 | 4.03 | Jun-20 | 3.69 | 3.18 | 4.31 | Jun-21 | 3.89 | 3.35 | 4.54 | Jun-22 | 3.90 | 3.31 | 4.61 | That inflation will be significantly higher than projected. These are national figures, with insufficient data to prepare robust local figures. | | Moderate | May mean improvement projects will be cancelled or levels of service reduced. |
| | Overall LGCI | Operating expenses | Capital expenses | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-13 | 3.79 | 3.39 | 4.31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-14 | 3.46 | 3.13 | 3.88 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-15 | 3.17 | 3.04 | 3.34 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-16 | 3.27 | 3.17 | 3.41 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-17 | 3.42 | 3.25 | 3.63 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-18 | 3.26 | 2.83 | 3.8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-19 | 3.38 | 2.86 | 4.03 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-20 | 3.69 | 3.18 | 4.31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-21 | 3.89 | 3.35 | 4.54 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun-22 | 3.90 | 3.31 | 4.61 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Population Growth – Population growth has been allowed for at a rate equivalent to the medium projection made by Statistics NZ. (Source: Statistics NZ Projected Population) – currently 13,480 (June 2011).</p> <table border="1"> <thead> <tr> <th></th> <th>2012</th> <th>2022</th> <th></th> </tr> </thead> <tbody> <tr> <td></td> <td>13480</td> <td>13140</td> <td>-2.52%</td> </tr> </tbody> </table> | | 2012 | 2022 | | | 13480 | 13140 | -2.52% | <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>Low</p> <p>Low</p> | <p>Will put pressure on Council to provide additional infrastructure and services. Small increases can be covered, but extensions into new subdivisions will be costly.</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> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2012 | 2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 13480 | 13140 | -2.52% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

Statement of Accounting Policies

| Forecasting Assumption | Risk | Likelihood of Occurrence | Financial Effect | Effect of Uncertainty | | | | | | | | | |
|--|--|---------------------------------|-----------------------|---|-------|------|-------------|-------|------|--|--|--|-------------------------------------|
| <p>Population and Age Breakdown -</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th style="text-align: center;">Total population</th> <th style="text-align: center;">% above 65 years</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2012</td> <td style="text-align: center;">13480</td> <td style="text-align: center;">15.5</td> </tr> <tr> <td style="text-align: center;">2026</td> <td style="text-align: center;">13140</td> <td style="text-align: center;">26.4</td> </tr> </tbody> </table> | | Total population | % above 65 years | 2012 | 13480 | 15.5 | 2026 | 13140 | 26.4 | There will be a decline in the ability to pay measures, with more people on fixed incomes. | | | Levels of service could be at risk. |
| | Total population | % above 65 years | | | | | | | | | | | |
| 2012 | 13480 | 15.5 | | | | | | | | | | | |
| 2026 | 13140 | 26.4 | | | | | | | | | | | |
| <p>Housing Growth</p> <p>Total new Households per year: 40 to 2016, less than 10 to 2022</p> <p>This is based on housing growth not declining with the population as there has been a trend to a lower number of people per household. Demographic trends show growth is likely to occur in urban areas. Statistics NZ.</p> | <p>That housing growth is higher than predicted.</p> <p>That housing growth is lower than predicted.</p> | <p>Moderate</p> <p>Moderate</p> | <p>Low</p> <p>Low</p> | <p>Will put pressure on Council to provide additional infrastructure.</p> <p>Lower number of ratepayers to fund Council activities. Affordable Levels of service are at risk.</p> | | | | | | | | | |
| <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> | That the number of businesses and employees reduces. | Moderate | Low | Lower affordability, decrease in rate payers. | | | | | | | | | |
| <p>Ruataniwha Water Storage Dam – A water storage project will have a significant impact on the District, but remains dependent on obtaining resource consents and funding for the project.</p> <p>The current District Plan review will consider the impacts that the water storage scheme will have on Central Hawke’s Bay – but there is no provision in this LTP for any impact from this scheme.</p> | That increased infrastructure including roads, will be required, without a corresponding increase in income. | Moderate | Low | The impact is not considered likely in the ten years of this LTP. | | | | | | | | | |

Statement of Accounting Policies

| Forecasting Assumption | Risk | Likelihood of Occurrence | Financial Effect | Effect of Uncertainty |
|---|---|--------------------------|--|---|
| <p>Climate Change and Natural Disasters - Climate change predictions are that storm events will become more frequent and more intense.</p> | <p>Emergency work is required that exceeds normal budgets and the Catastrophic Events fund.</p> | <p>Low to Moderate</p> | <p>High</p> | <p>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.</p> <p>Council also holds funds in Reserve to assist in payment of Council's share of any such event – as occurred with the post Easter 2011 flooding in coastal areas.</p> |
| <p>Earthquake prone building policy review- This national review will be conducted once the finding of the Royal Commission on the Canterbury Earthquakes has reported back late in 2012. The current policy is likely to require earthquake strengthening to be completed in less than the current 20 years allowed and/ or to a higher standard. No funding has been allocated currently, as it is outside the time of the plan.</p> | <p>That earthquake strengthening is required sooner and/ or to a higher standard than currently required.</p> | <p>Moderate to high</p> | <p>Unknown</p> | <p>Four Council buildings have been identified as requiring an engineering report.</p> |
| <p>Interest Rates – Interest on debt is calculated at 8% per annum. Interest on investments is calculated at 7% per annum.</p> <p>In both cases the interest rate assumed is based on a mix of age and maturity to provide an average rate.</p> | <p>Interest rates will be significantly higher than projected.</p> | <p>Low</p> | <p>A change of 1% on interest cost would increase costs by \$178k.</p> | <p>The cost of debt servicing of many 'big ticket' items in the Long Term Plan such as water treatment and oxidation pond upgrades may be underestimated.</p> |

Statement of Accounting Policies

| Forecasting Assumption | Risk | Likelihood of Occurrence | Financial Effect | Effect of Uncertainty |
|--|---|----------------------------|------------------|--|
| <p>New Zealand Transport Agency subsidy (NZTA) Subsidy rates and criteria will remain the same or similar.</p> <p>Level of funding will increase by Berl.</p> | <p>The subsidy rate may fall, reducing the amount of subsidy paid to Council.</p> <p>The level of funding from NZTA increase at a lower rate than Berl.</p> | Low for 3 years, then high | Moderate | <p>The subsidy is the largest source of Council revenue after rates and is projected at a base rate of 58%. This is set for 3 years, then will be reviewed within the Hawke's Bay Region.</p> <p>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.</p> |
| <p>Fuel Costs and road resealing costs - based on Berl figures at present, but likely to increase all costs.</p> | 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. |
| <p>Major capital projects – The wastewater treatment plant upgrades(Capital cost \$8m)required to meet the new resource consent conditions will be the largest project ever undertaken by the Council. Until resource consents are obtained and final design and tendering is completed, the accurate costs cannot be known. The estimates used in the LTP are based on consultants' advice and are not currently contracted.</p> | The cost of the proposed treatment option are based on estimates provided by consultants and may differ from the final option adopted once consent requirements are known and the design of the project is finalised. | Moderate | Moderate | The costs could exceed estimates and require a review of the timing and funding of the project. |

Statement of Accounting Policies

| Forecasting Assumption | Risk | Likelihood of Occurrence | Financial Effect | Effect of Uncertainty |
|---|--|-----------------------------|-----------------------------|---|
| <p>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.</p> | User charges may not be achievable. | Moderate in some activities | Moderate in some activities | <p>This may occur through changes in major businesses or reduction of revenue without the ability to reduce costs, especially in landfill income.</p> <p>There are significant increases in Regulatory user charges forecast in this LTP to reduce the level of general rate to support these Activities. However Council is confident that these increases are achievable.</p> |
| <p>Revaluation – Annual Berl figures have been used to estimate changes in asset valuation for calculating depreciation.</p> | 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. |
| <p>Depreciation – based on Berl figures as above. New capital works will be depreciated according to their expected life for utilities and roading. Landfill capital improvements will not increase depreciation for rating, as it has a finite asset life and post closure costs are covered.</p> | That depreciation is not being collected at the correct level. | Moderate | Low | Ratepayers are faced with loans and debt servicing costs to replace existing assets at the end of their lives. |
| <p>Asset Life – the useful life of assets is as recorded in Asset Management Plans.</p> | Assets wear out earlier than expected. | Low | Low | 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. |

Statement of Accounting Policies

| Forecasting Assumption | Risk | Likelihood of Occurrence | Financial Effect | Effect of Uncertainty |
|---|---|---------------------------------------|-------------------|--|
| Contracts – there may be significant variations in terms of price from the re-tendering of operations and maintenance contracts. | There is a significant variation in price from re-tendering contracts. | Low year 1-3 Medium years 4-10 | Low Medium | Tenders are currently more competitive than in previous years. 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. |
| 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. |
| Central Government Reform - There will be no effect of central government-initiated structural reforms in areas such as land transport, emergency management, or further devolution. | There will be structural reforms initiated by central government that impact on local government. | 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. |
| No changes to government funding regimes – including petrol tax and grant schemes. | Central government will remove or alter funding schemes. | Low to Moderate | Low to Moderate | The Council receives approximately \$130,000 as our local share of petrol tax, \$13,000 from Creative New Zealand (on a population basis), and \$5,000 from Sport and Recreation New Zealand annually. The withdrawal of this funding would put pressure on Council to make up for it. |

Statement of Accounting Policies

| Forecasting Assumption | Risk | Likelihood of Occurrence | Financial Effect | Effect of Uncertainty |
|---|---|--------------------------|------------------|---|
| No changes to legislation likely to increase the cost of service delivery. | Recent legislation – such as the Waste Minimisation Act – have introduced costs to Council – not all of which are recoverable through user charges. | Moderate | Moderate | Asset Management Plans take account of known legislative changes – but the passing on of central government costs without the ability to recover these costs in user charges will have a direct impact on the rating base. |
| Levels of Service - No changes to levels of service are proposed, either in terms of increasing or reducing them so that they impact on asset requirements or operating costs unless otherwise stated in Activity Statements. | That there are significant changes in customer expectations. | Low | Low | <p>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 level of service.</p> <p>The LTP does stress that rate funds are limited and that community funds might be necessary to upgrade recreational assets or to meet major renewal expenditure.</p> |
| Shared services / amalgamation of Hawke’s Bay Councils Further investigations of various forms of shared services continue, but no effects have been predicted in this LTP. | N/A | N/A | N/A | |
| Emissions Trading Scheme (ETS) This LTP takes no account of any flow on cost increases – or reduction in Landfill revenue which might occur as a result of the ETS. Instead, Council is to hedge its future ETS liability 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. |

Statement of Accounting Policies

| Forecasting Assumption | Risk | Level of Uncertainty | Effect of Uncertainty |
|--|--|----------------------|--|
| FINANCIAL ASSUMPTIONS | | | |
| Term of loans – future loans will be taken out for a 20 year term, but are dependent on the liquidity of financial markets at that time. | That banks will not lend money for this term. | Low | Non availability of capital may restrict planned capital projects. |
| Securities Amendment Act – This will allow the Council the option of borrowing on its own account. | Interest rates may be cheaper than 8% during the life of the LTP. | | Reduced cost of borrowing. |
| Council-Controlled Organisations - Council will continue to have a shareholding in Infracon, through its 100% holding in Tamatea Ltd. | Council's CCO does not perform financially or operationally which impacts adversely on costs in this LTP and dividend returns. | Low | This shareholding is listed as a significant asset in Council's Significance Policy. |
| Property values - Relative property values used for rating basis remain constant throughout the district over the 10 years of the plan. | Some parts of Central Hawke's Bay may have larger increases in rateable value than others. | Low | 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. |
| Vested Assets – No vesting of assets has been included in the LTP. | N/A | N/A | N/A |
| 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 |
| Rates Increases The expected annual rates increase charged by the Council to activities incurring rates over the next 10 years will be based on Berl. | Rates are significantly higher than projected. | Low | Low impact as rates costs do not make up a major proportion of total costs. |
| Insurance – Insurance costs are based on 2011/12 costs of renewal - \$259k 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. |

Statement of Accounting Policies

| Forecasting Assumption | Risk | Level of Uncertainty | Effect of Uncertainty |
|---|--|--|---|
| ACTIVITY SPECIFIC ASSUMPTIONS | | | |
| Knowledge Base – that consultants employed to prepare Asset Management Plans are expert and experienced at producing Asset Management Plans. | 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 No changes in Building Control, Food Premises and Liquor Regulations have been included , although possible changes have been flagged by Government. | Central Government legislation causes increased operating costs to Council. | Low | Increased costs require to be met from increased user charges or rates. |
| Growth in Roding Use - (Source: Roding AMP prepared by Opus) Arterial and Distributor routes (Opus AMP): Increase per annum Average daily traffic 2% Heavy vehicles 3% - 5% | The assumptions allowed are insufficient. | Low | Data is collected from regular traffic count surveys. Traffic use is increasing higher than population/housing as it is independent of population and is driven more by economic growth, tourism etc. |
| 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. |
| Bridge Renewal - As part of the annual bridge condition survey four bridges have been identified as requiring further work. Further surveys could identify more bridges requiring additional spending. | This may change the funding requirement from ratepayers. | Low- first 5 years Mod - second 5 years | |

Statement of Accounting Policies

| Forecasting Assumption | Risk | Level of Uncertainty | Effect of Uncertainty |
|---|---|------------------------|--|
| <p>Landfill operation costs A waste management and minimisation plan (WMMP) was required to be adopted under the Waste Management Act 2008 by July 2012. By adopting a WMMP Council is required to comprehensively review all of the existing waste management practices, to help achieve effective and efficient waste management and minimisation within their districts. The Council is selling landfill space to offset the operating costs of the landfill. This plan assumes the income level remains at budgeted levels.</p> <p>Landfill cell extensions included in this LTP are dependent on volumes received into the landfill – and timings of cell extensions may change.</p> | <p>Budgeted sales are not achieved.</p> | <p>Low to Moderate</p> | <p>Current problems exist through the closure of the Manawatu Gorge – where alternative routes make the transport of waste to CHB uneconomical.</p> <p>Whilst this is an extraordinary event – it does show that the economics of achieving budget sales have very thin margins for customers.</p> <p>Council does have an exposure to external sales income and a relatively small pool of potential customers.</p> |

Funding Impact Statement

The purpose of the funding impact statement is to provide information about the income and funding streams we will use and 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 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 from reserves (funded by rates) 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.

Funding Impact Statement

Whole-of-Council Funding Impact Statement (excluding GST)

| Actual 12/13 \$' 000 | | Annual Plan 13/14 \$' 000 | Long Term Plan 14/15 \$' 000 | Annual Plan 14/15 \$' 000 |
|--|---|------------------------------------|---------------------------------------|------------------------------------|
| Sources of Operating Funding | | | | |
| 10,761 | Non targeted Rates (Gen 3807 UAC 1723 Land 6295) | 11,569 | 11,854 | 11,825 |
| 4,981 | Targeted Rates | 5,676 | 5,615 | 5,645 |
| 2,357 | Fees, Charges and Targeted Rates for Water Supply | 2,569 | 2,712 | 2,482 |
| 4,904 | Subsidies and Grants for operating purposes | 2,218 | 2,175 | 2,235 |
| 631 | Interest and dividends | 549 | 581 | 450 |
| 151 | Local authorities fuel tax, fines, infringements and other receipts | 147 | 151 | 153 |
| - | Development Contributions | 21 | - | - |
| 23,785 | Total operating funding | 22,750 | 23,087 | 22,790 |
| Applications of operating funding | | | | |
| 11,095 | Payments to staff and suppliers | 11,607 | 11,897 | 11,735 |
| 752 | Finance costs | 1,068 | 1,078 | 588 |
| 2,922 | Overheads | 3,183 | 2,969 | 3,077 |
| 14,769 | Total applications of operating funding | 15,858 | 15,944 | 15,400 |
| 9,016 | Surplus/(Deficit) of operating funds | 6,892 | 7,144 | 7,390 |
| Sources of Capital Funding | | | | |
| 4,046 | Subsidies and grants for capital purposes | 4,538 | 4,538 | 4,365 |
| (143) | Increase in Debt | 2,153 | 4,572 | - |
| 51 | Development Contributions | - | 22 | - |
| 3,954 | Total sources of capital funding | 6,691 | 9,132 | 4,365 |
| Application of capital funding | | | | |
| Capital Expenditure | | | | |
| - | to meet additional demand | 60 | 95 | 95 |
| 3,126 | to improve the level of service | - | - | 1,269 |
| 8,796 | to replace existing assets | 13,063 | 15,375 | 9,911 |
| 1,048 | Increase (decrease) in Reserves | (89) | 227 | 480 |
| - | Increase (decrease) in Investments | 549 | 581 | - |
| 12,970 | Total application of capital funding | 13,583 | 16,278 | 11,755 |
| (9,016) | Surplus (deficit) of capital funding | (6,892) | (7,146) | (7,390) |
| - | Funding balance | - | - | - |
| Depreciation expense for the year | | 11,122 | 12,065 | 12,294 |
| Funded depreciation | | 9,233 | 9,442 | 9,903 |
| Unfunded depreciation to reduce rates | | 1,890 | 2,624 | 2,391 |
| Total Rates | | | | |
| Overall Rates Increase compared to previous year | | 6.04% | 4.57% | 1.29% |
| Increase in District Wide Rates (Average over 10 years 3.6) | | 3.92% | 2.87% | 2.21% |
| Increase in Targeted Rates (Average over 10 years 3.1%) | | 10.64% | 8.32% | -0.56% |

Funding Impact Statement

2014/15 Rates Factors

The table below lists the rate factors for the 2014/15 year (1 July 2014 to 30 June 2015) that are proposed to be set by the Central Hawke's Bay District Council under the Local Government (Rating) Act 2002.

| Description | Land Liable | Differential | Factor of Liability | Rate Value ** | Amount Sought including GST \$ |
|--|-----------------------------|---------------------------------|----------------------------------|------------------|---|
| District Wide Rates | | | | | |
| General | All rateable property | Uniform | Capital Value | 0.12 | \$4,378,370 |
| Uniform Annual General Charge | All rateable property | Uniform | Fixed Amount per SUIP* | \$311.08 | \$1,981,300 |
| District Land Transport | All rateable property | Uniform | Land Value | 0.31 | \$7,238,822 |
| Targeted Rates | | | | | |
| Economic Development | Commerical/Industrial | Uniform | Fixed Amount per SUIP* | \$104.17 | \$28,750 |
| Ruataniwha Ward Rate for Mainstreet Upgrades | Ruataniwha Urban Ward | Uniform | Fixed Amount per rating unit | \$31.57 | \$89,700 |
| Refuse Collection | Service Available | Uniform | Fixed Amount per SUIP | \$15.13 | \$59,628 |
| Kerbside Recycling Collection | Service Available | Uniform | Fixed Amount per SUIP | \$63.30 | \$185,728 |
| Water Supply Operations | Service Available/Connected | Service Available/Connected | Fixed Amount per SUIP * | \$522.66 | \$2,138,714 |
| Water Supply Loans | Service Available/Connected | Service Available/Connected | Fixed Amount per SUIP * | \$101.02 | \$413,358 |
| Sewerage Operations | Service Available/Connected | Service Available/Connected/Use | Fixed Amount per SUIP *, per Pan | \$538.06 | \$2,154,677 |
| Sewerage - Loans | Service Available/Connected | Service Available/Connected/Use | Fixed Amount per SUIP *, per Pan | \$226.47 | \$906,899 |
| Stormwater Operations | Catchment Area | Uniform | Capital Value | 0.08 | \$470,025 |
| Stormwater Loans | Catchment Area | Uniform | Capital Value | 0.003 | \$20,096 |
| Drainage | Te Aute | Classifications | Fixed Amount per point | \$0.31 | \$23,000 |
| Water by Meter | Extraordinary users | Uniform | Fixed Amount per cubic metre | \$2.00 | \$327,865 |
| Total Sought | | | | | \$20,416,932 |

* Separately used or inhabited

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

Funding Impact Statement

Rates Samples

| PROPERTY DESCRIPTION | | | 2012 VALUES | | | PROPOSED RATES | | | |
|----------------------|------------|-----------|-------------|---------------|---------|----------------|---------|---------------------|-------|
| Type | District | Value | Land Value | Capital Value | 2012/13 | 2013/14 | 2014/15 | Increase (Decrease) | |
| | | | | | | | | \$ | % |
| Residential town | Waipukurau | Low | 18,000 | 73,000 | 1896 | 2016 | 2014 | (2) | (0.1) |
| Residential town | Waipukurau | Medium | 77,000 | 200,000 | 2263 | 2451 | 2457 | 5 | 0.2 |
| Residential town | Waipukurau | High | 77,000 | 260,000 | 2386 | 2572 | 2579 | 7 | 0.3 |
| Residential town | Waipawa | Low | 32,000 | 150,000 | 2019 | 2213 | 2214 | 1 | 0.1 |
| Residential town | Waipawa | Medium | 32,000 | 170,000 | 2058 | 2253 | 2255 | 2 | 0.1 |
| Residential town | Waipawa | High | 27,000 | 265,000 | 2238 | 2429 | 2433 | 4 | 0.2 |
| Residential town | Otane | | 60,000 | 205,000 | 1930 | 2138 | 2144 | 6 | 0.3 |
| Residential town | Porangahau | Low | 39,000 | 78,000 | 1780 | 1927 | 1928 | 2 | 0.1 |
| Residential town | Porangahau | High | 39,000 | 195,000 | 1930 | 2062 | 2067 | 5 | 0.2 |
| Residential town | Takapau | | 21,000 | 116,000 | 1728 | 1915 | 1917 | 2 | 0.1 |
| Residential town | Takapau | Lifestyle | 250,000 | 410,000 | 2057 | 2159 | 2215 | 56 | 2.6 |
| Residential town | Tikokino | | 51,000 | 165,000 | 673 | 677 | 680 | 3 | 0.5 |
| Beach | Blackhead | | 280,000 | 490,000 | 2118 | 1753 | 1780 | 27 | 1.5 |
| Beach | Kairakau | | 170,000 | 420,000 | 1917 | 1926 | 1977 | 51 | 2.7 |
| Beach | Mangakuri | | 345,000 | 780,000 | 2403 | 2287 | 2325 | 38 | 1.7 |
| Beach | Te Paerahi | Low | 185,000 | 260,000 | 2581 | 2584 | 2600 | 16 | 0.6 |
| Beach | Te Paerahi | Medium | 285,000 | 520,000 | 3304 | 3190 | 3219 | 29 | 0.9 |
| Rural | - | Lower | 265,000 | 275,000 | 1387 | 1434 | 1464 | 30 | 2.1 |
| Rural | - | Lower | 340,000 | 385,000 | 1721 | 1791 | 1828 | 37 | 2.1 |
| Rural | - | Lower | 245,000 | 275,000 | 1314 | 1373 | 1402 | 29 | 2.1 |
| Rural | - | Medium | 850,000 | 950,000 | 3828 | 4005 | 4090 | 85 | 2.1 |
| Rural | - | Medium | 820,000 | 1,570,000 | 4369 | 4627 | 4728 | 101 | 2.2 |
| Rural | - | Medium | 890,000 | 990,000 | 4014 | 4174 | 4262 | 88 | 2.1 |
| Rural | Aramoana | High | 2,850,000 | 3,375,000 | 12392 | 12929 | 13205 | 275 | 2.1 |
| Rural | Ruataniwha | High | 2,975,000 | 3,775,000 | 13188 | 13773 | 14068 | 295 | 2.1 |
| Rural | Ruahine | High | 6,375,000 | 7,000,000 | 27478 | 27911 | 28504 | 593 | 2.1 |
| Rural | Ruahine | High | 1,540,000 | 2,075,000 | 7073 | 7416 | 7575 | 159 | 2.1 |
| Commercial | Waipukurau | | 170,000 | 500,000 | 5938 | 6415 | 6457 | 42 | 0.7 |
| Commercial | Waipawa | | 56,000 | 80,000 | 2039 | 2250 | 2251 | 1 | 0.0 |
| Industrial | Waipukurau | | 150,000 | 360,000 | 3674 | 3898 | 3879 | (19) | (0.5) |
| CHB District | | | | | | | | 1.29 | |

Funding Impact Statement

Rates

The following rates are proposed to be set and assessed on all property within the District for the 2014/2015 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, emergency management and bylaws.
- Solid waste
- Parks and reserves, public toilets, theatres and halls, cemeteries, and miscellaneous property costs

For the 2014/15 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 on 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 2014/15 year this rate will be \$311.08 (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 2014/15 year this rate will be 0.313 cents per dollar (including GST) based on the land value of all rateable land in the district.

Targeted Rates

Definitions:

"Non Residential" is defined by reference to land use codes in the valuation database, being every code other than "residential" or "lifestyle".

"Non Rural" is defined by reference to land use codes in the valuation database, being every code other than farming.

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 –

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

Funding Impact Statement

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. Water Supply Operations and Loans Rates

Two targeted rates 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 and a non potable supply for Pourerere.

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

The rates are subject to differentials as follows:

- 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.
- a half charge per separately used or inhabited part of a rating unit which is serviceable for the above locations.

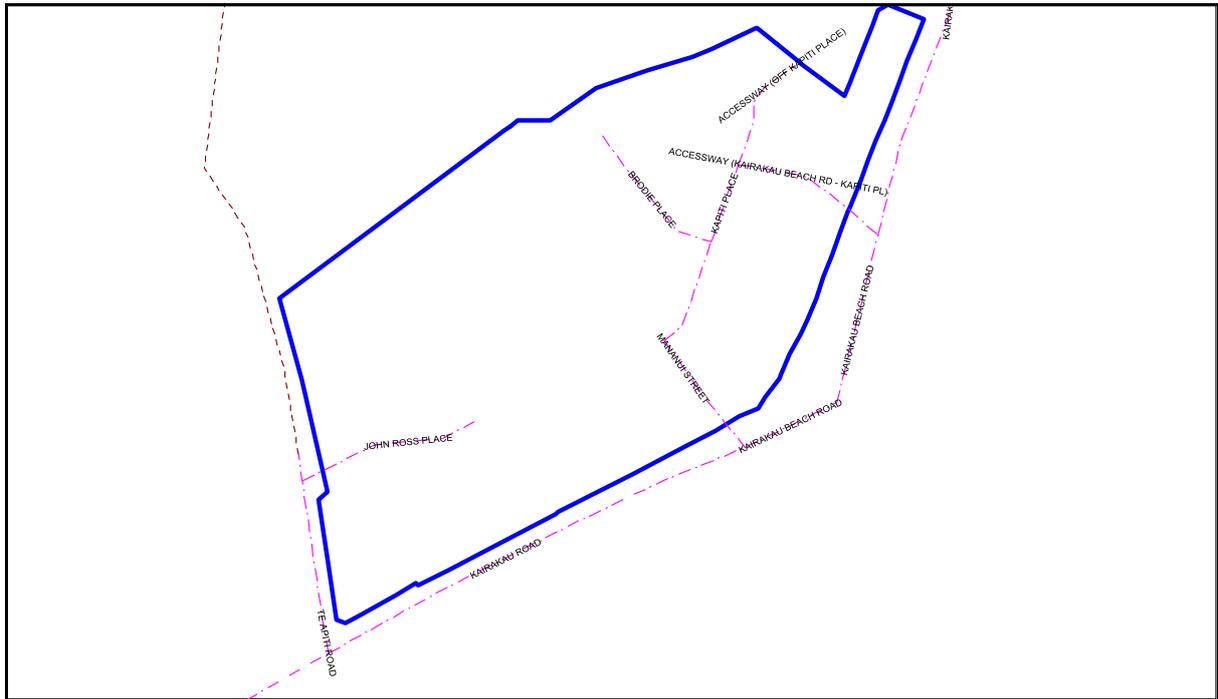
For this rate:

- "Connected" means a rating unit to which water is supplied.
- "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 2014/15 year these rates will be:

| | Charge | Operations Rate (incl GST) | Loan Rate (incl GST) |
|---|----------------------------|-----------------------------|-----------------------|
| a | Connected | \$522.66 | \$101.02 |
| b | Serviceable, not connected | \$261.33 | \$50.51 |

Funding Impact Statement

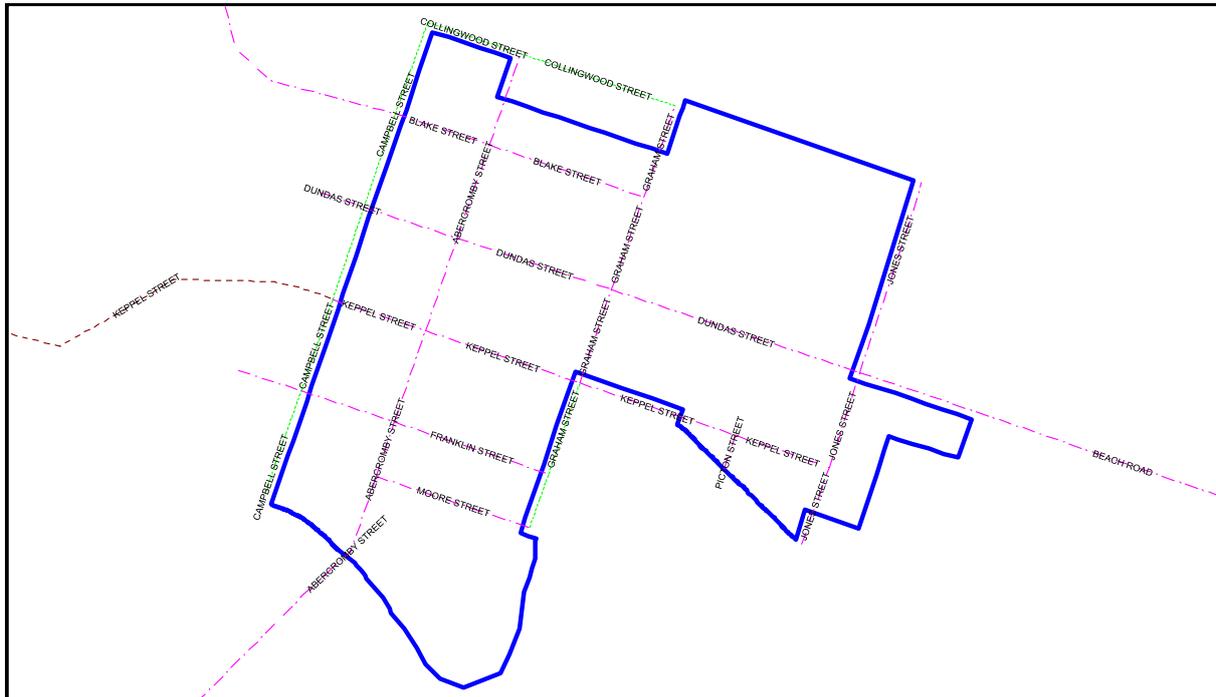


Kairakau water supply zone



Te Paerahi water supply zone

Funding Impact Statement



Porangahau water supply zone

5. Metered Water Rate

A targeted rate under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied, as measured by cubic metre, over 300 cubic metres per year. This is applied to water users deemed 'Extraordinary' where payment of the Water Operations rate above entitles extraordinary users to the first 300 cubic metres of water without additional charge.

For the 2014/15 year this rate will be \$2.00 per cubic metre (including GST).

6 Sewerage Operations and Loans Rates

Two targeted rates 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 rates are subject to differentials as follows:

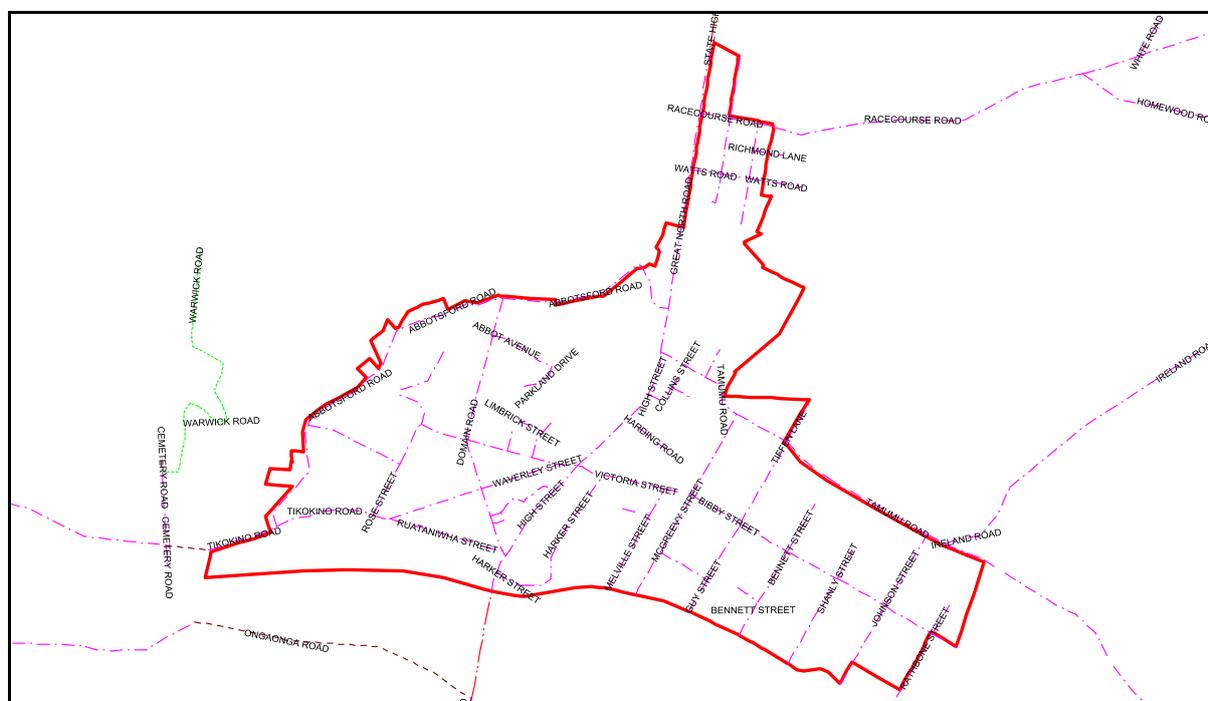
- "Connected" means the rating unit is connected to a public sewerage system.
- "Serviceable" means the rating unit is not connected to a public sewerage drain but is within 30 metres of such a drain.
- A rating unit used primarily as a residence for one household is treated as not having more than one pan.
- For commercial accommodation providers, each subsequent pan will be rated at 50% of the charge.

Funding Impact Statement

- For those Clubs who qualify for a rebate of their General Rates under Council’s Club Rebate Remission Policy, and who are connected to the sewerage network, each subsequent pan will be rated at 50% of the Sewerage Operations and Loan Charge.
 - (i) Operations Rate: The purpose of this rate is to fund the maintenance and operation of sewerage collection, treatment and disposal systems in those parts of the District where these systems are provided.
 - (ii) Loans rate: The purpose of this rate is to fund capital upgrades of sewerage collection, treatment and disposal systems in those parts of the District where these systems are provided.

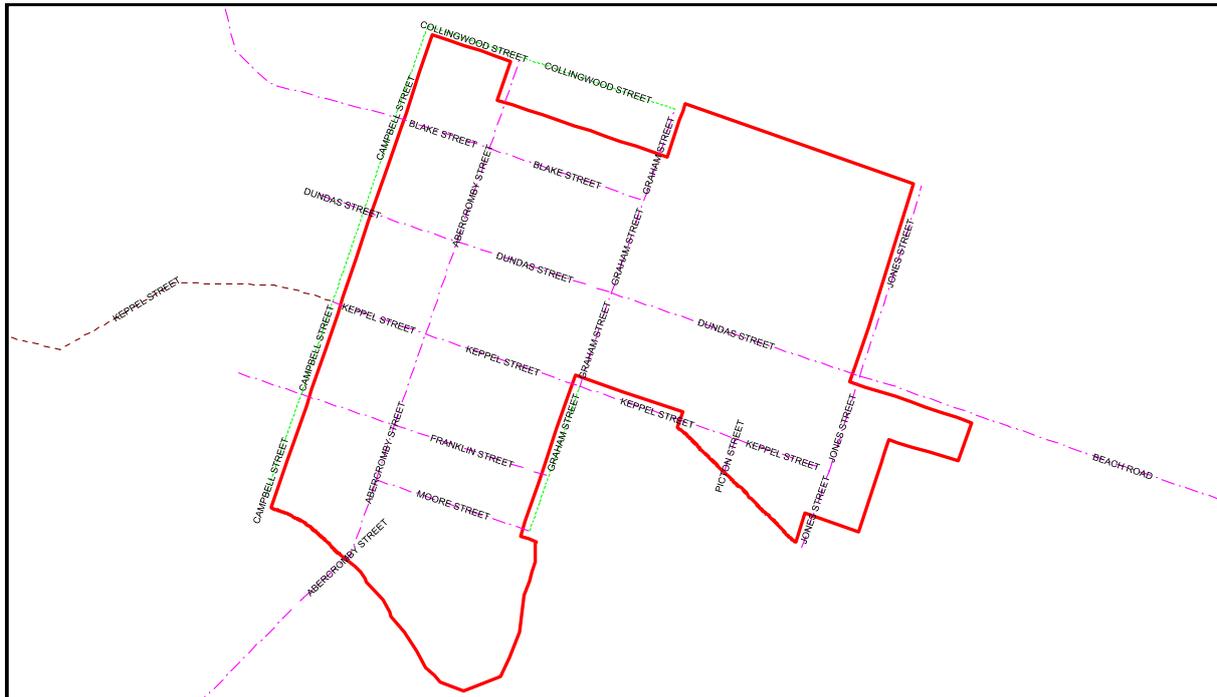
For the 2014/15 year these rates will be:

| | Charge | Operations Rate (incl GST) | Loan Rate (incl GST) |
|---|--|----------------------------|----------------------|
| a | First charge per separately used or inhabited part of a rating unit connected | \$538.06 | \$226.47 |
| b | Additional charge per pan after the first | \$538.06 | \$226.47 |
| c | Serviceable, not connected, per separately used or inhabited part of a rating unit | \$269.03 | \$113.24 |
| d | Additional charge per pan after the first – commercial accommodation provider, qualifying club | \$269.03 | \$113.24 |



Waipawa sewer operation zone

Funding Impact Statement



Porangahau sewer operation zone

7. Stormwater Operations and Loans Rates

Two targeted rates set under section 16 of the Local Government (Rating) Act 2002 for the purpose of funding operations and maintenance, plus improvements and loan charges on the stormwater drainage network as follows:

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

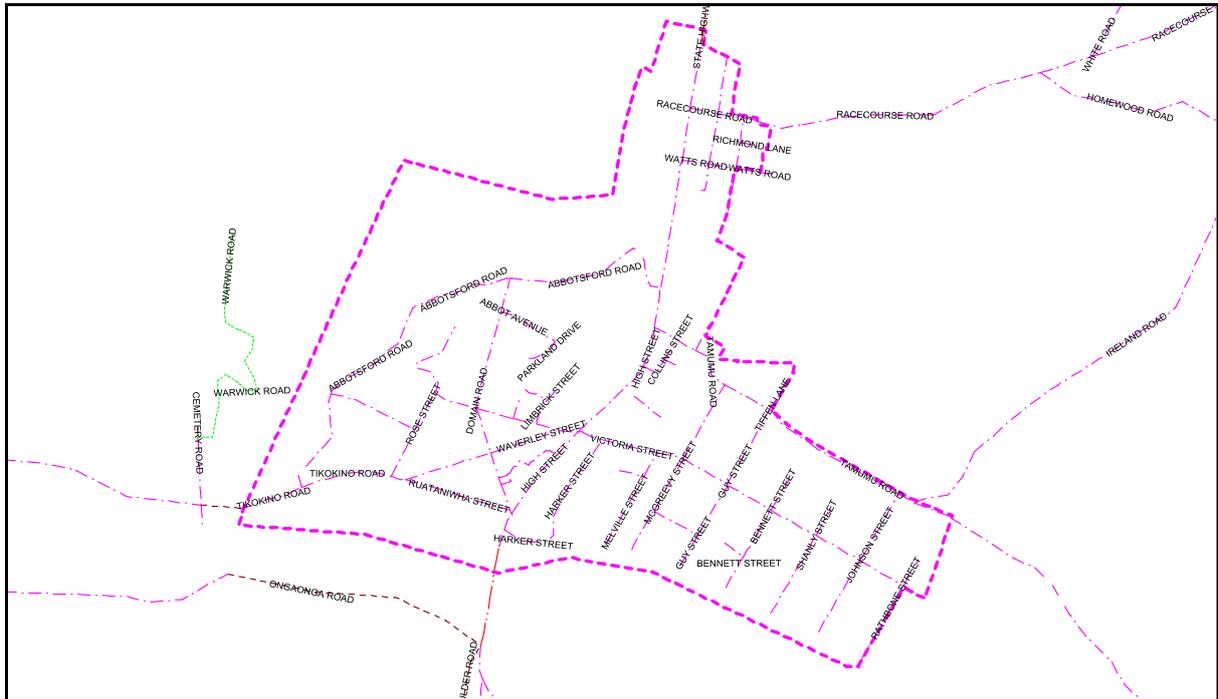
For the 2014/15 year this rate will be 0.082 cents per dollar (including GST).

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

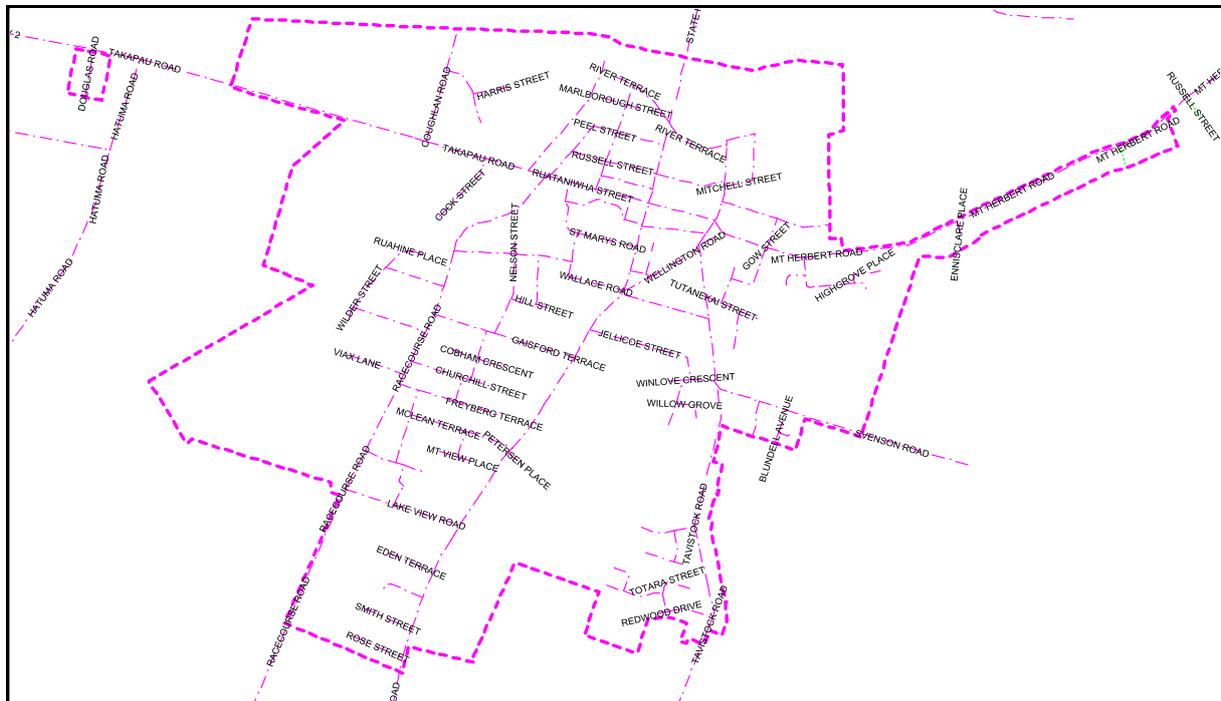
For the 2014/15 year this rate will be 0.003 cents per dollar (including GST).

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

Funding Impact Statement



Waipawa stormwater operation zone



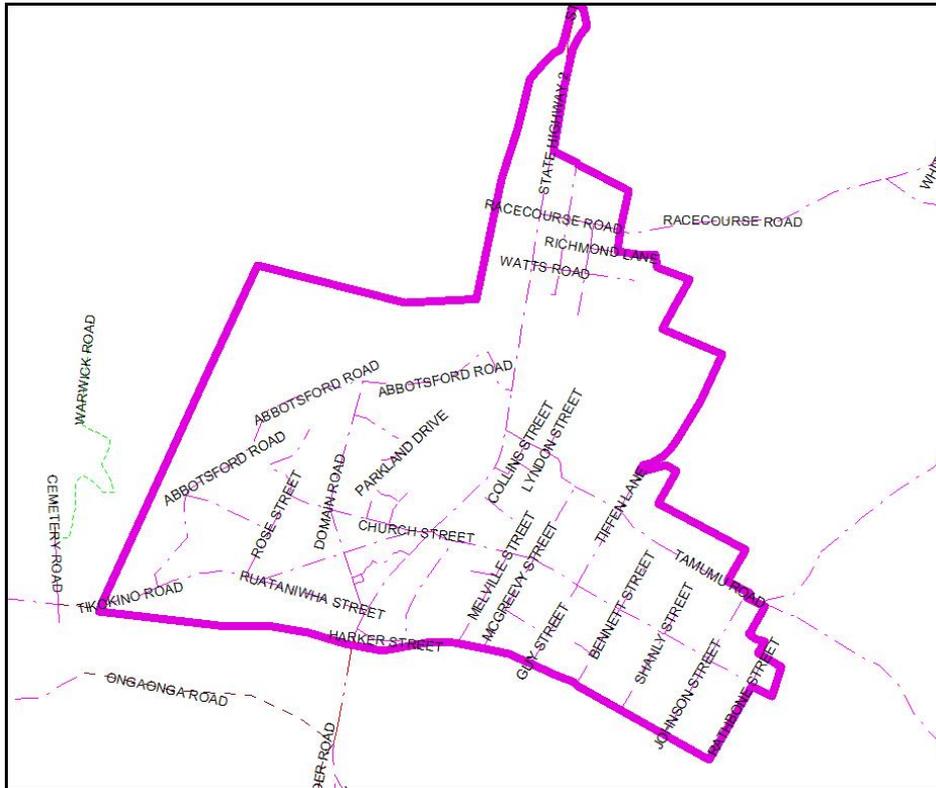
Waipukurau stormwater operation zone

Funding Impact Statement

8. Kerbside Recycling Rate

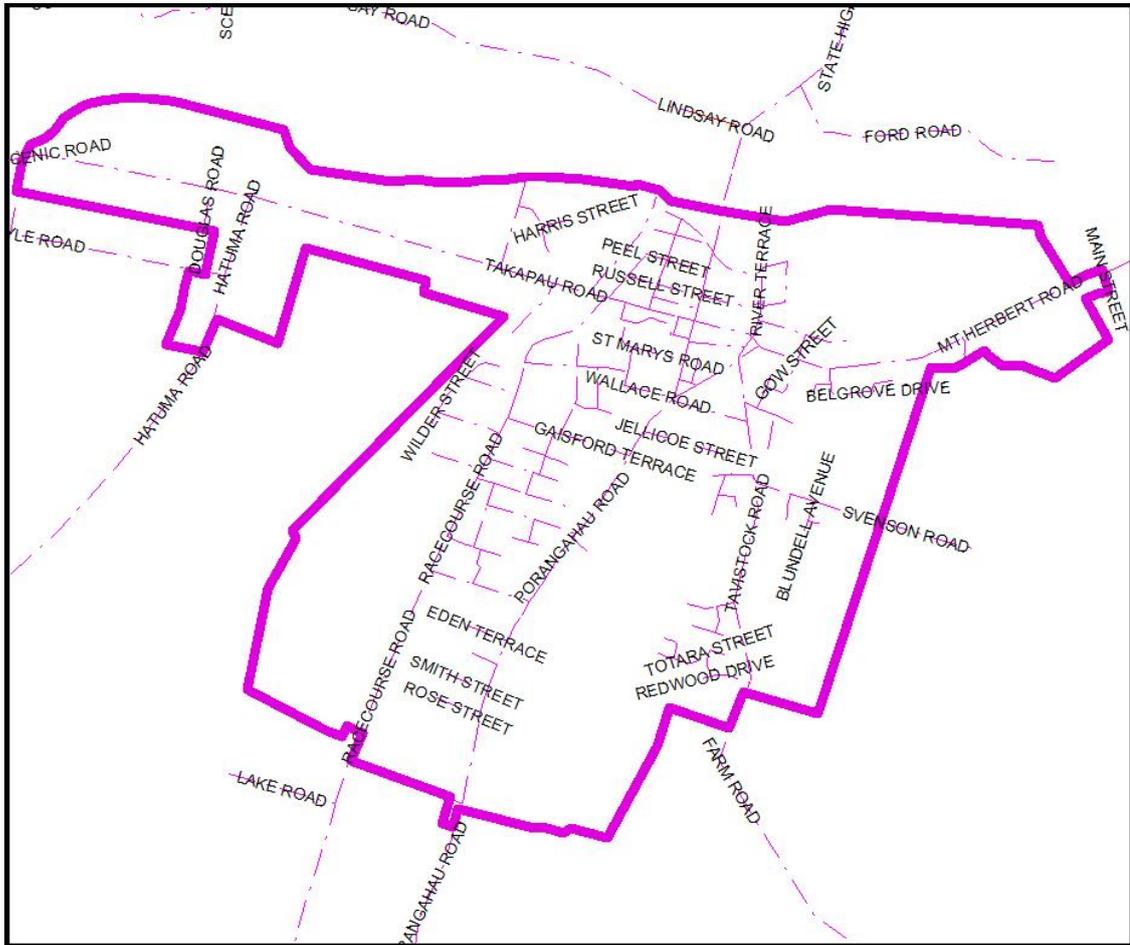
A targeted rate set under section 16 of the Local Government (Rating) Act 2002 for the Council's collection of household recyclables for Waipukurau and Waipawa on each separately used or inhabited part of a rating unit to which the Council provides the service.

For the 2014/15 year this rate will be \$63.30 (including GST).



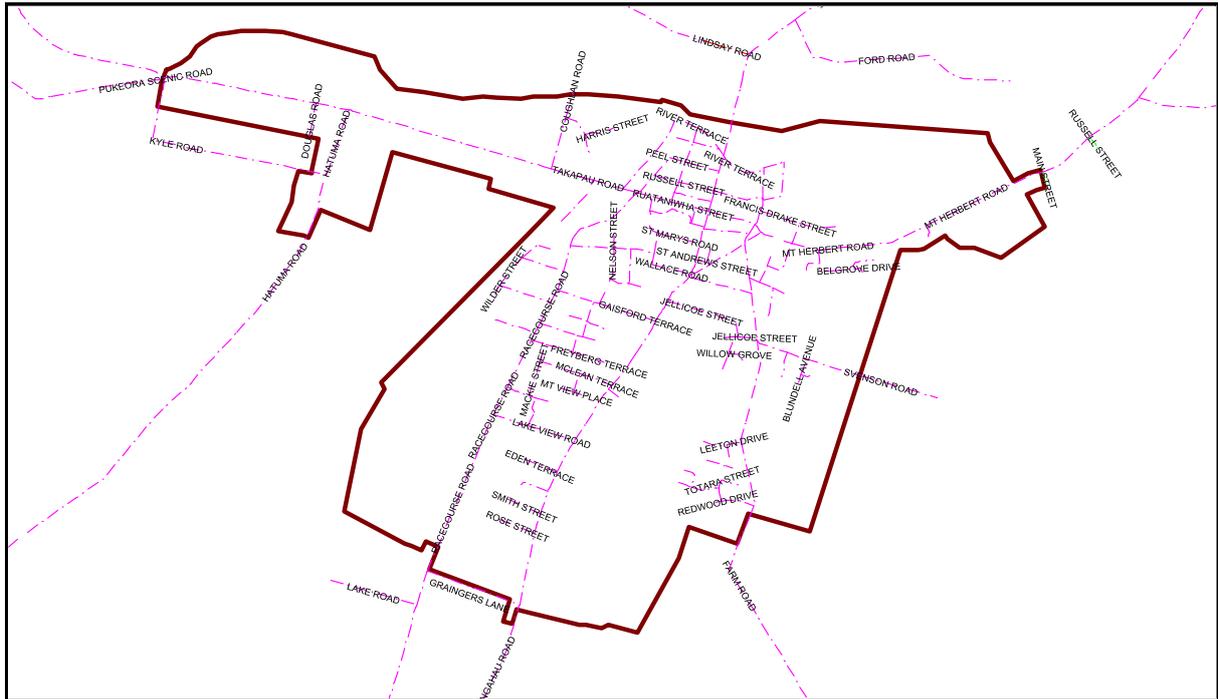
Waipawa kerbside recycling collection zone

Funding Impact Statement

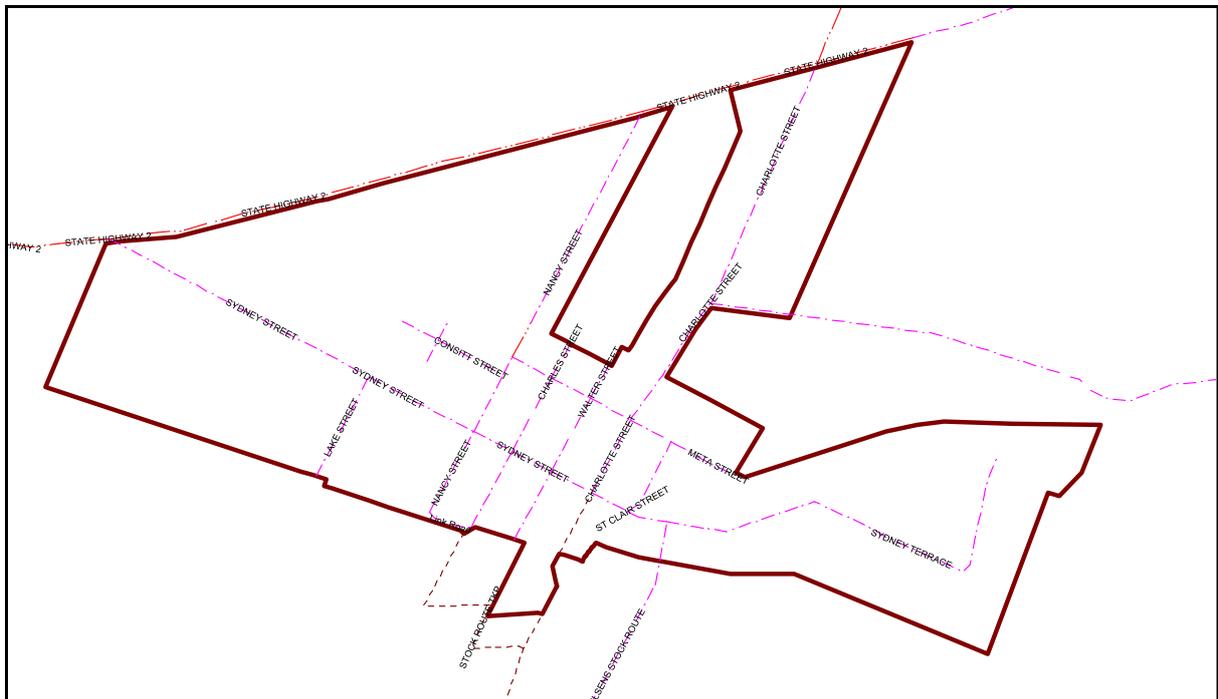


Waipukurau kerbside recycling collection zone

Funding Impact Statement

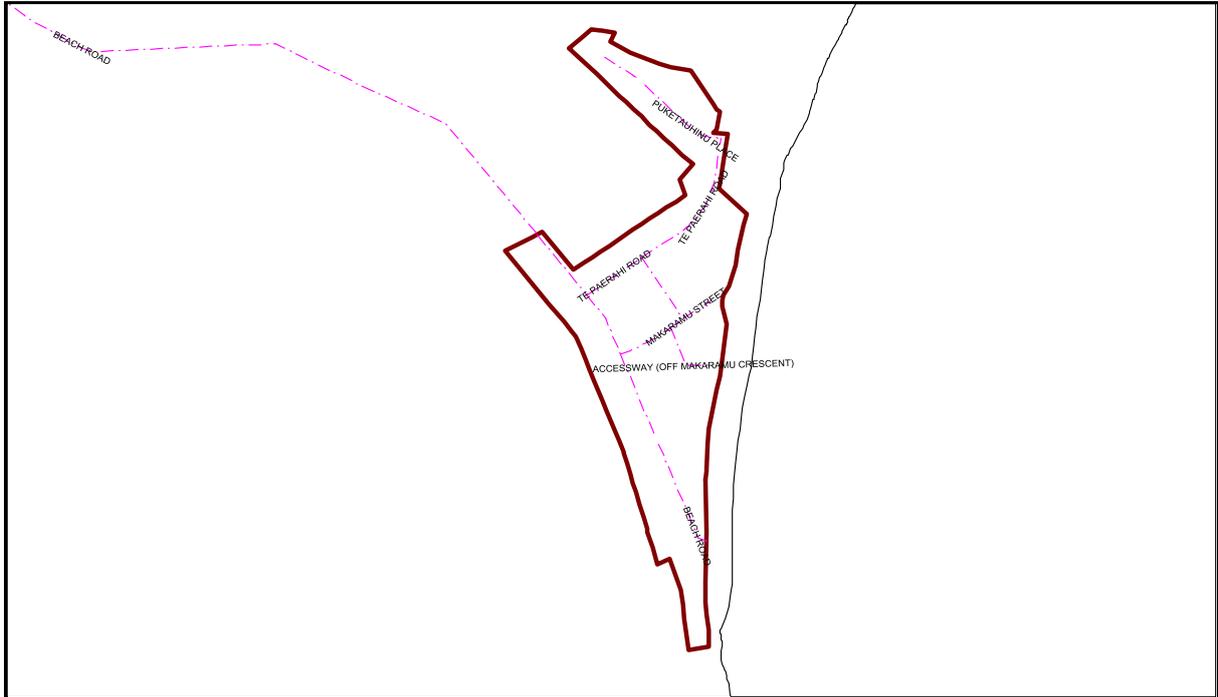


Waipukurau refuse collection zone

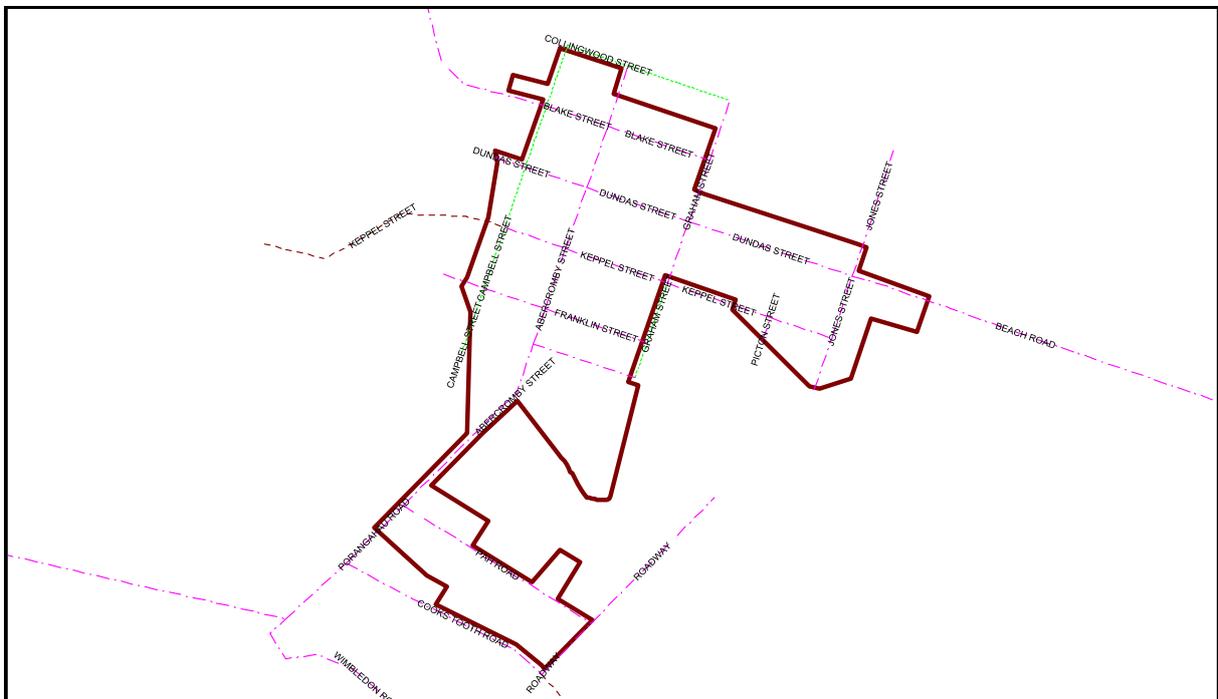


Takapau refuse collection zone

Funding Impact Statement

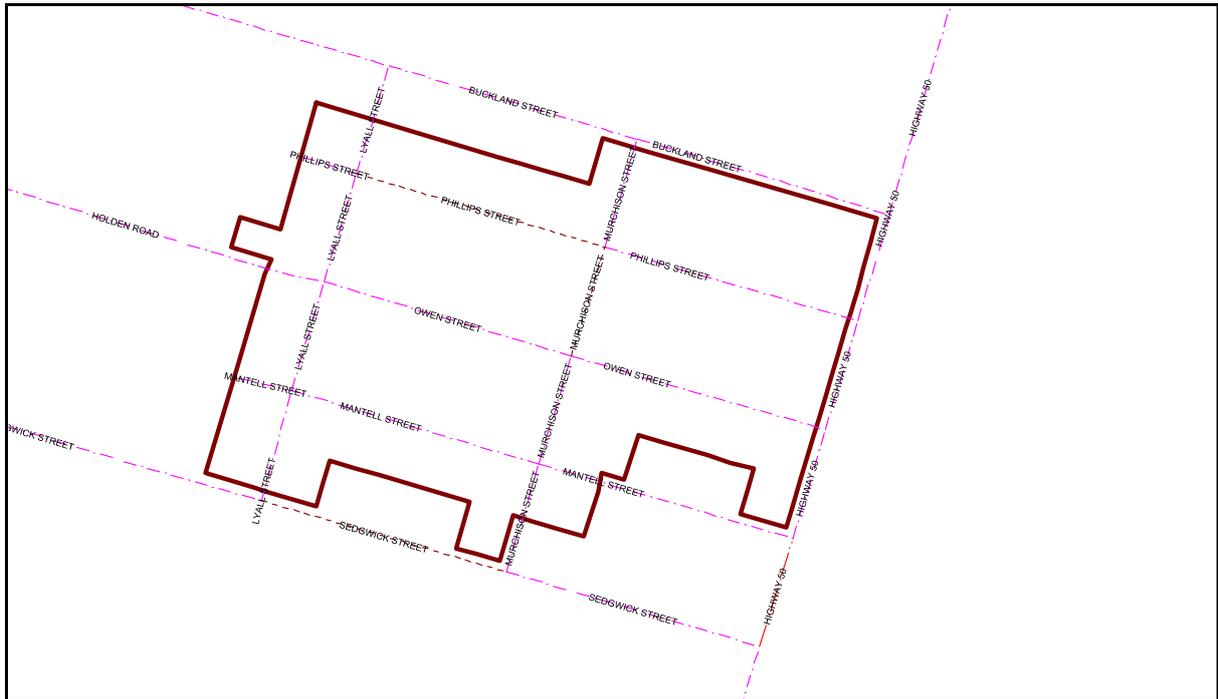


Te Paerahi refuse collection zone

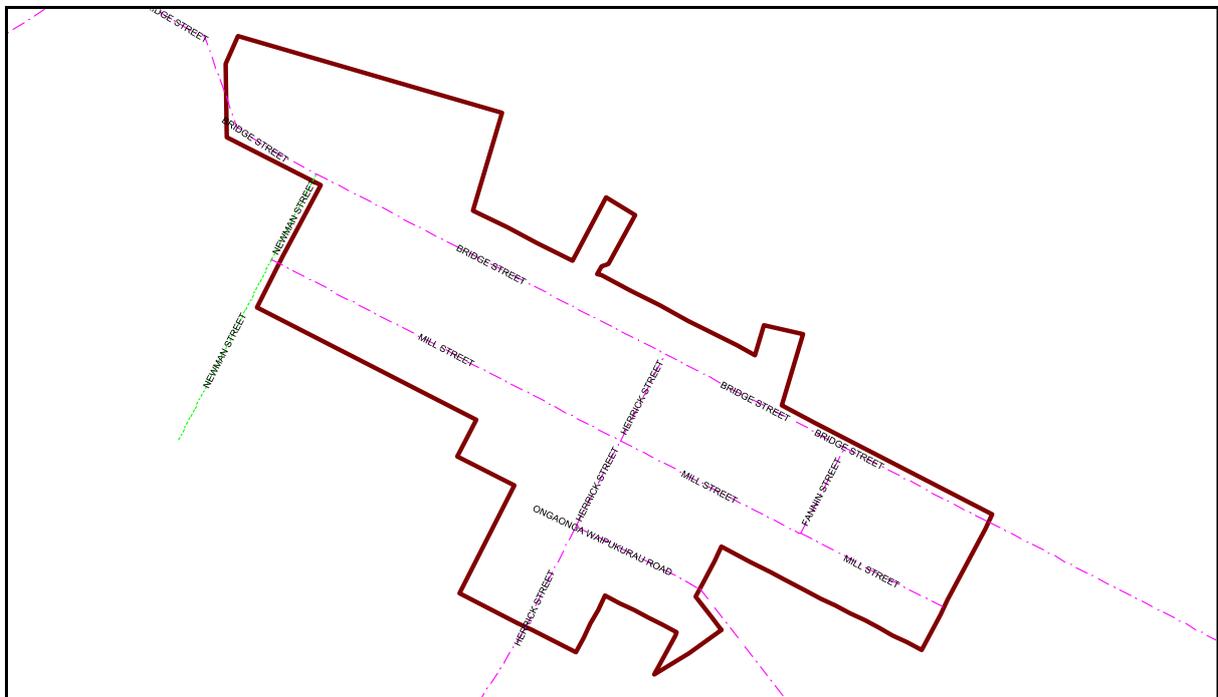


Porangahau refuse collection zone

Funding Impact Statement

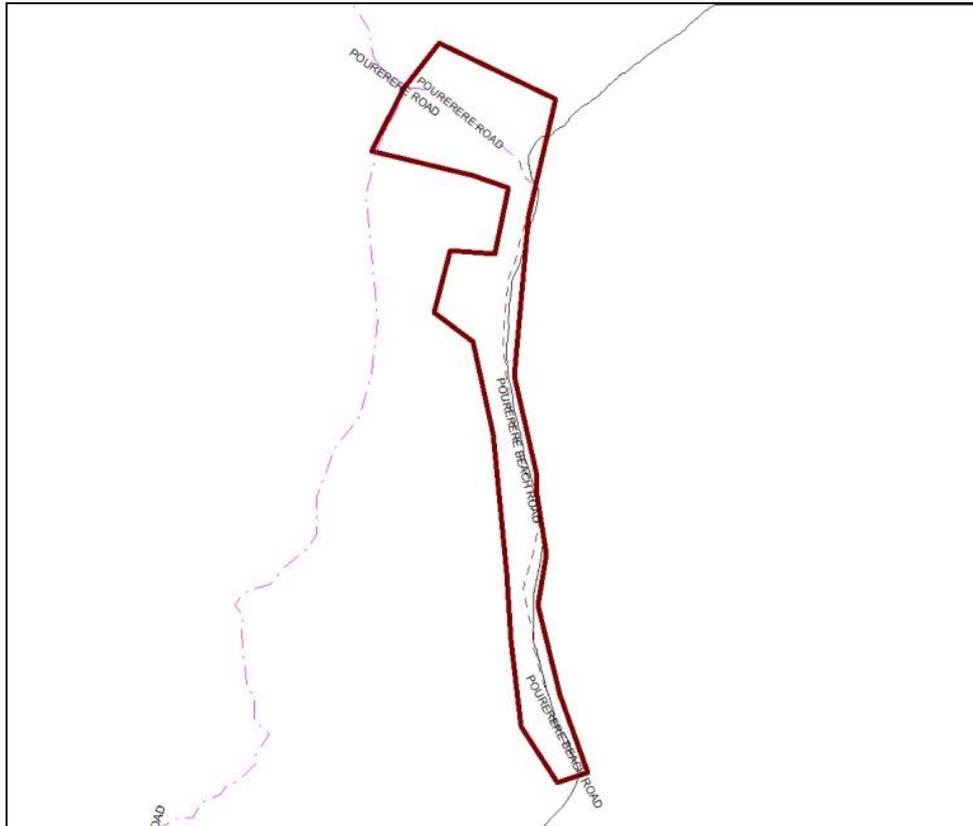


Tikokino refuse collection zone



Onga Onga refuse collection zone

Funding Impact Statement

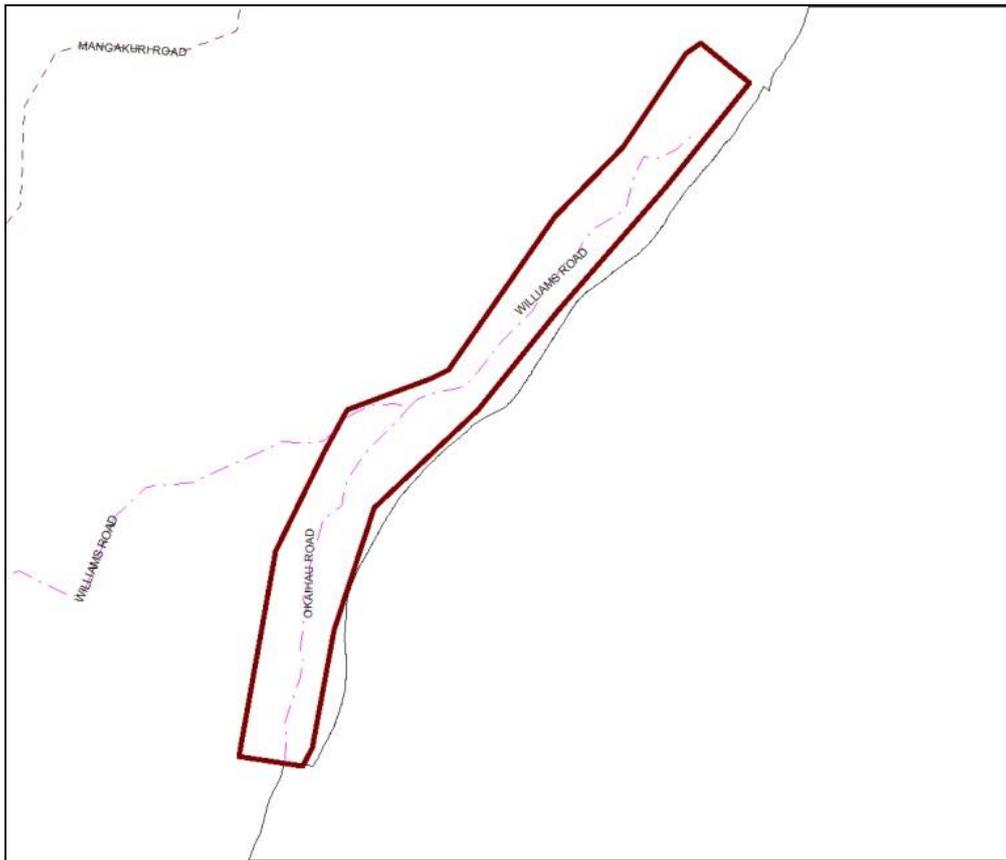


Pourerere Beach refuse collection zone

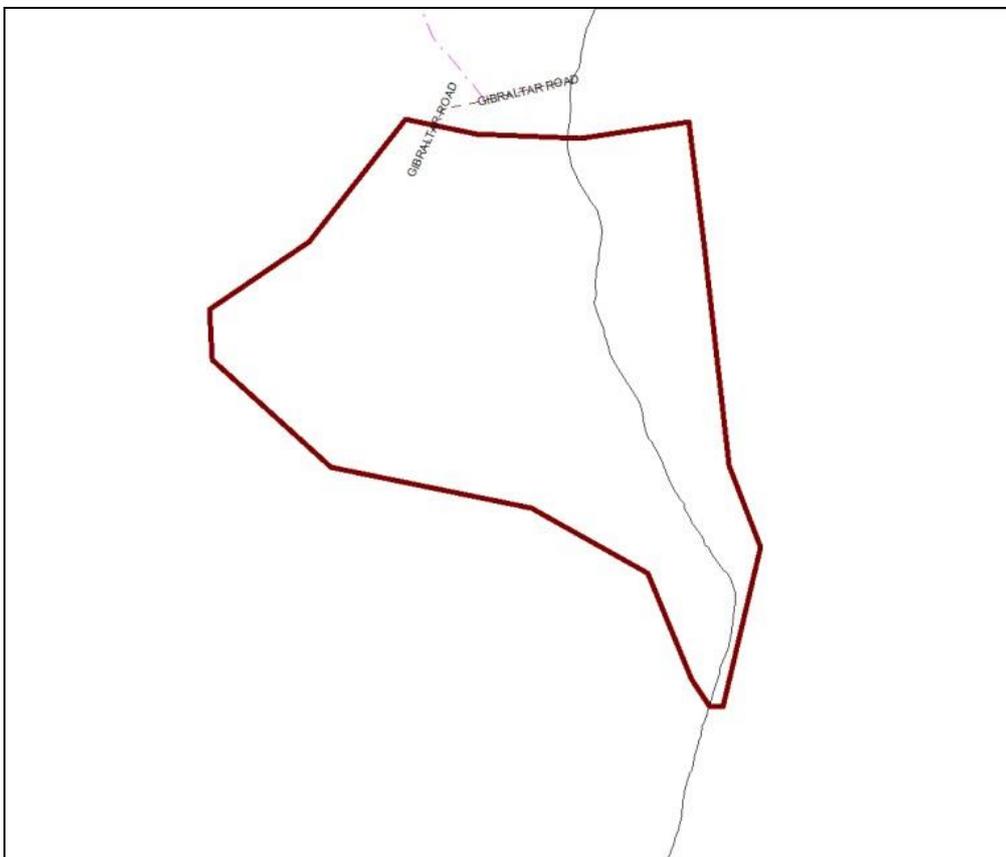


Kairakau Beach refuse collection zone

Funding Impact Statement

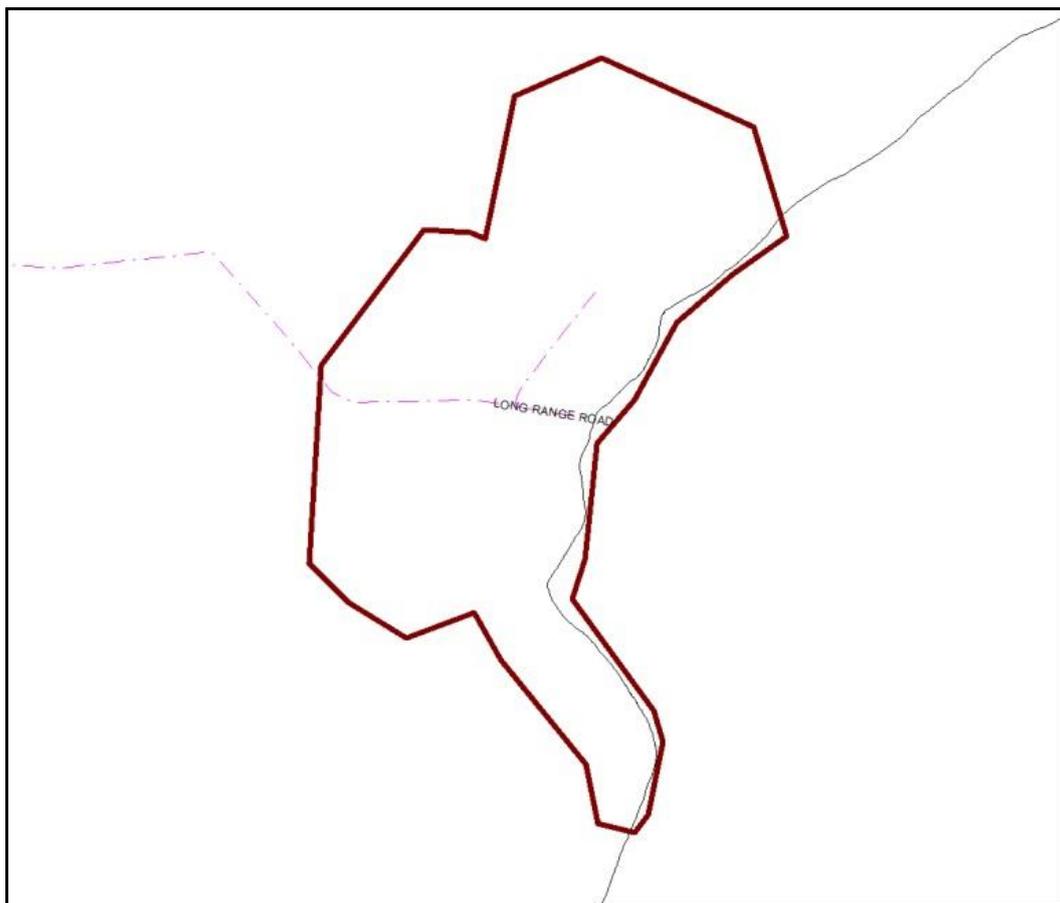


Mangakuri Beach refuse collection zone



Aramoana Beach refuse collection zone

Funding Impact Statement



Blackhead Beach refuse collection zone

10. Economic Development Rate

A uniform targeted rate set under section 16 of the Local Government (Rating) Act 2002 to assist in the funding of Economic Development Activities within the district on each separately used or inhabited part of a rating unit that is Non Residential and Non Rural.

For the 2014/15 year this rate will be \$104.17 (including GST).

11. Ruataniwha Ward Rate for Mainstreet Upgrades

A uniform targeted rate on all rateable land in the Ruataniwha Ward Urban set under section 16 of the Local Government (Rating) Act 2002 for the purposes of funding the Main Street Waipukurau and Waipawa improvements undertaken between 2001 and 2005.

For the 2014/15 year this rate will be \$31.57 (including GST) per rating unit.

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 of the Te Aute Drainage Scheme Area. 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).

Funding Impact Statement

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 2014/15 is \$23,000.
The amount per point is \$0.31.

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 | \$350.25 |
| 1092000800 | 0 | 32.83 | 74.69 | 23.42 | 3,817 | \$1,192.59 |
| 1092000900 | 0 | 0 | 0.83 | 2.15 | 19 | \$5.94 |
| 1092001001 | 77.96 | 16.65 | 11.94 | 17.95 | 9,361 | \$2,924.76 |
| 1092001100 | 78.22 | 0 | 15.28 | 39.73 | 8,171 | \$2,552.85 |
| 1092001107 | 0 | 0 | 10.00 | 61.44 | 334 | \$104.46 |
| 1092001200 | 0 | 2.88 | 18.35 | 18.86 | 562 | \$175.59 |
| 1092001201 | 0 | 20.25 | 19.15 | 12.31 | 1,944 | \$607.38 |
| 1092001400 | 0 | 0 | 0 | 14.16 | 42 | \$13.12 |
| 1092001600 | 0 | 0 | 0 | 10.12 | 30 | \$9.37 |
| 1092001700 | 38.74 | 51.06 | 36.24 | 45.12 | 8,638 | \$2,698.86 |
| 1092002100 | 188.81 | 0 | 0 | 23.93 | 18,953 | \$5,921.69 |
| 1092002200 | 84.02 | 4.14 | 1.16 | 6.45 | 8,770 | \$2,740.10 |
| 1092002300 | 41.02 | 5.2 | 20.43 | 22.8 | 4,893 | \$1,528.77 |
| 1092002900 | 0 | 0 | 0 | 0.81 | 2 | \$0.62 |
| 1092003400 | 0 | 0 | 8.02 | 6.6 | 140 | \$43.74 |
| 1092005800 | 0 | 18.63 | 0 | 4.93 | 1,505 | \$470.22 |
| 1092006100 | 0 | 65.81 | 0 | 15.84 | 5,312 | \$1,659.68 |
| Total | 508.77 | 228.75 | 224.24 | 358.25 | 73,614 | \$23,000.00 |

Funding Impact Statement

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 as supplied by Quotable Value New Zealand Limited. The last revaluation was carried out effective from 1 July 2013.

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)

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 for the year 1 July 2014 to 30 June 2015. 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 2014 | 20 August 2014 | 21 August 2014 |
| 2 | 1 October 2014 | 20 November 2014 | 21 November 2014 |
| 3 | 1 January 2015 | 20 February 2015 | 21 February 2015 |
| 4 | 1 April 2015 | 20 May 2015 | 21 May 2015 |

Funding Impact Statement

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.

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.

Pursuant to Section 58(1)(b) of the Local Government (Rating) Act, a further additional charge of 10% will be added on 1 July 2014 to the amount of rates assessed in previous financial years and remaining unpaid as at 30 June 2014 (Section 58(1)(b)).

Schedule of Fees and Charges

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 |
| Subdivision Consents (deposit) | \$869.57 | \$130.43 | \$1,000.00 |
| 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) | \$434.78 | \$65.22 | \$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 | \$95.65 | \$14.35 | \$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 | \$130.43 | \$19.57 | \$150.00 |
| 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 | \$160.87 | \$24.13 | \$185.00 |
| Inspection Fee – Zone 2 | \$169.57 | \$25.43 | \$195.00 |
| Inspection Fee – Zone 3 | \$186.96 | \$28.04 | \$215.00 |
| Inspection Fee – Zone 4 | \$204.35 | \$30.65 | \$235.00 |
| Inspection Fee – Outside Zone 4 | \$230.43 | \$34.57 | \$265.00 |
| Hourly charge out rate | \$108.70 | \$16.30 | \$125.00 |
| Travel Costs (per km) | \$0.87 | \$0.13 | \$1.00 |
| Sale of Liquor Certificate (RMA) | \$65.22 | \$9.78 | \$75.00 |

Schedule of Fees and Charges

| 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 | \$173.91 | \$26.09 | \$200.00 |
| Repeat Noise Complaints | \$173.91 | \$26.09 | \$200.00 |
| Call Out Fee | \$104.35 | \$15.65 | \$120.00 |
| Abatement Notice Fee | \$52.17 | \$7.83 | \$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) | \$217.39 | \$32.61 | \$250.00 |
| Solid Fuel Burner – In Built (including accreditation fee) (deposit) | \$278.26 | \$41.74 | \$320.00 |
| Marquee Consent / Inspection Fee | \$304.35 | \$45.65 | \$350.00 |
| Minor plumbing and drainage works including new connections, replacement septic tanks and effluent fields, demolition work and swimming pool fences (deposit) | \$317.39 | \$47.61 | \$365.00 |
| Dwellings, commercial/industrial buildings and building alterations, repiling and in ground pools (deposit) | \$1,008.70 | \$151.30 | \$1,160.00 |
| Pole Barn / Garage / Carport / Conservatory under \$20,000 (deposit) | \$652.17 | \$97.83 | \$750.00 |
| Minor building work (deposit) | \$317.39 | \$47.61 | \$365.00 |

Schedule of Fees and Charges

| Consent Fees continued | excl GST | GST | incl GST |
|---|-----------------|------------|-----------------|
| Semi Permanent Awnings | \$121.74 | \$18.26 | \$140.00 |
| Amendment to building consent - deposit | \$260.87 | \$39.13 | \$300.00 |
| Hourly Processing Fee | \$130.43 | \$19.57 | \$150.00 |

| Administrative Charges | excl GST | GST | incl GST |
|---|-----------------|------------|-----------------|
| Administration Fee – under \$20,000 | \$226.09 | \$33.91 | \$260.00 |
| Administration Fee – over \$20,000 | \$400.00 | \$60.00 | \$460.00 |
| Administration Fee – over \$100,000 and commercial buildings | \$521.74 | \$78.26 | \$600.00 |
| Compliance Schedules (BWOFF) | \$104.35 | \$15.65 | \$120.00 |
| Amendments to Certificate of Compliance Schedules | \$104.35 | \$15.65 | \$120.00 |
| Issue of Compliance Schedule | \$226.09 | \$33.91 | \$260.00 |
| Building Warrant of Fitness Audit Fee | \$130.43 | \$19.57 | \$150.00 |
| Notice to Fix (Administration and Penalty Fee) | \$104.35 | \$15.65 | \$120.00 |
| BRANZ Levy | Actual cost | | |
| Inspection Fee – Zone 1 | \$165.22 | \$24.78 | \$190.00 |
| Inspection Fee – Zone 2 | \$173.91 | \$26.09 | \$200.00 |
| Inspection Fee – Zone 3 | \$191.30 | \$28.70 | \$220.00 |
| Inspection Fee – Zone 4 | \$208.70 | \$31.30 | \$240.00 |
| Inspection Fee – Outside Zone 4 | \$234.78 | \$35.22 | \$270.00 |
| Re-Inspection Fee | \$304.35 | \$45.65 | \$350.00 |
| Central Government Accreditation Recovery Fee – under \$20,000 | \$26.09 | \$3.91 | \$30.00 |
| Central Government Accreditation Recovery Fee – under \$100,000 | \$56.52 | \$8.48 | \$65.00 |
| Central Government Accreditation Recovery Fee – over \$100,000 | \$104.35 | \$15.65 | \$120.00 |
| Central Government Accreditation Recovery Fee – Commercial | \$156.52 | \$23.48 | \$180.00 |
| Hourly Charge Out Rate | \$130.43 | \$19.57 | \$150.00 |
| Travel Costs (per km) | \$0.87 | \$0.13 | \$1.00 |
| Engineering Check (Services) Hourly Rate | \$130.43 | \$19.57 | \$150.00 |
| Peer review of engineering reports | Actual Cost | | |
| Sale of Liquor Certificate (Building) | \$60.87 | \$9.13 | \$70.00 |
| Property File Request | \$26.09 | \$3.91 | \$30.00 |

| Infringement Fees as per BA04 Infringement Schedule – general building offences | excl GST | GST | incl GST |
|--|-----------------|------------|-----------------|
| s40 Failing to comply with the requirement that building work must be carried out in accordance with a building consent | \$652.17 | \$97.83 | \$750.00 |
| s42 Failing to apply for certificate of acceptance for urgent work as soon as reasonably practicable after completion of building work | \$434.78 | \$65.22 | \$500.00 |
| s101 Failing to comply with requirement to obtain a compliance schedule | \$217.39 | \$32.61 | \$250.00 |
| s108(5)(a) Failing to display a building warrant of fitness required to be displayed | \$217.39 | \$32.61 | \$250.00 |

Schedule of Fees and Charges

| Infringement Fees as per BA04 Infringement Schedule – general building offences continued | excl GST | GST | incl GST |
|---|-----------------|------------|-----------------|
| s108(5)(b) Displaying a false or misleading building warrant of fitness | \$869.57 | \$130.43 | \$1,000.00 |
| s108(5)(c) Displaying a building warrant of fitness other than in accordance with section 108 | \$869.57 | \$130.43 | \$1,000.00 |
| s116(1)(a) Using, or knowingly permitting the use of, building for a use for which it is not safe or not sanitary | \$1,304.35 | \$195.65 | \$1,500.00 |
| s116(1)(b) Using, or knowingly permitting the use of, a building that has inadequate means of escape from fire | \$1,739.13 | \$260.87 | \$2,000.00 |
| s124 Failing to comply with a notice, within the time stated in the notice, requiring work to be carried out on a dangerous, earthquake prone, or insanitary building | \$869.57 | \$130.43 | \$1,000.00 |
| s128 Using or occupying a building, or permitting another person to do so, contrary to a territorial authority's hoarding, fence, or notice | \$1,739.13 | \$260.87 | \$2,000.00 |
| s168 Failing to comply with a notice to fix | \$869.57 | \$130.43 | \$1,000.00 |
| s363 Using, or permitting use of building having no consent or code compliance certificate or certificate for public use for premises for public use | \$1,304.35 | \$195.65 | \$1,500.00 |
| s367 Wilfully obstructing, hindering, or resisting a person executing powers conferred under the Act or its regulations | \$434.78 | \$65.22 | \$500.00 |
| s368 Wilfully removing or defacing a notice published under the Act or inciting another person to do so | \$434.78 | \$65.22 | \$500.00 |

| 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 | \$12.17 | \$1.83 | \$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 | \$52.17 | \$7.83 | \$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 | \$130.43 | \$19.57 | \$150.00 | |
| Minimum charge for specialist maps | \$65.22 | \$9.78 | \$75.00 | |

Schedule of Fees and Charges

| Information Memoranda | excl GST | GST | incl GST |
|---|-----------------|------------|-----------------|
| Property Information Memoranda | \$260.87 | \$39.13 | \$300.00 |
| 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 | \$130.43 | \$19.57 | \$150.00 |

| Miscellaneous Consents | excl GST | GST | incl GST |
|--|----------------------------------|------------|-----------------|
| Certificate of Public Use | \$260.87 | \$39.13 | \$300.00 |
| | Plus actual and reasonable costs | | |
| Certificate of Acceptance | \$565.22 | \$84.78 | \$650.00 |
| | Plus actual and reasonable costs | | |
| Applications for Change of use of a building | \$347.83 | \$52.17 | \$400.00 |
| | 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 | \$130.43 | \$19.57 | \$150.00 |
| Hourly charge out rate | \$130.43 | \$19.57 | \$150.00 |

| Swimming Pool Fences | excl GST | GST | incl GST |
|--|-----------------|------------|-----------------|
| Compliance Inspection for existing fence | \$156.52 | \$23.48 | \$180.00 |

Schedule of Fees and Charges

| Registration of Premises | excl GST | GST | incl GST |
|--|-----------------|------------|-----------------|
| Annual Registration of Premises | | | |
| Food premises / Food control plans | \$304.35 | \$45.65 | \$350.00 |
| Prepacked food only/low risk | \$173.91 | \$26.09 | \$200.00 |
| Premises required to be inspected but not registered. Inspection by request. | \$173.91 | \$26.09 | \$200.00 |
| Re-inspection for failure to comply / failure of CAR | \$130.43 | \$19.57 | \$150.00 |
| Registration of person/entity using registered premises | \$43.48 | \$6.52 | \$50.00 |
| Offensive Trades: Operating under Schedule 3 of Health Act 1956 | \$173.91 | \$26.09 | \$200.00 |
| Hairdressers Registration | \$134.78 | \$20.22 | \$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 | \$173.91 | \$26.09 | \$200.00 |
| Animal Sale Yards | \$173.91 | \$26.09 | \$200.00 |
| Transfer of Registration | \$86.96 | \$13.04 | \$100.00 |
| Registration of event on public / open space | \$65.22 | \$9.78 | \$75.00 |
| Market stall Inspection (excludes registered mobile shops) | \$21.74 | \$3.26 | \$25.00 |
| Mobile Shop | \$173.91 | \$26.09 | \$200.00 |

| Annual Registration of Premises continued | excl GST | GST | incl GST |
|---|-----------------|------------|-----------------|
| Street tables and chairs | \$173.91 | \$26.09 | \$200.00 |
| Mobile Shop (initial registration) | \$217.39 | \$32.61 | \$250.00 |
| Food Control Plans (Administration) | \$130.43 | \$19.57 | \$150.00 |
| Food Control Plans (Audit and Inspection) hourly rate | \$130.43 | \$19.57 | \$150.00 |
| Food Control – Transition Registration | \$173.91 | \$26.09 | \$200.00 |
| Verification Charge Food Control Plans hourly rate | \$130.43 | \$19.57 | \$150.00 |

Schedule of Fees and Charges

| Liquor | excl GST | GST | incl GST |
|---|-----------------|----------|------------|
| Note: | | | |
| ▪ Fees set by Regulation under Sale and Supply of Alcohol Act | | | |
| 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 | \$150.00 | \$22.50 | \$172.50 |
| 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 | \$55.43 | \$8.32 | \$63.75 |
| Other Applications | | | |
| Managers Certificate Application | \$275.00 | \$41.25 | \$316.25 |
| Temporary Authority / Temporary Licence | \$258.00 | \$38.70 | \$296.70 |
| Variation to licence | \$130.43 | \$19.57 | \$150.00 |
| Permanent Club Charters annual fee | \$550.00 | \$82.50 | \$632.50 |
| Extract from registrar | \$50.00 | \$7.50 | \$57.50 |
| District Licensing Committee Costs | At actual costs | | |

Schedule of Fees and Charges

| Hawkers, Pedlars, Itinerant Traders, Markets and Street Stalls | excl GST | GST | incl GST |
|---|---------------------------|------------|-----------------|
| Trading Licence (Public Places) | | | |
| Application and Licence Fee per annum - seasonal | \$86.96 | \$13.04 | \$100.00 |
| Application and Licence Fee per annum – monthly | \$104.35 | \$15.65 | \$120.00 |
| Itinerant Trader | \$86.96 | \$13.04 | \$100.00 |
| Lease/Rent of private land or buildings | \$86.96 | \$13.04 | \$100.00 |
| Markets – Event Organisers – seasonal | \$65.22 | \$9.78 | \$75.00 |
| Markets – Food Stall Holder – seasonal | \$21.74 | \$3.26 | \$25.00 |
| Street Stalls, 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 | \$173.91 | \$26.09 | \$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: | | | |
| <ul style="list-style-type: none"> ▪ 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 | \$17.39 | \$2.61 | \$20.00 |
| For each additional device operated by the same owner, for the first 7 days or part thereof | \$4.35 | \$0.65 | \$5.00 |
| For each device for each further period of 7 days or part thereof | \$2.61 | \$0.39 | \$3.00 |

Schedule of Fees and Charges

| 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 | \$130.43 | \$19.57 | \$150.00 |

| Skateboard and Bicycle Confiscation | excl GST | GST | incl GST |
|--|-----------------|------------|-----------------|
| Return of confiscated skateboards and bicycles | \$43.48 | \$6.52 | \$50.00 |

Schedule of Fees and Charges

| 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 August 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 |
| Dangerous / Menacing by action | \$121.74 | \$18.26 | \$140.00 |
| Penalty for payment received after 1 August | \$17.39 | \$2.61 | \$20.00 |
| Dog Impounding | | | |
| First impounding | \$40.00 | \$6.00 | \$46.00 |
| Second impounding | \$53.04 | \$7.96 | \$61.00 |
| Third impounding | \$106.96 | \$16.04 | \$123.00 |
| Daily charge | \$12.61 | \$1.89 | \$14.50 |
| After hours opening fee | \$35.65 | \$5.35 | \$41.00 |
| Other charges | | | |
| Microchipping | \$26.09 | \$3.91 | \$30.00 |
| Replacement tags | \$2.61 | \$0.39 | \$3.00 |
| Collars – Large | \$8.70 | \$1.30 | \$10.00 |
| Collars – Small | \$6.96 | \$1.04 | \$8.00 |
| Ranging Charges | | | |
| Note: <ul style="list-style-type: none"> ▪ Pursuant to the Impounding Act 1955. | | | |
| Staff attendance at incidents of stock on roads including State Highways (per hour) | \$130.43 | \$19.57 | \$150.00 |
| Travel Costs (per km) | \$0.87 | \$0.13 | \$1.00 |
| Minimum charge | \$86.96 | \$13.04 | \$100.00 |

Schedule of Fees and Charges

| 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 | \$7.39 | \$1.11 | \$8.50 |
| Sustenance for every animal per day | \$7.39 | \$1.11 | \$8.50 |
| Notice to owner by post or delivery | \$7.39 | \$1.11 | \$8.50 |
| 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 | \$104.35 | \$15.65 | \$120.00 |
| Minimum Charge for second and subsequent impounding of stock from same owner -additional fee. | \$156.52 | \$23.48 | \$180.00 |

| Stock Droving | excl GST | GST | incl GST |
|---------------------------------------|-----------------|------------|-----------------|
| Stock Droving Fees | | | |
| Non Ratepayers (fee per day of drove) | \$71.30 | \$10.70 | \$82.00 |
| Ratepayer (fee per day of drove) | No Charge | | |
| Holding Paddock Fees | | | |
| All users (fee per night per paddock) | \$57.83 | \$8.67 | \$66.50 |
| Roadside Grazing Permit Fees | | | |
| All users (annual fee) | \$48.70 | \$7.30 | \$56.00 |

| Emergency Management | excl GST | GST | incl GST |
|-----------------------------|-----------------|------------|-----------------|
| Fire Permit Inspection | \$56.52 | \$8.48 | \$65.00 |
| Travel Costs (per km) | \$0.87 | \$0.13 | \$1.00 |

Schedule of Fees and Charges

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 | \$162.61 | \$24.39 | \$187.00 |
| Bond Administration Fee | \$46.09 | \$6.91 | \$53.00 |

| Plans and Consents | excl GST | GST | incl GST |
|--|-----------------|------------|-----------------|
| Generic Traffic Management Plan (annual fee) | \$1,304.35 | \$195.65 | \$1,500.00 |
| Individual Traffic Management Plan | \$48.70 | \$7.30 | \$56.00 |
| Corridor Access Request | \$103.48 | \$15.52 | \$119.00 |
| Generic Overweight Permit | \$162.61 | \$24.39 | \$187.00 |
| Individual Overweight Permit | \$103.48 | \$15.52 | \$119.00 |

| Temporary Road Closure | excl GST | GST | incl GST |
|--|-----------------|------------|-----------------|
| Application | \$325.22 | \$48.78 | \$374.00 |
| Road Inspection Staff (per inspection) | \$212.17 | \$31.83 | \$244.00 |
| Travel Costs (per km) | \$0.87 | \$0.13 | \$1.00 |

| Road Stopping | excl GST | GST | incl GST |
|----------------------|-----------------|------------|-----------------|
| Application | \$1,500.00 | \$225.00 | \$1,725.00 |

| Livestock Crossing Permit | excl GST | GST | incl GST |
|----------------------------------|-----------------|------------|-----------------|
| Application | \$162.61 | \$24.39 | \$187.00 |

Schedule of Fees and Charges

| 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 | \$212.17 | \$31.83 | \$244.00 |
| Annual Licence Fee (up to one acre (4000m ²)) | \$53.91 | \$8.09 | \$62.00 |
| Annual Licence Fee (larger than one acre (4000m ²)) | \$99.13 | \$14.87 | \$114.00 |

Schedule of Fees and Charges

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 \$3.50/tonne carbon credits (GST exempt).

| Refuse and Greenwaste | excl GST | Carbon credits | Waste Min Levy | GST | incl GST |
|---|--|----------------|----------------|----------|----------|
| Landfill (minimum charge of \$60.00) | | | | | |
| Standard Refuse (per tonne) | \$118.43 | \$3.50 | \$10.00* | \$17.77 | \$139.70 |
| Special/Difficult Refuse (per tonne) | Actual Costs of disposal (Min standard refuse rate charge) | | | | |
| Transfer Station - Refuse | | | | | |
| | excl GST | Waste Min Levy | GST | incl GST | |
| Car | \$10.43 | \$0.65* | \$1.57 | \$12.00 | |
| Van or ute with a contained load being either a Wheelie bin/drum/small wool sack/up to 2 bags | \$10.43 | \$0.65* | \$1.57 | \$12.00 | |
| Utilities and Vans | \$20.87 | \$1.58* | \$3.13 | \$24.00 | |
| Trailers up to 2.0m long up to 1m high | \$20.87 | \$1.58* | \$3.13 | \$24.00 | |
| Utilities and Trailers up to 2.0m loaded above 1m high (per 0.5m) | \$10.43 | \$0.65* | \$1.57 | \$12.00 | |
| Trailers up to 2.6m long up to 1m high | \$31.30 | \$2.27* | \$4.70 | \$36.00 | |
| Trailers up to 2.6m loaded above 1m high (per 0.5m) | \$20.87 | \$1.58* | \$3.13 | \$24.00 | |
| Trailers larger than above | Per cubic metre rate | | | | |
| Flat Deck Truck | Landfill or measured m ³ rate | | | | |
| Other Truck | Landfill or a pre agreed m ³ rate | | | | |
| Per cubic metre (compacted) | \$69.57 | \$4.18* | \$10.43 | \$80.00 | |

Schedule of Fees and Charges

| Transfer Station – Refuse continued | excl GST | Waste Min Levy | GST | incl GST |
|--|-------------------------------|-----------------------|------------|-----------------|
| Per cubic metre (not compacted) | \$31.30 | \$2.27* | \$4.70 | \$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 | \$10.43 | \$1.57 | \$12.00 |
| Trailers up to 2.0m long up to 1m high | \$10.43 | \$1.57 | \$12.00 |
| 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 | \$20.87 | \$3.13 | \$24.00 |
| Trailers up to 2.6m loaded above 1m high (per 0.5m) | \$10.43 | \$1.57 | \$12.00 |
| Trailers larger than above | Per cubic metre rate | | |
| Flat Deck Truck | Measured m ³ rate | | |
| Other Truck | Pre agreed m ³ 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 | \$3.48 | \$0.52 | \$4.00 |
| Motorcycle | \$1.74 | \$0.26 | \$2.00 |
| 4x4 | \$5.22 | \$0.78 | \$6.00 |
| Truck | \$7.83 | \$1.17 | \$9.00 |
| Tractor | \$21.74 | \$3.26 | \$25.00 |
| 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 | \$1.91 | \$0.29 | \$2.20 |
| Recycling Bin | \$19.13 | \$2.87 | \$22.00 |

| Unauthorised dumping - Council may 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 |

Schedule of Fees and Charges

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 | \$6.09 | \$0.91 | \$7.00 |
| 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 | \$108.70 | \$16.30 | \$125.00 |
| Inspection fee | \$108.70 | \$16.30 | \$125.00 |
| Debt Recovery – hourly rate | \$108.70 | \$16.30 | \$125.00 |
| Restrictor Fee | \$217.39 | \$32.61 | \$250.00 |
| | Plus actual costs | | |
| Disconnections and Reconnections | Contractors cost | | |
| Reconnection following Council imposed disconnection | Contractors cost | | |
| New Connections | Contractors cost | | |

Schedule of Fees and Charges

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 | \$108.70 | \$16.30 | \$125.00 | |
| Inspection fee | \$108.70 | \$16.30 | \$125.00 | |
| 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 | \$108.70 | \$16.30 | \$125.00 | |
| 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 | \$0.17 | \$0.02 | \$0.19 |
| | Waipawa | \$0.17 | \$0.02 | \$0.19 |
| B3 | Suspended solids | Payment based on the mass of suspended solids \$/kg | | |
| | Waipukurau ISS | \$0.96 | \$0.14 | \$1.10 |
| | VSS | \$0.11 | \$0.02 | \$0.13 |
| | Waipawa ISS | \$1.23 | \$0.18 | \$1.41 |
| | VSS | \$0.17 | \$0.02 | \$0.19 |
| B4 | Organic loading | Biochemical oxygen demand or chemical oxygen demand \$/kg. | | |
| | Waipukurau | \$1.28 | \$0.19 | \$1.47 |
| | Waipawa | \$0.82 | \$0.12 | \$0.94 |
| B5 | Nitrogen | Payment based on the defined form(s) of nitrogen \$/kg. | | |
| | Waipukurau | \$1.92 | \$0.29 | \$2.21 |
| | Waipawa | \$1.71 | \$0.26 | \$1.97 |
| B6 | Phosphorous | Payment based on the defined form(s) of phosphorous \$/kg. | | |
| | Waipukurau | \$6.35 | \$0.95 | \$7.30 |
| | Waipawa | \$5.13 | \$0.77 | \$5.90 |
| Tankered Waste Charges | | | | |

| | | | |
|-----------------------------------|----------|---------|----------|
| Tankered Wastes (per tanker load) | \$100.44 | \$15.06 | \$115.50 |
|-----------------------------------|----------|---------|----------|

Schedule of Fees and Charges

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 | \$108.70 | \$16.30 | \$125.00 |
| Inspection fee | \$108.70 | \$16.30 | \$125.00 |
| 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 | \$108.70 | \$16.30 | \$125.00 |

Schedule of Fees and Charges

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 | \$30.43 | \$4.57 | \$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 | \$0.78 | \$0.12 | \$0.90 |
| Trade paperback | \$0.87 | \$0.13 | \$1.00 |
| Magazines | \$0.61 | \$0.09 | \$0.70 |
| 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) | \$5.65 – \$21.30 | \$0.85 - \$3.20 | \$6.50 - \$24.50 |
| Books for Sale | Librarians discretion | | |
| Lost books | Charged at replacement cost (purchase price minus discount (if any), plus 30% administration charge) | | |
| Other Charges | | | |
| DVDs per week | \$4.35 | \$0.65 | \$5.00 |

Schedule of Fees and Charges

| Photocopying / Printing | | | |
|--|---------|--------|---------|
| Note: | | | |
| <ul style="list-style-type: none"> ▪ There is no discount if the customer has supplied their own paper. | | | |
| A4 Single Sided per sheet | \$0.17 | \$0.03 | \$0.20 |
| A4 Double Sided per sheet | \$0.35 | \$0.05 | \$0.40 |
| A4 Colour Single Sided | \$1.30 | \$0.20 | \$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 |
| Scanning for first page | \$0.87 | \$0.13 | \$1.00 |
| Scanning for extra pages | \$0.17 | \$0.03 | \$0.20 |
| Laminating | | | |
| A4 size | \$1.74 | \$0.26 | \$2.00 |
| A3 size | \$3.48 | \$0.52 | \$4.00 |
| Miscellaneous | | | |
| Replacement Library Cards | \$2.61 | \$0.39 | \$3.00 |
| Book Covering | \$2.61 | \$0.39 | \$3.00 |
| Bond for temporary membership | \$17.39 | \$2.61 | \$20.00 |
| Road Code Bond | \$8.70 | \$1.30 | \$10.00 |

Schedule of Fees and Charges

| 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 | \$547.83 | \$82.17 | \$630.00 |
| Burial Plots – children (caskets up to 1200mm x 600mm) | \$143.48 | \$21.52 | \$165.00 |
| Burial Plots (stillborn – around the base of the memorial at Waipukurau Cemetery) (caskets up to 400mm x 340mm) | No charge | | |
| Ashes or Crematorium Berm | \$174.78 | \$26.22 | \$201.00 |
| Crematorium Garden Plot | \$216.52 | \$32.48 | \$249.00 |
| Crematorium Family Garden Area (8 plots) | \$1,733.91 | \$260.09 | \$1,994.00 |
| Crematorium Family Garden Area (10 plots) | \$2,166.96 | \$325.04 | \$2,492.00 |
| Interment Fees | | | |
| Standard – including public holidays and weekends | \$600.00 | \$90.00 | \$690.00 |
| Children and Stillborn – including public holidays and weekends | \$152.17 | \$22.83 | \$175.00 |
| Ashes | \$152.17 | \$22.83 | \$175.00 |
| Miscellaneous Charges | | | |
| Permits for headstones | \$36.52 | \$5.48 | \$42.00 |
| Permits for plaques | \$19.13 | \$2.87 | \$22.00 |
| Permits for renovations | No charge | | |
| Search Fee | \$32.17 | \$4.83 | \$37.00 |
| 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%. | | |

Schedule of Fees and Charges

| 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 | \$52.17 | \$7.83 | \$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 | \$86.61 | \$12.99 | \$99.60 |
| | Married Occupancy | \$94.57 | \$14.19 | \$108.76 |
| Wellington Road Waipukurau (per week) | Single Occupancy | \$99.50 | \$14.92 | \$114.42 |
| | Married Occupancy | \$108.72 | \$16.31 | \$125.03 |

Glossary

Activity – Services, projects or goods provided by, or on behalf of, Council (eg libraries). These activities are then combined into groups of activities.

Annual Plan – The Annual Plan is produced in the intervening years between Long Term Plans. It includes the work programme for the year and financial statements.

Annual Report – Reports on the performance of Council against the objectives, policies, activities, performance measures, indicative costs, and sources of funds outlined in the Annual Plan and the Long Term Plan.

Asset – Something of value that Council owns on behalf of the people of Central Hawke's Bay such as roads, drains, parks and buildings.

Asset Management Plan – A long term plan for managing an asset to ensure that its capacity to provide a service is kept up and costs over the life of the asset are kept to a minimum.

Borrowing – Refers to the raising of loans for capital items, such as the sewerage scheme.

Capital Expenditure – Expenditure that will increase the value of Council's assets.

Capital Value – Value of land including any improvements.

Community Boards – Local elected bodies set up under the Local Government Act. Community Boards are consulted by Council and can represent community concerns to Council. Central Hawke's Bay District has no community boards.

Community Outcomes – Goals that the community believe are important for its present and future economic, social, cultural and environmental well-being.

Council Controlled Organisations – Council controlled organisations are organisations in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.

Financial Year – Council's financial year runs from 1 July to 30 June of the following year.

Prospective Cash Flow Statement – This describes the cash effect of transactions and is broken down into three components: operating, investing and financing activities.

Prospective Statement of Comprehensive Income – This can also be referred to as the Profit and Loss Statement, the Income Statement, or the Operating Statement. It shows the financial results of various Central Hawke's Bay District Council activities at the end of each period as either a surplus or deficit. It does not include asset purchases or disposals.

Prospective Balance Sheet – This shows the financial state of affairs at a particular time.

Prospective Statement in Changes in Equity – Shows how Council's resources are increasing in value over time.

General Rate – A rate levied across all properties for activities that benefit the whole District.

Group of Activities – Several activities combined together (eg cultural and community facilities).

Land Value – Value of land, excluding any improvements.

Local Government Act 2002 – The key legislation that defines the powers and responsibilities of local authorities like Central Hawke's Bay District Council.

Long Term Plan (LTP) – A ten year plan that sets out Council's response to community outcomes and how Council will manage its finances and the community's resources. The requirement for the LTP was introduced by the Local Government Act 2002.

Operating Expenditure – Money Council spends on such items as salaries, materials, electricity and plant hire.

Glossary

Operating Revenue – Money earned through the activities in return for a service provided, or by way of a grant or subsidy to ensure particular services or goods are provided. Examples include New Zealand Transport Agency subsidies, rental income, permits and fees.

Operating Surplus (Deficit) – The expressions ‘operating surplus’ and ‘operating deficit’ are accounting terms meaning the excess of income over expenditure and excess expenditure over income respectively. Income and expenditure in this context exclude ‘capital’ items such as the receipt or repayment of loans, the cost of capital works and transfers to and from Reserves. An operating surplus/deficit is inclusive of non-cash items such as income and expenditure owing but not paid (Debtors and Creditors) and depreciation.

Performance Measure – A measure that shows how well Council is doing in achieving the objectives it has set for itself.

Rates – Funds collected by Council from levies on property. These are based on the Capital and Land value of the property but the term is often used to include Uniform Annual General Charges and Targeted Rates.

Revenue and Financing Policy – This describes how the Council’s work will be paid for and the mechanisms for gathering the funds (such as general rate, targeted rates, user charges, grants).

Significance – Degree of importance of the issue, proposal, decision or matter as assessed by the local authority in terms of its likely consequences for the current and future social, economic, environmental, or cultural wellbeing of the community.

Subsidies – Amounts received from other agencies for the provision of services (eg NZ Transport Agency roading subsidies).

Targeted Rates – Any rate levied other than the general rate, which is targeted at users of a service such as water supply, wastewater and solid waste.

Transfer to/from Reserves – Transfer of funds to reserves are generally surpluses on operations. Transfers from reserves assist to fund capital expenditure.

User Charges – The charges levied for use of Central Hawke’s Bay District Council services (eg building consent fees, health inspections).

Working Capital – These are Council’s net current assets that are held in cash or can be readily converted to cash, less liabilities due for payment within a year. This is indicative of Council’s ability to meet its obligations as they become due.