



FAR NORTH DISTRICT COUNCIL LONG TERM PLAN 2015-25

CONTENTS

	Page
Welcome	5
Your Council	9
Council Vision, Mission, and Principles	15
Community Outcomes and Council Goals	19
Council's Strategic Priorities	25
Planning through Performance Management	27
Key Decisions	29
Corporate Assumptions	47
30 year Infrastructure Strategy	67
Activity Groups	125
<i>Roading and Footpaths Group</i>	127
<i>Stormwater Group</i>	155
<i>Water Supply Group</i>	167
<i>Wastewater Group</i>	183
<i>Waste Management Group</i>	201
<i>District Facilities Group</i>	213
<i>Environmental Management Group</i>	279
<i>Strategic Planning and Policy Group</i>	309
<i>Governance and Strategic Administration Group</i>	339
Council Controlled Trading Organisation	349
Financial Strategy	353
Funding Impact Statement	373
Prospective Financial Statements and Other Information	419
Revenue and Financing Policy	439
Significance and Engagement Policy Summary	468
Statement of Accounting Policies	469
Water, Sanitary Services and Waste Management Assessment Variations	487
Audit Opinion	489
Glossary	493

WELCOME

Nau mai, haere mai. Welcome to the Far North District Council's Long Term Plan for 2015-25. The Long Term Plan is the most important document Council produces. It outlines the infrastructure and financial challenges the Council faces and its strategy for addressing these and other priorities over the next 10 years.

The Long Term Plan 2015-25 is part of a series of 10-year plans which Council reviews every years as required by the Government. Each plan builds on the direction set in the previous plan, but it also takes account of how the world and our district have moved on over the last three years and the new issues and challenges we face.

Since Council finalised the last plan in in 2012, there has been an amendment to the Local Government Act 2002 which governs the 10-year planning process. The Local Government Act 2002 Amendment Act 2014 requires councils to produce a 30-year Infrastructure Strategy and to include this in their Long Term Plans. They must also produce a concise and focused consultation Document for a proposed Long Term Plan, instead of a long and technical Draft Long Term Plan. They must then seek public submissions on this consultation document via a Special Consultative Process (SCP). This document needs to prompt the 'right debate' in the community and provide an effective basis for public participation in the Long Term Plan decision-making process by succinctly outlining:

- Key Long Term Plan issues clearly and simply
- The main options for addressing these issues, including the Council's preferred option
- The likely impact that proceeding with the proposals will have on rates, debt and levels of service
- Any significant changes proposed to funding operating and capital expenditure, including changes to the rating system
- Other matters of public interest relating to the proposed financial and infrastructure strategies
- How people can become involved in the Long Term Plan consultation process
- Where the public may obtain relevant information.

Council published its consultation document and a set of underlying documents (including a 30-year Infrastructure Strategy) on 23 March 2015 and held 10 community meetings and hui across the District in March and April to give the public opportunities to ask questions and voice concerns about proposals in the document. Council received 2,675 submissions to the document and underlying documents. 159 of these submitters spoke about their submissions at public hearings in May. Council finalised this plan on 25 June after carefully deliberating over these submissions on 9 June.

WELCOME

MESSAGE FROM THE MAYOR

Kia ora koutou



The consultation document for the Proposed Long Term Plan 2015-25 outlined a significant programme of capital works designed to address historic gaps in services and infrastructure. We were acutely aware of the costs these works would create for households, so provided a range of options for addressing these. These included lower cost options for small service level improvements to higher cost options for higher levels of service. We also needed people to make choices between competing projects. Most people understand that improving our water supplies and fixing failing sewerage systems are high priorities, but there is also community interest – particularly in Kaitaia – in forming partnerships to build indoor, heated swimming pools. Our consultation document set out the costs of doing all three so ratepayers could draw their own conclusions about what was affordable, sensible and realistic. We also encouraged people to balance the needs of current and future generations and to think about where our priorities should lie as a district, which is the second largest in the North Island and includes large tracts of unrateable or commercially unproductive land.

We were impressed with the turnout at the 10 community meetings and hui we held across the District. Councils typically struggle to involve the wider community in their decision-making, so we appreciate the fact that many people in each community took the time to come and talk to us. We are also grateful to the 2,675 people who made submissions to the plan. While most of these submissions were from people who wanted the Council to partly fund a pool in Kaitaia, the quality of the other submissions gave us a good understanding of the community's concerns. We were pleased to see that, in most cases, the Council's preferred option for addressing a particular issue was also the option supported by most submitters. In fact, nearly 80% (27/33) of the options the Council proposed to address infrastructure and funding issues were supported by the majority of submitters.

We are committed to being a council that is guided by the community in its decision making, so it was gratifying to see this level of support for our plan, particularly as some of our preferred proposals weren't the cheapest options. We can now move forward with a significant works programme that includes nearly \$18 million of improvements to the roading network, \$23.7 million to progress an upgrade of Kerikeri and Paihia's sewerage systems when a multi-criteria, cost-benefit analysis has been completed and \$13.7 million to reduce leakages from Kaitaia's leaking sewerage system. Water projects funded in the plan include \$6.8 million for a new Paihia water treatment plant and raw water storage, \$3.6 million for a new Kaitaia water source, \$2.2 million to improve the quality of Te Kao's water, \$1.32 million and \$370,000 respectively to make the water supplies at Opononi-Omapere and Rawene-Omanaia more drought-resilient.

The plan should satisfy the 2,210 people who wanted to see the Council partially fund an \$8.38 million indoor, heated swimming pool in Kaitaia and voted to fund 33.33% of the capital costs from a targeted differential rate no earlier than 2018/19, provided the community raises 66.66% of these costs. But it should also please submitters who weren't ready for new pools in Kerikeri and

WELCOME

Kaikohe. We haven't included funding in this plan for these proposals, but will ask staff to work with groups on options to include in the 2018-28 plan. We were pleased to receive a \$3 million grant from the Government to complete the Twin Coast Cycle Trail after we published our consultation document. Northland Regional Council has approved a \$900,000 grant application to Northland Inc. to meet the balance of costs and we will decide how to fund a permanent trail from Opuia to Taumarere in year three of the plan, however these costs have not been included in the plan. Community recreational facilities in this plan include Te Ahu and Te Hiku Sports Hub in Kaitaia, Turner Centre and sports facilities in Kerikeri, Bay of Islands Recreation Centre in Kawakawa, Turner Centre in Kerikeri, Lindvart Park in Kaikohe. We have also included additional funds to complete a much-needed footpath from Haruru Falls to Waitangi.

Most submitters supported our proposals to redirect a \$200,000 Community Assistance Fund to core infrastructure renewals, so we plan to suspend this fund in 2015/16, partially restore it to \$100,000 in 2016/17 and fully restore it to \$200,000 in 2018/19. The majority of submitters were also in favour of halving the grants fund administered by community boards. We are guided by our community boards as much as the community so will reduce this by 25% instead of the proposed 50%. We will also reduce funding for community economic development assistance initiatives from \$640,000 to \$190,000 as proposed. However, we will include an additional \$130,000 in the plan to support generated by the Regional Growth Strategy and He Tangata, He Whenua, He Oranga.

Overall, we are proud to have produced a Long Term Plan that represents a significant step forward in terms of addressing historic infrastructure gaps, has a high level of public support and provides a reasonable balance between the 'must-dos' and the 'nice-to-haves'.

Ngā mihi

Far North Mayor
Hon John Carter QSO

WELCOME

MESSAGE FROM THE CHIEF EXECUTIVE (ACTING)

Kia ora koutou



I want to thank His Worship The Hon Mayor John Carter, elected members, general managers and other staff of the Council for the tremendous work they have put into producing this Plan which sets out the Council's priorities for the next 10 years. Countless hours by a large number of people went into developing our consultation document and underlying documents which included infrastructure and financial strategies and asset management plans.

The Council is committed to becoming a high-performance organisation that carries the trust and confidence of the communities it is here to serve. The Long Term Plan is an important part of gaining that trust and confidence. It outlines the services we aim to provide over the next 10 years and gives communities a benchmark to measure our performance against. Building trust in the Council is also about listening and being open with our communities.

We have a Long Term Plan that provides an unvarnished snap-shot of the District and gives ratepayers and communities a clear understanding of the infrastructure and financial challenges. We followed best-practice guidelines for Long Term Plan consultation and aimed to present key information, including rating impacts, in a focused, easy-to-read format so people could quickly understand the issues and see which proposals affected them.

We have tried to make our finalised Long Term Plan as easy as possible to read and have gone to some effort to show how the feedback the community gave us influenced our decision-making. I encourage you to read this document so you have a better understanding of the work we are planning on your behalf over the next 10 years, as well as the level of service we aim to provide.

We are proposing significant capital works in some of the communities we met with and will be going back to those communities soon to talk more about these projects. Until then, thank you for taking an interest in our Long Term Plan. We are here to serve our communities and be guided by your wishes. We do that more effectively when you take part in our strategic planning processes.

We will be very diligent in reporting on our performance and delivering what we promise.

Ngā mihi

Colin Dale CNZM JP
Chief Executive Officer (Acting)
Far North District Council

YOUR COUNCIL

COUNCIL



Mayor John Carter



Deputy Mayor Tania McInnes
Bay of Islands-Whangaroa Ward



Councillor Sally Macauley
Kaikohe-Hokianga Ward



Councillor Willow-Jean Prime
Bay of Islands-Whangaroa Ward
Bay of Islands-Whangaroa Community Board



Councillor John Vujcich
Kaikohe-Hokianga Ward
Kaikohe-Hokianga Community Board



Councillor Ann Court
Bay of Islands-Whangaroa Ward



Councillor Colin Kitchen
Te Hiku Ward



Councillor Di Maxwell
Bay of Islands-Whangaroa Ward



Councillor Mate Radich
Te Hiku Ward
Te Hiku Community Board



Councillor Dave Collard
Te Hiku Ward

YOUR COUNCIL

COMMUNITY BOARD

Bay of Islands-Whangaroa	Kaikohe-Hokianga	Te Hiku
 <p>Chair Terry Greening</p>	 <p>Chair Pauline Evans</p>	 <p>Chair Lawrie Atkinson</p>
 <p>Deputy Chair Belinda Ward</p>	 <p>Deputy Chair Garry Clarke</p>	 <p>Deputy Chair David Senior</p>
 <p>Florence Annison</p>	 <p>Kelly Van Gaalen</p>	 <p>Mike Ward</p>
 <p>Martin Robinson</p>	 <p>Win Stephens</p>	 <p>Ivan Alvrez</p>
 <p>Doug Turner</p>	 <p>John Schollum</p>	 <p>Adele Gardner</p>
 <p>Bruce Mills</p>	 <p>Louis Toorenberg</p>	 <p>Melanie Dalziel</p>
 <p>Kelly Stratford</p>	<p>If you need to contact a Councillor or Community Board Member then either refer to the contact details listed at the end of the Plan, or www.fndc.govt.nz/contact-us</p>	

YOUR COUNCIL

COMMITTEES

Community Services and Development	Economic Development	Infrastructure	Regulatory and Environment	Audit, Finance and Risk	Strategy and Governance
Chair Cr Sally Macauley	Chair Cr Di Maxwell	Chair Cr John Vujcich	Chair Cr Ann Court	Chair Mayor John Carter QSO	Chair Deputy Mayor Tania McInnes
Mayor John Carter QSO	Mayor John Carter QSO	Mayor John Carter QSO	Mayor John Carter QSO	Cr Willow-Jean Prime	Mayor John Carter QSO
Cr Colin Kitchen	Cr Sally Macauley	Cr Ann Court	Cr Willow-Jean Prime	Cr Di Maxwell	Cr Sally Macauley
Cr Mate Radich	Cr John Vujcich	Cr David Collard	Cr John Vujcich	Cr John Vujcich	Cr Ann Court
Lawrie Atkinson	Cr David Collard	Cr Mate Radich	Cr David Collard	Cr Colin Kitchen	Cr Di Maxwell
Pauline Evans					Cr John Vujcich
Terry Greening					

YOUR COUNCIL

STRATEGIC MANAGEMENT TEAM

Chief Executive (Acting)	Colin Dale
General Manager - Infrastructure and Asset Management	Jacqui Robson
General Manager - Corporate Services	Roger Taylor
General Manager - District Services	Dean Myburgh
General Manager - Strategic Planning and Policy	Kathryn Ross
Strategic Iwi Maori Relationship Manager	Phil Grimshaw
Communications Manager	Richard Edmondson
Human Resources Manager	Lesley Elliot
Special Projects Manager	Victoria Begbie

YOUR COUNCIL

COUNCIL SERVICE CENTRES

Headquarters - Kaikohe	Memorial Avenue
Kaitaia	Te Ahu Centre Corner Matthews Avenue & South Road
Kaeo	Leigh Street
Kerikeri	Procter Library - Cobham Road
Opononi	29-31 State Highway 12
Kawakawa	Gillies Street
Rawene	Parnell Street

CUSTOMER ENQUIRIES

Customers can access a full range of services at any of our service centres or by contacting our call centre on one of the following numbers.

Phone	0800 920 029 or 09 401 5200
Correspondence	Private Bag 752, Kaikohe 0440
Email	ask.us@fndc.govt.nz
Facsimile	09 401 2137
Website	www.fndc.govt.nz

For office location maps and opening hours please refer to <http://www.fndc.govt.nz/contact> or phone our call centre.

COUNCIL'S VISION, MISSION AND PRINCIPLES

INTERIM DISTRICT VISION - THE PLACE WHERE PEOPLE LOVE TO BE

A clear vision for our future is a key part of developing strategy and setting strategic direction. Problems get solved when people combine their skills and energy and work together towards a common goal. We see evidence of this in our work places, on our sports fields and in our communities. The Far North will never achieve its potential unless local and central government, Iwi and hapū, the business sector and communities work together towards common goals. In developing the Long Term Plan Council has worked towards a future district that is: *“The place where people love to be”*.

This acknowledges that the district is our home, our tūrangawaewae and the place we long to return to. The Council wishes to ensure that the future district is the place where people enjoy satisfying lives; are empowered and connected to taonga, each other and places. It is a district where people are valued and respected. It has a vibrant economy, people are prosperous, employed, productive, and contribute to the community. It has safe, clean, healthy, attractive natural and built environments, sustaining life and food sources. Our district has adequate community services, infrastructure and facilities to support communities. We have a strong sense of identity, which people celebrate and have pride in. Our community outcomes have been built around this vision for the district and our vision for Council. But this is not the end of the story.

In 2014, Council decided to facilitate the development of a shared vision for the district, working from the ground up with stakeholders and communities – including Māori, Central Government, NGOs, the community sector, Community Boards, the business sector and other special interest groups.

On behalf of Council, and drawing from her experience in establishing and working for the Focus Paihia Community Trust, Far North Deputy Mayor Tania McInnes is chairing a Stakeholder Reference Group that is behind the extensive engagement process facilitating a flax roots derived vision and objectives for the district. Once that vision has been drafted and confirmed by the communities of the Far North, Council will review its strategies and plans to ensure alignment with the community derived vision for the future. We will also work with others to ensure we are all striving for the same goal.

COUNCIL'S VISION, MISSION AND PRINCIPLES

OUR VISION FOR COUNCIL

Council will be a capable, trusted, and innovative civic leader, serving and inspiring people, maximising opportunities to empower communities and meet their changing needs; while creating great places.

Council needs to rebuild trust with its community, deliver on its promises, have honest conversations, listen and make decisions. Our role is to serve communities while empowering them to take a leadership role in advancing their resilience. Our vision for Council reflects our commitment to our communities both now and into the future.

OUR MISSION

To work together to deliver on our goals and commitments and enable culturally strong, healthy, vibrant, resilient, prosperous, connected people and communities.

Our mission describes the way Council wants to work. We are committed to working with communities and others to enable the Council vision and the future district vision to be realised. We will keep our promises and deliver.

PRINCIPLES

Listed below are the principles we will live by and our commitment to you.

Participation and engagement

People are at the heart of what we do. Our aim is understand and work with communities on their needs and aspirations, to encourage greater engagement in our decision making, and to empower local communities and support local decision making and action on local matters. Anyone affected by or interested in our decisions, will have the opportunity to participate in the process for making that decision.

Responsive and equitable

We serve the needs of the entire community while balancing competing interests in a timely, appropriate and responsive manner. We will consider the interests of all residents and ratepayers when we make our decisions.

COUNCIL'S VISION, MISSION AND PRINCIPLES

Accountable

Accountability is at the centre of good governance. We will do what we say. We will report, explain and be answerable for the consequences of decisions we make on behalf of the community we represent.

Affordability and sustainability

Affordability and sustainability underpin our planning and decision-making for the present and the future. Given the financial climate, we will need to focus on essential district services and infrastructure. Our district and community-based investment is prioritised and based on need.

Effective and efficient and work in partnership

We make the best use of the available people, resources and time to ensure the best possible results for our district. We are not the only provider in our district. Therefore, working with others with a shared purpose enhances our ability to meet the aspirations and needs of our communities, co-ordinates resources and enables action and support and influence change.

Treaty of Waitangi

As a foundation for engagement, Council is committed to building strategic relationships with Māori. Effective relationships and meaningful engagement will enable us to meet our responsibilities, will recognise the Te Tiriti o Waitangi / Treaty of Waitangi, and will result in more informed decision-making, more streamlined processes, and better quality outcomes.

We recognise that fulfilment of Te Tiriti o Waitangi / Treaty of Waitangi obligations means more than simple adherence to statutory requirements. Council will reflect the spirit of Te Tiriti / The Treaty as part of business as usual.

We recognise that having the capability and capacity to engage are issues for Council and Māori. Our attention is currently on building our own capacity to engage with Māori and assisting Māori with developing their capacity to engage with Council's decision-making processes.

Our engagement practice will be in line with our relationship commitments.

COMMUNITY OUTCOMES AND COUNCIL GOALS

Introduction

Council wants to achieve our community outcomes by promoting partnerships and by working alongside other local and regional organisations, central government, non-governmental organisations, Maori and our communities to achieve lasting results that contribute to each community's wellbeing. The tables below set out the outcomes and gives detail about how or what role Council will undertake to achieve these outcomes. These then provide the rationale for why we deliver services. This alignment can be seen in all of the Activity Statements.

GOVERNANCE	
The Outcome	What we do
<p><i>Capable, credible, civic leadership that advocates for people and is trusted by the communities we serve</i></p> <p><i>Our residents and ratepayers engage with us, understand and have confidence in our decision making.</i></p>	<ul style="list-style-type: none"> • Provide leadership on key issues affecting the district and its communities • Facilitate local governance, collective strategies and actions with our communities • Ensure legal obligations are met • Provide open and transparent processes to show that Council listens to and includes community views in decision making.
<p><i>Prudent financial management within long term strategic planning</i></p>	<ul style="list-style-type: none"> • Achieve effective stewardship of our resources and assets and take a long term strategic approach to their use • Ensure information is accurate and up to date so that financial decisions are strategic, consistent, affordable, and achieve an acceptable level of service, now and in the future.
<p><i>Strong partnerships with Māori, communities, businesses, government, Northland councils, non-profit, voluntary groups and communities that improve quality of life and maximise community benefit</i></p>	<ul style="list-style-type: none"> • Maintain or enter into effective partnerships to increase knowledge and capacity, co-ordinate scarce resources and avoid duplication, thus enabling action to improve quality of life in our communities • Achieve agreed partnership goals and objectives • Attain high levels of satisfaction with partners working with us.

COMMUNITY OUTCOMES AND COUNCIL GOALS

Prosperous people, communities and businesses in sustainable places

The Outcome	What we do
<p><i>Safe, healthy, resilient places and people</i></p>	<ul style="list-style-type: none"> • Improve community participation, which creates pride and resilience, in Community based planning • Improve health and safety for our people through support where we can, through regulation; or advocating on their behalf • Ensure built environments are attractive, well designed, safe, and meet the needs of the community • Support and value all people; especially the young, the elderly, and people with disabilities • Protect the environment and people with well designed, fit for purpose, Council infrastructure • Enhance community awareness of, and preparedness for emergencies • Build strong relationships, common vision, values and purpose to create cohesive communities.
<p><i>Our environment is protected, enhanced and wisely managed</i></p>	<ul style="list-style-type: none"> • Protect, maintain and enhance unique landscapes, natural features and indigenous biodiversity • Access to the coast, rivers and natural areas is maintained and improved • Protect and improve the Mauri of water, water quality and water quantity • Encourage development and population growth, but avoid compromising the district's natural and social environment • Reduce waste along with increased recycling to decrease the use of landfills and promote the sustainable management of resources • Recognised and protected historic and archaeological sites and buildings of significance • Support, protect and preserve those Waahi Tapu sites valued by Māori.

COMMUNITY OUTCOMES AND COUNCIL GOALS

Prosperous people, communities and businesses in sustainable places

The Outcome	What we do
<p><i>Sustainable development of our local economy through partnerships, innovation, quality infrastructure and planning</i></p>	<ul style="list-style-type: none"> • Support making the local community an attractive place to live, work and do business in through provision of information, advice, services, funding, infrastructure and facilities, community and land use planning and regulation • Promote the Far North so that it is recognised as an attractive place to work, do business, and visit • Build on the district's comparative strengths within the regional context through economic development • Support local communities to grow thriving businesses, continue to develop existing businesses, and new businesses are attracted to the district to create jobs and raise household incomes • Opportunities are sought for increasing education and skills; though strong partnerships between government, businesses, schools, and training providers • Encourage development and population growth; but in a managed way to avoid compromising our natural and social environment. • Provide infrastructure that enables sustainable economic development • Identified and prioritised opportunities, actions, events and specific projects that benefit the economy of our district, towns and communities.
<p><i>Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district</i></p>	<ul style="list-style-type: none"> • Achieve sustainable communities through services, facilities, infrastructure, and technology solutions • Provide the right services delivered in the right places, to an agreed standard • Achieve more efficient use of existing infrastructure, including managing demand, to deliver value for money services and that infrastructure is planned and affordable

COMMUNITY OUTCOMES AND COUNCIL GOALS

Prosperous people, communities and businesses in sustainable places

The Outcome	What we do
	<ul style="list-style-type: none">• Ensure people, goods and services can move safely and efficiently within the district and region by making steady improvement to the transport network and infrastructure• Promote the strategic value of the district's state highways• Protect the environment and people and enable sustainable development through provision of water, stormwater, and wastewater infrastructure• Maintain or improve the quality of the district's public recreation, leisure, amenities and facilities appropriate to their locations and the needs of communities.

COMMUNITY OUTCOMES AND COUNCIL GOALS

Māori development and Māoritanga are an inherent part of decision making and the way we operate

The Outcome	What we do
<i>Acknowledging Te Tiriti o Waitangi / The Treaty of Waitangi</i>	<ul style="list-style-type: none"> • Acknowledge the spirit of Te Tiriti / The Treaty as part of our business as usual • Develop partnership agreements, including memorandum of understanding. Principles are identified to underpin both partnership and engagement with Māori.
<i>Enabling Māori Development</i>	<ul style="list-style-type: none"> • Work with Māori to align strategies and policies that provides for social, economic and environmental growth. • Support the development and implementation of sustainable hapū management plans to enable Marae and Hapū to develop their potential. • Assist hapū to build their capacity to develop iwi/hapū environmental management plans. • Support a collaborative economic development strategy that enables the growth of a sustainable economic base with Whānau, Hapū and Iwi. • Attain increased wealth and self-determination for hapū and iwi through sustainable economic growth and social development. • Actively promote Māoritanga to enhance development of positive social outcomes. • Support whānau, hapū and iwi to exercise mana and kaitiakitanga over their sacred sites and other taonga to sustain and protect resources for current and future generations. • Strengthen marae, hapū and/or iwi capacity and skills to participate in natural resource management; and opportunities to share and promote mātauranga Māori and kaitiakitanga are increased. • Protect the environment to sustain all our communities. • Support positive and effective relationships through Council's communications strategy.

COUNCIL'S STRATEGIC PRIORITIES

Our Strategic Priorities for the next 3 years

Catch up on core infrastructure

In recent years, Council responded to the Global Financial Crisis by restricting new borrowing and using rates to pay down debt. This resulted in a gap in Council's programmes of asset renewals and new capital expenditure. Council is now planning to catch up. The strategy proposes significant projects for the core infrastructure of roading, water and wastewater.

Address affordability

The biggest single challenge the district faces is being able to pay for the public services required by our communities. Most of the money that pays for those services comes from the individual households that make up those communities. To be affordable, there needs to be a growing economy where salaries and wages, business incomes, and property values are increasing faster than the increase in rates. Over the seven years from 2006 to 2013, that did not occur. Median household incomes increased by only 2% per annum, property values declined by an average of 16%, but rates increased by 8% annually. Council knows, based on these numbers, the community cannot afford a continuation of large annual rates increases – it simply is not sustainable. As can be seen in this document, Council has staged the investment required to achieve recovery over a number of years to ensure it is affordable to ratepayers. Council is putting in place the strategic plans to ensure that investment goes into the right places, including investing in the economy, and by working smarter with our neighbouring councils to ensure the best value for money for our communities.

The Far North's relatively small population, scattered across a large area, makes the provision of infrastructure more costly. The affordability of water and wastewater schemes and roading provision is maximised using funding from other sources such as subsidies (from Government agencies such as the New Zealand Transport Agency and Ministry of Health) and user fees and charges. Working with communities on issues of affordability is important, and by offering opportunities through the LTP consultation processes ensures that communities can express their views on the affordability of upgraded infrastructure. Additionally, Council uses a number of different rates to fund schemes and its other activities. In 2015/16, Council will review the complete set of rating policies to better balance the impacts on affordability.

Maintain levels of service

Council plans to maintain the levels of service provided through its infrastructure assets. Many of these assets provide services that are required by regulation and will be maintained as efficiently and cost-effectively as possible. If levels of service are to be increased, the additional cost will be made clear to ratepayers.

COUNCIL'S STRATEGIC PRIORITIES

Undertake new Capital Projects

When an increase in levels of service is required, new capital works funded by borrowing are considered, therefore:

- Council will prioritise new capital projects based on an objective assessment against key decision-making criteria;
- Council will spend about \$10m per year (averaged over the 10 years of the LTP) on these projects to ensure both affordability and timely delivery.

Council capacity and capability

Council, in becoming more customer and community focussed, needs to invest on our internal capacity and capability. This is mostly being undertaken in year 1 of the LTP. Council has undertaken an organisational review to ensure that we:

- Have the internal expertise to deliver our services to communities and consequently lessen the use of external consultants;
- Have the capacity across Council to be responsive and deliver the level of services expected by our communities.

Empowering Communities

An enabled Council (as above) and empowered communities lead to better outcomes for the District. We are focusing on:

- Increasing opportunities for communities to determine the things they care about;
- Giving people the opportunity for meaningful engagement and participation in public and community life;
- Empowering communities to design, prioritise and deliver local initiatives;
- Supporting community groups to lead their communities;
- Joining up council, government agencies and non government organisations with community leaders to maximise each other's potential to contribute to improved community wellbeing;
- Improved structures and processes that empower Maori to participate in and influence local community development.

PLANNING THROUGH PERFORMANCE MANAGEMENT

Planning and Reporting Framework

Reporting on our progress

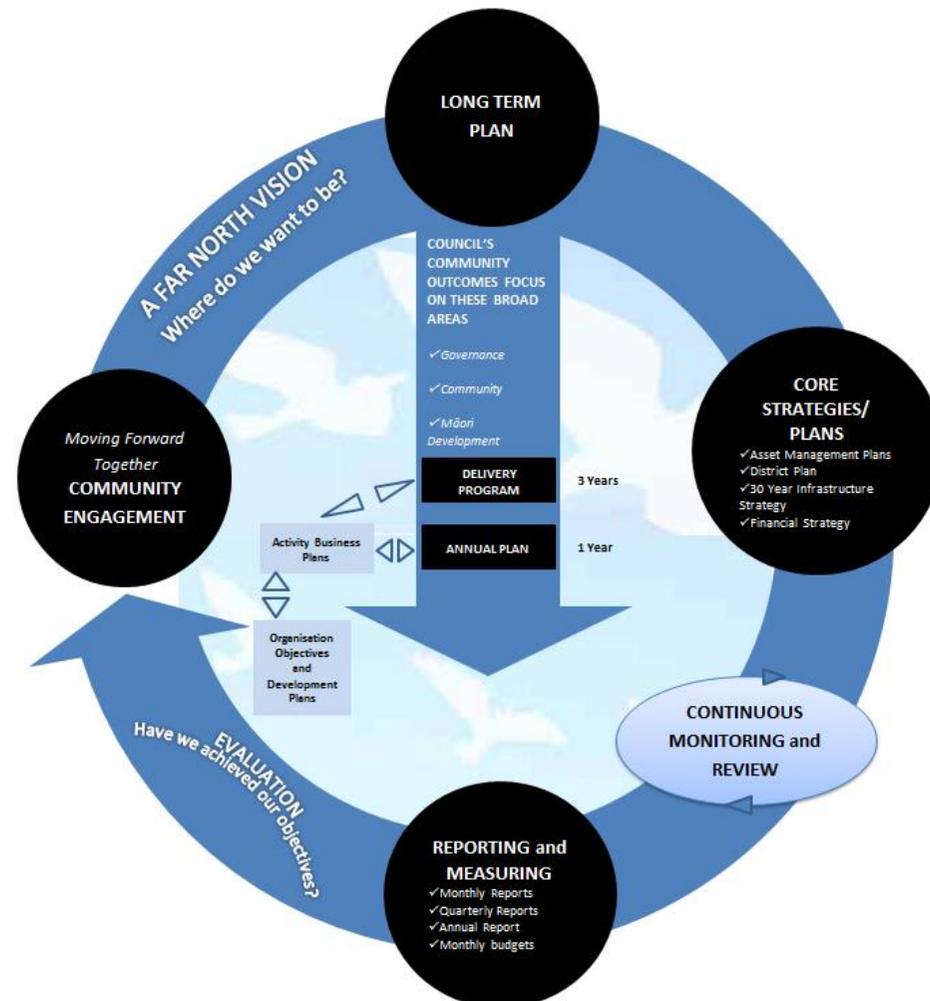
Council assesses and regularly reports on our progress towards implementing the priorities and key performance indicators in our Long Term Plan and Annual Plan. We are committed to a performance driven environment.

Quarterly reports

The quarterly report to the Audit, Finance and Risk Committee provides an assessment of progress against the budget, priorities and key performance indicators identified in the Long Term Plan and Annual Plan. Where performance is below planned levels, a detailed comment is provided.

Annual Report

The Annual Report provides the community, Councillors and staff with a transparent insight into our accomplishments and challenges during the year.



KEY DECISIONS

Fixing our roads

The Council estimated it would cost about \$10 million over the next three years to upgrade the roading network so heavy trucks could use it in all-weather without causing significant damage. Council confirmed spending \$10 million over three years on proactive maintenance and pavement renewals so roads could withstand predicted forestry traffic.

More than 600 sites on the Council's roading network needed repairing, mainly as a result of damage caused by the big storm that hit Northland in winter 2014. Most submitters weren't in favour of doing nothing and supported our proposals to restore road access to pre-storm conditions, reduce the risk of further failures, and not lower levels of service.

Council confirmed \$6.91 million over the next three years for risk-based repairs to carry out full repairs at critical sites to maintain levels of service, and minimal repairs at non-critical sites to maintain levels of service, to reduce the likelihood of failures in future storms but not provide the network resilience offered by more extensive repairs.

Council confirmed its approach to emergency repairs i.e. undertaking on full repairs at sites with critical damage and minimal repairs at sites with non-critical damage. However a successful emergency repair programme in 2014/15 (in which Council has delivered \$8.5 million of contracted works) means that a major portion of the works has been completed ahead of time. Budget re-forecasting indicated that works totalling \$2,767,500 needed to be carried out in the 2015/16 year to complete the emergency repairs programme. Therefore Council has decided to reduce the value of the year one funding to \$2,767,500, from the forecast amount of \$4.63 million per year for the first two years.

No change to
Consultation
Document position

No change to
Consultation
Document position

Variation to
Consultation
Document position

KEY DECISIONS

<p style="text-align: center;">Sorting out Sewerage</p> <p>Sorting out sewerage in Kerikeri and Paihia</p> <p>The Consultation Document included options for addressing sewerage issues in Kerikeri and Paihia. Most submitters (83% or 246/298) supported a proposal to extend the sewerage network in central Kerikeri and more than half (56% or 181/325) were in favour of building a new Kerikeri wastewater treatment plant next to the existing plant in Shepherd Road (Option 1a). Twenty-eight percent (90/325) of submitters wanted the Council to build a plant that could treat sewage from Kerikeri and Paihia (Option 2). Submitters in favour of the Council building a new Kerikeri treatment plant outside town (Option 1b) numbered 54 (16%).</p> <p>Council confirmed the extension of the Council’s sewerage network in Central Kerikeri, as proposed in the document. However, they reserved their decision on which treatment option to go ahead with, including option 2, until a multi-criteria cost-benefit analysis of treatment options has been completed and affected parties have been consulted. Council also decided to include an extra \$1.5 million in the Long Term Plan in case they decide to proceed with Option 1b and to continue developing improvements to the Paihia Treatment Plant.</p>	<p>Variation to Consultation Document proposal</p>
<p>Sorting out sewerage in Kaitaia</p> <p>Options for fixing leaks in the ageing Kaitaia sewerage system attracted 417 submissions. Sixty-three percent (261) of submitters supported the Council’s proposal to spend \$13.7 million repairing the system to a standard that would allow it to cope with one in one year storm (Option 3), while 20% (84) of submitters wanted the Council to spend \$16.5 million so the system could cope with a one in two year storm. Seventeen percent (72) submitters favoured the Council spending \$25.9 million repairing the system to cope with a one in five year storm.</p> <p>Council decided to proceed with Option 3, subject to further investigation and business case development and subsequent approval by Council.</p>	<p>No change to Consultation Document position</p>

KEY DECISIONS

WATER	
<p>Improving Paihia water</p> <p>Options for securing a more reliable water supply for Paihia attracted 325 submissions. Nearly half the submitters (48% or 155/325) supported the Council’s preferred proposal to include \$6.8 million in the Long Term Plan for the development of a new water source and treatment plant for Paihia (Option 1). A quarter of submitters (25% or 82/325) supported a proposal to budget \$2.5 million for extra treated water storage (Option 2), while 19% (61/325 submitters) were in favour of developing contingency plans to manage risks (Option 4). Eight percent (27/325) supported a \$2 million proposal to build raw water reservoirs (Option 3).</p> <p>Council decided to continue investigating water source options for Paihia and to include \$6.8 million in the Long Term Plan to allow it to proceed with Option 1.</p>	<p>No change to Consultation Document position</p>
<p>Kaitaia – The search for a reliable water source</p> <p>Options for securing a more reliable water source for Kaitaia attracted 450 submissions. Nearly half the submitters (47% or 210/450) supported the Council’s preferred proposal to develop the SWEETH20 aquifer bores at an estimated cost of \$3.6 million (Option 2). Thirty-seven percent (168/450) of submitters were in favour of maximising yields from the existing water supply at an estimated cost of \$735,000 (Option 1). Nine percent (40/450) wanted the Council to build a desalination plant at an estimated cost of \$5.34 million (Option 4). Seven percent (32/450) were in favour of developing other aquifer bores as a water source at an estimated cost of \$3.73 million.</p> <p>Council decided to include \$3.6 million in the Plan to proceed with Option 2 in year four of the Plan, subject to further investigation, business case development and subsequent approval by Council. Staff will continue to investigate water source options for Kaitaia in the meantime.</p>	<p>No change to Consultation Document position</p>

KEY DECISIONS

Te Kao - Improving water quality

Options for improving the quality of a private water supply at Te Kao attracted 319 submissions. Seventy-seven percent (247/319) of submitters supported the Council's proposal to reacquire and improve the supply to NZ Drinking Water Standards at an estimated cost of \$2.2 million, which is inclusive of a Ministry of Health subsidy. If Council does not receive the subsidy, other options will be explored and consulted on with this community. The affordability of any unsubsidised options will be considered as part of the rating review, starting 1 July 2015. However, most Te Kao residents who made submissions did not support the Council's proposal to set a targeted rate of \$1,070 on properties connected to the water supply. Fifty-nine percent (151) of the 257 submitters supported the targeted rate, but most of these submitters did not live in the Te Kao area. Twenty-three percent of submitters (72/319) wanted the Council to do nothing to improve the supply. Staff advised Council that the targeted rate had been recalculated since the Consultation Document was released and this was now \$511. However, there was a strong possibility this could be reduced further. The outcome of a subsidy application to the Ministry of Health was still unknown.

Council confirmed inclusion of \$2.2 million in the Long Term Plan and asked staff to continue working with the community while awaiting decisions from the Ministry of Health. The water rating policy and its effects will also be factored into the rating review.

No change to
Consultation
Document position

KEY DECISIONS

Improving water in the South Hokianga

Opononi-Omapere

Options for securing a more reliable water source for Opononi-Omapere, where streams are under pressure, attracted 236 submissions. Most submitters (63% or 148/236) supported the Council's proposal to develop a groundwater source (Option 2) at a capital cost of \$710,000. However, only 22% (52/236) supported the Council's proposal to supplement its water take from the Waiotemarama and Waiarohia Streams by taking water from the Waimamaku River at a capital cost of \$1.32 million (Option 3). Fifteen percent (36/236) wanted the Council to build reservoirs to store raw water at a capital cost of \$5.79 million. Other submitters wanted the Council to investigate the viability of households collecting and storing water from their roofs.

Council confirmed retaining \$1.32 million in the Long Term Plan and as above will await the outcome of a Ministry of Health subsidy application and have asked staff to continue to investigate water source options with the community.

No change to
Consultation
Document position

Rawene and Omanaia

Options for treating raw water supplied to Omanaia households attracted 215 submissions. Most of these (87% or 188/215) supported the Council's preferred proposal which was to build a new treatment plant and water storage for Rawene and Omanaia at an estimated cost of \$1.97 million (Option 4). Twelve submitters (6%) wanted the Council to build a new membrane filtration treatment plant at an estimated cost of \$3.36 million (Option 1), nine submitters (4%) supported a proposal to pipe treated water to Omanaia at an estimated cost of about \$2.67 million (Option 2) and six submitters (3%) favoured piping water from Whirinaki and building a new treatment plant at a cost of \$3.58 million.

Council decided to retain the \$1.97 million budgeted for Option 4 in the Long Term Plan, await the outcome of a Ministry of Health subsidy application, and continue to work with the local community.

No change to
Consultation
Document position

KEY DECISIONS

Rawene Drought Resilience

Options for making the Rawene water supply more drought-resilient attracted 206 submissions. Most of these (57% or 118/206) supported the Council's preferred proposal which was to pipe water from Waima River and build raw water storage tanks at an estimated cost of \$1.12 million (Option 3). Thirty-one percent (63) of submitters wanted the Council to build a storage tank and truck in water during droughts at an estimated cost of \$370,000 (Option 4). Eleven percent (23) of submitters supported a proposal to build raw water storage near Rawene Road at an estimated cost of \$2.3 million and one percent (two) of submitters favoured building raw water storage near Petaka Stream at an estimated cost of \$2.89 million.

Councillors voted to proceed with Option 4, after staff advised them that the proposal to pipe water from Waima (Option 3) was not supported by Hapū at Omanaia. The affordability of Option 3 had also been raised as a serious concern by submitters and the community. Council will not seek a subsidy from the Ministry of Health for this work, as the Ministry has signalled it is unlikely to attract a subsidy until a favourable agreement can be reached with the community, and by the time such agreement is reached, the subsidy would be unavailable. The \$1.12 million that was included in the Long Term Plan for Option 3 will be adjusted to \$370,000 for Option 4 (which is to build a storage tank and truck in water during droughts).

Variation to
Consultation
Document proposal

KEY DECISIONS

Completing our Cycle Trail - Pou Herenga Tai

Options for funding the completion of the Twin Coast Cycle Trail Pou Herenga Tai attracted 712 submissions. Most submitters (65% or 460/712) were in favour of completing the trail if the Government funded this work (Option 1), while 27% (191) were willing to increase rates by a modest amount to meet capital costs if the Government wasn't prepared to fund these works (Option 2). Eight percent (61) of submitters did not want the Council to construct or open the three remaining sections of the trail. Councillors noted that the Government had already made a grant of \$3 million towards the \$4.98 million needed to finish the trail and develop a permanent trail between Opuā and Taumarere. A request to Northland Inc. for \$900,000 had been approved by the Northland Inc. Board but was still subject to Northland Regional Council approval at the time of deliberations. As Council went to adopt this Long Term Plan it received confirmation that all of the funding requested had been confirmed.

The Council therefore confirmed the completion of the trail with these funds, but deferred their decision on how to fund the Opuā-Taumarere permanent section until year three of the Long Term Plan (which should align with the timing for the Bay of Islands Vintage Railway Trust to raise the funds for the re-instatement of the railway through this section). This project has not been budgeted for in this plan.

Variation to
Consultation
Document proposal

KEY DECISIONS

Planning for new pools	
<p>Kaitaia A proposal to set a differential ward rate to fund 33.33% of the capital costs of an \$8.38 million indoor, heated pool in Kaitaia attracted 2,210 submissions. Nearly all of these (97% or 2,138 submitters) supported this proposal, while three percent (72 submitters) opposed it.</p> <p>Council decided to fund 33.33% of the capital costs of an \$8.38 million pool from a targeted differential rate no earlier than 2018/19 provided the community raised 66.66% of these costs.</p>	<p>No change to Consultation Document position</p>
<p>Kerikeri A proposal to set a differential ward rate to fund 33.33% of the capital costs of a new indoor heated pool in Kerikeri attracted 329 submissions. Most of these submitters (53% or 176) were opposed to this proposal, while 29% (94 submitters) supported setting a ward rate to partly fund a \$15.7 million pool complex. Eighteen percent (59 submitters) supported setting a ward rate to partly fund a \$9.66 million pool.</p> <p>Council decided not to include funds in the Long Term Plan for a new indoor, heated pool in Kerikeri, but directed Council staff to work with the Mid-North Aquatic and Fitness Facility group on their proposal and options before developing the Long Term Plan 2018-28.</p>	<p>Variation to Consultation Document proposal</p>
<p>Kaikohe A proposal to set a differential ward rate to fund 33.33% of the capital costs of a \$3.3 million indoor, heated pool in Kaikohe attracted 185 submissions. Just over half of these (52% or 96 submitters) opposed this proposal, while 48% (89 submitters) supported it.</p> <p>Council decided not to include funds in the Long Term Plan for a new indoor, heated pool in Kaikohe, but directed Council staff to work with a community group there on its proposals and options before developing the Long Term Plan 2018-28.</p>	<p>Variation to Consultation Document proposal</p>

KEY DECISIONS

Refocusing support for communities

Community Assistance Fund

Proposals to free up community assistance funding for core infrastructure renewals attracted 471 submissions. Well over half of these (64% or 301 submitters) supported the Council's preferred proposal of suspending the \$200,000 fund for year one of this plan and restoring it to \$100,000 in year two (Option1). Nineteen percent (90) of submitters were in favour of reducing the fund to \$100,000 in year one of the plan and restoring it to \$200,000 in year two (Option 3), while 17% (80) of submitters weren't in favour of reducing or suspending the fund at all (Option 2).

Council confirmed the suspension of the fund in year one and restore it to \$100,000 in year two (Option 1). The fund will be fully restored to \$200,000 from year 3 onwards.

No change to
Consultation
Document position

Community Grants Scheme

Proposals to reduce the \$357,174 grants fund that community boards allocate to community groups, to free up money for core infrastructure renewals, attracted 535 submissions. Forty-four percent (235) of submitters supported the Council's preferred proposal to halve the fund in 2015/16, while 42% (224) wanted the grants budget held at current levels. Fourteen percent (76) of submitters supported reducing the budget by 25%.

Councillors decided to reduce the fund by 25% after debating the proposal with community board chairpersons who attended the deliberations.

Variation to
Consultation
Document proposal

KEY DECISIONS

Economic Development and Community Assistance

Proposals to reduce funding for community economic development initiatives, projects identified via the Annual Plan/Long Term Plan process and event promotion and destination marketing attracted 498 submissions. Well over half of these (62% or 307 submitters) supported the Council's proposal to reduce funding from \$640,000 to \$190,000 for year one of the plan (Option 1). Thirty-eight percent of submitters (191) wanted the council to continue to rate for and allocate \$640,000 for these projects (Option 2). Staff advised Councillors that there needed to be a clear strategic direction for community and economic development to ensure that ratepayer funds were invested wisely. However, the proposed level of reduction significantly limited the Council's ability to lift the district's economic performance and take advantage of opportunities. Staff recommended that Council increase the budget for economic and community development in the Long Term Plan by \$130,000 to support the development and delivery of the regional economic action plan.

Council decided to reduce funding for community economic development initiatives but to include an extra \$130,000 in the plan on top of the \$190,000 proposed in Option 1, as proposed by staff. The Council will use most of this additional money to support initiatives generated by the Regional Growth Strategy and He Tangata, He Whenua, He Oranga, such as infrastructure development (broadband, cycle trail, integrated transport planning), Māori land development and promoting the district.

In addition to increasing funding for economic development, Council has made further provision for \$100,000 in year 1 of the LTP for potential funding to Northland Inc upon production of a suitable business case for investment or for a project that has a suitable business case that has gone through Northland Inc's business case process.

Variation to
Consultation
Document proposal

KEY DECISIONS

Finding the right balance

A proposal to borrow about \$10 million for new infrastructure each year attracted 703 submissions. Most of these (77% or 525) of these supported this proposal while 25% (178) of submitters opposed it. A proposal to use about 10% of these borrowings for community facilities, as opposed to core infrastructure, attracted 685 submissions. Most of these (82% or 559 submitters) supported this proposal, while 18% (126) opposed it. Proposals to use these borrowings to develop sports hubs in Kaitaia, Kerikeri and Kaikohe attracted 2,285, 408 and 337 submissions respectively. Ninety-five percent of submissions (2,164) about the Kaitaia sports were in favour of this being developed, while 79% (321) of submitters were not in favour of buying land in Kerikeri/Waipapa for a sports hub. Similarly, 61% (207) of submitters didn't support a proposed upgrade of Lindvart Park. Staff advised Councillors that there was a dwindling supply of large blocks of flat land in Kerikeri and Council needed to secure land for future development. In Kaikohe, significant renewals were needed at Lindvart Park.

Council confirmed the \$10 million borrowings in the Long Term Plan and to commit 10% of this towards:

- Developing sports fields and facilities at the new Te Hiku Sports Hub in Kaitaia (year one \$850,000, year two \$870,400 and year three \$839,680)
- Buying land in Kerikeri/Waipapa for a sports hub and developing a hub complex (year one \$272,650, year two \$287,846)
- Upgrading Lindvart Park Sports Hub in Kaikohe (year one \$50,000, year two \$769,024).

No change to
Consultation
Document position

KEY DECISIONS

Securing a future for community facilities	
<p>Bay of Islands Recreation Centre A proposal to set a targeted rate of \$5 per annum in the former Kawakawa Ward to fund maintenance and operating deficit at Bay of Islands Recreation Centre attracted 378 submissions. More than half of these (55% or 209 submitters) supported the proposal, while 45% (169 submitters) opposed this.</p> <p>Council confirmed setting the rate as proposed.</p>	<p>No change to Consultation Document position</p>
<p>The Turner Centre, Kerikeri Options for addressing concerns about the long-term sustainability of The Turner Centre in Kerikeri attracted 400 submissions. More than half of these (53% or 213 submitters) supported the Council's proposed option, which was to retain independent ownership and management of the centre and support it financially via a service contract (Option 5). Twenty percent of submitters (81) wanted the centre to remain closed when it wasn't booked for use (Option 1). Fifteen percent of submitters (59) wanted the Council to own the centre and lease it to an operator under a semi-commercial contract (Option 3). Six percent (24) of submitters supported the status quo (Option 4) while six percent (23) of submitters wanted the Council to own and manage the centre (Option 2).</p> <p>Council confirmed Option 5 and also allocated additional funding of \$90,000 for both year one and year two of the Long Term Plan.</p>	<p>No change to Consultation Document position</p>

KEY DECISIONS

Inflation increases for fees

A proposal to adjust fees and charges for building and resource consents for inflation each year starting in 2015/16 attracted 508 submissions. More than half (57% or 288 submitters) supported the proposal, while 43% (220 submitters) opposed this.

Council confirmed the proposal.

No change to
Consultation
Document position

Draft vision for the Far North

A draft vision for the Far North District (“The place where people love to be”) attracted 334 submissions. Most of these (81% or 270 submitters) supported the draft vision, while 19% (64 submitters) opposed this.

Council decided to include “The place where people love to be” as an interim vision in the Long Term Plan 2015-25 until a shared vision has been developed with stakeholders and communities. The Council and a stakeholder group are currently seeking feedback from the community to shape this vision.

Council also confirmed its own vision, mission and principles for inclusion in this plan.

No change to
Consultation
Document position

Community Outcomes

Draft community outcomes proposed in the Consultation Document attracted 339 submissions. Most of these (83% or 283 submitters) supported these outcomes. Seventeen percent (56 submitters) did not support them.

Council confirmed inclusion of the outcomes as unchanged in the Long Term Plan 2015-25.

No change to
Consultation
Document position

KEY DECISIONS

Changes Recommended by Staff

Issues that had emerged since the Consultation Document was published and had significant budget implications:

<p>Taipa (East Coast Bays) Wastewater Treatment Plant</p> <p>The current discharge resource consent expired in 2008 and is now significantly overdue for renewal as a result of opposition to the current consent. Future capital works are likely to be required because of this and to address non-compliance issues.</p> <p>Councillors decided to include \$150,000 in the 2015-25 Long Term Plan (\$75,000 in 2015/16 and \$75,000 in 2016/17) to fund the renewal of the consent in the Long Term.</p>	<p>New</p>
<p>Richardson Road water main project</p> <p>The Long Term Plan includes funding of \$48,437 to extend the water main along Richardson Road in Opuia. Extending the water main would require the Council to include a private lateral line, which leaks and is not on private property, in the reticulation network.</p> <p>Councillors decided to remove the water main project from the Long Term Plan 2015-25 and develop a policy to clarify how to deal with such situations which occur in other water supplies across the district.</p>	<p>Project removed</p>
<p>Haruru Falls to Waitangi Footpath</p> <p>Council had budgeted \$700,000 in 2014/15 to build a 2,600-metre-long and 2-metre-wide footpath between Yorke Road, Haruru Falls, and Caltex Waitangi and recently brought this project forward. The New Zealand Transport Agency has provided funding for construction of a separate 400-metre footpath between Old Wharf and Yorke Roads. Several sections of the 2,600-metre-long footpath now require storm water controls. The footpath also needs to traverse three slips which formed after the project was budgeted. Because of this, the current budget is insufficient.</p> <p>Councillors decided to include an additional \$500,000 in the Long Term Plan 2015-25 to complete the footpath.</p>	<p>New</p>

KEY DECISIONS

Kaitaia Dog Pound

Facilities at the Kaitaia Dog Pound are old and inadequate in size and quality which presents welfare issues for animals and staff.

Council decided to include \$250,000 in the Long Term Plan 2015-25 to build a new facility on the existing site.

New

Te Ahu Charitable Trust

Te Ahu Charitable Trust, supported by the Far North Regional Museum Trust, wanted the Council to make it clear to the public that the Council has not paid, and does not pay, rent on Te Ahu Centre. The Council had included funding of \$90,000 a year over three years in the Long Term Plan for Te Ahu Trust. The Trust had requested \$115,000 a year over three years in lieu of rent and to allow the trust to employ staff and progress outcomes in the Trust deed.

Council decided to include an additional \$25,000 a year over three years in the Long Term Plan 2015-25.

Increase in grant funding

KEY DECISIONS

Revenue & Financing Policy

A Revenue and Financing Policy Council consulted on separately to the Consultation Document attracted only six submissions which covered a range of matters, some of which were beyond the scope of the policy.

Councillors confirmed the Policy which showed how Council proposed to fund operating and capital expenditures and included a new targeted rate for an indoor heated swimming pool, the Bay of Islands Recreation Centre, Te Kao Water Supply and road maintenance at Ross Street in Paihia.

Development Contributions Policy

A proposal to amend the Development Contributions Policy attracted only six submissions which were evenly split on whether to continue charging or no longer charge development contributions. Eleven submitters also expressed a view on this in their submissions to proposals in the Consultation Document. Six (55%) of these were in favour of retaining Development Contributions, while five (45%) did not want these retained.

Councillors confirmed the amended policy. This means it will no longer charge or rely on contributions from developers to offset infrastructure costs.

Rating Review

Council, through the submissions to the Consultation Document, received a large number of submissions about:

- Affordability
- Equity
- District versus Scheme
- Targeted rates
- Other funding mechanisms.

Council will consider this feedback to inform its planned rating review, starting after 1 July 2015.

KEY DECISIONS

Funding Requests

Council received a number of funding requests through the submission process. Council declined with regret all applications except that made by the Te Ahu Charitable Trust. It did, however, include potential funding to Northland Inc. upon production of a suitable business case for investment or for a project that has a suitable business case that has gone through Northland Inc.'s business case process.

Council's decision was informed by its intent to focus on recovery and the reduction of grant funding including that allocated to Community Boards, albeit at 25% rather than 50% proposed. Therefore, Council has encouraged the eligible submitters to apply for funding to their Ward Community Board or as part of the new events strategy process the Council will be using from 1 July 2015.

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
<p>Usually Resident Population (URP) of the district will continue to decline at a rate of approximately 0.02% per annum.</p> <p>(Source: <i>Usually Resident Population Projections, within "Development Indicators - Projections" FNDC, October 2014</i>)</p>	<p>Growth in URP may be significantly higher than assumed. Decline in URP may be significantly higher than assumed.</p>	Low	<p>Minor and short term population changes have minimal impact on Council.</p> <p>Significantly increased numbers of residents may lead to pressure on Council to provide additional infrastructure and services and affect the scope and/or timing of existing work programmes.</p> <p>Declining numbers of residents may affect the sustainability and affordability of existing work programmes, infrastructure and service delivery and result in an under-utilisation of infrastructure.</p> <p>Change in URP is unlikely to directly link to an increase in the rating base within the district due to the stock of current vacant sections and available land with appropriate zoning.</p>	Medium	<p>Usually Resident Population trends will be monitored, and reviewed annually. Where significant changes occur, our work programmes and budgets will be amended and changes signalled in future annual plans or amendments to the Long-Term Plan (LTP). Planning for any new infrastructure projects will be adjusted to reflect any significant deviation from the forecast trend.</p>

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
<p>Change in Usually Resident Population (URP) will continue to be uneven across the district. While some Eastern coastal communities will see growth of between 0.05% and 2% per annum, most townships will continue to experience a decline in URP (at a rate of between ^{-ve}0.2 – ^{-ve}2% p.a.).</p> <p><i>(Source: Usually Resident Population Projections, within “Development Indicators - Projections” FNDC, October 2014)</i></p> <p>The settlement areas which will see continued slow to moderate growth (of between 0.2 – 1.6% p.a.) in URP are:</p>	<p>Rapid and significant URP growth may occur in additional areas outside of the established serviced settlements.</p>	<p>Low - Medium</p>	<p>Minor and short term population changes have little impact on Council services.</p> <p>However, larger scale, new, private investment may lead to unanticipated demands for new services, infrastructure or higher levels of service.</p>	<p>Medium</p>	<p>Settlements with shortfalls in infrastructure capacity or insufficient headroom for expected growth in demand have already been identified as needing additional capacity.</p> <p>Development activity and trends will be monitored, and reviewed 6 monthly. Where significant changes occur, our work programmes and budgets will be amended and changes signalled in future annual plans or amendments to the Long Term Plan.</p> <p>Infrastructure planning and delivery will be adjusted to reflect any significant deviation from the forecast trend.</p> <p>Council will continue to work with the business communities of the district, regional partners, and potential investors to prepare for future growth.</p>

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
<p>a) the Bay of Islands Resorts' towns (comprising Russell, Opuia, Paihia, Waitangi, Haruru Falls Census Area Units), along with the accessible coastal areas within the Pokere-Waihaha CAU;</p> <p>b) the accessible coastal areas of the BOI-Whangaroa Ward;</p> <p>c) the Kerikeri and Waipapa townships (serving the horticultural sector, rural-residential and coastal living across the greater Kerikeri area, Kapiro, Waipapa, and the Waihau Valley-Hupara CAUs), along with continued URP and investment growth within the rural-residential zoned areas within these CAUs;</p>					

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
<p>d) within the Te Hiku Ward, along the Eastern seaboard around Doubtless Bay, Mangonui Harbour and the Karikari Peninsula; and,</p> <p>e) on the West coast at Ahipara.</p>					
<p>URP – Demographic information</p> <p>The proportion of over 65yr olds will increase in all communities, but particularly in those of the Eastern Ward, and Doubtless Bay which have already seen higher proportions of retirees move to live.</p> <p>The proportion of 15 – 25yr olds, and 25-45 yr olds continues to be lower than might be expected given the number of children born and/or living in the district. We will continue to lose this age cohort, as they relocate out of the district for work</p>	<p>The district experiences different demographic patterns such as</p> <ul style="list-style-type: none"> • growth in the proportion of youth and working age population and/or • more extreme growth in older persons • lower growth in older persons and/or • more men than women. 	Low	<p>Increasing the proportion of people aged over 65 or the proportion of children relative to the proportion of the population that is working age will increase the dependency ratio of the district. The dependency ratio is the ratio of children and retired people (dependents) relative to the working age population. As the dependency ratio increases, the burden on the working population increases.</p> <p>Any significant variation to the assumed population profile may affect affordability (for example where there are more people on fixed incomes) and may result in certain sectors of the community experiencing lower than expected levels of service.</p>	Low	<p>Demographic projections do not change rapidly. The council will continue to monitor demographic information (Census and Stats NZ data) and if there is a significant change, appropriate amendments will be made as part of the annual plan or long term process.</p>

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
<p>and education, and lifestyle choices not available to them here.</p> <p>More men than women will leave the district – so that many of communities, but particularly our smaller communities are over-represented by woman.</p>			<p>The Council may have to redirect funding to particular activities to target the needs of an older or younger population. (e.g. recreation and community facilities.)</p>		
<p>The number of visitors to, or staying within, most of the district will continue to decline except for Kerikeri and Paihia which will continue to increase and therefore significant new demand will be made on existing infrastructure.</p>	<p>Visitor numbers may be higher than assumed in other parts of the district.</p>	<p>Medium</p>	<p>Higher than expected visitor numbers lead to increased demands to improve levels of service (LOS), or to expand the capacity of facilities catering to the visitor population as well as to URP.</p>	<p>High</p>	<p>Visitor trends will be monitored, and the impact on local Commercial districts and communal facilities catering to visitors and URP will be kept under review. LOS and headroom associated with existing core infrastructure will be monitored. Demand management will be used to ensure supply is maintained.</p>

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
No more than 50 new lots (the current level of subdivision) will be created each year across the district, as a result of subdivision activity.	Subdivision activity may be higher than assumed.	Low	Higher than anticipated activity may drive demand for new services and community infrastructure, or increased LOS in small communities. This may put additional pressures on rates and increase already high levels of residential and commercial rates. However higher than anticipated growth without increased demand would result in lower average rates increases than forecast.	Medium	Subdivision, building and construction activity trends will be monitored, and projections reviewed 6 monthly. Planning for any new infrastructure projects will be adjusted to reflect any significant deviation from the forecast trend. Where significant changes occur to the capital works programme through an annual plan or long-term plan process Council may consider revising its policies on development and/or financial contributions.
Building activity will remain at a fairly constant level, with approximately 60 new dwellings being constructed each year within the district.	Building activity may be higher than assumed.	Low - Medium		Medium	
Another Global Financial Crisis (GFC) will not occur, leading to financial systems stability, and council will be able to access finance (borrow) when it needs to.	Another GFC will happen, resulting in restricted borrowing capacity for Council.	Medium	Council would not be able to access finance from its usual sources, and would need to look for alternative means to maintain core infrastructure and services.	Medium	Monitor trends and review projections; and, adjust quickly to increase Council's credit facility.
The Regional economic situation improves but at a slower rate than the national growth rate and Far North district's economy continues to recover at a slower rate than Regional economy.	The regional economic situation deteriorates.	Low	Rating debt increases, through non-payments.	Medium	Look for more cost effective means to meet infrastructure needs and to provide local community services.

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
	Both the Northland Region's and the Far North's economies, as measured by Gross Domestic Product (GDP), recover at an equivalent or greater rate than the national growth rate in GDP.	Low	A greater than anticipated increase in economic activity could see an increase in the numbers of ratepayers and/or visitors remaining in or moving to the district. This would see a return to former rates of use of communal infrastructure and services, improving the viability of these services where/if they are operating below capacity. However, a return to economic growth and increased resident and/or visitor numbers would also put pressure on those existing services that are already at or near capacity. Additional or new services may be required to service greater than expected economic activity and/or people.	Low	Economic activity and trends will be monitored, and reviewed 6 monthly. Planning for any new infrastructure projects and for the delivery of services will be adjusted to reflect any significant deviation from the forecast economic trend.
The requirements of future resource consents will be in line with current expected environmental standards	Increasing quality and environmental standards will make the cost of renewals unaffordable in the district	High	Upgrades and new infrastructure will be required. Higher environmental standards would lead to additional need to secure financing for investment. Council has tested its assumptions around the costs of	High	Seek judicial review and/or appeal resource consent conditions, and ensure they are appropriate for the conditions prevailing in the Far North. Participate in regional plan review process and setting of limits.

CORPORATE ASSUMPTIONS

Assumption	Risk <i>(what may happen instead?)</i>	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
	<p>The Regional Council may review consent conditions and impose higher quality standards prior to the planned consent renewal.</p>		<p>upgrading to meet environmental standards for major scheme proposals in the Consultation Document:</p> <ul style="list-style-type: none"> • Kaitaia Wastewater Overflows • Kerikeri Treatment & Reticulation Extensions • Paihia Treatment Plant Improvement • Opononi water <p>Taken individually the cost increase is low to medium (from \$5,269 to \$477,588 per scheme during the lifetime of this plan) Even if they all eventuated simultaneously, which is unlikely, the increase is under \$600,000.</p>		

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
The life of each asset will be in line with the projections contained in the relevant AMPs.	Assets could fail and need to be renewed earlier and/or more frequently than the dates forecast for renewal.	High	Failure of non-critical assets will have a minor to moderate effect on the delivery of service. Whereas failure of a significant assets are likely to have a moderate to significant effect on the delivery of a service. Renewal expenditure would have to be brought forward. This may place pressure on overall expenditure.	Medium - High	In the short-term, Council will borrow funds or defer other work to address failures according to criticality. In the medium-term, Council is collecting failure data and testing buried assets as they fail to then benchmark the findings against industry standards and adjust asset lives as appropriate. Careful monitoring of the state of the asset, to identify as early as possible when a system is not likely to provide adequate service as long as expected.

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
<p>If a natural disaster occurs and emergency works are required funding will be made available in conjunction with the Government.</p>	<p>That there will be a natural disaster requiring emergency works that cannot be funded out of normal budgetary provisions.</p> <p>That the Government will not provide financial assistance or the assistance is insufficient.</p>	<p>Low - Medium</p>	<p>The potential effect of a natural disaster on the Council's financial position is dependent upon the scale, duration and location of the event and the interval between it and any previous event or events.</p> <p>Council provided core infrastructure services may be destroyed, damaged or may otherwise fail, incurring potentially considerable additional, emergency response and a demand to design for greater levels of resilience in preparing for future extreme natural events.</p> <p>The time taken to rectify issues might be lengthy and compromise the health and welfare of our communities.</p>	<p>Medium - High</p>	<p>Include in Council's programme to assess the condition and capacity of all its assets the latest Ministry for Environment (MfE) guidance on climate change, Intergovernmental Panel on Climate Change (IPCC) 5 projections and regionally specific information from National Institute of Water and Atmospheric Research (NIWA). Investigate alternative ways to secure resilience in the provision of core services to property. Investigate the relocation of core services, private investment and people, away from hazardous areas. If repair or replacement works are not deemed critical Council will use the annual plan process to address the financial implications (such as the need to borrow for repair, reinstatement and replacement, move to preventative maintenance rather than reinstatement). Council reviews its insurance, self insurance, reserves annually.</p>

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Core infrastructure will perform to expected operational standards for the duration of their expected life.	Increased level of breakages and system failure due to failing operational standards, earlier than expected, or for significant periods of time during their commission.	Low	Currently the incidence of breakages and 'down time' is minimal. However, an increased maintenance programme or accelerated replacement programme may lower LOS as breakages must be repaired before scheduled replacements can proceed.	Medium – Low	Undertake on-going assessments of the condition of core assets to monitor risk of impending failure, earlier than would otherwise be expected; and Develop a replacement programme to schedule in replacements of aging systems, more likely to fail prior to a breakdown actually occurring.
Funding for the renewal/replacement of assets will be obtained in accordance with Council's Revenue and Financing Policy (i.e. from depreciation) and Financial Strategy.	That the actual levels and sources of funds differ from those forecasted in this plan	Low	Council is unable to deliver its renewal programme.	Low	Council will adjust its capital expenditure programme and or borrowings or rate requirements in the next Annual Plan or Long Term Plan and will conduct a review of depreciation and renewals programming during 2015/16.
Council staff numbers will grow and skill levels increase to ensure the organisation has the capability and capacity to deliver its programme.	Council capacity and capability does not increase, resulting in planned service delivery and performance improvements not occurring or being delivered at higher cost.	Medium	Council is unable to deliver its programme to meet community needs.	Medium	Council will continue to maximise use of existing staff resources and will adjust programmes if capacity is not available. Council recruitment and workforce development, including mentoring and coaching, will focus on strengthening skills and competencies.

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Council will apply for and receive government subsidies for applicable projects.	Council may not receive the funding or receive a lesser amount.	Medium	Council is unable to deliver the project as planned, including the requirement of additional consultation with affected stakeholders	Medium	If external funds are not received, Council will consider re-scheduling other projects to allow the original project to proceed without the subsidy, or explore alternative cost-effective and affordable options. Costs to the ratepayer will be subject to consultation as required.
The communities will raise their 66% share of the capital costs in line with projected timeframes for the construction of the new indoor, heated community pools in Kaitaia, Kaikohe and Kerikeri.	The community fails to raise their share as scheduled.	Medium	Council's capital programme is delayed or a smaller pool facility is preferred.	Low	Council will review as part of Annual Plan and Long Term Plan processes and stay in contact with communities about their aspirations and fundraising progress.
The net cost of borrowing will not exceed the Central Government affordability measure.	The cost of borrowing does exceed the affordability measure.	Low	The Minister of Local Government questions Council's financial controls. If interest rates are 0.5% higher than forecast, this will increase the cost of borrowing. For example in 2015/16 if borrowing costs are 0.5% higher than forecast, the cost of borrowing would increase by \$411,466. If interest rates were 0.5% higher than we have forecast every year	High	Council will continue to monitor net cost of borrowing to ensure it remains within the measure.

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
			of this plan then the cost of borrowing would increase by \$6,196,472 (over the 10 years of this plan).		
Future cost increases will be in line with the financial projections contained in " <u>Forecast of Price Level Change Adjustors – 2014 Update</u> " (BERL, Oct 2014)*, except for NZTA subsidised work, which will be inflated at 2%	Significant cost increases, above those anticipated in the financial projections.	Medium	Higher than forecast costs of goods and services purchased by Council. If inflation is 0.5% higher than forecast in 2015/16, this will increase the cost of goods and services by \$517,163. If inflation was 0.5% higher than we have forecast every year of this plan then the cost of goods and services would increase by \$5,942,777 (over the 10 years of this plan).	High	Council will review project plans to ensure budgetary control is maintained.
Level of depreciation costs will be in line with the projections set out in this LTP.	Asset revaluations may lead to higher depreciation costs than forecast.	Medium	Higher than forecast depreciation costs may lead to budgetary pressures.	Medium	The value of Council's infrastructure will be reviewed regularly, to ensure unexpected changes in value are avoided. (The majority of roading assets and maritime assets are valued annually, the remainder are valued biannually).

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
<p>Council re-values assets as follows:</p> <p>Roading and maritime assets – annually</p> <p>Remainder of assets – biennially (water and wastewater one year and district facilities the next) to ensure that the carrying value does not differ materially from fair value.</p>	<p>Asset revaluations are significantly different from those forecast and the financial statements don't reflect the current value of the asset.</p>	<p>Low-Medium</p>	<p>Higher than forecast levels of depreciation costs and future rates funding than shown in the financial statements.</p>	<p>Medium</p>	<p>Asset valuations are carried out regularly to minimise risk. In the intervening years we carry out an impairment test – this is done by the valuers to ensure any change in value is not material.</p> <p>If risk materialises, Council will consider whether to reduce service levels (LOS) and/or reprogramme planned capital expenditure programmes or increase rates in future Annual or Long Term Plans.</p>
<p>The level of demand for Council services will not reduce.</p>	<p>The demand will fall below anticipated levels resulting in a reduction in fees and charges.</p>	<p>Low</p>	<p>Less income from fees and charges may lead to budgetary pressure.</p>	<p>Low</p>	<p>Monitor to track income from this revenue stream - to enable adjustments to be made to levels of service or to fees and charges.</p>
<p>Council successfully covers its liability for carbon emissions through fees and charges. The purchase price for carbon emission units (NZUs) under the New Zealand Emissions Trading Scheme remains low.</p>	<p>The value of NZUs required to be purchased to meet Council's liability exceeds the Fees and Charges raised. The price of carbon significantly increases.</p>	<p>Low</p>	<p>There could be an unfunded liability.</p>	<p>Low-Medium</p>	<p>The current cost to Council of purchasing NZUs for landfill operations was \$15k (2015 purchase price). Council will monitor the purchase price of NZUs annually and take it into account in its 2015 and</p>

CORPORATE ASSUMPTIONS

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
					subsequent reviews of its Fees and Charges and in making budgetary provision in subsequent LTP or Annual Plans as required.
There will be no significant changes to the structure of Local Government in the Northland region affecting Council during the next 10 years.	That there may be another reorganisation proposal made to the Local Government Commission within the 10 years of this plan.	Low	Any future transition would impact on the delivery of services, regulation and infrastructure, the ability of Council to retain and attract staff, and the overall financial forecasts in future LTPs.	Medium - High	<p>Council would work with the transition body on the transition change management plan to implement the final proposal, including delivering services and activities as per the Council's LTP.</p> <p>Council will actively continue working with Northland councils and others to identify opportunities that will enhance the efficiency and effectiveness of our operations. Budget for this work has been included in this LTP.</p>

CORPORATE ASSUMPTIONS

Assumption	Risk <i>(what may happen instead?)</i>	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Due to the formative nature of shared service discussions, no significant changes to Council activities occur during this LTP.	Shared services arrangements are entered into that materially reduce the cost of delivering services and/or increase levels of service.	Medium	Delivering the same or an enhanced level of service for less cost would have a favourable impact on Council's financial forecasts in this plan.	Low – Medium (positive impact)	As above, Council is actively working with others on shared services opportunities.
Legislation and/or related regulations relating to Council activities will remain largely the same over the life of this LTP.	Regulations relating to Council activities will be changed during the life of the LTP.	High	Significant changes to legislation will lead to new and or enhanced activities and/or requirements on Council, which will lead to additional costs.	Medium	Council monitors potential legislative impacts, with the aim of anticipating and planning for foreseeable changes in compliance costs.
National Policy Statement (NPS) and/or National Environmental Standards (NES), under the Resource Management Act 1991 (RMA) will not be substantially changed.	New or revised NPS and NES will demand higher standards under the RMA.	High	Changes to NPS and to NES that occur do lead to new and or enhanced activities and/or requirements on Council.	Medium	Council monitors potential legislative impacts, with the aim of anticipating and planning for foreseeable changes in compliance costs.

CORPORATE ASSUMPTIONS

* Future Cost Increases: Price Level Change Adjustors – Business and Economic Research Limited (BERL), Oct. 2014

Table 3: Adjustors: % per annum change

Year ending	Road	Property	Water	Energy	Staff	Other	Earth-moving	Pipelines	Private sector wages
	% pa change								
Jun 12	5.2	3.3	6.0	15.4	2.3	2.4	4.7	3.1	2.1
Jun 13	1.1	1.7	-2.8	-1.8	2.1	2.9	2.1	-2.7	1.9
Jun 14	0.7	1.9	-2.1	1.3	1.9	1.8	2.8	-2.5	1.7
Jun 15	0.4	1.9	4.7	4.2	1.6	1.5	1.7	1.8	1.7
Jun 16	1.2	2.2	5.2	3.5	1.8	2.3	1.8	2.1	1.7
Jun 17	1.4	2.4	3.8	3.8	1.9	2.5	2.6	2.5	1.8
Jun 18	2.2	2.5	3.0	3.9	2.0	2.6	2.4	2.6	1.9
Jun 19	2.4	2.6	3.2	4.1	2.1	2.7	2.0	2.8	2.0
Jun 20	2.5	2.8	3.3	4.3	2.2	2.9	2.1	2.9	2.1
Jun 21	2.7	2.9	3.5	4.5	2.3	3.0	2.3	3.1	2.1
Jun 22	2.8	3.0	3.7	4.7	2.4	3.1	2.4	3.2	2.2
Jun 23	3.0	3.2	3.8	4.9	2.5	3.3	2.5	3.4	2.3
Jun 24	3.1	3.3	4.0	5.1	2.6	3.4	2.9	3.5	2.4
Jun 25	3.3	3.4	4.2	5.3	2.7	3.6	3.1	3.6	2.5
20-year avge %pa	3.2	2.9	3.5	4.7	2.4	3.0	3.0	3.0	2.2

Source: BERL

(The grayed area represents figures based on actual data while the remainder are projections.)

CORPORATE ASSUMPTIONS

Output from our financial model for percentage per annum change

Year Ending	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026+ 20yr Ave %pa
	1.4	2.2	2.4	2.5	2.7	2.4	2.5	2.7	2.8	3.0	3.1	3.3	3.2

CORPORATE ASSUMPTIONS

Assumptions assessed as NOT significant

A number of other assumptions were considered and assessed as not significant for the purposes of the Long-Term Plan 2015-25 and financial planning. With the exception of the climate change assumption (documented below) the additional assumptions generally clustered around the age structure of the district and sub districts, sub-district tourist numbers, the structure of the economy, etc. and as such were further nuancing of the assumptions above. They were kept under review but no changes were made prior to the adoption of the Long Term Plan 2015-2025.

Assumption	Risk (what may happen instead?)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
The rate of climate change and its associated climatic and natural hazard conditions (i.e. that the Far North will become warmer, experience higher winds, more intense and more frequent severe weather events, flooding and sea level rise) will be in line with climate change predictions (by the Ministry for the Environment, which are consistent with the International Panel on Climate Change (the IPCC) and NIWA advice). The timing of changes that will have a significant effect on our operations are not within the immediate ten year period.	The rate of climate change and the impact of its associated effects will be greater than forecast – leading to less time to adapt and/or transition to reduce risk for local communities and infrastructure.	Low	A need to implement more extreme adaptation measures, for more places, and/or sooner than anticipated creates pressure on overall expenditure.	Medium	Climate change trends will be monitored, and reviewed as part of reviewing Asset Management Plans, the 30 Year Infrastructure Strategy, and the LTP. Where significant changes occur, our work programmes, Levels of Service (LOS), and budgets will be amended and changes signalled in future annual plans or amendments to the Long-Term Plan. Planning for any maintenance of infrastructure will be adjusted to reflect any significant deviation from the forecast projections for sea level and weather/climatic trends. The District Plan review will incorporate an assessment of climate change predictions and recommendations for adaption.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Geographic Context

The Far North District is the northernmost district in New Zealand with a land area of 7,324 km² (2.7% of New Zealand). It has 1,756kms of coastline on both the east and west coasts, and 9 major harbour systems. If all islands and rocky outcrops are taken into account, the coastline becomes 2,347kms.

Council provides services to 42 areas within the district. The majority of the district's land area is rural. It has no single dominant urban area, but there are three major urban areas with populations of between 4,000 and 6,000 (Kaikohe, Kaitaia and Kerikeri), and a further 12 areas have 500 to 2,000 people.

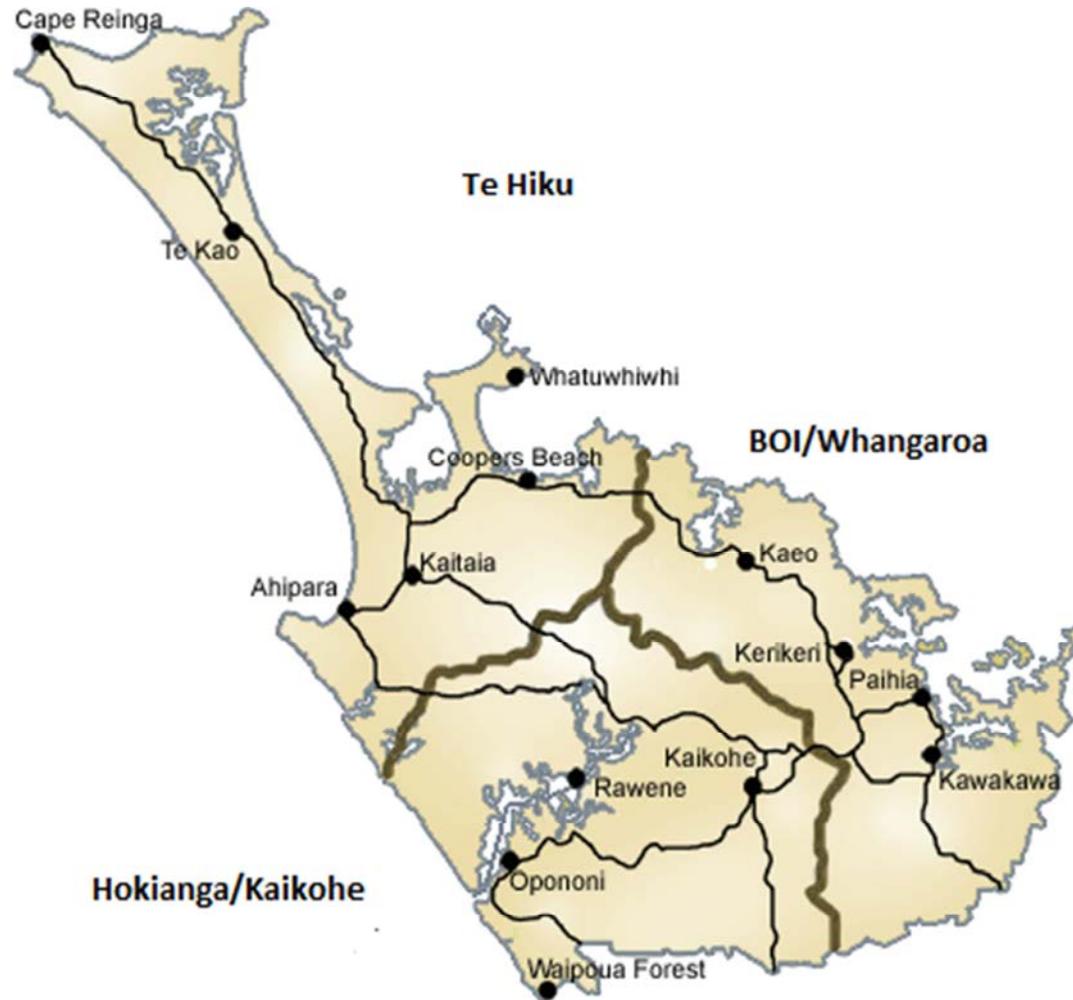
Our large geographical area, combined with our small 'usually resident' population (Census 2013: 55,731¹), gives us a low population density of 7.6 people per km² (the New Zealand average is 14.9).

The large geographical area, the number of towns and settlements, the remoteness of some communities and the instability of soils supporting roading, coupled with frequent storm events, gives challenges that most other councils in New Zealand do not face. These challenges make provision of infrastructure more costly, and at times, affect the delivery of services. Council is not alone in being constrained by these challenges. Other infrastructure and service providers, such as Top Energy, telcos (Vodafone & Spark) and the New Zealand Transport Agency (State Highways), are similarly affected.

¹ This is different to the estimated resident population figure that is updated at the end of June each year by Statistics NZ kept under review by Council as part of its Long Term, Annual, Infrastructure Strategy and Asset Management planning.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Figure 1: Far North District Council



30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Strategic Direction

The following key strategic imperatives are addressed through this strategy.

Plan for the next 30 years

Considering a 30-year horizon for Council's infrastructure and assets, a disciplined approach has been taken to asset condition, future demand, responding to regulation, maintaining or changing levels of service and overall affordability. Forecasting assumptions have been used to inform this planning and projects have been programmed for the short, medium and long term.

Catch up on core infrastructure

In recent years, Council responded to the Global Financial Crisis by restricting new borrowing and using rates to pay down debt. This resulted in a gap in Council's programmes of asset renewals and new capital expenditure. Council is now planning to catch up. The strategy proposes significant projects for the core infrastructure of roading, water and wastewater.

Address affordability

The biggest single challenge the district faces is being able to pay for the public services required by our communities. Most of the money that pays for those services comes from the individual households that make up those communities. To be affordable, there needs to be a growing economy where salaries and wages, business incomes, and property values are increasing faster than the increase in rates. Over the seven years from 2006 to 2013, that did not occur. Median household incomes increased by only 2% per annum, property values declined by an average of 16%, but rates increased by 8% annually. Council knows, based on these numbers, the community cannot afford a continuation of large annual rates increases – it simply is not sustainable. As can be seen in this document, Council has staged the investment required to achieve recovery over a number of years to ensure it is affordable to ratepayers. Council is putting in place the strategic plans to ensure that investment goes into the right places, including investing in the economy, and by working smarter with our neighbouring councils to ensure the best value for money for our communities. We will also work with other infrastructure providers where we can to align our programmes of work to reduce costs or deliver more for our communities.

The Far North's relatively small population, scattered across a large area, makes the provision of infrastructure more costly. The affordability of water and wastewater schemes and roading provision is maximised using funding from other sources such as subsidies (from Government agencies such as the New Zealand Transport Agency and Ministry of Health) and user fees and charges. Working with communities on issues of affordability is important, and by offering opportunities through the LTP consultation process ensures that communities can express their views on the affordability of upgraded infrastructure. Additionally, Council uses a number of different rates to fund schemes and its other activities. In 2015/16, Council will review the complete set of rating policies to better balance the impacts on affordability.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Maintain levels of service

Council plans to maintain the levels of service provided through its infrastructure assets. Many of these assets provide services that are required by regulation and will be maintained as efficiently and cost-effectively as possible. If levels of service are to be increased, the additional cost will be made clear to ratepayers.

Undertake new capital projects

When an increase in levels of service is required, new capital works funded by borrowing are considered, therefore:

- Council will prioritise new capital projects based on an objective assessment against key decision-making criteria;
- Council will spend about \$10m per year (averaged over the 10 years of the LTP) on these projects to ensure both affordability and timely delivery.

Purpose

Infrastructure provision accounts for 54% of Council's operating expenditure and 88% of the Council's capital expenditure. This expenditure provides the foundations on which the Far North community is serviced – it is essential to health, safety, transport, and has a significant impact on the physical environment. Timely and fit-for-purpose infrastructure enables businesses and communities to flourish. Inadequate infrastructure inhibits economic performance and has a negative effect on community wellbeing. Getting the balance of infrastructure spending right determines how Council contributes to communities' quality of life and adds significant value to attracting tourists, residents and businesses.

This infrastructure strategy outlines:

- the key infrastructural service issues the Far North community must address over the next 30 years;
- the main options for dealing with those issues;
- the cost and service delivery implications for residents and businesses of those options; and
- Council's current preferred scenario for infrastructure provision.

The strategy will help Council and the community:

- to make informed decisions in the next three and ten years, and
- position Council to deal with the major decisions and investments that will occur in the next 10 to 30 years.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

What is infrastructure?

The strategy covers:

- Water supply
- Sewerage and the treatment and disposal of sewage
- Stormwater drainage
- The provision of roads and footpaths
- Community infrastructure - only the provision of any new, heated community pool(s) due to the significant community interest in these projects.

Assumptions and capital expenditure drivers

Council, both for this strategy, and for the 2015-25 Long Term Plan, has to make some key decisions about how much capital expenditure is to be invested in infrastructure. Assumptions do not necessarily cover the full 30 years of this strategy, but will be continually assessed for significant change, and amendments will be made as part of each subsequent LTP and Infrastructure Strategy review.

Capital investment decisions are driven by three considerations:

- When should existing infrastructure be replaced?
- When should Council invest in improving the existing service?
- How much needs to be invested to provide affordable infrastructure for a growing community?

In preparing this plan, Council has had to make assumptions related to these matters; especially around where communities are growing or will grow in the future grow, despite the static district-wide population.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

When should infrastructure be replaced?

The useful lives and associated depreciation rates of major classes of assets are estimated below. Ideally, replacement timing should be based on asset condition rating, which can lead to either early or deferred renewal. In some cases, where condition rating is difficult (i.e. underground assets), the timing for replacement can be made based on a combination of the known asset age and the estimated condition. Council uses closed circuit television (CCTV) surveys, destructive testing and industry benchmarking to estimate the condition of buried assets.

Council currently holds comprehensive information on asset age and is developing its capability for assessing asset condition over the next 3 years. During regular asset valuation exercises, Council physically inspects a selection of assets to confirm that the condition is consistent with the accounting life being used in the forecasts. The Infrastructure and Asset Management Department will continue to develop a physical inspection programme, focussed particularly on those assets that are most critical because: they either service large numbers of properties, essential services, and businesses; or are reaching the end of their estimated lives, bearing in mind that geography and storms contribute to a reduction in some assets' lives.

The performance of reticulation assets typically deteriorates gradually over time. Therefore, it is not critical that any particular pipe is replaced in a specific year. Council will smooth the planned replacement programmes to achieve a balance between optimal timing of replacement, keeping funding demands on ratepayers balanced, and ensuring that work affecting street surfaces is integrated with other work undertaken by Council or other corridor infrastructure providers. Council monitors asset failure rates to identify trends and to adjust the renewals programme accordingly to maximise the life of the assets. Critical assets have been identified and rated in the Northland Lifelines Group Infrastructure Resilience Plan. Council cannot foresee any significant engineering technology that will impact in the near future on our static assets.

Assumption:

Despite a shortage of data for older assets and condition data for buried assets, Council has adequate information about its assets for forward planning.

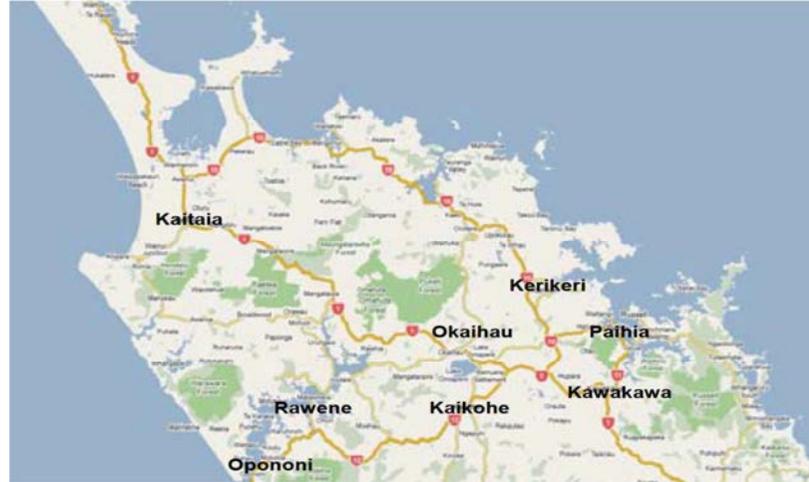
30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Water Supply

- 8 potable (drinkable) water schemes that incorporate:
- 3 non potable supply areas
- 9 water treatment plants

Water is sourced from:

- 3 dams
- 4 bore fields
- 8 stream intakes
- 36 treated water reservoirs
- 333kms of water mains
- 18 booster pump stations
- 9,859 connected properties



Map 1. Shows where in the district Council provides potable water

The network contains approximately 120kms of asbestos cement (AC) pipes (36% of the network), which were laid in 1950-1970's. This material has a life of about 50 years. It is expected that these pipes will need to be renewed over the next 30 years. The remainder of the network has been constructed from modern materials that have a longer life. These pipes are not expected to require significant replacement for another 30 - 50 years. The total value of water assets is \$110,499,757.49. The value for groups of assets can be found in Appendix 2.

Water Supply Infrastructure Assets

	Pipes	Valves, hydrants	Pump stations	Tanks, dams
Estimated asset life	50 – 100yrs	50 - 70yrs	10 – 50yrs	40 – 80yrs
Depreciation rate	1.0 – 2.5%	1.43 – 2.0%	2.0 – 10.0%	1.25 – 2.5%

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Wastewater

- 19 communities serviced with wastewater
- 16 wastewater treatment plants (11 pond systems, 5 mechanical plants)
- 392 km of sewer pipe
- 149 pumping stations
- 10,998 connected properties



Map 2. The location of Council's 18 wastewater systems.

The network contains approximately 100km of asbestos cement (AC) pipes (34% of the network), which were laid in 1950-1970's. This material has a life of about 50 years. It is expected that these pipes will need to be renewed over the next 30 years. The total value of water assets is \$171,396,792.15. The value for groups of assets can be found in Appendix 2.

Wastewater Infrastructure Assets

	Pipes	Manholes	Treatment plants
Estimated asset life	40 - 100yrs	80yrs	15 – 50yrs
Depreciation rate	1.0 – 2.5%	1.25%	2.0 – 6.67%

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Stormwater

- 126 km of pipes
- 39.4 km of lined and unlined channels
- 2,884 manholes
- 18 retention dams
- 50 floodgates
- 1901 inlets and outlets
- 1 pump station.

Typically stormwater pipes have a longer life than water and sewer pipes. While routine maintenance is a planned activity, the replacement of stormwater assets is largely reactive. Therefore, over the life of this strategy, there is generally a relatively low-level stormwater renewals programme. However, to date, Council has invested very little in stormwater reticulation replacement, and Council will need to commence a modest stormwater replacement programme during the next 30-year period. The total value of stormwater assets is \$66,253,781.83. The value for groups of assets can be found in Appendix 2.

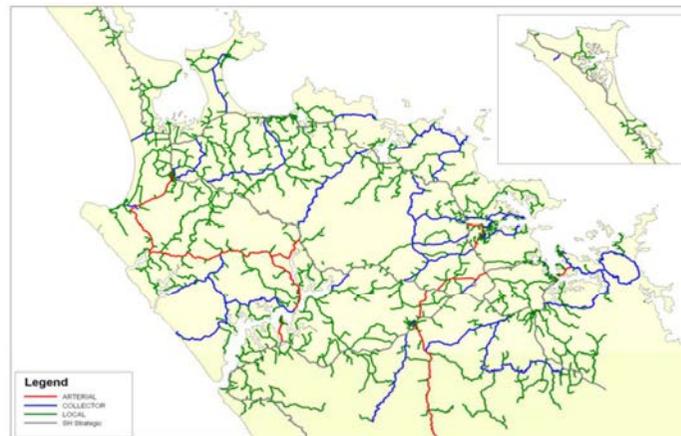
Stormwater Infrastructure Assets

	Pipes	Manholes
Estimated asset life	40 - 120yrs	100yrs
Depreciation rate	0.83 – 2.25%	1%

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Roading

- 891 km of sealed roads
- 1,651 kms of unsealed roads
- 716 bridges and culverts
- 1619 streetlights
- 637 minor structures
- 1 Ferry – Kohu Ra Tuarua
- 7 inactive quarries
- 183.1 kms of concrete footpath



The wear and tear from heavy traffic requires that Council periodically rebuilds sections of road. Council expects that significant harvesting of pine forests will continue to occur. This will result in significant additional heavy traffic on rural roads during that period, which in turn will require an increased programme of road renewals. General pavement renewals programmes are developed from physical condition assessments carried out annually, while bridge replacement and maintenance programmes follow a rolling programme of formal inspections. The total value of roading assets is \$1,580,466,889.52. The value for groups of assets can be found in Appendix 2.

Roading Infrastructure Assets

	Top surface (seal)	Pavement (base course) – sealed	Culverts, cesspits	Footpaths	Kerbs	Street lights	Signs	Bridges
Estimated asset life	5 - 50yrs	35yrs	15 - 100yrs	25 - 60yrs	50 – 80yrs	8 - 60yrs	10 - 15yrs	50 - 100yrs
Depreciation rate	2 - 20%	2.85%	1.0 - 6.7%	1.6 - 4.0%	1.25 – 2.0%	1.67 - 12.5%	6.67 - 10%	1.0 - 2.0%

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Completion of the Twin Coast Cycle Trail

While not mandatory for the Infrastructure Strategy, this important proposed project is included as there is considerable public interest. The Far North District Council is applying to Central Government for further funding to complete the Twin Coast Cycle Trail, which is part of the nationwide New Zealand Cycle Trail (NZCT) initiative. Isolated sections of cycle trail have been completed and three unconnected sections of the trail are currently open to the public. The date of 31 December 2015 is the proposed completion date for the construction of the remaining sections (excluding the permanent Opuia to Kawakawa section). Timing for securing the permanent route from Opuia to Kawakawa extends through to 2017 to accommodate the Bay of Islands Vintage Rail Trust, as the Trust gradually takes back the rail corridor.

Council has begun a process to form an independent legal entity, which will take over the operation of the completed cycle trail, including running events and maintenance. Also, this entity will be able to seek funding outside of Council from such organisations as Foundation North (formerly known as the ASB Trust) and Lotteries, etc. The ability to raise funds from the operation of the trail, as well as through funding applications will reduce the ongoing burden on rates reliance.

Community Facilities

Community Pools

While not mandatory for the Infrastructure Strategy, this important proposed project is included as there is considerable public interest. One of the principles of the draft aquatic strategy is that new pools need to be affordable for ratepayers. Another is that development of new pools must be led by the community. To achieve these, Council has proposed that communities will need to contribute a minimum of 66% of the capital costs through local fundraising, sponsorship, grants, or contributions from philanthropic agencies. Council may borrow up to 33% of the capital cost of a new pool and will fund this from a differential targeted rate based on both the location of the property and its use. This approach recognises that residential properties and properties located close to new pools would benefit most. The community contribution is significant and will be reliant on the success of grant applications. There are limited funders that will consider significant projects such as swimming pools. Often applications to these organisations are accepted once per year and this lead-in period will need to be factored into any timeframe. Potential funders will also want to see the level of Council support for these community-led projects before they commit.

In recognition of the need for Council support in order to increase the success of grant applications, and the lead time required by the community to secure their share, it is proposed that any differential targeted rate required to fund Council's loan will be levied no earlier than in year 4 (2018/2019) of the 2015 - 2025 Long Term Plan for the Kaitia pool.

Council's community development and infrastructure staff will continue to work with the Mid-North Aquatic and Fitness Facility and the community group in Kaikohe on their proposals and options prior to the development of the 2018-2028 Long Term Plan.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

When should Council invest in improving the existing service?

Generally, Council intends to maintain reasonable levels of service to ensure affordability. There are four reasons why the council would improve existing infrastructure services. These are responding to:

- rising environmental and regulatory expectations/requirements;
- climate change;
- catch-up of capital deferrals; and
- demand (growth and levels of service).

Environment & Regulatory Expectations

The main areas in which this is likely to affect council are:

- Upgrades required at Kerikeri and Paihia wastewater treatment plants to meet consented effluent discharge quality limits;
- Increasing quality standards for the discharge of wastewater from all Council's treatment plants, in response to resource consent renewals and compliance with the National Policy Statement on Freshwater Management under the Resource Management Act (particularly Kaikohe, Kohukohu, and Whatuwhiwhi, where the consents will be renewed and upgrades required in the next 10 years);
- Response to sewage reticulation overflows due to excessive wet weather inflow and infiltration in Kaitaia, and other systems, subject to further investigations;
- Public health concerns over the provision of adequate community drinking water supplies for Omanaia and Te Kao; and
- Public health concerns arising as a result of dust from the unsealed road network

Assumption

Due to continually increasing quality and environmental standards, Council's resource consents will be in line with the quality requirement at the time of renewals.

Environmental Hazards

The Ministry for the Environment suggests that Councils plan for a sea level rise of between 0.5m and 0.8m for periods up until 2090, due to the impact of climate change. Sea level rise may generate additional flooding around the mouths of rivers and coastal flat land that occurs in many of our inner harbours and coastal bays, unless steps are taken to manage that risk.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Climate change is likely to result in more extreme storm and drought events. More frequent storms require Council to consider the level of flood protection and the capacity of the district's stormwater drainage system. Increased frequency and severity of flooding and landslides will cause increased frequency of damage to the roading networks, with associated requirements for repairs and replacement.

More frequent droughts may affect the security of water supply to Kaitaia and other stream based water sources, such as those in the Hokianga. Currently, for Kaitaia, Council relies on adequate water flows from the Awanui River and has some stored water at Kauri Dam for supplemental supply, but typically, the same drought conditions result in a toxic algal bloom that makes this reservoir unusable for household consumption. Council, within this infrastructure strategy and the LTP, has committed funding to new water sources for Hokianga and Kaitaia.

Assumption

The rate of climate change and its associated climatic and natural hazard conditions (i.e. that the Far North will become warmer, experience higher winds, more intense and more frequent severe weather events, droughts, flooding and sea level rise) will be in line with climate change predictions by the Ministry for the Environment, which are consistent with the advice given by the International Panel on Climate Change and the National Institute of Water and Air. The timing of changes that will have a significant effect on our operations are not within the immediate ten year period.

Catch-up - Getting Back to Delivery

Council is emerging from a very lean spending period when we responded to the Global Financial Crisis (and lower than predicted growth in the district) by taking strong action to tackle and restrict further debt and keep rates low. Generally, all capital expenditure is initially funded by debt and our focus on paying down debt means Council did not proceed with many previously planned infrastructure projects and looked for lower or

lowest cost solutions to the issues of the day. This impacted not only on new infrastructure projects but also on the maintenance of existing assets and services. In conjunction, Council cut back on staff and other operational spend to ensure rates rises were as low as possible.

Demand - Council Capacity Gap

Increased resourcing for areas such as strategic planning, asset and project management will enable Council to address the backlog of capital investment needs, and to ensure that the right solutions are delivered at the right time.

Improvements in strategic planning will assist decision makers to ensure capital investment is aligned with Council's strategic objectives and outcomes. Improved asset management systems and processes will assist in developing accurate programmes of maintenance, asset renewals and new capital expenditure, based on real time asset condition assessment.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Process improvements planned over the next 3-year period will result in significant benefits for development of the 2018 - 2028 Long Term Plan and the updating of the 30-Year Infrastructure Strategy.

Demand – Infrastructure Gap

In terms of demand for infrastructure, the main determinant of demand for reticulation is the growth in the number of households. Demand is influenced by population numbers, consumption drivers (such as changes in appliance use and conservation) and changes in business use. Business use is not a significant factor in the Far North, except in Kaitaia, where seasonal drought occurs regularly and may disrupt the level of service to keep the Tri-board Mill fully operational. Otherwise, unless new businesses establish in the district, demand will be mostly driven by the residential population. Additionally, residents and communities of residents in the area of benefit around the assets and wastewater schemes may want a higher level of service and are willing to either pay or accept a lower level of service on other district facilities to compensate.

Demand by the forestry industry had been forecast to have a significant impact on the roading network, with a need for additional maintenance, renewal and upgrade works. As this trend is expected to continue over the next 30 years, Council has included additional budget for targeted maintenance and renewal of logging routes.

Assumption

No more than 50 new lots (the current level of subdivision) will be created each year across the district, as a result of subdivision activity. Building activity will remain at a fairly constant level, with approximately 60 new dwellings being constructed each year within the district.

Seasonal Demand

The seasonal impact of visitors to the district's coastal areas places demands on systems far beyond those needed by the usually resident population.

Projections indicate that drinking water supplies and waste water treatment at Kerikeri and Paihia will be impacted by seasonal demand, such that upgrades to these schemes will be required within the next 20 years.

Assumption

The number of visitors to, or staying within, most of the district will continue to decline except for Kerikeri and Paihia, which will continue to increase and therefore significant new demand will be made on existing water and waste water infrastructure.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Growth

Future Population

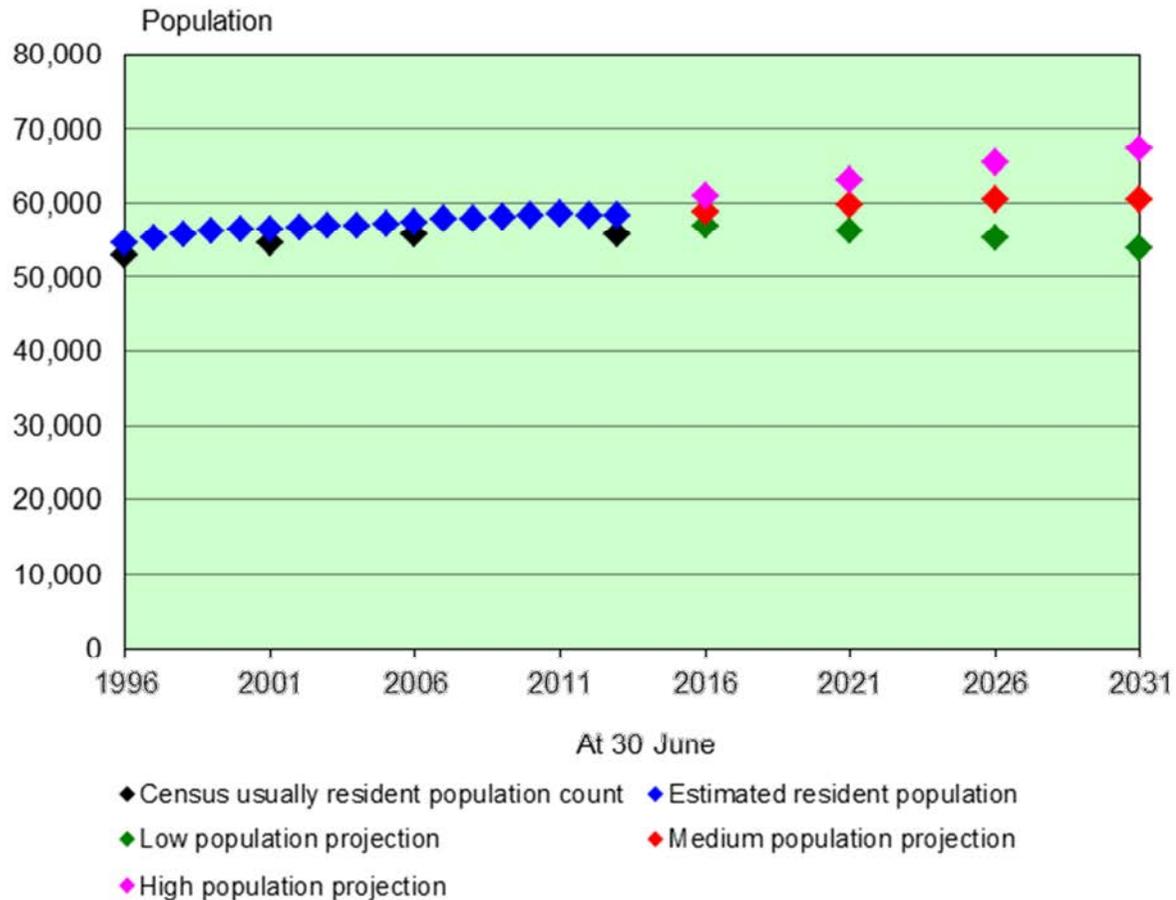
Although net population increase is readily associated by most people as being 'growth' or a decrease is conversely 'decline', other land and building development factors also have a bearing. Growth is a function of:

9,859 connected properties Net population increase (including inward and outward migration);

- Changes in the structure of the population;
- Changes in the composition of households;
- Increases or changes in the style or character of business activity;
- Seasonal fluctuations in areas that attract high numbers of visitors and have a significant proportion of holiday homes and visitor accommodation; and
- Further subdivision of landholdings.

Growth in the Far North District has typically been acknowledged to sit between the Statistics New Zealand low and medium growth population projections. However, the district's usually resident population remained static for the period between the 2006 Census and the 2013 census. Under the Statistics New Zealand medium growth population projections, the Far North district's usually resident population is expected to grow steadily to 60,000 in the next 20 years. However, the modelling shows (see graph below) that if growth is low, then there will be a continued slight decline.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)



The Far North Council has determined that for the first 3 years of this strategy and the 2015-2025 Long Term Plan, growth will continue to decline at a rate of approximately 0.02% per annum.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Assumption

Change in the usually resident population will continue to be uneven across the district. While some Eastern coastal communities will see growth of between 0.05% and 2% per annum, most townships will continue to experience a decline in Usually Resident Population (at a rate of between ^{-ve}0.02 to ^{-ve}2% p.a.). The settlement areas which will see continued slow to moderate growth (of between 0.2 – 1.6% p.a.) in URP are:

- the Bay of Islands Resorts' towns (comprising Russell, Opua, Paihia, Waitangi, Haruru Falls), along with the accessible coastal areas within the Pokere-Waihaha Census Area Unit (CAU);
- the accessible coastal areas of the Eastern Ward;
- the Kerikeri and Waipapa townships (servicing the horticultural sector, rural-residential and coastal living across the greater Kerikeri area, Kapiro, Waipapa, and the Waihau Valley-Hupara CAUs), along with continued usually resident population and investment growth within the rural-residential zoned areas within the CAUs;
- Within the Te Hiku Ward, along the Eastern seaboard around Doubtless Bay, Mangonui Harbour and the Karikari Peninsular; and
- On the West coast at Ahipara.

(Source: Usually Resident Population Projections, within "Development Indicators - Projections" FNDC, October 2014)

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Other Assumptions

Management of Council Assets

For the most part, Council currently outsources the delivery and maintenance of assets, whilst retaining the operation and management in-house. Council is not intending to change the way in which its assets are managed. However, there are three areas where significant change could occur:

- Divesting of Council assets, including options for possible disposal of community halls/hubs (subject to public consultation);
- A rating review in 2015/16, which could result in a change of ownership for some water schemes to improve affordability (as included in the LTP Consultation Document); and,
- Future investment in shared services, which could include joint management of services, outsourcing of joint services or setting up Council Controlled Organisations (CCO) to manage services, in collaboration with other Councils or organisations in the region.

Inflation

The Consumer Price Index (CPI) as the factor representing annual cost changes is well known to the public, the CPI for price changes does not reflect accurately or appropriately the price change movements experienced by Council (for the types of goods it procures). The CPI is a consumer-level measure and is defined by Statistics New Zealand as meaning, "the changing price of a fixed basket of goods and services purchased by New Zealand households. The selection and relative importance of the goods and services in the CPI basket represents the overall expenditure pattern of New Zealand households". The main groups of goods in the CPI are: food, alcohol and tobacco, clothing and footwear, housing and household utilities.

Economic Research Limited (BERL) has, for a number of years, published an index called the Local Government Cost Index (LGCI) in conjunction with SOLGM and LGNZ. This index was developed explicitly for Councils to use in the development of their Long Term Plans. The index is therefore appropriate for use in this Infrastructure Strategy as it and the LTP must align.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Year Ending	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	20yr Ave %pa
CAPEX	0.37	2.08	2.34	2.61	2.64	2.67	2.80	2.96	3.11	3.27	3.48	3.67	3.23
OPEX	1.72	1.95	2.16	2.33	2.43	2.57	2.71	2.85	2.99	3.13	3.27	3.41	2.93
LGCI	1.13	2.0	2.24	2.45	2.53	2.61	2.75	2.90	3.04	3.19	3.36	3.53	3.06

Table 1. Local Government Cost Index, Average annual % change – baseline year June 2014

The index has nine categories: roading and transport, property, reserves and parks, water, staff, energy, pipeline, earthmoving, private sector wage costs. Council uses the LGCI to inflate its costs for future years in the ten year plan forecasts. Financial forecasts for the first 10 years of this strategy (until June 2025) are adjusted for projected inflation based on the BERL local government cost index as shown in Table.1 above.

The financial forecasts for years 11 to 30 have been inflated using 3.06%, the 20-year average.

Inflation assumed to be at 2% for NZTA funded works for the next 3 years due to the reduction in the oil price.

Strategic Financial Context

Council's Financial Strategy 2015-2015 discusses the context in further detail. In summary, Council must plan its expenditure in a way that is sustainable to ensure that the district will have the capacity and resources available to deliver affordable services to our residents and ratepayers in the medium and long term.

Council's financial strategy for infrastructure is to:

- Maintain (including replace or renew) the existing infrastructure assets where it is reasonable and economic to do so;
- Maintain the existing core services as efficiently as possible (many of these are essential services and legislatively required);
- Aim to limit the borrowing attached to new capital works (excluding the heated, indoor pools programme) to an average of \$10m per year to ensure affordability and deliverability of the programme;
- Ensure that about 10% of loan-funded new capital works (excluding the heated, indoor pools) are committed to district facility projects; and

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

- Prioritise capital projects based on an objective assessment against key decision criteria.

Our overall approach to funding is that Council funds approximately 85% of operating costs from rates, with the balance funded from other sources such as subsidies (from Government agencies such as the New Zealand Transport Agency) and user fees and charges.

- To ensure that the users of the district's assets pay their fair share. Council uses depreciation (which is operating expenditure) to fund renewals; and
- Council uses borrowing to spread the cost of new capital expenditure over a longer period;
- Council will review our complete set of rating policies in the 2015/16 financial year, and
- Council will place affordability limits on rates and rates increases.

Levels of Service

Levels of service are the service outputs for a particular activity or service area, against which performance can be measured. Generally, Council's aim is to maintain reasonable levels of service that are affordable for our communities.

We will only increase levels of service when dictated by:

- regulation;
- demand due to population growth (seasonal or permanent);
- a communities' willingness to pay for a higher level of service (current proposed projects funded on this basis are explicit in the LTP Consultation Document);
- a communities' willingness to accept a lower level of service in order to achieve a higher level of service elsewhere (funding does not change); or
- the availability of externally-sourced funds.

Level of service impacts for key projects are summarised in Table 2 Summary of capital expenditure options and Table 3 Future Capital Projects. Further details on levels of service associated within specific activity areas and assets are outlined in the relevant Activity Statements and Asset Management Plans.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

For the full set of Council Planning Assumptions, including impact on levels of service, relevant to the preparation of this strategy and for the management of our infrastructural assets, refer to Appendix 1.

Most likely scenario

The following timeline shows the most likely scenario for Council's infrastructure investment. A feature of this scenario is that infrastructure investment in the first decade covered by this plan requires significant investment due to:

- the need to increase expenditure to replace aging reticulation; including deferred work;
- the need to increase standards of sewage treatment as resource consents expire; and
- the need to expand the capacity of existing infrastructure to meet the needs of a growing population.

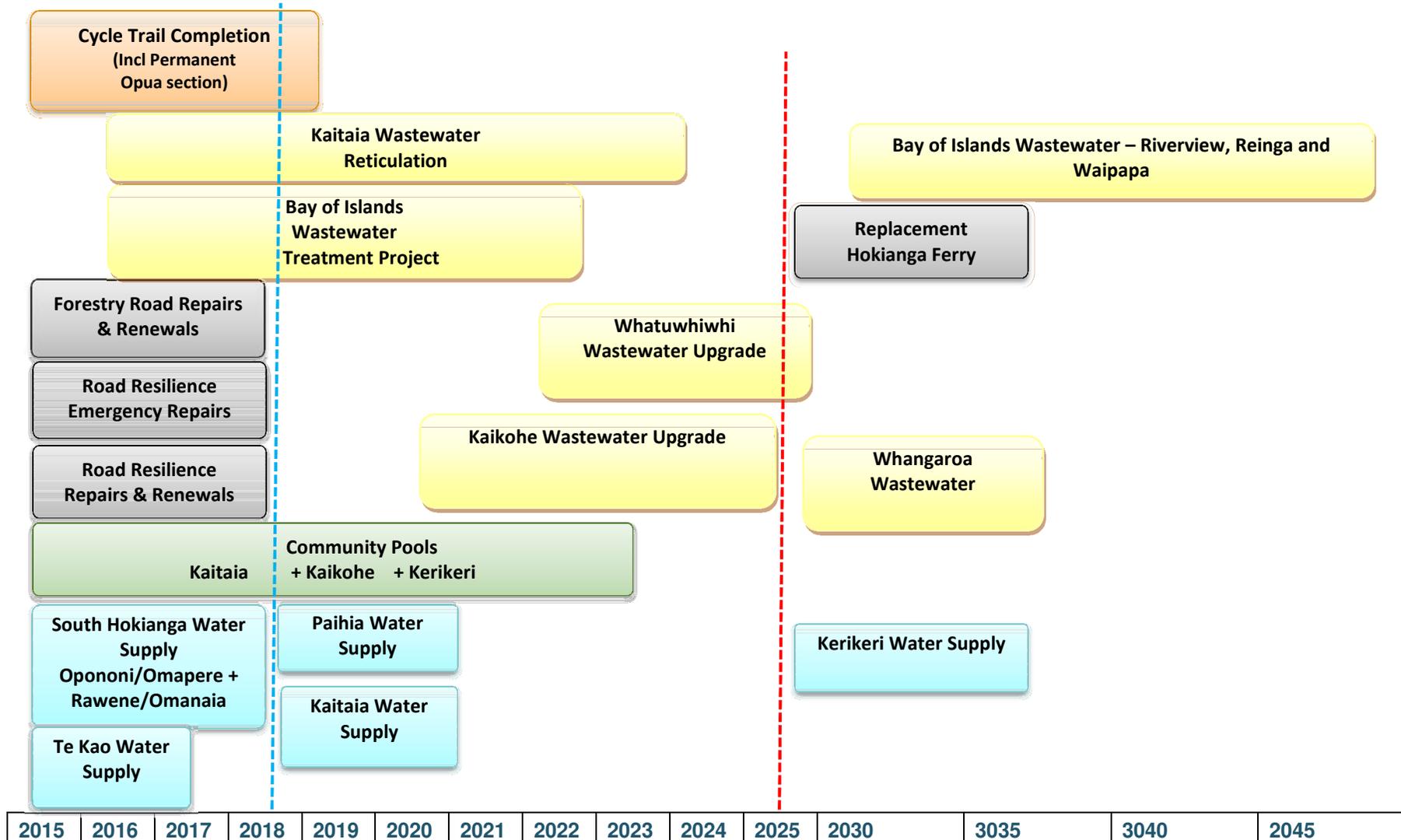
The total projected capital expenditure over the next 30 years is \$1.0 billion. Operating expenditure over the same period is \$2.9 billion.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Most likely scenario – major projects timeline

LTP first 3 Year's funding -----

LTP 10 Year funding -----



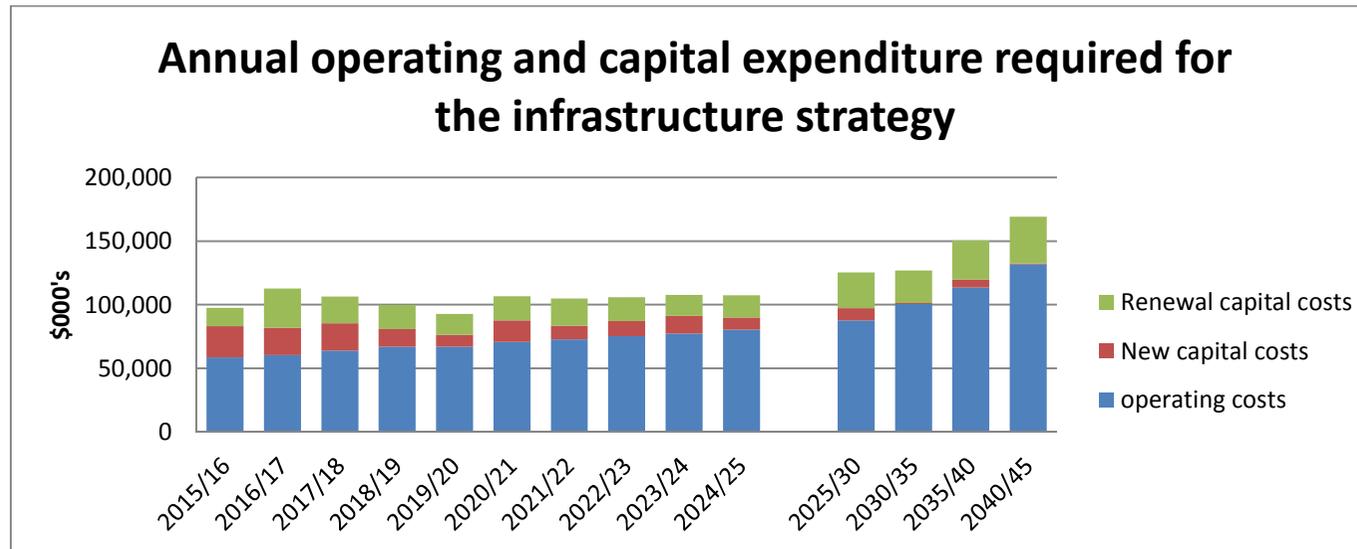
30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

What will it cost?

Cost of most likely scenario

The following graph shows the annual capital and operating costs of the most likely scenario. Details of the first 10 years' expenses for each infrastructure activity are shown in the funding impact statements for those services. The graph shows each of the first ten years and annual average expenditure for the next twenty years in five year blocks. The finances for each individual year in the five yearly blocks were developed and then aggregated. The graph does not include funding for Community Pools as there is a requirement for communities to raise 66%. The funding will be included in the final LTP document, based on the Consultation Document outcome.

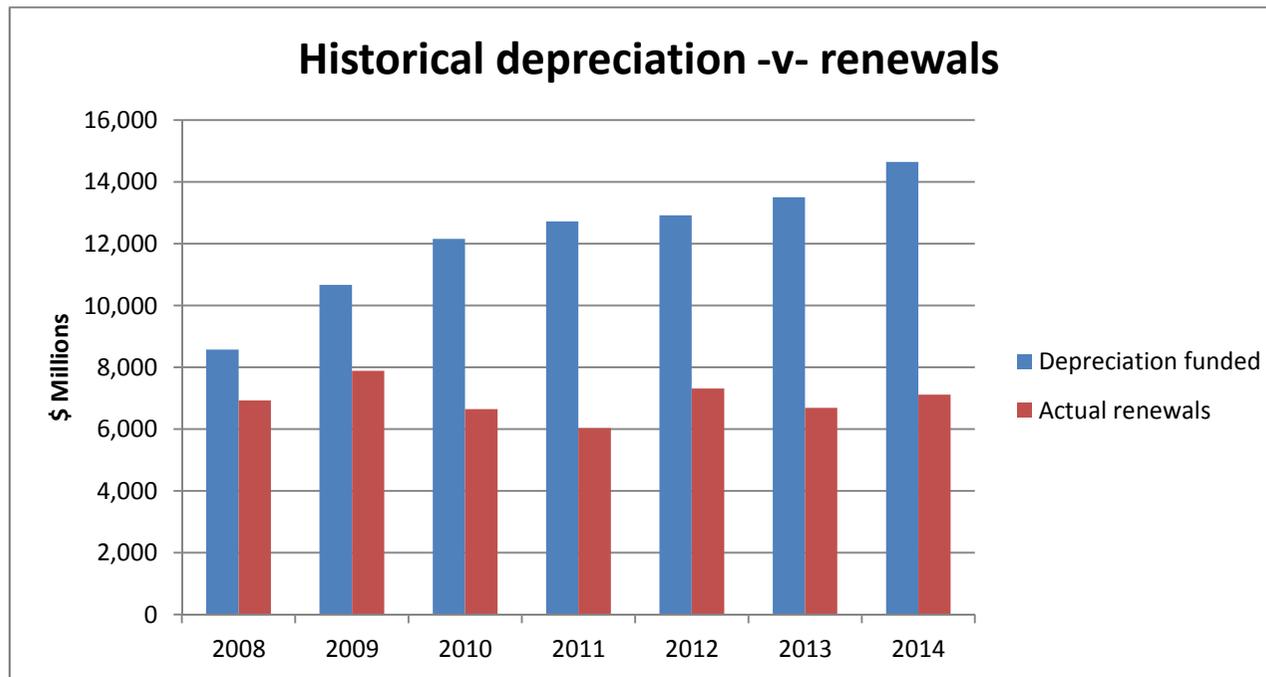
Expenditure has been inflated. From the graph, it can be seen that operating costs are expected to rise in line with inflation, significant capital spend on core infrastructure will take place in the first 5 years, and the renewals programmed, which includes deferred renewals, has been smoothed out over the 30 year period.



30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Depreciation is used to fund the renewals programme

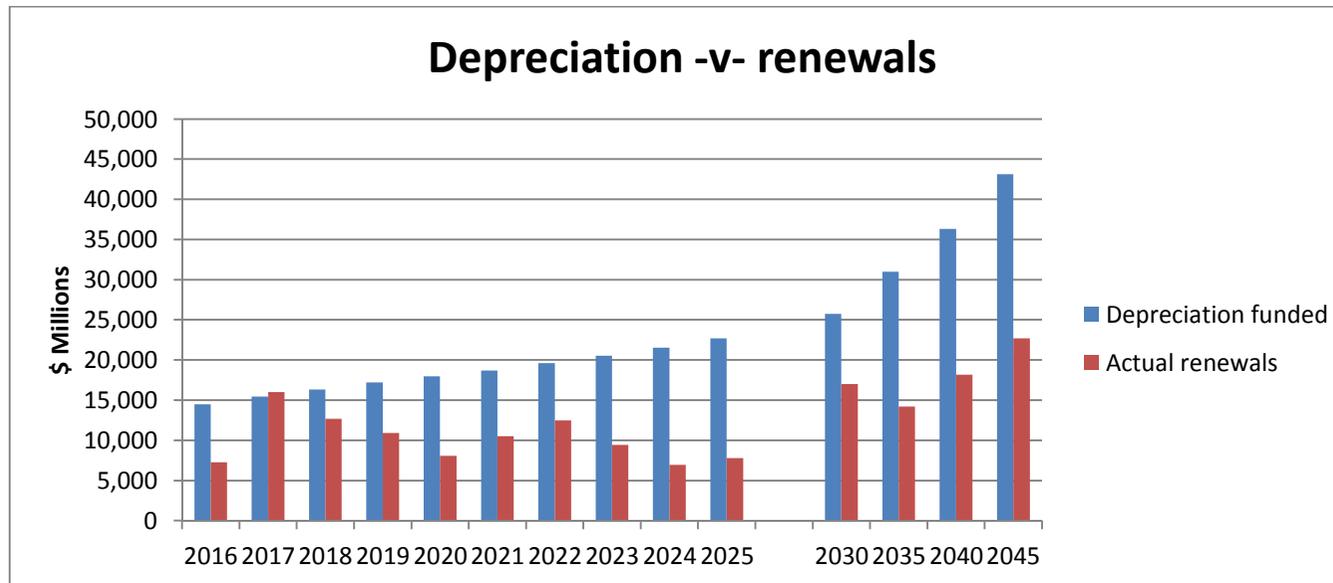
Council funds (or recovers the expense of) depreciation through rates. The depreciation charge is made at a rate that spreads the cost of the asset being depreciated over its useful life. Council maintains their assets on an annual basis and periodically renews the assets that make up the component parts of the larger systems so that, generally, the asset is kept in a condition to provide the required level of service over the long term. Over the lifetime of our assets, the amount of depreciation charged and the value of the renewals programme should be equal. Council has identified that over the last seven years there is a discrepancy between depreciation funded of around \$85m and actual renewals of \$49m. In aggregate the difference is around \$36m.



30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

There are a number of reasons for this. Firstly, the useful life of many asset components (e.g. underground pipes and bridges) is very long and renewal of those components did not fall due within the 6 year period just past. Secondly, renewals can be deferred in the short-term, to reduce capital expenditure in particularly uncertain times, such as the global financial crisis. This deferral of renewal work requires a catch-up over the medium term to restore on-going levels of service. Thirdly, depreciation is collected evenly over the useful life of each asset. Renewal work does not happen in the same even spread – the nature of renewals is that the expenditure is “spikey” and it is only over the very long-term that equality between depreciation and renewal expenditure will be seen. All of these factors contribute to the “gap” identified above.

The renewal programme is driven by the Asset Management Plans prepared for each asset. In this Strategy, Council is responding to the deferral of renewals and is spending depreciation funds received on work identified in the AMP as shown in the graph below. This is the catch-up identified in reason two above. The on-going “gap” in some years is caused by reasons one and three described above.



30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Cost implications of significant capital expenditure decisions

There are a number of significant capital expenditure decisions that could affect those costs. These are summarised in Table 2.

Table 2: Summary of capital expenditure options

Project	Key Driver (Growth, Renewal or Level of Service)	Probable Year of Completion	Lower Cost Option	Most Likely Scenario	Higher Cost Option
			\$m	\$m	\$m
South Hokianga New Water Supply and Drought Resilience Opononi/Omapere Rawene/Omanaia	Improve LOS to meet Regulatory Requirement	2017	0.71	1.32	5.75
	Improve LOS to meet Regulatory Requirement	2017	2.34	2.34	6.25
Te Kao New Water Supply	Improve LOS to meet Regulatory Requirement	2018	0.06	2.20	
Kaitaia New Water Supply	Improve LOS to meet Regulatory Requirement	2020	0.74	3.60	5.34
Paihia Water Supply	Improve LOS to address seasonal demand	2020		6.80	
Bay of Islands Wastewater Treatment Project	Improve/expand LOS to meet Regulatory Requirement	2021		23.70	25.5
Kaitaia Wastewater Reticulation	Renewal	2023		13.70	23.10
Forestry Roads - Repairs & Renewals	Renewal	2018	Nil	10.00	

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Project	Key Driver (Growth, Renewal or Level of Service)	Probable Year of Completion	Lower Cost Option	Most Likely Scenario	Higher Cost Option
			\$m	\$m	\$m
Road Resilience - Emergency Repairs	Maintain LOS	2016	Nil	2.77	29
Road Resilience - Repairs & Renewals	Maintain LOS	2018	Nil	6.91	18
Completion of the Twin Coast Cycle Trail	Improve LOS (external funding contribution)	2017	3.61	3.9	
Community Pools	Improve LOS (external funding contribution)	2018		8.38	
Kaitaia	Improve LOS (external funding contribution)	2020		3.3	
Kaikohe	Improve LOS (external funding contribution)	2023		15.7	
Kerikeri	Improve LOS (external funding contribution)				

Introduction

For the projects above that fall within the 10 years of the Long Term Plan 2015-25, there is a preferred option set out in the draft Infrastructure Strategy and the Long Term Plan Consultation Document. This section has now been updated with the decisions and the funding levels determined by Council at Deliberations. The standalone Infrastructure Strategy set the context and options for inclusion within the Consultation Document. Therefore, Council considered these options including the preferred option, as well as community support and concerns via submissions, hearings and from 10 public meetings, when they confirmed the projects for the Long Term Plan 2015-25 at Deliberations on 9 June 2015.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

1. South Hokianga New Water Supply and Drought Resilience

Opononi/Omapere

The raw water for the Opononi/Omapere water supply is taken from the Waiarohia Stream (25%) and the Waitemarama Stream (75%). Because the resource consent for the Waitemarama Stream limits extraction to maintain a residual flow to sustain the streams ecology, over recent droughts, the volume extracted from the Waitemarama has resulted in less than consented residual flow remaining in the stream. In 2019, the level of residual flow will be increased, exacerbating the situation. The change will result in insufficient water to maintain supply to the Opononi/Omapere consumers for several months from mid to late summer each year.

An initial assessment has been undertaken as to potential raw water sources. The key findings are:

- Raw water storage must be covered to prevent algae growth, which peaks late summer and can make the water unsuitable for treating to a potable standard. Covering to prevent algae growth substantially increases the cost;
- There are currently no known ground water bores in the area that have sufficient yield. What is unknown is the potential yield in the higher basalt zone. Without drilling a test bore it is not possible to predict whether sufficient ground water is available; and
- There are only two rivers, the Waimamaku and the Whirinaki, that have sufficient flow to enable extraction without an adverse environmental impact. Of these two, the Waimamaku costs less to develop.

The funded scenario in the LTP 2015-25

It is proposed to install a test bore to see if there is ground water available. If ground water is found, this cheaper option will be developed further. If not, a supplementary intake will be constructed on the Waimamaku River. Because of the risk of not finding ground water, the funding of \$1.32m is based on the Waimamaku option. Council recognised there are significant issues for Iwi regarding this option and considers more work is required, so proposes to ensure that there is sufficient budget in the 2015-2025 Long Term Plan to allow further investigation. However, Council has retained funding levels, to a maximum of \$1.32 million in the Long Term Plan 2015-25, to allow options for water supply to the Opononi-Omapere communities to be investigated, await the outcome of the Ministry of Health subsidy application, and continue to work with the local community.

Alternative:

Construct raw water storage (site to be determined). Raw water storage must be covered to prevent algae growth which peaks late summer and can make the water unsuitable for treating to a potable standard. Covering to prevent algae growth substantially increases the cost. Cost is estimated at \$5.99m.

However, if a test bore indicates sufficient water in the basalt zone, then the additional source would cost \$0.79m

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Rawene/Omanaia

Between the raw water source and the water treatment plant in Rawene, there are approximately 59 homes (approximately 125 people) and a Marae that receive untreated water direct from the raw water main. The consumption of this raw water places those people at a high level of risk of contracting water borne diseases. The consumers receiving this untreated water have for a long time requested Council to rectify the situation by installing the necessary treatment and reticulation to provide them with potable water. Currently, Rawene has less than adequate treated water storage, making it more vulnerable to water shortages through mains breaks, plant failure, or drought situation. Most options include additional 500 m³ treated water storage. Water treatment options are:

Potable water				
Option	Description	Investigation	Capital estimate	Operational cost
1	Decommission the existing water treatment plant and build a new water treatment plant (using membrane filtration) near the intake thereby using the existing raw water main to provide potable water. Includes 500 m ³ reservoir	\$200,000	\$3,360,000	No change from existing
2	Pipe treated water to Omanaia from the existing water treatment plant plus 500m ³ reservoir	\$80,000	\$2,670,000	Additional \$4,000 p.a.
3	Rawene raw water sourced from Whirinaki with a new water treatment plant near the existing raw water source for Omanaia. Includes 500m ³ reservoir	\$200,000	\$3,580,000	Additional \$20,000 p.a.
4	Supply Omanaia and Rawene with treated water from a new treatment plant (using conventional treatment) that would be built next to the current intake at Petaka Stream. The existing Rawene Water Treatment Plant at De Thierry Street would be decommissioned. A 500m ³ raw water storage and 300m ³ treated water storage reservoir would also be built to provide a modest level of drought resilience.	\$50,000	\$1,970,000	Additional \$10,000 p.a.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Potable water				
Option	Description	Investigation	Capital estimate	Operational cost
Drought Resilience				
Option	Description	Investigation	Capital estimate	Operational cost
1	Raw water storage near intake (Could apply to treatment options 1,2 and 4)	\$150,000	\$2,890,000	Additional \$10,000 p.a.
2	Raw water storage near Rawene Rd (Could apply to treatment options 1,2 and 4)	\$150,000	\$2,300,000	Additional \$10,000 p.a.
3	Pumped supply from Waima River including raw water storage tank to maximise the existing source (Could apply to treatment options 1,2 and 4)	\$60,000	\$1,120,000	Additional \$10,000 p.a.
4	Storage tank to maximise the existing source and enable trucking of water. This concept is viable up to around a 1:20 year drought. (Could apply to treatment option 1 and 2 only)	\$50,000	\$ 370,000	Additional \$10,000 p.a.

Recent droughts have shown the Rawene supply will run short of water for any drought greater than a 1 in 5 year drought. Various options for drought resilience have been evaluated, of which, the following four are considered the most viable.

The potable water funded scenario in the LTP 2015-25

To pipe treated water to Omanaia and Rawene from a new water treatment plant and additionally build a 500m³ raw water reservoir and a 300m³ treated water storage reservoir at a cost of \$1.97m (Treatment option 4). Council considered that more work is required and looked to ensure that there is sufficient budget in the Long Term Plan 2015-2025 to enable further investigation into the best option to resolve this issue. Therefore, Council confirmed retaining funding levels of \$1.97 million, as per Option 4 (Rawene-Omanaia - Planning for Potable Water) in the Long Term Plan 2015-2025, and will await the outcome of Ministry of Health subsidy application, and continue to work with the local community.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

The Drought Resilience funded scenario in the LTP 2015-2025

Council proposed to provide additional drought resilience, construct a pumped supply from Waima River and raw water storage tank at a cost of \$1.12m (Drought resilience option 3). Council, after listening to the community about affordability, decided to change from the preferred Option 3 to Option 4 (build a storage tank and truck in water during droughts) and set the funding at \$370,000 in the LTP 2015-25.

Alternatives

Alternatives are as described in the above table.

2. Te Kao New Water Supply

Te Kao currently has a water scheme supplying approximately 65 homes and 3 farms. The water scheme was divested by Council to a private provider in 2002. Since then, water quality has struggled to meet drinking water standards for a number of reasons including poor raw water quality and ineffective treatment. The water is sourced from Lake Wahakari. Council is currently working with the local community via the Te Aupouri Māori Trust board to identify options for improving the water quality to drinking water standards. To date, work has focused on finding alternative, better quality, and more secure sources.

This work is ongoing and Council has submitted a funding application for improvement to the Ministry of Health (MOH) in February 2015. If the funding application is successful, it will enable Council to proceed in either improving the existing scheme, developing a replacement scheme or a combination of both, subject to agreement with the current scheme provider. Current Options are:

Option 1 – Do Nothing

Advantages	Disadvantages
Relative low cost to community	Water quality remains below drinking water standards, resulting in health and safety risks.
Limited cost to Council	Community dissatisfaction

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Option 2 – Investigate/implement options for improving water quality to drinking water standard

Advantages	Disadvantages
Water quality improves to comply with drinking water standards	Council's current scheme-based, targeted rating may impact on affordability for the local community
Potential MOH Subsidies available (final funding round February 2015)	
Removes current health risks to community	

The funded scenario in the LTP 2015-25

1. To continue to look for alternative and better water sources
2. Design an appropriate scheme that may or may not include existing infrastructure
3. Apply for funding to support infrastructure development to preserve options and reduce costs
4. Continue to work with Te Aupouri Māori Trust Board in partnership to provide drinking water to the community
5. Ultimately assist in an appropriate way to provide the Te Kao community with safe, sustainable and affordable drinking water.

The current estimate by Council is that it will cost \$2.2m to source, treat and supply existing users, and allow for future demand increases. Council has included this cost estimate in our financial projections. It is hoped that most capital costs would be covered by a MOH subsidy, although the scheme's owner would still need to charge depreciation costs on the asset. Council will continue to work with the Te Kao community and Te Aupouri Maori Trust Board to ensure that the residual cost to the community is affordable. Appropriate alternative water supply options will be sourced, be costed, compared and discussed with the community before final decisions are made. Council confirmed retaining funding levels of \$2.2 million, as per Option 2 in the 2015-2025 Long Term Plan, and that it would await the outcome of the Ministry of Health subsidy application and continue to work with the local community to progress the Te Kao scheme.

Alternative:

Ownership and management of the scheme remains under the private provider. The MOH would work with the private provider to ensure water quality was of potable standard. The community has tried to gain a subsidy from the MOH but was declined. However, the community could still put together another proposal to take over the scheme.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

3. Kaitaia New Water Supply

Council draws water from 3 sources (Awanui River, Kauri Dam and Okahu Stream) for the Kaitaia community. However, the system struggles to cope with daily demand in dry summers when flows in the main source, the Awanui River, drop and algal blooms make water in the dam unsuitable for use. River flows at the water supply intake dropped to below permitted levels during dry weather in 2010 forcing us to restrict the use of water in Kaitaia for 111 days. It also put new pressure on us to investigate alternative water sources for the town which uses, on average, 2,640 cubic-metres of water a day, of which nearly a quarter (623 m³) is used by Juken New Zealand Ltd at its timber plant. Council has already ruled out the Kauri Dam as a viable long-term water source and the Okahu Stream is too small to serve as a primary source, so have been investigating the Aupouri Aquifer as a possible source. A private company offered to supply aquifer water from bores in the Sweetwater area shortly after the 2010 drought. The company undertook to supply water from the aquifer to our treatment plant in Kaitaia and agreed to install and finance the required infrastructure, including pumps and pipes. Council was to obtain a resource consent to take water from the aquifer. Council did this, and in 2012, the Northland Regional Council granted a consent allowing 5,000 cubic metres of water to be drawn each day from no more than two bores at the aquifer. The company, SWEETH20, drilled and developed one production bore and several monitoring bores. Work on the new water source proceeded until it became clear that agreement could not be reached on certain aspects of the project. The then Council purchased the assets and interests of the company with a view to developing the water source itself. However, the Council that was elected in 2014 is investigating all water sources in the Kaitaia area, including a source offered by Te Runanga o Te Rarawa, before committing further funds to the project, which has been put on hold pending the outcome of this investigation.

The funded scenario in the LTP 2015-25

Draw aquifer water from the SWEETH20 bores at Sweetwater. Estimated capital cost is \$3.6m. There are unresolved issues with some components of the current system relating to subdivision and land acquisition. A Kaitaia water options study is being progressed and addressing the Kaitaia water source has been scheduled for Year 4 of the Plan by ensuring there is adequate budget in the 2015-2025 Long Term Plan for further investigation, feasibility and business case preparation of alternative water sources. Therefore, Council has confirmed funding of \$3.6 million for Kaitaia water in the 2015-2025 Long Term Plan, to provide for a solution that will be subject to further investigation, feasibility and business case sign-off, and subsequent approval by Council.

Alternative:

Keep drawing water from the Awanui River, but invest in plant upgrades that improve supply security. Estimated capital cost is \$735,000; or

Draw Aupouri Aquifer water from three other bores about 1km apart in the Kaitaia area. Estimated capital cost is \$3.73m.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

4. Paihia Water Supply

The Paihia water treatment plant is located next to the Waitangi River adjacent to the Haruru Bridge. When the water in the river becomes turbid, the capacity of the water treatment reduces significantly; and when the river is very turbid, it is unable to treat water. If the turbid river water coincides with high demands, then the water treatment plant cannot treat enough water to meet demand. The risk of water shortage occurs most summers and during 2014, occurred twice outside the peak summer period.

The other risk associated with this site is that the intake is now downstream of an urban area, thus increasing risk of pollutants entering the water treatment process. The plant building is located on a flood plain with a 1:50 year flood estimated to reach the roof level of the treatment plant building. If flooding of the electrical equipment did occur, there is likely to be a medium to long term loss of potable water.

Funding to rectify this critical issue has been placed into the LTP, but initially, further investigation work is required. The investigation will consider:

- Availability of suitable land;
- Untreated and treated water storage requirements;
- Flood zones and other hazards;
- Distance from existing reticulation; and
- Proximity to development.

The funded scenario in the LTP 2015-25

A new Water Treatment Plant with additional water storage. Estimated capital cost is \$6.8m. Council has confirmed funding of \$6.8 million in the 2015-2025 Long Term Plan for the development of a new water source and treatment plant for Paihia.

Alternative:

Continue with the status quo and develop contingency plans to manage the risks. Develop additional treated water storage to increase resilience. Estimated capital costs are \$2.5m; or develop raw water storage only and maintain the existing treatment plant. Estimated capital cost \$2.0m.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

5. Bay of Islands Wastewater Treatment Project

The purpose of Bay of Islands Wastewater Treatment Project was originally prepared to extend the sewage reticulation for Kerikeri to encourage intensification and growth; to reduce reliance on old onsite disposal systems such as septic tanks; and to address failing wastewater treatment plants at Kerikeri and Paihia. Kerikeri is the main area that has continued to grow slightly, despite growth remaining static across the district. However, the unprecedented growth prior to the recession has not continued. The current treatment plant cannot accommodate further connections and some development close to the reticulation network has not been connected.

The funded scenarios in the LTP 2015-25

Paihia wastewater treatment plant

A new Resource Consent for Paihia WWTP was awarded in August 2014, and to comply with the new discharge consent requirements, an extra treatment stage, a Submerged Aerated Filter (SAF), will be required to treat effluent from the ponds. This has been developed to preliminary design stage and has been conservatively estimated as costing \$3.2m. Council has funded \$3.2 million for the Paihia WWTP as part of a total funding package for Kerikeri and Paihia.

Kerikeri wastewater treatment plant

The resource consent for Kerikeri wastewater treatment plant expires in 2015, and an application for a replacement consent was submitted in December 2014. It is planned to construct a new treatment plant alongside the existing plant, on land already owned by Council. The old plant will then be decommissioned and demolished. The new plant will have a capacity of 1000 m³/day, compared with the current plant's capacity of 570m³/d. This extra capacity will allow for the construction of the extended reticulation in central Kerikeri. The new plant will be designed to eliminate, as far as possible, any odour or noise issues, which are of concern in such an urban location. The new plant will be of modular construction to facilitate future expansion and increased flows. The cost of the new plant has been estimated at \$9.27m. However, Council is still actively exploring cost-effective options for an alternative site outside of the township which, if pursued, could add an additional estimated \$1.5m to the cost of this option.

A new, larger diameter treated effluent discharge main will also be required, and this has an estimated cost of \$2.25m. The new main will follow the route of the existing mains to discharge at the same location in a wetland in the Waitangi Forest. The pipe route crosses private land before entering the forest. Easements will be required over the private land and permission from Land Information New Zealand will be required within the Waitangi Forest.

Total capital costs for the Bay of Islands Wastewater Project is \$22.2m.

Kerikeri reticulation	\$7.5m
Kerikeri WWTP (new plant)	\$9.25m (increased by \$1.5m if an out of town site is used)

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Kerikeri new effluent pipeline	\$2.25m
Paihia WWTP SAF upgrade	\$3.2m

While it is clear that ratepayers are telling Council they would prefer two separate schemes, Council is aware of a number of concerns, including meeting statutory requirements, impacting on those who live around the existing plant, and affordability. As a result, Council supports completing a Multi Criteria Cost-Benefit Analysis which will consider all available options as an important step in the process of developing a robust and defensible solution, which will be the subject of public consultation before a decision is made. Consequently, Council increased the funding by \$1.5 million over the estimated \$22.2 million (including the \$3.2million for Paihia upgrade) to ensure that an out of town option could be considered as an option. Therefore Council confirmed increasing the funding in the Long Term Plan 2015-25 for Kerikeri Wastewater by \$1.5 million, complete the Multi-Criteria Cost/Benefit Analysis, and then select the most appropriate option, which will be subject to further consultation with the affected parties and subsequent final approval by Council. Work will also continue on improvements to the Paihia Wastewater Treatment Plant.

Alternative:

The initial proposal estimated at \$42m was to construct a new modern wastewater treatment plant at the site of the existing pond-based treatment system located in the Waitangi Forest and currently treating flows from the Paihia catchment. The new plant was to be sized to accommodate flows from Kerikeri and Paihia, which were experiencing significant growth prior to the global financial crisis. The project included construction of a transfer pumping station and delivery main to transfer sewage from Kerikeri to the new Paihia plant, the decommissioning of the existing Kerikeri plant, and the construction of new sewage reticulation to serve a substantial portion of the Kerikeri area, abandoning onsite disposal systems.

For comparison purposes, a smaller version of the original Bay of Islands principle of transferring the sewage from Kerikeri to a new treatment plant to be constructed at Paihia, but allowing for less growth, has been evaluated at the same time as the above option. The total cost of \$25.5m has been estimated as follows:

Kerikeri reticulation	\$7.5m
Transfer pumping station and pipeline	\$6.7m
New treatment plant at Paihia	\$11.3m

6. Kaitaia Wastewater Reticulation

The bulk of the Kaitaia sewage system was installed in the late 50's to early 60's. Due to a combination of leakage through aging pipes and flows increasing through long term growth, as well as during rain events, the rainfall entering the wastewater sewers is resulting in untreated wastewater overflows occurring from the pipe network to the streams that run through Kaitaia. During a typical year, there are 30 to 40 untreated wastewater overflow events.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Council has developed a computerised model of the Kaitaia wastewater network to better understand the issue and to enable various solutions to be simulated. Using the model, preliminary solutions have developed to achieve different levels of service. The level of service is a storm of a size required to generate an overflow.

Level of Service	Investigation	Capital Cost	Operational Cost
1 in 5 year	\$200,000	>\$25.95m	No change from existing
1 in 2 year	\$200,000	>\$16.6m	No change from existing
1 in 1 year	\$200,000	>\$13.7m	No change from existing

The funded scenario in the LTP 2015-25

Council's proposed direction is to upgrade the Kaitaia wastewater reticulation over an 8 year period to a standard to achieve a 1 storm in 1 year level of service, at a total estimated cost of \$13.7m. Council will monitor the effectiveness of the upgrade as it is delivered. Council confirmed funding of \$13.7 million for Kaitaia Wastewater in order to develop a solution that will provide a minimum 1-in-1 year level of service, subject to further investigation, business case development and subsequent approval by Council.

Alternative:

Plan to account for between 2 to 5 storms per year at an increased cost of between \$16.6m to \$25.95m.

7. Forestry Roads - Repairs & Renewals

Forestry traffic on the Northland roading networks has dramatically increased since 2002. In 2013, FNDC, in association with Whangarei District Council and Kaipara District Council, carried out a joint study to evaluate the impact of the increased traffic loading on their respective road networks. The major impact is due to the increase in the annual volume of timber being carted and also due to the trucks now working all year round instead of just during the dryer summer months. The increased load being carried and the use of longer trucks will further impact on the network condition.

The funded scenario in the LTP 2015-25

Undertake proactive road maintenance and pavement renewal to ensure that roads are fit-for-purpose. The Forestry Road Management Study has identified that the additional cost to upgrade and maintain sealed and unsealed roads to a standard that will allow all-weather, all-year access for logging trucks across the whole network is approximately \$10m over three years. It is assumed that funding for the extra work required to upgrade the network will be approved for funding subsidy by New Zealand Transport Agency. The current subsidy rate is 59%. Council confirmed carrying out pro-active maintenance at a reduced funding level of \$6.5 million, as promoted by 80% of respondents, given

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

that this attracts the best co-funding by NZTA. This funding is exclusive of the NZTA funding component, which is now expected to be closer to 60% share. Taken overall the funding will equal the proposed \$10 million.

Alternative:

The alternative option is to do nothing and accept a lower level of service on the roading network. This could be restrictive on the forestry industry in particular, as we may have to:

- Close logging routes to heavy vehicles during wet periods; or
- Force heavy vehicles to use alternative routes when logging routes are being damaged by them during inclement weather.

8. Road Resilience - Emergency Repairs

During the period between 10 June 2014 and 30 August 2014, there were five separate high-intensity localised rainfall events that caused extensive damage to the FNDC roading network. Following the storms, 669 sites were identified as needing repair to reinstate the road to the condition required to meet levels of service. 391 sites were damaged as a direct result of the storm and also meet the New Zealand Transport Agency criteria for Emergency Works funding. If repairs are not completed in a timely manner, there is risk of failure and/or road closure when another storm event occurs. Initial repairs were undertaken immediately to open roads to at least single lane or to establish alternative routes. All roads were investigated and failures were scheduled and rated for risk. Applications for funding to undertake repairs at the 391 sites that meet the criteria for Emergency Works have been lodged with New Zealand Transport Agency and repairs to the roads have commenced.

Options for emergency repairs are:

- Do nothing, leave the sites in their current condition and only repair when the failure directly affects the traffic lane;
- Undertake a combination of low cost/high-risk and high-cost/low-risk repairs to reduce the risk of full or part road closure; or
- Undertake higher cost low risk repairs to further reduce the risk of road closure.

The funded scenario in the LTP 2015-25

Utilise a risk-based approach to stabilise failures, using a combination of a high-cost/low-risk 30+ year design life at critical sites and only doing low-cost/high-risk repairs at non-critical sites, to re-establish access to the level that existed before the event. There would be a higher risk of failure during any subsequent storm events. It is expected that this option will cost \$9.26m. It is assumed that the New Zealand Transport Agency will approve funding for this work. The expected subsidy rate for this work category is 74%. Should funding not be approved under the Emergency Works category, the repairs will be re-prioritised and completed from the General Maintenance funding category, as and when budgets allow.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

While the preferred scenario has not changed, a successful emergency repair programme in the current (2014/15) year has delivered \$8.5 million of contracted works since completing this Infrastructure Strategy, meaning that a major portion of the works has been completed ahead of time. Budget re-forecasting indicated that works totalling \$2,767,500 still needs to be carried out in the 2015/16 year to complete the emergency repairs programme. Therefore, Council confirmed reducing funding to \$2,767,500 in Year 1 (2015/16) to complete the emergency repairs using a risk-based approach and attracting the full NZTA subsidy.

Alternative:

Take no action and leave the roads in a state of temporary repair or closed with alternative access. Enacting this option would mean gradual deterioration of the network and reduction of the level of service. There would be higher risk of further damage and higher risk of accidents. Network resilience would be severely compromised. This alternative can be funded out of General Maintenance.

The second alternative is to undertake lower risk repairs, even though costs are higher, to stabilise failure and re-establish the road to a similar condition to what existed before the event. The sites will all have a 30+ year design life, meaning the risk of a future failure will be reduced. We will fully fund repairs from Council budgets at sites where NZTA subsidies are not available. The cost would be approximately \$29m, \$20m of which would not attract a subsidy.

9. Road Resilience - Repairs & Renewals

Of the 669 sites identified as needing repair to reinstate roading to the condition required to meet levels of service, 278 sites were identified as meeting the criteria for funding; where the repairs to the road are not as a direct result of the storms or are not urgent. However if repairs are not completed, there is risk of failure and/or road closure when another storm event occurs, and the network resilience is compromised.

Options for repairs and renewals are:

- Do nothing, leave the sites in their current condition and only repair when the failure directly affects the traffic lane;
- Undertake a combination of low cost/high-risk and high-cost/low-risk repairs to reduce the risk of full or part road closure; or
- Undertake higher cost low risk repairs to further reduce the risk of road closure.

The funded scenario in the LTP 2015-25

The initial estimated cost to undertake the repairs is \$6.91m. Repairs will be prioritised and the work spread over several years to meet contractor capacity and reduce the annual impact on rates. It is assumed that the New Zealand Transport Agency will approve funding for this

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

work. Should NZTA funding not be approved, then repairs will be re-prioritised and completed from the general maintenance budget, as and when budgets allow.

Council supported risk-based repairs, as this will reduce the likelihood of further failures in subsequent events for the highest critical assets and will attract the highest rate of NZTA subsidy for that year. Therefore, Council confirmed retaining funding levels in the Long Term Plan 2015-2025 at \$6.91 million over the next three years.

Alternative:

The first alternative is to do nothing and only repair if and when a single traffic lane is compromised. This alternative can be funded out of General Maintenance.

The second alternative is to undertake lower-risk repairs, even though costs are higher, using a 30+ year design life to reduce the risk of future failure, increase network resilience, and to maintain current levels of service. We will fully fund repairs from Council budgets at sites where NZTA subsidies are not available. The cost would be approximately \$18m, \$11m of which would not attract a subsidy.

10. Completion of the Twin Coast Cycle Trail

The Far North District Council is applying to Central Government for further funding to complete the Twin Coast Cycle Trail, which is part of the nationwide New Zealand Cycle Trail (NZCT) initiative. The date of 31 December 2015 is the final completion date for the construction of the remaining sections (excluding the permanent Opuā to Kawakawa section). Timing for securing the permanent route from Opuā to Kawakawa extends through to 2017 to accommodate the Bay of Islands Vintage Rail Trust; as the Trust gradually takes back the rail corridor.

Council has begun a process to form an independent legal entity. The entity will take over the operation and will be able to seek funding outside of Council from such organisations as Foundation North (formerly known as the ASB Trust) and Lotteries, etc. The ability to raise funds from the operation of the trail, as well as through funding applications, will reduce the ongoing burden on rates.

The funded scenario in the LTP 2015-25

Council has applied to Central Government for further funding to complete the cycle trail (estimated to be around \$4.98m). Council expects that Central Government will approve all the \$4.98m, which includes budget for the permanent Opuā to Kawakawa section. The community, including tour operators, supported the completion of the trail, for which central government has granted \$3.0 million of the \$4.98 million funding and Northland Regional Council has approved a further \$900,000 funding. Therefore, Council has confirmed the completion of the cycle trail in the 2015-2025 Long Term Plan. Funding for the Taumarere to Opuā permanent route has been allocated in Year 3 of the 2015-2025 Long Term Plan, but the decision on how this will be funded will be delayed until the Bay of Islands Vintage Railway Trust has raised the funds for the re-instatement of the railway through this section.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Alternative:

If Central Government does not agree to fund the permanent Opuia to Kawakawa section, then Council will need to reconsider how and to what level it will fund the permanent Opuia section. The permanent route is not required until the Bay of Islands Vintage Railway Trust is ready to take back the rail corridor. Council has therefore assumed that work on the permanent route from Opuia to Kawakawa will not be completed until 2018. The cost of this work has been estimated at \$2.4m.

11. Community Pools

Council commissioned an independent report on the current condition of the district's pools and community needs of the district for the next 10 years. In July 2013, this report was circulated to key stakeholders and community boards as well as community groups advocating for pools in their communities. Based on feedback from these groups and the wider public in April 2014, Council adopted a selection of swimming pool options to evaluate further including the consideration of a range of rating methods.

Community feedback indicated support for new indoor heated pools. However, there was less support for Council funding these pools through rates or the community funding their share.

Council has indicated that, in principle, it would like to support the aspirations of the community, but this decision will ultimately be for the community to make. However, the community cannot make this decision until the rating impact of other infrastructure renewal projects is known. At the same time, Council recognises that the ability of the community to secure its share will be enhanced through Council showing its commitment in the Long Term Plan.

The following principles guide the development of pools across the district.

- Council supports a fair and equitable policy for the provision of new indoor heated pools across the district;
- Council believes that provision of new pools will be primarily community driven; and
- Pool provision will need to be affordable for ratepayers.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

The funded scenario in the LTP 2015-25

Communities will need to contribute a minimum of 66% of the capital costs through local fundraising, sponsorship, grants, or contributions from philanthropic agencies. Council may borrow up to 33% of the capital cost of a new pool by funding capital loans with a differential targeted rate based on both the location of the property and its use. Operational costs for swimming pools will continue to be funded from the ward rate and it is expected that there will be a user charge policy.

Council proposes to levy a differential targeted rate in each ward to fund a loan for up to 33% share of the capital cost for the following swimming pools options:

1. Te Hiku Sports Hub's proposal estimated to cost \$8.38m and timed for Year 2017/18
2. Kaikohe community pool proposal estimated to cost \$3.3m and timed for Year 2019/20
3. Mid North Aquatic and Fitness Facility's proposal estimated to cost \$15.7m and timed for Year 2022/23

The timing for inclusion in the Long Term Plan (LTP) reflects a realistic assessment of when the communities will be able to raise their local share including consideration about keeping rates affordable for communities and the need to address core infrastructure during the first three years.

Council considered that there was substantive community support from Te Hiku for the \$8.38 million pool, which indicated that it would be successful in raising the community share. Therefore, Council confirmed funding of 33.33% of the capital cost of building an \$8.38 million indoor heated pool complex in Kaitaia from a differentiated targeted rate from the Te Hiku Ward, commencing in the year following confirmation that the community has raised its 66.66% share of the capital cost, but no earlier than the 2018/19 financial year.

However, for Kaikohe and the Mid North Aquatic Facility group, there was not the same level of support and Council decided that, since setting the rate was outside of the 3 years for these two pool, that staff work with the Mid-North Aquatic and Fitness Facility and the community group in Kaikohe on their proposals and options prior to the development of the Long Term Plan 2018-2028.

Alternative:

An alternative is an off-the-shelf local pool proposal for Kerikeri that is estimated to cost \$9.66m and timed for Year 2022/23.

If any of the above projects do not progress, Council is not considering fully funding any new pools and will continue to renew/repair and operate the existing pools. The status quo will be retained.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Future Projects

A number of projects occur towards the end of the 10 years of the LTP and out into years 11 to 30 of this infrastructure strategy. There is funding for these projects in the LTP 2015-2025. However, more work will need to be done to arrive at a definitive project cost. Council will need to carry out some form of investigation. For others, the renewal of the resource consents will define the final extent of any upgrades.

Unless circumstances change significantly, the Hokianga ferry (Kohu Ra Tuarua) will need to be replaced. Initial analysis places this replacement around 2028, at a cost of \$6.1m.

During the development of the Bay of Islands Wastewater Treatment Project initial proposal analysis was carried out on whether to have Riverview, Reinga and Waipapa as part of an enlarged area of benefit. The proposal in the LTP has not included these areas. The proposed Bay of Islands Wastewater Treatment Project is designed to be modular and additional areas of benefit can be added. Timing for a further 2 stage increase in the area of benefit is 2030 and 2040. It is intended to add around 400 properties at each stage. As yet, Council has not determined which areas will be added at each stage.

These projects are not developed in the strategy to a high level, but are included in the timeline (pg. 24) to allow Far North communities to see what Council is considering for the future. These projects will be given more substance and certainty in successive LTPs and Infrastructure Strategies.

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Table 3. Future Capital Projects

Future Project	Description & Driver	Probable year of completion	Current Cost Estimate (as per LTP Budget) \$m
Whatuwhiwi Wastewater Upgrade	Expand treatment capacity (Improved/expanded LOS)	2027	\$2.2
Kaikohe Wastewater Upgrade	Upgrade required to meet Resource Consent (Improved LOS to meet Regulatory requirement)	2024	\$3.27
Whangaroa Wastewater	Pipe wastewater to Kaeo (Improved LOS)	2027	\$0.90
Bay of Islands Wastewater – Riverview, Reinga & Waipapa	Expansion of Bay of Island’s network. Completed in 2 stages with around 400 properties affected at each stage (Improved/expanded LOS)	2030 Stage 1	\$21.2
		2040 Stage 2	\$28.5
Kerikeri Water Supply	New water treatment plant to cater for growth (Growth)	2028	\$21.1
New Hokianga ferry	Ferry will be near the end of its useful life and will be due to be replaced (Renewal)	2028	\$6.1

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Appendix 1 - Assumptions and Levels of Service

The following table relates assumptions that impact on infrastructure delivery to levels of service; both for the assumption and the likely consequence of the risk scenario occurring. The consequences to levels of service are:

- Lower service levels;
- Maintaining current levels; and
- Increased service levels.

Details about current service levels can be found in the Activity Statements and the Asset Management Plans. Key projects that will increase levels of service to ratepayers or communities can be found in the Consultation Document

Table 4. Assumption, Risks and Service Levels

Assumption	Risk <i>(What may happen instead)</i>	Level of Service	Notes
Usually Resident Population (URP) of the district will continue to decline at a rate of approximately 0.02% per annum	Growth in Usually Resident Population may be significantly higher than assumed. Decline in Usually Resident Population may be significantly higher than assumed	Minor and short term population changes have minimal impact on Levels of Service	

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Assumption	Risk <i>(What may happen instead)</i>	Level of Service	Notes
<p>Change in Usually Resident Population (URP) will continue to be uneven across the district. While some Eastern coastal communities will see growth of between 0.05% and 2% per annum, most townships will continue to experience a decline in URP (at a rate of between -ve0.2 – -ve2% p.a.)</p>	<p>Rapid and significant URP growth may occur in additional areas outside of the established serviced settlements</p>	<p>Minor and short term population changes have little impact on Council levels of services. However, larger scale, new, private investment may lead to unanticipated demands for new services, infrastructure or higher levels of service</p>	
<p>The proportion of over 65Yr olds will increase in all communities, but particularly in those of the Eastern Ward, and Doubtless Bay which have already seen higher proportions of retirees move to live.</p> <p>The proportion of 15 – 25yr olds, and 25-45yr olds continues to be lower than might be expected given the number of children born and/or living in the District. We will continue to lose this age cohort, as they relocate out of the District for work and education, and lifestyle choices not available to them here</p>	<p>The district experiences different demographic patterns such as</p> <ul style="list-style-type: none"> ▪ growth in the proportion of youth and working age population and/or ▪ more extreme growth in older persons ▪ lower growth in older persons and/or ▪ more men than women 	<p>Any significant variation to the assumed population profile may affect affordability (for example where there are more people on fixed incomes) and may result in certain sectors of the community experiencing lower than expected levels of service</p>	<p>Council may have to redirect funding to particular activities to target the needs of an older or younger population (e.g. recreation and community facilities)</p>

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Assumption	Risk <i>(What may happen instead)</i>	Level of Service	Notes
<p>The number of visitors coming to or staying within most of the district will continue to decline except for Kerikeri and Paihia which will continue to increase and therefore significant new demand will be made on existing infrastructure</p>	<p>Visitor numbers may be higher than assumed in other parts of the district</p>	<p>Higher than expected visitor numbers may lead to increased demands to improve levels of service, or to expand the capacity of facilities catering to the visitor population as well as to Usually Resident Population</p>	<p>For Kerikeri increased demand has led to increasing the levels of service (Bay Of Island Wastewater Project) and in Paihia for a secure potable water supply during summer to meet peak demand</p>
<p>No more than 50 new lots (the current level of subdivision) will be created each year across the district, as a result of subdivision activity</p> <p>Building activity will remain at a fairly constant level, with approximately 60 new dwellings being constructed each year within the district</p>	<p>Subdivision and building activity may be higher than assumed</p>	<p>Low levels of Subdivision and building activity have little impact on Council levels of services</p> <p>Higher than anticipated activity may drive demand for new services and community infrastructure, or increased levels of service in small communities</p>	<p>This may put additional pressures on rates and increase already high levels of residential and commercial rates. However higher than anticipated growth without increased demand would result in lower average rates increases than forecast</p>

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Assumption	Risk <i>(What may happen instead)</i>	Level of Service	Notes
<p>Due to continually increasing quality and environmental standards, Council's resource consent will be in line with the quality requirement at the time of renewals</p>	<p>Increasing quality and environmental standards will make the cost of renewals unaffordable in the district</p> <p>The Regional Council may review consent conditions and impose higher quality standards prior to the planned consent renewal.</p>	<p>Unless there is a demand change, renewing of consents will not change the level of service to the wider community. Generally, all new resource consents are based on delivering a higher level of service</p>	<p>Upgrades and new infrastructure will be required; Higher environmental standards would lead to additional need to secure financing for investment. However, it is anticipated that better technology may mitigate some of this cost</p>
<p>Despite a shortage of data for older assets and condition data for buried assets, Council has adequate information about its assets for forward planning</p>	<p>Council does not have sufficient or adequate information about all its assets on which to base a robust replacement/renewals programme</p>	<p>Failure of non-critical assets will have a minor to moderate effect on the levels of service. Failure of a significant asset is likely to have a moderate to significant effect on the delivery of a service</p>	<p>In the short-term, Council will borrow funds or defer other work to address failures according to criticality. In the medium-term, Council is collecting failure data and testing buried assets as they fail to then benchmark the findings against industry standards and adjust asset lives as appropriate</p>

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Assumption	Risk <i>(What may happen instead)</i>	Level of Service	Notes
The life of each asset will be in line with the projections contained in the relevant AMPs	Assets could fail and need to be renewed earlier and/or more frequently than the dates forecast for renewal	Earlier renewal of assets will not lead to any change in levels of service, though the cost of maintaining the level of service will have a higher impact on expenditure	<p>Renewal expenditure would have to be brought forward. This may place pressure on overall expenditure</p> <p>Council will monitor the state of the asset, to identify as early as possible when a system is not likely to provide the current level of service</p>
If a natural disaster occurs and emergency works are required funding will be made available in conjunction with the Government	<p>That there will be a natural disaster requiring emergency works that cannot be funded out of normal budgetary provisions</p> <p>That the Government will not provide financial assistance or the assistance is insufficient</p>	Council provided core infrastructure services may be destroyed, damaged or may otherwise fail thus reduce the level of service over the short to medium term. Council would want to return the level of service to that required before the event in the first instance but may potentially incur a demand to design for greater levels of resilience (higher levels of service) in preparing for future extreme natural event	

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Assumption	Risk <i>(What may happen instead)</i>	Level of Service	Notes
Core infrastructure will perform to expected operational standards for the duration of their expected life	Increased level of breakages and system failure due to failing operational standards, earlier than expected, or for significant periods of time during their commission	Currently, the incidence of breakages and 'down time' is minimal with little effect on maintaining the level of service. However, an increased maintenance programme or accelerated replacement programme will be an increased level of service in order to ensure breakages are reduced	Council will develop a replacement programme for aging systems, which are more likely to fail prior to a breakdown actually occurring
Council will apply for and receive government subsidies for applicable projects	Council will apply for and receive government subsidies for applicable projects	Council is unable to deliver the project as planned. Inevitably, this results in the development of a more affordable option that delivers a lower level of service at a higher cost to ratepayers	If external funds are not received, Council will consider re-scheduling other projects to allow the original project to proceed without the subsidy, or explore alternative cost-effective and affordable options

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Assumption	Risk <i>(What may happen instead)</i>	Level of Service	Notes
<p>The communities will raise their 66% share of the capital costs in line with projected timeframes for the construction of the new indoor, heated community pools in Kaitaia, Kaikohe and Kerikeri</p>	<p>The community cannot raise its share of the capital costs</p>	<p>If the community raises the 66% share then levels of service for pools will increase substantively</p> <p>If the community does not raise the funds then a smaller pool facility may be developed resulting in a smaller increase in levels of service, or the project will be deferred, meaning the current level of service will be maintained</p>	<p>Council will monitor the communities progress towards the 66% share</p>

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Appendix 2 - Summary of Asset Valuations

ROADING

Asset	SubGroup	Replacement Cost	Current Value	Annual Depreciation
Pavement	Formation	424,211,755.89	424,211,755.89	
	SubBase	214,452,882.91	141,768,299.16	466,451.52
	Basecourse	157,595,593.99	128,443,550.26	3,438,107.73
	Surfaces	85,837,939.78	44,217,992.29	6,566,545.50
Drainage	Culverts	78,450,424.95	50,405,102.90	859,672.04
	Catchpits / Inlets / Outlets / Manholes	6,575,744.60	4,514,190.98	74,521.81
	Surface Water Channels	13,190,044.90	13,071,553.02	19,547.94
	Kerb and Channel	20,049,501.25	11,212,398.89	340,514.61
	Dams	86,004.19	86,004.19	-
Streetlights	Poles	3,538,589.75	2,169,503.39	69,684.47

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Asset	SubGroup	Replacement Cost	Current Value	Annual Depreciation
	Lanterns	1,258,269.55	808,555.64	54,122.00
	Brackets	448,833.97	260,805.05	8,639.61
Bridges and Large Culverts	Bridges	130,409,331.13	64,650,066.74	1,463,209.53
	Timber Decks	2,227,459.28	724,598.96	40,871.04
	Large Culverts	17,500,130.79	9,776,400.35	222,095.41
Minor Structures	Retaining Walls	23,733,488.75	20,241,478.69	408,619.13
	Sea Walls	18,631,556.84	8,362,645.41	482,483.70
Traffic Facilities	Railings	10,922,338.00	5,577,210.32	285,443.16
	Edge Marker Posts	359,764.89	200,321.41	37,120.72
	Roadmarking	1,811,557.19	1,806,307.07	-
	Traffic Islands	638,255.13	433,492.58	10,520.24
Signs and Posts	Signs	2,038,546.46	921,765.43	146,283.50

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

Asset	SubGroup	Replacement Cost	Current Value	Annual Depreciation
	Posts	1,578,376.60	870,105.69	100,531.04
Quarries incl Fences	Quarries incl Fences	1,101,427.00	1,101,427.00	-
Stock Disposal Site	Stock Disposal Site	125,459.76	120,661.42	2,467.50
Footpaths	Footpaths	29,054,344.86	14,269,504.58	647,777.32
Carparks	Carparks	6,006,940.83	4,608,133.03	121,804.18
Ferry	Ferry	5,736,696.00	2,715,204.51	181,814.45
Land	Land Under Road	321,397,150.00	321,397,150.00	-
Vehicles	Vehicles	114,074.69	79,759.16	28,136.52
Memorials	Memorials	68,000.00	61,292.76	1,369.56
Buildings.	Buildings	1,316,405.59	748,160.01	58,807.17
TOTAL		1,580,466,889.52	1,279,835,396.78	16,137,161.40

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

WASTEWATER

Asset	SubGroup	Replacement Cost	Current Value	Annual Depreciation
Reticulation	Gravity Pipes	55,712,654.99	28,672,794.82	799,316.04
	Pressure Mains	26,703,704.15	21,419,158.19	294,281.84
	Manholes	18,645,100.00	11,633,565.29	227,206.57
	Pipe Bridges	553,584.91	227,863.43	10,135.75
	Service Connections	9,216,780.00	3,852,761.26	153,613.00
Pump Stations	Pump Stations	28,074,469.73	17,490,597.90	974,537.31
Treatment Plants	Treatment Plants	26,748,799.32	15,330,018.98	976,330.84
Land	Land	1,879,826.92	1,879,826.92	
Other	Other	3,861,872.13	3,068,356.86	228,355.21
TOTAL		171,396,792.15	103,574,943.65	3,663,776.56

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

WATER

Asset	SubGroup	Replacement Cost	Current Value	Annual Depreciation
Reticulation	Water Pipes	64,120,041.53	36,067,775.20	841,866.73
	Hydrants	1,563,412.24	1,062,346.31	24,974.03
	Pipe Bridges	431,196.55	196,789.23	7,314.44
	Service Connections	5,621,669.86	2,860,715.90	233,690.70
Pump Stations	Pump Stations	1,699,299.38	1,092,861.58	61,377.75
Treatment Plants	Treatment Plants	13,778,226.21	7,919,941.79	564,820.14
Reservoirs / Dams	Reservoirs / Dams	16,530,078.22	9,142,323.34	268,440.92
Bores / Springs	Bores / Springs	1,374,293.99	922,233.12	55,741.04
Headworks	Headworks	628,179.36	357,868.82	26,925.99
Land	Land	1,370,950.00	1,370,950.00	-
Other	Other	3,382,410.15	2,469,476.34	114,810.28
TOTAL		110,499,757.49	63,463,281.63	2,199,962.02

30 YEAR INFRASTRUCTURE STRATEGY (2015-45)

STORMWATER

Asset	SubGroup	Replacement Cost	Current Value	Annual Depreciation
Stormwater Lines	Pipes	49,336,171.05	35,597,803.90	474,136.27
	Unlined Channels	1,978,470.38	1,978,470.38	-
	Lined Channels	274,944.68	187,710.48	3,102.21
Stormwater Points	Inlets / Outlets	3,951,521.76	2,209,927.87	51,593.71
	Manholes	8,238,617.83	6,030,779.10	79,085.55
	Soakholes	12,750.00	4,991.24	155.08
	Pump Stations	121,624.00	63,450.02	4,181.04
Stormwater Plant	Floodgates	479,050.00	223,083.48	10,890.94
	Box Culverts	1,275,675.06	902,634.15	19,599.16
	Boxed Chambers	37,951.60	25,439.18	497.07
	Detention Ponds	370,205.47	370,205.47	-
	Other	176,800.00	167,089.24	3,319.76
TOTAL		66,253,781.83	47,761,584.51	646,560.79

ACTIVITY GROUPS

The following pages provide detailed information on all of Council's main activities. They tell you what Council does and why; what Council sees as the big issues and challenges for the future; what Council is planning to do over the next 10 years; how you will be able to measure progress being achieved and how much it will all cost.

Key facts:

Basic information and important statistics to give you some background on an activity.

Why we do it:

These sections explain the reason why Council undertakes each activity and outline Council's broad vision for what it is seeking to achieve.

Recent progress - what we have/have not achieved:

Council has achieved a great deal since it published its last LTP in 2012. These sections tell you what has been done and also identify things that Council said it would do but which, for one reason or another, have not yet been achieved.

Where are we now? – Key issues and challenges:

The main issues that have influenced Council's forward planning are set out here.

What you have told us:

Details of relevant survey data, together with trends in satisfaction with Council services and reasons for dissatisfaction.

What we plan to do:

Here you will find details of Council's principle priorities for each activity over the next decade, with an outline of how Council will work towards achieving those priorities.

What we don't plan to do:

In this year's plan, Council is aiming not only to tell the community what it is proposing to do, but also identify those things that it is not going to do, because of financial constraints or for other reasons. Council sees this as an important way of managing expectations about what is achievable.

ACTIVITY GROUPS

Ten year plan measures and levels of service provision:

These tables provide 10 year projections and performance targets to enable you to measure Council's progress. They are based on the main initiatives Council is intending to pursue and indicate how they will contribute to community outcomes and how they will impact on Council's levels of service provision. The target figures show the level of performance Council is aiming to achieve. Council will report back on its actual achievement against these targets in future Annual Reports.

Council operates a performance monitoring framework led by the Business Performance department.

This includes:

- Performance monitoring by managers in their own areas of responsibility
- Monthly performance reporting to Council. Activity managers are required to provide regular reports on progress against strategic priorities and key performance indicators
- Annual reporting of performance as part of Council's Annual Report. This includes reports on progress against strategic objectives, community outcomes and key performance targets.

In addition to this, Council will provide further information on progress against the community outcomes identified earlier in this Plan.

Activity assumptions:

Council has set out the main assumptions underlying its plans for each area of service, including consideration of the potential consequences and financial consequences if these assumptions are incorrect; and how it can mitigate such potential consequences.

Activity risks:

Council has identified the main risks facing each of its areas of activity, the level of risk, how Council is working to mitigate those risks and a revised risk rating in the light of the mitigation measures being undertaken.

Significant negative effects:

Under the requirements of the Local Government Act 2002, councils are required to identify, in their long term plans, any negative effects their areas of activity could have on the social, economic, environmental, or cultural wellbeing of its community. These tables set out those potential negative effects and show how Council is working to address them.

ROADING AND FOOTPATHS GROUP

Roading

Council maintains and manages the local roading network including roads, street lighting, and signage.

Key facts

Council operates and maintains a network of some 2,543 km of roads which includes:

- 891 km of sealed roads and 1,652 km of unsealed roads
- 716 bridges and large culverts
- 1,619 streetlights
- 637 minor structures (retaining and sea walls).

Council also

- Operates 1 vehicular ferry, 'Kohu Ra Tuarua', on the Hokianga Harbour
- Owns 7 inactive quarries
- Receives an average of 260 'Requests for Service' each month regarding the road network.

Why we do it

The road network is a vital part of the district that enables safe and comfortable access for employment, personal/social activities and recreation, and the movement of goods and services.

The transport network is essential to the functioning of the District's economy, benefiting residents and the District as a whole. Maintaining and improving roads are regarded as two of the core functions of Council.

Recent progress - What we have achieved since the last plan

- 8 bridge upgrades and renewals
- 0.5 km of seal extensions as part of the partnership seals programme
- 8.7 km of area wide pavement treatment (AWPT)
- 71.5 km of reseals
- 90 minor safety projects across the district
- 15 permanent slip repairs

ROADING AND FOOTPATHS GROUP

- Further development of the Roading Business Unit to expand in-house expertise and provide more direct supervision of maintenance and project activities.

Council has also developed the following Strategies, Policies and Plans

- Dust Management Policy – dealing with the dust nuisance that affects residents living next to unsealed roads
- Draft Forestry Strategy – addressing the impact of the forestry industry on the District's roads
- 50 Max Implementation Plan – prioritising bridge upgrades so that 50 Max heavy vehicles can use key routes

What we have not achieved since the last plan

The designation of the route between Butler Road and Clarke Road, Kerikeri, has been postponed until after the Kerikeri –Waipapa Structure Plan has been reviewed and updated in line with revised growth assumptions.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Reduced availability of Central Government funding for local infrastructure. New Zealand Transport Agency (NZTA) funding criteria based on One Network Road Classification, traffic volumes and congestion, disadvantages a rural district. Loss of Regional Development Fund activity class.	Increased local share of costs or reduced levels of service, leading to ratepayer dissatisfaction. Reduced ability to carry out improvements and new projects, including seal extensions.
Climate change – Increased emergency repairs and renewals due to increased severity and occurrence of storm events.	Increased exposure to road closure and widespread damage to the road network. Unbudgeted expenditure resulting in other programmed renewals having to be deferred and a potential drop in Levels of Service.
Poor geology that is prone to landslides.	Increased maintenance and construction costs relative to other councils.
Limited sources of good quality road aggregate.	Increased maintenance and renewal costs relative to other councils.
Increasing demands on the road network from the forestry industry and other heavy vehicles.	Increased maintenance and renewal costs.
Inspections of all bridges have identified some structures that require more detailed investigation.	Level of uncertainty as to how much maintenance and renewals could cost.

ROADING AND FOOTPATHS GROUP

What you have told us

Council's 2014 residents' survey showed a 42% satisfaction rating with the road network. The survey was completed during and after significant weather events occurred, significantly affecting the performance of the network.

The level of dissatisfaction increased from the 2011 survey and is a higher level of dissatisfaction than in the Far North's peer group and the national average. The areas of most dissatisfaction expressed with the roading network are its condition, poor quality of work, pot holes and large proportion of unsealed roads.

Other consultation with residents and ratepayers has yielded similar results to the residents' survey, i.e. dissatisfaction with the overall condition of the network and a strong desire to see a methodical approach and consistent progress towards increasing levels of service by sealing more roads. These views have been reinforced by submissions to Council's Annual Plans in recent years.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Maintain and renew all road assets to provide a level of service that is affordable and meets community expectations by:

- Carrying out a minimum of 1.3% (approximately 12 km) of sealed road pavement rehabilitation (with associated improvements where applicable) per annum
- Carrying out a minimum of 9% (approximately 80 km) of re-seals per annum
- Maintaining and improving Tau Henare Drive, which is on Waitangi National Trust land
- Review whether Council should decrease levels of service by ceasing to maintain roads and bridges that serve less than 5 properties.
- Complete the forestry strategy and implementation to align with customer levels of service.
- Carry out road emergency repairs and resilience upgrade works in response to previous storm events.

Priority 2: Achieve value for ratepayers by:

- Maximising the amount of funding assistance for the Far North District from the NZTA and other sources, as may become available
- Continuing improvements to our in-house roading management and delivery systems, including ongoing audit processes
- Supporting new sealing projects, subject to affordability, where an element of local community contribution is available and where the proposed project is in line with the relevant Council policy
- Continuing to operate the Council's ferry, Kohu Ra Tuarua, 7 days a week, 365 days a year and reviewing fares to reduce operating losses and to meet unavoidable cost increases.

ROADING AND FOOTPATHS GROUP

Priority 3: Improve road safety by:

- Pursuing community programmes to raise awareness and educate communities about high risk issues such as drink driving, crashes on bends, speed, child restraint compliance and fatigue
- Identifying and coordinating for safer journeys (safe roads and roadsides, safe speeds, safe vehicles, safe road use) interventions with Police, NZTA, Roadsafte Northland and community groups
- Completing a minimum of 20 minor safety improvements on the network each year, targeted at reducing the number of crashes and severity of loss of control on bends (the most common type of crash on the network).

What we don't plan to do

Council does not intend to seal any unsealed roads unless already approved or property owners (or others) contribute towards the cost, in line with Council's Dust Management Policy.

Roading: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our transport network and infrastructure improves to ensure people, goods and services can move safely and efficiently within the district and region	Maintain an effective, sustainable and integrated transport network	The Hokianga Ferry Service will run in accordance with advertised timetable, 7 days per week and 365 days a year.	Contractor compliance reports monitored monthly	99%	≥95%	≥95%	≥95%	≥95%

ROADING AND FOOTPATHS GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our transport network and infrastructure improves to ensure people, goods and services can move safely and efficiently within the district and region	Maintain an effective, sustainable and integrated transport network	A minimum of 9%, approx. 80 km, of the sealed network is resurfaced per annum	Contractor compliance reports monitored monthly	69.5 kms (7.8%) of the network resurfaced per annum	80kms (9%) of the network is resurfaced per annum	80kms (9%) of the network is resurfaced per annum	80kms (9%) of the network is resurfaced per annum	80kms (9%) of the network is resurfaced per annum
Our transport network and infrastructure steadily improves to ensure people, goods and services can easily move safely and efficiently within the district and region Provide the right services delivered in the right places, to an agreed standard	Maintain an effective, sustainable and integrated transport network	Where the Council attends a call-out in response to a fault or unplanned interruption to its road network (roading and footpaths) system, the following median response times are measured						

ROADING AND FOOTPATHS GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
		a) percentage of requests regarding a fault or unplanned interruption to the road network (roading and footpaths) are responded back to the customer within a set timeframe: 3 hours for Emergency/Public Safety Information; Urgent responses within 7 days; Non Urgent responses within 14 days	Data collected and monitored through internal RFS system supported by contractor field sheets	86%	≥95%	≥95%	≥95%	≥95%
Our transport network and infrastructure improves to ensure people, goods and services can move safely and efficiently within the district and region	Safe and well maintained roading network	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number	Crash Analysis Database	4	0 (11 serious injuries and fatalities)			
Our transport network and infrastructure improves to ensure people, goods and services can move safely and efficiently within the district and region	Maintain an effective, sustainable and integrated transport network	The average quality of ride on a sealed local road network, measured by smooth travel exposure	Percentage of vehicles kilometres travelled on roads that occurs below the target condition for those roads	New	≥87%	≥87%	≥87%	≥87%

ROADING AND FOOTPATHS GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
<p>We will make more efficient use of existing infrastructure, including managing demand, to deliver value-for-money services</p> <p>We provide the right services delivered in the right places, to an agreed standard</p>	Overall satisfaction with roading network	The % of respondents indicating they are very satisfied / satisfied with the roading network	Annual community feedback survey results	42%	≥57%	≥57%	≥57%	≥57%
<p>We will make more efficient use of existing infrastructure, including managing demand, to deliver value-for-money services</p> <p>We provide the right services delivered in the right places, to an agreed standard</p>	Maintain an effective, sustainable and integrated transport network	Our sealed and unsealed network will meet the agreed FNDC levels of service specified in our roading contracts and that the network is at least 95% compliant at any time.	Contractor compliance reports monitored monthly	New	≥95%	≥95%	≥95%	≥95%

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Additional activity assumptions specific to this activity area are in the table below.

ROADING AND FOOTPATHS GROUP

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
NZTA will continue to subsidise the maintenance, renewal and improvement of the roading network at indicated levels	NZTA may reduce funding subsidies	Low	Additional cost to the ratepayer or a reduction in the level of service. Renewals and improvements to the road network may not be completed	Medium	Prepare robust strategies and business cases to meet NZTA funding criteria. Lobby Government to ensure funding levels are not cut
Costs will increase in line with predicted rates of inflation (" <u>Forecast of Price Level Change Adjustors – 2014 Update</u> " BERL, Oct 2014), except for NZTA subsidised work, which will be inflated at 2%	Costs increase more than predicted rates	Low	Additional cost to the ratepayer or a reduction in the level of service. Renewals and improvements to the road network may not be completed	Medium	Monitor cost increases. Manage budgets and planned works accordingly

ROADING AND FOOTPATHS GROUP

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Crashes on the roading network causing death or serious injury, where the road factors were a significant contributor	Extreme	Working with NZTA, who monitors and records through the Crash Analysis System (CAS) the percentage of accidents caused by loss of control. Undertaking Crash Reduction Studies (CRS) every 2 years and recommending solutions. Road Infrastructure Safety Assessments (RISA) carried out by NZTA	High
Accidents on active work sites causing death or serious injury	Extreme	Control construction methods, audit sites and ensure compliance with contractor quality plans. Impose penalties for non-compliance. Ensure appropriate training and certification	High
Significant weather event closes some or all major routes into the District	High	Work with NZTA to ensure lifeline/detour routes are identified and upgraded to an appropriate standard	Medium
Roading network deterioration caused by poor design/construction or poor reinstatement by utility providers	High	Undertake peer reviews and audits. Use external Engineering Plan Approval or Corridor Access Request processes to ensure compliance with Council's engineering standards and specifications	Medium
Structural damage, failure or collapse due to limited knowledge of bridge inventory, load capacity and condition	High	Continue to develop bridge management systems, including associated databases and ongoing bridge inspections, structural evaluations, repairs and renewals	High
Structural damage, failure or collapse due to overweight or unpermitted heavy vehicles	High	Ensure appropriate posting and signage. Review and communicate overweight and permit procedures	Medium

ROADING AND FOOTPATHS GROUP

Risk	Current rating	Mitigation	Rating after mitigation
Accelerated asset renewal needed due to overloaded heavy vehicles, unexpected heavy vehicle use (e.g. forestry) or poor construction	High	Quality Assurance, heavy vehicle monitoring and maintaining liaison with heavy transport and logging operators	Medium
Unavailability of quality aggregate or road metal affects Council's ability to maintain the road network adequately	Medium	Carry out district wide investigation of new aggregate sources and options	Medium

Significant Negative Effects

Potential negative effect	How we are addressing this
The quality of surface runoff from roads that discharges into adjacent coastal or other waters	Compliance with stormwater discharge consent conditions
Dust nuisance from unsealed roads	Track and record RFS and Communitrak data. Liaise with NRC to monitor levels of PM10
New road construction and/or improvement works may lead to environmental degradation and/or delays to travel times	Ensure road construction sites comply 100% with environmental best practice and Regional Council guidelines. Ensure road construction sites comply with Traffic Management Plans. Track and address RFS complaints.
The impacts of forest harvesting on local roads	Continue to maintain and develop Council's forestry management programme and relationships with the forestry industry. Monitor and address the deterioration of roads affected by heavy forestry traffic. Seek compensation from forestry operators and block owners

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

ROADING AND FOOTPATHS GROUP

Footpaths

Council manages and maintains the local footpath and cycleway network, including footpaths and cycleways that run parallel to the state highways, or are specifically designated as cycleways.

Key facts

Council operates and maintains a footpath network of some 183 km across the District, as well as the Twin Coast Cycle Trail, which is comprised of the following:

- Opuā to Kawakawa 11 km (4 km Taumarere to Kawakawa to be completed; currently a vintage rail experience)
- Kawakawa to Kaikohe 33.2 km (14.7 km under construction)
- Kaikohe to Okaihau 13.8 km (completed)
- Okaihau to Horeke 26 km (14 km under construction).

Council also

Council is proposing to establish a Community Trust to take over the governance, operation and ultimately the maintenance of the Twin Coast Cycle Trail.

Why we do it

Council aims to provide a footpath and cycleway network that is well planned and integrated, and maintained to meet the needs of the community.

Council monitors the need for footpaths and, where affordable, builds new ones.

When prioritising new footpaths, Council takes into account the following:

- Significant trip generators (e.g. areas close to hospitals and schools have higher priority)
- The traffic volumes and speeds in the area
- Whether the berm is suitable for pedestrians without a formed footpath
- The community, especially children and older people, need safe routes to use as they move to and from places in their community.

Recent progress - What we have achieved since the last plan

- Undertaken planned renewals across the district
- Extended or renewed the footpath network, significant works as follows:
 - SH1, Pukenui
 - SH11, Haruru Falls to Paihia

ROADING AND FOOTPATHS GROUP

- Inlet Road, Kerikeri
- Kemp Road, Kerikeri
- Omanu Road, Kaeo
- SH12 to Signal Station Road, Omapere
- SH1, Ohaeawai
- Pukepoto Road, Kaitaia
- Redan Road, Kaitaia
- Kings Road and Village Green, Paihia
- Te Kemara Avenue, Waitangi
- Kendall Road, Kerikeri
- Taupo Bay
- Russell Esplanade, Rawene.
- Identified a number of 'raised structures' that require additional asset management.
- Completed 51 km of the Twin Coast Cycle Trail.

What we have not achieved since the last plan

No significant projects are outstanding for this activity.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Inability to meet Central Government or NZTA funding subsidy criteria for maintenance of existing facilities and for construction of new facilities	Increased local share of costs or reduced levels of service, leading to ratepayer dissatisfaction. Reduced ability to carry out improvements and new projects.
State highways pass through the centres of several towns and villages	Severance of communities as NZTA's need to move people, goods and services along the corridor takes precedence over local access across it
Accessibility issues for disabled persons/parents using mobility scooters/wheelchairs/walkers/strollers/prams on footpaths, and at road parking areas and pedestrian crossings	Reduced level for service for vulnerable users, leading to ratepayer dissatisfaction

ROADING AND FOOTPATHS GROUP

What you have told us

Council's 2014 residents' survey showed a 61% satisfaction rating with footpaths against a target of 58%. This has increased since the 2013 survey (53%) but still indicates a higher level of dissatisfaction than in the Far North's peer group of comparator districts (66%).

The areas of most dissatisfaction with footpaths are condition, need of maintenance, uneven surface/roughness and not enough footpaths.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Maintain and renew footpath assets to provide a level of service that is affordable and meets community expectations by:

- Maintaining and renewing existing footpaths
- Extend the footpath network in line with priority and available funding
- Ensure developers include a footpath on at least one side of the road in each new subdivision as part of Resource Consent approval.

Priority 2: Create a register of footpath and Twin Coast Cycle Trail 'raised structures' by:

- Identifying all 'raised structures'
- Assessing the condition of all 'raised structures'
- Developing a review/maintenance/renewal programme for all 'raised structures'.

Priority 3: Complete the full length of the Twin Coast Cycle Trail by:

- Completing the remaining sections of the cycle trail
- Completing the permanent route between Opuia and Kawakawa
- Setting up a Community Trust
- Handing over governance, operation and maintenance of cycle trail to the Community Trust.

What we don't plan to do

Council does not intend to construct footpaths that have not been programmed in accordance with footpath priority criteria (e.g. close to schools, near community facilities, links to existing paths) unless a NZTA subsidy is approved or property owners contribute to the cost.

ROADING AND FOOTPATHS GROUP

Footpaths: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

Activity performance indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
<p>We will make more efficient use of existing infrastructure, including managing demand, to deliver value-for-money services</p> <p>We provide the right services delivered in the right places, to an agreed standard.</p>	Overall satisfaction with pavement network	The % of respondents indicating they are very satisfied/satisfied with the footpath network	Annual Community feedback survey results	≥61%	≥62%	≥62%	≥62%	≥62%

ROADING AND FOOTPATHS GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
<p>Our transport network and infrastructure improves to ensure people, goods and services can move safely and efficiently within the district and region</p> <p>Infrastructure is planned and affordable</p>	Maintain an effective, sustainable and integrated transport network	Extend and renew footpath network by 1.6% (3km) per annum in accordance with prioritised programme	Contractor compliance reports monitored monthly	2.3% (4.3 km) of footpath renewals completed	Renew footpath network by a min of 1.6% per annum	Renew footpath network by a min of 1.6% per annum	Renew footpath network by a min of 1.6% per annum	Renew footpath network by a min of 1.6% per annum
<p>Our transport network and infrastructure steadily improves to ensure people, goods and services can easily move safely and efficiently within the district and region</p> <p>Provide the right services delivered in the right places, to an agreed standard</p>	Maintain an effective, sustainable and integrated transport network	Where the Council is contacted and needs to respond back to the customer regarding a fault or unplanned interruption to the footpath network system, the following median response times are measured: 3 hours for Emergency/Public Safety information, Urgent responses within 7 days, non Urgent responses within 14 days	Data collected and monitored through internal RFS system supported by contractor field sheets	New	≥95%	≥95%	≥95%	≥95%

ROADING AND FOOTPATHS GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Additional activity assumptions specific to this activity area are in the table below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Central Government will provide funding so that the balance of works to complete the Twin Coast Cycle Trail can be undertaken.	All or some of the funding may not be forthcoming and alternative funding may need to be sourced.	High	May cause financial pressure on the ratepayer. Other lower priority capital works may not be completed. The wider benefits of the cycle trail may not be realised.	Medium	Council will continue lobbying to secure Central Government funding to enable the completion of the project.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Inability to attract anticipated funding subsidies from NZTA or Central Government	High	Prepare robust strategies and business cases to support funding applications. Continue lobbying government to secure funding. Enter into private developer agreements	Medium
Pedestrians or cyclists tripping or slipping due to uneven surface, damage, or slippery surface	Medium	Inspections of high use footpaths and cycleways in town centres only. Respond to RFS in other areas	Low
Footpath or cycleway deterioration caused by poor design/construction or poor reinstatement by utility providers	Medium	Undertake peer reviews and audits. Use external Engineering Plan Approval or Corridor Access Request processes to ensure compliance with Council's engineering standards and specifications	Low

ROADING AND FOOTPATHS GROUP

Risk	Current rating	Mitigation	Rating after mitigation
The Community Trust may not have the time, skills and/or experience to govern, operate and maintain the Twin Coast Cycle Trail	Medium	Council supports the Twin Coast Cycle Trail until appropriate trustees can be found	Low

Significant negative effects

Potential negative effect	How we are addressing this
The cost of desired footpath and cycleway infrastructure improvements may exceed the community's ability to pay	Consult with the community on all costs and options for levels of service through the LTP process
The local community fails to deliver on the anticipated wider benefits of the Twin Coast Cycle Trail	Work with Central Government advisors, the Community Trust (if established) and the local community to ensure the expected benefits are delivered

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

ROADING AND FOOTPATHS GROUP

FINANCIAL FORECAST AND STATEMENTS

ROADING AND FOOTPATHS PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan											
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s									
	Revenue										
9,785	Rates - General	11,727	12,738	14,212	14,908	15,342	17,156	17,957	18,832	19,870	20,936
5,214	Rates - Targeted	5,166	5,153	5,088	5,007	4,923	4,870	4,887	4,919	4,941	4,977
447	Rates - Penalties	461	461	461	461	461	461	461	461	461	461
695	Fees & Charges	722	752	797	818	841	865	891	920	950	984
5,919	Subsidies Operational	6,924	7,037	7,123	7,165	7,266	7,367	7,468	7,569	7,569	7,569
8,554	Subsidies Capital	18,648	20,491	13,937	11,268	10,475	12,698	13,142	14,195	13,800	12,684
0	Development Contributions	0	0	0	0	0	0	0	0	23	0
589	Other Income	704	754	754	704	704	704	704	704	704	704
31,203	Total Comprehensive Revenue	44,352	47,386	42,372	40,330	40,011	44,121	45,511	47,599	48,318	48,315
	Direct Costs										
13,126	Direct Costs	15,460	15,913	16,766	16,832	16,886	18,316	18,742	19,220	19,687	20,210
648	Interest	934	1,144	1,405	1,533	1,584	1,693	1,734	1,766	1,807	1,823
16,204	Depreciation	16,225	17,092	17,858	18,647	19,366	20,017	20,963	21,990	23,147	24,324
29,978	Total Direct Operating Expenditure	32,619	34,149	36,030	37,011	37,837	40,026	41,438	42,975	44,641	46,357
1,053	Indirect Costs	1,073	1,091	1,108	1,135	1,157	1,190	1,218	1,252	1,283	1,317
1,053	Total Indirect Costs	1,073	1,091	1,108	1,135	1,157	1,190	1,218	1,252	1,283	1,317
31,032	Total Operating Expenditure	33,692	35,240	37,138	38,146	38,994	41,216	42,656	44,228	45,923	47,674
171	NET SURPLUS/(DEFICIT)	10,660	12,146	5,234	2,184	1,017	2,905	2,855	3,372	2,395	641

ROADING AND FOOTPATHS GROUP

ROADING AND FOOTPATHS STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT										
171	10,660	12,146	5,234	2,184	1,017	2,905	2,855	3,372	2,395	641
0	0	0	0	0	0	0	0	0	0	0
16,502	15,495	20,887	17,020	17,148	17,527	17,897	18,492	19,156	20,055	20,778
2,484	4,994	4,056	3,746	2,666	1,518	2,568	2,549	2,761	2,532	1,855
(12)	(823)	(823)	(823)	(812)	(812)	(812)	(812)	(812)	(835)	(812)
19,145	30,326	36,265	25,176	21,185	19,250	22,558	23,083	24,477	24,147	22,462
Capital Expenditure										
18,384	29,152	34,841	23,552	19,374	17,368	20,621	21,019	22,342	21,880	20,069
761	1,174	1,424	1,624	1,811	1,882	1,937	2,065	2,135	2,266	2,393
19,145	30,326	36,265	25,176	21,185	19,250	22,558	23,083	24,477	24,147	22,462
0	0	0	0	0	0	0	0	0	0	0

ROADING AND FOOTPATHS GROUP

CAPITAL PROJECTS BY WARD

Roading & Footpaths										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS										
Bay of Islands - Whangaroa										
Roading Network										
WC12 - Klinac Lane	0	0	0	515	0	0	0	0	0	0
WC12 - Pīpīwai Road Seal Extension	0	0	0	0	0	1,249	0	0	0	0
WC12 - Pīpīwai Road Seal Extension	0	0	0	0	0	0	1,261	0	0	0
Kerikeri South Eastern bypass links Mill - Maraenui	0	0	0	0	0	0	0	57	1,172	1,076
Kerikeri western bypass links Butler - Clarke	0	0	0	0	0	0	0	1,149	820	0
Kerikeri Hone Heke rd safety improvements	0	0	0	0	0	386	0	0	0	0
Kerikeri Hone Heke rd safety improvements	0	0	0	0	0	0	456	0	0	0
Kerikeri Waipapa rd left turn slip lane onto SH10	20	0	0	0	0	0	0	0	0	0
Kerikeri Waipapa rd left turn slip lane onto SH10	0	255	0	0	0	0	0	0	0	0
Widen Kerikeri rd from Greenway to SH10	0	0	0	0	0	0	0	574	1,172	0
Roading Network Total	20	255	0	515	0	1,635	1,717	1,780	3,163	1,076
Roading Unsubsidised Work										
Land Purchase 500m - Coopers Drive	0	0	0	440	0	0	0	0	0	0
Footpath SH11 Haruru to Paihia	500	0	0	0	0	0	0	0	0	0
Roading Unsubsidised Work Total	500	0	0	440	0	0	0	0	0	0
Bay of Islands - Whangaroa Total	520	255	0	956	0	1,635	1,717	1,780	3,163	1,076

ROADING AND FOOTPATHS GROUP

Roading & Footpaths										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
LEVEL OF SERVICE WORKS (continued)										
District										
Cycleway Network										
Kawakawa-Kaikohē Track Construction	2,100	0	0	0	0	0	0	0	0	0
Wihongi Realignment	275	0	0	0	0	0	0	0	0	0
Lewis Bridge	60	0	0	0	0	0	0	0	0	0
Cycleway Network	1,115	0	0	0	0	0	0	0	0	0
Taumarere to Kawakawa Extension	359	0	0	0	0	0	0	0	0	0
Cycleway Network Total	3,909	0								
Emergency Works										
WC241 - Resilience Improvements	2,400	0	0	0	0	0	0	0	0	0
WC241 - Resilience Improvements	0	2,434	0	0	0	0	0	0	0	0
WC241 - Resilience Improvements	0	0	2,073	0	0	0	0	0	0	0
Storm event emergency works	2,768	0	0	0	0	0	0	0	0	0
Emergency Works Total	5,168	2,434	2,073	0						
Roading Minor Safety										
WC12 - Minor Improvements	4,000	0	0	0	0	0	0	0	0	0
WC12 - Minor Improvements	0	3,200	0	0	0	0	0	0	0	0
WC12 - Minor Improvements	0	0	3,200	0	0	0	0	0	0	0
WC12 - Minor Improvements	0	0	0	3,200	0	0	0	0	0	0
WC12 - Minor Improvements	0	0	0	0	3,200	0	0	0	0	0
WC12 - Minor Improvements	0	0	0	0	0	3,200	0	0	0	0
WC12 - Minor Improvements	0	0	0	0	0	0	3,200	0	0	0
WC12 - Minor Improvements	0	0	0	0	0	0	0	3,200	0	0
WC12 - Minor Improvements	0	0	0	0	0	0	0	0	3,200	0
WC12 - Minor Improvements	0	0	0	0	0	0	0	0	0	3,200
Roading Minor Safety Total	4,000	3,200								

ROADING AND FOOTPATHS GROUP

Roading & Footpaths

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS (continued)										
District										
Roading Network										
WC12 - Dust Mitigation	1,200	0	0	0	0	0	0	0	0	0
WC12 - Dust Mitigation	0	1,224	0	0	0	0	0	0	0	0
WC12 - Dust Mitigation	0	0	1,248	0	0	0	0	0	0	0
WC12 - Dust Mitigation	0	0	0	1,273	0	0	0	0	0	0
WC12 - LED Streetlight Extension	400	0	0	0	0	0	0	0	0	0
WC12 - LED Streetlight Extension	0	204	0	0	0	0	0	0	0	0
WC12 - LED Streetlight Extension	0	0	208	0	0	0	0	0	0	0
WC3 - Cycleways construction	750	0	0	0	0	0	0	0	0	0
WC3 - Cycleways construction	0	1,020	0	0	0	0	0	0	0	0
WC3 - Cycleways construction	0	0	1,040	0	0	0	0	0	0	0
WC3 - Walking Facilities	225	0	0	0	0	0	0	0	0	0
WC3 - Walking Facilities	0	230	0	0	0	0	0	0	0	0
WC3 - Walking Facilities	0	0	234	0	0	0	0	0	0	0
WC3 - Walking Facilities	0	0	0	239	0	0	0	0	0	0
WC3 - Walking Facilities	0	0	0	0	244	0	0	0	0	0
WC3 - Walking Facilities	0	0	0	0	0	248	0	0	0	0
WC3 - Walking Facilities	0	0	0	0	0	0	253	0	0	0
WC3 - Walking Facilities	0	0	0	0	0	0	0	258	264	269
WC3 - Walking Facilities	225	230	234	239	244	248	253	258	264	269
Bridge Replacements	0	1,000	0	0	0	0	0	0	0	0
Bridge Replacements	0	0	1,000	0	0	0	0	0	0	0
Roading Network Total	2,800	3,907	3,965	1,751	487	497	507	517	527	538
Roads Targeted Rates										
Tanekaha Lane	0	0	0	0	0	0	0	0	44	0
Roads Targeted Rates Total	0	0	0	0	0	0	0	0	44	0
District Total	13,501	9,541	9,238	4,951	3,687	3,697	3,707	3,717	3,771	3,738

ROADING AND FOOTPATHS GROUP

Roading & Footpaths										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS (continued)										
Kaikohe - Hokianga										
Roading Network										
WC12 - Picadilly Road Seal Extension	0	0	0	0	0	0	0	2,123	0	0
Roading Network Total	0	0	0	0	0	0	0	2,123	0	0
Kaikohe - Hokianga Total	0	0	0	0	0	0	0	2,123	0	0
Te Hiku										
Roading Network										
Donald Lane bridge extension	0	0	0	0	0	0	0	0	0	120
WC12 - Diggers Valley Road Seal Extension	0	0	0	0	0	1,325	0	0	0	0
WC12 - Diggers Valley Road Seal Extension	0	0	0	0	0	0	1,351	0	0	0
Roading Network Total	0	0	0	0	0	1,325	1,351	0	0	120
Te Hiku Total	0	0	0	0	0	1,325	1,351	0	0	120
LEVEL OF SERVICE WORKS TOTAL	15,876	9,541	9,238	4,951	3,687	5,022	5,058	5,840	3,771	3,857
RENEWAL WORKS										
Bay of Islands - Whangaroa										
Footpaths										
Kaeo Footpath Renewals	0	93	0	0	0	0	0	0	0	0
Kerikeri Footpath Renewals	69	0	12	0	0	0	0	0	0	0
Waipapa Footpath Renewals	0	50	0	0	0	0	0	0	0	0
Eastern Footpath Reactive Renewals	0	48	158	219	225	231	238	246	254	263
Footpaths Total	69	191	170	219	225	231	238	246	254	263
Bay of Islands - Whangaroa Total	69	191	170	219	225	231	238	246	254	263

ROADING AND FOOTPATHS GROUP

Roading & Footpaths										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
District										
Cycleway Network										
Cycleway Network Renewals	0	0	0	36	0	0	0	31	101	0
Cycleway Network Total	0	0	0	36	0	0	0	31	101	0
Ferries										
Engine Rebuild Renewals	96	0	0	0	0	0	0	0	0	0
Engine Rebuild Renewals	0	98	0	0	0	0	0	0	0	0
Hull Renewals	0	0	134	0	0	0	0	0	0	0
Hull Renewals	0	0	0	0	0	0	0	156	0	0
Ferry Equipment Renewals	0	0	0	22	0	0	0	0	0	0
Ferry Equipment Renewals	0	0	0	0	0	0	0	0	13	0
Ferries Total	96	98	134	58	0	0	0	187	114	0
Roading Minor Safety										
Bridge Replacements	0	1,014	0	0	0	0	0	0	0	0
Bridge Replacements	0	0	1,036	0	0	0	0	0	0	0
Roading Minor Safety Total	0	1,014	1,036	0	0	0	0	0	0	0
Roading Network										
WC211 - Unsealed Road metalling and rehabilitation	4,687	0	0	0	0	0	0	0	0	0
WC211 - Unsealed Road metalling and rehabilitation	0	13,621	0	0	0	0	0	0	0	0
WC211 - Unsealed Road metalling and rehabilitation	0	0	4,877	0	0	0	0	0	0	0
WC211 - Unsealed Road metalling and rehabilitation	0	0	0	4,974	0	0	0	0	0	0
WC211 - Unsealed Road metalling and rehabilitation	0	0	0	0	5,073	0	0	0	0	0
WC211 - Unsealed Road metalling and rehabilitation	0	0	0	0	0	5,175	0	0	0	0
WC211 - Unsealed Road metalling and rehabilitation	0	0	0	0	0	0	5,278	0	0	0
WC211 - Unsealed Road metalling and rehabilitation	0	0	0	0	0	0	0	5,384	5,492	5,601

ROADING AND FOOTPATHS GROUP

RENEWAL WORKS (continued)

Roading Network

WC212 - Reseals - Chip Sealing	2,475	0	0	0	0	0	0	0	0	0
WC212 - Reseals - Chip Sealing	0	2,525	0	0	0	0	0	0	0	0
WC212 - Reseals - Chip Sealing	0	0	2,575	0	0	0	0	0	0	0
WC212 - Reseals - Chip Sealing	0	0	0	2,626	0	0	0	0	0	0
WC212 - Reseals - Chip Sealing	0	0	0	0	2,679	0	0	0	0	0
WC212 - Reseals - Chip Sealing	0	0	0	0	0	2,732	0	0	0	0
WC212 - Reseals - Chip Sealing	0	0	0	0	0	0	2,787	0	0	0
WC212 - Reseals - Chip Sealing	0	0	0	0	0	0	0	2,843	2,900	2,958
WC213 - Drainage Renewals - Culverts	600	0	0	0	0	0	0	0	0	0
WC213 - Drainage Renewals - Culverts	0	612	0	0	0	0	0	0	0	0
WC213 - Drainage Renewals - Culverts	0	0	624	0	0	0	0	0	0	0
WC213 - Drainage Renewals - Culverts	0	0	0	637	0	0	0	0	0	0
WC213 - Drainage Renewals - Culverts	0	0	0	0	649	0	0	0	0	0
WC213 - Drainage Renewals - Culverts	0	0	0	0	0	662	0	0	0	0
WC213 - Drainage Renewals - Culverts	0	0	0	0	0	0	676	0	0	0
WC213 - Drainage Renewals - Culverts	0	0	0	0	0	0	0	689	703	717
WC213 - Drainage Renewals - Kerbs & Channels	100	0	0	0	0	0	0	0	0	0
WC213 - Drainage Renewals - Kerbs & Channels	0	102	0	0	0	0	0	0	0	0
WC213 - Drainage Renewals - Kerbs & Channels	0	0	104	0	0	0	0	0	0	0
WC213 - Drainage Renewals - Kerbs & Channels	0	0	0	106	0	0	0	0	0	0
WC213 - Drainage Renewals - Kerbs & Channels	0	0	0	0	108	0	0	0	0	0
WC213 - Drainage Renewals - Kerbs & Channels	0	0	0	0	0	110	0	0	0	0
WC213 - Drainage Renewals - Kerbs & Channels	0	0	0	0	0	0	113	0	0	0
WC213 - Drainage Renewals - Kerbs & Channels	0	0	0	0	0	0	0	115	117	120
WC214 - Sealed Road Rehabilitation	3,238	0	0	0	0	0	0	0	0	0
WC214 - Sealed Road Rehabilitation	0	5,513	0	0	0	0	0	0	0	0
WC214 - Sealed Road Rehabilitation	0	0	3,369	0	0	0	0	0	0	0
WC214 - Sealed Road Rehabilitation	0	0	0	3,436	0	0	0	0	0	0
WC214 - Sealed Road Rehabilitation	0	0	0	0	3,505	0	0	0	0	0

ROADING AND FOOTPATHS GROUP

Roading & Footpaths

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
RENEWAL WORKS (continued)										
Roading Network										
WC214 - Sealed Road Rehabilitaion	0	0	0	0	0	3,575	0	0	0	0
WC214 - Sealed Road Rehabilitaion	0	0	0	0	0	0	3,647	0	0	0
WC214 - Sealed Road Rehabilitaion	0	0	0	0	0	0	0	3,719	3,794	3,870
WC215 - Structures Components - Bridges	368	0	0	0	0	0	0	0	0	0
WC215 - Structures Components - Bridges	0	375	0	0	0	0	0	0	0	0
WC215 - Structures Components - Bridges	0	0	382	0	0	0	0	0	0	0
WC215 - Structures Components - Bridges	0	0	0	390	0	0	0	0	0	0
WC215 - Structures Components - Bridges	0	0	0	0	398	0	0	0	0	0
WC215 - Structures Components - Bridges	0	0	0	0	0	406	0	0	0	0
WC215 - Structures Components - Bridges	0	0	0	0	0	0	414	0	0	0
WC215 - Structures Components - Bridges	0	0	0	0	0	0	0	422	431	439
WC215 - Structures Components - Retaining Walls	100	0	0	0	0	0	0	0	0	0
WC215 - Structures Components - Retaining Walls	0	102	0	0	0	0	0	0	0	0
WC215 - Structures Components - Retaining Walls	0	0	104	0	0	0	0	0	0	0
WC215 - Structures Components - Retaining Walls	0	0	0	106	0	0	0	0	0	0
WC215 - Structures Components - Retaining Walls	0	0	0	0	108	0	0	0	0	0
WC215 - Structures Components - Retaining Walls	0	0	0	0	0	110	0	0	0	0
WC215 - Structures Components - Retaining Walls	0	0	0	0	0	0	113	0	0	0
WC215 - Structures Components - Retaining Walls	0	0	0	0	0	0	0	115	117	120
WC215 - Structures Components - Other Structural Components	100	0	0	0	0	0	0	0	0	0
WC215 - Structures Components - Other Structural Components	0	102	0	0	0	0	0	0	0	0
WC215 - Structures Components - Other Structural Components	0	0	104	0	0	0	0	0	0	0
WC215 - Structures Components - Other Structural Components	0	0	0	106	0	0	0	0	0	0
WC215 - Structures Components - Other Structural Components	0	0	0	0	108	0	0	0	0	0

ROADING AND FOOTPATHS GROUP

Roading & Footpaths

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
RENEWAL WORKS (continued)										
Roading Network										
WC215 - Structures Components - Other Structural Components	0	0	0	0	0	110	0	0	0	0
WC215 - Structures Components - Other Structural Components	0	0	0	0	0	0	113	0	0	0
WC215 - Structures Components - Other Structural Components	0	0	0	0	0	0	0	115	117	120
WC221 - Pakaraka Stock Effluent Station Submersible Pump Replacement	5	0	0	0	0	0	0	0	0	0
WC221 - Pakaraka Stock Effluent Station Submersible Pump Replacement	0	0	0	0	0	6	0	0	0	0
WC222 - Traffic Services Renewals	511	0	0	0	0	0	0	0	0	0
WC222 - Traffic Services Renewals	0	522	0	0	0	0	0	0	0	0
WC222 - Traffic Services Renewals	0	0	532	0	0	0	0	0	0	0
WC222 - Traffic Services Renewals	0	0	0	543	0	0	0	0	0	0
WC222 - Traffic Services Renewals	0	0	0	0	554	0	0	0	0	0
WC222 - Traffic Services Renewals	0	0	0	0	0	565	0	0	0	0
WC222 - Traffic Services Renewals	0	0	0	0	0	0	576	0	0	0
WC222 - Traffic Services Renewals	0	0	0	0	0	0	0	587	599	611
Roading Network Total	4,422	6,716	4,596	5,324	5,431	5,545	5,650	5,763	5,878	5,996
District Total	7,497	9,852	7,795	7,951	8,110	8,277	8,437	8,606	8,778	8,953

ROADING AND FOOTPATHS GROUP

Roading & Footpaths

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
RENEWAL WORKS (continued)										
Kaikohe - Hokianga										
Footpaths										
Kohukohu Footpath Renewals	0	0	109	0	0	0	0	0	0	0
Ohaeawai Footpath Renewals	34	0	0	0	0	0	0	0	0	0
Okaihau Footpath Renewals	0	28	0	0	0	0	0	0	0	0
Opononi Footpath Renewals	0	90	0	0	0	0	0	0	0	0
Western Footpath Reactive Renewals	0	22	73	101	104	107	110	114	118	122
Footpaths Total	34	140	183	101	104	107	110	114	118	122
Kaikohe - Hokianga Total	34	140	183	101	104	107	110	114	118	122
Te Hiku										
Footpaths										
Ahipara Footpath Renewals	175	85	0	0	0	0	0	0	0	0
East Coast Footpath Renewals	9	0	0	0	0	0	0	0	0	0
Kaitaia Footpath Renewals	0	9	0	0	0	0	0	0	0	0
Taipa Footpath Renewals	189	0	0	0	0	0	0	0	0	0
Northern Footpath Reactive Renewals	0	35	120	165	169	174	180	185	191	198
Footpaths Total	373	129	120	165	169	174	180	185	191	198
Te Hiku Total	373	129	120	165	169	174	180	185	191	198
RENEWAL WORKS TOTAL	7,904	10,121	8,097	8,217	8,383	13,733	14,005	14,288	14,578	14,874
GRAND TOTAL Roding & Footpaths	14,356	28,953	18,280	15,218	14,168	15,786	16,101	17,361	15,517	15,794

STORMWATER GROUP

Stormwater

This group manages the removal and disposal of stormwater runoff in defined urban areas and assists with a number of land drainage schemes which are managed by the Northern Regional Council. The activity predominantly relates to the built environment and paved areas where insufficient natural soakage exists. The assets comprise of pipeline reticulation, open channels, retention dams and floodgates. The land drainage schemes are located in the rural Kaitaia area and are designed to improve the productive capacity of the land.

Key facts

Council operates and maintains:

- 126 km of pipes
- 39.4 km of lined and unlined channels
- 2,884 manholes
- 18 retention dams
- 50 floodgates
- 1,901 inlets and outlets
- 1 pump station.

Council also

- Receives an average of 32 Requests for Service each month in regard to the stormwater network
- Manages stormwater network improvement projects
- Develops stormwater catchment management plans for defined urban areas.

Why we do it

Council undertakes this activity to provide stormwater management systems to control stormwater discharges from urban areas throughout the district. This involves the sustainable management of stormwater runoff within a defined urban catchment utilising piped networks, open drains and overland flowpaths, giving consideration to current and future development, climate change, system capacity and condition, water quality, financial affordability, and the environment.

Recent progress - What we have achieved since the last plan

Improvement works have been undertaken in the following areas:

- Completion of 3 stormwater lines in the Coopers Beach area
- Assisting Northland Regional Council on initiatives identified as a result of more comprehensive modelling of stormwater catchments

STORMWATER GROUP

- Development of stormwater catchment management plans
- Initial investigations and concept designs relating to stormwater issues in Ahipara.

What we have not achieved since the last plan

There have been no improvements in the following areas:

- No improvements have been undertaken at three flooding areas in Ahipara where the installation of stormwater pipes was planned
- There has been no increased engagement and consultation with Iwi and the wider community to achieve mutually acceptable solutions that benefit the district
- No works have been undertaken to improve high profile beach outlets to make them more aesthetically pleasing as well as functional.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Climate Change Effects – The Ministry for the Environment (MfE) Climate Change Guidelines are subject to revision and this is likely to impact on Stormwater Catchment Management Plans	Stormwater Catchment Management Plans may require further revision. Network Improvements/upgrades may be required which will have cost implications
Effects of development on the reticulated stormwater network	Increasing the area of impervious land will increase storm flows increasing the load on the stormwater network. If any improvements aren't undertaken at the time of initial development, costs associated with improvement works will have to be funded through rates
In some areas the existing network passes beneath private properties	It may be necessary to re-evaluate the network layout to ensure that the network is accessible for all property owners and also accessible for Council's maintenance operations
Potential for future changes in environmental standards	Likely to increase resource consent costs and network improvements/upgrades may be required to better manage or treat stormwater
Comprehensive Stormwater Discharge Consents	Consideration needs to be given to the continued development of Stormwater Catchment Management Plans to obtain stormwater discharge consents for the defined urban areas in the future
The change from external consultants to Council's in-house staff for provision of asset management professional services	Additional, appropriately skilled staff are likely to be required or Council may need to make a greater call on specialist external resources
Flooding created by large catchments adversely effecting urban communities, i.e. Moerewa, Kawakawa, Waipapa and Kaeo.	The need to work closely with the Northland Regional Council to investigate and implement solutions is likely to have cost implications

STORMWATER GROUP

Issues/Challenges	Implications
Responding to flood events is a multi-agency activity. This is resulting in the failure of Council to accurately monitor and record all incidents during a flood event	Failure to capture accurate information can lead to poor decisions being made when planning or programming for improvements
The community survey shows a low level of satisfaction with the stormwater activity	A better understanding of the issues affecting community satisfaction is needed so a program can be developed to improve the level of satisfaction
Protecting Overland Flow Paths	Stormwater pipes have limited capacity and the stormwater network is dependant on overland flow paths during major storms. Loss of overland flow paths will result in increased flooding

What you have told us

Council's 2014 residents' survey showed a 40% satisfaction rating up slightly from the 2013 rating of 38%. Council's target satisfaction rating was 64%. The 40% achieved is well below both Council's target and the Peer Group and National average of 61%. Future targets have been reduced to 60% to reflect the long-term inability to meet the current target and the National average for stormwater.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Develop and implement a planned maintenance and inspection register.

Priority 2: Review and update where necessary the network models and catchment management plans.

Priority 3: Develop an understanding of the flooding issues in Moerewa to enable future decisions to be undertaken.

Priority 4: Review and upgrade assessments on the effects of climate change.

Priority 5: Review Ahipara stormwater requirements and implement needs as required.

What we don't plan to do

We do not plan to eliminate all surface ponding through installing very large stormwater pipes. It is uneconomic to do so and very large storms will rely on overland flow paths and localised ponding to manage the stormwater.

STORMWATER GROUP

Stormwater: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

Safe, healthy, resilient places and people

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development	Provision of adequate urban stormwater systems	a) The number of flooding events that occur in the Far North District	Measurement method to be developed prior to adoption of the LTP	New	0	0	0	0
Our infrastructure protects the environment and people								

STORMWATER GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development Our infrastructure protects the environment and people	Provision of adequate urban stormwater systems	b) For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the Council's stormwater system)	Council RFS system and contractors records	New	0	0	0	0
Our infrastructure protects the environment and people	Maintain compliance with resource consents	Compliance with the Regional Council's resource consents for discharge from its stormwater system, measured by the number of:						
		a) abatement notices; and	Correspondence received from Regional Council	New	1 or less	1 or less	1 or less	1 or less
		b) infringement notices; and	Correspondence received from Regional Council	New	0	0	0	0
		c) enforcement orders; and	Correspondence received from Regional Council	New	0	0	0	0

STORMWATER GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
		d) convictions, received by Council in relation those resource consents	Correspondence received from Regional Council	New	0	0	0	0
Our infrastructure protects the environment and people	Performance measure three (response to stormwater system issues):	The median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site	Data collected and monitored through internal RFS system	New	<48 hours	<48 hours	<48 hours	<48 hours
We will make more efficient use of existing infrastructure, including managing demand, to deliver value-for-money services Our water, stormwater and wastewater infrastructure protect the environment and people and enable sustainable development	Performance measure four (customer satisfaction):	The number of complaints received by Council about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system	Data collected and monitored through internal RFS system	New	<10	<10	<10	<10

STORMWATER GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
<p>We will make more efficient use of existing infrastructure, including managing demand, to deliver value-for-money services</p> <p>Our water, stormwater and wastewater infrastructure protect the environment and people and enable sustainable development</p>	Customer satisfaction with stormwater services	Percentage of residents satisfied / very satisfied with urban stormwater services	Annual community feedback survey	≥40%	≥60%	≥60%	≥60%	≥60%

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Silt/sediment and debris blocking catchpits and manholes, inlets/outlets causing flooding	High	Undertake routine inspections and maintenance	Moderate

STORMWATER GROUP

Risk	Current rating	Mitigation	Rating after mitigation
Knowledge management – The ability to retain knowledge and have sufficient systems (technology) in place to maintain the institutional knowledge	High	Enhance the in-house knowledge and asset recording systems. Planned review of resourcing needs in progress	Moderate
Inadequate stormwater provisions provided with new developments	High	Improved management to ensure the provision for stormwater disposal is included when approving new developments	Low
Climate change & Local Natural Hazards – (slips/flooding/coastal erosion/wind) causing damage (roads, property, assets) and/or hindering development	High	Liaise with Northland Regional Council to identify hazards and ensure emergency response mechanisms are in place in the event of a hazard occurring, e.g. Lifelines, Civil Defense and Emergency Management.	High

Significant Negative Effects

Potential negative effect	How we are addressing this
Inadequacy of existing assets to cope with large rainfall events causing flooding, which could result in social and economic hardship	Continually monitor network performance, maintain stormwater models and assess improvement needs
Pollution caused by pollutants and undesirable debris being discharged from the stormwater network	Provide public education to keep pollutants and debris from being put into the stormwater drains
Lack of infrastructure to convey stormwater, safely resulting in flood damage	Monitoring flood events and determining appropriate solutions. Where necessary the community will be consulted on specific projects through the Long Term Plan process and in conjunction with Northland Regional Council. Currently no significant projects are being proposed by Far North District Council

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

STORMWATER GROUP

FINANCIAL FORECAST AND STATEMENTS

STORMWATER PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan											
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s									
	Revenue										
1,916	Rates - General	2,097	2,140	2,186	2,255	2,314	2,417	2,492	2,593	2,647	2,750
662	Rates - Targeted	653	655	658	661	665	668	672	676	681	685
61	Rates - Penalties	63	63	63	63	63	63	63	63	63	63
0	Development Contributions	0	0	0	0	0	0	0	0	0	0
0	Other Income	0	0	0	0	0	0	0	0	0	0
2,639	Total Comprehensive Revenue	2,812	2,858	2,907	2,979	3,042	3,148	3,227	3,332	3,390	3,498
	Direct Costs										
917	Direct Costs	1,182	1,220	1,232	1,282	1,298	1,356	1,376	1,440	1,465	1,533
246	Interest	210	196	209	203	217	232	252	255	249	246
723	Depreciation	682	702	723	746	774	802	835	867	900	937
1,886	Total Direct Operating Expenditure	2,074	2,118	2,164	2,231	2,289	2,389	2,463	2,562	2,614	2,715
207	Indirect Costs	205	208	211	217	221	228	234	241	247	254
207	Total Indirect Costs	205	208	211	217	221	228	234	241	247	254
2,094	Total Operating Expenditure	2,280	2,326	2,375	2,448	2,511	2,618	2,697	2,803	2,861	2,969
545	NET SURPLUS/(DEFICIT)	532	532	532	531	531	531	530	530	529	529

STORMWATER GROUP

STORMWATER STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Annual Plan	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
2014-15	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT										
545 Net Surplus/(Deficit)	532	532	532	531	531	531	530	530	529	529
0 Loan	0	0	0	0	0	0	0	0	0	0
1,075 Appropriations from Reserves	351	356	373	423	707	504	479	495	415	548
1,016 Notional Loans Raised	250	256	263	591	339	698	443	305	340	620
(545) Appropriation to Reserves	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)	(545)
2,091 Total Funding	589	600	623	1,001	1,032	1,188	907	785	740	1,152
Capital Expenditure										
1,730 Capital Projects	258	256	267	631	652	802	502	389	353	784
360 Debt Repayment	331	343	356	369	380	386	405	396	387	369
2,091 Total Capital Expenditure	589	600	623	1,000	1,032	1,188	907	785	740	1,152
0 NET SURPLUS/(DEFICIT)	0	0	0	0	0	0	0	0	0	0

STORMWATER GROUP

CAPITAL PROJECTS BY WARD

Stormwater Project Name	2015-16 \$'000s	2016-17 \$'000s	2017-18 \$'000s	2018-19 \$'000s	2019-20 \$'000s	2020-21 \$'000s	2021-22 \$'000s	2022-23 \$'000s	2023-24 \$'000s	2024-25 \$'000s
LEVEL OF SERVICE WORKS										
Bay of Islands - Whangaroa										
Urban Stormwater										
Paihia Beach Stormwater Outlets	0	0	0	5	56	0	0	0	0	0
Moerewa Stormwater Disposal Improvements	0	0	0	270	0	286	0	0	0	0
Bay of Islands - Whangaroa Total	0	0	0	275	56	286	0	0	0	0
District										
Urban Stormwater										
Stormwater Outlets Improvements	0	0	0	27	28	29	30	0	0	0
Stormwater Reactive Works	250	256	263	270	278	286	295	305	315	326
District Total	250	256	263	297	306	315	325	305	315	326
Kaikohe - Hokianga										
Urban Stormwater										
Kaikohe Heke Street Stormwater Line	0	0	0	0	11	172	0	0	0	0
Kaikohe Hillcrest Road Stormwater Line	0	0	0	22	0	0	0	0	0	0
Omapere Old Wharf Road Stormwater Line	0	0	0	0	0	11	118	0	0	0
Kaikohe - Hokianga Total	0	0	0	22	11	183	118	0	0	0
Te Hiku										
Urban Stormwater										
Kaitaia Lake Road Stormwater Line	0	0	0	0	0	0	0	0	25	326
Whatuwhiwhi Edgewater Gully Stormwater Line	0	0	0	0	0	0	0	0	13	131
Te Hiku Total	0	38	457							
LEVEL OF SERVICE WORKS TOTAL	250	256	263	594	372	784	443	305	353	784

STORMWATER GROUP

Stormwater Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
RENEWAL WORKS										
District										
Urban Stormwater										
Urban Stormwater Renewals	8	0	4	15	2	18	59	84	0	0
District Total	8	0	4	15	2	18	59	84	0	0
Te Hiku										
Urban Stormwater										
Kaitia Commerce Street Stormwater Line	0	0	0	22	278	0	0	0	0	0
Te Hiku Total	0	0	0	22	278	0	0	0	0	0
RENEWAL WORKS TOTAL	8	0	4	37	280	18	59	84	0	0
GRAND TOTAL Stormwater	258	256	267	631	652	802	502	389	353	784

WATER SUPPLY GROUP

Water Supply

This group manages the treatment and distribution of water in defined areas. The activity predominantly relates to the urban environments which are reticulated with water mains. This activity also supplies water to commercial bulk water suppliers for topping up private rain water tanks. The assets predominately comprise of treatment plants, reservoirs, pipeline reticulation and pump stations.

Council meets the need for high quality drinking water and ensures fire-fighting performance standards are met within the defined water supply areas. This activity contributes significantly to present and future environmental and economic well-being of the district.

Key facts

Council operates and maintains:

- 8 potable (drinkable) water schemes that incorporate:
 - 3 non potable supply areas
 - 9 water treatment plants
- Water is sourced from:
 - 3 dams
 - 4 bore fields
 - 8 stream intakes.
- 36 treated water reservoirs
- 333 km of water mains
- 18 booster pump stations
- 9,859 properties are connected to Council water systems
- All schemes have universal water metering.

Council also

- Provides new water connections to areas of development
- Installs water meters and undertakes reading for billing purposes
- Promoting and development of water conservation
- Provides drinking water accessibility for commercial operators who service private rainwater tank owners
- Provides fire-fighting flows.

WATER SUPPLY GROUP

Why we do it

Safe and sufficient drinking water is essential for the health and well-being of communities. The water treatment plants, pumping stations, and reticulation systems contribute to that by providing the treatment and delivery of safe drinking water to communities served by Council-owned systems.

Water supply is regarded as one of the core functions of Council, as provided by statute. The Local Government Act 2002 (the Act) generally requires the continued operation of any water system that Council operated at the time the Act was passed, as well as continuing to operate any new system that Council constructs from that date.

Recent progress - What we have achieved since the last plan

- Reduced the frequency of water main breaks by replacing water mains that were failing regularly
- Undertaken water treatment plant upgrades so all treated water supplies comply with the NZ drinking water standards
- Increased the capacity of the Paihia water treatment plant
- Upgrade of the Rawene Water Treatment Plant
- Increase the number of standby generators at key locations
- Commenced investigations into supplementary water sources for Opononi and Rawene.

What we have not achieved since the last plan

- Develop an alternative water source for Kaitaia
- Provide the Omanaia community with treated water.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Climate change is increasing the frequency of droughts resulting in summer water shortages being experienced for several schemes	Short term response will require water conservation measures, community education about water conservation, and action to secure future supplies. Council must take steps to reduce levels of water wasted from its systems through leakage, unauthorised use and poor water use practices. In the medium to longer term more sustainable water sources will need to be commissioned. For small communities, connecting to new water sources may be unaffordable

WATER SUPPLY GROUP

Issues/Challenges	Implications
Changing resource consent conditions is limiting the volume of water from some streams, requiring new raw water sources to be established	New water sources or changing of water use practices will need to be installed to supplement the shortfall. For small communities, connecting to new water sources may be unaffordable
Water quality concerns identified in Northland by the Ministry of Health, including the Omanaia community and the Te Kao community	Potential involvement by Council to provide drinking water provisions for the communities currently receiving non-potable water. For small communities, water treatment may be unaffordable

What you have told us

The last resident's survey was undertaken in 2011. At that time, there was an 82% satisfaction rating amongst residents who receive a Council water supply.

What we plan to do

- Reintroduce the level of satisfaction relating to water supplies into the annual residents survey
- In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below.

Priority 1: Continue to investigate options for raw water security for Kaitaia.

Priority 2: Work with the South Hokianga communities to provide treated water for Omanaia, improve raw water security for Rawene and improve raw water security for Opononi.

Priority 3: Assist the Te Kao community to obtain reticulated treated water.

What we don't plan to do

Council does not propose to expand the size of the existing water supply schemes.

Water Supply: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

Safe, healthy, resilient places and people

WATER SUPPLY GROUP

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development Our infrastructure protects the environment and people	Performance measure one (safety of drinking water):The extent to which the local authority's drinking water supply complies with DWSNZ	(a) part 4 of the drinking-water standards (bacteria compliance criteria); and	The following plants are monitored relative to DWSNZ: Kaikohe Kerikeri Paihia Kawakawa Kaitaia Opononi Rawene Okaihau	New	All schemes compliant	All schemes compliant	All schemes compliant	All schemes compliant
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development Our infrastructure protects the environment and people		(b) part 5 of the drinking-water standards (protozoa compliance criteria)	The following plants are monitored relative to DWSNZ: Kaikohe Kerikeri Paihia Kawakawa Kaitaia Opononi Rawene Okaihau	New	All schemes compliant	All schemes compliant	All schemes compliant	All schemes compliant

WATER SUPPLY GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
<p>Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development</p> <p>Our infrastructure protects the environment and people</p>	Performance measure two (maintenance of the reticulation network)	The percentage of real water loss from Council's networked reticulation system (including a description of the methodology used to calculate this).	Using the Benchloss tool or similar calculate the difference between water supplied and water sales	29%	<26%	<26%	<26%	<26%
<p>Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development</p> <p>Our infrastructure protects the environment and people</p>	Performance measure three (fault response times)	Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured:						

WATER SUPPLY GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
		a) attendance for urgent (loss of supply) call-outs: from the time that the Council receives notification to the time that service personnel reach the site	Data collected and monitored through internal RFS system supported by contractor field sheets	New	<2 hours	<2 hours	<2 hours	<2 hours
		b) resolution of urgent (loss of supply) call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption	Data collected and monitored through internal RFS system supported by contractor field sheets	New	<4 hours	<4 hours	<4 hours	<4 hours
		c) attendance for non-urgent (all other) call-outs: from the time that Council receives notification to the time that service personnel reach the site	Data collected and monitored through internal RFS system supported by contractor field sheets	New	<2 working days	<2 working days	<2 working days	<2 working days
		d) resolution of non-urgent (all other) call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption	Data collected and monitored through internal RFS system supported by contractor field sheets	New	<3 working days	<3 working days	<3 working days	<3 working days

WATER SUPPLY GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
<p>Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development</p> <p>Our infrastructure protects the environment and people</p>	<p>Performance measure four (customer satisfaction): The total number of complaints received by Council about any of the following:</p>	<p>The total number of complaints received by the District Council about the reticulated water supply with respect to:</p> <p>(a) drinking water clarity (b) drinking water taste (c) drinking water odour (d) drinking water pressure or flow (e) continuity of supply; and (f) Council's response to any of these issues, expressed per 1000 connections to the Council's networked reticulation system</p>	<p>Councils RFS system</p>	<p>New</p>	<p><100</p>	<p><100</p>	<p><100</p>	<p><100</p>
<p>Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development</p> <p>Our infrastructure protects the environment and people</p>	<p>Performance measure five (demand management)</p>	<p>The average consumption of drinking water per day per resident within the Far North District</p>	<p>Calculated using metered consumption and census figures of populations serviced with water.</p>	<p>New</p>	<p>≤350L/ person/day</p>	<p>≤350L/ person/day</p>	<p>≤350L/ person/day</p>	<p>≤350L/ person/day</p>

WATER SUPPLY GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development Our infrastructure protects the environment and people	Provide and manage the urban water supply networks to meet community expectations	The % of respondents indicating they are very satisfied / satisfied with urban water	Annual community feedback survey	New	≥85%	≥85%	≥85%	≥85%

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Droughts increase water demand and cause water shortages	Extreme	Increase sources. Emergency drought orders are available to draw extra water from sources. Provide additional water storage to ensure 2 days storage on all systems at average daily demand	High

WATER SUPPLY GROUP

Risk	Current rating	Mitigation	Rating after mitigation
Kaitaia, Paihia, Kerikeri and Kaikohe peak summer demands exceed available capacity or raw water sources	Extreme	Implementing capacity upgrade works combined with promoting water conservation and load shedding	High
Small communities cannot afford or is unwilling to pay for required or desired improvements	High	Consult options with the communities involved. Consider alternative funding options. Undertake a rates review	High
Contamination of the water supply	Moderate	Maintain back flow prevention and monitoring of water sources	Moderate
Increased mains breakages due to the aging below ground infrastructure	High	Monitor locations of pipe failure and plan for mains replacement	Moderate

Significant Negative Effects

Potential negative effect	How we are addressing this
The cost of operating and/or improving the infrastructure may exceed the community's ability to pay	Consulting with the community on all costs and options for levels of service via the LTP process and actively seeking the best overall value solutions
High levels of water extraction from small streams can have an adverse effect on that streams ecology, especially during times of low stream flow and drought	The impact of environmental effects is taken into account when the resource consents are renewed
The inability of the infrastructure to meet the demand for water may cause difficulty and hardship in the community	Implementing programmes of plant and system improvements and reducing leakage and wastage from the reticulation system. Development of a Demand Management Policy and encouraging communities to reduce their demand on the water schemes by installing water harvesting
Acquisition of resource consent renewals is subject to environmental and cultural considerations, and attracts significant interest and opinion from the community	Community is engaged in consultation throughout the renewal process with opportunity to formally submit under the RMA
Severe drought conditions will require water use restrictions affecting both private and commercial sectors of the community	Contingency plans to maintain essential minimum services. Long term planning to include options for new water sources

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

WATER SUPPLY GROUP

FINANCIAL FORECAST AND STATEMENTS

WATER SUPPLY PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Revenue										
7,606	2,057	2,408	3,050	3,300	3,871	4,415	5,244	5,548	5,959	6,335
218	225	225	225	225	225	225	225	225	225	225
55	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254
490	640	800	320	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
8,369	9,177	9,688	9,849	9,779	10,350	10,894	11,723	12,027	12,438	12,814
Direct Costs										
3,942	4,575	4,728	4,874	5,017	5,189	5,361	5,563	5,763	5,997	6,225
663	595	623	886	853	1,057	1,242	1,620	1,552	1,537	1,484
2,462	2,238	2,398	2,578	2,693	2,870	3,029	3,255	3,396	3,562	3,734
7,067	7,408	7,749	8,338	8,564	9,116	9,632	10,437	10,712	11,096	11,443
527	843	854	868	891	910	938	962	991	1,017	1,047
527	843	854	868	891	910	938	962	991	1,017	1,047
7,594	8,251	8,603	9,205	9,455	10,026	10,570	11,399	11,703	12,114	12,490
775	925	1,085	644	324	324	324	324	324	324	324

WATER SUPPLY GROUP

WATER SUPPLY STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Annual Plan	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
2014-15	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT										
775 Net Surplus/(Deficit)	925	1,085	644	324	324	324	324	324	324	324
0 Loan	0	0	0	0	0	0	0	0	0	0
2,881 Appropriations from Reserves	2,001	2,978	2,256	3,385	3,020	4,088	4,509	3,480	2,983	2,788
4,828 Notional Loans Raised	1,428	4,411	596	4,526	2,809	7,242	757	1,576	1,038	748
(570) Appropriation to Reserves	(570)	(570)	(648)	(648)	(648)	(648)	(648)	(648)	(648)	(648)
7,914 Total Funding	3,783	7,905	2,848	7,587	5,505	11,006	4,941	4,732	3,696	3,212
Capital Expenditure										
6,877 Capital Projects	2,859	6,927	1,711	6,462	4,188	9,571	3,147	2,921	1,845	1,334
1,037 Debt Repayment	924	977	1,138	1,125	1,318	1,435	1,795	1,811	1,852	1,878
7,914 Total Capital Expenditure	3,783	7,905	2,848	7,587	5,505	11,006	4,941	4,732	3,696	3,212
0 NET SURPLUS/(DEFICIT)	0	0	0	0	0	0	0	0	0	0

WATER SUPPLY GROUP

CAPITAL PROJECTS BY WARD

Water Project Name	2015-16 \$'000s	2016-17 \$'000s	2017-18 \$'000s	2018-19 \$'000s	2019-20 \$'000s	2020-21 \$'000s	2021-22 \$'000s	2022-23 \$'000s	2023-24 \$'000s	2024-25 \$'000s
LEVEL OF SERVICE WORKS										
Bay of Islands - Whangaroa										
Water Schemes										
Kerikeri Bulk Water Tanker Supply	0	0	0	32	456	0	0	0	0	0
Kerikeri To Waipapa Reservoir Smart Level Controls Installation	0	0	0	28	0	0	0	0	0	0
Kerikeri Skudders Beach Fire Flow Upgrades	0	0	0	0	365	0	0	0	0	0
Kerikeri Mill Lane Fire Flow Upgrades	0	0	0	0	0	295	0	0	0	0
Kerikeri Waipapa Industrial Area Fire Flow Upgrades	0	0	0	66	0	0	0	0	0	0
Kerikeri Stream Intake Improvements	0	0	0	11	171	0	0	0	0	0
Paihia Increase Capacity from the Te Haumi Reservoir	0	0	0	0	0	0	0	0	462	0
Paihia Watea Industrial Area Fire Flow Upgrades	0	0	0	0	171	0	0	0	0	0
Paihia Te Haumi Fire Flow Upgrades	0	0	0	0	0	0	306	0	0	0
Paihia Opuia Fire Flow Upgrades Fire Pump	0	0	0	88	0	0	0	0	0	0
Paihia Opuia Fire Flow Upgrades Storage	0	0	0	0	0	0	0	0	0	206
Paihia Flows to Te Haumi Reservoir Stage 1	0	0	0	0	0	590	0	0	0	0
Paihia Flows to Te Haumi Reservoir Stage 2	0	0	0	0	0	0	0	533	0	0
Paihia Hihitahi Rise Replace Main	0	0	0	0	17	0	0	0	0	0
Paihia Te Haumi Mains	0	0	0	0	0	18	0	0	0	0
Paihia Opuia Additional Reservoir Storage	0	0	0	0	0	0	0	444	0	0
Paihia Raw Water Security	0	0	0	0	1,103	5,699	0	0	0	0
Bay of Islands - Whangaroa Total	0	0	0	225	2,283	6,601	306	978	462	206

WATER SUPPLY GROUP

Water Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS (continued)										
Kaikohe - Hokianga										
Water Schemes										
Minor Capital Reactive Works	265	275	283	292	302	313	324	336	350	365
District Wide Telemetry Duplicate Servers	0	0	0	63	0	0	0	0	0	0
Kaikohe Station Road Fire Flow Upgrades	0	0	0	22	0	0	0	0	0	0
Kaikohe Communications to WTP Site	0	0	0	11	0	0	0	0	0	0
Okaihau Southern Area Fire Flow UpgradesUpgrades	0	0	0	221	0	0	0	0	0	0
Opononi Fairlie Crescent Fire Flow Upgrades Stage 1	0	0	0	20	0	0	0	0	0	0
Opononi Fairlie Crescent Fire Flow Upgrades Stage 2	0	0	0	0	0	0	0	218	0	0
Opononi New Source	200	1,121	0	0	0	0	0	0	0	0
Opononi Communications to WTP Site	0	0	0	11	0	0	0	0	0	0
Rawene New Source	50	320	0	0	0	0	0	0	0	0
Rawene Omanaia Treated Water	50	1,920	0	0	0	0	0	0	0	0
Kaikohe - Hokianga Total	565	3,636	283	640	302	313	324	555	350	365
Te Hiku										
Water Schemes										
Kaitaia Sweetwater Borefield	0	0	0	3,531	0	0	0	0	0	0
Kaitaia Church Road Fire Flow Upgrades	0	0	0	0	0	177	0	0	0	0
Kaitaia Pukepoto Road Fire Flow Upgrades	0	0	0	0	0	0	0	0	185	0
Kaitaia Okahu Road Treated Water Extension	0	0	0	0	57	118	0	0	0	0
Te Kao Subsidised Potable Water Supply	800	1,000	400	0	0	0	0	0	0	0
Te Hiku Total	800	1,000	400	3,531	57	295	0	0	185	0
LEVEL OF SERVICE WORKS TOTAL	1,365	4,636	683	4,396	2,642	7,208	630	1,533	997	571

WATER SUPPLY GROUP

Water Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS										
Bay of Islands - Whangaroa										
Water Schemes										
Kawakawa Water Renewals	13	80	32	52	93	323	236	49	49	0
Kawakawa Discharge Consent	70	0	0	0	0	0	0	0	0	0
Kawakawa Water Meter Replacement	40	42	43	44	17	0	0	0	0	0
Kawakawa Treatment Plant Structural Works	250	0	0	0	0	0	0	0	0	0
Kawakawa Bore Installation	0	0	0	66	0	0	0	76	0	0
Kawakawa Mains Replacement	50	52	53	55	57	59	61	63	66	69
Kerikeri Water Renewals	28	37	17	121	102	287	67	59	75	38
Kerikeri Discharge Consent	0	0	0	0	57	0	0	0	0	0
Kerikeri Mains Replacement	50	52	53	55	57	59	61	63	66	69
Kerikeri Water Meter Replacement	50	52	53	55	57	59	73	0	0	0
Kerikeri Treatment Plant Structural Works	0	156	0	0	0	0	0	0	0	0
Kerikeri High Pressure Zones	100	0	0	0	0	0	0	0	0	0
Paihia Water Renewals	0	39	34	99	91	115	193	161	97	8
Paihia Water Meter Replacement	50	52	53	55	57	50	0	0	0	0
Paihia Switchboard Rebuild	200	0	0	0	0	0	0	0	0	0
Paihia PACI Tank Replacements	0	0	11	0	0	0	0	0	0	0
Paihia Mains Replacement	50	52	53	55	57	59	61	63	66	69
Paihia Discharge Consent	30	0	0	0	0	0	0	0	0	0
Russell Water Renewals	0	9	0	0	12	2	27	1	8	0
Russell Discharge Consent	0	0	0	17	34	6	0	0	0	0
Russell Tank Replacement	10	0	0	0	0	0	0	0	0	0
Bay of Islands - Whangaroa Total	991	621	404	674	691	1,018	779	538	427	253

WATER SUPPLY GROUP

Water										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
District										
Water Schemes										
District Wide Water Renewals	0	9	0	0	0	31	0	0	0	0
District Total	0	9	0	0	0	31	0	0	0	0
Kaikohe - Hokianga										
Water Schemes										
District Wide Reservoirs Structural Works	0	260	0	0	0	0	0	0	0	0
District Wide Telemetry Upgrade	0	52	53	55	57	12	0	0	0	0
District Wide Pipe Bridges Structural Works	0	260	0	0	0	0	0	0	0	0
Kaikohe Water Renewals	0	200	58	594	128	64	516	164	29	151
Kaikohe Discharge Consent	0	0	43	11	0	0	0	0	0	0
Kaikohe Mains Replacement	0	52	53	55	57	59	61	63	66	69
Kaikohe Water Meter Replacement	50	52	53	55	57	59	24	0	0	0
Kaikohe Membrane Replacement	100	0	0	0	0	0	0	0	0	0
Okaihau Water Renewals	0	31	38	26	30	24	44	10	10	0
Okaihau Bore Installation	0	0	0	0	0	71	0	0	0	0
Okaihau Water Meter Replacement	25	0	0	0	0	0	0	0	0	0
Opononi Water Renewals	0	13	2	55	97	5	497	71	36	0
Opononi Mains Replacement	10	10	11	11	11	12	12	13	13	14
Opononi Water Meter Replacement	40	17	0	0	0	0	0	0	0	0
Opononi Membrane Replacement	35	0	0	0	0	0	0	0	0	0
Rawene Water Renewals	8	24	2	43	29	8	36	58	14	3
Rawene Discharge Consent	0	42	11	0	0	0	0	0	0	0
Rawene Mains Replacement	10	10	11	11	11	12	12	13	13	14
Rawene Water Meter Replacement	20	21	0	0	0	0	0	0	0	0
Kaikohe - Hokianga Total	298	1,043	336	916	478	326	1,203	391	182	250

WATER SUPPLY GROUP

Water Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
RENEWAL WORKS (continued)										
Te Hiku										
Water Schemes										
Kaitaia Water Renewals	5	176	57	256	149	752	290	218	40	54
Kaitaia Discharge Consent	0	26	16	0	0	0	0	0	0	0
Kaitaia Mains Replacement	150	156	160	165	171	177	183	190	198	206
Kaitaia Donald Road Reservoir Timber Roof	0	208	0	0	0	0	0	0	0	0
Kaitaia Water Meter Replacement	50	52	53	55	57	59	61	51	0	0
Te Hiku Total	205	617	287	477	377	988	534	460	239	260
RENEWAL WORKS TOTAL	1,494	2,291	1,028	2,066	1,546	2,363	2,517	1,389	848	763
GRAND TOTAL Water	2,859	6,927	1,711	6,462	4,188	9,571	3,147	2,921	1,845	1,334

WASTEWATER GROUP

Wastewater

This group manages the removal, treatment and disposal of wastewater in defined urban areas. The activity predominantly relates to the urban environments which are reticulated with a sewerage network. This activity also includes the treatment and disposal of septic tank wastes from properties not connected to the urban sewerage networks. The assets predominately comprise of pipeline reticulation, pump stations and treatment plants. This activity contributes significantly to present and future health, environmental and economic well-being of the district.

Key facts

- 19 communities serviced with wastewater
- 16 wastewater treatment plants (11 pond systems, 5 mechanical plants)
- 392 km of sewer pipe
- 149 pumping stations
- 10,998 properties are connected to Council's systems.

Council also

- Installs new schemes in areas of need
- Provides new sewer connections to areas of development
- Monitors maintenance of on-site sewage disposal systems
- Provides facilities for the reception and treatment for on-site septage discharged by commercial operators.

Why we do it

Appropriate collection and treatment of wastewater is essential for the health and well-being of communities.

Council's vision is that the Far North's coastal marine, river waters and lakes are healthy at all times, so that they support healthy marine and freshwater ecosystems, recreational use, fishing and shellfisheries.

Wastewater treatment plants, pumping stations and reticulation systems contribute by controlling the quality of effluent and minimising the risk of undesirable wastes directly entering the environment.

Wastewater is regarded as one of the core functions of Council, as provided by statute. The Local Government Act 2002 (the Act) generally requires the continued operation of any water system that Council operated at the time the Act was passed, as well as continuing to operate any new system that Council constructs from that date.

WASTEWATER GROUP

Recent progress - What we have achieved since the last plan

- Completed wastewater reticulation extensions for Awanui, Wireless Rd, and Opuia
- Completed treatment upgrades at Kaeo including UV disinfection
- Completed treatment upgrades at Hihi
- Completed treatment upgrades at Whatuwhiwhi including UV disinfection
- Connection of Awanui to the Kaitaia scheme, which has eliminated the need for the Awanui Treatment Plant
- Ongoing improvements to the telemetry alarms and information system
- Commenced inflow and infiltration studies for Kaitaia sewerage system.

What we have not achieved since the last plan

In light of reduced growth projections, a project review has resulted in alternative proposals for the Bay of Islands scheme. In early 2014, Council resolved to change the scheme to only reticulate a smaller area of central Kerikeri with a new treatment plant based in Kerikeri, together with a minor upgrade of the Paihia treatment plant.

The discharge from the Paihia treatment plant is exceeding the require level for ammonia. This was to be resolved as part of the larger Bay of Islands scheme. Now that the scope of the Bay of Islands scheme has been changed, alternative-options are being assessed to reduce the ammonia levels in the Paihia discharge.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Affordability of schemes	Per property, smaller schemes tend to be more expensive to operate than larger schemes. Requiring smaller schemes to meet the same standards of larger schemes can significantly affect the community's ability to afford the wastewater scheme
Worsening Inflow and infiltration issues resulting in more frequent sewage spills	Requires continued and improved sewer maintenance and capital expenditure. Loss of capacity can be caused by excessive stormwater entering the wastewater network, or as a result of the capacity of the network not being upsized to accommodate expansion of the scheme

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Issues/Challenges	Implications
Minimising environmental impacts	Failing on site disposal systems may require expansion of reticulated schemes. A continued programme of improving environmental awareness throughout the community so that everybody can play their part in protecting the environment
Ageing infrastructure reaching the end of its useful life	Faults, failures and blockages will become more frequent resulting in increased overflows. Requires timely, continued and improved sewer maintenance and capital expenditure. Loss of capacity can be caused by excessive stormwater entering the wastewater network, or as a result of the capacity of the network not being upsized to accommodate expansion
Higher standards required by resource consents	To meet these higher standards normally will require significant expenditure. This can significantly affect the community's ability to afford the wastewater scheme
Climate change	The volume of storm water entering a wastewater network is relative to the size of the storm. With climate change, more frequent and larger storms are anticipated, which will impact on the wastewater network

What you have told us

The last resident's survey was undertaken in 2012. At that time, there was an 87% satisfaction rating amongst residents who use Council's wastewater services.

What we plan to do

Reintroduce back into the annual residents survey the level of satisfaction relating to wastewater.

Significant improvements to the level of service are planned with the expansion of the Kerikeri network and upgrades to the Kerikeri and Paihia treatment plants.

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Reducing the volume and frequency of wet weather overflow in Kaitaia. .

Priority 2: Expanding the Kerikeri reticulated area to service the central urban area of Kerikeri and upgrade the treatment plant to meet new resource consent effluent discharge limits.

Priority 3: Reducing the ammonia levels in the effluent discharge from the Paihia Wastewater Treatment Plant

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Priority 4: Commencing a project to de-sludge the treatment ponds that contain high levels of sludge including Kaitaia, Kaikohe, Kawakawa, Kaeo and Rawene.

What we don't plan to do

Apart from Kerikeri, Council does not propose to expand the size of the wastewater schemes beyond the communities currently served.

Wastewater: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

Safe, healthy, resilient places and people

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development	Performance measure one (system and adequacy)	The number of dry weather sewerage overflows from Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system	Records from Contractors operations log	New	<12 per 1000 connections			
Our infrastructure protects the environment and people								

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KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development Our infrastructure protects the environment and people	Performance measure two (management of environmental impacts)	Compliance with the Regional Council's resource consents for discharge from its sewerage system measured by the number of:						
		a) abatement notices;	Correspondence received from Regional Council	New	1 or less	1 or less	1 or less	1 or less
		b) infringement notices;	Correspondence received from Regional Council	New	0	0	0	0
		c) enforcement orders; and	Correspondence received from Regional Council	New	0	0	0	0
		d) convictions, received by Council in relation those resource consents.	Correspondence received from Regional Council	New	0	0	0	0

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KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development Our infrastructure protects the environment and people	Performance measure three (response to sewerage system faults):	Where Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following median response times measured:						
		a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site; and	Data collected and monitored through internal RFS system supported by contractor field sheets	New	≤1 hour	≤1 hour	≤1 hour	≤1 hour
		b) resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault	Data collected and monitored through internal RFS system supported by contractor field sheets	New	≤2 hours	≤2 hours	≤2 hours	≤2 hours

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KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development Our infrastructure protects the environment and people	Performance measure four (customer satisfaction):	The total number of complaints received Council about the following: a) sewage odour; b) sewerage system faults; c) sewerage system blockages; and d) the District Council's response to issues with its sewerage system: expressed per 1000 connections to the Council's sewerage system.		New	<150	<150	<150	<150
Our water, stormwater, and wastewater infrastructure protect the environment and people and enable sustainable development Our infrastructure protects the environment and people	Provide and manage the urban stormwater networks to meet community expectations	The % of respondents indicating they are very satisfied / satisfied with urban wastewater	Annual community feedback survey	New	≥85%	≥85%	≥85%	≥85%

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Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Failure to meet Resource Consent conditions	High	Monitoring in accordance with Resource Consent monitoring schedules. Amend operational procedure in anticipation of failures, if possible	High
Contaminants entering water courses and / or estuaries caused by sewage overflows from pipe breaks or network flooding	High	Monitor RFS system and quick operational response Replace failing infrastructure and plan maintenance based on asset criticality and risk of failure	High
Blue green algae outbreaks on treatment plant ponds leading to non-compliance and/or health risks of downstream users	High	Extensive sampling and monitoring programme in place. Management procedures for communication with downstream users	High
Inflow and infiltration into the sewerage system	High	Known sources of infiltration are removed through the renewals programme. Issue notices to property owners to remove inflow	High

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Significant Negative Effects

Potential negative effect	How we are addressing this
The cost of operating and/or improving the infrastructure may exceed the community's ability to pay	Consulting with the community on costs and options for levels of service via the LTP process
The inability of the infrastructure to meet the demand for wastewater may cause difficulty and hardship in the community	Implementing programmes of plant and system improvements and reducing inflow and infiltration into the reticulation system The development of a Demand Management Plan and ensure the system has sufficient capacity for expansion
Acquisition of resource consent renewals is subject to environmental and cultural considerations in a manner that attracts significant interest and opinion from the community	Community is engaged in consultation throughout the renewal process with opportunity to formally submit under the RMA
Sewage spills to water can affect public access for bathing and recreational shellfish collection, as well as commercial oyster farming and tourism	Continued renewal and improvements of assets together with improved monitoring and management practices

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

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FINANCIAL FORECAST AND STATEMENTS

WASTEWATER TREATMENT AND DISPOSAL PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan											
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Revenue											
479	Rates - General	483	488	493	498	498	498	498	498	498	498
10,362	Rates - Targeted	10,343	11,171	12,265	13,322	14,054	14,748	15,155	15,587	16,091	16,920
311	Rates - Penalties	320	320	320	320	320	320	320	320	320	320
187	Fees & Charges	134	167	169	269	191	134	134	134	134	134
285	Subsidies Capital	0	0	0	0	0	0	0	0	0	0
0	Development Contributions	0	0	0	0	0	0	0	0	0	0
0	Other Income	0	0	0	0	0	0	0	0	0	0
11,623	Total Comprehensive Revenue	11,281	12,147	13,248	14,410	15,064	15,700	16,107	16,539	17,043	17,873
Direct Costs											
5,625	Direct Costs	8,033	7,315	7,030	8,103	6,222	6,403	6,631	6,842	7,107	7,348
1,443	Interest	1,348	1,687	2,173	2,752	2,872	3,071	3,007	2,953	2,889	3,025
3,647	Depreciation	3,738	4,017	4,263	4,613	4,822	5,049	5,269	5,514	5,767	6,139
10,715	Total Direct Operating Expenditure	13,119	13,019	13,466	15,468	13,916	14,524	14,906	15,309	15,762	16,512
730	Indirect Costs	737	748	760	778	793	815	834	858	878	902
730	Total Indirect Costs	737	748	760	778	793	815	834	858	878	902
11,445	Total Operating Expenditure	13,856	13,767	14,226	16,247	14,709	15,339	15,740	16,167	16,641	17,413
178	NET SURPLUS/(DEFICIT)	(2,574)	(1,620)	(978)	(1,837)	355	361	367	372	403	459

WASTEWATER GROUP

WASTEWATER TREATMENT AND DISPOSAL STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Annual Plan											
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT											
178	(2,574)	(1,620)	(978)	(1,837)	355	361	367	372	403	459	Net Surplus/(Deficit)
265	2,706	1,887	1,444	2,375	302	311	321	331	343	355	Loan
3,334	358	4,629	7,568	4,623	4,405	6,210	8,330	6,302	4,232	5,331	Appropriations from Reserves
6,815	5,738	6,117	11,010	2,918	2,598	2,323	2,602	2,503	5,557	3,375	Notional Loans Raised
28	2,496	1,541	794	1,653	(539)	(545)	(551)	(556)	(586)	(643)	Appropriation to Reserves
10,620	8,723	12,554	19,838	9,732	7,121	8,661	11,069	8,953	9,948	8,877	Total Funding
Capital Expenditure											
8,616	6,700	10,109	17,026	6,434	3,613	5,031	7,318	5,132	6,147	4,891	Capital Projects
2,004	2,023	2,444	2,812	3,297	3,509	3,630	3,751	3,821	3,801	3,985	Debt Repayment
10,620	8,723	12,554	19,838	9,732	7,121	8,661	11,069	8,953	9,948	8,877	Total Capital Expenditure
0	0	0	0	0	0	0	0	0	0	0	NET SURPLUS/(DEFICIT)

WASTEWATER GROUP

CAPITAL PROJECTS BY WARD

Wastewater Project Name	2015-16 \$'000s	2016-17 \$'000s	2017-18 \$'000s	2018-19 \$'000s	2019-20 \$'000s	2020-21 \$'000s	2021-22 \$'000s	2022-23 \$'000s	2023-24 \$'000s	2024-25 \$'000s
LEVEL OF SERVICE WORKS										
Bay of Islands - Whangaroa										
Wastewater Schemes										
Kaeo Seal Floodable Manholes	0	0	0	0	22	0	0	0	0	0
Kaeo Pump Station Safety Improvements	0	0	0	23	0	0	0	0	0	0
Kawakawa Communications to WWTP Site	0	0	0	32	0	0	0	0	0	0
Kawakawa Pump Station Safety Improvements	0	0	0	3	0	0	0	0	0	0
Kerikeri Rising Main from Blue Marlin to Kerikeri Reticulation	0	0	0	0	0	286	0	0	0	0
Kerikeri Pump Station Safety Improvements	0	0	0	0	22	11	0	0	0	0
Kerikeri Treatment & Reticulation Extensions	975	7,133	12,326	54	0	0	0	0	0	0
Paihia Pumping Capacity Improvement	0	0	0	0	0	286	295	305	0	0
Paihia Mains from Watea to Haruru Falls	0	0	0	0	0	0	0	0	378	1,400
Paihia Pump Station Safety Improvements	0	0	0	22	22	23	0	0	0	0
Paihia Odour Reduction from Pump Station at Haruru Falls	200	0	0	0	56	0	0	0	0	0
Paihia Pump Station Emergency Storage at Haruru Falls	0	0	0	54	445	0	0	0	0	0
Paihia Odour Reduction from Pump Station at Waitangi	0	0	0	32	0	0	0	0	0	0
Paihia Treatment Plant Improvement	3,200	0	0	0	0	0	0	0	0	131
Paihia Power Supply Installation	450	0	0	0	0	0	0	0	0	0
Russell Rising Main at Tapeka	0	0	0	0	0	0	0	61	315	0
Russell Pump Station Safety Improvements	0	0	0	0	0	24	0	0	0	0
Russell Telemetry Connection for Flow Meter to SCADA	0	0	0	11	0	0	0	0	0	0
Bay of Islands - Whangaroa Total	4,825	7,133	12,326	231	567	631	295	366	693	1,531

WASTEWATER GROUP

Wastewater Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s								
LEVEL OF SERVICE WORKS (continued)										
District										
Wastewater Schemes										
Minor Capital Reactive Works	250	256	263	270	278	286	295	305	315	326
Inflow Infiltration works C/fwd	100	100	100	100	100	100	100	100	100	100
District Total	350	356	363	370	378	386	395	405	415	426
Kaikohe - Hokianga										
Wastewater Schemes										
Kaikohe Pump Station Safety Improvements	0	0	0	0	27	0	0	0	0	0
Kaikohe Sludge Treatment Facility	0	0	0	0	333	0	0	0	0	0
Kaikohe Improvements Associated with Renewal of Consent	0	0	0	0	0	0	0	122	3,151	0
Kohukohu Pump Station Safety Improvements	0	0	0	0	0	10	0	0	0	0
Kohukohu Treatment Plant Improvement	0	0	158	0	0	0	0	0	0	0
Opononi Pump Station Safety Improvements	0	0	0	19	0	0	0	0	0	0
Opononi Treatment Plant Improvement	0	0	0	0	0	114	826	0	0	0
Rawene Pump Station Safety Improvements	0	0	0	0	17	0	0	0	0	0
Rawene Treatment Plant Improvements	0	0	0	0	0	0	0	0	0	131
Kaikohe - Hokianga Total	0	0	158	19	377	125	826	122	3,151	131

WASTEWATER GROUP

Wastewater Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS (continued)										
Te Hiku										
Wastewater Schemes										
Ahipara Pump Station Safety Improvements	0	0	0	0	33	0	0	0	0	0
East Coast upgrade to meet consent	75	150	526	146	0	0	0	0	0	0
East Coast Communications To WWTP Site	0	0	0	22	0	0	0	0	0	0
East Coast Pump Station Safety Improvements	0	0	0	32	33	14	0	0	0	0
East Coast Power Supply Installation	0	0	0	119	0	0	0	0	0	0
Hihi Communications to WWTP Site	0	0	0	11	0	0	0	0	0	0
Hihi Pump Station Safety Improvements	0	0	0	6	0	0	0	0	0	0
Hihi Inlet Screen Installation	200	0	0	0	0	0	0	0	0	0
Kaitaia Reduction of Wastewater Overflows Option 1	100	250	2,603	3,700	0	2,289	2,360	2,438	0	0
Kaitaia Basic Treatment of Existing Overflows Option 4	250	250	0	0	0	0	0	0	0	0
Kaitaia Improvements To Septage Disposal	0	0	0	162	0	0	0	0	0	0
Kaitaia Pump Station Safety Improvements	0	0	0	22	24	0	0	0	0	0
Kaitaia Installation of Algae Reduction System	0	0	0	0	834	0	0	0	0	0
Kaitaia Improvements Associated with Renewal of Consent	0	0	0	0	0	0	0	0	126	1,306
Kaitaia Wave Band Replacement	0	0	0	0	220	0	0	0	0	0
Rangiputa Easement Purchase for Power Supply	0	0	0	43	0	0	0	0	0	0
Whatuwhiwhi Pump Station Safety Improvements	0	0	0	16	20	0	0	0	0	0
Wastewater Sludge Management										
Kaitaia Sludge Drying Ponds & Associated Pipework	0	0	0	0	0	0	0	495	1,039	0
Te Hiku Total	625	650	3,129	4,279	1,165	2,303	2,360	2,933	1,165	1,306
LEVEL OF SERVICE WORKS TOTAL	5,800	8,139	15,976	4,900	2,486	3,445	3,877	3,826	5,425	3,393

WASTEWATER GROUP

Wastewater Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
RENEWAL WORKS										
Bay of Islands - Whangaroa										
Wastewater Schemes										
Kaeo Wastewater Renewals	0	13	0	25	0	201	3	0	0	26
Kaeo Pump Station Upgrades	40	0	0	0	0	0	0	0	0	0
Kaeo Discharge Consent	0	0	0	0	0	0	41	18	0	0
Kawakawa Wastewater Renewals	0	0	0	5	0	45	705	16	22	0
Kawakawa I/I Reduction Mill Road	0	51	263	0	0	0	0	0	0	0
Kawakawa Pipe Bridge Replacement Waiomio Stream	100	0	0	0	0	0	0	0	0	0
Kawakawa WWTP Clarifier	0	0	0	270	0	0	0	0	0	0
Kerikeri Wastewater Renewals	0	0	6	0	0	0	0	0	5	11
Kerikeri Discharge Consent	90	10	0	0	0	0	0	0	0	0
Paihia Wastewater Renewals	8	4	12	19	0	23	27	1	46	43
Paihia Discharge Consent	0	0	0	0	0	0	0	43	44	0
Paihia Pump Station 1 Upgrade Opua Marina	200	0	0	0	0	0	0	0	0	0
Paihia Pump Station 17 Upgrade Orchard Road	0	77	0	0	0	0	0	0	0	0
Paihia Pump Station 19 Upgrade Thompson King	0	0	79	0	0	0	0	0	0	0
Paihia Pump Station 16 Upgrade Causeway Road	0	0	0	54	0	0	0	0	0	0
Paihia Pump Station 25 Upgrade Franklin Road	0	0	0	0	56	0	0	0	0	0
Paihia Pump Station 22 Upgrade Sullivans Road	0	0	0	0	0	57	0	0	0	0
Paihia Pump Station 7 Upgrade Tohitapu Road	0	0	0	0	0	0	0	61	0	0
Paihia Pump Station 4 Upgrade Lonely Valley	0	0	0	0	0	0	0	61	0	0
Paihia Pump Station 6 Upgrade Te Haumi Bridge	0	0	0	0	0	0	0	0	0	65
Paihia Pump Station 12 Upgrade Haruru Falls	0	205	0	0	0	0	0	0	0	0
Russell Wastewater Renewals	13	909	7	87	30	28	104	229	20	0
Russell Discharge Consent	0	0	0	0	0	0	0	24	63	0
Russell WWTP Disposal Bores	0	308	0	0	0	0	0	0	0	0

WASTEWATER GROUP

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Wastewater Sludge Management										
Kawakawa Sludge Management Renewals	0	0	0	0	0	0	34	0	0	0
Wastewater Sludge Management Total	0	0	0	0	0	0	34	0	0	0
Bay of Islands - Whangaroa Total	452	1,577	366	460	86	354	915	453	200	145
District										
Wastewater Schemes										
District Wide Wastewater Renewals	0	0	0	121	0	8	13	0	3	0
District Wide Telemetry Upgrades	0	205	210	216	222	229	236	244	252	261
Wastewater Schemes Total	0	205	210	337	222	237	249	244	255	261
District Total	0	205	210	337	222	237	249	244	255	261
Kaikohe - Hokianga										
Wastewater Schemes										
Kaikohe Wastewater Renewals	0	0	162	37	3	25	1,554	1	4	0
Kaikohe Discharge Consent	0	0	0	0	0	86	30	0	0	0
Kaikohe Pump Station 3 Upgrade Tawa Street	0	0	79	0	0	0	0	0	0	0
Kaikohe Pump Station 9 Upgrade McDonalds	0	0	0	0	0	0	0	0	63	0
Kaikohe Pump Station 5 Upgrade Windsor Street	0	0	0	0	0	0	0	0	0	65
Kohukohu Wastewater Renewals	0	0	73	11	6	0	52	0	0	0
Kohukohu Discharge Consent	50	21	0	0	0	0	0	0	0	0
Opononi Wastewater Renewals	1	26	43	9	0	12	26	2	9	14
Opononi Discharge Consent	0	0	0	86	22	0	0	0	0	0
Opononi Tidal Outflow Controls	10	0	0	0	0	0	0	0	0	0
Rawene Wastewater Renewals	1	0	0	14	0	84	174	399	3	0
Rawene Discharge Consent	0	0	0	0	0	0	0	43	44	0

WASTEWATER GROUP

RENEWAL WORKS (continued)										
Wastewater										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
Wastewater Sludge Management										
Kaikohe Sludge Management Renewals	0	0	0	0	0	0	21	0	0	0
Rawene Sludge Management Renewals	0	0	0	0	0	0	17	0	0	0
Wastewater Sludge Management Total	0	0	0	0	0	0	37	0	0	0
Kaikohe - Hokianga Total	61	47	357	157	32	207	1,874	445	123	80
Te Hiku										
Wastewater Schemes										
Ahipara Wastewater Renewals	1	6	0	34	32	48	35	0	12	31
Ahipara Wave Band Replacement	0	0	0	0	0	0	0	0	63	0
Awanui Wastewater Renewals	0	0	0	0	0	0	0	48	14	0
East Coast Wastewater Renewals	6	4	0	22	40	356	109	4	18	2
Hihi Wastewater Renewals	0	6	0	34	54	12	0	88	6	0
Hihi Discharge Consent	0	0	0	0	0	0	35	24	0	0
Kaitaia Wastewater Renewals	180	3	1	182	549	201	72	0	17	835
Kaitaia Discharge Consent	0	0	0	0	0	86	30	0	0	0
Kaitaia Pump Station 4 Upgrade Te Maire Avenue	150	0	0	0	0	0	0	0	0	0
Kaitaia Pump Station 14 Upgrade South Road	50	0	0	0	0	0	0	0	0	0
Kaitaia Pump Station 17 Upgrade Treatment Plant	0	123	0	0	0	0	0	0	0	0
Kaitaia Pump Station 10 Upgrade Terry Crescent	0	0	105	0	0	0	0	0	0	0
Kaitaia Pump Station 13 Upgrade Rugby Park	0	0	0	54	0	0	0	0	0	0
Kaitaia Pump Station 6 Upgrade Jamieson Street	0	0	0	54	0	0	0	0	0	0
Kaitaia Pump Station 11 Upgrade Triboard Mill	0	0	0	0	56	0	0	0	0	0
Kaitaia Pump Station 5 Upgrade Church Road	0	0	0	0	56	0	0	0	0	0
Kaitaia Pump Station 16 Upgrade Ahipara Road	0	0	0	0	0	57	0	0	0	0
Kaitaia Pump Station 7 Upgrade North Road Intermediate School	0	0	0	0	0	0	59	0	0	0

WASTEWATER GROUP

Wastewater Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Te Hiku										
Wastewater Schemes										
Kaitaia Pump Station 12 Upgrade Rongopai Place	0	0	0	0	0	0	59	0	0	0
Kaitaia Pump Station 15 Upgrade Community Centre	0	0	0	0	0	0	0	0	0	65
Rangiputa Wastewater Renewals	0	0	0	0	0	16	0	0	0	0
Whangaroa Wastewater Renewals	0	0	10	0	0	1	0	0	0	0
Whatuwuiwhi Wastewater Renewals	0	0	0	201	0	10	5	0	0	0
Whatuwuiwhi Discharge Compliance	0	0	0	0	0	0	0	0	13	78
Te Hiku Total	387	142	117	580	786	787	403	165	144	1,012
RENEWAL WORKS TOTAL	900	1,970	1,051	1,535	1,126	1,586	3,441	1,306	722	1,498
GRAND TOTAL Wastewater	6,700	10,109	17,026	6,434	3,613	5,031	7,318	5,132	6,147	4,891

WASTE MANAGEMENT GROUP

Waste Management

The Waste Management Group provides disposal facilities for the disposal of refuse balanced with the provision of recycling and other waste minimisation facilities.

Key facts

Council operates and maintains:

- 14 refuse transfer stations
- Landfills at Ahipara and Russell
- Resource Recovery Centre at Kaitaia
- 8 community Recycling Stations.

Council also

Provides recycling access through 1 Molok.

Why we do it

Council's vision is for the Far North to waste nothing of value or use, and the amount of waste generated in the Far North is kept to a minimum, so that the maximum value is realised from our renewable resources.

The refuse and recycling services contribute to the vision by providing the facilities and opportunities to enable the communities in the district to dispose of their waste in a way that minimises the harmful environmental effects, and maximises the opportunities for recycling.

Council is involved in refuse and recycling because effective management is necessary to protect public health and the environment.

Recent progress - What we have achieved since the last plan

- Improved access to recycling with community stations at Totara North, Peria, Okaihau, Horeke and Maromaku
- Added used clothing recycling bins at Whangae and Whitehills refuse Transfer stations
- Upgraded to concrete recycling yard at Kaitaia Resource Recovery Centre
- Support to TV Takeback brought in 4,347 TV's over the 'Free' drop off period
- Secured long term lease for Houhora Refuse Transfer Station with plans to upgrade facility.

What we have not achieved since the last plan

Further recycling bins in town centres.

WASTE MANAGEMENT GROUP

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Need to provide security to meet long-term disposal requirements	Consideration of disposal options for waste minimisation to landfill
Changing transport/fuel costs	Must be addressed when considering future waste disposal options
Community expectations regarding refuse and recycling services	Expectation may not be affordable for the community
Climate Change (Emissions Trading) Amendment Act 2008	Increased charges for landfill disposal from 1 January 2015

What you have told us

The 2014 residents' survey showed an 74% user level satisfaction for refuse disposal services. Those Far North residents who expressed dissatisfaction focused on costs and lack of facilities.

User level satisfaction with recycling services is 78%. Far North residents expressing dissatisfaction were concerned about the lack of recycling facilities in their area.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: We will work towards meeting long-term waste disposal needs by considering other private investment options to landfill for waste disposal and explore resource recovery while aiming for the goal of zero waste to landfill.

Priority 2: Increase waste recycling services across the district through community recycling stations and street recycling bins, subject to funding availability.

Priority 3: Encourage environmental awareness and waste minimisation by:

- Education programmes in schools
- EcoStar Award for businesses.

What we don't plan to do

Council will not provide kerbside refuse/recycling collection services and does not plan to close refuse transfer stations unless there are alternative viable options.

WASTE MANAGEMENT GROUP

Waste Management: Ten year plan measures and levels of service

Community Outcome

Our environment is protected, enhanced and wisely managed

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Reduced waste and increased recycling to decrease the use of landfills and promotes the sustainable management of resources	Maintain or exceed proportion of waste that is recycled irrespective of growing demands	Percentage by tonnage of waste from Refuse transfer Station that is recycled/ reused	Data collected and monitored through internal systems	63%	≥63%	≥63%	≥63%	Remains at ≥63% for the remaining years
Reduced waste and increased recycling to decrease the use of landfills and promotes the sustainable management of resources	Reduce tonnage disposed of in landfills	Per capita kilograms of refuse from district disposed of at landfills	Data collected and monitored through internal systems	285	<250	<225	<200	Remains at ≤200 for the remaining years
Reduced waste and increased recycling to decrease the use of landfills and promotes the sustainable management of resources	Improve customer satisfaction with the recycling service	Percentage of users satisfied with recycling station services	Annual community feedback survey results	78%	≥80%	≥82%	≥84%	Remains at ≥84% for the remaining years

WASTE MANAGEMENT GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Reduced waste and increased recycling to decrease the use of landfills and promotes the sustainable management of resources	Customer satisfaction with refuse services	Percentage of users satisfied with Refuse Transfer Station services	Annual community feedback survey results	74%	≥77%	≥80%	≥83%	Remains at ≥83% for the remaining years

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Community not recycling due to limited access facilities	High	Increase the number and location of recycling facilities in the community	Low
Significant increase in volume of illegal dumping	High	Develop promotional and education programme	Medium
Public health risk at landfills and Refuse Transfer Stations	High	Continually review site specific Health and Safety procedures	Medium
Lack of suitable waste disposal sites	Medium	Investigate alternative final disposal options i.e. waste to energy	Medium
Contamination from closed landfills	High	Identify all known closed landfill sites and develop closure plans	Medium
Customers not prepared to pay rubbish disposal charges	Medium	Promote any increase in charges sufficiently and in a timely manner	Medium

WASTE MANAGEMENT GROUP

Significant Negative Effects

Potential negative effect	How we are addressing this
Location of disposal/recycling facilities may attract community opposition	Researching most appropriate and cost effective locations and taking account of community views in deciding locations
Inability to deal with waste and recyclables generated may cause difficulty and hardship to the community	Ensuring that adequate services are provided and “free” recycling is available within 30 minutes driving time

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

WASTE MANAGEMENT GROUP

FINANCIAL FORECAST AND STATEMENTS WASTE MANAGEMENT PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan											
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s									
Revenue											
4,088	Rates - General	4,106	4,345	4,457	4,319	4,468	4,713	4,905	5,090	5,270	5,488
115	Rates - Penalties	118	118	118	118	118	118	118	118	118	118
756	Fees & Charges	760	727	727	1,004	1,004	1,004	1,004	1,004	1,004	1,004
170	Other Income	175	175	175	175	175	175	175	175	175	175
5,128	Total Comprehensive Revenue	5,159	5,365	5,477	5,617	5,765	6,010	6,202	6,388	6,568	6,786
Direct Costs											
4,087	Direct Costs	4,356	4,558	4,658	4,790	4,921	5,076	5,224	5,404	5,578	5,782
230	Interest	181	165	162	149	140	169	169	148	129	114
461	Depreciation	308	324	333	346	366	417	452	468	485	503
4,778	Total Direct Operating Expenditure	4,845	5,047	5,153	5,285	5,427	5,662	5,846	6,021	6,191	6,399
313	Indirect Costs	314	319	324	332	339	348	357	367	376	387
313	Total Indirect Costs	314	319	324	332	339	348	357	367	376	387
5,091	Total Operating Expenditure	5,159	5,365	5,477	5,617	5,765	6,010	6,202	6,388	6,568	6,786
37	NET SURPLUS/(DEFICIT)	0									

WASTE MANAGEMENT GROUP

WASTE MANAGEMENT PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT										
37 Net Surplus/(Deficit)	0	0	0	0	0	0	0	0	0	0
0 Loan	0	0	0	0	0	0	0	0	0	0
733 Appropriations from Reserves	391	396	427	939	726	466	561	427	404	771
0 Notional Loans Raised	25	17	100	178	596	335	30	15	22	16
(37) Appropriation to Reserves	0	0	0	0	0	0	0	0	0	0
733 Total Funding	416	414	527	1,117	1,322	802	591	441	426	787
Capital Expenditure										
372 Capital Projects	98	94	207	792	991	465	243	133	170	560
361 Debt Repayment	318	319	320	325	331	336	348	308	256	227
733 Total Capital Expenditure	416	414	527	1,117	1,322	802	591	441	426	787
0 NET SURPLUS/(DEFICIT)	0	0	0	0	0	0	0	0	0	0

WASTE MANAGEMENT GROUP

CAPITAL PROJECTS BY WARD

Waste Management Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS										
Bay of Islands - Whangaroa										
Recycling & Waste Minimisation										
Eastern Recycling Station Upgrades	0	0	0	5	7	0	0	0	3	0
Waipapa/Kerikeri Recycling Station	0	0	0	27	556	315	0	0	0	0
Whangaroa Recycling Station Upgrade	0	0	0	9	0	0	0	0	0	0
Moerewa Recycling Station	0	0	0	22	0	0	0	0	0	0
Rawhiti Recycling Station	0	0	0	16	0	0	0	0	0	0
Bay of Islands - Whangaroa Total	0	0	0	79	562	315	0	0	3	0
District										
Transfer Stations										
District Wide Transfer Station Upgrades	0	0	0	5	22	11	24	12	13	13
District Wide Health & Safety & Security	5	2	5	2	6	2	6	2	6	3
District Total	5	2	5	8	28	14	30	15	19	16
Kaikohe - Hokianga										
Recycling & Waste Minimisation										
Western Recycling Station Upgrades	0	0	0	13	6	7	0	0	0	0
Waima Recycling Station	0	0	0	8	0	0	0	0	0	0
Mangamuka Recycling Station	0	0	0	9	0	0	0	0	0	0
Transfer Stations										
Kaikohe Transfer Station	0	0	0	6	0	0	0	0	0	0
Kaikohe - Hokianga Total	0	0	0	36	6	7	0	0	0	0

WASTE MANAGEMENT GROUP

Waste Management Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS										
Te Hiku										
Landfills										
Ahipara Landfill	20	15	0	0	0	0	0	0	0	0
Landfills Total	20	15	0	0	0	0	0	0	0	0
Recycling & Waste Minimisation										
Northern Recycling Station Upgrades	0	0	0	22	0	0	0	0	0	0
Recycling & Waste Minimisation Total	0	0	0	22	0	0	0	0	0	0
Transfer Stations										
Ahipara Transfer Station	0	0	0	35	0	0	0	0	0	0
Transfer Stations Total	0	0	0	35	0	0	0	0	0	0
Te Hiku Total	20	15	0	56	0	0	0	0	0	0
LEVEL OF SERVICE WORKS TOTAL	25	17	5	178	596	335	30	15	22	16
RENEWAL WORKS										
Bay of Islands - Whangaroa										
Landfills										
Russell Landfill Renewals	9	36	0	6	1	0	8	0	2	0
Landfills Total	9	36	0	6	1	0	8	0	2	0
Recycling & Waste Minimisation										
Totara North Recycling Facilities Renewals	0	0	0	0	0	0	0	0	3	0
Recycling & Waste Minimisation Total	0	0	0	0	0	0	0	0	3	0
Transfer Stations										
Whitehills Transfer Station Renewals	1	1	35	0	6	0	2	28	7	133
Russell Transfer Station Renewals	12	0	1	27	3	2	0	0	0	23
Whangae Transfer Station Renewals	0	14	1	115	6	3	22	5	29	34
Transfer Stations Total	13	15	36	142	15	5	23	33	36	191
Bay of Islands - Whangaroa Total	23	51	36	148	17	5	32	33	41	191

WASTE MANAGEMENT GROUP

Waste Management Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
District										
Special Collections										
Trailer and Stock Crate Renewals	0	0	0	0	0	7	0	0	0	0
Special Collections Total	0	0	0	0	0	7	0	0	0	0
Transfer Stations										
District Wide Transfer Station Renewals	0	5	0	207	1	0	6	5	16	0
Transfer Stations Total	0	5	0	207	1	0	6	5	16	0
District Total	0	5	0	207	1	7	6	5	16	0
Kaikohe - Hokianga										
Recycling & Waste Minimisation										
Horeke Recycling Facilities Renewals	0	0	0	0	0	0	0	0	0	0
Okaihau Recycling Facilities Renewals	0	0	0	0	0	0	0	8	14	0
Recycling & Waste Minimisation Total	0	0	0	0	0	0	0	8	14	0
Transfer Stations										
Kaikohe Transfer Station Renewals	23	0	2	0	0	0	5	0	9	33
Kohukohu Transfer Station Renewals	0	1	5	11	30	4	0	0	0	0
Opononi Transfer Station Renewals	0	0	4	17	10	0	0	1	0	0
Panguru Transfer Station Renewals	0	0	10	10	6	0	15	0	0	40
Transfer Stations Total	23	1	21	39	46	4	19	1	9	73
Kaikohe - Hokianga Total	23	1	21	39	46	4	19	9	23	73
Te Hiku										
Landfills										
Ahipara Landfill Renewals	0	1	8	94	8	0	0	0	10	0
Landfills Total	0	1	8	94	8	0	0	0	10	0

WASTE MANAGEMENT GROUP

Waste Management Project Name	2015-16 \$'000s	2016-17 \$'000s	2017-18 \$'000s	2018-19 \$'000s	2019-20 \$'000s	2020-21 \$'000s	2021-22 \$'000s	2022-23 \$'000s	2023-24 \$'000s	2024-25 \$'000s
RENEWAL WORKS (continued)										
Transfer Stations										
Ahipara Transfer Station Renewals	14	1	0	54	0	19	0	14	0	2
Awanui Transfer Station Renewals	4	5	0	17	0	0	24	0	0	0
Houhora Transfer Station Renewals	1	1	0	0	0	0	0	35	0	22
Kaitaia Transfer Station Renewals	0	2	36	0	322	95	80	8	1	55
Kaitaia Transfer Station Weighbridge	0	0	53	0	0	0	0	0	0	0
Kaitaia Transfer Station Scrap Shed	0	0	42	0	0	0	0	0	0	0
Te Kao Transfer Station Renewals	0	0	0	26	0	0	52	0	0	61
Whatuwhiwhi Transfer Station Renewals	1	1	6	0	0	0	0	1	57	22
Herekino Transfer Station Renewals	0	0	0	8	0	0	0	5	0	0
Taipa Transfer Station Renewals	9	8	0	22	0	0	0	8	0	118
Transfer Stations Total	28	19	137	127	323	114	156	71	57	281
Te Hiku Total	28	20	145	221	331	114	156	71	68	281
RENEWAL WORKS TOTAL	64	40	201	608	394	130	205	118	143	544
GRAND TOTAL Waste Management	118	110	207	848	991	465	243	133	170	560

DISTRICT FACILITIES GROUP

The District Facilities Group is made up of a broad collection of separate functions and activities. These include Cemeteries, Civic & Community Buildings, Housing for the Elderly, Recreation (including parks, motor camps and recreational facilities), Town Maintenance (including public toilets, car parks and amenity lighting), Customer Services, i-Sites and Libraries within the district. Descriptions of each follow.

Cemeteries

Council owns a number of cemeteries that complement the wider provision in the district.

Key facts

Council maintains or supports:

- 11 cemeteries
- 15 cemeteries run by committees.

Council also

Provides burial services.

Why we do it

Council carries out cemetery activities, as required by statute, for the public good in those areas of the district where the service is not provided by others. The Burial and Cremation Act 1964 requires local authorities to provide cemeteries and the Minister of Health, through the Northland District Health Board, oversees the administration of Act.

Recent progress - What we have achieved since the last plan

- Undertaken a full drainage review and layout assessment of Kaitaia Cemetery
- General improvements at a number of Cemeteries including Kaikohe, Rawene, Kerikeri and Russell
- Completed a Sanitary Assessment of Council's cemeteries (This will be commissioned in early 2015 and may or may not be complete by 30th June 2015)
- Reviewed the Cemetery policy.

What we have not achieved since the last plan

The planned extension of the Kaitaia Cemetery did not occur as a rationalisation of existing space increased capacity. However a full drainage and capacity review was started in 2014, with expected recommendations to be undertaken through 2015.

DISTRICT FACILITIES GROUP

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Community expectations for higher levels of service must be managed along with Council's desire to minimise rate increases	Council is aware of the importance of places of remembrance to the community and would like to ensure they are always well maintained
There are many committee run cemeteries within the district and over time fewer people will be interested in running them. If there is no local committee, Council will by default be required to maintain and manage burial records	There would need to be a significant increase in operational budgets to maintain the large number of committee run cemeteries in the district. Council does not want to increase rates to fund this and would close these cemeteries to burials and undertake the minimum maintenance required

What you have told us

In the 2014 resident survey, 59% of residents are satisfied or very satisfied with cemeteries; while only 2% of residents are not very satisfied. This finding is above the 2011 results of 58%, but marginally below the peer group average of 63%.

Furthermore, 28% have not visited any of the cemeteries in the district in the past 12 months and are unable to comment.

Amongst residents who have visited district cemeteries in the past 12 months, 88% of these residents are satisfied or very satisfied with cemeteries in the district and only 5% of these residents mentioned that they are not very satisfied. This is less than the peer group average of 90%.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priority detailed below:

Priority 1: Ensure there is an appropriate network of cemetery facilities in the district by:

- Implementing the recommendations in the 2015 Sanitary Assessment
- Undertaking significant drainage and car parking works at Kaitaia Cemetery
- Working with the South Hokianga community to better present the closed Punakitere Cemetery.

What we don't plan to do

Council does not plan to develop any other cemeteries.

DISTRICT FACILITIES GROUP

Cemeteries: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

Safe, healthy, resilient places and people

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We provide the right services delivered in the right places, to an agreed standard Built environments that are attractive, well designed, safe and meet the needs of the community.	Provide adequate cemetery facilities	Percentage of residents that are satisfied that facilities meet the needs of the district and ratepayers	Annual community feedback survey	59%	≥62%	≥62%	≥62%	Remains ≥62% for the remaining years

DISTRICT FACILITIES GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Significant additional activity assumptions specific to this activity area are below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Committees will continue to maintain the 15 local cemeteries	There may be no one interested in managing these local facilities	Medium	The community will turn to Council for the maintenance of these local facilities	Medium	Council will close these cemeteries to burials and undertake the minimum rural reserve maintenance standards

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Major pandemic leading to multiple deaths and putting pressure on cemetery capacity	Low	Contingency plans have been drawn up and include Kaikohe cemetery as the central facility	Low

Significant Negative Effects

Potential negative effect	How we are addressing this
Adverse impacts on the environment from leachates into waterways	Undertake a sanitary services assessment every 5 years, and ensure full compliance with resource consent conditions

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

DISTRICT FACILITIES GROUP

Civic and Community Buildings

Council supports a network of fit for purpose affordable community facilities that support resilient, healthy, and vibrant communities strategically located around the district.

Key facts

Council maintains the following civic and community buildings:

- 3 Library buildings (Kerikeri, Kaikohe, and Paihia)
- District office, archives and publications buildings in Kaikohe
- 20 community halls
- 18 community buildings.

Council also supports:

- Turner Centre, Kerikeri
- Te Ahu, Kaitaia
- Heritage Kaikohe
- Far North Regional Museum Trust.

Details of where Council provides customer service centres is located under the customer service activity.

Why we do it

Council recognises the importance to the community of having access to a range of community facilities where they can meet, exchange information and hold events. Council also supports Heritage Kaikohe and Far North Regional Museum Trust so that they can showcase, communicate, and preserve the district's cultural knowledge.

Recent progress - What we have achieved since the last plan

- Undertaken a condition assessment on the majority of our halls
- Renewals have been prioritised and undertaken within funds budgeted at Mangonui, Whangaroa (Kaeo) Memorial, Maromaku, Russell and Kohukohu
- Initiated consultation over the transfer of ownership of Oruru Hall to the community and identified the level of investment required to make the hall structurally sound and compliant for public use

DISTRICT FACILITIES GROUP

- Developed a draft contract for service with the Turner Centre to enable it to operate as a successful community owned and operated regional cultural and community centre
- Developed a draft service level agreement between Council and Te Ahu Charitable Trust to ensure Te Ahu is well maintained and provides appropriate Council services and supports regional and community events.
- Kaikohe service center public foyer up-grade and building compliance work completed
- Developed accountability measures and reporting requirements for community assistance grants to Heritage Kaikohe and Far North Regional Museum Trust
- Developed and adopted a Halls and Facilities Strategy that identifies a number of alternative ownership and management options for community halls.

What we have not achieved since the last plan

Although the planned renewal programme for community halls was prioritised, work on halls that required a significant up-grade such as Oruru Hall and Horeke Hall has been deferred until Council completes the review of its future role.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Council needs to balance maintenance and upgrade costs of community halls and buildings with the level of use and what the community can afford. The cost of depreciation provision for asset renewal is a significant burden on the budget	These issues call for a fundamental reappraisal, in consultation with the community, of Council's role in owning, maintaining and promoting these facilities. Council would like to assist community groups so they can take a greater role in providing halls and accessing alternative funding to reduce the potential of increased ward rates
Hall use has declined over recent years as a wider choice of venues is now available to the community	Council will need to identify the facilities that have significance to the community and which should be retained
Not all of Council's community halls and buildings meet modern building standards that require barrier free access into the building and suitable toilet facilities	Upgrading hall and community buildings to meet the current building standards will require additional Ward Rates. In some cases upgrading will not be easy to achieve due to barriers, such as insufficient space available to install a compliant ramp to access Mangonui Hall within the property
Council will be considering amalgamating Council facilities and services in Kaikohe in a similar way to the Te Ahu development completed in Kaitaia. The intended outcome of this proposal would be a central civic building providing a range of services, and could include partnership arrangements	Investigations and options to be considered prior to any up-grades being undertaken to the Kaikohe Library, Kaikohe Memorial Hall, or the District Office

DISTRICT FACILITIES GROUP

What you have told us

The Te Ahu development highlighted the importance the community places on the retention and availability of these sorts of community facilities. At the same time the community expresses conflicting views over the cost of retaining a significant number of halls across the district. Some want older buildings to be up-graded with ratepayer funds while others believe that affordable and more suitable meeting spaces are now available and halls have outlived their usefulness. During the next year Council will be seeking the views of the community regarding a number of alternative management and governance options for community buildings.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Develop a sustainable approach to management and provision of community halls and buildings with the following objectives:

- Communities' current and future needs are met
- Communities take an active role in providing the right number of well-maintained facilities
- Council's role and how it is involved is clear
- The cost to the ratepayer is minimised.

Priority 2: Support a hierarchy of local and district facilities:

- Invest in facilities of district importance such as Te Ahu and The Turner Centre through a Contract for Service with agreed key performance indicators based on robust business plans
- Improve disability access on one local hall per ward at the same time as planned renewal work.

What we don't plan to do

Council does not intend to construct any new hall facilities.

Following divestment of any community hall to local ownership, Council will not take back the management of that hall if a community fails.

Civic and Community Buildings: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

DISTRICT FACILITIES GROUP

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Provide adequate physical access to facilities	Minimum 1 hall per ward per annum to be modified to meet disability standards in conjunction with asset management programme	Code of Compliance certificate issued	Nil	At least 1 hall per ward per year	At least 1 hall per ward per year	At least 1 hall per ward per year	Remains as At least 1 hall per ward per year for the remaining years

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Significant additional activity assumptions specific to this activity area are below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Council will continue to own and maintain a core number of facilities	Affordability may be an issue for Council when looking at the overall needs of the district	Medium	Insufficient funds may be available and facilities will get run down	Medium	Council will assist communities to take a greater role in managing facilities and attracting alternative funding sources so that ward rates are not needed

DISTRICT FACILITIES GROUP

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Council will support communities that want ownership of community facilities	Council may not be able to divest any facilities to the community	Medium	Insufficient funds may be available and facilities will get run down	Medium	Council will assist communities to take a greater role so that they are in a position to attract alternative funding sources so that ward rates are not needed
Hall committees will continue to manage the interior maintenance and bookings and provide statistical information as required	Over time fewer people will want to participate on a hall committee	Medium	Possible loss of local facilities if no local committee is prepared to undertake management	Medium	Council will ensure that AGMs are held to refresh committees so that enthusiastic people are provided the option of joining
Council will invest in museum services provided by Far North Regional Museum Trust and Heritage Kaikohe through a Contract for Service	Affordability might be an issue for Council when looking at the overall needs of the district	Medium	Insufficient funds may be available and services will be reduced	Medium	Council will assist Far North Regional Museum Trust to maximise the shared services available at Te Ahu and assist Heritage Kaikohe to attract external funds

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Failure of community facilities due to inadequate maintenance/renewal	Medium	Council is working on achieving a balance between maintenance / renewal needs and affordability	Medium - Low
In the event of significant damage to a facility the insurance claim is refused as the building no longer has a current Building Warrant of Fitness	Medium - High	Council has engaged an independent qualified person to ensure all buildings requiring a Warrant of Fitness hold a current certificate and are being maintained in accordance with the warrant	Medium - Low

DISTRICT FACILITIES GROUP

Significant Negative Effects

Potential negative effect	How we are addressing this
Loss of community halls and buildings through inadequate maintenance/renewal could have a detrimental effect on community-based educational and recreation programmes, the provision of meeting places that promote social cohesion, and places that represent or showcase our history and cultural heritage	Explore future provision with local communities and identify alternative options where current facilities are likely to be unsustainable

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

DISTRICT FACILITIES GROUP

Housing for the Elderly

Council provides affordable housing to elderly of modest means.

Key facts

Council owns and maintains 147 housing for the elderly units in 12 separate locations.

Why we do it

Council's vision is to provide affordable, safe, well maintained and strategically located housing to meet the needs of elderly of modest means.

Recent progress - What we have achieved since the last plan

- Upgraded unit security standards (screen doors and lighting)
- Undertaken scheduled renewals
- Upgraded access (car parks)
- Improved disability access
- Dedicated in house staff employed to condition assess and programme required works
- Continue to undertake an annual rent increase based on CPI
- Adopted a market rent applicable to tenants who do not meet the housing for the elderly criteria where units are hard to fill.

What we have not achieved since the last plan

Worked with social housing providers to find a more sustainable solution to the management of the remaining housing for the elderly housing complexes.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Even with increased maintenance the occupancy level in the Kohukohu housing for the elderly complex has declined over recent years. The village has a very small population and 6 units may be an oversupply	Council wishes to investigate relocating 3 housing for the elderly units to Rawene where tenants will be near the Hokianga hospital and other community facilities that enhance positive aging

DISTRICT FACILITIES GROUP

Issues/Challenges	Implications
<p>As Treaty Settlements are finalised, there may be an opportunity to work with Iwi to explore options for divestment of the housing for the elderly activity This may offer a more sustainable future for the housing stock, while also safeguarding the interests of residents</p>	<p>As Council has no control over the Treaty Settlement process, it may need to be flexible with the timeframe for a long-term solution so that Iwi can be involved in investigating more sustainable approaches to managing housing for the elderly</p>

What you have told us

Council undertook a survey of its 138 tenants in 2012. There was a 41% response rate and of those that responded 74% were satisfied with their unit, 61% had no difficulty contacting Council, 48% believe maintenance requests were carried out within a suitable timeframe, 51% believed they were well informed of what is happening in their complex, 40% did not believe we needed to improve the level of service (24% believed the Levels of Service (LOS) should be improved and 22% did not know) and finally 48% had read our pensioner housing newsletter and 0% had accessed our website.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Manage the housing for the elderly stock to achieve 95% occupancy and maintain rents through annual adjustments by CPI.

What we don't plan to do

As a result of the need to manage the housing for the elderly activity within the funds received from the modest rental income, Council will not be under taking any modernisation of complexes, or building new facilities.

Housing for the elderly: Ten year plan measures and levels of service

Community Outcome

Safe, healthy, resilient places and people

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district.

DISTRICT FACILITIES GROUP

Activity performance indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Build environments that are attractive, well designed, safe, and meet the needs of the community	Maximise occupancy	Percentage of occupancy of housing for the elderly	Data collected and monitored through internal systems	95%	≥99%	≥99%	≥99%	Remains ≥99% for the remaining years
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities Infrastructure is planned and affordable.	Maintain value of asset and reduce risk of deterioration	Percentage of faults responded to in set time (2 days urgent, 5 days non-urgent)	Data collected and monitored through internal systems	99%	≥99%	≥99%	≥99%	Remains ≥99% for the remaining years

DISTRICT FACILITIES GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Significant additional activity assumptions specific to this activity area are below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Council will continue to maintain and renew a core number of housing for the elderly complexes near medical and other community facilities	Affordability may be an issue for Council when looking at the overall needs of the district	Medium	Council will continue to maintain and renew a core number of housing for the elderly	Medium	Council will pursue a strategy of bringing maintenance and renewal needs in line with forecast affordability and will explore divestment opportunities with local communities

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Inability to get tenants due to inadequate maintenance/renewal	Medium	Council is completing deferred maintenance from sale funds from Mangonui housing for the elderly complex along with increased focus on condition based renewals programming	Low

Significant Negative Effects

Potential negative effect	How we are addressing this
Loss of housing for the elderly activity through inadequate maintenance/renewal could have a detrimental effect on the community's ability to have access to affordable housing for the elderly of modest means	Undertaking deferred maintenance/renewals so that housing for the elderly complexes are attractive to tenants

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

DISTRICT FACILITIES GROUP

Recreation

Council provides a range of parks, recreational facilities, and other activities which contribute to the health of the community. These activities include sporting and recreational events that gather people together and sometimes draw large crowds to the Far North. Swimming pools provide a range of opportunities from competitive swimming to casual recreational use.

To achieve its outcomes, Council's parks include a diverse range of community assets such as local playgrounds, court space and sports fields, through to large unspoilt wilderness areas acquired to protect the environment. Of particular importance to the district is the provision of easily available access to the coast, including strategically located maritime facilities.

Key facts

Council maintains:

- 23 playgrounds and 3 skate parks
- 154ha of open space is mown to a variety of grades to support public use
- Courts at 3 netball centres (6 at Kaitaia, 8 at Kaikohe and 9 at Kerikeri) as well as a number of single courts throughout the district
- 67 community leases that include sports clubs, grazing licenses and community spaces
- 3 swimming pools at Kaitaia, Kerikeri and Kawakawa (heated)
- Maritime assets such as 20 boat ramps, 13 jetties, 12 pontoons, 10 wharves, and 1 tidal grid.
- Kaikohe recreational airport.

Council also

- Funds Sport Northland to facilitate the Far North Sports awards and provide 3 community sports advisors (one in each ward)
- Provides grants to improve public access to Northland College and Whangaroa community pools
- Leases to private operators motor camps at Russell, Tauranga Bay and Houhora Heads.

Why we do it

Council contributes to community development and the general health of the community through the provision and maintenance of recreational facilities, encouraging the use of these facilities, supporting the community to develop appropriate facilities, and supporting events that will contribute to community well-being.

The high market value of coastal land makes it un-profitable for private enterprise to retain coastal property as camp grounds. Council ownership ensures camping grounds are an option for residents and visitors. As a response to the growing demand for freedom camping sites Council has set aside 3 remote areas for over-night camping for self-contained camping vehicles.

DISTRICT FACILITIES GROUP

Recent progress - What we have achieved since the last plan

Airports

- Developed a 20 Year airport renewal/maintenance plan
- Slurry sealed Kaitaia Airport runway, and undertook subsoil drainage improvements.

Maritime

- FNHL as part of the maritime property management agreement:
 - undertook a 6 weekly programme of ramp cleaning across 20 boat ramps around district
 - undertook minor repairs and maintenance across 60 facilities
 - Monitored conditions of Northland Regional Council consents and managed the consent renewal programme
 - Provided in-house engineer design and advice
- Pukenui Wharf renewal and pontoon improvements
- Ratcliffs Bay Ramp widening and pontoon installation
- Waitangi Ramp widening
- Waipapa Landing jetty renewal
- Stone Store pontoon and gangway renewal
- Entered into a partnership with Awanui Progressive & Ratepayers Inc for the management of Unahi wharf area.

Parks and Reserves

- Undertook improvements at Johnson Park, Kaikohe Library Square, Kerikeri-Kororipo Basin, Awanui Sports Complex and Centennial Park to make them more attractive and safe for visitors
- Improved levels of maintenance on key sports fields
- Undertook playgrounds renewals at Cable Bay, Taupo Bay and Moerewa
- Investigated possible land purchase for more recreational facilities – Kerikeri /Waipapa
- Renewal of Lindvart Park netball courts, car park and lighting
- Entered into a partnership with Kaikohe and Districts Sportsville Inc. to foster sport and recreation in Kaikohe
- Adopted Reserve Management Plans for Waipapa Sports Ground, Coopers Beach Domain, Moerua Park, and Lucy Elizabeth Scenic Reserve, and reviewed Walls Bay Esplanade Reserve Management Plan
- Developed and adopted the Northland Regional Sports Facility Plan, a high level strategic framework for regional sports facilities planning
- Provided a grant to Kerikeri Tennis Club to include a public toilet facility in their new clubrooms
- Adopted policy for consistent management of reserves such as Encroachments on Council administered land, Naming Reserves and Walkways, Community Gardens, Reserve Management Committees, and Council as an Affected Party

DISTRICT FACILITIES GROUP

- Adopted policies for providing community assistance towards developing sporting or cultural facilities including Community Sport and Recreation Loan Scheme, and Community Grants - District Fund
- Adopted Vehicles on Beaches bylaw to make beaches safer for the community
- Approved freedom camping sites at Derrick Landing, Unahi wharf, Lake Waiperera and Kaimaumu.

Swimming Pools

- Continued to seek community feedback on proposals to build new heated pools in Kaitaia, Kerikeri and Kaikohe including how these proposals should be funded
- Developed an Aquatic Strategy and principles to guide Council's support for the provision and funding of new pools in the district
- Provided a grant to the Kawakawa community to undertake improvements to the swimming pool and changing rooms of the Bay of Islands Recreation Centre.

What we have not achieved since the last plan

Relocated squash to the new sports hub in Kerikeri Sports Complex.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Increased demand from the community for access to more recreation programmes and facilities e.g. recreation space and heated pools	The increased demand must be managed within available budgets by delivering agreed levels of service based on population size and agreed standard of provision. Council will also help communities to explore opportunities for partnering or innovation. Council is working with a number of sports and recreation groups to facilitate the development of improved governance structures (Sportsville model) that will enable improved access to external funding sources to develop and manage recreation facilities without the need for increased Ward rates
Balancing the expectations of the community with the level of service that can be provided within existing budgets while ensuring best value is obtained from the funds that are available	Community expectations, regarding the condition of assets, sometimes exceeds Council's ability to deliver. Managing these expectations, while ensuring assets are maintained to an acceptable and safe standard remains a challenge
Increasing operational costs (power, fuel, chemicals, labour, electricity, water)	Increasing costs of the Community Services and Maintenance contract may require decreased levels of service to remain within existing budgets. Council makes strenuous efforts in negotiations with suppliers and contractors to achieve maximum value for ratepayer dollars
Climate change is increasing the incidence of erosions at coastal reserves	Council will work collaboratively with beach and river care groups, but will not undertake works to protect coastal reserves from erosion, despite community expectations

DISTRICT FACILITIES GROUP

Issues/Challenges	Implications
Improving access to the coast, particularly in the Bay of Islands area, is very important to the community	Council has been trying to improve public access to the coast by negotiating access by voluntary means as part of any resource consent process for coastal properties. Council will continue to work collaboratively to achieve improved coastal access when it has the opportunity
Trend towards freedom camping	Council has developed a freedom camping policy that permits camping at 3 remote locations. It is still Council's policy that for the protection of the environment and for personal safety, it is recommended that visitors to our district stay at a registered camp ground

What you have told us

Council's 2014 resident satisfaction survey showed a 78% satisfaction with parks and reserves. This is slightly better than 2011 (77%) but below the peer group average of 89%. Those residents, who expressed dissatisfaction with Council's parks and reserves focused on lack of maintenance, need for more parks and reserves, and problems with fellow park users. On a user level, 88% of residents who have used parks and reserves in past 12 months are satisfied and this reflects the considerable investment in recreational facilities by Council over the last 9 years however still remains lower than the peer group average at 94%.

The survey showed a 33% resident satisfaction with swimming pools. However, 44% of residents surveyed mentioned that they do not use these facilities. Community satisfaction remains similar with the 2011 results (32%) but is below the peer group average of 39%. On a user level, 68% of residents who have used public swimming pools in the past 12 months are satisfied with these facilities. Those residents, who expressed dissatisfaction with public swimming pools, said the two major reasons were no Council pool in the area or too far to travel, and current pools being too small or in need of upgrade. The Bay of Islands-Whangaroa Ward has the highest level of dissatisfaction (14%) compared with the Te Hiku Ward (13%) and the Kaikohe-Hokianga Ward (11%).

Of the residents who were surveyed, 77% are satisfied with the access to beaches, which is an 11% increase in community satisfaction compared with the 2011 result, but below the peer group average of 94%. Bay of Islands-Whangaroa Ward residents are much more likely to be not very satisfied (25%) compared with Te Hiku Ward residents (11%) and Kaikohe-Hokianga Ward residents (7%).

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Support sustainable sporting and recreation organisations that are well run, efficient and work collaboratively to improve the range of recreation programmes and facilities by:

DISTRICT FACILITIES GROUP

- Encouraging the sharing of facilities before support will be given to building new facilities
- Supporting Te Hiku Sports Hub development
- Continuing to support Kaikohe & District Sportsville Inc, and development of the Lindvart Park Sports Hub project
- Providing community assistance through the Community Grants – District Fund to sporting or cultural projects that are either identified in the Northland Sports Facility Plan, or local projects that have demonstrated a need, and provided a robust business plan.

Priority 2: Improve recreation provision by:

- Development of community access agreements or the provision of grants to increase public access to Ministry of Education facilities such as the Bay of Islands Recreation Centre, Kawakawa
- Finalise the Aquatic Strategy and support communities that fundraise their share of the capital cost of new pools
- Acquire additional recreational land in the Kerikeri /Waipapa area.

Priority 3: Continue to improve access to the coast:

- Purchase esplanade reserves or strips, through the resource consent process, in areas identified as important to the community.
- Monitor the need for additional freedom camping sites.

What we don't plan to do

- Undertake any significant renewal works on the Kaitaia Memorial Pool
- Further investigation or work on beautifying Kaikohe landfill
- Upgrade Clansman Reserve, Whangaroa, unless a commercial partnership arrangement is entered into.

Recreation: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

DISTRICT FACILITIES GROUP

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Park facilities are accessible to all the community	Percentage of residents and ratepayers that are satisfied with the range of parks and facilities available to the community	Annual community feedback survey	88%	≥90%	≥90%	≥90%	Remains at ≥90% for the remaining years
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Swimming pool facilities meet users needs	Percentage of users are satisfied that swimming pool facilities meet their needs	Annual community feedback survey	68%	≥70%	≥70%	≥74%	Remains at ≥74% until new pools are constructed
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Improve access to coast	Percentage of community satisfied with coastal access	Annual community feedback survey	77%	≥80%	≥80%	≥80%	Remains at ≥80% for the remaining years

DISTRICT FACILITIES GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Significant additional activity assumptions specific to this activity area are below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
One single contractor will undertake all maintenance of parks and reserves	Council may award a number of small contracts to undertake the work	Low	Levels of Service provided could vary within the district and additional monitoring will be required internally to manage Health and Safety and Service delivery	Medium	Increased monitoring will be required to manage Health and Safety and Service delivery
Council will lease motor camps to private operators who will charge market rates to campers	Due to pressure to reduce the costs to camp at Council owned camp grounds, Council may bring management of motor camps in-house	Low	In-house management would not be as efficient as private operators managing camp grounds and a ratepayer subsidy may be required	Medium	Lessees need to weigh up fees against visitor numbers to ensure a balance to maximize return on investment

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Drowning at Council run aquatic facility	High	Ensure pools are run according to national Pool Safe standards	Medium
Serious injury at Council owned playground	High	Site specific safety controls and processes in place and monthly inspections of equipment	Medium
Damage from coastal erosion leading to liability claims	High	Do not undertake or approve coastal protection works on Council property that may lead to liability claims	Medium

DISTRICT FACILITIES GROUP

Risk	Current rating	Mitigation	Rating after mitigation
Injury from fall as a result of erosion of coastal reserves and paths caused by storms	Low - Medium	Design in accordance with Council's engineering standards and rules in regional plan. Routine condition assessments and post event inspections	Low

Significant Negative Effects

Potential negative effect	How we are addressing this
Late night parties at parks resulting in inappropriate behavior such as lighting fires, burning of Council signs, and dangerous vehicle behavior	Use the Crime Prevention Through Environmental Design (CPTED) principles to ensure good passive surveillance, with good lighting, well-trimmed vegetation to reduce places to hide, redesign car parks to reduce the ability to make doughnuts, close car parks at night, and encourage residents to contact the Police if they feel unsafe
The desire by the community to access the coast can raise cultural issues if access is close to sacred Māori land	Engage with Iwi to determine what areas should not be made available to the general public. This has been identified as an outcome of the Coastal Access Strategy
Insufficient parking provided at parks causing spill over onto adjacent roads	Review problem areas against District Plan parking standards to assess shortfall. Identify areas to meet shortfall or discuss spreading use to reduce peak periods
Traffic management issues from significant community events	Implement a traffic management plan to reduce the effect on the community, close roads if required, and provide publicity so the community is aware of the event and the possible effect on them
Illegal camping at Council reserves particularly by campers without appropriate facilities i.e. not self-contained	Provide No Camping signs with a phone number to find the nearest safe camping spot. Appoint local wardens to monitor illegal camping. Council is positively promoting camp grounds through Council's website, i-SITES, Tourism Radio, and camping brochures. Council has set aside 3 freedom camping areas
Security issues for residents living adjacent to a Council reserve	Ensure clear boundary definition, and if required install post and rail fences

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

DISTRICT FACILITIES GROUP

Town Maintenance, public toilets, car parks and amenity lighting

Council provides public toilets and car parks that are strategically located to meet the needs of visitors and the travelling public. Council undertakes town maintenance and provides amenity lighting to ensure town Centre's are tidy, safe and attractive to visitors.

Key facts

Council operates and maintains:

- 64 public toilets located at 43 locations throughout the district
- 20 Car parks located in 9 towns
- Amenity lighting in 23 locations and 2 town centres.

Council also

- Provides town maintenance services to 21 towns in the district
- Empties 393 litter bins and removes approximately 9,000m³ of litter annually
- Scrubs the pavements in 9 town Centre's between 2-6 times per year
- Provides temporary toilet facilities at 6 locations to meet seasonal demand.

These services are delivered by a contracted private sector provider.

Why we do it

Council provides public toilets and car parks that are strategically located to meet the needs of visitors and the travelling public. Council undertakes town maintenance and provides amenity lighting to ensure town centre's are tidy, safe, and attractive to visitors.

Recent progress - What we have achieved since the last plan

Renewed toilet facilities at Rangiputa, Cobham Road, Waipapa Landing, Opuā, and Kohukohu, with ongoing work on the Broadwood facilities.

What we have not achieved since the last plan

No significant projects are outstanding for this activity.

DISTRICT FACILITIES GROUP

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Increasing operational costs (power, fuel, chemicals, labour, consumables).	Increasing costs of the Community and Town Services contract has resulted in Council increasing operational budgets to continue to deliver the same level of service.
Community expectations for higher levels of service must be managed along with Council's desire to minimise rate increases	To deliver the high level of service being requested by some communities, Council has adopted a policy to enable the introduction of "user pays" for public toilets in key locations. Council has also increased the Ward Rate to fund specific improvements in key communities to support tourism, such as Paihia beach, and Waitangi Day clean ups, and to enable town services to be increased in response to extra visitors in our district.
Ensuring sufficient number of car parks are available with adequate signs and markings.	Requires monitoring of demand and supply during peak periods (i.e. weekends and summer peak period) and compliance with Council's Engineering Standards and Guidelines. Council is also reviewing the need for parking enforcement throughout the year across the district
Ensuring an adequate number of disabled car parks are available that are adequately signed and marked, and facilities for blind and vision impaired pedestrians.	Requires compliance with the provisions in the District Plan, Road and Transport Series 14 – Guidelines for facilities for blind and vision-impaired. Continued liaison with stakeholders from the disability forums

What you have told us

There were a high number of submissions received to the 2014/15 Annual Plan asking Council to improve the cleanliness of public toilets, increase the level of town maintenance, and litter pick up, and to undertake beach cleaning in Paihia.

Our most recent residents' survey showed 53% satisfaction with public toilets and this is better than our peer group level of satisfaction at 46%. However, this is a reduction from the 2011 survey when the level of satisfaction was 58%. Of the 28% of residents who were not very satisfied, these residents mentioned that public toilets are 'dirty, smelly, or require cleaning', or that public toilets are in 'poor condition, or need upgrading'. The Kaikohe-Hokianga Ward had a higher level of dissatisfaction at 42% than the other Wards.

Council is reviewing the provision of parking enforcement across the district. The Paihia and Kerikeri Business Associations have made presentations to Council of their concerns about future parking enforcement changes.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

DISTRICT FACILITIES GROUP

Priority 1: Prioritise minor renewals or improvement of toilet facilities across the district based on their importance to tourism and the image of the district, the ability to meet the needs of people with disabilities, and when there is a perception that the facility is not hygienic when it is cleaned.

Based on the above criteria, in the first 3 years of the plan, Council will renew/improve components of, or the full toilet facilities at:

- Whatuwhiwi – Pehipe Bay
- Waipapakauri Ramp
- Lily Pond
- Centennial Park – Kaitaia
- Melba Street – Kaitaia
- Hundertwasser Toilets - Kawakawa
- Cobham Road – Kerikeri
- Julian Car park – Kerikeri
- Mill Bay – Mangonui
- Ohaeawai
- Freese Park – Omapere
- Opononi
- Te Haumi
- Tapeka Point
- Tauranga Bay
- Waiotaireaire Reserve – Tokerau Beach
- Kaimaumu
- Te Tii.

Priority 2: Assess new toilets requested by the community against the public toilet policy criteria to determine priority projects for consideration in future long term plans:

- Monument Hill – Kaikohe
- Memorial Park – Kaikohe
- Horeke – Additional Capacity
- Coopers Beach Youth Reserve
- Taipa Beach – Additional Toilets
- Rawhiti Boat Ramp
- Rangitane Reserve
- Waitangi/Haruru walkway.

DISTRICT FACILITIES GROUP

Priority 3: Continuing to work with Focus Paihia to implement their Town Centre Plan, funded from the Paihia CBD targeted rate.

Priority 4: Increase the number of disability car parks available to meet the needs of the public.

What we don't plan to do

Council is not responsible for the operational costs of shop front lighting or under veranda lighting in town centres.

Town maintenance, public toilets, car parks and amenity lighting: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district.

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Provide adequate physical access to public toilets	Increase the number of public toilets with disabled access per annum in line with facility renewal/upgrades	Data collected and monitored through internal systems	2	2	2	2	Remains at 2 for the remaining years

DISTRICT FACILITIES GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Public toilets provide a good quality experience for all users	Percentage of users satisfied with the cleanliness of public toilets	Annual community feedback survey.	53%	≥62%	≥62%	≥62%	Remains at ≥62% for the remaining years
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Provide high quality car park facilities	Percentage of users that are satisfied that car park facilities meet community needs	Annual community feedback survey	New	≥80%	≥80%	≥80%	Remains at ≥80% for the remaining years
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Provide high quality car park facilities	Increase the number of accessible car park spaces within Council car park facilities by 2 per ward per annum	Data collected and monitored through internal systems	New	2 per ward per annum	2 per ward per annum	2 per ward per annum	Remains at 2 per ward per annum for the remaining years of this plan

DISTRICT FACILITIES GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Significant additional activity assumptions specific to this activity area are below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Council will continue to have a single contractor undertaking town maintenance	Council may decide to have multiple community-owned maintenance contracts across the district	Medium	Inconsistent level of town maintenance across the district and higher level of supervision required	Medium	Single contract tendering process with recognition for sub-contracting local contractors

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Damage to toilets from rising sea levels causing erosion or tsunami in coastal and river margins	Medium	Review location of at risk facilities at renewal and re-locate if practicable	Medium

Significant Negative Effects

Potential negative effect	How we are addressing this
Public toilets: Environmental damage due to failure of effluent systems or water supplies	Review efficiency of effluent fields annually and contract specialists to undertake recommended maintenance. Review water supply capacity to ensure it will meet summer demand. Visit high profile toilets regularly to ensure they are functioning
Public toilets: Economic damage caused from poor visitor experience	Regular monitoring of toilets particularly high profile facilities in tourist towns
Public toilets: Vandalism, graffiti, loitering, and drug taking	Improved security and prompt removal of graffiti
Town centres: Mainstreet upgrades that include a range of street furniture and public spaces can lead to a higher number of loitering issues during the day and at night	Creating areas that encourage a range of people to sit and enjoy different spaces and to include amenity lighting to improve safety at night where there are high visitor numbers present

DISTRICT FACILITIES GROUP

Potential negative effect	How we are addressing this
Car parks: Economic damage caused by the perception of inadequate car parking	Continuing to monitor that sufficient car parks are available for the majority of the time. Work closely with Business Associations and other stakeholders so that parking is well sign posted; both long-term and short-term

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

DISTRICT FACILITIES GROUP

Customer Services

Customer Services delivers essential functions for Council:

- To act as first point of contact: face to face, contact centre and via the Far North District Council website
- To handle customer requests for information and service
- To receive and process payments
- To liaise with all departments throughout the organisation for our customers
- Far North District Council ensures customer service is aligned with Council's Vision and Mission Statements, Key Performance Indicators, and other measures as required.

Key facts

Council maintains Service Centres in the following locations:

- Opononi
- Kaeo
- Kaikohe
- Kaitaia
- Kawakawa
- Kerikeri
- Rawene (2 days a week).

Council also

- The Service Centres complete an average of 100,000 transactions (financial and non-financial) per year
- The Call Centre deals with an average 96,000 calls per year.

Why we do it

The role that Council plays in the delivery of Customer Services is to act as first point of contact for residents, ratepayers, and visitors to our district. It is an essential role that enables people to do business with Council.

Recent progress - What we have achieved since the last plan

We have increased the number of multi-skilled staff who are able to transition between the contact centre, counters, libraries and i-SITEs.

DISTRICT FACILITIES GROUP

Te Ahu in Kaitia has developed into a wonderful community space and is well used for concerts, exhibitions, community help-desk, special screenings in the Cinema and many wonderful events in the Library, Museum and throughout Te Ahu.

What we have not achieved since the last plan

Investigation into the provision of services offered through the contact centre, online/social media, mobile service and other contact channels is on-going.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Aging contact centre systems/tools	Frequency of outages increasing
Keeping up with rapidly changing technology	Not able to provide accurate and consistent information to customers by the means in which they wish to receive it
Staff safety and security at smaller service centres	Inadequate staffing resource and security systems
The cost of servicing smaller communities	Rationalising service centres and modify opening days / hours

What you have told us

Council used its 2014 Resident Opinion survey to gauge views about contact with Council. The main reasons for contacting Council remain consistent from past years - rates, building issues, permits and inspections, dog/animal control, roads, and footpaths.

The survey showed that:

- 78% were satisfied when contacting Council via Telephone, a decrease of 3% on the last survey in 2013
- 72% were satisfied when contacting Council in writing, an increase of 9% on 2013
- 84% were satisfied when visiting a Council office or Service Centre, an increase of 1% on 2013
- Overall satisfaction when contacting council increased from 72% in 2013 to 75% in 2014.

Of the 23% that were dissatisfied, slow response/slow service, lack of action/problem not resolved, and not happy with reply/outcome, were some of their most frequently mentioned reasons for being not satisfied.

DISTRICT FACILITIES GROUP

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Review customer services systems and processes.

Priority 2: Implement opportunities to share services with other Local Government and Non-Government Organisations.

Priority 3: Improve the first point of contact resolution rate.

What we don't plan to do

Increase number of Service Centres.

Customer Services: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

Acknowledging Te Tiriti o Waitangi / Treaty of Waitangi

DISTRICT FACILITIES GROUP

Activity performance indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We provide the right services delivered in the right places, to an agreed standard Council will reflect the spirit of Te Tiriti/The Treaty as part of our business as usual	Improve resolution of customer queries, and customer satisfaction	Overall satisfaction when contacting Council	Annual community feedback survey	75%	≥77%	≥77%	≥77%	Remains at ≥77% for the remaining years
We provide the right services delivered in the right places, to an agreed standard Council will reflect the spirit of Te Tiriti/The Treaty as part of our business as usual	Improve resolution of customer queries, and customer satisfaction	Percentage of calls resolved at first point of contact	Data collected and monitored through internal systems	72%	73%	73%	73%	Remains at 73% for the remaining year.

DISTRICT FACILITIES GROUP

Activity Assumptions

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
The organisation actively supports and lives by a culture of excellent customer service	Organisation does not buy into a customer-focused culture	Medium	High	Low	On-going and regular customer service training provided to all staff. Service level agreements in place between departments to clearly define customer service expectations

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Contact Centre tools failure	High	Replacement of Contact Centre systems After hours contract includes back up should failure occur	Low
Front of House safety and security	Medium	On-going training on staff awareness. Health and safety practices in place. Emergency procedures in place On-going monitoring of risk and review of procedures	Low
Technology/Systems Failure	High	Manual processes in place to continue for most customer service operations	Low
Low staffing levels	Medium	Establish pool of reliable casuals. Train staff to be multi-skilled Easy to follow processes are documented	Low

DISTRICT FACILITIES GROUP

Risk	Current rating	Mitigation	Rating after mitigation
Power failure	Medium	Generator availability Manual processes in place to continue for most customer service operations	Low
Staff knowledge and capability	Low	Regular and on-going training Well documented processes and procedures Support from back office staff Multi-skilled staff	Low

Significant Negative Effects

Potential negative effect	How we are addressing this
Cost constraints creating pressure for service centre rationalisation, leading to decreased levels of service (reduced days/hours)	Investigating more on-line tools for customers, this will avoid the need to visit a service centre Mobile services and kiosks located in smaller towns to provide a continued Council presence are also being investigated

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

DISTRICT FACILITIES GROUP

i-SITE

Helpful local experts, who can answer questions, provide solutions, make arrangements and provide a quality visitor experience.

- Located in key tourist areas with highly visible buildings and directional signage
- On the main visitor route through a township
- Well identified in maps, guidebooks and at accommodation providers
- Ensure locals are aware of our i-SITEs, the services we offer and where we are located
- Offer key Council services.

Key facts

Council operates and maintains 3 visitor information centres (i-SITEs) in the following locations:

- Hokianga, located in Opononi
- Far North, located in Kaitaia
- Bay of Islands, located in Paihia.

Council also

We provide information on destinations anywhere in New Zealand, offering the best advice on where to go, what to see and do, in terms of accommodation, travel, activities, attractions, local information, and events. We also offer residents and ratepayers a place to do Council business.

Why we do it

Our vision is to encourage visitors to stay longer, enjoy more activities, and spend more money in the Far North by providing them with a positive image of our district. We do this through the provision of information services and facilities that are affordable, accessible, and contribute to the district's development needs.

Tourism New Zealand, i-SITE New Zealand and Council have an agreement that recognises the importance of having an effective and high quality network of visitor information centres dedicated to delivering free, comprehensive, and objective information.

Recent progress - What we have achieved since the last plan

- We have remained an accredited member of i-SITE New Zealand through meeting the annual Qualmark assessment
- We continue to deliver a quality visitor experience by providing a welcoming, friendly and professional service
- We are leasing newly built premises in Opononi, Hokianga and have co-located with a local Café. This will increase visitors to the i-SITE.

DISTRICT FACILITIES GROUP

What we have not achieved since the last plan

Reduced ratepayer subsidy required to operate i-SITEs.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Seasonality	Peak summer period, slow winter period
Increasing funding pressure and scrutiny from communities of interest	Increase commissions and membership fees charged to suppliers, decreasing membership
Average transaction values declining	Increased reliance on ratepayer funding
Changes in mobile technology usage by travelers	Lower reliance on i-SITEs to provide information and therefore a decline in opportunities to market and sell the Far North
A change in the mix of international visitors with different travel preferences	Reduced awareness and usage of the i-SITEs

What you have told us

Annual surveys are conducted by i-SITE New Zealand. In 2013, we received a 99% satisfaction rating from customers and 95% satisfaction rating from suppliers.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Increase digital promotions and information provision.

Priority 2: Improve booking and information systems.

Priority 3: Refocus staff training (in particular for increasing sales, cultural skills).

What we don't plan to do

- Develop own website
- Develop own online bookings system.

DISTRICT FACILITIES GROUP

i-SITE: Ten year plan measures and levels of service

Community Outcome

Sustainable development of our local economy through partnerships, innovation, quality infrastructure and planning

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
The Far North is recognised as an attractive place to work, do business and visit .	Increase number of official suppliers to the i-Site network	Increase number of suppliers from previous year	Data collected and monitored through internal systems	New	227	229	231	Remains at increase by 1% from previous year for remaining years
The Far North is recognised as an attractive place to work, do business and visit .	Improve investment ration	Increase sale of goods	Increased net profit	1.24%	3% (profit increase on previous year)	3%	3%	Remains at 3% for the remaining years .

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

DISTRICT FACILITIES GROUP

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Changing expectations of changing visitor mix	Medium	Listen carefully to visitors (survey regularly), understand visitor needs and continuously improve our visitors' experience	Low
Decreased level of support from i-SITE New Zealand	Medium	Develop and share best practice resources with other i-SITES	Low

Significant Negative Effects

Potential negative effect	How we are addressing this
Detrimental impact on tourist experience as a result of poor customer service or provision of inaccurate advice	Staff are trained to the required standards as outlined by i-SITE New Zealand
Negative impact on culture/heritage if an over-commercialised approach is adopted	Work in partnership with Iwi

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

DISTRICT FACILITIES GROUP

Libraries

Providing connections to knowledge, ideas and works of the imagination, anytime, everywhere, enabling individuals to turn knowledge into value, participate as citizens and strengthen communities.

Key facts

Council operates and maintains 6 public libraries in the following locations:

- Kaitaia Library, Te Ahu Kaitaia
- Kaikohe
- Kawakawa
- Procter Library, Kerikeri
- Paihia Library, Williams House, Paihia
- Kaeo.

Council also

We provide support to 4 community libraries - Russell, Mangonui, Rawene and Kohukohu; and also the Broadwood Area School library.

Why we do it

Our vision is to contribute to the social, cultural and economic well-being of people in the Far North District by:

- providing leisure and learning opportunities with facilities and services that are accessible, and that meet the needs of the community
- providing best practice library and information services guided by LIANZA standards for public libraries
- providing responsive, affordable and sustainable library and information services for our communities.

Recent progress - What we have achieved since the last plan

- Reviewed Library Strategy and opening hours
- Continue to grow the Archives room at Procter Library Kerikeri by developing collections
- Expanded e-Book collections
- Provided shared library cards to public and some community libraries
- Increased the number of activities offered from Public Libraries including incorporating key stakeholders such as Citizens Advice Bureau and local Justice of the Peace
- Continue to develop online services via our library webpage
- Continue to develop different online library services.

DISTRICT FACILITIES GROUP

What we have not achieved since the last plan

No significant projects are outstanding for this activity.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Changing customer expectations of service	Conflict between the expectations of traditional and new users of the library, therefore increased resources to manage are needed
More of the digital information available will be inaccessible due to copyright restrictions and fees for use or lack of archiving	Increased cost to libraries and library users therefore limiting access to those who can afford it
Perception that libraries are no longer needed because everyone will get their information and reading material via the internet and e-Books	More difficult to obtain support and funding for public libraries
The increasing demand for collections to be broadened in scope to meet the needs of all groups, e.g. those with visual and other disabilities, and those needing literacy development	Increased costs to meet the demand, the availability of the resource and the skills and experience of staff, and the space to house collections

What you have told us

In the annual residents survey conducted in 2014 by Versus Research, 75% of residents were very satisfied or satisfied with the public libraries. 94% of users of public libraries were very satisfied or satisfied. The main reasons for being not very satisfied with Public Libraries included charges/membership fee and library too small/needs improving.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Form strategic alliances - Investigate shared service opportunities with other libraries including purchasing of specialist materials and e-Books.

Priority 2: Invest in technology that will assist to simplify transactional processes and improve customer service.

Priority 3: Refocus staff training (in particular sound customer and product knowledge, use of technology and cultural skills).

What we don't plan to do

Council does not intend to:

- Develop own website for libraries
- Remove Aotearoa Peoples Network Kaharoa free internet.

DISTRICT FACILITIES GROUP

Libraries: Ten year plan measures and levels of service

Community Outcome

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Maintain library usage and user satisfaction	Increase the percentage of satisfaction by library users	Annual community feedback survey	94%	≥94%	≥94%	≥94%	Remains at ≥95% for the remaining years
The district has quality public recreation, leisure, amenities and facilities appropriate to their locations and the needs of the communities	Develop and encourage use of on-line library services	Increase the percentage of online library service use	Data collected and monitored through internal systems	85,000	≥5%	≥5%	≥5%	Remains at ≥5% for the remaining years

DISTRICT FACILITIES GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Significant additional activity assumptions specific to this activity area are below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Libraries will continue to be relevant to local communities	Information and knowledge gained through the internet and other digital media	Medium	High	Low	Keep libraries relevant by providing welcoming community spaces, run programmes/ activities for communities to support literacy and lifelong learning

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Changing expectations of changing library users	Medium	Listen carefully to library users (survey regularly), understand their needs and continuously improve our customer experience Reviewing library spaces and designing them to suit the needs of the community	Low
Reduced level of funding	Medium	Identify sustainable funding streams and more cost effective ways of delivering services	Low
Resources are not equipped to keep up with rapidly changing technology	High	Ongoing review of all resources	Medium

DISTRICT FACILITIES GROUP

Significant Negative Effects

Potential negative effect	How we are addressing this
Perception that due to low literacy rates among Maori and usage of libraries by Maori, libraries serve predominantly non Maori needs	Providing free internet access at libraries. Engaging with Kohanga Reo, Kura Kaupapa Maori, Maori communities and Iwi groups.

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

DISTRICT FACILITIES GROUP

FINANCIAL FORECAST AND STATEMENTS

DISTRICT FACILITIES PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan											
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s									
	Revenue										
10,058	Rates - General	11,233	11,615	11,920	11,986	12,158	12,647	13,156	13,697	13,960	14,388
9,497	Rates - Targeted	9,153	9,628	9,958	10,771	11,196	11,859	12,206	12,636	12,946	13,405
482	Rates - Penalties	480	480	480	480	480	480	480	480	480	480
2,106	Fees & Charges	2,080	2,087	2,087	2,087	2,087	2,087	2,087	2,087	2,087	2,087
26	Subsidies Operational	26	26	26	26	26	26	26	26	26	26
0	Subsidies Capital	0	0	0	0	0	0	0	0	0	0
112	Development Contributions	(0)	545	5,025	0	0	0	0	0	0	0
61	Other Income	12	3	3	3	3	3	3	3	3	3
22,342	Total Comprehensive Revenue	22,984	24,384	29,499	25,352	25,951	27,102	27,958	28,929	29,502	30,389
	Direct Costs										
14,201	Direct Costs	15,057	15,585	15,820	16,101	16,282	16,842	17,222	17,907	18,300	18,951
727	Interest	687	763	919	1,111	1,234	1,497	1,700	1,702	1,604	1,538
4,534	Depreciation	3,676	3,897	4,096	4,420	4,652	4,884	5,077	5,260	5,448	5,648
19,463	Total Direct Operating Expenditure	19,420	20,245	20,835	21,632	22,168	23,224	23,998	24,869	25,353	26,138
2,899	Indirect Costs	2,690	2,719	2,763	2,843	2,904	2,998	3,078	3,177	3,264	3,364
2,899	Total Indirect Costs	2,690	2,719	2,763	2,843	2,904	2,998	3,078	3,177	3,264	3,364
22,362	Total Operating Expenditure	22,110	22,964	23,598	24,475	25,072	26,222	27,077	28,045	28,617	29,502
(20)	NET SURPLUS/(DEFICIT)	874	1,420	5,901	877	879	880	882	883	885	887

DISTRICT FACILITIES GROUP

DISTRICT FACILITIES STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Annual Plan	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
2014-15	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT										
(20) Net Surplus/(Deficit)	874	1,420	5,901	877	879	880	882	883	885	887
0 Loan	0	0	0	0	0	0	0	0	0	0
7,321 Appropriation from Reserves	7,310	5,998	13,519	9,967	12,220	7,308	7,055	7,293	8,232	11,876
2,217 Notional Loans Raised	2,185	2,349	4,233	3,275	3,876	4,707	1,860	426	905	2,327
(75) Appropriation to Reserves	(1,747)	(2,295)	(6,777)	(1,754)	(1,758)	(1,760)	(1,764)	(1,767)	(1,770)	(1,774)
9,443 Total Funding	8,621	7,472	16,876	12,365	15,217	11,134	8,033	6,835	8,252	13,316
Capital Expenditure										
8,703 Capital Projects	7,822	6,564	15,851	11,128	13,816	9,540	6,203	4,913	6,331	11,371
740 Debt Repayment	799	908	1,025	1,237	1,401	1,595	1,830	1,923	1,920	1,945
9,444 Total Capital Expenditure	8,621	7,472	16,876	12,365	15,217	11,134	8,033	6,836	8,252	13,316
0 NET SURPLUS/(DEFICIT)	0	0	0	0	0	0	0	0	0	0

DISTRICT FACILITIES GROUP

CAPITAL PROJECTS BY WARD

District Facilities										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
LEVEL OF SERVICE WORKS										
Bay of Islands - Whangaroa										
Amenity Lighting										
Amenity Lighting Eastern	0	0	0	16	17	17	18	18	19	19
Williams House Health & Safety Amenity Lighting	5	0	0	0	0	0	0	0	0	0
Amenity Lighting Total	5	0	0	16	17	17	18	18	19	19
Carparks										
Russell - Chapel Street between Church and Baker	0	0	0	22	0	0	0	0	0	0
Waipapa Landing Toilets / Boat Ramp Car Park Seal	0	0	0	0	50	0	0	0	0	0
Conversion of Off Street Car parking to Accessible Levels	5	5	5	5	6	6	6	6	6	6
Carparks Total	5	5	5	27	55	6	6	6	6	6
Cemeteries										
Totara North Cemetery	0	0	0	24	0	0	0	0	0	0
Kaeo Cemetery	0	0	0	23	0	0	0	0	0	0
Russell Cemetery - Parking Improvements	0	0	21	0	0	0	0	0	0	0
Cemeteries Total	0	0	21	48	0	0	0	0	0	0
Community Centres										
Cherry Park Carpark	0	0	0	0	46	0	0	0	0	0
Community Centres Total	0	0	0	0	46	0	0	0	0	0
Halls										
Disability Access Improvements	25	26	26	27	28	28	0	0	0	0
Halls Total	25	26	26	27	28	28	0	0	0	0

DISTRICT FACILITIES GROUP

District Facilities										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS (continued)										
Bay of Islands - Whangaroa										
Maritime Facilities										
Kerikeri - Windsor Landing Developments land purchase/road access to ramp.	0	59	548	0	0	0	0	0	0	0
Kerikeri - Doves Bay Additional Ramp Parking	0	0	0	108	996	0	0	0	0	0
Paihia Waterfront Storm Mitigation - Breakwater	0	0	0	0	0	3,418	986	0	0	0
Waikare Inlet - Jetty	0	0	0	0	0	0	0	0	0	26
Russell - Matauwhi Bay	0	0	0	0	0	28	264	0	0	0
Russell - Fuel Pontoon	50	0	0	0	0	0	0	0	0	0
Whangaroa - Clansman / Ratcliffes Bay Parking	0	0	0	11	100	0	0	0	0	0
Maritime Facilities Total	50	59	548	118	1,096	3,446	1,250	0	0	26
Parks & Reserves										
Waipapa - Bay Sport - landscaping	0	0	0	0	6	0	0	0	6	0
Bay of Islands - Whangaroa - Beach Access Esplanade Reserve	0	0	0	128	135	144	153	162	173	184
BOI recreational land purchase Kerikeri	522	0	0	0	0	0	0	0	0	0
Kerikeri - Civic Space Acquisition	0	0	0	0	0	0	0	0	0	727
Kawakawa Recreation Centre	0	0	0	32	0	0	0	0	0	0
Kerikeri Squash Relocation	0	0	0	0	166	0	0	0	0	0
Kerikeri / Waipapa - Recreation Land Purchase, for sports hub	273	288	0	0	0	0	0	0	0	0
Kerikeri - New Sports Park Carpark, Ablution Block and Consent	0	0	36	640	677	0	0	0	0	0
Kerikeri - Kororipo Basin Upgrade	0	0	0	22	0	0	0	0	0	0
Waipapa - Town Beautification - including entrances/new main street	0	0	0	0	0	34	0	0	0	0
Paihia - Development of Lucy Williams Reserve	0	0	0	11	22	23	0	0	0	0
Kerikeri - Skate Park Improvements	0	0	0	0	111	0	0	0	0	0
Kerikeri - Restoration of the Wiroa Stream	0	0	0	0	6	6	6	0	0	0
Kaeo Playground - Additional Equipment with boat theme	0	0	0	11	0	0	0	0	0	0
Kawakawa - Johnson Park Shade Sail / Sun Protection	0	0	0	16	0	0	0	0	0	0

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS (continued)										
Bay of Islands - Whangaroa										
Parks & Reserves										
Kerikeri - Samaree Place - proposed dog park	0	0	0	0	0	28	29	0	0	0
Kerikeri Inlet Road - Dalton Memorial Reserves - track/fence development	0	0	0	11	0	0	0	0	0	0
Opuia - Paihia walkway up-grade (Waterfront)	0	0	0	22	11	11	12	0	0	0
Kawakawa Hundertwasser Park	0	0	0	11	0	0	0	0	0	0
Kawakawa - Cycleway- enhance link into town	0	0	0	0	0	17	0	0	0	0
Kawakawa - town entrance up-grades [entrance to BOI]	0	0	0	22	0	23	0	0	0	0
Ward Wide Town Beautification / Improvements	0	0	0	16	17	17	18	18	19	19
Russell - Foreshore Redevelopment (Focus Projects)	0	0	0	0	22	23	0	0	0	0
Taupo Bay - Implement Management Plan	0	0	0	0	0	23	23	0	0	0
Totara North - improve access to harbour Okura Bay link	0	0	0	22	0	0	0	0	0	0
Parks & Reserves Total	795	288	36	962	1,173	349	241	181	198	931
Public Toilets										
Rawhiti Boat Ramp New Toilet	0	0	0	54	0	0	0	0	0	0
Rawhiti Boat ramp Toilet RC	11	0	0	0	0	0	0	0	0	0
Rangitane Reserve Public Toilet	0	0	0	5	77	0	0	0	0	0
Waitangi / Haruru Falls Bush Walk	0	0	0	0	0	85	0	0	0	0
Bay of Islands - Whangaroa Disability Access Improvements	10	0	10	11	0	11	12	0	13	13
Public Toilets Total	21	0	10	70	77	97	12	0	13	13
Bay of Islands - Whangaroa Total	891	373	621	1,177	2,420	3,920	1,502	181	210	969
District										
Maritime Facilities										
District Wide - General Dingy Rack Improvements	0	0	0	5	6	6	6	6	6	6
District Wide Contestable Land Based Improvements (Ramp Widening / Pontoons)	0	0	0	43	44	46	47	48	50	52
Maritime Facilities Total	0	0	0	48	50	51	53	54	56	58

DISTRICT FACILITIES GROUP

District Facilities										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS (continued)										
Kaikohe - Hokianga										
Motor Camps										
Russell Motor Camp - Water Supply	20	0	0	0	0	0	0	0	0	0
Motor Camps Total	20	0	0	0	0	0	0	0	0	0
District Total	20	0	0	48	50	51	53	54	56	58
Amenity Lighting										
Kaikohe Mainstreet Upgrade	0	0	0	0	33	0	0	0	0	0
Amenity Lighting Western	0	0	0	16	17	17	18	18	19	19
Amenity Lighting Total	20	0	0	16	50	17	18	18	19	19
Carparks										
Conversion of Off Street Car parking to Accessible Levels	5	5	5	5	6	6	6	6	6	6
Carparks Total	5	5	5	5	6	6	6	6	6	6
Cemeteries										
Kaikohe Cemetery	0	0	0	0	11	0	0	0	13	0
Rawene Cemetery	0	0	0	0	0	6	0	0	0	6
Cemeteries Total	0	0	0	0	11	6	0	0	13	6
Halls										
Disability Access Improvements	25	26	26	27	28	28	0	0	0	0
Halls Total	25	26	26	27	28	28	0	0	0	0
Lindvart Park Recreation Hub										
Netball Upgrade Practice Area Lindvart Park Kaikohe	0	0	0	0	0	0	0	40	0	0
Lindvart Park Recreation Hub Total	0	0	0	0	0	0	0	40	0	0
Maritime Facilities										
Opononi Boat Ramp / Waterfront Improvement and Reclamation	0	0	0	431	0	0	0	0	500	0
Maritime Facilities Total	0	0	0	431	0	0	0	0	500	0

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS (continued)										
Kaikohe - Hokianga										
Parks & Reserves										
Okaihau rail tunnel upgrade	0	0	0	54	0	0	0	0	0	0
Kaikohe - Hone Heke Garden up-grade and link to cycleway	0	0	0	0	28	0	0	0	0	0
Kaikohe streetscape up-grade	0	0	0	54	554	0	0	0	0	0
Lindvart Park Pavillion upgrade	50	769	0	0	0	0	0	0	0	0
Kaikohe - Reid Park - neighbourhood playground	0	0	0	0	0	28	0	0	0	0
Kohukohu - Old Andrews Reserve - upgrade	0	0	0	0	11	0	0	0	0	0
Ward Wide Town Beautification / Improvements	0	0	0	16	17	17	18	18	19	19
Ohaeawai - Purchase old tennis court land	0	0	0	0	0	114	0	0	0	0
Kaikohe Memorial Park - Outdoor Stage	0	0	0	32	0	0	0	0	0	0
Kaikohe - Memorial Park Skate Park Improvements / Upgrade	0	0	0	0	166	0	0	0	0	0
Kaikohe - Campervan Improvements	0	0	0	11	0	11	0	12	0	0
Kaikohe - Acquire land for Central Rugby Ground Access (Station Road to Central Ground)	0	0	0	65	0	0	0	0	0	0
Kaikohe Wide Recycling Bins	0	0	0	0	11	0	0	0	0	0
Kaikohe - Kowhai Park Development	0	0	0	0	0	34	0	0	0	0
Rawene - Investigate / development of a structure between café/shop as civic space	0	0	0	11	0	0	0	0	0	0
Omapere - relocate Freese Park playground to opposite motor camp	0	0	0	38	0	0	0	0	0	0
Omapere-Opononi streetscape - plant pohutakawa	0	0	0	0	6	0	0	0	0	0
Okaihau beautification projects	0	0	0	0	6	0	0	0	0	0
Parks & Reserves Total	50	769	0	280	797	205	18	30	19	19
Public Toilets										
Kaikohe - Monument Hill / Hone Heke Reserve	0	0	0	81	0	0	0	0	0	0
Kaikohe - Memorial Park	0	0	0	0	166	0	0	0	0	0
Horeke - Additional Public Toilet capacity	0	0	0	81	0	0	0	0	0	0
Kaikohe - Hokianga - Whangaroa Disability Access Improvements	10	10	0	11	11	0	12	12	0	13
Public Toilets Total	10	10	0	172	177	0	12	12	0	13
Kaikohe - Hokianga Total	85	805	26	910	1,013	239	29	82	532	39

DISTRICT FACILITIES GROUP

District Facilities										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
LEVEL OF SERVICE WORKS (continued)										
Te Hiku										
Airports										
Kaitaia - Terminal Building - Replace / Upgrade	0	0	0	0	0	0	0	0	0	517
Kaitaia - New Security Fencing for CAA certification.	24	0	0	0	0	0	0	0	0	0
Kaitaia - New Toilet Facilities - External	0	0	52	0	0	0	0	0	0	0
Airports Total	24	0	52	0	0	0	0	0	0	517
Amenity Lighting										
Mangonui Street Lighting	0	0	0	16	0	0	0	0	0	0
Amenity Lighting Northern	0	0	0	16	17	17	18	18	19	19
Amenity Lighting Total	24	0	52	32	17	17	18	18	19	537
Carparks										
Kaitaia Warehouse Carpark Landscaping	0	0	0	0	0	23	0	0	0	0
Conversion of Off Street Car parking to Accessible Levels	5	5	5	5	6	6	6	6	6	6
Carparks Total	5	5	5	5	6	28	6	6	6	6
Cemeteries										
Kaitaia Cemetery	0	0	0	5	0	0	0	6	0	0
Cemeteries Total	0	0	0	5	0	0	0	6	0	0
Halls										
Disability Access Improvements	25	26	26	27	28	28	0	0	0	0
Halls Total	25	26	26	27	28	28	0	0	0	0
Parks & Reserves										
Awanui Playground - new shade sail	0	0	0	0	33	0	0	0	0	0
Mangonui Board Walk Extension	0	0	0	0	0	0	0	0	0	647
Ahipara Foreshore Road - New Playground	0	0	0	0	0	57	0	0	0	0
Pukenui wharf reserve - improve amenity values of area	0	0	0	0	11	0	0	0	0	0
Kaitaia - Centennial Park Land Purchase	0	0	0	108	0	0	0	0	0	0
Coopers Beach Domain - Implement Management Plan	0	0	0	32	11	0	0	0	0	0
Kaitaia - Remembrance Park Upgrade	150	0	0	0	0	0	0	0	0	0
Ward Wide Town Beautification / Improvements	0	0	0	16	17	17	18	18	19	19

DISTRICT FACILITIES GROUP

District Facilities										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS (continued)										
Te Hiku										
Parks & Reserves										
Kaitaia - Okahu Road Lookout Improvements	0	0	0	0	11	0	0	0	0	0
Kaitaia - South Road Bollards	0	0	0	11	0	0	0	0	0	0
Pukenui - Araiawa Domain (Raio) - develop new sports fields and sports hub	0	0	0	0	55	57	0	0	0	0
Te Hiku Sports Hub - Sports Field Development	850	870	840	0	0	0	0	0	0	0
Te Hiku Sports Hub - Netball Courts	0	0	262	0	0	0	0	0	0	0
Te Hiku Sports Hub - Clubroom Development	0	0	52	538	0	0	0	0	0	0
Kaimaumu - New Playground	0	0	0	0	55	0	0	0	0	0
Te Hapua - New Playground	0	0	0	0	0	28	0	0	0	0
Kaitaia - young adult playground near Memorial Park	0	0	0	54	0	0	0	0	0	0
Whatuwhiwhi Recreation Hub Development - Fields	0	0	0	117	0	0	0	0	0	0
Parks & Reserves Total	850	870	1,155	737	138	103	18	18	19	19
Public Toilets										
Kaitaia - North Park	0	0	0	0	0	0	176	0	0	0
Coopers Beach - Youth Reserve	0	0	0	81	0	0	0	0	0	0
Taipa Beach New Toilets	0	0	0	0	11	205	0	0	0	0
Kaitaia - Remembrance Park / Melba Street	120	0	0	0	0	0	0	0	0	0
Te Hiku - Whangaroa Disability Access Improvements	0	10	10	0	11	11	12	12	13	0
Public Toilets Total	120	10	10	81	22	216	188	12	13	0
Swimming Pools										
Te Hiku Sports Hub - Swimming Pool	0	819	7,557	0	0	0	0	0	0	0
Swimming Pools Total	0	819	7,557	0	0	0	0	0	0	0
Te Hiku Total	1,150	1,731	8,754	1,027	266	450	229	61	56	692
LEVEL OF SERVICE WORKS TOTAL	1,305	2,541	8,848	2,180	1,511	1,002	428	240	701	1,365
RENEWAL WORKS										
Bay of Islands - Whangaroa										
Amenity Lighting										
Amenity Lighting Eastern Renewals	40	0	39	99	0	2	5	0	1	73
Amenity Lighting Total	40	0	39	99	0	2	5	0	1	73

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Carparks										
Commercial Street Carpark Renewals	0	0	232	0	0	0	0	0	0	0
Hobson Road Carpark Renewals	0	0	0	0	0	0	0	328	0	0
Homestead Road Carpark Renewals	0	0	0	0	0	0	0	38	0	0
Hundertwasser Carpark Renewals	0	0	0	0	0	0	0	0	0	12
Johnson Park Carpark Renewals	4	0	0	0	0	0	0	0	0	0
Julian Carpark Renewals	0	0	0	0	0	0	37	0	0	0
Kent Bay North Carpark Renewals	0	6	0	0	0	0	0	0	0	0
Kent Bay South Carpark Renewals	0	3	0	0	0	0	0	0	0	0
Marsden Road Carpark Renewals	0	7	0	0	40	0	0	187	1	16
Whangae Road Carpark Renewals	0	0	26	0	0	0	0	0	0	0
York Street Carpark Renewals	0	0	0	0	0	0	0	0	0	6
Butler Road Carpark Renewals	0	0	0	0	0	0	0	18	0	0
Church Street Carpark Renewals	0	0	0	0	0	0	0	0	12	0
Carparks Total	4	17	258	0	40	0	37	571	12	34
Cemeteries										
Kawakawa Cemetery Renewals	0	10	0	11	0	5	0	0	9	6
Kerikeri Cemetery Renewals	0	44	0	7	0	2	0	32	20	0
Paihia Cemetery Renewals	0	1	0	0	0	0	0	0	0	0
Russell Cemetery Renewals	0	1	0	0	9	0	0	0	0	0
Totara North Cemetery Renewals	0	0	0	4	0	1	0	0	14	0
Kaeo Cemetery Renewals	3	2	0	0	6	0	0	0	0	0
Cemeteries Total	3	58	0	22	15	9	0	32	43	6
Community Centres										
Community Centres Eastern Renewals	124	52	90	376	43	0	0	380	2	19
Community Centres Total	124	52	90	376	43	0	0	380	2	19

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Halls										
Halls Kaeo Renewals	0	0	0	519	3	28	0	0	0	0
Halls Mangonui Renewals	0	0	0	0	0	0	0	0	1	8
Halls Paihia Renewals	0	0	0	0	11	0	0	0	487	0
Halls Russell Renewals	0	0	462	0	0	35	0	0	783	0
Halls Waipapa Renewals	0	0	86	184	0	0	0	0	3	0
Halls Whangaroa Renewals	0	0	42	0	0	0	0	0	0	2
Halls Totara North Renewals	0	0	0	88	0	0	0	0	4	0
Halls Towai Renewals	0	0	72	0	10	0	0	0	0	21
Halls Total	0	0	662	791	25	63	0	0	1,278	30
Housing for the Elderly										
Kawakawa Housing for the Elderly Renewals	7	0	98	24	74	25	0	4	0	5
Kerikeri Housing for the Elderly Renewals	151	101	110	70	41	42	52	7	0	0
Housing for the Elderly Total	158	101	208	94	115	67	52	11	0	5
Information Centre										
Paihia Information Centre Renewals	0	9	20	0	0	0	0	14	3	0
Information Centre Total	0	9	20	0	0	0	0	14	3	0
Koropiro Basin Project										
Pear Tree Smithy Building Renewals	0	0	0	0	0	73	0	0	0	0
Koropiro Basin Project Total	0	0	0	0	0	73	0	0	0	0
Libraries										
Kaeo Library Renewals	0	0	0	0	13	0	0	0	0	21
Kawakawa Library Renewals	0	0	0	0	0	7	0	0	0	7
Kawakawa Library Renewals	0	0	91	0	0	0	0	0	0	0
Kerikeri Library Renewals	0	0	0	0	15	21	1	21	0	42
Kerikeri Library Renewals	0	0	12	4	0	14	154	14	6	0
Paihia Library Renewals	0	0	0	0	0	0	6	0	0	2
Paihia Library Renewals	87	0	33	0	0	0	0	0	0	132
Libraries Total	87	0	136	4	28	42	161	35	6	205

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Maritime Facilities										
Kerikeri Maritime Renewals	0	0	19	3	285	0	0	3	21	310
Paihia Maritime Renewals	0	0	0	0	0	0	0	0	0	59
Russell Maritime Renewals	242	0	0	2	539	0	0	156	1,196	0
Waitangi Maritime Renewals	0	0	0	88	0	279	0	0	0	0
Whangaroa Maritime Renewals	11	265	3	0	2,887	38	15	118	0	370
Opito Bay Maritime Renewals	0	0	0	0	28	0	0	0	0	0
Totara North Maritime Renewals	0	99	0	0	24	0	1	33	0	1,139
Maritime Facilities Total	253	364	22	93	3,764	317	16	309	1,217	1,878
Parks & Reserves										
Eastern Parks & Reserves Renewals	116	124	122	73	160	132	136	147	23	300
Kaeo Parks & Reserves Renewals	4	98	0	0	0	2	84	6	0	0
Kawakawa Parks & Reserves Renewals	35	36	0	43	112	0	12	0	0	7
Kerikeri Parks & Reserves Renewals	55	211	474	176	202	751	437	34	102	311
Mangonui Parks & Reserves Renewals	19	4	0	0	3	4	243	0	0	0
Maromaku Parks & Reserves Renewals	0	0	0	0	22	0	0	0	0	0
Moerewa Parks & Reserves Renewals	192	247	162	0	0	0	19	6	14	0
Opuia Parks & Reserves Renewals	6	0	0	0	0	0	0	0	0	0
Paihia Parks & Reserves Renewals	148	43	58	239	69	34	1	11	41	244
Russell Parks & Reserves Renewals	52	0	10	109	0	0	6	0	6	81
Taupo Bay Parks & Reserves Renewals	17	0	0	0	0	1	0	0	0	0
Tauranga Bay Parks & Reserves Renewals	0	0	0	0	0	0	10	0	3	0
Te Ngaere Parks & Reserves Renewals	3	0	0	0	4	0	0	0	0	0
Whangaroa Parks & Reserves Renewals	48	0	0	9	33	0	0	0	0	0
Parks & Reserves Total	695	764	825	649	606	924	948	205	188	944

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s						
RENEWAL WORKS (continued)										
Public Toilets										
Cobham Road Public Toilets Renewals	93	0	0	0	0	0	0	0	0	0
Hundertwasser Public Toilets Renewals	0	24	0	0	0	0	0	0	188	20
Johnson Park Public Toilets Renewals	0	0	0	21	0	0	0	0	0	0
Julian Carpark Public Toilets Renewals	0	0	57	0	0	0	0	0	0	0
Kaeo Public Toilets Renewals	0	0	0	20	0	0	0	0	0	0
Lily Pond Public Toilets Renewals	0	0	12	0	0	0	0	0	0	0
Long Beach Public Toilets Renewals	0	0	0	0	0	81	0	0	0	0
Moerewa Public Toilets Renewals	0	0	0	82	0	0	0	0	0	0
Opuā Ferry Ramp Public Toilets Renewals	0	0	0	8	0	0	0	0	0	0
Ratcliffes Bay Public Toilets Renewals	0	0	0	42	0	0	0	0	0	0
Seaplane Ramp Public Toilets Renewals	0	0	0	30	0	0	0	0	0	0
Seaview - Marsden Road Public Toilets Renewals	0	0	0	0	0	0	76	0	0	0
Tapeka Point Public Toilets Renewals	52	0	0	0	0	0	0	0	0	0
Taupo Bay Public Toilets Renewals	0	0	0	0	21	0	0	0	0	0
Tauranga Bay Public Toilet Renewals	29	0	0	0	0	0	0	0	0	0
Te Haumi Public Toilets Renewals	30	0	0	0	0	0	0	0	0	0
Te Tii Public Toilets Renewals	70	0	0	0	0	0	0	0	0	0
Waipapa Landing Public Toilets Renewals	0	0	0	5	0	0	0	0	0	0
Williams Road, Paihia Public Toilets Renewals	0	0	0	0	0	0	0	0	0	25
Yorke Street, Russell Public Toilets Renewals	0	0	0	0	0	122	0	0	0	0
Public Toilets Total	274	24	70	208	21	204	76	0	188	45
Street Lighting										
Eastern Amenity Lighting Renewals	0	0	0	0	0	0	3	0	0	0
Street Lighting Total	0	0	0	0	0	0	3	0	0	0
Bay of Islands - Whangaroa Total	1,594	1,371	2,033	2,237	4,617	1,699	1,256	986	2,925	3,132

DISTRICT FACILITIES GROUP

District Facilities										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
RENEWAL WORKS (continued)										
District										
Airports										
Kaikōhe Airport Clubrooms Renewals	0	0	0	0	0	34	0	0	0	0
Airports Total	0	0	0	0	0	34	0	0	0	0
Civil Defence										
Civil Defence Vehicle Renewals	35	0	0	0	38	0	0	0	44	0
Tsunami Warning Devices	0	0	82	120	0	0	0	95	140	0
Civil Defence Renewals	0	0	1	4	10	1	7	0	6	54
Civil Defence Total	35	0	83	124	48	1	7	95	190	54
Information Centre										
Information Centre Renewals	43	16	3	0	34	7	16	4	2	72
Information Centre Total	43	16	3	0	34	7	16	4	2	72
Libraries										
Library Book Renewals	203	216	232	238	245	252	260	268	277	287
Library Other Renewals	0	0	0	13	0	0	0	0	1	0
Library Software Renewals	0	0	0	0	137	0	2	0	0	162
Libraries Total	203	216	232	251	382	252	261	268	278	449
Maritime Facilities										
Maritime Facilities Renewals	0	0	0	0	0	0	0	6	0	0
Maritime Facilities Total	0	6	0	0						
Motor Camps										
Houhora Head Motor Camp Renewals	0	0	0	54	32	0	3	209	0	0
Tauranga Bay Motor Camp Renewals	0	0	0	10	115	0	17	0	67	0
Motor Camps Total	0	0	0	65	147	0	20	209	67	0
District Total	280	232	318	440	611	293	304	581	537	575

DISTRICT FACILITIES GROUP

District Facilities										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Kaikohe - Hokianga										
Amenity Lighting										
Amenity Lighting Western Renewals	0	0	9	0	0	1	0	0	0	0
Amenity Lighting Total	0	0	9	0	0	1	0	0	0	0
Carparks										
Memorial Avenue Carpark Renewals	0	0	0	0	0	0	0	456	0	0
Carparks Total	0	0	0	0	0	0	0	456	0	0
Cemeteries										
Okaihau Cemetery	0	0	0	0	4	0	0	0	0	0
Kaikohe Cemetery Renewals	0	0	5	16	0	0	0	0	0	0
Kohukohu Cemetery Renewals	0	0	0	0	5	0	0	0	0	0
Rawene Cemetery Renewals	0	0	0	8	0	0	0	0	0	0
Cemeteries Total	0	0	5	23	8	0	0	0	0	0
Community Centres										
Community Centres Western Renewals	31	0	382	0	0	0	0	0	0	176
Community Centres Total	31	0	382	0	0	0	0	0	0	176
Halls										
Halls Horeke Renewals	461	0	0	0	0	0	0	0	0	0
Halls Kaikohe Renewals	0	0	0	1,276	16	0	0	0	0	124
Halls Kohukohu Renewals	41	0	0	46	0	0	0	0	0	0
Halls Okaihau Renewals	15	0	302	0	0	0	363	0	0	2
Halls Opononi Renewals	0	0	0	0	759	38	0	0	0	34
Halls Rawene Renewals	0	153	0	339	26	0	0	0	0	0
Halls Taheke Renewals	0	0	0	238	1	0	0	0	2	14
Halls Total	517	153	302	1,898	802	38	363	0	2	174

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Housing for the Elderly										
Horeke Housing for the Elderly Renewals	1	0	61	0	35	8	0	1	10	4
Kaikohe Housing for the Elderly Renewals	2	104	347	33	108	580	37	52	35	44
Kohukohu Housing for the Elderly Renewals	32	18	128	65	47	22	2	1	19	0
Opononi Housing for the Elderly Renewals	154	0	143	86	46	49	49	60	0	0
Rawene Housing for the Elderly Renewals	123	0	214	19	13	13	20	14	43	31
Waima Housing for the Elderly Renewals	0	6	107	8	0	0	0	1	0	14
Housing for the Elderly Total	311	128	1,001	211	250	672	108	130	106	92
Information Centre										
Opononi Information Centre Renewals	0	0	0	0	0	0	0	0	2	0
Information Centre Total	0	0	0	0	0	0	0	0	2	0
Libraries										
Kaikohe Library Renewals	1	0	0	0	5	0	0	0	0	10
Kaikohe Library Renewals	0	460	0	0	0	0	0	0	1	0
Libraries Total	1	460	0	0	5	0	0	0	1	10
Maritime Facilities										
Omapere Maritime Renewals	0	0	0	0	0	284	184	0	14	0
Horeke Maritime Renewals	0	2	0	71	71	125	197	89	0	0
Kohukohu Maritime Renewals	0	0	2	139	0	0	677	35	16	34
Opononi Maritime Renewals	131	0	1	0	30	0	0	236	0	86
Rawene Maritime Renewals	0	0	0	53	3	0	0	3	0	332
Panguru Maritime Renewals	0	0	0	192	0	0	0	0	0	91
Maritime Facilities Total	131	2	3	455	103	409	1,058	364	30	543

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Parks & Reserves										
Horeke Parks & Reserves Renewals	0	3	0	0	2	0	0	3	0	0
Kaikohe Parks & Reserves Renewals	1,201	48	6	215	149	13	65	326	22	245
Kohukohu Parks & Reserves Renewals	0	0	188	0	0	0	1	0	0	0
Okaihau Parks & Reserves Renewals	108	0	8	0	0	0	4	14	0	19
Omapere Parks & Reserves Renewals	49	16	0	0	10	0	0	0	0	24
Opononi Parks & Reserves Renewals	7	26	0	0	5	0	0	0	3	14
Rawene Parks & Reserves Renewals	0	3	67	32	67	7	0	0	91	407
Taheke Parks & Reserves Renewals	52	0	0	0	0	0	0	24	0	0
Western Parks & Reserves Renewals	43	44	45	26	63	51	53	56	12	109
Parks & Reserves Total	1,460	139	313	273	297	71	124	423	128	818
Public Toilets										
Horeke Public Toilets Renewals	0	0	0	0	0	0	0	0	0	97
Kohukohu Public Toilets Renewals	0	0	0	0	0	0	0	0	0	84
Mangamuka Public Toilets Renewals	0	0	0	0	25	0	0	0	0	0
Marino Place Public Toilets Renewals	0	0	0	0	0	0	0	0	75	0
Mitimiti Public Toilets Renewals	0	0	0	0	0	0	0	11	0	0
The Narrows Public Toilets Renewals	0	0	0	0	0	0	0	0	2	3
Ohaeawai Public Toilets Renewals	23	0	0	0	0	0	0	0	0	0
Omapere Public Toilets Renewals	0	54	0	0	0	0	0	0	0	0
Opononi Public Toilets Renewals	34	0	0	0	0	0	0	0	0	0
Public Toilets Total	58	54	0	0	25	0	0	11	77	183
Service Centres										
Rawene Service Centre Renewals	0	0	0	0	239	0	0	0	0	0
Service Centres Total	0	0	0	0	239	0	0	0	0	0
Street Lighting										
Western Amenity Lighting Renewals	0	0	0	0	0	0	2	5	0	0
Street Lighting Total	0	0	0	0	0	0	2	5	0	0
Kaikohe - Hokianga Total	2,509	937	2,001	2,846	1,720	1,190	1,655	933	346	1,995

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Te Hiku										
Airports										
Kaitaia Airport Renewals	12	28	63	252	21	30	0	247	138	260
Airports Total	12	28	63	252	21	30	0	247	138	260
Amenity Lighting										
Amenity Lighting Northern Renewals	0	0	4	9	1	18	2	0	0	16
Amenity Lighting Total	0	0	4	9	1	18	2	0	0	16
Carparks										
Mangonui Cable Bay Carpark Renewals	0	0	0	1	0	0	0	0	2	0
Melba Street Carpark Renewals	0	0	0	0	0	0	0	0	516	0
North Road Carpark Renewals	0	0	0	0	0	0	0	0	15	0
Te Ahu Carpark Renewals	0	0	0	6	12	0	22	7	0	14
Carparks Total	0	0	0	7	12	0	22	7	533	14
Cemeteries										
Kaitaia Cemetery Renewals	40	0	0	0	0	0	0	0	0	19
Cemeteries Total	40	0	19							
Community Centres										
Community Centres Northern Renewals	0	195	31	858	14	0	75	0	0	129
Community Centres Total	0	195	31	858	14	0	75	0	0	129
Halls										
Halls Awanui Renewals	0	27	100	0	0	0	0	0	0	14
Halls Herekino Renewals	0	5	0	251	0	0	0	0	0	0
Halls Taipa Renewals	0	0	0	150	0	0	0	222	0	0
Halls Total	0	31	100	400	0	0	0	222	0	14
Housing for the Elderly										
Ahipara Housing for the Elderly Renewals	0	21	17	0	118	4	0	0	184	0
Awanui Housing for the Elderly Renewals	0	0	257	228	42	24	64	18	17	51
Kaitaia Housing for the Elderly Renewals	0	396	632	73	73	78	192	86	385	398
Housing for the Elderly Total	0	418	906	301	233	106	256	104	587	449

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Te Hiku										
Kaitaia Civic Buildings										
Old Kaitaia Info Centre Building	13	0	40	0	68	0	0	0	0	0
Old Kaitaia Library Building	0	46	0	0	0	0	0	0	0	381
Old Kaitaia Museum Driveway Gravel	0	0	0	0	0	0	0	0	0	13
Old Kaitaia Museum Retaining Wall Renewals	0	0	0	0	0	0	0	0	0	23
Old Kaitaia Museum Services Renewals	0	0	0	0	0	0	0	0	0	179
Old Kaitaia Museum Plant Renewals	0	0	0	0	0	0	0	0	0	16
Old Kaitaia Museum Structure Renewals	0	0	0	0	0	0	0	0	0	430
Kaitaia Civic Buildings Total	13	46	40	0	68	0	0	0	0	1,043
Maritime Facilities										
Awanui Maritime Renewals	0	0	0	0	0	930	0	33	14	0
Mangonui Maritime Renewals	0	2	11	79	147	0	80	24	0	417
Pukenui Maritime Renewals	0	44	0	0	1,303	14	3	70	0	0
Te Hapua Maritime Renewals	0	99	0	0	9	0	0	49	0	0
Taipa Maritime Renewals	0	0	13	0	17	0	0	0	0	296
Maritime Facilities Total	0	145	25	79	1,475	944	83	176	14	712
Parks & Reserves										
Ahipara Parks & Reserves Renewals	56	35	0	172	13	43	0	0	0	27
Awanui Parks & Reserves Renewals	13	4	19	88	205	0	5	0	62	0
Cable Bay Parks & Reserves Renewals	23	8	0	0	1	5	2	3	0	54
Herekino Parks & Reserves Renewals	0	0	0	0	0	172	0	0	0	31
Hihi Parks & Reserves Renewals	20	0	12	0	12	0	28	0	0	5
Houhora Parks & Reserves Renewals	166	0	0	0	0	182	0	0	180	0
Kaimaumau Parks & Reserves Renewals	5	0	0	0	0	0	0	0	0	0
Kaitaia Parks & Reserves Renewals	323	75	253	5	673	6	174	8	0	192
Matai Bay Parks & Reserves Renewals	2	0	2	1	2	0	2	0	4	0
Northern Parks & Reserves Renewals	74	76	78	39	106	87	89	96	22	186
Perehipe Parks & Reserves Renewals	7	0	6	0	0	0	0	0	0	1
Pukenui Wharf Parks & Reserves Renewals	33	26	0	0	0	0	47	0	0	0
Taipa Point Parks & Reserves Renewals	0	0	0	0	69	0	0	0	0	0

DISTRICT FACILITIES GROUP

District Facilities

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Te Hiku										
Parks & Reserves										
Tokerau Beach Parks & Reserves	20	0	0	0	0	0	21	4	0	3
Umawera Parks & Reserves Renewals	0	0	0	0	0	0	56	0	0	0
Waipapakauri Beach Parks & Reserves	197	0	0	0	22	0	0	0	0	72
Parks & Reserves Total	938	224	369	304	1,104	494	424	112	268	573
Public Toilets										
Awanui Public Toilets Renewals	0	0	0	0	0	39	0	0	0	0
Cable Bay Public Toilets Renewals	0	0	0	0	0	0	124	0	0	0
Centennial Park Public Toilets Renewals	0	0	33	0	0	0	0	0	0	0
Coopers Beach Public Toilets Renewals	0	0	0	0	0	0	90	0	0	0
Kaimaumau Public Toilets Renewals	0	0	91	0	0	0	0	0	0	0
Lions Park Public Toilets Renewals	0	0	0	0	0	0	0	0	62	0
Melba Street Public Toilets Renewals	96	0	0	0	0	0	0	0	0	0
Mill Bay Public Toilets Renewals	16	0	0	0	0	0	0	0	0	0
Perehipe Beach Public Toilets Renewals	69	0	0	0	0	0	0	0	0	0
Te Hapua Public Toilets Renewals	0	0	0	0	0	17	0	0	0	0
Tokerau Waioteraire Reserve Public Toilets Renewals	28	0	0	0	0	0	0	0	0	0
Waipapakauri Public Toilets Renewals	0	0	40	5	0	0	0	0	0	0
Public Toilets Total	406	0	165	5	22	56	215	0	62	72
Street Lighting										
Northern Amenity Lighting Renewals	0	0	0	0	0	0	8	90	0	0
Street Lighting Total	0	0	0	0	0	0	8	90	0	0
Swimming Pools										
Kaitaia Swimming Pool Renewals	0	0	0	0	0	0	0	0	4	0
Swimming Pools Total	0	0	0	0	0	0	0	0	4	0

DISTRICT FACILITIES GROUP

District Facilities										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Te Hiku										
Te Ahu Centre Occupancy Costs										
Te Ahu Centre Renewals	0	2	0	0	0	0	2	0	0	0
Te Ahu Centre Occupancy Costs Total	0	2	0	0	0	0	2	0	0	0
Te Ahu Library										
Te Ahu Library Renewals	0	0	0	0	15	0	0	0	0	7
Te Ahu Library Total	0	0	0	0	15	0	0	0	0	7
Te Hiku Total	1,160	865	1,605	1,089	2,894	1,599	988	704	934	2,797
RENEWAL WORKS TOTAL	5,222	3,409	4,953	6,467	9,674	4,577	4,089	3,444	4,082	8,672
GRAND TOTAL District Facilities	6,872	6,155	15,172	9,332	11,180	5,488	4,601	4,589	5,502	10,285

ENVIRONMENTAL MANAGEMENT GROUP

The Environmental Management activity group is comprised of all the regulatory activities carried out by Council on behalf of the district and its ratepayers. It includes Resource Management, and the processing of Resource Consents; and finally Building control, which includes the management of the Building Act and Building Codes as well as the issuance of Building Consents. These are a mixture of activities carried out for the public good as well as functions that are under taken to benefit individual organisations, groups and developers.

The group also includes Environmental Protection, which encompasses the broad range from Animal Control, Monitoring and enforcement functions, Environmental Health, Liquor Licensing, Parking enforcement and Noise Control.

Animal Control

The Animal Control activity administers and enforces the Dog Control Act 2006 and aspects of the Impounding Act 1955 that are Council's responsibilities. If found on Council controlled roads, wandering stock are impounded if the owner cannot be traced. In addition, stock are impounded if brought to Council for trespassing onto private property.

Key facts

- Council registers approx. 10,000 dogs per annum
- Responds to around 260 complaints or enquiries per month
- Impounds up to 100 dogs per month
- Council regularly responds to approx. 35 call-outs for wandering stock per month.

Why we do it

Council's aim is to safeguard public health, welfare, and safety by ensuring compliance with relevant legislation, policies and bylaw. This includes:

- Dealing with animal control, including dog registration and control, in accordance with the provisions of the Dog Control Act 2006
- Acting as pound keepers and dealing with wandering/straying stock, in accordance with the provisions of the Impounding Act 1955
- Identifying the owners of dogs through dog registration
- Where required, micro-chipping of dogs
- Apply the enforcement provisions of the Dog Control Act
- Educating the community about dogs
- Encouraging responsible dog ownership
- Receiving, investigating, and resolving complaints about dogs
- Creating by-laws that give effect to policies and enable enforcement of policy provisions
- Provide for the protection of native, indigenous, or protected wildlife

ENVIRONMENTAL MANAGEMENT GROUP

- Ensure Council's responsibilities under the Impounding Act 1955 are carried out as pound keepers, and ensure wandering stock on roads are not a danger to the public
- Work with farmers to minimise cases of wandering stock and reduce the number of repeat incidents
- Work with farmers on matters such as fencing problems on a case by case basis throughout the year.

Recent progress - What we have achieved since the last plan

- Council has upgraded the southern pound, introducing covered wash down areas for the vehicles and additional holding pens for dogs
- Animal Control has increased the seizing of unregistered dogs as provided for under section 42(2)(a) of the Dog Control Act 1996.

What we have not achieved since the last plan

We did not achieve the intended educational talks as planned.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
To identify and reduce the number of unregistered dogs	The identification of unregistered dogs is a perpetual problem requiring much officer time in registering dogs. Many dogs are in remote locations, requiring long periods of travel and time, and some are found to belong to 'difficult' owners

What you have told us

The 'Resident Opinion Survey Report 2014' indicates that 12% of the main reasons for contact with the Council were in relation to Animal Control matters

What we plan to do

The Animal Control activity intends to continue to make its presence known through on-going patrolling and investigation of unregistered dogs, and it will continue with the identification and remedying of incidents of wandering stock to minimise risk to road users.

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: It is expected that growth of the population will bring an increase in the number of dogs to the district. Therefore, unless dog owners are made more aware of their responsibilities, there is the potential for an increase in dog related incidents, resulting in more dogs

ENVIRONMENTAL MANAGEMENT GROUP

being impounded. There is a need to continue making the public aware of their responsibilities, through taking advantage of talks and the media.

Priority 2: Wandering stock problems are seasonal. Climate change, increasing wet weather and the availability of feed could impact on the demand for officers to deal with more wandering stock incidents. This will require the group to work with farmers on matters such as fencing problems on a case by case basis. An increase in people keep animal such as pigs in inadequate facilities will also increase demand on the service.

Priority 3: Build a new purpose-built dog pound in Kaitaia. This is a requirement to ensure that Council is aligned with the legislation (section 67 of the Dog Control Act 1996).

What we don't plan to do

There is nothing under the legislation covered by Animal Control that we do not plan to do.

Animal Control: Ten year plan measures and levels of service

Community Outcome

Safe, healthy, resilient places and people

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We regulate, advocate for, and support where we can, improved safety and health for our people	Improve the response to incidences involving dogs and stock	Percentage of incidences responded to within set timeframes dependent on seriousness of incident	Data collected and monitored through internal systems	88%	≥90%	≥90%	≥90%	Remains at ≥90% for the remaining years

ENVIRONMENTAL MANAGEMENT GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We regulate, advocate for, and support where we can, improved safety and health for our people	Increase public awareness and educate animal owners	Number of awareness programmes	Data collected and monitored through internal systems	0	6	6	6	Remains at 6 for the remaining years

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
An increasing risk to officers when dealing with difficult people	High	Ensure that all possible measures to safeguard officers by the identification of places that 'known' difficult people reside, and providing appropriate safety equipment and means of rapid communication, and working with the Police for assistance when properties or persons are identified	Medium
Dangerous dogs are a risk to the public, with the potential for dog attacks on humans and stock	Medium	Continual identification of unregistered dogs, and working with farmers to identify dogs that may have attacked stock, with the aim of reducing the number of 'unknown' dogs and their owners	Low

ENVIRONMENTAL MANAGEMENT GROUP

Risk	Current rating	Mitigation	Rating after mitigation
Wandering stock have the potential to cause road accidents or damage to property, therefore affecting the community's health, wellbeing, environment, economy, and cultural interests	Medium	Continue to identify locations where stock wandering is a common incident, and work with stock owners to improve fencing and management of their stock	Low

Significant Negative Effects

Potential negative effect	How we are addressing this
Dangerous and wandering dogs have a particular effect on the health and social lives of people, with the risk of attack when out walking or visiting properties	Patrolling of streets to remove wandering dogs. Identifying unknown dogs and ensuring they are registered, so that ownership can be traced if necessary. Educational talks and information about good dog ownership
Wandering stock have the potential to cause road accidents or damage to property, therefore affecting the community's health, wellbeing, environment, economy, and cultural interests	Identifying locations where incidents of wandering stock are frequent and working with land owners to improve fencing. Impounding stock when necessary

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

ENVIRONMENTAL MANAGEMENT GROUP

Environmental Health

The Environmental Health Activity manages Council's responsibilities under the Health Act 1956, and other related regulations.

Key facts

Council inspects around 450 food premises throughout the year and responds to complaints of health nuisance. The activity supports Council's Resource Planning and Building departments, in relation to consent applications relevant to their role (e.g. food premises). In addition, they support the Liquor Licensing Agency and inspect licensed premises, as required by the Sale and Supply of Alcohol Act 2012.

Council also

In carrying out this activity, Council undertakes:

- Inspection of food premises (Food Hygiene Regulations 1974)
- Inspection of Liquor Licensed premises (Sale and Supply of Alcohol Act 2012)
- Health Nuisance (Health Act 1989)
- Investigation of notifiable infectious diseases
- Assessing and audits of Food Control Plans (Food Act 2014).

Why we do it

The role of the Environmental Health officers is to carry out the responsibilities of a Territorial Authority under the Health Act 1956 and related Regulations.

Recent progress - What we have achieved since the last plan

With the Food Act 2014 coming into force in June 2014, Council has established working processes for the transition from the current 'inspection' of premises under the Food Hygiene Regulations 1974, and the Health (Registration of Premises) Regulations 1966, to the new requirements of assessing and auditing Food Control Plans under the new legislation.

What we have not achieved since the last plan

No significant projects are outstanding for this activity.

ENVIRONMENTAL MANAGEMENT GROUP

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Handling the transition period from June 2014 to the anticipated 1st March 2016 when the Food Act 2014 comes into full effect and the mandatory requirements begin. Then the further 3 years of transition to the phasing out of the Food Hygiene Regulations and the need for premises to 'register'	There is a need to continue to operate dual systems of administration until the full transition is complete in 2019. This will create additional work for the Environmental Health officers and the administration support in assisting operators to make that transition

What you have told us

Public consultation was sought during the development of the Food Act 2014 and there are no known specific requirements for the Far North District community.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Phase in the current food premises in accordance with the requirements of the Food Act 2014.

What we don't plan to do

There is no plan to change the current roles and responsibilities of this activity

Environmental Health: Ten year plan measures and levels of service

Community Outcome

Safe, healthy, resilient places and people

ENVIRONMENTAL MANAGEMENT GROUP

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We regulate, advocate for, and support where we can, improved safety and health for our people	Improve processes and maintain quality of food premises	Percentage of all food control plans assessed and audited annually	Data collected and monitored through the internal system	75%	≥96%	≥96%	≥96%	Remains at ≥96% for the remaining years

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
That Council and the operators will not be prepared for any impending legislative changes	Medium (for operators in particular)	To provide operators with as much assistance and information as possible to prepare them, and help them through	low

Significant Negative Effects

Potential negative effect	How we are addressing this
The service is aimed at safeguarding the social, economic, environmental, cultural, and the health and welfare of the public in general. The only negative effect will be on an individual or business that does not comply; or does not minimise or remedy any health nuisance	During the transition period officers will spend time advising and educating food operators of the requirements of the new legislation and assisting them with the changeover

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

ENVIRONMENTAL MANAGEMENT GROUP

Monitoring and Enforcement

The Monitoring group is responsible for the administration and enforcement of Council's General Bylaws, Resource Management Act 1991 and Council's District Plan, and other legislations.

Key facts

The Monitoring Activity under takes the role of Regulatory enforcement for which Council has responsibility; such as Resource Consent monitoring, District Plan and Resource Management Act breaches, bylaw enforcement and Litter Act.

Council also

The Monitoring activity carries out the functions of, amongst others:

- Monitoring of Resource Consent conditions
- Investigating breaches of the District Plan and Resource Management Act 1991
- Investigating reports of illegal dumping of rubbish (Litter Act 1979)
- Licensing and enforcement under Council's general bylaws
- Inspection of on-site wastewater systems
- Maori Freehold Land and rating inspections
- Smoke and fire nuisance
- Emergency events and Civil Defence responses.

Why we do it

Council is responsible for complying with legislation designed to safeguard public health and welfare, minimise environmental risk and protection of Cultural interests; such as the Resource Management Act 1991, Litter Act 1979, Local Government Act 1974 and 2002.

Recent progress - What we have achieved since the last plan

No significant projects are outstanding for this activity.

What we have not achieved since the last plan

The Monitoring of Land Use Resource Consents was not fully achieved as planned.

ENVIRONMENTAL MANAGEMENT GROUP

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Increased dumping of illegal rubbish in some areas and increased cost to the ratepayer in cleaning up and disposing of rubbish. By targeting these areas, the aim is to infringe or prosecute identified offenders; and therefore reduce the level of illegal dumping	The failure to find evidence to enable offenders to be penalised may result in little or no decrease in incidents, and possible a further increase
Increased incidents of emergency events due to climatic change; such as flooding, and conversely, dry weather events such as fire risk increase cost on the ratepayer in dealing with emergency events and risk of damage to proper ties and utilities	Failure to follow up on flooding incidents may result in the risk to the health and welfare of affected persons, and properties. Failure to ensure overgrown sections in urban areas are maintained may result in an increased risk to fire hazards and the safety of persons and properties

What you have told us

There are no specific references to Monitoring in the 'Residents Opinion Survey Report 2014', however the 'Main reason for contacting Council' portion of the report indicates between 5-10% of enquiries relate to this work.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Targeting areas of high levels of illegal dumping, and infringing or prosecuting identified offenders.

What we don't plan to do

There is no plan to change the current roles and responsibilities of this activity.

Monitoring and Enforcement: Ten year plan measures and levels of services

Community Outcome

Safe, healthy, resilient places and people

ENVIRONMENTAL MANAGEMENT GROUP

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Safer community, environment	Respond to Request for Service (RFS) in required time scales	Percentage of RFS responded on time	Data collected and monitored through the internal system	91%	≥90%	≥90%	≥90%	≥90%
Safer community, environment	Respond to and carry out inspections relating to On-site wastewater issues	Percentage responded to on time	Data collected and monitored through the internal system	New	≥90%	≥95%	≥95%	≥95%

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Additional activity assumptions specific to this activity area are in the table below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
That the responsibilities of the group remain at the same level as they currently are	That the responsibilities will change	Medium	An increase in responsibilities without additional resource will affect the ability to meet those responsibilities	An increase in responsibilities may result in a need to increase expenditure.	A clear understanding of what role the Monitoring group will perform

ENVIRONMENTAL MANAGEMENT GROUP

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
The continued incidents of dumping of illegal rubbish require constant monitoring and cleaning up of rubbish, mainly at a cost to the ratepayer	High	Working with Council's contractors who are responsible for removal of illegally dumped rubbish, to increase surveillance and prosecute offenders who can be clearly identified, and infringe those offenders where evidence is found but clear identification that would lead to prosecution is not available	Medium
There is a potential of health risk to officers inspecting On-site wastewater systems	Medium	Provide appropriate safety equipment and protective clothing	Low

Significant Negative Effects

Potential negative effect	How we are addressing this
Dealing with the identification and removal of illegally dumped rubbish carry risks to those people's health when checking rubbish for evidence, such as broken glass, needles, and other health nuisances	Appropriate safety wear is provided and staff are required to approach any rubbish with care

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

ENVIRONMENTAL MANAGEMENT GROUP

Liquor Licensing Committee

The responsibility of the District Licensing Committee (DLC) is to process and issue all unopposed liquor licensing and managers certificates, and hold Hearings and make decisions on opposed licenses and certificates, as an agency to the Alcohol and Regulatory Licensing Authority based in Wellington. All work is carried out as a requirement of the Sale and Supply of Alcohol Act 2012 and incorporates such licensing as On- Licenses, Off-Licenses, Temporary Authorities and Special Licenses.

Key facts

The Committee processes over 900 applications per annum, including On and Off-Licenses, Temporary Authorities, Special Licensing and Managers Certificates.

Council also

- Processes and issues all unopposed Liquor Licenses (e.g. On-Licenses, Off-Licenses, Tavern Licenses, Special Licenses, Temporary Authorities, and Club Licenses)
- Processes and issues all unopposed Manager's Certificates
- Holds Hearings and decides on opposed licenses and certificates
- Carries out Host Responsibilities inspection of licensed premises
- Reports to the Alcohol and Regulatory Licensing Authority
- Is a Member of the Far North Alcohol Team (FNAT).

Why we do it

The activities of the Agency are the delegated authorities under the Sale and Supply of Alcohol Act 2012.

Recent progress - What we have achieved since the last plan

The District Licensing Committee has successfully established in its role under the Sale and Supply of Alcohol Act 2012.

What we have not achieved since the last plan

Due to the implementation of the new legislation and the demand on resources, the number of Host Responsibilities were lower than expected.

ENVIRONMENTAL MANAGEMENT GROUP

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
A Policy has been drafted and subjected to a public consultation. However, it has been referred back to the Regulatory & Environment Committee for some re-working.	The LAP will set out a criteria under which applications will need to be assessed when considering such matters as trading hours, location and proximity

What you have told us

There have been some concerns about the new fees for new applications and renewals, and in particular the annual fees now required under the new legislation.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Council will continue to operate the Committee under the new legislation.

Priority 2: Actively participate as a member of the Far North Alcohol Team (FNAT).

What we don't plan to do

There is no plan to change the current roles and responsibilities of this activity.

Liquor Licensing Committee: Ten year plan measures and levels of service

Community Outcome

Safe, healthy, resilient places and people

ENVIRONMENTAL MANAGEMENT GROUP

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We regulate, advocate for, and support where we can, improved safety and health for our people	Undertake Host Responsibility inspection of premises	Percentage of licensed premises monitored for compliance on an annual basis	Data collected and monitored through the internal system	11%	25%	25%	25%	Remains at 25% for the remaining years

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Providing the Committee continues to perform its duties as it does now the only risk would result from an error in following those processes		Low	

Significant Negative Effects

Potential negative effect	How we are addressing this
Without the ability to have control of the sale of alcohol, the effects on social, economic, welfare, and cultural interests could increase	Continue with the responsibilities of the Committee

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

ENVIRONMENTAL MANAGEMENT GROUP

Parking Enforcement

The purpose of this role is to regulate the various uses which are made of the road corridor to promote the safe and efficient use of that corridor.

Key facts

The Parking Enforcement Activity is undertaken to manage and control parking on Council owned car parks and on roadside parking spaces.

Council also

Council undertakes parking control and enforcement throughout the district by:

- Carrying out the duties of parking wardens, and issuing Infringement Notices where appropriate, under Council's Parking & Traffic Bylaw and Schedules
- Ensuring public safety by monitoring disabled parking and pedestrian crossings.

Why we do it

To ensure that the parking facilities provided for the use of the general public are fairly and equally available to all, and are not taken up by drivers who restrict this access by overstaying beyond the permitted time; or, misuse dedicated parking facilities such as Disability parking.

Recent progress - What we have achieved since the last plan

In accordance with Council resolution, provided seasonal parking enforcement in Paihia from Labour weekend through to the end of Easter weekend.

What we have not achieved since the last plan

We have not provided all year round parking enforcement in Kerikeri. The service has only been carried out when staff have been available.

ENVIRONMENTAL MANAGEMENT GROUP

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Reduction of service	Apart from random enforcement of the instant infringement offences by the monitoring team, there will be no formal enforcement of parking restrictions in the district except for seasonal cover in Paihia and random cover in Kerikeri. This may cause the use of current parking restricted spaces to be occupied by one vehicle all day long, therefore restricting the ability of other drivers to access public parking, in those townships where parking enforcement is not to be carried out or those days only randomly covered

What you have told us

Elements of the Paihia community wish for a year round service to be reinstated.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Enforcement of 'instant Infringement offences' (e.g. incorrect parking in disability parking) throughout the district.

Priority 2: Seasonal cover for Paihia and Kerikeri to continue.

What we don't plan to do

Parking enforcement, other than instant infringement offences, will not be extended within the district.

Parking Enforcement: Ten year plan measures and levels of service

Community Outcome

Safe, healthy, resilient people and places

ENVIRONMENTAL MANAGEMENT GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
With no enforcement, the risk is that parking spaces may be occupied all day by staff of businesses and others, resulting in insufficient parking for the Public in some towns	High	Increased enforcement	Low

Significant Negative Effects

Potential negative effect	How we are addressing this
Without the ability to control the use of parking spaces there is potential for businesses to be affected, as customers will not be able to park on the roadside if those spaces are occupied all day	Continue with enforcement

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

ENVIRONMENTAL MANAGEMENT GROUP

Resource Consent Management

The Resource Consent Management activity primarily involves the processing of resource consent applications in accordance with the District Plan and Resource Management Act 1991. However, as well as resource consent applications, the activity also processes other related consents and approvals required under other legislation. Examples include Earthworks Permits pursuant to Council's bylaw; Liquor Licence Certificates of Compliance; Health Licence checks for District Plan compliance; Right of Way consents and certificates; as well as post approval subdivision certifications, for example survey approval. A significant portion of the activity includes the provision of information to the public and answering queries, both externally and internally (within Council).

Key facts

During 2013/14, the Consents department issued 373 RMA consents, including, but not restricted to:

- 83 subdivision consents
- 210 land use consents
- 21 combined consents (sub/land use)
- 3 discharge consents
- 36 variations and/or extensions
- 105 Non RMA approvals/permits, such as Rights of Way, earthworks permits and Liquor Licence Certificates
- 297 Subdivision Certificates (e.g. survey approvals, completion certificates, consent notices).

Council also

While processing consent and permit applications are the group's core function, so too is giving planning advice and answering queries. Council offers a comprehensive duty planner service 5 days a week plus the option of pre application meetings.

Why we do it

Council is required to undertake the activity of processing resource consents under Section 31 of the Resource Management Act 1991, as well as other legislation such as the Local Government Act 2002.

In addition to the legislative requirements, the activity has the ability to contribute to the well-being of the community and the sustainable development of the district by:

- The promotion of community confidence and trust in the resource consent procedures and decisions
- The provision of expertise to ensure that all relevant issues are considered
- The application of equity and fairness when considering resource consent applications
- The enabling of the community to undertake activities.

ENVIRONMENTAL MANAGEMENT GROUP

Recent progress - What we have achieved since the last plan

- Maintained a consistently high achievement percentage in regard to meeting statutory timeframes for non-notified resource consents, with the 2013/14 figure being above 95%
- Continued to improve resource consent processing by reviewing and updating several forms and templates, and internal processes
- Continued the education programme with the development industry through the practitioner meeting programme, and through our Duty Planner, and pre application meeting services.

What we have not achieved since the last plan

On-line (electronic) systems to enable customers to quickly assess their development proposals against District Plan requirements.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Economic growth leading to increasing resource consent application numbers will challenge Council's ability to retain and recruit sufficient professional staff	Potential reliance on consultants and/or a reduction in current compliance with statutory timeframes
Increased devolution from central government down to local government of regulatory responsibilities, often without the necessary support either financial or in terms of expertise	Potential reliance on externally sourced expertise, thereby increasing compliance costs; likely longer timeframes involved in processing consents and impact on ability to continue to meet statutory timeframes

What you have told us

The 2014 Resident Opinion Survey Report showed that 60% of those surveyed who had applied to Council over the previous 12 months for a resource consent were either satisfied or very satisfied. The target was 50%, which was substantially exceeded.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Continue to provide a high quality service while keeping costs to an appropriate level. This will assist in meeting the community's desire to use funds to improve infrastructure. It does result in a continuation of the policy that at least half, and maybe more, of the costs associated with processing resource consents should lie with an applicant, although the overall benefit to the community that the regulatory process provides is recognised.

ENVIRONMENTAL MANAGEMENT GROUP

Priority 1: 95% of non-notified resource consent applications processed within the statutory time frame.

Priority 2: Place an emphasis on customer focused provision of services with the aim of achieving a high level of customer satisfaction.

Priority 3: Ensure that processing systems and methodologies are the most efficient and effective way to achieve statutory compliance.

What we don't plan to do

The Council has legislative imperatives that govern its regulatory functions. There is no discretion available to the Council as to what functions it will or will not carry out. Therefore the focus will be on service level improvements to the customer and public.

Resource consent management: Ten year plan measures and levels of service

Community Outcome

Capable, credible, civic leadership that advocates for people and is trusted by the communities we serve

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We deliver on our goals and commitments. We are transparent and open, listen to and include community views in our decision making	Achieve positive results in terms of processing times and customer satisfaction	Percentage of customers satisfied or very satisfied with the resource consent process	Annual Community Feedback Survey	60%	≥60%	≥60%	≥60%	Remains at ≥60% for the remaining years

ENVIRONMENTAL MANAGEMENT GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Rising costs of the service may deter compliance if people feel that the risk of not complying is equivalent to the cost of complying	High	Continue to focus on cost containment and process efficiencies to reduce the need for fee increases; and to enable applicants to feel that they have received a value for money service from the Council	High
Legal or other challenges to decisions	High	Ensure adherence to proper processes and procedures to minimise potential future claims	High

Significant Negative Effects

Potential Negative Effect	How we are addressing this
Inaccurate advice given by inexperienced staff may have detrimental effects on key community outcomes, public health, public safety and/or the environment	Continue professional development of staff through internal and external training opportunities
Increased level of non-compliance, because of a belief that compliance costs are too high, resulting in poor design choices and significant adverse effects on the environment, including fresh water quality and the coastal marine area	Continue to perform the Council's statutory obligations, including monitoring functions under the District Plan and Resource Management Act 1991

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

ENVIRONMENTAL MANAGEMENT GROUP

Building Consent Management

Building Consent Activity generally comprises three functions; consenting, inspecting and issuing code compliance certificates for building work to ensure better, safer, drier buildings that meet legal requirements. These functions are administered in accordance with the Building Act 2004 and the New Zealand Building Codes. A significant amount of this activity includes customer enquiry and communication to the public which is not presently recoverable from the fees and charges schedule.

Key facts

During the 2013/14 year Council:

- Issued 1064 Project Information Memoranda and Building Consents
- Performed 5665 field inspections
- Administered 829 Building Warrant of Fitness renewals
- Administered 692 swimming pool fencing inspections.

Council also

- Sought determination guidance and determinations for binding technical decisions
- Responded to historical building issues
- Processed improvement through legislative changes and auditing outcomes
- Responded to community needs during Civil Defence events through the Northland Regional Group.

Why we do it

The vision of the Building Consents Team is to ensure that the people of the Far North can use buildings safely without endangering their health.

Council will achieve this by:

- Retaining Building Consent Authority status through accreditation
- Continuing to implement legislative and technological changes in a consultative manner with industry
- Processing, issuing, inspecting, and certifying building consent applications under the statutory performance requirements
- Dealing with weather tight claims under the Weather Tight Resolution Service Act 2006, District Court and High Court
- Issuing field advice notices, statutory notices, infringements, and enforcement action under the Building Act 2004
- Processing consents with the regional mapping guidance documents
- Enforcing effluent disposal requirements under delegation from the Regional Council
- Adhering to the Earthquake Prone Policy
- Maintaining and updating the swimming pool register

ENVIRONMENTAL MANAGEMENT GROUP

- Ensuring compliance with the Fencing of Swimming Pools Act 1987.

Recent progress - What we have achieved since the last plan

Continued to improve processes and retained the BCA accreditation to ensure that:

- Building Consents are issued in compliance and within the statutory time frame or less when possible
- Inspections are performed in a timely manner from the booking request
- Code compliance certificates are issued in compliance and within the statutory time frames or less when possible
- Customer queries answered in a timely manner.

What we have not achieved since the last plan

Electronic based consenting system for applications, processing, inspection and certification has not been implemented because of a limitation of service providers and product available to connect with Council's internal electronic platform. However electronic processing of consents is being developed as an interim measure.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Electronic and ICT advancement for the building consent service (applications, processing, inspection and certification)	Paper based and traditional methods are not in step with the digital age and the paper record could create a hard copy storage issue
The rolling out of Building Act 2004 Amendments and review of other legislation such as the Fencing of Swimming Pools and Earthquake Prone Building legislation, Regional Policy Statements and hazard identification continues	These changes have not been enacted however it is likely that the building function will become more technical and more reliance placed upon the Licenced Building Practitioners Scheme. It is likely there will also be more onerous technical responsibility placed on the building consents team to cover the new legislative requirements

What you have told us

The 2013/14 residents' surveys on the level of satisfaction with the building consent process showed 67% of applicants felt well informed about this process. This is an improvement from the last resident survey of 6%.

Council will continue to receive feedback from the community to assist in suggested improvements. These feedback improvements will be considered and implemented if statute and accreditation requirements allow.

ENVIRONMENTAL MANAGEMENT GROUP

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

The principal objectives for service relate specifically to compliance timeframes:

Priority 1: 90% Building Consent applications issued or refused within the statutory time frame.

Priority 2: Inspections are performed in a timely manner from the booking request.

Priority 3: 90% Code Compliance Certification issued or refused within the statutory time frame.

Priority 4: Annual fee and service charges adjusted in line with the LTP.

Priority 5: Accreditation compliance.

Priority 6: Continuation of Web site review and update with public information.

Priority 7: Building warrant of fitness compliance renewals and ongoing register update.

Priority 8: Swimming pool fencing compliance register and ongoing register update.

Priority 9: Continuation of the building accreditation levy.

Priority 10: Record chargeable hours against related applications.

What we don't plan to do

Continue with shared newsletter from Northland councils. The website will be the information source.

Building Consent Management: Ten year plan measures and levels of service

Community Outcome

Capable, credible, civic leadership that advocates for people and is trusted by the communities we serve

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We deliver on our goals and commitments	Improve service to district	Percentage of residents satisfied with building	Annual community feedback survey results	56%	≥60%	≥60%	≥60%	Remains at ≥60% for the remaining years

ENVIRONMENTAL MANAGEMENT GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We are transparent and open, listen to and include community views in our decision making		consent process						

Activity Assumptions

The Council Planning Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Technical risk of carrying out the Building Consenting and compliance function	Medium	Ensuring enough staff and that they are competent and have sufficient time to carry out the function through a regulated competency matrix and are working towards a recognised formal qualification	Low

Significant Negative Effects

Potential negative effect	How we are addressing this
Electronic or digital consenting for application, processing and inspection is not available at the current time	Developing electronic processing checklist using smart phones and implementing an electronic library as an interim solution until a vendor type package is developed
Compliant technical decision making	Ensuring staff have sufficient time, knowledge and technical ability to carry out this function

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

ENVIRONMENTAL MANAGEMENT GROUP

FINANCIAL FORECAST AND STATEMENTS

ENVIRONMENTAL MANAGEMENT PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan											
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
	Revenue										
4,851	Rates - General	5,557	5,984	6,197	5,918	6,180	6,887	7,189	7,612	7,969	8,308
137	Rates - Penalties	141	141	141	141	141	141	141	141	141	141
3,365	Fees & Charges	4,084	4,040	4,040	4,582	4,582	4,182	4,182	4,088	4,088	4,088
26	Subsidies Operational	26	26	26	26	26	26	26	26	26	26
(0)	Other Income	11	11	11	11	11	11	11	11	11	11
8,379	Total Comprehensive Revenue	9,820	10,203	10,416	10,679	10,941	11,248	11,550	11,878	12,236	12,574
	Direct Costs										
7,316	Direct Costs	8,837	9,084	9,276	9,509	9,746	10,015	10,285	10,575	10,897	11,195
6	Interest	7	20	20	19	18	18	16	15	13	12
145	Depreciation	92	206	211	217	223	230	236	244	252	261
7,466	Total Direct Operating Expenditure	8,935	9,310	9,508	9,744	9,986	10,262	10,538	10,834	11,162	11,468
913	Indirect Costs	884	893	908	934	954	986	1,012	1,045	1,074	1,107
913	Total Indirect Costs	884	893	908	934	954	986	1,012	1,045	1,074	1,107
8,379	Total Operating Expenditure	9,820	10,203	10,416	10,679	10,941	11,248	11,550	11,878	12,236	12,574
0	NET SURPLUS / (DEFICIT)	0	0	0	0	0	0	0	0	0	0

ENVIRONMENTAL MANAGEMENT GROUP

ENVIRONMENTAL MANAGEMENT STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Annual Plan											
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT											
0 Net Surplus/(Deficit)	0	0	0	0	0	0	0	0	0	0	0
0 Loan	0	0	0	0	0	0	0	0	0	0	0
97 Appropriations from Reserves	9	28	22	43	33	22	147	22	29	84	
0 Notional Loans Raised	250	0	0	0	0	0	0	0	0	0	
0 Appropriation to Reserves	0	0	0	0	0	0	0	0	0	0	
97 Total Funding	259	28	22	43	33	22	147	22	29	84	
Capital Expenditure											
86 Capital Projects	250	6	0	21	11	0	126	0	7	62	
11 Debt Repayment	9	22	22	22	22	22	22	22	22	22	
97 Total Capital Expenditure	259	28	22	43	33	22	147	22	29	84	
0 NET SURPLUS/(DEFICIT)	0	0	0	0	0	0	0	0	0	0	0

ENVIRONMENTAL MANAGEMENT GROUP

CAPITAL PROJECTS BY WARD

Environmental Management Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS										
Te Hiku										
Animal Control Dogs										
Kaitaia Dog Pound Upgrade	250	0	0	0	0	0	0	0	0	0
Te Hiku Total	250	0	0	0	0	0	0	0	0	0
LEVEL OF SERVICE WORKS TOTAL										
	250	0	0	0	0	0	0	0	0	0
RENEWAL WORKS										
Bay of Islands - Whangaroa										
Animal Control Dogs										
Pakaraka Stock Pound Renewals	0	0	0	0	0	0	0	0	0	0
Bay of Islands - Whangaroa Total	0	0	0	0	0	0	0	0	0	0
District										
Animal Control Dogs										
Animal Control Trailers/Horse Float Renewals	0	0	0	0	11	0	6	0	0	27
Monitoring										
Security Camera with Outdoor Housing Renewals	0	0	0	7	0	0	0	0	0	0
Sound Testing Equipment Renewals	0	0	0	12	0	0	0	0	0	0
Regulatory Services Administration										
PABX Equipment & 3 Enterprise IP Renewals	0	0	0	0	0	0	86	0	0	0
Data Outlets and Phone Cabling	0	6	0	0	0	0	0	0	7	0
Regulatory Services Renewals	0	0	0	2	0	0	0	0	0	35
District Total	0	6	0	21	11	0	92	0	7	62

ENVIRONMENTAL MANAGEMENT GROUP

Environmental Management Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
Te Hiku										
Animal Control Dogs										
Kaitaia Dog Pound Renewals	0	0	0	0	0	0	33	0	0	0
Te Hiku Total	0	0	0	0	0	0	33	0	0	0
RENEWAL WORKS TOTAL	0	6	0	21	11	0	126	0	7	62
GRAND TOTAL Environmental Management	250	6	0	21	11	0	126	0	7	62

STRATEGIC PLANNING & POLICY GROUP

The Strategic Planning and Policy group is made up of the following activities:

- Strategic Planning
- Community and Economic Development
- Māori Engagement, Relationships and Development
- Environmental Policy.

Strategic Planning

The Strategic Planning Activity contributes to the overall, long term direction for the district. It includes: understanding what the Far North District's communities want – the district vision; identifying the key issues and priorities; identifying where we are now and where we want to get to, and how we get there including, what Council's contribution and role should be; articulating how we will deliver our contribution (strategies, policies, plans and action); and measuring our performance - have we achieved our goals?

We work with others to develop strategies, achieve alignment, and enable action for the sustainable development of the district and its communities.

This activity also includes the development of strategic projects and plans; such as the Long Term Plan and intervening Annual Plans.

Key facts

- Government introduces new legislation or reviews and updates legislation and/or regulations that affect Far North communities
- Council has joined with all other Northland Councils to consider shared services
- Council is legislatively required to undertake a Long Term Plan (3 yearly), Annual Plans (between each Long Term Plan) and an Infrastructure Strategy.

Council also

- Must undertake during 2015/16, a representation review. The resulting arrangement will be used for the 2016 and 2019 Local Body elections
- Supports elected members being on other organisations external to Council (Local Government NZ and Northland Regional Council Committees).

STRATEGIC PLANNING & POLICY GROUP

Why we do it

Strategic planning is at the core of good governance and leadership. Strategies guide Council in thinking through what it wants to achieve and how it will achieve it. It helps us to focus – on the things that really matter – allocate resources accordingly, and be transparent. It means we are proactive rather than reactive. It also allows us to measure whether the right thing is being done and our goals are being achieved.

Strategic Planning enables integrated planning across the Far North, shared understanding of community needs, collaborative approaches, and a shared commitment to action. It also helps us co-ordinate across Council activities and departments. Strategic planning engages people and creates consensus. We do it to create public value – services and outcomes that are valued by people.

Recent progress - What we have achieved since the last plan

- We have consulted on and published 2 Annual Plans
- Written individually to every submitter to each Plan to advise them of the outcomes of their submission
- We have made 20 submissions on behalf of our district and its communities
- We have developed position statements on matters such as Royalties from Land Based Mineral, Oil and Gas Extraction
- We have introduced committees to debate issues and make recommendations to Council
- We have introduced policy to restrict elected members being directors of Council Controlled Organisations such as Far North Holdings Ltd.

What we have not achieved since the last plan

We have not completed the Far North's Future 30/50 (Growth Strategy). Instead the project was placed on hold while the Council commenced a district visioning exercise to define what success for the district looked like. This change in approach was deemed necessary to ensure that key stakeholders and communities worked together to define success and key priorities, which in turn would shape the strategic approach for Far North's Future 30/50.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
<p>Legislative requirements and changes - Much of the policy and strategic work is driven by legislative requirements. Either directly impacting on the Long Term Plan or Annual Plans or on the operation/Levels of Service across Council's departments. The challenge is to ensure that:</p> <ul style="list-style-type: none">• Council provided appropriate feedback to Central Government so that there are no adverse or unintended effects	<p>New legislation and/or regulation from Central Government and sometimes Regional Council have a direct cost or resourcing issue. Unless Government funds the additional burden of these new requirements then this cost falls to ratepayers.</p>

STRATEGIC PLANNING & POLICY GROUP

Issues/Challenges	Implications
<ul style="list-style-type: none">• That all policy and plans are updated to reflect legislative change and communicate this to our communities• Increased legislative burden is offset by Government funding.	

What you have told us

- That 63% of you read the last Annual Plan but in the Kaikohe/Hokianga area, there was a distinct issue with delivery of the Summary document
- That 62% of you think Council is doing a good job of consulting with the community but that it is difficult to see if individual feedback is making a difference
- That Maori prefer to engage at public events or face to face.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority One: Increase our capacity and capability for strategic planning.

As the Strategy Group becomes more capable in strategic planning, we are more likely to have greater success in our overall strategic planning effort and, therefore, our performance as an organisation and delivery of services to communities will have better outcomes. We are therefore phasing in over the first two years of this plan more capability and capacity for strategic planning and thinking. We are investing in people – bringing in new roles and enhancing the skills of the people we employ. We will continue to build the evidence base and actively engage with our communities and stakeholders. We will also share resources where this makes sense to increase mutual capacity and to learn from each other.

Priority Two: Complete the the Far North’s Future 30/50 (sustainable development) strategy and local area blueprints/plans.

Once the district visioning exercise is completed, during the first year of this Plan we will complete the Strategy and progress local area blueprints/structure plans on a prioritised basis for the remaining period.

Spatial planning is about integrating and prioritising decision making. Council needs to progress spatial planning to align all of Council’s functions; such as Long Term infrastructure requirements, and land use planning. But the plan we want is more than an infrastructure programme. That is why we embarked on a district wide and community led visioning process - to define what success looks like for our district and our communities – and set up a multi-sector reference group to provide direction and support to both the visioning and the development of the district-wide strategy. A clear and shared vision about what type of district we want in the future, along with a clear strategic framework of priority themes (or strategic directions) will focus the spatial plan, including the ‘look and feel’ of the district, and how it functions. It will also

STRATEGIC PLANNING & POLICY GROUP

shape the actions of our partners. Our efforts will be based on a preferred option for future development to ensure our decisions are not ad hoc.

Underpinning the district strategy will be local area blueprints or plans that include local strategies and actions and community aspirations.

Priority Three: Review council's strategies, policies, programmes and plans.

Assess all strategies, policies, programmes and plans for currency and relevance and determine whether and how they link to Far North's Future 30/50 strategy as well as national, regional, sectoral studies, strategies and plans that have emerged during 2014/15 – such as the Regional Growth Study. We will take into account Treaty settlements, policy shifts and changes in the service delivery environment. This may necessitate changes to our current plans, such as the District Plan and this Long Term Plan (including Infrastructure and Financial Strategies, our activities and asset management). It may highlight the need for new strategies, policies and action plans to be developed. The review programme will be developed during 2015.

Priority Four: Strategic Partnerships.

Council works in a complex economic, social, and physical environment. Our resources are constrained. We have recognised that we can deliver better outcomes by working together with strategic partners than we can by working separately. Shared problems need shared solutions. But partnership working takes time. It moves through stages from networking to partnership based on trust and understanding. Genuine partnerships involves co-decision making. We will therefore be purposeful in our relationship management. We will continue to work with existing partners and actively explore new relationships where there is community benefit. The types of partnership agreements we will enter will reflect the status of the relationship. These agreements will include charters and accords, memorandums of understanding, relationship and partnership agreements, and integrated contracts. Our focus in the first three years of this plan is on:

- Achieving partnership agreements, including memorandum of understanding, with Māori
- Moving from networking to agreements for co-investment in multi-stakeholder fora and programmes at the regional, district and sub-district levels
- Moving from cooperation to genuine collaboration, shared services, and partnership working with the Northland Regional Council, and Kaipara and Whangarei district councils
- Achieving genuine partnership arrangements with Central Government and its agencies that align planning processes, identify joint projects, and tailor services to the local needs of our communities.

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What we don't plan to do

Take ownership of Local Area Blueprints or Community Plans. These are developed by the community for the community. Council may have some roles in achieving outcomes. Any infrastructure or Council Service changes will be reflected through the Long Term Plan (or Annual Plan) process.

Strategic Planning: Ten year plan measures and levels of service

Community Outcomes

Safe, healthy, resilient places and peoples

Capable, credible, civic leadership that advocates for people and is trusted by the communities we serve

Strong partnerships with Māori, communities, businesses, government, Northland councils, non-profit, voluntary groups and communities that improve quality of life and maximise community benefit

Prudent financial management within Long Term strategic planning

Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of District

Acknowledging Te Tiriti o Waitangi / Treaty of Waitangi

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Council provides leadership on key issues affecting the district and its communities	Central and Regional Government develop strategies, plans, policy and legislation that effect our communities. Council ensures that	Number of submissions	Number of submissions completed with data collected and monitored through internal systems	New	5	5	5	5

STRATEGIC PLANNING & POLICY GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
	any adverse impact is feedback							
Cohesive communities based on strong relationships and common vision, values and purpose	Council supports the community to develop local area blueprints/plans for their communities	Number of local area blueprint/plans	Number of new plans completed or previous plans reviewed and updated	New	3	3	3	3
Maintain or enter into effective partnerships to increase knowledge and capacity, co-ordinate scarce resources and avoid duplication, thus enabling action to improve quality of life in our communities.	Northland councils through the Triennial Agreement are considering where shared services will bring benefit to all ratepayers either through a reduced funding need or resulting in a better level of service.	Number of shared services agreements	Number of shared service agreements that have a significant benefit for ratepayers or communities.	New	1	1	1	1

STRATEGIC PLANNING & POLICY GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Additional activity assumptions specific to this activity area are in the table below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
Others see the benefit in working with us on shared vision, outcomes and action for the district and its communities	Stakeholders and potential partners remain focused on their individual priorities	Medium	Strategic alignment is not achieved	Low	By ensuring, as part of the process, that all stakeholders become owners of the vision and outcomes

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Time taken to develop relationships delays action and the achievement of outcomes	Medium/High	Focus on strategic relationships that provide the greatest opportunity to deliver better outcomes for our communities Be realistic about the goals of the relationship/partnership Identify low hanging fruit to build momentum	Low/Medium
Recruiting the same participants for every collaborative effort when participants can only actively and effectively engage in a limited number			

Significant Negative Effects

There are no significant negative effects from this activity.

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

Community and Economic Development

Council's Community and Economic Development Activity aims to strengthen communities and address their needs, build community cohesion, celebrate our communities and district, facilitate thriving local and district economies within the regional context, increase living standards, and attract people and new business to the Far North.

Key facts

- Work with communities, Māori, businesses, neighbouring councils, external agencies and organisations, to develop sustainable communities and improve the local economy, building on the Far North's strengths and opportunities
- Work with others, including businesses and training and education providers to facilitate access to appropriate skills, training and job opportunities for our communities
- Encourage communities to come together to develop their planning process, recognising that communities will be at differing levels of capacity
- Support community initiated plans through Council, Government, and other processes
- Empower and support community-driven projects and development that enable people to come together, build trust and work towards the achievement of outcomes, better services and local infrastructure
- Support community and district events and promote the district
- Provide and administer community grants
 - Community – Local Grants Scheme
 - Contestable Community - District Grants Scheme and the Sports and Recreation Loan Scheme
 - Creative Communities Scheme on behalf of Creative New Zealand
 - Rural Travel Fund on behalf of Sport New Zealand
 - The Mayoral Fund(s)
 - As appropriate on behalf of other funding bodies.

Council also

- Advocates on behalf of our communities and district to Central Government, Government Agencies and Non-Government Organisations
- Is a customer, community, and business friendly organisation that removes barriers to participation and success.

STRATEGIC PLANNING & POLICY GROUP

Why we do it

Council facilitates or supports and/or delivers a number of community and economic development services and initiatives to:

- Support the development of strong, active, resilient and cohesive communities that are better able to manage their own self-determined and sustainable development
- Create a sense of identity and belonging within communities
- Enhance and improve living standards and quality of life for all who live in the district
- Create great places that enhance the attractiveness of the district as a place to live, work, grow a business, and visit
- Provide facilities and services that would otherwise not be possible
- Attract external funding into communities such as sponsorship, grants, or contributions from philanthropic agencies that Council is not able to access
- Build community and individual skills and capability
- Enable and empower individuals, groups, communities and organisations, raise aspirations and achievements.

Recent progress - What we have achieved since the last plan

- **Mayors Taskforce for jobs:** The Taskforce encourages community ownership and Mayoral leadership in the effort to help youth into employment. The initiative was endorsed by the Make it Happen Te Hiku governance as a major action in the Prosperous and Progressive Kaupapa Cluster.
- **Economic Development Strategy:** Council participated in the Government led (Ministry of Business, Innovation and Employment and the Ministry for Primary Industries) evaluation of opportunities to increase investment, employment and incomes in the Tai Tokerau/ Northland region. This has led to regional collaboration on an action plan.
- **Resilient Economies conference:** Council supported a highly successful conference in Kaitaia in mid June 2014, which led to the establishment of Incubator Groups in each ward (with Council seed funding) and a promising relationship with the Akina Foundation.
- **Community assistance and grants:** Over the three years we have made \$875,133 available to a range of individuals, groups, and communities, and secretarial support.
- **Events, marketing and tourism support:** Support for the marketing of the Bay of Islands Brand to domestic visitors and through Northland Inc. (Regional Tourism Operator) for International Tourism Marketing based on identified projects and benefits for the Far North. National, district and local events from NZ Powerboats, Tall ships and Bathtubs to Ocean Swim Series, Mounted Games and the International Piano Competition.

STRATEGIC PLANNING & POLICY GROUP

What we have not achieved since the last plan

The completion of the construction of the Pou Herenga Tai - Twin Coast Cycleway was delayed due to a shortfall in funding. Therefore, the Cycleway has not attracted the quantum of tourists expected, and has not to date delivered the economic benefits to impact significantly on the towns close to the Cycleway.

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
<p>It remains difficult to attract investment and achieve a growing local economy, to attract visitors and new residents due to the state of the global, national, regional and local economies and increased competition among, and within, the regions.</p> <ul style="list-style-type: none"> • The Far North economy is “fragile” or “volatile” and has been in recession for longer • Our average annual Gross Domestic Product (GDP) growth 2001 – 2013 remains below the national and Northland average • We have a diverse economy built on a high number of self-employed people • Areas with reduced ‘sense of community’ are not attractive for businesses • Rural employment is down • We have aging, flat or, in some cases, declining populations, high rates of social welfare dependency, a skills shortage and work readiness issues • The ability to attract new residents/businesses to the Far North because of the unique lifestyle and iconic attributes is less relevant and attractive • Small businesses struggle to exist and expand • New businesses are more difficult to set up without significant up-front capital • Potential for existing businesses to depart the district and relocate closer to major markets • Poor infrastructure and funding challenges are an impediment to the visitor / tourist economy, getting our products to market, enabling economic development and meeting the essential needs of our communities 	<p>Need for leadership, strategic partnerships, spatial planning, resilient, secure, fit for purpose infrastructure, quality regulation, investment in core services and social and community support and amenities. In particular:</p> <ul style="list-style-type: none"> • A supportive and effective policy framework for community, district and Māori participation, economic development and social enterprise that includes, place making, capability building and access to seed investment. • Clear information on our regulatory requirements • Effective coordination and delivery of key council activities that support the effective functioning of local communities • Investment in the social and physical environment to support a high quality of life to attract individuals with the capability to create high productivity businesses • Council to facilitate interventions by a range of public sector partners based on our understanding of the desires and needs of local communities • Working with others on an economic plan for the region and district that builds on our economic strengths and participate in mutually beneficial opportunities that have significant economic growth potential • Awareness raising and establishment of a positive Far North profile • A range of funding models to best achieve equity, efficiency (of collection) and reliability of funding for infrastructure to meet community needs and the seasonal demand from visitors

What you have told us

Council has been consistently informed that community and economic development is important in delivering a vibrant, thriving district. Additionally, Council’s work with Māori and the district’s communities is important, particularly when it leads to positive economic outcomes.

STRATEGIC PLANNING & POLICY GROUP

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Support the economic development of the Far North and attract inward investment by:

- Pursuing funding/investment opportunities
- Supporting new business opportunities
- Identifying Council's role in and working with partners on projects and actions identified in the Regional Growth Strategy and the Economic Growth Strategy for the Taitokerau Māori Economy (launched in February 2015)
- Working with business associations and other key networks including programmes such as sister cities and the Mayor's Taskforce for Jobs
- Supporting Māori land development initiatives in Te Tai Tokerau
- Working with others to improve skills and capacity, including working with the Akina foundation on community social enterprises
- Facilitating initiatives to address local inhibitors that impact on business and industry development and growth.

Priority 2: Continue the wider promotion of the district by:

- Marketing the Far North to visitors and potential investors
- Supporting a balanced portfolio of events throughout the district.

Priority 3: Contribute positively to communities by:

- Supporting communities in the district to carry out their community planning processes and actions to develop communities and town centres to retain and attract people and business investment
- Seeking to increase the amount of funding for Far North Communities from Central Government and participating in effective partnerships that co-ordinate scarce resources, avoid duplication, and enable action to improve quality of life in our communities
- Supporting the Disability Action Group.

This LTP 2015-25 as a whole focuses on delivering the necessary core infrastructure to support communities, which will enable community and economic development in the Far North. We will continue through our review process for the District Plan to strike the appropriate balances between the use, protection and development of the Far North while being business friendly.

What we don't plan to do

There is no plan to significantly change this activity. However, there is a reduced level of service for community assistance funding in year one, which increases in year two and returns to 2014 levels in year three. There is more emphasis on community development and delivering on community plans during first three years of the plan. The events and marketing budget remains low but increases in year two and beyond to match the anticipated completion of the construction of Pou Herenga Tai Twin Coast Cycleway and tourism products.

STRATEGIC PLANNING & POLICY GROUP

Community and Economic Development: Ten year plan measures and levels of service

Community Outcome

Safe, healthy, resilient places and people

Strong partnerships with Māori, communities, businesses, government, Northland councils, non-profit, voluntary groups and communities that improve quality of life and maximise community benefit

Sustainable development of our local economy through partnerships, innovation, quality infrastructure and planning

Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Opportunities, actions, events and specific projects that benefit the economy of our district, towns and communities are identified and prioritised	Council is engaged in Destination Marketing	Council support for destination marketing projects/events achieves anticipated return on investment	Data collected and monitored through internal systems	New	100%	100%	100%	100%
Opportunities, actions, events and specific projects that benefit the economy of our district, towns and communities are identified and prioritised	Council grant monies are used effectively	Grant recipients achieve funding contract accountability measures	Data collected and monitored through internal systems	New	≥90%	≥90%	≥90%	≥90%

STRATEGIC PLANNING & POLICY GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Investment promotion targets inappropriate target market	Medium	Contract marketing professionals to develop promotional campaigns	Low
Negative events in the district (e.g. floods, crime targeting visitors) create negative perception of the district	Medium	A high level of promotional activity to reinforce and embed positive perceptions of the district Ensure our infrastructure is resilient and fit for purpose	Medium
Unable to overcome the negative perceptions of certain economic sectors of the district as a place to invest	Medium	Focus promotions on overcoming these perceptions and support by targeted events and communications with relevant industry groups	Low
That the regeneration of communities is too slow to arrest decline	Medium	Focus on community led initiatives, quick wins, and capability building	Medium

Significant Negative Effects

Potential negative effect	How we are addressing this
Engagement creates opportunities for communities to voice their aspirations but the process can also raise expectations that cannot be delivered	Ensuring that consultation is well planned and effective, and is clear and open about what is and is not achievable
Ensuring Council's role is clearly stated at the start of the process	Ensuring that the community is well represented by those around the table

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

STRATEGIC PLANNING & POLICY GROUP

Māori Engagement, Relationships and Development Activity

Effective Māori engagement is underpinned by principles of partnership, participation and protection. Council acknowledges the spirit and principles of Te Tiriti o Waitangi / The Treaty of Waitangi: by respecting Māori and their culture; through recognition of Māori relationships to ancestral lands, waterways and waahi tapu; in Council – Māori decision making initiatives; and as a platform for partnership opportunities in co-management and governance.

Key facts

- Nearly half the population (Census 2013: 45%) of the Far North District population identify themselves as Māori
- Approximately 16% of land in the Far North District is in Māori title
- Approximately 43% of Māori in Tai Tokerau (Northland) are able to understand or converse in Te Reo Māori
- There are approximately 144 Marae, 10 Iwi Runanga and over 200 Hapū within the Far North District
- Over the next 10 years the most significant Treaty Settlements will occur within the Far North.

Council also

- Conducted a poll on the establishment of Māori wards
- Has supported and received 8 Iwi/Hapū Management Plans
- Wants to support the economic development of multiple owned Māori freehold land (where that is the wish of the landowner(s)) and to ensure that the accumulation of historical rating debt is not a disincentive
- Wants to develop a closer working relationship with Māori.

Why we do it

- To build relationship structures that work well for Māori and Council, build confidence and trust, increase understanding, and enable joint action
- To get better quality outcomes for Māori and the wider community
- To help build stronger and more resilient Māori-centred communities
- To support and respect the spirit and principles of Te Tiriti o Waitangi
- To provide opportunities for Māori to contribute to decision making.

STRATEGIC PLANNING & POLICY GROUP

Recent progress - What we have achieved since the last plan

- The bringing together of Hapū in South Hokianga as a collective Taskforce (Te Huihuinga Punawai o Te Tonga o Hokianga) to work together with Council on water issues
- Developing a Memorandum of Understanding (MOU) with Te Runanga o Te Rarawa and considering a MOU with the Hapū o Ngāti Hine
- Shifting the Citizenship Ceremony to the Waitangi Treaty Grounds signified a shift for Council to biculturalism and a willingness to enhance Tikanga and embrace our shared history in the Far North
- Council has made gains in determining a way forward for the rating of Māori land on a case by case basis, and has coupled this work with land use analysis, District Plan coordination to achieve better economic gains. This will become a significant work stream for the next 3 years.

What we have not achieved since the last plan

Maintained an up to date contacts database (Iwi, Hapū, Māori interest groups).

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Māori Land Development	Council cannot by legislation cease to rate Māori Land, so must look to other mechanisms within the legislation to support land use
Increasing Council's knowledge and understanding of Māori issues and aspirations	Requires internal capacity building focusing on: Treaty based relationship mechanisms. Understanding of Māori governance and operational structures, both Iwi and Hapū Tribal Authorities. Having regard for Māori interests and aspirations in respect of environmental management, social and economic development.
Putting processes in place that enables effective Māori input and participation	Requires external capacity building with a focus on: <ul style="list-style-type: none"> • Both electoral and non-electoral representation processes • Capacity building workshops with Māori.
Developing good consultation processes	Requires both internal and external capacity building for both Council and Māori have a positive working relationship

What you have told us

- Māori land owners are seeking legislative and policy reviews on Māori land status and rating through the Māori Land Court and Council
- Māori land owners are seeking the establishment of business opportunities and relationships with government agencies, financial institutions and councils

STRATEGIC PLANNING & POLICY GROUP

- Māori want to engage at the Hapū level with Council; not always at the Iwi level
- Council needs to be aware of the types and extent of activities on which Māori need to be consulted on; and how and when Māori to consult
- Council must participate in and assist in the progression of Treaty Settlement Claims.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Māori representation, engagement and strategic relationships

- Council will continue to work with Māori on appropriate governance and representation arrangements to enable Māori participation in Council decision making
- Council will explore and enter into partnership arrangements, such as agreements and Memoranda of Understanding, with willing Iwi and Hapū to formalise joint commitments to work together to identify, develop, and achieve mutually beneficial outcomes
- Council will constructively participate in co-governance and co-management arrangements created by and/or arising from Treaty Settlements.

Priority 2: Iwi and Hapū Management Plans

- Assist/support Ngā Iwi and Ngā Hapū to develop and implement Iwi/Hapū Management Plans
- Determine any role that Council might have to advance these plans to others e.g. Government, agencies and non-government organisations (NGOs)
- Determine how Council will use these plans to inform communication/engagement, its decisions and its delivery of services, infrastructure and regulation.

Priority 3: Māori Development

- Develop enabling policy, planning criteria, and incentives that take into account Māori economic and social development priorities, particularly within the District Plan for Papakāinga Housing Development, Treaty Settlement land, and Council Rating reviews
- We will look to align strategies, policies and action; particular focus areas include the Te Hiku Social Accord, Making It Happen Te Hiku, Kaikohe Social Sector Trial and the Te Tai Tokerau Māori Economic Strategy (He Tangata, He Whenua, He Oranga), and the Regional Growth Study and Action Plan)
- Identify opportunities for joint work on key economic growth and development opportunities that will benefit the district
- Recognise bicultural heritage through the naming of places and streets throughout the district
- Facilitate capacity and capability building workshops for Māori so that they can effectively participate in Resource Management Act (RMA) and Local Government Act (LGA) matters
- Explore with Māori opportunities to develop joint management arrangements or section 33 transfers of powers under the provisions of the RMA

STRATEGIC PLANNING & POLICY GROUP

- Work with Māori on key infrastructure projects of mutual interest
- Be constructively involved in Treaty Settlement processes including Waitangi Tribunal hearings and Settlement negotiations and identify appropriate actions for Council to take to address grievances and findings of the Waitangi Tribunal.

Priority 4: Improve Council Processes and Capability

- Develop a Māori Engagement Operating Manual
- Define and implement a strategy for the dissemination of information to Tāngata Whenua groups
- Facilitate internal capability building workshops so that elected representatives and key staff can better understand and participate in any bi-cultural situation
- Develop a set of operating procedures to ensure that relevant Council staff are appropriately supported.

What we don't plan to do

- Council will not cease rating Māori multi ownership land
- Council will not make relationship agreements such as MOUs or Hapū or Iwi Management Plans mandatory for Iwi and Hapū to have a relationship with Council, or have their goals and aspirations recognised.

Māori Engagement, Relationships and Development: Ten year plan measures and levels of service

Community Outcome

Acknowledging Te Tiriti o Waitangi / The Treaty of Waitangi

Enabling Māori development

Capable, credible, civic leadership that advocates for people and is trusted by communities we serve

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Activity Performance Indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
<p>Council will reflect the spirit of Te Tiriti /The Treaty as part of our business as usual</p> <p>Council support the development and implementation of sustainable Hapū management plans to enable Marae and Hapū to develop their potential</p>	Māori participation in resource management and Council decision-making	Increase the number of Iwi and Hapū Management Plans	Data collected and monitored through internal systems	4	Increase by 1 each year			
Partnership agreements including memorandum of understanding with Māori identified principles that will underpin our partnerships and engagement with Māori. Māoritanga is actively	Māori participation in resource management and Council decision making	Maintain or increase the number of relationship, co-governance, and joint management (including transfer of powers) agreements/ arrangements between Council and Iwi/Hapū	Number of relationship agreements between Council, Iwi/Hapū; number of governance entities with Māori representation; number of contracts for services, co-governance / co-management/joint management arrangements or agreements; number of	New	Increase by 1 each year			

STRATEGIC PLANNING & POLICY GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
promoted to enhance the development of positive outcomes			transfers under RMA and capacity building arrangements. Data collected and monitored through internal systems					
<p>Council will reflect the spirit of Te Tiriti /The Treaty as part of our business as usual</p> <p>We are transparent and open, listen to and include community views in our decision making</p>	Māori participation in resource management and Council decision making	Percentage of Māori partners (in agreement/arrangements) who have high levels of satisfaction in working with Council	Annual Feedback satisfied/more than satisfied	New	≥60%	≥70%	≥80%	≥90%
<p>Council will reflect the spirit of Te Tiriti /The Treaty as part of our business as usual</p> <p>We are transparent and open, listen to and include community views in our decision making</p>	Council's activities are known and understood	Percentage of Māori who feel well informed about what Council is doing	Annual feedback survey results	New	≥60%	≥70%	≥80%	≥90%

STRATEGIC PLANNING & POLICY GROUP

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Additional activity assumptions specific to this activity area are in the table below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
That for each of the priority areas Māori will want to engage and participate	That Māori focus either on Treaty Settlements or on relationships with other agencies and organisations (for example NRC through the Te Taitokerau Māori Advisory Committee) due to capacity issues and resourcing constraints	Medium	The engagement and participation will be slower and Council may not meet its performance targets	Low	Work with the willing and deliver tangible results that encourage others to work with us. Work with the Iwi Leaders and CEOs to ensure that both Iwi and the Hapū are clear about Councils roles, and for Iwi to eventually enter into MOUs or some other form of formal agreement
Council will have sufficient resources to pursue the key outcomes in respect of Māori economic, social, cultural and environmental Development	Financial and political constraints may limit the resources available and development opportunities	Medium	Lack of development outcomes to provide for the economic, social, cultural and environmental wellbeing of Māori	Low	Council will work collaboratively with Iwi or Hapū on agreed areas of interest

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Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
That working closely with some Iwi or Hapū will further alienate those that are traditionally difficult to engage	High	Set clear terms of reference to not become captured by inter Iwi or Hapū politics or issues.	Medium
Council staff and Elected Members do not engage or consult adequately or appropriately with Māori	Medium	Provide appropriate training and resources as required to ensure that staff and Elected Members are adequately equipped to engage with Māori Views of Māori contained in Iwi and Hapū management plans are used in Council decision making processes	Low
Lack of knowledge, understanding or confidence amongst Māori hinders their ability to participate effectively.	High	Build both capacity and capability with Māori to give them the confidence to engage effectively	Medium

Significant Negative Effects

Potential negative effect	How we are addressing this
Council may be seen by some to be enforcing processes on Māori	Through Council being willing to accept that there are other ways to achieve the same results
Lack of effective engagement and consultation with Māori	Provide ongoing internal capacity building programmes
Lack of effective Māori representation in Council's decision-making processes	Council is considering non-electoral forms of Māori representation

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

Environmental Policy

The Environmental Policy activity primarily involves identifying resource management issues facing the Far North District, including national and regional planning documents and regulations that have to be given effect to, and finding ways of addressing these issues. The main component is the review, administration, and monitoring of the Far North District Plan.

Key facts

- The District Plan became fully operative in September 2009
- 11 Plan Changes to the District Plan made operative
- Review of the District Plan has commenced.

Why we do it

Council is required to have a District Plan for the district under the provisions of the Resource Management Act 1991. However, the overall vision and purpose of the activity is to provide for planned growth and development in the Far North District, while ensuring that our natural and physical resources are managed in a sustainable manner, providing opportunities for our communities and future generations to prosper socially, economically, and culturally. A key tool for achieving this is the District Plan.

Recent progress - What we have achieved since the last plan

- Forty-nine per cent of residents felt well informed (7%) or informed (42%) about the District Plan and its level of significance for the communities in the district. This was a considerable increase on last year's measure and well above the target set of 40%
- Continued to progress the monitoring strategy, increasing the scope and rigour of monitoring processes
- Embarked upon a review of the District Plan
- Progressed to decisions stage for Plan changes associated with the review of the Rural Provisions, removal of the Air Chapter (so as to minimise duplication with Regional Council) and review of Impermeable Surfaces.

What we have not achieved since the last plan

Have not progressed Plan Changes to implement Kerikeri-Waipapa Structure Plan due to uncertainty over provision of necessary infrastructure, the need to accurately identify additional constraints such as potential flood hazard, and revised population projections.

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Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Financial restraints limiting the amount of work that can be done on the District Plan	Alignment of the District plan to the requirements of higher order planning instruments, such as National Policy Statements and Regional Policy Statements, will influence the future preparation of Plan change processes and ultimately may promote a more consolidated review of the District Plan
Infrastructure affordability is a key challenge for the District and the role played by the District Plan and other methods to maximise the value of existing infrastructure and minimise the cost burden on communities of infrastructure deployment and maintenance will require close coordination with the Infrastructure and Asset Management team's operations and planning	The District Plan Team is engaging with relevant Council divisions to identify opportunities for improved integration and coordination so that the review of the District Plan may better align with Council's responsibilities and strategic directions. This includes a Council workshop held in September 2014 to consider options to prioritise elements of the District Plan review process
Sustainable growth and development of the district	Review of parts of the District Plan required to ensure that sustainable growth is occurring and contributes to the well-being of Far North communities

What you have told us

Public knowledge (being informed) of the District Plan has increased considerably on a yearly basis and has performed above the target set. The 2014 Resident Opinion Survey has indicated that fifteen per cent of residents had used the District Plan, with both the hard copy (63%) and electronic version (49%) used. Planning (39%) and raising awareness or informing the general public (16%) were seen as the main purposes of the District Plan.

What we plan to do

In an effort to limit costs, much work on plan changes and other studies will be undertaken in-house. However, there are technical and specialist reports that will be required and these will be out-sourced. It is important that adequate budgets are available to undertake such work.

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Encourage opportunities for economic development in areas where it is appropriate.

Priority 2: Enable appropriate use and development of the district's land and resources.

Priority 3: Undertake meaningful engagement and consultation using different media options.

Priority 4: Ensure that objectives and policies are efficient and effective, simple to use and implement and do not impose unnecessary compliance costs.

Priority 5: Promote development of sustainable and livable environments.

STRATEGIC PLANNING & POLICY GROUP

Priority 6: The District Plan is consistent where required with the higher order policies, National Environment Standards, the Regional Policy Statement, and integrated with neighbouring authorities.

What we don't plan to do

There is no plan to change the current roles and responsibilities of this activity.

Environmental Policy: Ten year plan measures and levels of service

Community Outcome

Our environment is protected, enhanced and wisely managed

Capable, credible, civic leadership that advocates for people and is trusted by the communities we serve

Activity performance indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
Development and population growth is encouraged but managed to avoid compromising the district's natural and social environment Our unique landscapes, natural	Appropriate techniques and programmes are utilised for consultation	Percentage of community members who are aware of plan change processes and opportunities for participation	Annual community feedback survey results	New	≥30%	≥30%	≥30%	Remains at ≥30% for remaining years

STRATEGIC PLANNING & POLICY GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
features and indigenous biodiversity are protected, maintained and enhanced We are transparent and open, listen to and include community views in our decision making								
Development and population growth is encouraged but managed to avoid compromising the district's natural and social environment Our unique landscapes, natural features and indigenous biodiversity are protected, maintained and enhanced	Identify issues impacting on the effectiveness of the District Plan	Percentage of Residents who feel either very well informed or well informed about the District Plan	Annual community feedback survey results	49%	≥50%	≥50%	≥50%	Remains at ≥50% for remaining years

STRATEGIC PLANNING & POLICY GROUP

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
We are transparent and open, listen to and include community views in our decision making.								

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. Additional activity assumptions specific to this activity area are in the table below.

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
The District Plan is generally consistent with any national and/or regional policy direction	Significant changes to the District Plan required to ensure that it gives effect to and/or is consistent with national and regional planning documents	High	The scope, complexity and volume of statutory processes triggered by the new Regional Policy Statement, including incorporation of Coastal Hazard Provisions and Outstanding Natural Character Mapping, will require that provisions are incorporated into the Far North District Plan within specified timeframes (some as short as two years). Such timeframe demands may represent a short to	High	Keep stakeholders informed and ensure that District Plan Review programme allows for appropriate flexibility and responsiveness to likely demands Develop a coherent and inclusive consultation strategy for the District Plan Review that integrates with other Council strategic initiatives

STRATEGIC PLANNING & POLICY GROUP

Assumption	Risk (What may happen instead)	Likelihood of Risk	Consequence of Risk	Financial Consequence	Mitigation
			medium term demand on current resource and opportunity cost, with respect to the Plan Review process		Maximise the usage of shared resources in undertaking planning processes

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Changes in national or regional policy may require Council to make changes to the District Plan which could increase costs	High	Continue to monitor such policies and be involved in their formulation	Medium

Significant Negative Effects

Potential negative effect	How we are addressing this
Adverse community reaction to inappropriate development due to District Plan provisions	Identifying and addressing weaknesses in the District Plan

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

STRATEGIC PLANNING & POLICY GROUP

FINANCIAL FORECAST AND STATEMENTS

STRATEGIC PLANNING & POLICY GROUP PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Revenue										
5,056	5,569	5,938	6,512	6,302	6,428	7,002	6,761	6,950	7,564	7,326
97	88	88	88	88	88	88	88	88	88	88
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
5,153	5,657	6,025	6,599	6,390	6,515	7,090	6,849	7,038	7,651	7,413
Direct Costs										
4,742	5,176	5,525	6,090	5,867	5,982	6,540	6,285	6,457	7,055	6,800
15	14	13	13	12	11	10	9	8	6	5
16	6	18	18	19	19	20	20	21	22	23
4,773	5,197	5,556	6,122	5,898	6,012	6,570	6,314	6,486	7,083	6,827
380	460	469	478	492	503	520	534	552	568	586
380	460	469	478	492	503	520	534	552	568	586
5,153	5,657	6,025	6,599	6,390	6,515	7,090	6,849	7,038	7,651	7,413
0	0	0	0	0	0	0	0	0	0	0

STRATEGIC PLANNING & POLICY GROUP

STRATEGIC PLANNING & POLICY GROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Annual Plan	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
2014-15 \$'000s	\$'000s									
CAPITAL STATEMENT										
0 Net Surplus/(Deficit)	0	0	0	0	0	0	0	0	0	0
0 Loan	0	0	0	0	0	0	0	0	0	0
20 Appropriation from Reserves	20	20	20	20	20	20	20	20	20	20
0 Notional Loans Raised	0	0	0	0	0	0	0	0	0	0
0 Appropriation to Reserves	0	0	0	0	0	0	0	0	0	0
20 Total Funding	20									
Capital Expenditure										
0 Capital Projects	0	0	0	0	0	0	0	0	0	0
20 Debt Repayment	20	20	20	20	20	20	20	20	20	20
20 Total Capital Expenditure	20									
0 NET SURPLUS/(DEFICIT)	0									

CAPITAL PROJECTS BY WARD

There are no capital projects for the Strategic Planning & Policy Group.

GOVERNANCE AND STRATEGIC ADMINISTRATION

Governance and Strategic Administration

The Governance and Strategic Administration Team provides relevant legislative guidance and support services to the Mayor and elected members together with the Strategic Management Team.

Key facts

- The Council Advisory Services team produces and circulates agendas to all Council, Community Board and Committee meetings in accordance with the provisions of the relevant legislation
- Oversee the election and by-election processes.

Council also

Council provides the following Governance Services to the District Council Organisation and to the elected members of the Far North:

- Advisory Services
- Democracy Services (i.e. preparation of formal meeting agendas and meeting management).

Why we do it

The Elected Members of the district are the community's representatives; making decisions on behalf of and in the interests of the community.

Council Advisory Services oversees the election and induction processes, and provides support to elected members throughout the triennium. Local Government impacts everyone so it is important for Council to communicate with people about what it does, what is planned, and how it may impact the district.

Recent progress - What we have achieved since the last plan

- Carried out the triennial elections in 2013
- Supported the Mayor and Elected Members develop a more streamlined meeting framework to improve decision making
- Undertaken a functional review to improve the delivery of services to elected members.

What we have not achieved since the last plan

The Local Government Commission has determined that the Far North District will not form part of a unitary authority. However, while Council is currently working with the other Northland Councils on shared services, the Local Government Commission has stated they will come back to our communities for further feedback on what Councils working together would encompass.

GOVERNANCE AND STRATEGIC ADMINISTRATION

Where are we now? - Key issues and challenges facing this service

Issues/Challenges	Implications
Unitary Authority status	The Local Government Commission has determined there will be no unitary authority for Northland. However, the Local Government Commission has stated they will come back to the Northland communities to work out what Council should do working together. Though Councils in Northland are already working on shared services projects, there is still uncertainty on what might be imposed on Councils by the Local Government Commission
Electronic Meeting Facilities	The recent amendment to the Local Government Act 2002 has introduced the ability to attend formal meetings using video conferencing and other electronic media provided there is a quorum present at the physical location. Council is keen to take advantage of this new ability but it requires robust processes and communications to avoid undue risks.

What you have told us

Council's most recent resident's satisfaction survey told us:

50% of residents say that they are satisfied or extremely satisfied with the ease of access to Council information and services.

86% told us that Council was doing a good or reasonable job of keeping the public well informed.

75% of the residents told us that we were doing a good or reasonable job at consulting with the community.

What we plan to do

In the first 3 years of this 10 year plan, Council will focus on the priorities detailed below:

Priority 1: Ensure continued quality in the democratic processes by:

- Providing sound and legally correct advice
- Providing support for all elected members.

Priority 2: Encourage community involvement in local government by:

- Supporting the Community Boards in engaging with their local communities
- Keeping residents and ratepayers better informed about what the Council is doing and why.
- Providing publicity and encouraging participation in the 2016 triennial elections
- Using cost-effective technologies to communicate directly with residents and ratepayers
- Improving communications with stakeholder groups and targeting news updates about Council projects at interested groups
- Improving the Council website so it is a more effective communications and customer service portal

GOVERNANCE AND STRATEGIC ADMINISTRATION

- Improving the way the Council communicates important information to the public during natural disasters and emergencies
- Improving Maori knowledge and understanding of the Council
- Providing an effective information service to the news media.

Priority 3: Ensure that Council secures best value from property holdings and office accommodation by:

- Continuing to identify properties that can be offered to the Office of Treaty Settlements as part of the Crown's commitment to settling Treaty of Waitangi grievances, therefore promoting the development of Maori within the Far North. This process will be subject to appropriate consultation with the Office of Treaty Settlements and will involve the local communities concerned
- Continuing to identify properties that are surplus to requirements and can be sold to generate funds for other strategic needs (subject to appropriate consultation where necessary with the local communities concerned)
- Continue to secure an economic return on properties available for lease or rental by commercial or other users.

What we don't plan to do

There is no plan to change the current roles and responsibilities of this activity.

Governance and Strategic Administration: Ten year plan measures and levels of service

Community Outcome

Capable, credible, civic leadership that advocates for people and is trusted by the communities we serve

GOVERNANCE AND STRATEGIC ADMINISTRATION

Activity performance indicators

KPI Focus	Definition	Performance Measure	Measurement Method	Actual 2013/14	Target 2015/16	Target 2016/17	Target 2017/18	Target 2018-25
<p>We facilitate local governance, collective strategy and action with our communities.</p> <p>We are transparent and open, listen to and include community views in our decision making</p>	Ensure provision of high quality services to Council and elected members	Percentage of residents aware of their Community Board	Annual community feedback survey	65%	≥73%	≥73%	≥73%	Remains at ≥73% for the remaining years
<p>Council provides leadership on key issues affecting the district and its communities</p> <p>We facilitate local governance, collective strategy and action with our communities</p>	Council's activities are known and understood	Percentage of residents who feel either very well informed or well informed about what Council is doing	Annual community feedback survey	86%	≥80%	≥80%	≥80%	Remains at ≥80% for the remaining years

GOVERNANCE AND STRATEGIC ADMINISTRATION

Activity Assumptions

The Council Corporate Assumptions apply to this activity, as relevant. There are no significant additional activity assumptions specific to this activity area.

Activity Risks

Risk	Current rating	Mitigation	Rating after mitigation
Negative public feedback on Council's decision making	Medium	Effective planning and consultation processes, including clarity and openness about what is and is not achievable.	Medium

Significant Negative Effects

Potential negative effects	How we are addressing this
Adverse impacts of challengeable Council decision making	Ensuring provision of sound advice and proper decision making processes in line with requirements of the Local Government Act 2002
Community dissatisfaction resulting from inadequate consultation on key issues	Complying with statutory consultation requirements and supplementing this with additional consultation on key issues (e.g. changes in the rating system) prior to decision making

The above tables are specific to this activity. They should be considered with the Council-wide assumptions.

GOVERNANCE AND STRATEGIC ADMINISTRATION

FINANCIAL FORECAST AND STATEMENTS

GOVERNANCE AND STRATEGIC ADMINISTRATION PROSPECTIVE COST OF SERVICE STATEMENT

Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Revenue										
8,719	7,155	7,601	7,685	7,876	8,195	8,346	8,621	8,862	9,125	9,446
191	189	189	189	189	189	189	189	189	189	189
88	90	90	90	90	90	90	90	90	90	90
384	0	0	0	0	(0)	0	0	0	0	0
242	246	339	246	246	341	246	246	246	246	246
9,624	7,681	8,219	8,210	8,401	8,815	8,872	9,146	9,387	9,651	9,972
Direct Costs										
5,539	5,215	5,652	5,546	5,681	6,038	5,979	6,187	6,375	6,564	6,803
696	550	550	600	600	600	650	650	650	650	650
8	0	0	0	0	0	0	0	0	0	0
6,243	5,765	6,202	6,146	6,281	6,638	6,629	6,837	7,025	7,214	7,453
906	590	595	604	620	631	650	666	685	702	722
906	590	595	604	620	631	650	666	685	702	722
7,149	6,355	6,797	6,750	6,901	7,270	7,279	7,503	7,710	7,916	8,175
2,475	1,326	1,422	1,460	1,500	1,545	1,593	1,644	1,677	1,734	1,797

GOVERNANCE AND STRATEGIC ADMINISTRATION

GOVERNANCE & STRATEGIC ADMINISTRATION STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Annual Plan											
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT											
2,475	1,326	1,422	1,460	1,500	1,545	1,593	1,644	1,677	1,734	1,797	Net Surplus/(Deficit)
0	0	0	0	0	0	0	0	0	0	0	Loan
3,644	1,602	2,074	5,643	1,510	2,206	1,924	2,540	3,889	2,845	5,379	Appropriation from Reserves
403	1,135	51	53	409	2,297	627	2,993	61	63	65	Notional Loans Raised
(3,487)	(1,326)	(1,422)	(1,460)	(1,500)	(1,545)	(1,593)	(1,644)	(1,677)	(1,734)	(1,797)	Appropriation to Reserves
3,036	2,737	2,125	5,696	1,918	4,503	2,551	5,532	3,950	2,908	5,445	Total Funding
Capital Expenditure											
2,579	2,468	1,800	5,367	1,587	4,152	2,084	5,035	3,303	2,258	4,791	Capital Projects
456	269	326	328	331	351	466	498	647	650	653	Debt Repayment
3,036	2,737	2,125	5,696	1,918	4,503	2,551	5,532	3,950	2,908	5,445	Total Capital Expenditure
0	0	0	0	0	0	0	0	0	0	0	NET SURPLUS/(DEFICIT)

GOVERNANCE AND STRATEGIC ADMINISTRATION

CAPITAL PROJECTS BY WARD

Governance & Strategic Administration										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
LEVEL OF SERVICE WORKS										
District										
Building Services										
Kerikeri - Additional FNDC Staff Capacity	220	0	0	0	0	0	0	0	0	0
Kerikeri - Proctor Library HVAC	28	0	0	0	28	0	0	0	0	0
Kaikohe - Extension / Improvements to HQ including Library and Other	200	0	0	338	2,214	570	2,934	0	0	0
Building Services Total	448	0	0	338	2,242	570	2,934	0	0	0
Corporate Services Administration										
Office Equipment	23	0	0	0	0	0	0	0	0	0
Corporate Services Administration Total	23	0	0	0	0	0	0	0	0	0
Information Management Administration										
IT Communications Equipment	0	0	0	16	0	0	0	0	0	0
IT Equipment	50	0	0	0	0	0	0	0	0	0
IT Data Warehouse & Data Reporting Services	50	51	53	54	56	57	59	61	63	65
Information Management Administration Total	100	51	53	70	56	57	59	61	63	65
Pool Vehicles										
Pool Vehicles	350	0	0	0	0	0	0	0	0	0
Pool Vehicles Vehicle Tracking	215	0	0	0	0	0	0	0	0	0
Pool Vehicles Total	565	0	0	0	0	0	0	0	0	0
District Total	1,135	51	53	409	2,297	627	2,993	61	63	65
LEVEL OF SERVICE WORKS TOTAL	1,135	51	53	409	2,297	627	2,993	61	63	65

GOVERNANCE AND STRATEGIC ADMINISTRATION

Governance & Strategic Administration (continued)

Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
RENEWAL WORKS (continued)										
District										
Aerial Photography										
Aerial Photography Renewals	0	0	0	0	0	0	0	0	0	125
Aerial Photography Total	0	0	0	0	0	0	0	0	0	125
Building Services										
Building Services Renewals	196	34	1,241	0	105	46	55	18	280	253
Building Services Total	196	34	1,241	0	105	46	55	18	280	253
Business Performance										
Business Performance Renewals	0	14	0	0	218	0	0	2	0	239
Business Performance Total	0	14	0	0	218	0	0	2	0	239
Corporate Services Administration										
Office Equipment Renewals	31	67	51	25	98	2	17	715	157	170
Corporate Services Administration Total	31	67	51	25	98	2	17	715	157	170
Human Resources General										
HR Finance 1 Module	0	0	255	0	0	0	0	296	0	0
Human Resources General Total	0	0	255	0	0	0	0	296	0	0

GOVERNANCE AND STRATEGIC ADMINISTRATION

Governance & Strategic Administration (continued)										
Project Name	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000s									
Information Management Administration										
IT Cabling/Switches/Misc Renewals	0	0	0	1	75	0	0	0	0	97
IT GIS Renewals	69	0	0	0	0	0	0	84	0	0
IT Communications Equipment Renewals	0	0	9	58	49	0	88	64	0	57
IT Equipment Renewals	298	442	1,035	210	847	933	113	614	1,362	410
IT Software Renewals	211	977	415	109	0	215	1,157	477	39	173
IT Pathway Computer System Renewals	0	0	920	0	0	0	0	0	0	1,142
IT FNDC Website Renewals	225	0	0	0	0	0	266	0	0	0
IT Finance 1 System Renewals	0	0	1,152	0	0	0	0	0	0	1,618
Information Management Administration Total	803	1,419	3,531	378	970	1,148	1,624	1,239	1,402	3,498
Mail & Document Delivery										
Vehicle Renewal	33	1	0	1	36	1	0	1	41	1
Mail & Document Delivery Total	33	1	0	1	36	1	0	1	41	1
Mapping & Graphics										
GIS Upgrade	0	0	0	0	0	0	0	95	0	0
Mapping & Graphics Total	0	95	0	0						
Pool Vehicles										
Pool Vehicles Renewals	272	214	237	774	383	261	266	877	315	389
Pool Vehicles Total	272	214	237	774	383	261	266	877	315	389
Telephony Infrastructure										
Telephone Infrastructure Renewals	0	0	0	0	44	0	81	0	0	52
Telephony Infrastructure Total	0	0	0	0	44	0	81	0	0	52
District Total	1,333	1,748	5,315	1,179	1,855	1,458	2,042	3,242	2,195	4,726
RENEWAL WORKS TOTAL	1,333	1,748	5,315	1,179	1,855	1,458	2,042	3,242	2,195	4,726
GRAND TOTAL Governance & Strategic Administration	2,468	1,800	5,367	1,587	4,152	2,084	5,035	3,303	2,258	4,791

COUNCIL CONTROLLED TRADING ORGANISATION

Council Controlled Trading Organisation

Far North Holdings Ltd (FNHL)

The Council-Controlled Trading Organisation, Far North Holdings Limited (FNHL) is a wholly-owned subsidiary of Council which operates and develops commercial and infrastructural assets in the District with the aim of maximising financial returns for its sole shareholder, the Council, in the form of a dividend. In the last two years, the Council has allowed FNHL to reinvest the Net Profit After Tax, which remains after it has paid this dividend, in new commercial projects. This reduces the need for the Council to provide further capital to FNHL. Future opportunities for this re-investment will be considered by Council on their merits.

Structure

Council appoints an independent professional Board of Directors. The Directors as at 1 January 2015 are:

- Ross Blackman (Chairperson)
- Bill Birnie
- Ian Walker
- Kevin Baxter.

Objectives

As the Far North District Council's commercial vehicle, FNHL will facilitate and create commercial and infrastructural assets in the Far North District with the aim of maximising profit for its shareholder, the Council, and operate as a commercial profit orientated entity.

Activities

FNHL forms the focus of Council's interface with its commercial investments and ensures uniformity in approach and reporting. FNHL activities include:

- The provision of maritime, airport, property and car parking facilities
- The management of maritime and aviation assets under contract to Council
- Investment in any commercial opportunity that arises including any proposed by its shareholder
- Sale of any assets held by FNHL.

COUNCIL CONTROLLED TRADING ORGANISATION

Activity Performance Indicators

The performance measures and targets are set as part of FNHL Statement of Intent (SOI). The SOI is developed by Far North Holdings Limited in accordance with section 64(1) of the Local Government Act, 2002. It represents the objectives, nature and scope of activities and performance targets by which FNHL will be measured. It covers the period from 1st July 2014 to 30 June 2017.

Financial Performance Objectives			
Performance Objective Engage in successful commercial transactions			Measure Growth in Shareholder value
Target 2014/15 Shareholders' funds increase by \$.509m, after payment of the dividend.	Target 2015/16 Shareholders' funds increase by \$.569m, after payment of dividend.	Target 2016/17 Shareholders' funds increase by \$.637m, after payment of the dividend.	Achieved - Comments:
Performance Objective Provide a commercial return to FNDC.			Measure Dividend return to FNDC
Target 2014/15 Dividend of \$509,000	Target 2015/16 Dividend of \$569,000	Target 2016/17 Dividend of \$637,000	Achieved - Comments:
Performance Objective Effective Financial Management			Measure Annual operating Profit to exceed \$500,000
Target 2014/15 \$1.018 million	Target 2015/16 \$1.138 million	Target 2016/17 \$1.275 million	Achieved - Comments:
Performance Objective To achieve a return on funds invested			Measure Return on Investment (ROI) is higher than the average cost of borrowing on its commercial assets. <i>Average cost of borrowings</i>
Target 2014/15 ROI 5.29% AV cost of borrowings 5.5%	Target 2015/16 ROI 5.91% AV cost of borrowings 6.0%	Result 2016/17 ROI 6.61% AV cost of borrowings 6.5%	Achieved - Comments:
Performance Objective Asset growth and development			Measure Capital Expenditure
Target 2014/15 \$800,000	Target 2015/16 \$750,000	Result 2016/17 \$650,000	Achieved - Comments:

COUNCIL CONTROLLED TRADING ORGANISATION

Performance Objective Effective Governance and Financial Control			Measure Clean audit sign off each year from Audit NZ. Annual Board Review with appointed Audit NZ representative. To remain within Banking covenants. Quarterly audit review by BDO Board Audit and Finance committee meetings to be conducted semi-annually.
Council Controlled Organisation Initiatives Ensure that the Bay of Islands Airport operates within regulatory requirements.			Measure CAA Certification
Target 2014/15 To achieve	Target 2015/16 To achieve	Target 2016/17 To achieve	Achieved - Comments

FINANCIAL STRATEGY

Executive Summary

Our financial strategy describes how we plan to pay for the services we provide to our communities in a way that is financially affordable and sustainable both now and into the future. Council must plan its expenditure in a way that is sustainable to ensure that the District will have the capacity and resources available to deliver affordable services to our residents and ratepayers in the medium and long term.

Our strategy is to:

- Maintain (including replace or renew) the infrastructure assets we have where it is reasonable and economic to do so
- Maintain the core services we currently provide as efficiently as possible (many of these are essential services and legislatively required)
- Aim to limit the borrowing attached to new capital works (excluding the heated, indoor pools programme) to an average of \$10m per year to ensure affordability and deliverability of the programme
- Ensure that about 10% of loan-funded new capital works (excluding the heated, indoor pools) are committed to district facility projects
- Prioritise capital projects based on an objective assessment against key decision criteria.

We have also recognised the need to increase our internal capacity to plan and deliver high quality infrastructure projects and efficiently maintain and renew our existing assets.

Our overall approach to funding is that we fund approximately 85% of operating costs from rates with the balance funded from other sources such as subsidies (from Government agencies such as the New Zealand Transport Agency) and user fees and charges.

To ensure that the users of the District's assets pay their fair share:

- We use depreciation (which is operating expenditure) to fund renewals, and
- We use borrowing to spread the cost of new capital expenditure over a longer period.

We will review our complete set of rating policies in the 2015/16 financial year.

We will place the following affordability limits on rates and rates increases:

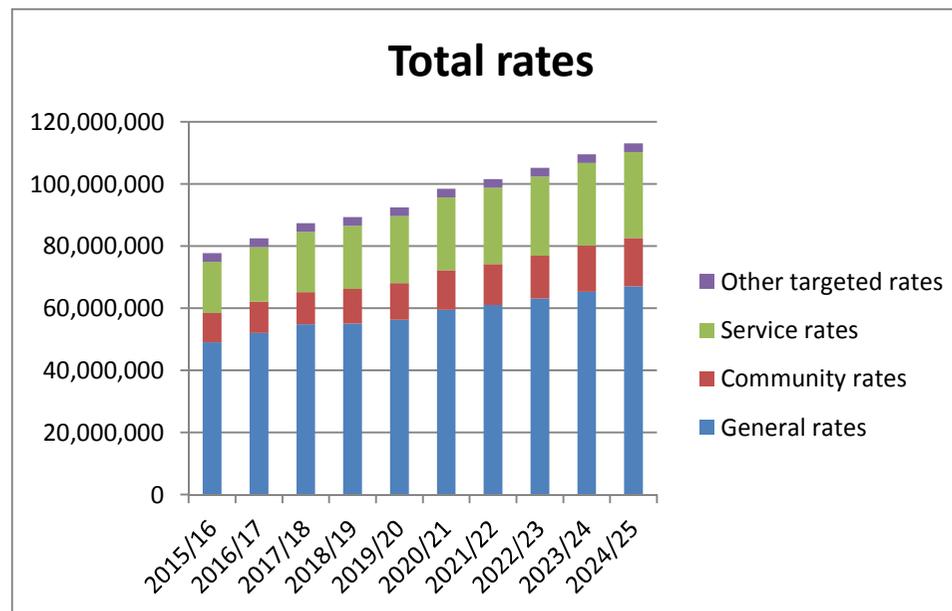
- The overall rates increases for the District will be limited to inflation (local government cost index) plus 3.5% each year. The actual impacts on individual properties might be considerably more than this, depending on the targeted rates for sewerage, water and swimming pools that might apply.

FINANCIAL STRATEGY

- Total rates will not exceed 90% of our total income¹

Limits on debt

- Net debt will not exceed 175% of our total annual revenue². For most of the ten years of this Long Term Plan debt will be substantially below this level.



This graph shows that the main element of our rate income is our general rate with significant income also coming from targeted service rates for water and wastewater. The small element of other targeted rates relate to specific rates such as local BID (business improvement districts) rates and the CBD rate for Paihia.

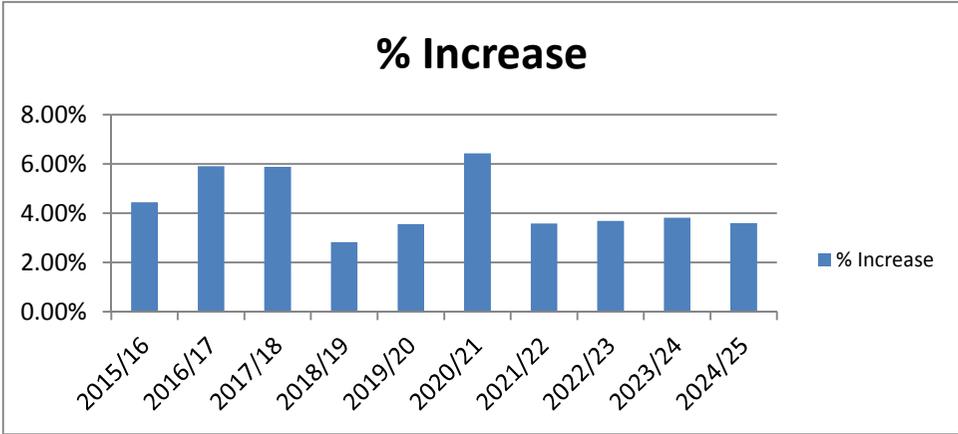
¹ Total income is defined as total revenue less subsidies and other capital income

² Total annual revenue is as defined in our Treasury Policy

FINANCIAL STRATEGY

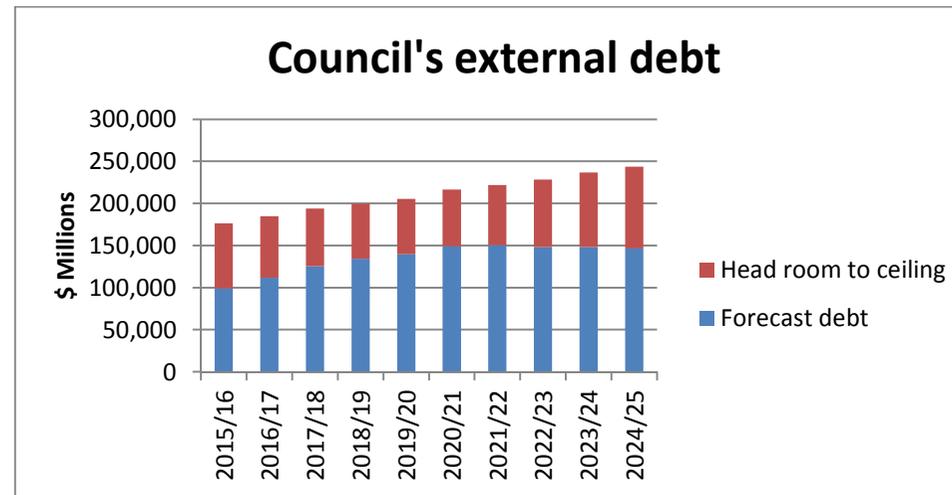
The Rates Increase over Time graph shows the proposed increases in total rates revenue. This is not the same measure as an average rate increase which is based on what ratepayers receive in their rate account. There are some significant variations in the rate levels proposed for the 10 year period. The increases in years 2, 3 and 6 are directly related to the costs associated with capital works, in particular the community pools and sports hubs.. The completion of the capital projects will result in increases in interest payable and depreciation. In addition, other costs are variable in that they don't occur every year and these create fluctuation in the rate requirements.

Rates Increase over Time Graph



FINANCIAL STRATEGY

The External Debt graph shows that Council will remain within the debt ceiling stipulated in the Council's Treasury Management Policy and the debt measure identified earlier in this strategy. However, the head-room between external debt and the debt ceiling narrows over the 10 year period. To increase the debt ceiling would require Council to generate additional income from non-subsidy sources.



Purpose of the Financial Strategy

Our financial strategy sets out how we plan to pay for the services we provide to our communities in a way that is financially affordable and sustainable both now and into the future. We must ensure that the District and the communities within it have clear information about the likely costs to them of the services Council is proposing to provide in the medium and long-term so they can make informed comment on Council's plans.

In developing the financial strategy, the Council has considered the likely future demand for services, what that will cost, the ability and willingness of our ratepayers to pay for services, fairness in allocation of rates, as well as applying good financial management and prudent decision-making.

Council has based its planning, including financial planning, on a number of assumptions. The complete list of these assumptions can be accessed on the FNDC website with the other Long Term Plan documents.

FINANCIAL STRATEGY

Introduction

Taking stock

The first year of the new Council has been spent taking stock of where the gaps in services and infrastructure are. This follows a period where maintenance and operational spending was cut and new capital projects curtailed as the previous Council responded to economic risks of the global financial crisis. This approach, while appropriate through that period as a short-term approach, is not sustainable. One of Council's main roles is to provide the core infrastructure: roads; water supplies and sewerage systems that enable communities to exist. The assets making up this core infrastructure have to be maintained and renewed to ensure they continue to provide effective service now and into the future. The costs can be delayed for a short time, but it is only that – a delay. We must now plan a catch-up or what we call the “levels of service” will fall as parts of the systems fail.

At the same time that asset conditions were declining, there was also a decline in the Council's internal capacity to plan and manage the assets. During the last year there has been a considerable investment made in rebuilding this capacity so that we have the right staff and systems in place to better understand the conditions of the assets, make properly informed decisions about future maintenance and renewals and effectively plan and deliver the projects. We will continue to develop our capability for assessing asset condition over the next 3 years.

The Far North District has considerable wealth in its people, culture, heritage and environment. These are all things that we treasure and want to nurture and sustain. What we do not have at the moment is great economic wealth. Council does not have large investments in assets that provide returns that can subsidise rates or fund community facilities as some other Councils have. Similarly, we do not have access to large charitable funders that some Council's do. We understand that our people do not have the capacity to pay large increases in the amount they fund through rates; incomes are not high in the Far North, property values have not been increasing and large portions of land are not providing any residential or economic return to owners. This all creates a significant constraint around the development of an affordable strategy. It means that the rebuild will take longer than is desirable, but it challenges us to find innovative solutions, in partnership with the communities, to the issues that lie in front of us.

Moving forward

To ensure we all make good decisions about the areas we need to invest in and the priorities of those investments, Council has been developing a community-based strategic vision and planning process. This is a key piece of work because it confirms those things that are important to us and sets a path for us to follow and deliver upon. The Long Term Plan 2015-25 sets out the

Council's proposed vision and the principles that Council thinks should guide our work. That vision and those principles are inherent in this financial strategy.

FINANCIAL STRATEGY

It is relatively straight-forward to create a financial strategy in a static environment. A financial strategy is normally set for a ten year planning period and is only reviewed as part of the Long Term Plan. This strategy has been prepared based on what we know now, when the strategy is being prepared. As better information becomes available, over the next three years, the strategy may change. Any change to the strategy will be developed by way of an amendment to the Long Term Plan.

Our financial strategy highlights the main factors that influence the demand for and cost of Council's services, as well as the financial challenges and risks that we face and how these risks will be addressed. It provides a backdrop against which the expenditure decisions can be assessed. It is designed to give our communities an understanding of our current financial situation and how it has arisen.

Development contribution gap

In 2003, Council introduced a Development Contributions policy to help fund new infrastructure arising from growth in the District. Over the years, Council has invested more than \$22m in providing infrastructure for anticipated developments which would use and pay for this infrastructure. However due to the global financial crisis, growth slowed dramatically and is not anticipated to return to significant levels for a number of years. This means that the anticipated revenue from development contributions will not be received. Development contributions are a funding device that can only be used to fund growth-related activities. Council has recognised that the limited growth it sees happening generally, no longer justifies charging Development Contributions and furthermore, Council is keen to establish an environment which supports growth. To achieve this, we need to establish policies that encourage economic development, which will make the Far North an attractive place to establish new development and encourage new opportunities and business investment.

Council has therefore decided to modify its Development Contributions policy (refer to Development Contributions Policy at www.fndc.govt.nz) to cease charging these for the time being. It will however continue to monitor the situation and will reconsider the use of Development Contributions if circumstances demand. If substantial development does arise, we will seek to negotiate development agreements to achieve a fair contribution towards upgrading of public assets required as a result of by the development. Council's internal borrowing to pay for the infrastructure already developed will be considered as part of Council's 2015/2016 Rating Review.

Where we are going?

Expected Growth

In the previous Long Term Plan (2012-22) the Council estimated that the district was expected to continue growing by 355 lots annually over the 10 year life of the previous plan. We now expect the growth or change in Usually Resident Population (URP) will continue to be uneven across the District. While some Eastern coastal communities will see growth of between 0.05% and 2% per annum, most townships will continue to experience a decline in URP (at a rate of between -ve0.2 – -ve2% p.a.). Rather than expecting 355 new lots annually, we now

FINANCIAL STRATEGY

expect that 50 new lots (the current level of subdivision) will be created each year across the District, as a result of subdivision activity. We also expect that the number of visitors to the District or staying within the District will continue to decline.

With slower than projected growth for the district and in many communities, we are proposing a reduced programme of growth-related asset development with our focus on achieving minimum levels of service and standards across our communities.

We are changing how we review the District Plan and will be moving to a consolidated review programme instead of a rolling one, which was based around achieving four plan changes a year. This is to ensure that we take a more comprehensive view of the planning dynamics of the district and minimise decisions being made in isolation.

Getting Back to Delivery – Key Infrastructure

The nature of our District is that we have a significant land area and a relatively small population that chooses to live in a large number of small communities all through the District. This means that we have a complex road network joining communities and a large number of small water supply and waste water schemes. This provides challenges, as we do not necessarily have the critical mass to afford the infrastructure and services that people want and in some cases, it is difficult to even maintain the ones that the communities already have. We believe it is right for our communities to be able make choices about this and since the funding for much of this area comes from general rates, we will share options for different projects and levels of service which contribute to the increase in the rates and listen to what you tell us.

The water and waste water networks are largely hidden and often don't get the attention they deserve. Often, we only tend to notice it when it doesn't work. In contrast, we know that community facilities and services are visible and highly valued, but in the face of the priority we must place on core infrastructure, we are proposing a more cautious approach to any improvements or new facilities, but without lowering current levels of service. Recent major storm events (July 2014) put severe pressure on our ability to provide "normal" services and previously agreed renewals or new asset works. Council has insurance which is as comprehensive as possible for reasonably foreseeable risks for its infrastructure (other than underground assets, which are generally undamaged by weather events). The premiums are still very high and Council has a \$250,000 excess to help keep the premiums more affordable. For significant storm-related roading damage, we are generally able to access central government emergency funding to help offset the costs of restoration and rehabilitation, but there can be delays in receiving these funds and they are not always sufficient to return services to the state they were in prior to the event. In previous years, Council took the decision to rate 1% for emergency flood related works and this has been continued in this plan. The funds raised are used to compliment the emergency works subsidy received relating to roading works and where possible, provide funds for replacement of other damaged assets. Where the costs arising from a major event exceed our available funding, Council re-prioritises as necessary to address the short-fall.

FINANCIAL STRATEGY

Water network

The network contains approximately 120km of asbestos cement (AC) pipes (36% of the network) which were laid in 1950's - 1970's. This material has a life of about 50-100 years. It is expected that these pipes will need to be renewed over the next 30 years. The exact timing of renewals will be determined by the actual asset condition. The remainder of the network has been constructed from modern materials that have a longer life. These pipes are not expected to require significant replacement for another 50 years. The estimated cost of replacing AC pipes over the 30 year period will be approximately \$12m (i.e. \$400,000/year over the next 30 years). \$4.2m has been allocated towards this in the next 10 years.

Paihia

Paihia, in the Bay of Islands, has high summer demands due to tourism influx and the network struggles to meet demand. It will cost an estimated \$6.8m for network upgrades at Paihia from 2018-2020.

Opononi and Omapere

Opononi and Omapere in the Hokianga also have high summer demands. We have included \$1.32m to progress supplementing the water intake from the Waimamaku River to address the issues at Opononi and Omapere given the moderate to high risk that Council will not find an alternative viable groundwater source.

Rawene/Omanaia

To achieve potable water in the Omanaia area and improve drought resilience in Rawene, options have been proposed that include piping treated water from a new water treatment plant in Rawene (with a 500m³ raw water storage and 300m³ treated water storage reservoir) to Omanaia (\$1.97m) and pumping water from the Waima River and building raw water storage to improve drought resilience in Rawene (capital cost estimated at \$1.12m).

For both Opononi/Omapere and Rawene/Omanaia it is imperative that we work with communities to ensure the options are affordable, manage resources wisely, and are culturally appropriate.

Kaitaia

The amount of water that can be taken from the river at Kaitaia is restricted by resource consent conditions. During dry periods, demand exceeds supply and water restrictions are put into place. There is significant leakage occurring from pipes in the Kaitaia network, which is adding to the water demand and increasing operational costs. Options are being assessed for a new Kaitaia water source that will cost approximately \$3.6m.

FINANCIAL STRATEGY

Te Kao

Council is continuing to work with the Te Kao community and Te Aupouri Maori Trust Board on affordable options to improve water quality. We have included an indicative cost estimate of \$2.2m in our financial projections as we continue to look for alternative and better water sources, develop an appropriate scheme design and seek Ministry of Health subsidies.

Wastewater

The network contains approximately 100km of asbestos cement (AC) pipes (34% of the network) which were laid in 1950-1970's. This material has a life of up to 100 years. It is expected that these pipes will need to be renewed over the next 30-50 years. In addition, there are the upgrades of the Kerikeri and Paihia treatment plants and pipework amounting to \$22.2m - \$25.5m between 2016 and 2023 and also an upgrade to the Kaitaia pipework based on options costing \$13.7m - \$25.95 between 2016 and 2024.

Roading

Additional renewal works due to forestry activities will be undertaken over the next 3 years and are estimated to cost \$10m. Following the July 2014 storms, emergency repairs amounting to \$9.26m and resilience repairs and renewals amounting to \$6.91m per year are proposed.

Financial Strategies

Limit on new capital projects

As part of the development of the Long Term Plan, we have identified that an average of \$10m in borrowed funds is the overall target value for new, loan-funded projects per year that are realistic to plan, deliver and fund. To put this in context, over the last six years we have spent an average of \$21 million per annum on renewals and new capital works (excluding NZTA subsidies). Total capital expenditure in this plan will average \$34 million per annum (excluding NZTA subsidy and new indoor pools). We need to set a new capital works programme which is affordable, realistic and achievable. The Plan currently contains an average borrowings value of \$13.9m per year, rather than the \$10m we recommend. This covers all core infrastructure works and a range of district facility projects, including heated, indoor pools. These projects are subject to consultation and any changes to the programme that arise from our consultation with the community will impact this position.

Further, it was agreed that whilst core infrastructure projects such as for roads, potable water and wastewater must be the immediate focus, it is also important that Council continues to provide new community facilities so that the Far North remains an enjoyable place to live. Council proposes that about 10% (about \$1m per year) of what Council borrows to spend on new capital projects should be used to fund new community facilities as an alternative to just core infrastructure. The Plan currently contains an average borrowings value of \$3.3m and this covers the proposed contribution to sports hubs and heated, indoor pools. At a total of \$8m over 9 years, the inclusion of the pools makes a significant impact and cannot be funded within our target range. We are consulting with the community specifically on these issues so they can express their views on their priorities. Any changes to the programme that arise from our consultation with the community will impact this

FINANCIAL STRATEGY

position. If this approach is agreed through the Long Term Plan process, it will result in increased levels of service in our community facilities over time.

Prioritisation of projects

Proposed new capital projects are assessed and scored against range of criteria. The total scores are then used as the basis of prioritising the new projects so that only those that are most important over a range of measures are going to appear on the capital programme. This will ensure that the limited funds we have available is spent on the most important projects. Projects are prioritised across the district as a whole.

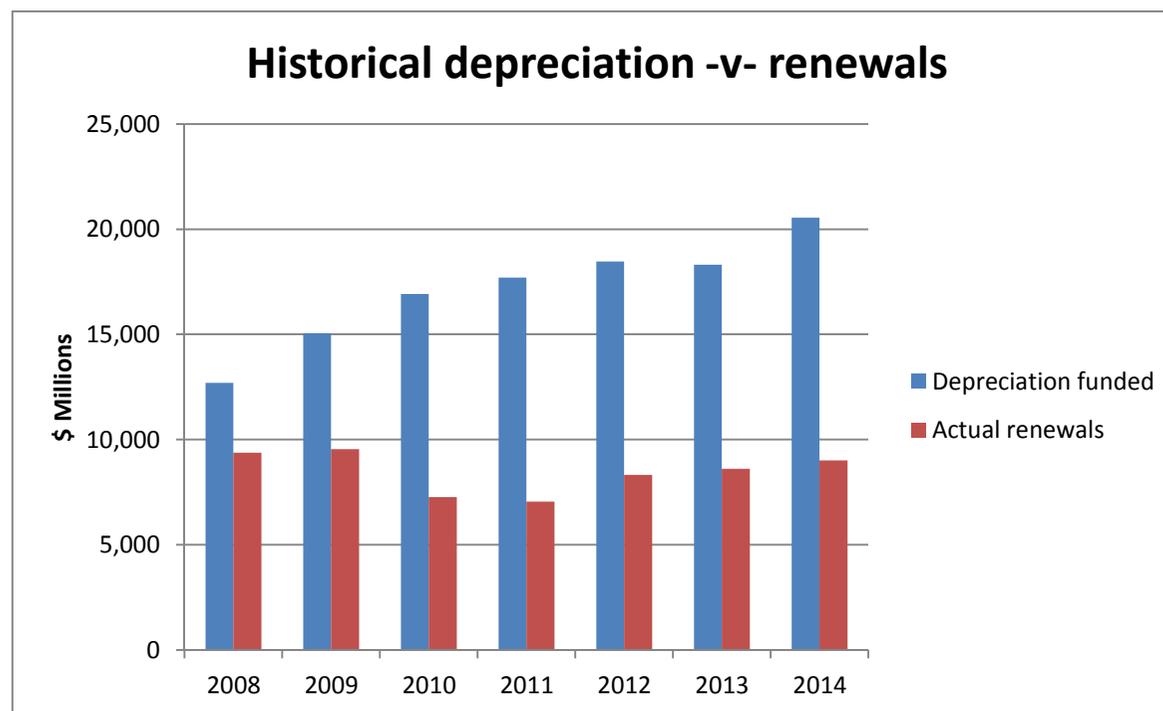
Depreciation is used to fund the renewals programme

Council funds (or recovers the expense of) depreciation through rates. The depreciation charge is made at a rate that spreads the value of the asset being depreciated over its useful life. For complex assets, such as a waste water system, depreciation is calculated for each category of the component parts (such as pumps, wet wells, pipes etc.) that make up the complete system, as each category of component asset may have a different useful life.

Council maintains their assets on an annual basis and periodically renews (replaces or overhauls) the assets that make up the component parts of the larger systems so that, generally, the asset is kept in a condition to provide the required level of service over the long term.

Over the lifetime of our assets, the amount of depreciation charged and the value of the renewals programme should be equal. We have identified that over the last seven years there is a discrepancy between depreciation funded of around \$120m and actual renewals of \$60m. In aggregate the difference is around \$60m over all of the assets owned by Council.

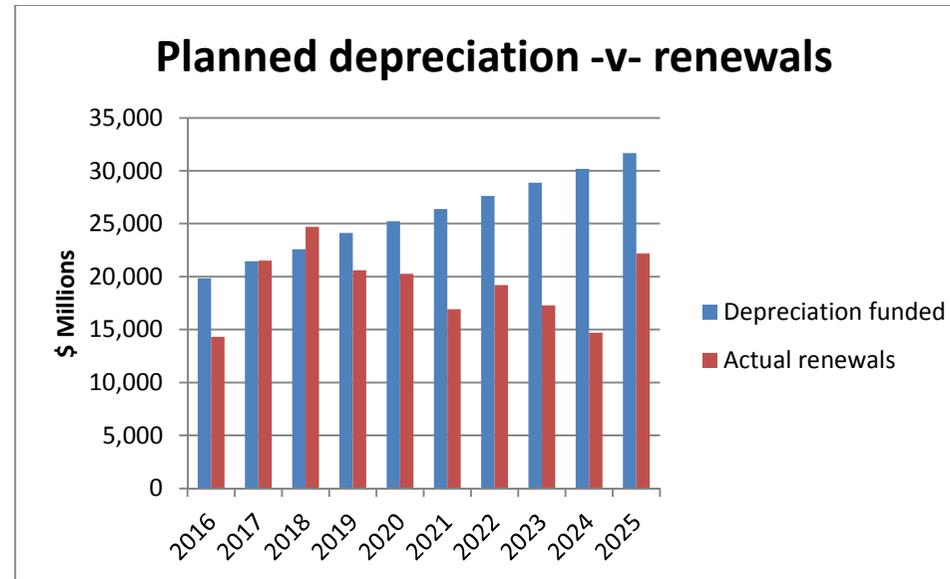
FINANCIAL STRATEGY



There are a number of reasons for this. Firstly, the useful life of many asset components (e.g. underground pipes and bridges) is very long and renewal of those components does not come due within the 10 year planning horizon of this plan. Secondly, renewals can be deferred in the short-term, to reduce capital expenditure in particularly uncertain times, such as the global financial crisis. This is effectively a deferral of renewal work and requires a catch-up over the medium term to restore on-going levels of service. Thirdly, depreciation is collected evenly over the useful life of each asset. Renewal work does not happen in the same even spread – the nature of renewals is that the expenditure is “spikey” and it is only over the very long-term that a balance between depreciation and renewal expenditure will be seen. All of these factors contribute to the “gap” identified above.

FINANCIAL STRATEGY

In this Plan, Council is responding to the delay in renewals and is proposing to use an appropriate amount of depreciation on the work identified in the asset management plans to renew the assets. The relative values for the 10 years of this strategy are shown in the graph below.



We are satisfied that the charge for depreciation is an accurate reflection of generally accepted accounting principles. These calculations and the asset register are subject to annual audit. We will continue to refine our asset management plans as we build a greater understanding of the condition of our assets and required renewals into the long term. We will consult the community over appropriate options if we identify any long-term mismatch between the values of depreciation and renewals.

Changes to Rating Policies

Council has a complicated mixture of general rates, ward rates, sewerage and water rates and targeted rates that generate most of the income it needs to meet its operating costs. New rates and changes to existing rates that have previously been adopted with the best of intentions have had unforeseen consequences on individual properties or communities within the district. During the 2015/16 year, Council proposes to carry out a comprehensive review of the way that rates are set in the Far North to ensure that the rates mechanism provides a fair and

FINANCIAL STRATEGY

equitable allocation of operating costs to district ratepayers and also supports a more balanced approach to improvements across different communities and impacts on our environment.

Some of the issues that will be raised through the rates review include:

- Is the current mix of general, ward and service rates the right mix and are the allocations between the various rates the right allocations?
- Should water and sewerage schemes be charged on a scheme basis or a ward or district basis? Can these schemes be funded in a way that helps better balance social, public health and environmental impacts?
- Should general rates be set on a land value (LV) basis or a capital value (CV) basis?
- Can Council's policies better enable the development of Maori Freehold Land (should the owners wish to do this)?

The result of the review will not change the overall amount of money the Council requires from ratepayers. It might result in individual ratepayers paying more or less for their property depending on the outcome.

Council proposes to commence this review in the early part of 2015 and intends to inform and engage with the community as part of that process. Because of the time needed to achieve a good outcome, it is expected that any proposed changes will be included in a revised Long Term Plan to be issued in 2016. The review process will be undertaken with internal staff resources and will not have any debt or other financial implications.

Development Contributions and development-related debt

We will stop collecting general development contributions, as they are not currently justified and their absence helps encourage development investment. We will seek to enter into development agreements with developers of significant new developments in the area to ensure that the costs of growth on the existing infrastructure are met by the development.

Development-related debt

Where new infrastructure was created on various sites in anticipation of development by the private sector, but before the development actually occurred, the development contribution remains potentially collectable, but there is no reasonable basis on which we can assume that development will occur within the foreseeable future.

Limits on rates and rates increases

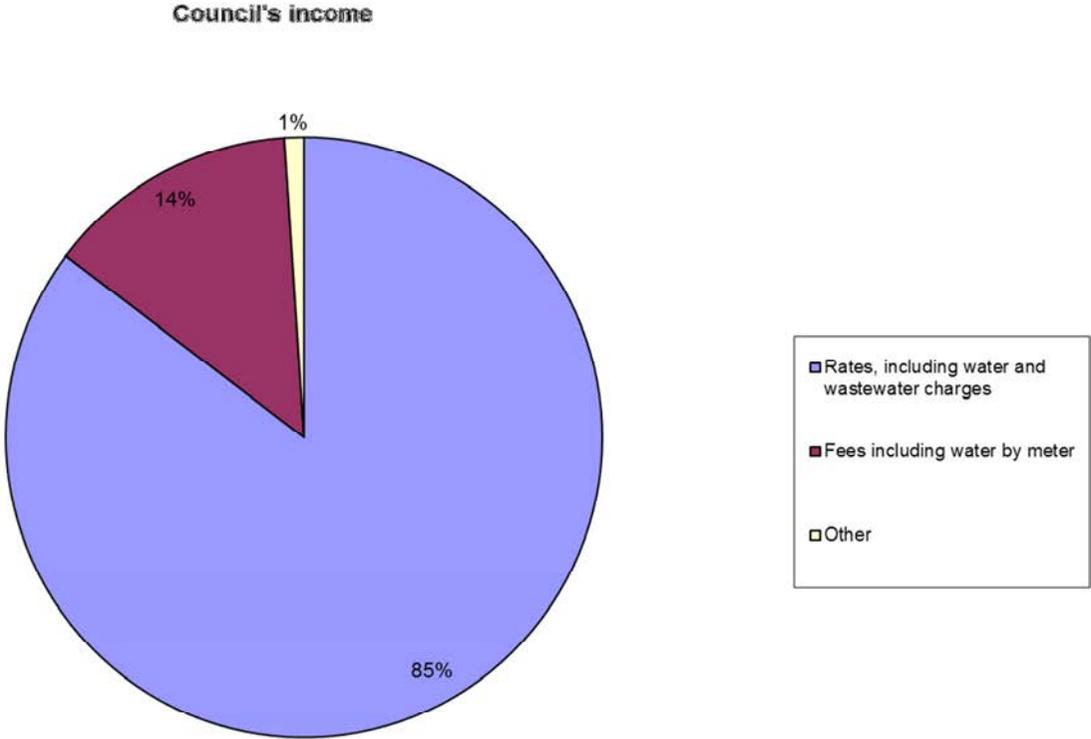
Council activities are often expensive to deliver. Local Government costs increase at a higher rate than the Consumer Price Index (CPI). The CPI measures changes in price for consumer goods such as food, entertainment etc. The Local Government Cost Index (LGCI) measures the increases in costs for the products councils consume such as asphalt and pipes, which have a high oil component. Any reduction in the LGCI

FINANCIAL STRATEGY

as a result of recent reductions in oil prices will result in any savings being reflected in rates going forward. However, continued devolution of responsibilities and the increasing of standards set by Central Government add to this cost pressure.

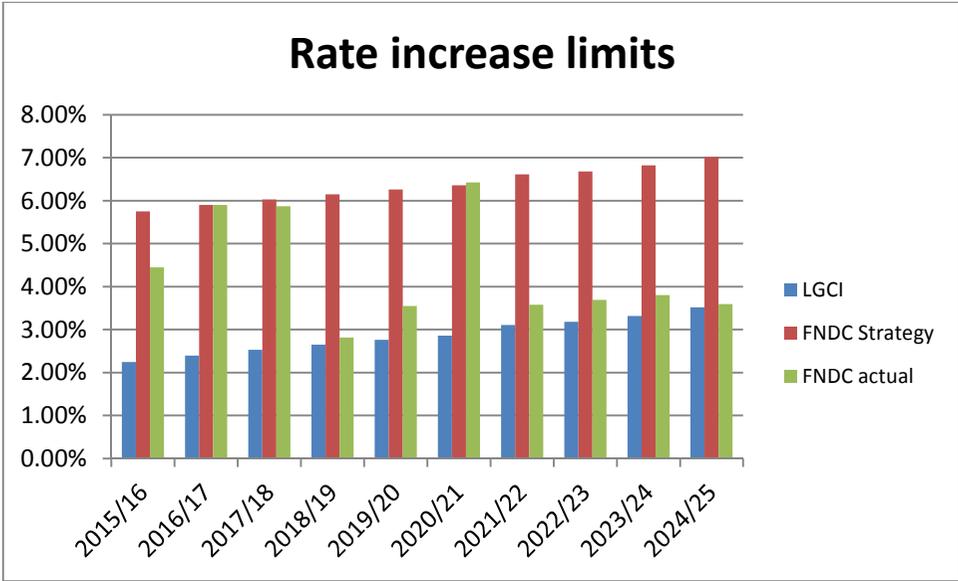
Currently, Council draws an average of 85% from rates because it does not have alternative revenue streams; for example, significant financial investment funds or investments in corporate enterprises, and has taken a fairly low-risk approach to borrowing. User charges are predominantly charges for resource consents and user consents. A full review of these fees will occur in the 2015/16 financial year. Council will endeavour to limit the rates collected each year to a maximum of 90% of council revenue (excluding subsidies and other capital income). Ideally, as part of the rates review, Council will seek to reduce the proportion of revenue collected through rates.

FINANCIAL STRATEGY



The overall rates increases will be limited to growth, inflation (local government cost index) plus 3.5% each year. The impact of the overall increase on individual properties will be different, based on property valuation changes and targeted rates for items such as water and sewerage.

FINANCIAL STRATEGY



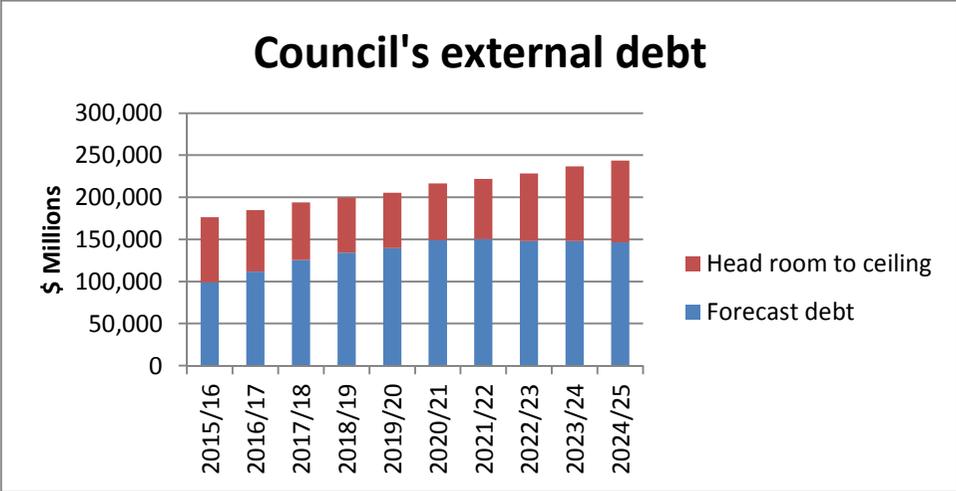
Rates Increase Limits Graph

The Rates Increase Limits graph shows the LGCI, Council’s strategy limits and proposed rate increases. There are some significant variations in Council’s proposed rate increases and, as discussed earlier in this strategy, these are principally due to the significant infrastructure projects prioritised for commencement. The graph shows that in 2016/17, Council will have a minor breach of the strategy limits of 0.55%. At this time, this is not seen as significant and is a result of the impact of the capital works proposed for 2015/16. Any changes to the programme that arise from our consultation with the community will impact this position.

FINANCIAL STRATEGY

Limits on debt

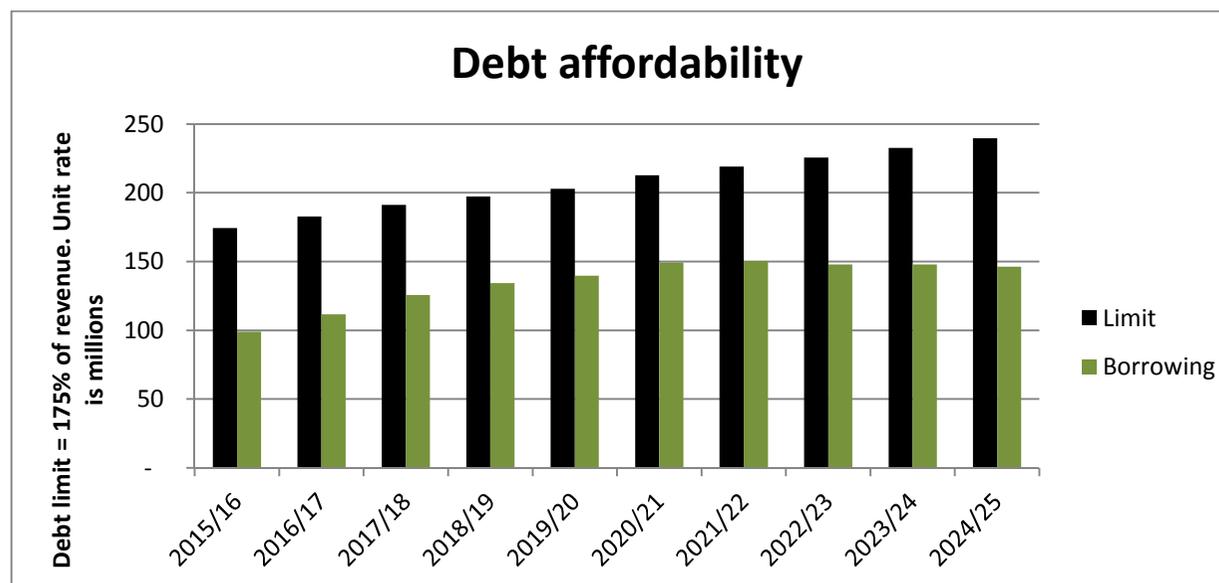
Net debt will not exceed 175% of our total income. For most of the ten years of this Long Term Plan debt will be substantially below this level. Council has also considered the impacts of its borrowing against the debt serving benchmark.³



Council proposes to continue to secure its borrowing and interest rate risk management instruments against rates and rates revenue, as this lowers the cost of borrowing.

³ Clause 21 in the Local Government Reporting and Prudence Regulations 2014

FINANCIAL STRATEGY



Each year, Council sets the rates to achieve a balanced budget – i.e. costs equal income in the year. In reality, timing differences occur, which means that at the end of the year there might be either a surplus or a deficit. These timing differences are worked through in the following year. Council has a conservative approach to managing its finances, and any surplus funds are usually used for debt repayment rather than financial investment. It does not intend to undertake financial investments for the purpose of generating significant returns, now or in the future. As such, Council does not seek to hold financial investments other than those that are short-term surpluses. In relation to equity (shares in stocks) for investment purposes, Council will only hold it for strategic purposes, such as holding equity in Council Controlled Organisations to help Council provide services more efficiently, or possibly the Local Government Funding Agency or similar organisations, if shown to be appropriate. Council is primarily concerned with the protection of its investment. Council recognises that as a responsible public authority, any investments that it does hold will be low-risk. It also recognises that lower risk generally means lower returns.⁴

⁴ specify the local authority's objectives for holding and managing financial investments and equity securities and its quantified targets for returns on those investments and equity securities.

FINANCIAL STRATEGY

Holding and managing financial investments and equity securities

Council-Controlled Organisation, Far North Holdings Limited (FNHL) is a wholly owned subsidiary of Council. As the Council's commercial vehicle, FNHL will facilitate and create commercial and infrastructural assets in the Far North District, with the aim of maximising profit for its shareholder, the Council. FNHL operates as a commercial profit-orientated entity. Council uses FNHL as an organisation to make investments for income, which are paid in the form of a dividend. In the last two years, the Council has allowed FNHL to reinvest the Net Profit After Tax, which remains after it has paid this dividend, in new commercial projects. Future opportunities for this re-investment will be considered by Council on their merits.

While Council acknowledges that the amount of return on financial investment is the responsibility of the lender and therefore outside of Council's control, it is required by law to identify targets for the returns received on its investments and equity securities. In keeping with Council's objective to invest in a secure, low risk vehicle which will result in lower return in investment but does not compromise on the principle, its quantified financial investment target is to achieve a return equivalent to the 5-year government stock rate. Targeting returns for equity securities is not applicable.

Government Policy Changes

Council operates in a continually changing political environment – the direction is set by central government and we have to respond to any changes. For example, as this strategy is being developed, the Government is about to announce changes to the Resource Management Act. We do not know what the changes are or what the implications of those changes might be as we develop this strategy. It is possible that changes could result in increased costs for Council. This could be as a direct result of increased costs or increased workload as additional monitoring could be needed. The strategy detail may need to change in response to changes that government might announce. What will not change is the strategic direction set out in this document, which is that we will provide services to our communities in ways that are financially affordable and financially sustainable, and innovative in their creation and execution.

Local Government Re-organisation

The Local Government Commission has decided not to proceed with its draft proposals for a single council in Northland. Instead the Commission will return to those communities to work with them and seek to develop other options to address the challenges the region faces.. Whilst this process continues to run its course, we are pursuing opportunities for increased sharing of services with neighbouring authorities and strategic partners where there are benefits and efficiencies to be achieved. For the purposes of this Long Term Plan, we now have some certainty for the assumption and that there will be no significant changes to the structure of local government in the Northland region affecting Council during the next 10 years.

FUNDING IMPACT STATEMENT

What is the Funding Impact Statement?

Introduction

The Funding Impact Statement (FIS) is one of the key statements included in this Long Term Plan. Essentially it pulls together all the information from each of the different groups of activities and sets out in a single statement the sources of both the operating and capital funding for everything that Council does.

This statement is prepared in a different format to most of the other financial statements included in this plan and, in one sheet, provides a synthesis of Council's overall funding requirements.

The format of this statement is prescribed in the legislation and does not have to meet the normal accounting requirements. The intention is that it will provide a more understandable picture of what Council is spending money on and how those expenditures are funded.

The second and perhaps, more important purpose of the FIS is to set out the basis of rating which Council proposes for the term of this Plan.

Legislative Requirements

The Local Government Act 2002 requires that Council include a FIS in each Long Term Plan. This statement in the form required by regulation must include the following information for each year covered by the plan:

- The sources of funding to be used by the local authority
- The amount of funds expected to be produced from each source
- How the funds are to be applied.
- The projected number of rating units within the district at the end of the preceding financial year.

Key features of this Funding Impact Statement

Council has not proposed any significant changes to the method of setting rates for the first year of this plan; however as is discussed elsewhere, Council is proposing to undertake a comprehensive review of rating methodologies over the next twelve months. Any proposed changes will be separately consulted on in future years and may result in amendments to this Long Term Plan.

Revenue and Financing Mechanisms

In addition to rating income, Council has a number of other sources of revenue including:

- Fees and charges
- Subsidies
- Depreciation funds and other reserves
- Loans and borrowings
- Development and financial contributions in respect of contributions assessed in the years prior to the adoption of this plan.

FUNDING IMPACT STATEMENT

Funding Impact statement for 2015-2025 Long Term Plan

Annual Plan		LTP									
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s									
Sources of Operational Funding											
47,010	General rates, uniform annual general charges, rates penalties	50,012	52,935	55,746	56,146	57,667	61,752	63,664	66,219	68,988	71,224
25,735	Targeted rates (other than a targeted rate for water supply)	27,373	29,016	31,018	33,061	34,709	36,559	38,165	39,366	40,617	42,323
6,096	Subsidies and grants for operating purposes	7,210	7,157	7,242	7,285	7,386	7,487	7,588	7,689	7,689	7,689
7,606	Targeted rates Water										
15,310	Fees, charges, and targeted rates for water supply	14,559	14,551	14,598	15,539	15,484	15,051	15,077	15,011	15,042	15,075
38	Internal charges and overheads recovered	268	292	199	149	244	149	149	149	149	149
1,142	Local authority fuel tax, fines, infringement fees, and other receipts	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204	1,204
95,332	Total operating funding (A)	100,626	105,155	110,008	113,384	116,693	122,202	125,847	129,639	133,690	137,665
Applications of operating funding											
66,107	Payments to staff and suppliers	75,174	76,374	78,152	79,961	79,433	82,752	84,500	86,936	89,792	92,201
5,339	Finance costs	4,738	5,420	6,654	7,482	7,986	8,985	9,569	9,623	9,421	9,396
0	Internal charges and overheads applied	0	0	0	0	0	0	0	0	0	0
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
71,446	Total applications of operating funds (B)	79,912	81,794	84,806	87,443	87,419	91,737	94,070	96,559	99,213	101,598
23,886	Surplus (deficit) of operating funding (A - B)	20,714	23,361	25,202	25,940	29,274	30,465	31,777	33,080	34,476	36,067
Sources of capital funding											
9,329	Subsidies and grants for capital expenditure	19,288	21,291	14,257	11,268	10,475	12,698	13,142	14,195	13,800	12,684
496	Development and financial contributions	0	545	5,025	0	(0)	0	0	0	23	0
12,278	Increase (decrease) in debt	12,843	12,362	13,799	8,400	5,122	8,984	821	(3,104)	(375)	(2,131)
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
22,103	Total sources of capital funding (C)	32,131	34,197	33,082	19,668	15,597	21,682	13,962	11,091	13,448	10,553
Applications of capital funding											
Capital Expenditure											
1,930	- to meet additional demand	0	0	0	0	0	0	0	0	0	0
20,796	- to improve the level of service	27,406	25,814	35,702	19,658	15,957	23,763	16,607	13,785	14,699	12,089
24,623	- to replace existing assets	22,202	34,784	28,279	26,771	28,834	24,352	26,985	25,348	24,293	31,773
(1,359)	Increase (decrease) in reserves	3,237	(3,039)	(5,697)	(821)	80	4,032	2,149	5,038	8,932	2,758
0	Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
45,990	Total applications of capital funding (D)	52,845	57,558	58,284	45,608	44,871	52,147	45,740	44,171	47,924	46,620
(23,886)	Surplus (deficit) of capital funding (C - D)	(20,714)	(23,361)	(25,202)	(25,940)	(29,274)	(30,465)	(31,777)	(33,080)	(34,476)	(36,067)
0	Funding balance ((A - B) + (C - D))	0									

FUNDING IMPACT STATEMENT

Reconciliation Funding Impact Statement to prospective financial statements

Reconciliation Funding Impact Statement to prospective financial statements											
Annual Plan		LTP									
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s									
	REVENUE										
	Prospective Financial Plan										
104,460	Total activity revenue	118,922	126,276	128,576	123,937	126,453	134,186	138,274	143,119	146,798	149,634
94,635	Rates requirement for operations	99,635	104,440	109,293	112,669	115,979	121,488	125,132	128,924	132,975	136,950
9,825	Rates requirement for capital	19,288	21,836	19,283	11,268	10,475	12,698	13,142	14,195	13,823	12,684
104,460	Total Revenue	118,922	126,276	128,576	123,937	126,453	134,186	138,274	143,119	146,798	149,634
	Summary Funding Impact Statement										
	Sources of Operating Funding										
95,331	Total operating funding (A)	100,626	105,155	110,008	113,384	116,693	122,202	125,847	129,639	133,690	137,665
	Add sources of capital funding										
9,329	Subsidies and grants for capital expenditure	19,288	21,291	14,257	11,268	10,475	12,698	13,142	14,195	13,800	12,684
496	Development and financial contributions	0	545	5,025	0	(0)	0	0	0	23	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
105,156	Total revenue	119,914	126,991	129,291	124,651	127,168	134,900	138,989	143,833	147,512	150,349
696	Less Income Reclassified to allocations	991	715	715	715	715	715	715	715	715	715
	Statement of Comprehensive Income										
104,460	Revenue and rates per prospective financial plan	118,922	126,276	128,576	123,937	126,453	134,186	138,274	143,119	146,798	149,634
	Add Vested Assets										
104,460	Total revenue	118,922	126,276	128,576	123,937	126,453	134,186	138,274	143,119	146,798	149,634
	EXPENDITURE										
	Prospective Financial Plan										
100,299	Total activity expenditure	107,179	111,291	115,783	120,357	121,802	127,592	131,673	135,960	140,528	144,997

FUNDING IMPACT STATEMENT

Reconciliation Funding Impact Statement to prospective financial statements *(continued)*

Reconciliation Funding Impact Statement to prospective financial statements <i>(continued)</i>											
Annual Plan		LTP									
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s									
Summary Funding Impact Statement											
Applications of Operating Funding											
71,446	Total applications of operating funding (B)	79,912	81,794	84,806	87,443	87,419	91,737	94,070	96,559	99,213	101,598
29,550	Add Depreciation Expense	28,150	30,064	31,728	33,542	34,911	36,505	38,025	39,769	41,594	43,521
100,996	Total expenditure	108,062	111,858	116,534	120,985	122,330	128,243	132,094	136,328	140,807	145,118
(697)	Less Income Reclassified to allocations	(883)	(567)	(752)	(630)	(528)	(651)	(422)	(369)	(280)	(122)
100,299		107,179	111,291	115,783	120,357	121,802	127,592	131,673	135,960	140,528	144,997
Statement of Comprehensive Income											
Expenditure											
100,299	Expenditure per prospective financial plan	107,179	111,291	115,783	120,357	121,802	127,592	131,673	135,960	140,528	144,997
0	Add loss on forestry revaluation	0	0	0	0	0	0	0	0	0	0
100,299	Total expenditure	107,179	111,291	115,783	120,357	121,802	127,592	131,673	135,960	140,528	144,997

Depreciation shown in the Funding Impact Statement differs from depreciation shown in the Activity Statements as the depreciation on Corporate activities is allocated to the activities and forms part of the direct and indirect costs.

FUNDING IMPACT STATEMENT

Proposed Rates for 2015-2025

This portion of the Funding Impact Statement has been prepared in two parts. The first part outlines the rating methodologies and differentials which Council has used to set the rates for the 2015-2025 rating years. The second part outlines the proposed rates for the 2015/16 rating year. Where a new rate is not proposed to be set in 2015/16 the schedule of rates will show this rate as \$0. The reason why this rate is shown despite it not being charged in 2015/16 is that the Long-Term Plan includes new rates which are to be set in future years.

General Rates

General Rate

Council has set a General Rate on the basis of Land Value to fund its general activities. This rate has been set on a differential basis as described below.

The General Rate differentials are generally based on the land use as defined by Council's Valuation Service Provider and included in the Valuation Information Database. The proposed differentials are set out in the following table. (Refer *Local Government (Rating) Act 2002, Sections 13(2)(b) & 14 & Schedule 2 Clause 1.*)

General Rate Differential Categories			
Differential	Basis	Description	Land Use Codes
General	100%	These are rating units which have a non-commercial use based on their actual use as defined by their land use code. (Note: in certain circumstances land with a commercial land use may be treated as general if the ratepayer demonstrates to Council's satisfaction that the actual use is not commercial)	0, 1, 2, 9, 10 to 17, 19 to 29, 90, 91, 92 & 97-99 (93 - 96 may also be treated as general if the actual use of the land is not commercial)
Commercial	275%	These are rating units which have some form of commercial or industrial use or are used primarily for commercial purposes as defined by their land use codes. (Note: in certain circumstances land with a general land code use may be treated as commercial if the actual use of the entire rating unit is commercial in nature)	3, 4, 5, 6, 7, 8, 18, 30 to 89, 93, 94, 95, & 96
Mixed Use		Mixed use may apply where two different uses take place on the rating and where each use would be subject to a different differential. In these circumstances Council may decide to split the rating unit in to two divisions for rating purposes and apply the appropriate differential to each part. (<i>Local Government (Rating) Act 2002 Section 27(5)</i>)	
Council retains the right to apply a different differential where it can be demonstrated, to its satisfaction, that the actual use of the entire rating unit differs from that described by the current land use code. – For more information, refer to the section "Exemptions to Land Use Differentials"			

FUNDING IMPACT STATEMENT

Uniform Annual General Charge (UAGC)

Council has set a UAGC on the basis of one charge assessed in respect of every separately used or inhabited part (SUIP) of a rating unit. This rate will be set at a level designed to ensure that the total of the UAGC and certain targeted rates set on a uniform basis do not exceed the allowable maximum of 30%. The total of the UAGC and applicable targeted rates proposed for 2015 – 2016 is 22%. (Refer Local Government (Rating) Act 2002, Section 15 and 21).

Targeted Rates

Council has set the following targeted rates:

Roading Rate

Council has set two targeted rates to fund a portion of the costs of its roading activities:

- A targeted rate on the basis of a fixed amount of \$100 assessed on every SUIP to fund part of the total costs of the activity. (Refer: Local Government (Rating) Act 2002 Sections 16 & 17 and Schedule 3 Clause 7)
- A targeted rate assessed on the basis of Land Value to fund 10% of the balance of the roading activity not funded by the uniform roading rate. This rate has been set on a differential basis according to land use as described below. (Refer: Local Government (Rating) Act 2002 Section 16 & Schedules 2 Clause 1 and 3 Clause 3).

The Roothing Rate differentials are generally based on land use as defined by Council's Valuation Service Provider and included in the Valuation Information Database. The differential basis is designed to ensure that the specified share of the rate is generated by each of the differential categories. The Roothing Rate differentials are:

Roothing Rate Differential Categories			
Differential	Share	Description	Land Use Codes
Residential	29%	Rating units which have residential land uses or are used primarily for residential purposes	9, 90,91,92 & 97 - 99 (93 - 96 may also be treated as residential if the actual use is residential in nature)
Lifestyle	20%	Rating units which have lifestyle land uses	2 & 20 - 29
Commercial	7%	Rating units which have some form of commercial land use or are used primarily for commercial purposes	3 - 6, 8, 30 - 39, 40 - 49, 50-59, 60-69, 80-89, 93, 94 (95 & 96 may also be treated as residential if the actual use is commercial in nature)
Industrial	2%	Rating units which have some form of industrial land use or are used primarily for industrial purposes	7 & 70 - 79
Primary	16%	Rating units which have some form of primary or farming land use or are used primarily	1, 10, 12-14, 16, 19

FUNDING IMPACT STATEMENT

Roading Rate Differential Categories			
Differential	Share	Description	Land Use Codes
General		for farming purposes other than land used for dairy or horticulture	
Horticulture	1%	Rating units which have horticultural, market garden or other similar land uses	15
Dairy	7%	Rating units which have dairy land uses	11
Forestry	13%	Rating units which have forestry land uses but exclude land which is categorised under the Valuer General's Rules as Indigenous forests or Protected forests of any type	17
Mining/Quarry	4%	Rating units which have mining or quarry land uses	18
Other	1%	Rating units where the defined land use is inconsistent or cannot be determined	

Council retains the right to apply a different differential where it can be demonstrated, to its satisfaction, that the actual use of the entire rating unit differs from that described by the current land use code. – For more details, refer to the section “Exemptions to Land Use Differentials”

Ward Rate

Council has set a targeted rate on the basis of a fixed amount assessed on every SUIP to fund urban, recreational and other local services and activities within the three wards of the district.

The Ward Rate has been set on a differential basis according to the Ward in which the rating unit is located as described below. (Refer: Local Government (Rating) Act 2002 Section 16 & 17 & Schedules 2 Clauses 6 and 3 Clause 7).

Ward Rate Differential Categories		
Differential	Basis	Description
Te Hiku Ward	47%	All rating units located within the Te Hiku Ward
Bay of Islands / Whangaroa Ward	29%	All rating units located within the Bay of Islands – Whangaroa Ward
Kaikohe / Hokianga Ward	24%	All rating units located within the Kaikohe / Hokianga Ward

FUNDING IMPACT STATEMENT

Stormwater Rate

Council has set a targeted rate to fund specific stormwater capital developments within urban communities across the district. This rate has been set as a fixed amount per rating unit assessed differentially within the following communities – Refer rating area maps. (Refer: Local Government (Rating) Act 2002 Section 16 & 17 & Schedules 2 Clause 1 and 3 Clause 8).

Ahipara	Haruru Falls	Kaikohe	Kawakawa	Kohukohu	Okaihau	Paihia/Te Haumi	Taupo Bay
Awanui	Hihi	Kaimaumu	Karikari Communities	Moerewa	Opononi/Omapere	Rawene	Tauranga Bay
East Coast	Houhora/Pukenui	Kaitaia	Kerikeri/Waipapa	Ngawha	Opuia/Okiato	Russell	Whangaroa/Kaeo

Stormwater Rate Differential Categories

Differential	Basis	Description
General	100%	All rating units which are assessed the General Rate – General Differential
Commercial	200%	All rating units which are assessed the General Rate – Commercial Differential

Kerikeri Mainstreet Rate

Council has set a targeted rate on a differential basis on the basis of a fixed amount assessed on every SUIP to fund the Kerikeri Main Street project. The area to be rated includes rating rolls 211, 213, 215, 219, 227 and 229 except for that part of the roll to the south of the Waitangi River which is charged the Paihia Central Business Development Rate – Refer rating area maps. (Refer: Local Government (Rating) Act 2002 Section 16 & Schedules 2 Clause 1 & 3 Clause 7).

Kerikeri Mainstreet Rate Differential Categories

Differential	Basis	Description
General	100%	All rating units which are assessed the General Rate – General Differential
Commercial	200%	All rating units which are assessed the General Rate – Commercial Differential

Paihia Central Business District Development Rate

Council has set a targeted rate on a differential basis on the basis of a fixed amount assessed on every SUIP to fund improvements to the Paihia Central Business Area. The rated area includes rating rolls 00221, 00223, 00225, 00227 but excludes any rating units in those rolls which currently pay the Kerikeri Mainstreet Rate – Refer rating area maps. (Refer: Local Government (Rating) Act 2002 Section 16 & Schedules 2

FUNDING IMPACT STATEMENT

Clause 1 & 3 Clause 7).

Paihia Central Business District Development Rate Differential Categories		
Differential	Basis	Description
General	100%	All rating units which are assessed the General Rate – General Differential
Commercial	200%	All rating units which are assessed the General Rate – Commercial Differential

Kaitaia Business Improvement District Rate

Council has set a targeted rate to support the Kaitaia Business Improvement District (KBID). Council has a memorandum of understanding with the Business Association for them to undertake agreed improvement works to be funded by the targeted rate. This rate has been set on the basis of land value assessed over all Rating Units which have been assessed the General Rate – Commercial Differential within the defined rating area within the Kaitaia Township. – Refer rating area maps. (Refer: Local Government (Rating) Act 2002, Section 16 & Schedule 3 Clause 3).

Tanekaha Lane Improvement Rates

Council has set two targeted rates to fund the sealing of Tanekaha Lane, Kerikeri within the defined rating area – Refer rating area maps. These rates have been set as follows:

A targeted rate on the basis of a uniform amount assessed on every SUIP within the rating area to fund 50% of the total costs of the activity. (Refer: Local Government (Rating) Act 2002 Section 16 & Schedule 3 Clause 7) and

A targeted rate assessed on the basis of a rate per hectare of land within each rating unit to fund the balance of the activity costs. (Refer: Local Government (Rating) Act 2002, Section 16 & Schedule 3 Clause 5).

Sewerage Rates

Council has set a number of targeted rates to fund the provision and availability of sewerage services. These rates are designed to separately fund the capital¹ and operating costs associated with each sewerage scheme. Council's approach is that each scheme will pay its own capital costs through the use separate targeted capital rates, whereas the operating costs are funded on the basis of a district wide operating rate.

¹ The capital costs associated with sewerage are based on the interest and depreciation costs of each scheme.

FUNDING IMPACT STATEMENT

Capital Rates (Set on a scheme by scheme basis)

1. Differential Rate: Council has set a series of separate differential targeted rates for the capital costs associated with the provision of sewerage services to each of the district's 17 separate sewerage schemes. These rates have been set differentially on the basis of the provision or availability of service as set out below. (Refer: Local Government (Rating) Act 2002, Section 16, 17 & 18 and Schedules 2 Clause 5 & 3 Clauses 7 & 9).

Sewerage Capital Rate Differential Categories		
Differential	Basis	Description
Connected	100%	All SUIPS that are connected, either directly or indirectly, to any of the District's public reticulated wastewater disposal systems.
Serviceable	100%	Any RATING UNIT that is capable of being connected to a public reticulated wastewater disposal system, but is not so connected ²

Note: Local Government (Rating) Act 2002 Section 18(3) allows Council to set each differential on a different basis. The Connected Differential is assessed on the basis of the SUIP whereas the Serviceable Differential is assessed on the basis of the Rating Unit.

2. Additional Pan Rate: In addition to the differential rate, where the total number of water closets or urinals connected either directly or indirectly in a SUIP exceeds two, an additional targeted rate has been assessed in respect of every subsequent water closet or urinal (pan) in the SUIP after the first two. (Local Government (Rating) Act 2002, Section 16 & Schedule 3 Clauses 7 & 12)³

Operating Rates (Set on a district wide basis)

1. Operating Rate: Council has set a targeted rate to fund the operating costs associated with the provision of sewerage services. This rate has been set on the basis of a fixed amount on every SUIP that is connected, either directly or indirectly, to a public reticulated wastewater disposal system. (Local Government (Rating) Act 2002, Section 16 & Schedule 3 Clause 7)

2. Additional Pan Rate: In addition to the differential rate, where the total number of water closets or urinals connected either directly or indirectly in a SUIP exceed two an additional targeted rate will be assessed in respect of every subsequent water closet or urinal (pan) in the SUIP. (Local Government (Rating) Act 2002, Section 16 & Schedule 3 Clauses 7 & 12).

Notes:

- For the sake of clarity, SUIPS which are connected to any of the district's sewerage rating areas will be assessed for both the capital and operating rates.

² Capable of connection means that rating unit is not connected to a public reticulated sewage disposal system but is within 30 metres of the reticulation is within an area serviced by a sewerage scheme and Council will allow the rating unit to connect

³ In terms of the Local Government (Rating) Act 2002 a rating unit used primarily as a residence for one household will be treated as having only one pan.

FUNDING IMPACT STATEMENT

- Rating units that are outside of one of the defined sewerage schemes and that are neither connected to, nor capable of connection to a public reticulated sewerage system will not be liable for these rates.

Water Rates

Council has set a number of targeted rates to fund the provision and availability of water supplies. These rates are designed to separately fund the capital⁴ and operating costs associated with each water supply scheme. Council's approach is that each scheme will pay its own capital costs through the use separate targeted capital rates, whereas the operating costs has been funded on the basis of a district wide operating rate.

Capital Rates (Set on a scheme by scheme basis)

1. Differential Rate: Council has set a series of separate differential targeted rates to fund the capital costs associated with the provision of water supplies to each of the district's eight separate water supply schemes. These rates have been set differentially on the basis of the provision or availability of service as set out below. (Refer: Local Government (Rating) Act 2002, Section 16, 17 & 18 and Schedules 2 Clause 5 & 3 Clauses 7 & 9).

Water Capital Rate Differential Categories		
Differential	Basis	Description
Connected	100%	All SUIPS that are connected, either directly or indirectly, to any of the Districts public reticulated water supply systems.
Serviceable	100%	Any RATING UNIT that is capable of being connected to a public reticulated water supply systems, but is not so connected ⁵

Note: Local Government (Rating) Act 2002 Section 18(3) allows Council to set each differential on a different basis. The Connected Differential is assessed on the basis of the SUIP whereas the Serviceable Differential is assessed on the basis of the Rating Unit.

Operating Rates (Set on a district wide basis)

1. Operating Rate: Council has set a targeted rate for a water supply based on the volume of water supplied. This rate will be assessed per cubic meter of water supplied as recorded by water meter. Different rates have been set depending on whether the supply is potable or non-potable water. (Local Government (Rating) Act 2002, Section 19.)

2. Non-metered Rate: Council has set a targeted rate for a potable water supply to every SUIP which is supplied with water other than through a water meter. This rate has been based on a flat amount equivalent to the supply of 250 cubic metres of water per annum. Different rates

⁴ The capital costs associated with water supplies are based on the interest and depreciation costs of each scheme.

⁵ Capable of connection means that rating unit is not connected to a public reticulated water supply systems but is within 100 metres of the reticulation, is within a defined "area of benefit" and Council will allow the rating unit to connect.

FUNDING IMPACT STATEMENT

have been set depending on whether the supply is potable or non-potable water. (*Local Government (Rating) Act 2002, Section 16 & Schedule 3 Clause 8 & 9*)

Notes:

- For the sake of clarity, SUIPS which are connected to any of the district's water supply schemes have been assessed both the capital and operating rates.
- Rating units that are outside of one of the defined water supply schemes and that are neither connected to, nor capable of connection to a public reticulated water supply system, will not be liable for these rates.

Land Drainage Rates

There are four Land Drainage rating areas in the Far North District all located of which in the northern part of the Te Hiku Ward.

Kaitaia Drainage Area:

Council has set a targeted rate to fund land drainage in the Kaitaia Drainage Area based on a uniform rate per hectare of land area within each rating unit within the Drainage Rating Area.– refer maps for details of the rating area. (*Local Government (Rating) Act 2002, Section 16 & Schedule 3 Clause 5*).

Kaikino Drainage Area:

At the request of the community, this rate has not be set for the 2015/16 rating year

Motutangi Drainage Area:

Council has set a targeted rate to fund land drainage in the Motutangi Drainage area. This rate is assessed differentially according to location as defined on the valuation record for each rating unit – refer maps for details of the rating area.

This rate is assessed as a rate per hectare of land within each rating unit according to the differentials shown below. (*Local Government (Rating) Act 2002 Section 16 & Schedule 3 Clause 5*)

FUNDING IMPACT STATEMENT

Waiharara Drainage Area:

At the request of the community, this rate has not be set for the 2015/16 rating year

Drainage Rate Differential Categories		
Differential	Basis	Description
Differential Area A	100%	All rating units or parts of rating units located within the defined Differential Rating Area A
Differential Area B	50%	All rating units or parts of rating units located within the defined Differential Rating Area B
Differential Area C	17%	All rating units or parts of rating units located within the defined Differential Rating Area C

BOI Recreation Centre Rate (New Rate to be first set in 2015/16)

Council has set a targeted rate to provide funding for an operational grant to support the BOI Recreation Centre. This rate has been set on the basis of a fixed amount assessed on every SUIP within the area contained within rating rolls 400 to 499 – refer maps for details of the rating area. (Refer: Local Government (Rating) Act 2002, Section 16 & Schedule 3 Clause 7)

Ross Street Upgrade Rate (New Rate to be first set in 2016/17)

Council proposes to set a targeted rate to provide funding for an upgrade to Ross Street prior to the road being transferred to Council as a public road. This rate will be first set in the 2016/17 rating year on the basis of a fixed amount assessed on every SUIP within the defined rateable area – refer maps for details of the rating area. (Refer: Local Government (Rating) Act 2002, Section 16 & Schedule 3 Clause 7)

Swimming Pool Rates

Council has consulted on proposals to develop new heated swimming pools in each of the three major centres of Kaitaia, Kerikeri and Kaikohe. Following the consultation Council has confirmed that it will only proceed with the Kaitaia proposal. Whilst this Funding Impact Statement shows the rates for the Kaitaia project, it should be noted that these rates will not come into force until the later years of the Long Term Plan and no amounts are included in the schedule of rates.

Kaitaia Swimming Pool

Council proposed to set a targeted rate over the whole of the Te Hiku Ward to fund the development of a heated swimming pool in Kaitaia. Subject to the proposal meeting the agreed conditions, this rate has been set on a differential basis as described below. It is proposed that these rates will first be introduced in 2017/18.. It is proposed that these rates will be set as fixed amounts set differentially on the basis of land use AND location. – refer maps for details of the rating area. (Refer: Local Government (Rating) Act 2002 Section 16 & 17 and Schedules 2 Clause 1 & 6 and 3 Clause 7)

FUNDING IMPACT STATEMENT

Kaitaia Swimming Pool Rate Differential Categories			
Differential Area	Land Use	Basis	Description
Cat 1 - Kaitaia Township		Rates based on 100% contribution	Rating Rolls 31, 32 & 33
	General	100%	All rating units which are assessed the General Rate – General Differential except for those that are assessed the Primary Differential as defined below
	Commercial	50%	All rating units which are assessed the General Rate – Commercial Differential
	Primary	25%	All rating units where the land is used for agricultural or horticultural purposes. In which are assessed the following Roading Rate Differentials: Primary General, Horticulture, Dairy & Forestry
Cat 2 - Greater Kaitaia		Rates based on 90% contribution	Rating Roll 35
	General	100%	As Defined in Category 1 Above
	Commercial	50%	As Defined in Category 1 Above
	Primary	25%	As Defined in Category 1 Above
Cat 3 - Wider Kaitaia		Rates based on 80% contribution	Rating Rolls 13, 15, 37, 39
	General	100%	As Defined in Category 1 Above
	Commercial	50%	As Defined in Category 1 Above
	Primary	25%	As Defined in Category 1 Above
Cat 4 - North Cape & Eastern Bays		Rates based on 40% contribution	Rating Rolls 11, 81, 83, 84, 85
	General	100%	As Defined in Category 1 Above
	Commercial	50%	As Defined in Category 1 Above
	Primary	25%	As Defined in Category 1 Above
Council retains the right to apply a different differential where it can be demonstrated, to its satisfaction, that the actual use of the entire rating unit differs from that described by the current land use code. – For more details, refer to the section “Exemptions to Land Use Differentials”			

FUNDING IMPACT STATEMENT

Lump Sum Contributions

For the first year of this LTP Council is not seeking any lump sum contributions in respect of any targeted rates however it is proposing to offer this option in respect of the proposed Ross Street Improvement Rate which will first be rated in 2016/17. This proposal has been included in the Annual Plan for 2016/17. (*Local Government Act 2002 Schedule 10 Clause 4(e)*)

Exemptions to Land Use Differentials

Notwithstanding the above, Council retains the right to apply a different differential where it can be demonstrated, to its satisfaction, that the actual use of the entire rating unit differs from that described by the current land use code.

Council also reserves the right to apply a different differential to any separately used or inhabited part of a rating unit if it can be demonstrated, to its satisfaction, that the actual use of that part differs from that described by the current land use code for the entire rating unit.

For Council to be able to apply two or more differentials to a single rating unit the area of the land that is used for each purpose must be capable of clear definition and separate valuation.

In some instances there may be two or more different uses taking place on the rating unit but it is not possible or practical to define the areas separately. In those instances, the differential category has been based on the “highest and best use” applied by the Council’s Valuation Service Provider and the rates have been set accordingly.

Where the area of the land used for the different purpose is only minimal or cannot be separately defined, Council reserves the right not to assess that part using a different differential.

In every instance where Council proposes to change the differential on a rating unit from one category to another category it will consult with the owner concerned and give them the opportunity to lodge an objection to that proposal.

Where any rating unit or separately used or inhabited part of a rating unit would normally be subject to a Commercial Differential but complies with one or more of the exceptions set out below, that rating unit will be subject to the General Rate general differential.

- Where the rating unit or part thereof is in receipt of a remission of rates pursuant to a policy adopted by Council and is not used for private pecuniary profit and is not subject to a licence for the sale of liquor
- Where the rating unit is used solely for the purposes of providing private rental accommodation. However this exclusion does not include properties such as hotels, motels or other forms of visitor accommodation except for: bed and breakfast establishments, home or farm stay operations or similar accommodation providers where less than six bedrooms are provided for guest accommodation. Such properties will however, be subject to any additional sewerage charges where additional toilets are provided for guest use, for example ensuite facilities.

FUNDING IMPACT STATEMENT

Schedule of Rates for 2015/16

Set out in the following tables are the rates which Council has set for the 2015/16 rating year. For comparison purposes the rates for the 2014/15 rating year are also shown. Please note all rates include GST.

FUNDING IMPACT STATEMENT

Rate	Basis of Assessment	Differential Matter*	Rates 2014/15 GST Inc	Rates 2015/16	
				Rate (GST Inc)	Total Rate
GENERAL RATES					
Uniform Annual General Charge	Per SUIP ¹	-	\$400.00	\$446.40	\$16,446,492
General Differential	Per \$ of Land Value	1	\$0.0048793	\$0.0050536	\$33,425,723
Commercial Differential	Per \$ of Land Value	1	\$0.0024396	\$0.0138973	\$4,972,515
TARGETED WARD SERVICES RATE					
BOI - Whangaroa Ward Differential	Per SUIP	6	\$335.84	\$329.12	\$5,404,150
Te Hiku Ward Differential	Per SUIP	6	\$278.84	\$262.83	\$3,254,624
Kaikohe - Hokianga Ward Differential	Per SUIP	6	\$363.63	\$339.27	\$2,728,240
TARGETED ROADING RATES					
Uniform Roding Rate	Per SUIP	-	\$100.00	\$100.00	\$3,684,250
Roding Differential Rate					
Residential	Per \$ of Land Value	1	\$0.0001467	\$0.0001718	\$427,265
Lifestyle	Per \$ of Land Value	1	\$0.0001264	\$0.0001493	\$294,665
Farming Gen	Per \$ of Land Value	1	\$0.0001334	\$0.0001549	\$235,732
Horticulture	Per \$ of Land Value	1	\$0.0001389	\$0.0001650	\$14,733
Dairy	Per \$ of Land Value	1	\$0.0002249	\$0.0002651	\$103,133
Forestry	Per \$ of Land Value	1	\$0.0016705	\$0.0019525	\$191,533
Commercial	Per \$ of Land Value	1	\$0.0003066	\$0.0003678	\$103,133
Industrial	Per \$ of Land Value	1	\$0.0003451	\$0.0004038	\$29,388
Mining/Quarry	Per \$ of Land Value	1	\$0.0095443	\$0.0112200	\$58,933
Other	Per \$ of Land Value	1	\$0.0002172	\$0.0002619	\$14,733
STORMWATER TARGETED RATES					
General Differential	Per rating unit	1	\$35.78	\$35.78	\$512,441
Commercial Differential	Per rating unit	1	\$71.56	\$71.56	\$114,281
TARGETED DEVELOPMENT RATES					
Kerikeri Mainstreet Rate					
General Differential	Per SUIP	1	\$9.20	\$9.20	\$57,371
Commercial Differential	Per SUIP	1	\$27.60	\$27.60	\$15,263
Pahia CBD Development Rate					
General Differential	Per SUIP	1	\$18.00	\$18.00	\$35,631
Commercial Differential	Per SUIP	1	\$56.00	\$56.00	\$21,280
Kaitaia BID Rate					
	Per \$ of Land Value	-	\$0.0010171	\$0.0011838	\$57,500

FUNDING IMPACT STATEMENT

Rate	Basis of Assessment	Differential Matter	Rates 2014/15 GST Inc	Rates 2015/16	
				Rate (GST Inc)	Total Rate
BOI RECREATION CENTRE RATE					
Uniform Targeted Rate	Per SUIP	-	\$0.00	\$5.00	\$23,270
PRIVATE ROADING RATES					
Tanekaha Lane Road Sealing Rates					
Uniform Rate	Per SUIP	-	\$310.78	\$310.78	\$6,216
Rate per Ha	Per Ha of Land Area	-	\$89.65	\$89.65	\$4,351
Ross Street Upgrade Rate (From 2016/17)					
Uniform Targeted Rate	Per SUIP	-	\$0.00	\$0.00	\$0
SEWERAGE TARGETED RATES					
Sewerage Capital Rates					
Ahipara					
Ahipara Connected	Per SUIP	5	\$315.25	\$291.02	\$143,182
Ahipara Availability	Per rating unit	5	\$315.25	\$291.02	\$45,399
Ahipara Additional Pans	Per Sub Pan ²	-	\$189.15	\$174.61	\$5,238
East Coast					
East Coast Connected	Per SUIP	5	\$258.78	\$249.83	\$336,521
East Coast Availability	Per rating unit	5	\$258.78	\$249.83	\$129,662
East Coast Additional Pans	Per Sub Pan	-	\$155.27	\$149.90	\$14,690
Hihi					
Hihi Connected	Per SUIP	5	\$571.75	\$724.97	\$111,645
Hihi Availability	Per rating unit	5	\$571.75	\$724.97	\$21,024
Hihi Additional Pans	Per Sub Pan	-	\$343.05	\$434.98	\$3,045
Kaeo					
Kaeo Connected	Per SUIP	5	\$827.78	\$755.52	\$130,705
Kaeo Availability	Per rating unit	5	\$827.78	\$755.52	\$8,311
Kaeo Additional Pans	Per Sub Pan	-	\$496.67	\$453.31	\$39,891
Kaikohe					
Kaikohe Connected	Per SUIP	5	\$206.84	\$201.95	\$335,843
Kaikohe Availability	Per rating unit	5	\$206.84	\$201.95	\$15,146
Kaikohe Additional Pans	Per Sub Pan	-	\$124.10	\$121.17	\$91,241
Kaitaia & Awanui					
Kaitaia & Awanui Connected	Per SUIP	5	\$257.98	\$255.12	\$655,658
Kaitaia & Awanui Availability	Per rating unit	5	\$257.98	\$255.12	\$26,022
Kaitaia & Awanui Additional Pans	Per Sub Pan	-	\$154.79	\$153.07	\$118,170

FUNDING IMPACT STATEMENT

Rate	Basis of Assessment	Differential Matter	Rates 2014/15 GST Inc	Rates 2015/16	
				Rate (GST Inc)	Total Rate
Kawakawa					
Kawakawa Connected	Per SUIP	5	\$631.18	\$571.28	\$328,486
Kawakawa Availability	Per rating unit	5	\$631.18	\$571.28	\$6,284
Kawakawa Additional Pans	Per Sub Pan	-	\$378.71	\$342.77	\$55,186
Kerikeri					
Kerikeri Connected	Per SUIP	5	\$275.43	\$368.27	\$400,678
Kerikeri Availability	Per rating unit	5	\$275.43	\$368.27	\$44,929
Kerikeri Additional Pans	Per Sub Pan	-	\$165.26	\$220.96	\$65,183
Kohukohu					
Kohukohu Connected	Per SUIP	5	\$752.29	\$692.12	\$60,907
Kohukohu Availability	Per rating unit	5	\$752.29	\$692.12	\$5,537
Kohukohu Additional Pans	Per Sub Pan	-	\$451.37	\$415.27	\$6,644
Opononi					
Opononi Connected	Per SUIP	5	\$354.05	\$324.18	\$121,243
Opononi Availability	Per rating unit	5	\$354.05	\$324.18	\$41,495
Opononi Additional Pans	Per Sub Pan	-	\$212.43	\$194.51	\$20,035
Paihia					
Paihia Connected	Per SUIP	5	\$427.54	\$438.29	\$862,993
Paihia Availability	Per rating unit	5	\$427.54	\$438.29	\$92,479
Paihia Additional Pans	Per Sub Pan	-	\$256.52	\$262.97	\$307,675
Rangiputa					
Rangiputa Connected	Per SUIP	5	\$334.00	\$362.03	\$35,117
Rangiputa Availability	Per rating unit	5	\$334.00	\$362.03	\$7,965
Rangiputa Additional Pans	Per Sub Pan	-	\$200.40	\$217.22	\$869
Rawene					
Rawene Connected	Per SUIP	5	\$606.50	\$601.54	\$138,956
Rawene Availability	Per rating unit	5	\$606.50	\$601.54	\$21,655
Rawene Additional Pans	Per Sub Pan	-	\$363.90	\$360.92	\$16,963
Russell					
Russell Connected	Per SUIP	5	\$605.03	\$592.22	\$320,391
Russell Availability	Per rating unit	5	\$605.03	\$592.22	\$100,677
Russell Additional Pans	Per Sub Pan	-	\$363.02	\$355.33	\$39,442

FUNDING IMPACT STATEMENT

Rate	Basis of Assessment	Differential Matter	Rates 2014/15 GST Inc	Rates 2015/16	
				Rate (GST Inc)	Total Rate
Whangaroa					
Whangaroa Connected	Per SUIP	5	\$715.76	\$611.37	\$8,559
Whangaroa Availability	Per rating unit	5	\$715.76	\$611.37	\$3,668
Whangaroa Additional Pans	Per Sub Pan	-	\$429.46	\$366.82	\$4,035
Whatuwhiwhi					
Whatuwhiwhi Connected	Per SUIP	5	\$367.98	\$352.74	\$232,456
Whatuwhiwhi Availability	Per rating unit	5	\$367.98	\$352.74	\$172,137
Whatuwhiwhi Additional Pans	Per Sub Pan	-	\$220.79	\$211.64	\$3,810
Sewerage Operating Rate					
Connected Rate (All Schemes)	Per SUIP	-	\$433.01	\$430.82	\$5,184,867
Subsequent Pan Rate (All Schemes)	Per Sub Pan	-	\$259.81	\$258.49	\$952,275
WATER TARGETED RATES					
Water Capital Rates					
Kaikohe					
Kaikohe Connected	Per SUIP	5	\$145.90	\$222.91	\$415,950
Kaikohe Availability	Per rating unit	5	\$145.90	\$222.91	\$17,164
Kaitaia					
Kaitaia Connected	Per SUIP	5	\$130.88	\$206.61	\$526,228
Kaitaia Availability	Per rating unit	5	\$130.88	\$206.61	\$16,322
Kawakawa					
Kawakawa Connected	Per SUIP	5	\$157.17	\$251.15	\$293,343
Kawakawa Availability	Per rating unit	5	\$157.17	\$251.15	\$8,790
Kerikeri					
Kerikeri Connected	Per SUIP	5	\$78.49	\$131.25	\$304,106
Kerikeri Availability	Per rating unit	5	\$78.49	\$131.25	\$14,963
Okaihau					
Okaihau Connected	Per SUIP	5	\$158.42	\$244.47	\$42,782
Okaihau Availability	Per rating unit	5	\$158.42	\$244.47	\$1,467
Omapere/Opononi					
Omapere/Opononi Connected	Per SUIP	5	\$319.59	\$498.75	\$191,021
Omapere/Opononi Availability	Per rating unit	5	\$319.59	\$498.75	\$49,875

FUNDING IMPACT STATEMENT

Rate	Basis of Assessment	Differential Matter	Rates 2014/15 GST Inc	Rates 2015/16	
				Rate (GST Inc)	Total Rate
Paihia					
Paihia Connected	Per SUIP	5	\$107.32	\$153.41	\$307,894
Paihia Availability	Per rating unit	5	\$107.32	\$153.41	\$12,733
Rawene					
Rawene Connected	Per SUIP	5	\$149.48	\$228.37	\$71,023
Rawene Availability	Per rating unit	5	\$149.48	\$228.37	\$5,024
Te Kao (From 2016/17)					
Te Kao Connected	Per SUIP	5	\$0.00	\$0.00	\$0
Te Kao Availability	Per rating unit	5	\$0.00	\$0.00	\$0
Water Operating Rates					
Water by Meter Rates					
Potable Water	Per M ³	-	\$3.06	\$3.06	\$7,127,658
Non-potable Water	Per M ³	-	\$1.99	\$1.99	\$1,989
Non-Metered Rates					
Non-metered Potable Rate	Per SUIP	-	\$893.47	\$964.77	\$81,041
Non-metered non-potable Rate	Per SUIP	-	\$625.72	\$697.02	\$4,182
DRAINAGE TARGETED RATES					
Kaitaia Drainage Area					
Per Ha of Land Area					
Kaikino Drainage Area					
Per Ha of Land Area					
Kaikino A	Per Ha of Land Area	6	\$9.03	\$0.00	\$0
Kaikino B	Per Ha of Land Area	6	\$4.51	\$0.00	\$0
Kaikino C	Per Ha of Land Area	6	\$1.51	\$0.00	\$0
Motutangi Drainage Area					
Per Ha of Land Area					
Motutangi A	Per Ha of Land Area	6	\$37.70	\$38.68	\$18,490
Motutangi B	Per Ha of Land Area	6	\$18.85	\$19.34	\$9,229
Motutangi C	Per Ha of Land Area	6	\$6.30	\$6.46	\$10,038
Waiharara Drainage Area					
Per Ha of Land Area					
Waiharara A	Per Ha of Land Area	6	\$11.42	\$0.00	\$0
Waiharara B	Per Ha of Land Area	6	\$5.71	\$0.00	\$0
Waiharara C	Per Ha of Land Area	6	\$1.91	\$0.00	\$0

FUNDING IMPACT STATEMENT

Rate	Basis of Assessment	Differential Matter	Rates 2014/15 GST Inc	Rates 2015/16	
				Rate (GST Inc)	Total Rate
SWIMMING POOL TARGETED RATES					
Kaitaia Pool Rate (first rated in 2017/18)					
Kaitaia Township					
General Differential	Per SUIP	1 & 6	-	-	-
Commercial Differential	Per SUIP	1 & 6	-	-	-
Primary Differential	Per SUIP	1 & 6	-	-	-
Greater Kaitaia					
General Differential	Per SUIP	1 & 6	-	-	-
Commercial Differential	Per SUIP	1 & 6	-	-	-
Primary Differential	Per SUIP	1 & 6	-	-	-
Wider Kaitaia					
General Differential	Per SUIP	1 & 6	-	-	-
Commercial Differential	Per SUIP	1 & 6	-	-	-
Primary Differential	Per SUIP	1 & 6	-	-	-
North Cape & Eastern Bays					
General Differential	Per SUIP	1 & 6	-	-	-
Commercial Differential	Per SUIP	1 & 6	-	-	-
Primary Differential	Per SUIP	1 & 6	-	-	-
* Differential Matters					
1 Land Use					
5 Provision or availability of a service					
6 Location of the rating unit					
Notes					
1 Per SUIP - Separately Used or Inhabited part of a Rating Unit					
2 Per Sub Pan - Per subsequent Pan					

FUNDING IMPACT STATEMENT

Example Rates

Set out on the next pages are examples of the rates drawn from a range of land uses and property land values. Additionally, examples are shown for a range of residential properties drawn from a number of communities across the district.

FUNDING IMPACT STATEMENT

Examples of Rates on Different Land Uses and Values

Property Example	2016 Land Values	2014/15 Rates	2015/16 Rates											2015/16		
			General Rates	UAGC	Road UAC	Road Rate	Ave Ward Rate	Ave Water Rate	Ave Sewer Cap	Sewer Op	Storm Water	Other Rates - See Communities	Final Rates	\$	%	
High Value Residential*	240,000	2,975	1,213	446	100	41	309	200	351	431	36	-	-	3,127	152	5.1%
Average Value Residential	121,983	2,382	616	446	100	21	309	200	351	431	36	-	-	2,510	128	5.4%
Median Value Residential	92,000	2,231	465	446	100	16	309	200	351	431	36	-	-	2,353	122	5.5%
Low Value Residential**	32,000	1,930	162	446	100	5	309	200	351	431	36	-	-	2,040	110	5.7%
High Value Lifestyle*	360,000	2,625	1,819	446	100	54	309	-	-	-	-	-	-	2,728	104	3.9%
Average Lifestyle	217,506	1,911	1,099	446	100	32	309	-	-	-	-	-	-	1,987	75	3.9%
Median Value Lifestyle	143,000	1,539	723	446	100	21	309	-	-	-	-	-	-	1,599	61	4.0%
Low Value Lifestyle**	66,000	1,153	334	446	100	10	309	-	-	-	-	-	-	1,199	46	4.0%
High Value General Farming*	970,000	5,685	4,902	446	100	150	309	-	-	-	-	-	-	5,908	223	3.9%
Average General Farming	511,599	3,387	2,585	446	100	79	309	-	-	-	-	-	-	3,520	133	3.9%
Median Value General Farming	270,000	2,176	1,364	446	100	42	309	-	-	-	-	-	-	2,262	85	3.9%
Low Value General Farming**	59,000	1,118	298	446	100	9	309	-	-	-	-	-	-	1,163	44	3.9%
High Value Horticulture*	600,000	3,834	3,032	446	100	99	309	-	-	-	-	-	-	3,986	153	4.0%
Average Horticulture	390,970	2,785	1,976	446	100	65	309	-	-	-	-	-	-	2,896	111	4.0%
Median Value Horticulture	310,000	2,378	1,567	446	100	51	309	-	-	-	-	-	-	2,473	95	4.0%
Low Value Horticulture**	170,000	1,676	859	446	100	28	309	-	-	-	-	-	-	1,742	67	4.0%
High Value Dairy*	1,760,000	9,806	8,894	446	100	467	309	-	-	-	-	-	-	10,216	410	4.2%
Average Dairy	956,237	5,703	4,832	446	100	253	309	-	-	-	-	-	-	5,941	238	4.2%
Median Value Dairy	780,000	4,804	3,942	446	100	207	309	-	-	-	-	-	-	5,004	200	4.2%
Low Value Dairy**	315,500	2,433	1,594	446	100	84	309	-	-	-	-	-	-	2,533	100	4.1%
High Value Forestry*	507,000	4,143	2,562	446	100	990	309	-	-	-	-	-	-	4,407	264	6.4%
Average Forestry	241,473	2,404	1,220	446	100	471	309	-	-	-	-	-	-	2,547	143	5.9%
Median Value Forestry	77,000	1,327	389	446	100	150	309	-	-	-	-	-	-	1,395	68	5.1%
Low Value Forestry**	43,000	1,104	217	446	100	84	309	-	-	-	-	-	-	1,157	52	4.7%
High Value Commercial*	400,000	7,295	5,559	446	100	147	309	200	351	431	72	-	-	7,614	319	4.4%
Average Commercial	182,710	4,313	2,539	446	100	67	309	200	351	431	72	-	-	4,515	202	4.7%
Median Value Commercial	108,000	3,287	1,501	446	100	40	309	200	351	431	72	-	-	3,449	162	4.9%
Low Value Commercial**	22,000	2,107	306	446	100	8	309	200	351	431	72	-	-	2,222	115	5.5%
High Value Industrial*	327,000	6,306	4,544	446	100	132	309	200	351	431	72	-	-	6,585	279	4.4%
Average Industrial	166,963	4,103	2,320	446	100	67	309	200	351	431	72	-	-	4,296	193	4.7%
Median Value Industrial	112,000	3,347	1,556	446	100	45	309	200	351	431	72	-	-	3,510	163	4.9%
Low Value Industrial**	38,000	2,328	528	446	100	15	309	200	351	431	72	-	-	2,452	124	5.3%
High Value Mining/Quarry*	251,000	6,586	3,488	446	100	2,816	309	-	-	-	-	-	-	7,160	574	8.7%
Average Mining/Quarry	171,048	4,750	2,377	446	100	1,919	309	-	-	-	-	-	-	5,152	401	8.4%
Median Value Mining/Quarry	82,000	2,706	1,140	446	100	920	309	-	-	-	-	-	-	2,915	209	7.7%
Low Value Mining/Quarry**	33,000	1,580	459	446	100	370	309	-	-	-	-	-	-	1,684	104	6.6%

Notes: *High Value = 95th Percentile. ** Low Value = 10th Percentile

FUNDING IMPACT STATEMENT

Property Example	2016 Land Values	2014/15 Rates	2015/16 Rates											Increase		
			General Rates	UAGC	Road UAC	Road Rate	Ward Rate	Water Rate	Sewer Cap	Sewer Op	Storm Water	Pool Rate	Other Rates	Final Rates	\$	%
Te Hiku																
Ahipara West Coast	118,491	2,123	599	446	100	20	263	-	291	431	-	-	-	2,150	\$ 28	1.3%
Awanui	34,766	1,681	176	446	100	6	263	-	255	431	36	-	-	1,713	\$ 32	1.9%
Doubtless Bay	141,568	2,218	715	446	100	24	263	-	250	431	36	-	-	2,265	\$ 47	2.1%
Hihi	114,580	2,395	579	446	100	20	263	-	725	431	36	-	-	2,600	\$ 204	8.5%
Kaitaia Township	42,623	1,851	215	446	100	7	263	207	255	431	36	-	-	1,960	\$ 109	5.9%
Karikari Peninsular	133,153	1,448	673	446	100	23	263	-	-	-	-	-	-	1,505	\$ 57	3.9%
Rangiputa	229,189	2,734	1,158	446	100	39	263	-	362	431	36	-	-	2,835	\$ 102	3.7%
Te Kao	33,000	945	167	446	100	6	263	-	-	-	-	-	-	982	\$ 37	3.9%
Whatuwhiwhi	110,937	2,173	561	446	100	19	263	-	353	431	36	-	-	2,208	\$ 35	1.6%
Bay of Islands/ Whangaroa																
Bay of Islands/ Rawhiti	249,910	2,092	1,263	446	100	43	329	-	-	-	-	-	5	2,186	\$ 95	4.5%
Haruru Falls	99,374	2,357	502	446	100	17	329	153	438	431	36	-	18	2,471	\$ 114	4.8%
Kaero Township	56,117	2,415	284	446	100	10	329	-	756	431	36	-	-	2,391	\$ (24)	-1.0%
Kawakawa	42,297	2,306	214	446	100	7	329	251	571	431	36	-	5	2,391	\$ 85	3.7%
Kerikeri Township	151,635	2,430	766	446	100	26	329	131	368	431	36	-	9	2,643	\$ 213	8.8%
Kerikeri/Waipapa Coastal	178,937	1,744	904	446	100	31	329	-	-	-	-	-	9	1,820	\$ 75	4.3%
Moerewa	17,796	1,118	90	446	100	3	329	251	-	-	36	-	5	1,260	\$ 142	12.7%
Opua	183,829	2,764	929	446	100	32	329	153	438	431	36	-	5	2,899	\$ 136	4.9%
Paihia	188,789	2,807	954	446	100	32	329	153	438	431	36	-	18	2,938	\$ 132	4.7%
Puketona Road / Coastal	140,227	1,559	709	446	100	24	329	-	-	-	-	-	18	1,626	\$ 68	4.3%
Purerua Peninsular	147,567	1,587	746	446	100	25	329	-	-	-	-	-	9	1,656	\$ 69	4.4%
Okaihau	79,224	1,437	400	446	100	14	329	244	-	-	36	-	9	1,579	\$ 142	9.8%
Russell Township	335,240	3,595	1,694	446	100	58	329	-	592	431	36	-	5	3,691	\$ 96	2.7%
Southern Rural	20,011	936	101	446	100	3	329	-	-	-	-	-	5	985	\$ 49	5.2%
Whangaroa Coastal	261,073	2,148	1,319	446	100	45	329	-	-	-	-	-	-	2,240	\$ 92	4.3%
Whangaroa Township	192,214	2,987	971	446	100	33	329	-	611	431	36	-	-	2,958	\$ (29)	-1.0%
Kaikohe/Hokianga																
Hokianga Rural	41,746	1,073	211	446	100	7	339	-	-	-	-	-	-	1,104	\$ 30	2.8%
Kaikohe Township	50,054	1,937	253	446	100	9	339	223	202	431	36	-	-	2,039	\$ 102	5.3%
Kaikohe Rural	74,987	1,241	379	446	100	13	339	-	-	-	-	-	-	1,278	\$ 37	3.0%
Kohukohu	92,943	2,552	470	446	100	16	339	-	692	431	36	-	-	2,530	\$ (22)	-0.9%
Ngawha Township	59,874	1,986	303	446	100	10	339	223	202	431	36	-	-	2,090	\$ 104	5.2%
Opononi / Omapere	112,466	2,572	568	446	100	19	339	499	324	431	36	-	-	2,763	\$ 191	7.4%
Rawene Township	67,824	2,430	343	446	100	12	339	228	602	431	36	-	-	2,537	\$ 107	4.4%

FUNDING IMPACT STATEMENT

Other Rating Policy Statements

Projected Number of Rating Units

Local Government Act 2002 Section 15A requires Council to state for each year covered by the plan, the projected number of rating units within the district or region of the local authority at the end of the preceding financial year.

For the purposes of the 2015 – 2025 Long Term Plan Council has assumed that there is no growth in the number of rating units therefore it is projecting a total of 40,167 rating units for each of the years for the life of this plan.

Definition of a Separately Used or Inhabited Part of a Rating Unit

Where rates are calculated on each separately used or inhabited part of a rating unit, the following definitions will apply:

- Any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement
- Any part or parts of a rating unit that is used or occupied by the ratepayer for more than one single use.

The following are considered to be separately used parts of a rating unit:

- Individual flats or apartments
- Separately leased commercial areas which are leased on a rating unit basis
- Vacant rating units
- Single rating units which contain multiple uses such as a shop with a dwelling
- A residential building or part of a residential building that is used, or can be used as an independent residence. An independent residence is defined as having a separate entrance, separate cooking facilities, e.g. cooking stove, range, kitchen sink etc. together with living and toilet/bathroom facilities.

The following are not considered to be separately used or inhabited parts of a rating unit:

- A residential sleep-out or granny flat that does not meet the definition of an independent residence
- A hotel room with or without kitchen facilities
- A motel room with or without kitchen facilities
- Individual offices or premises of business partners.

FUNDING IMPACT STATEMENT

Postponement Charges

Pursuant to the Local Government (Rating) 2002 Act Council will a charge postponement fee on all rates that are postponed under any of its postponement policies. The Postponement fees are as follows:

- Application Fee: \$50
- Administration Fee: \$50 pa
- Management Fee on the Residential Postponement Policy: 1% on the outstanding balance
- Reserve Fund Fee on the Residential Postponement Policy: 0.25% on the outstanding balance
- Independent Advice/Counselling Fee on the Residential Postponement Policy \$300
- Financing Fee on all postponements: Currently set at 6.0% pa but may vary to match Council's average cost of funds.

At Council's discretion all these fees may be added to the total postponement balance.

Payment of Rates

Rates

With the exception of water by meter charges, Council will charge the rates for the 2014/15 rating year by way of four instalments. Each instalment must be paid on or before the due dates set out below. Any rates paid after the due date will become liable for additional charges or penalties as set out below.

Rate Instalment Dates

Instalment	Due Date	Penalty Date
Instalment 1	20 August 2015	27 August 2015
Instalment 2	20 November 2015	27 November 2015
Instalment 3	20 February 2016	27 February 2016
Instalment 4	20 May 2016	27 May 2016

NOTE: Where any due date falls on a weekend or public holiday, the due date will be the first working day following the due date.

FUNDING IMPACT STATEMENT

Water by Meter

Water meters are read on a six-month cycle and are payable on the 20th of the month following the issue of the invoice. If the invoicing dates do change the due date will always be the 20th of the month following the invoice date.

Penalties on Rates

Sections 57 and 58 of the Local Government (Rating) Act 2002 empower councils to charge penalties on the late payment of rates.

Pursuant to sections 57 and 58 of the Act, Council is proposing to impose the following penalties:

A ten percent (10%) penalty on any portion of each instalment of rates assessed in the 2015/16 financial year that is not paid on or by the due date for payment, as stated above.⁶

Penalties on Water by Meter Rates

A ten percent (10%) penalty on any portion of the rate assessed for the supply of water, as separately invoiced, that is not paid on or by the due date for payment as set out on the invoice. This penalty will be added on the 27th day of the month in which the invoice was due.

⁶ Council has resolved not to charge additional penalties in this Long Term Plan however, it will reconsider that decision as part of the development of the 2017/18 Annual Plan

FUNDING IMPACT STATEMENT

Groups of Activity Funding Impact Statements

The Local Government Act 2002 requires Council to prepare Funding Impact Statements for every Activity Group. Set out on the following pages are the Funding Impact Statements for each of the Activity Groups of Council included in this Long Term Plan.

FUNDING IMPACT STATEMENT

FAR NORTH DISTRICT COUNCIL ROADING & FOOTPATHS

Funding Impact Statement For 2015-2025 Long Term Plan

Annual Plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	
Sources of Operational Funding											
10,232	12,188	13,199	14,673	15,368	15,802	17,617	18,418	19,292	20,330	21,397	
5,214	5,166	5,153	5,088	5,007	4,923	4,870	4,887	4,919	4,941	4,977	
5,919	6,924	7,037	7,123	7,165	7,266	7,367	7,468	7,569	7,569	7,569	
695	722	752	797	818	841	865	891	920	950	984	
8	108	158	158	108	108	108	108	108	108	108	
581	596	596	596	596	596	596	596	596	596	596	
22,649	25,705	26,895	28,434	29,062	29,536	31,423	32,369	33,405	34,495	35,631	
Applications of operating funding											
13,551	16,325	16,755	17,628	17,689	17,759	19,178	19,620	20,091	20,577	21,118	
648	934	1,144	1,405	1,533	1,584	1,693	1,734	1,766	1,807	1,823	
629	208	250	247	278	285	329	339	381	394	409	
0	0	0	0	0	0	0	0	0	0	0	
14,828	17,467	18,148	19,280	19,500	19,628	21,199	21,693	22,238	22,777	23,350	
7,822	8,237	8,747	9,155	9,562	9,908	10,224	10,676	11,167	11,718	12,281	
Sources of capital funding											
8,554	18,648	20,491	13,937	11,268	10,475	12,698	13,142	14,195	13,800	12,684	
0	0	0	0	0	0	0	0	0	23	0	
1,723	3,820	2,632	2,122	854	(364)	631	484	626	266	(538)	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
10,276	22,468	23,123	16,059	12,122	10,111	13,329	13,626	14,821	14,088	12,146	
Applications of capital funding											
Capital Expenditure											
1,612	0	0	0	0	0	0	0	0	0	0	
3,874	16,396	9,796	9,238	5,907	3,687	6,657	6,775	7,620	6,934	4,933	
12,898	12,756	25,046	14,315	13,467	13,681	13,964	14,243	14,722	14,946	15,136	
(286)	1,553	(2,971)	1,661	2,311	2,651	2,932	3,283	3,646	3,926	4,358	
0	0	0	0	0	0	0	0	0	0	0	
18,098	30,705	31,870	25,214	21,684	20,019	23,552	24,301	25,988	25,807	24,427	
(7,822)	(8,237)	(8,747)	(9,155)	(9,562)	(9,908)	(10,224)	(10,676)	(11,167)	(11,718)	(12,281)	
0	0	0	0	0	0	0	0	0	0	0	

FUNDING IMPACT STATEMENT

FAR NORTH DISTRICT COUNCIL STORMWATER Funding Impact Statement For 2015-2025 Long Term Plan

Annual Plan 2014-15 \$'000s	LTP 2015-16 \$'000s	LTP 2016-17 \$'000s	LTP 2017-18 \$'000s	LTP 2018-19 \$'000s	LTP 2019-20 \$'000s	LTP 2020-21 \$'000s	LTP 2021-22 \$'000s	LTP 2022-23 \$'000s	LTP 2023-24 \$'000s	LTP 2024-25 \$'000s
Sources of Operational Funding										
1,977 General rates, uniform annual general charges, rates penalties	2,159	2,203	2,249	2,318	2,377	2,480	2,555	2,656	2,710	2,813
662 Targeted rates (other than a targeted rate for water supply)	653	655	658	661	665	668	672	676	681	685
0 Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
0 Fees, charges, and targeted rates for water supply	0	0	0	0	0	0	0	0	0	0
0 Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0
0 Local authority fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0
2,639 Total operating funding (A)	2,812	2,858	2,907	2,979	3,042	3,148	3,227	3,332	3,390	3,498
Applications of operating funding										
727 Payments to staff and suppliers	866	889	894	932	939	981	991	1,039	1,051	1,105
246 Finance costs	210	196	209	203	217	232	252	255	249	246
398 Internal charges and overheads applied	521	539	549	567	581	603	619	642	661	682
0 Other operating funding applications	0	0	0	0	0	0	0	0	0	0
1,371 Total applications of operating funds (B)	1,598	1,624	1,652	1,702	1,736	1,816	1,862	1,935	1,961	2,033
1,268 Surplus (deficit) of operating funding (A - B)	1,214	1,234	1,255	1,277	1,305	1,332	1,365	1,397	1,429	1,465
Sources of capital funding										
0 Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
0 Development and financial contributions	0	0	0	0	0	0	0	0	0	0
655 Increase (decrease) in debt	(81)	(87)	(93)	222	(41)	312	38	(91)	(46)	252
0 Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0 Lump sum contributions	0	0	0	0	0	0	0	0	0	0
655 Total sources of capital funding (C)	(81)	(87)	(93)	222	(41)	312	38	(91)	(46)	252
Applications of capital funding										
Capital Expenditure										
0 - to meet additional demand	0	0	0	0	0	0	0	0	0	0
1,413 - to improve the level of service	250	256	263	594	372	784	443	305	353	784
317 - to replace existing assets	8	0	4	37	280	18	59	84	0	0
193 Increase (decrease) in reserves	876	891	895	868	612	842	901	917	1,030	933
0 Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0
1,923 Total applications of capital funding (D)	1,134	1,147	1,162	1,499	1,264	1,645	1,402	1,306	1,383	1,717
(1,268) Surplus (deficit) of capital funding (C - D)	(1,214)	(1,234)	(1,255)	(1,277)	(1,305)	(1,332)	(1,365)	(1,397)	(1,429)	(1,465)
0 Funding balance ((A - B) + (C - D))	0									

FUNDING IMPACT STATEMENT

FAR NORTH DISTRICT COUNCIL WATER

Funding Impact Statement For 2015-2025 Long Term Plan

Annual Plan	LTP	LTP									
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	
Sources of Operational Funding											
218	225	225	225	225	225	225	225	225	225	225	225
7,606	2,057	2,408	3,050	3,300	3,871	4,415	5,244	5,548	5,959	6,335	
0	0	0	0	0	0	0	0	0	0	0	
Targeted rates Water											
55	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
7,879	8,537	8,888	9,529	9,779	10,350	10,894	11,723	12,027	12,438	12,814	
Applications of operating funding											
3,473	4,009	4,134	4,265	4,385	4,538	4,679	4,859	5,026	5,235	5,435	
663	595	623	886	853	1,057	1,242	1,620	1,552	1,537	1,484	
996	1,409	1,449	1,476	1,524	1,561	1,620	1,666	1,729	1,780	1,837	
0	0	0	0	0	0	0	0	0	0	0	
5,132	6,013	6,205	6,627	6,762	7,156	7,541	8,144	8,307	8,552	8,756	
2,748	2,523	2,683	2,902	3,018	3,194	3,353	3,579	3,720	3,886	4,058	
Sources of capital funding											
490	640	800	320	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
3,791	504	3,434	(541)	3,401	1,491	5,807	(1,038)	(235)	(814)	(1,129)	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
4,281	1,144	4,234	(221)	3,401	1,491	5,807	(1,038)	(235)	(814)	(1,129)	
Applications of capital funding											
Capital Expenditure											
0	0	0	0	0	0	0	0	0	0	0	
5,353	1,365	4,636	683	4,396	2,642	7,208	630	1,533	997	571	
1,524	1,494	2,291	1,028	2,066	1,546	2,363	2,517	1,389	848	763	
152	808	(11)	970	(43)	498	(411)	(606)	564	1,227	1,595	
0	0	0	0	0	0	0	0	0	0	0	
7,029	3,667	6,917	2,681	6,419	4,686	9,160	2,541	3,485	3,072	2,929	
(2,748)	(2,523)	(2,683)	(2,902)	(3,018)	(3,194)	(3,353)	(3,579)	(3,720)	(3,886)	(4,058)	
0	0	0	0	0	0	0	0	0	0	0	

FUNDING IMPACT STATEMENT

FAR NORTH DISTRICT COUNCIL WASTEWATER

Funding Impact Statement For 2015-2025 Long Term Plan

Annual Plan	LTP	LTP									
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operational Funding											
790	804	809	814	819	819	819	819	819	819	819	819
10,362	10,343	11,171	12,265	13,322	14,054	14,748	15,155	15,587	16,091	16,920	
0	0	0	0	0	0	0	0	0	0	0	
187	134	167	169	269	191	134	134	134	134	134	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
11,338	11,281	12,147	13,248	14,410	15,064	15,700	16,107	16,539	17,043	17,873	
Applications of operating funding											
5,160	7,569	6,824	6,526	7,577	5,679	5,832	6,039	6,221	6,462	6,677	
1,443	1,348	1,687	2,173	2,752	2,872	3,071	3,007	2,953	2,889	3,025	
1,195	1,201	1,239	1,264	1,304	1,337	1,386	1,425	1,479	1,523	1,572	
0	0	0	0	0	0	0	0	0	0	0	
7,797	10,117	9,750	9,963	11,633	9,887	10,290	10,472	10,653	10,874	11,274	
3,540	1,164	2,397	3,284	2,777	5,177	5,410	5,636	5,886	6,169	6,598	
Sources of capital funding											
285	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
5,077	6,420	5,560	9,643	1,996	(609)	(996)	(828)	(986)	2,099	(256)	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
5,362	6,420	5,560	9,643	1,996	(609)	(996)	(828)	(986)	2,099	(256)	
Applications of capital funding											
Capital Expenditure											
0	0	0	0	0	0	0	0	0	0	0	
7,670	5,800	8,139	15,976	4,900	2,486	3,445	3,877	3,826	5,425	3,393	
946	900	1,970	1,051	1,535	1,126	1,586	3,441	1,306	722	1,498	
286	884	(2,153)	(4,099)	(1,662)	956	(616)	(2,510)	(232)	2,121	1,451	
0	0	0	0	0	0	0	0	0	0	0	
8,902	7,584	7,957	12,927	4,772	4,568	4,415	4,808	4,900	8,268	6,342	
(3,540)	(1,164)	(2,397)	(3,284)	(2,777)	(5,177)	(5,410)	(5,636)	(5,886)	(6,169)	(6,598)	
0	0	0	0	0	0	0	0	0	0	0	

FUNDING IMPACT STATEMENT

FAR NORTH DISTRICT COUNCIL WASTE MANAGEMENT

Funding Impact Statement For 2015-2025 Long Term Plan

Annual Plan	LTP	LTP									
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operational Funding											
4,203	4,224	4,464	4,575	4,437	4,586	4,831	5,023	5,209	5,389	5,606	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
755	755	722	722	999	999	999	999	999	999	999	
0	0	0	0	0	0	0	0	0	0	0	
171	180	180	180	180	180	180	180	180	180	180	
5,128	5,159	5,365	5,477	5,617	5,765	6,010	6,202	6,388	6,568	6,786	
Applications of operating funding											
3,843	4,101	4,290	4,383	4,505	4,626	4,768	4,906	5,070	5,232	5,423	
230	181	165	162	149	140	169	169	148	129	114	
558	569	587	599	618	633	657	676	701	722	746	
0	0	0	0	0	0	0	0	0	0	0	
4,630	4,851	5,042	5,144	5,271	5,399	5,593	5,750	5,920	6,083	6,283	
498	308	324	333	346	366	417	452	468	485	503	
Sources of capital funding											
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
(361)	(293)	(302)	(220)	(147)	265	(1)	(319)	(293)	(234)	(212)	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
(361)	(293)	(302)	(220)	(147)	265	(1)	(319)	(293)	(234)	(212)	
Applications of capital funding											
Capital Expenditure											
0	0	0	0	0	0	0	0	0	0	0	
37	25	17	5	178	596	335	30	15	22	16	
335	73	77	201	614	395	130	213	118	148	544	
(237)	(83)	(72)	(94)	(594)	(360)	(49)	(109)	42	80	(268)	
0	0	0	0	0	0	0	0	0	0	0	
137	15	22	113	199	631	416	134	175	251	291	
(498)	(308)	(324)	(333)	(346)	(366)	(417)	(452)	(468)	(485)	(503)	
0	0	0	0	0	0	0	0	0	0	0	

FUNDING IMPACT STATEMENT

FAR NORTH DISTRICT COUNCIL DISTRICT FACILITIES

Funding Impact Statement For 2015-2025 Long Term Plan

Annual Plan	LTP	LTP									
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operational Funding											
10,540	11,712	12,095	12,399	12,465	12,638	13,127	13,636	14,176	14,440	14,867	
9,497	9,153	9,628	9,958	10,771	11,196	11,859	12,206	12,636	12,946	13,405	
73	14	14	14	14	14	14	14	14	14	14	
2,080	2,054	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	
14	24	16	16	16	16	16	16	16	16	16	
26	26	26	26	26	26	26	26	26	26	26	
22,230	22,984	23,839	24,474	25,352	25,951	27,102	27,958	28,929	29,502	30,389	
Applications of operating funding											
12,478	13,234	13,602	13,808	13,983	14,112	14,541	14,858	15,411	15,727	16,291	
727	687	763	919	1,111	1,234	1,497	1,700	1,702	1,604	1,538	
4,622	4,513	4,702	4,775	4,960	5,074	5,299	5,442	5,672	5,837	6,023	
0	0	0	0	0	0	0	0	0	0	0	
17,828	18,434	19,067	19,502	20,055	20,420	21,338	22,000	22,785	23,168	23,853	
4,402	4,550	4,772	4,972	5,297	5,531	5,764	5,958	6,144	6,334	6,535	
Sources of capital funding											
0	0	0	0	0	0	0	0	0	0	0	
112	(0)	545	5,025	0	0	0	0	0	0	0	
1,477	1,386	1,441	3,207	2,038	2,476	3,112	30	(1,497)	(1,016)	382	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
1,589	1,386	1,986	8,233	2,038	2,476	3,112	30	(1,497)	(1,016)	382	
Applications of capital funding											
Capital Expenditure											
318	0	0	0	0	0	0	0	0	0	0	
2,275	2,185	2,919	9,485	3,275	3,876	4,707	1,860	426	905	2,327	
6,110	5,638	3,645	6,366	7,853	9,940	4,833	4,343	4,486	5,427	9,044	
(2,712)	(1,886)	194	(2,646)	(3,793)	(5,810)	(664)	(215)	(266)	(1,014)	(4,453)	
0	0	0	0	0	0	0	0	0	0	0	
5,991	5,936	6,758	13,205	7,335	8,006	8,876	5,989	4,647	5,318	6,918	
(4,402)	(4,550)	(4,772)	(4,972)	(5,297)	(5,531)	(5,764)	(5,958)	(6,144)	(6,334)	(6,535)	
0	0	0	0	0	0	0	0	0	0	0	

FUNDING IMPACT STATEMENT

FAR NORTH DISTRICT COUNCIL ENVIRONMENTAL MANAGEMENT

Funding Impact Statement For 2015-2025 Long Term Plan

Annual Plan 2014-15 \$'000s	LTP 2015-16 \$'000s	LTP 2016-17 \$'000s	LTP 2017-18 \$'000s	LTP 2018-19 \$'000s	LTP 2019-20 \$'000s	LTP 2020-21 \$'000s	LTP 2021-22 \$'000s	LTP 2022-23 \$'000s	LTP 2023-24 \$'000s	LTP 2024-25 \$'000s
Sources of Operational Funding										
6,862	5,698	6,126	6,338	6,059	6,321	7,029	7,331	7,753	8,111	8,449
0	0	0	0	0	0	0	0	0	0	0
26	26	26	26	26	26	26	26	26	26	26
3,301	3,992	3,948	3,948	4,490	4,490	4,090	4,090	3,996	3,996	3,996
(0)	11	11	11	11	11	11	11	11	11	11
63	92	92	92	92	92	92	92	92	92	92
10,253	9,820	10,203	10,416	10,679	10,941	11,248	11,550	11,878	12,236	12,574
Applications of operating funding										
7,546	7,423	7,533	7,713	7,852	8,056	8,231	8,463	8,665	8,929	9,163
17	7	20	20	19	18	18	16	15	13	12
2,545	2,298	2,444	2,470	2,591	2,644	2,769	2,835	2,955	3,042	3,139
0	0	0	0	0	0	0	0	0	0	0
10,108	9,728	9,997	10,204	10,462	10,718	11,018	11,314	11,634	11,984	12,313
145	92	206	211	217	223	230	236	244	252	261
Sources of capital funding										
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
(26)	241	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)	(22)
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
(26)	241	(22)								
Applications of capital funding										
Capital Expenditure										
0	0	0	0	0	0	0	0	0	0	0
0	250	0	0	0	0	0	0	0	0	0
86	0	6	0	21	11	0	126	0	7	62
33	82	179	189	174	190	208	89	222	223	177
0	0	0	0	0	0	0	0	0	0	0
119	332	185	190	195	201	208	215	222	230	239
(145)	(92)	(206)	(211)	(217)	(223)	(230)	(236)	(244)	(252)	(261)
0	0	0	0	0	0	0	0	0	0	0

FUNDING IMPACT STATEMENT

FAR NORTH DISTRICT COUNCIL STRATEGIC PLANNING & POLICY

Funding Impact Statement For 2015-2025 Long Term Plan

Annual Plan	LTP	LTP									
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operational Funding											
5,153	5,657	6,025	6,599	6,390	6,515	7,090	6,849	7,038	7,651	7,413	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
5,153	5,657	6,025	6,599	6,390	6,515	7,090	6,849	7,038	7,651	7,413	
Applications of operating funding											
4,051	4,358	4,633	5,187	4,918	5,012	5,518	5,239	5,361	5,926	5,634	
15	14	13	13	12	11	10	9	8	6	5	
1,072	1,278	1,361	1,381	1,441	1,473	1,541	1,580	1,648	1,697	1,751	
0	0	0	0	0	0	0	0	0	0	0	
5,138	5,650	6,008	6,581	6,371	6,496	7,070	6,828	7,017	7,630	7,391	
16	6	18	18	19	19	20	20	21	22	23	
Sources of capital funding											
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	
Applications of capital funding											
Capital Expenditure											
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
(4)	(14)	(2)	(2)	(1)	(1)	(0)	1	1	2	3	
0	0	0	0	0	0	0	0	0	0	0	
(4)	(14)	(2)	(2)	(1)	(1)	(0)	1	1	2	3	
(16)	(6)	(18)	(18)	(19)	(19)	(20)	(20)	(21)	(22)	(23)	
0	0	0	0	0	0	0	0	0	0	0	

FUNDING IMPACT STATEMENT

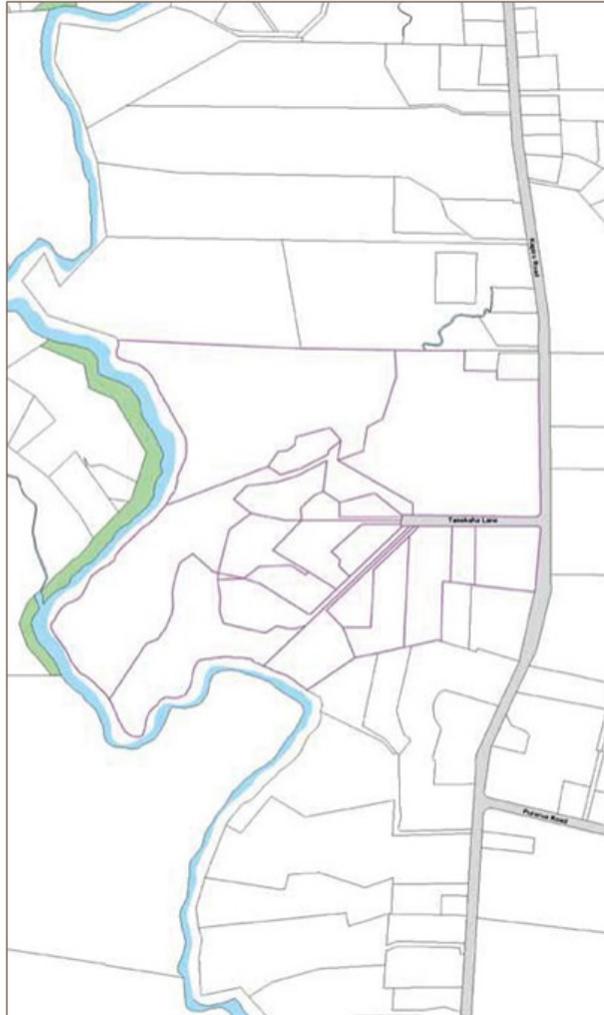
FAR NORTH DISTRICT COUNCIL GOVERNANCE & STRATEGIC ADMINISTRATION

Funding Impact Statement For 2015-2025 Long Term Plan

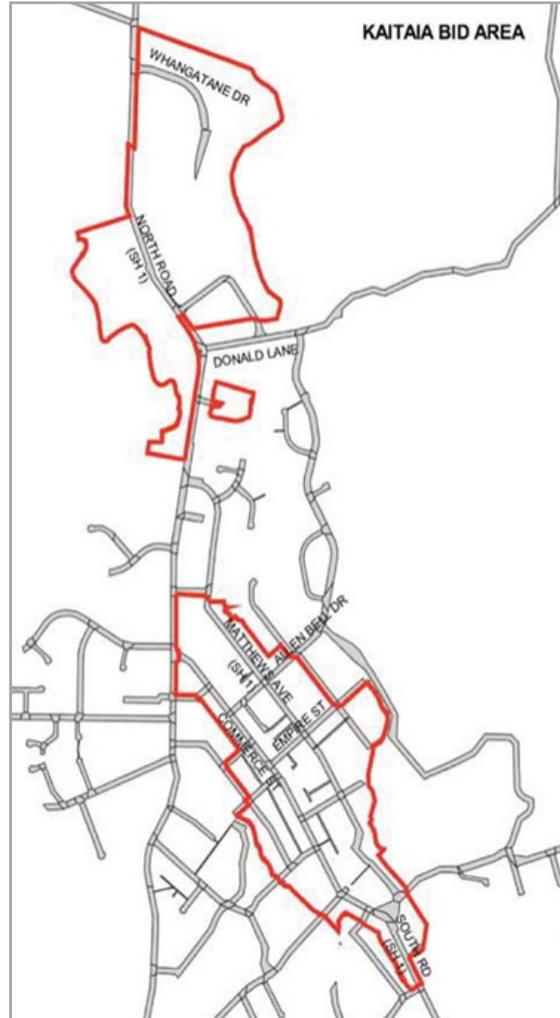
Annual Plan	LTP	LTP									
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operational Funding											
8,910	7,345	7,790	7,874	8,065	8,384	8,536	8,810	9,051	9,314	9,636	
0	0	0	0	0	0	0	0	0	0	0	
78	246	79	79	79	79	79	79	79	79	79	
631	648	648	648	648	648	648	648	648	648	648	
16	124	107	14	14	109	14	14	14	14	14	
302	309	309	309	309	309	309	309	309	309	309	
9,937	8,672	8,934	8,925	9,116	9,529	9,586	9,861	10,102	10,365	10,686	
Applications of operating funding											
16,632	17,288	17,714	17,748	18,120	18,712	19,023	19,526	20,052	20,654	21,355	
1,361	762	810	867	850	855	1,053	1,063	1,225	1,187	1,149	
(11,504)	(11,997)	(12,571)	(12,761)	(13,283)	(13,588)	(14,204)	(14,582)	(15,207)	(15,656)	(16,159)	
0	0	0	0	0	0	0	0	0	0	0	
6,489	6,053	5,953	5,854	5,687	5,980	5,871	6,007	6,070	6,185	6,345	
3,448	2,619	2,981	3,071	3,429	3,550	3,715	3,854	4,032	4,180	4,342	
Sources of capital funding											
0	0	0	0	0	0	0	0	0	0	0	
384	0	0	0	0	(0)	0	0	0	0	0	
(53)	866	(275)	(276)	78	1,946	161	2,495	(586)	(587)	(588)	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
331	866	(275)	(276)	78	1,946	161	2,495	(586)	(587)	(588)	
Applications of capital funding											
Capital Expenditure											
0	0	0	0	0	0	0	0	0	0	0	
403	1,135	51	53	409	2,297	627	2,993	61	63	65	
2,176	1,333	1,748	5,315	1,179	1,855	1,458	2,042	3,242	2,195	4,726	
1,200	1,017	906	(2,572)	1,919	1,344	1,791	1,314	143	1,335	(1,037)	
0	0	0	0	0	0	0	0	0	0	0	
3,779	3,485	2,706	2,795	3,506	5,496	3,876	6,349	3,446	3,593	3,754	
(3,448)	(2,619)	(2,981)	(3,071)	(3,429)	(3,550)	(3,715)	(3,854)	(4,032)	(4,180)	(4,342)	
0	0	0	0	0	0	0	0	0	0	0	

FUNDING IMPACT STATEMENT

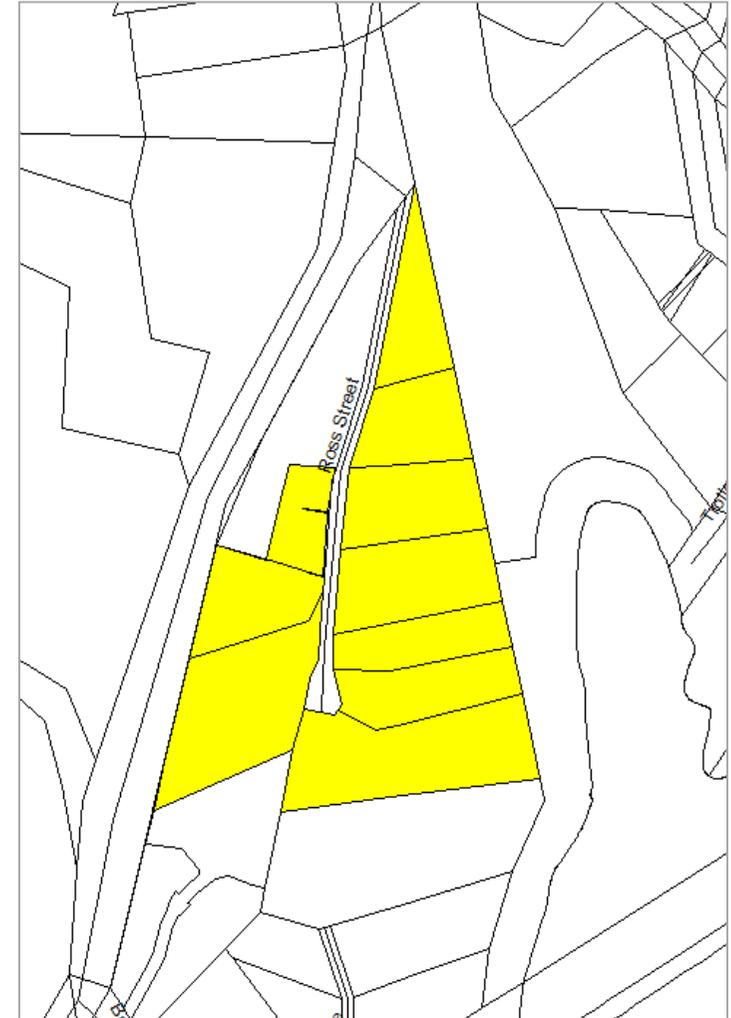
Rating Area Maps



Map: 1 - Tanekaha Lane Rating Area

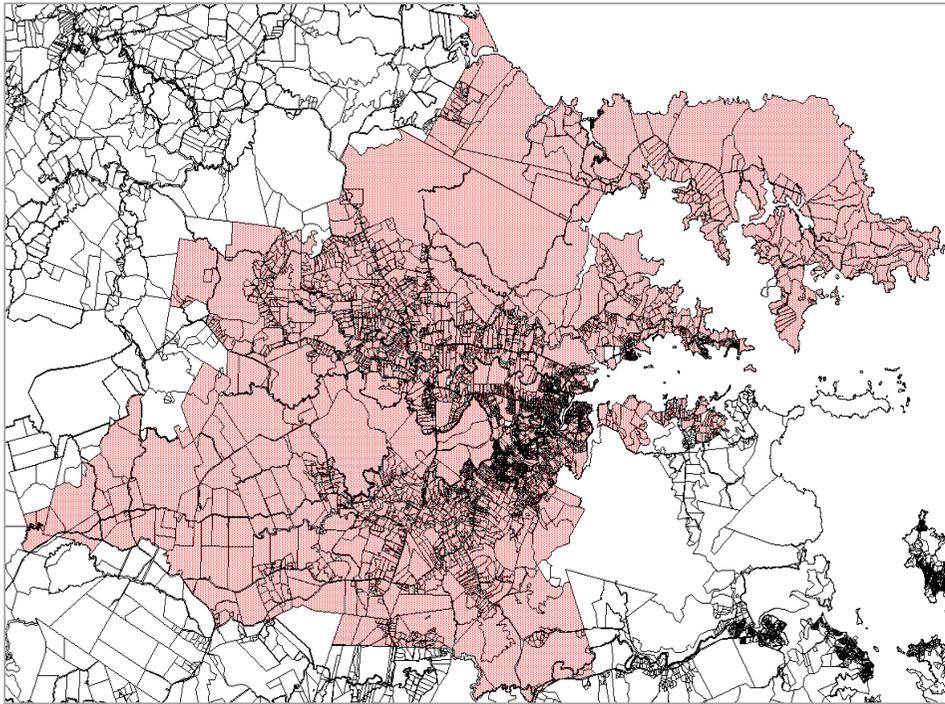


Map: 2 - Kaitaia BID Rating Area

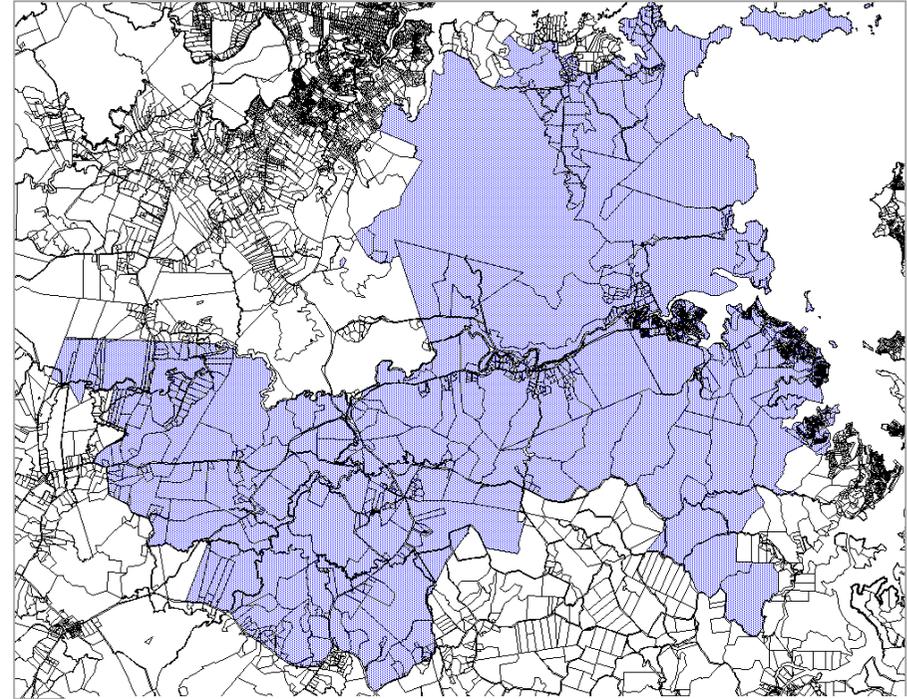


Map: 3 - Ross Street Upgrade Rating Area

FUNDING IMPACT STATEMENT

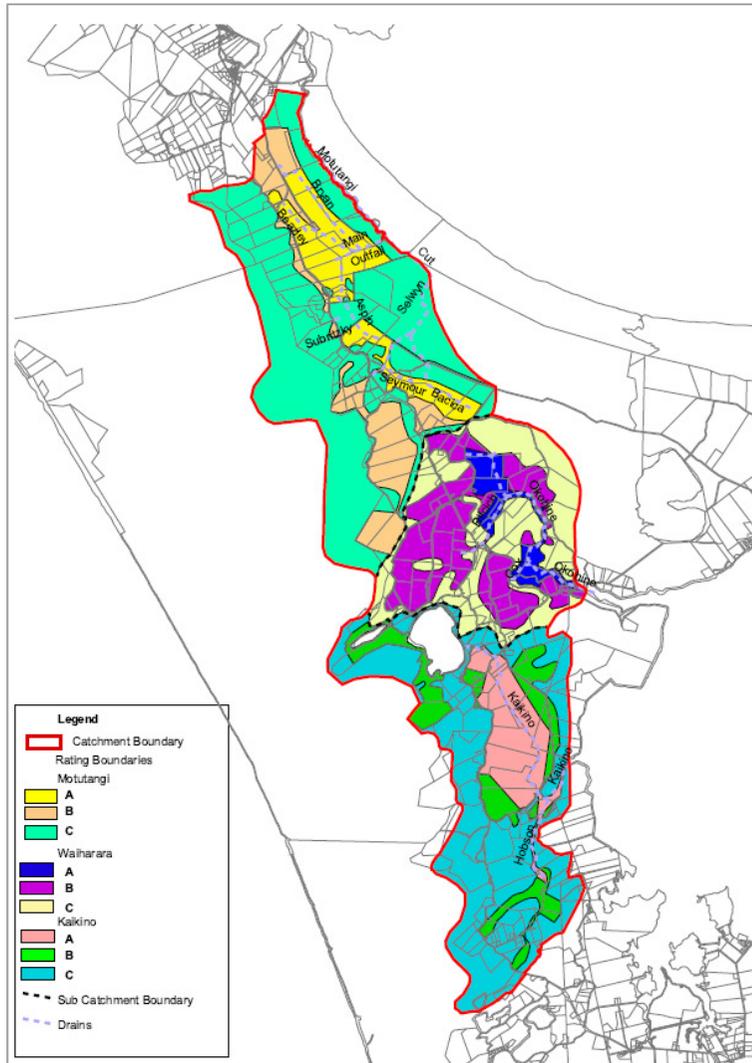


Map: 4 - Kerikeri Main Street Rating Area

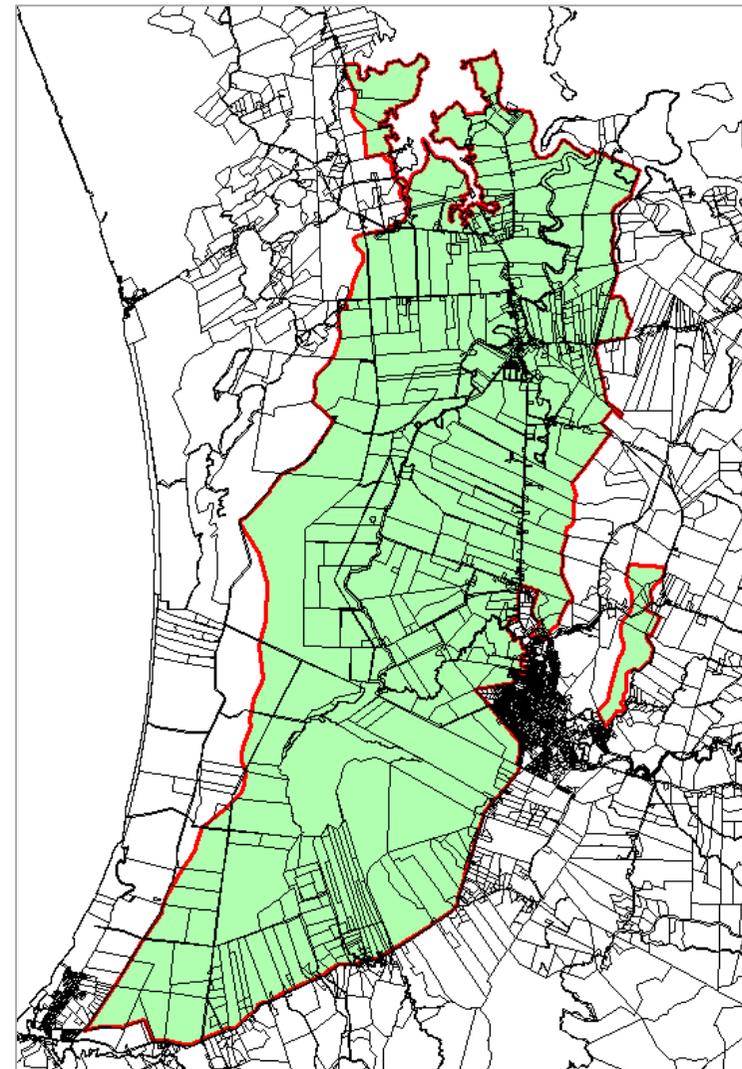


Map: 5 - Paihia CBD Rating Area

FUNDING IMPACT STATEMENT



Map: 6 - Northern Drainage Rating Areas



Map: 7 - Kaitiaki Drainage Rating Area

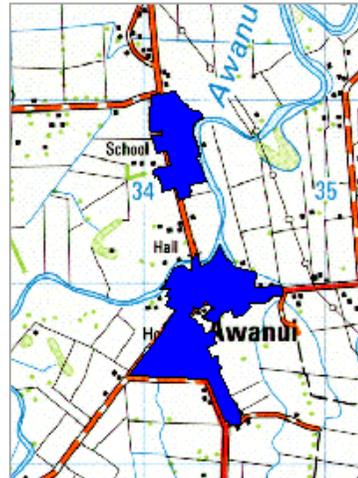
FUNDING IMPACT STATEMENT



Map: 8 - Houhora Pukenui Stormwater Rating Area



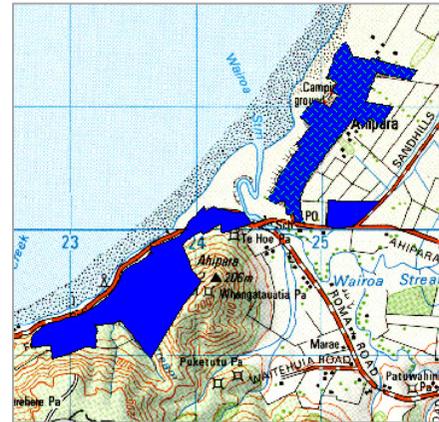
Map: 10 – Kaimaumau Stormwater Rating Area



Map: 11 Map: – Awanui Stormwater Rating Area



Map: 13 – Karikari Communities Stormwater Rating Area



Map: 14 – Ahipara Stormwater Rating Area



Map: 16 – Kaeo Stormwater Rating Area



Map: 17 – Haruru Falls Stormwater Rating Area

FUNDING IMPACT STATEMENT



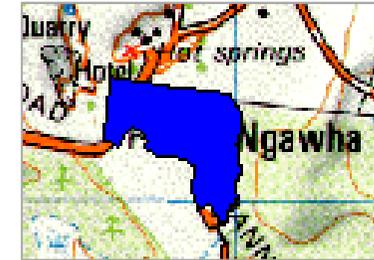
Map: 9 – Kaitaia Stormwater Rating Area



Map: 12 – Hihi Stormwater Rating Area



Map: 15 – Taupo Bay Stormwater Rating Area



Map: 18 – Ngawha Stormwater Rating Areas



Map: 19 – East Coast Stormwater Rating Area

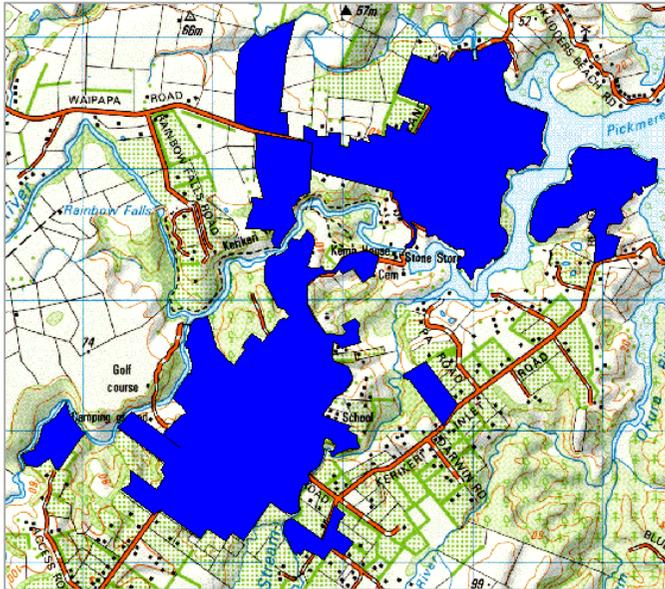


Map: 20 – Tauranga Bay Stormwater Rating Area



Map: 21 – Whangaroa Stormwater Rating Area

FUNDING IMPACT STATEMENT



Map: 22 – Kerikeri Stormwater Rating Area



Map: 23 - Te Haumi, Opuia and Okiato Stormwater Rating Area



Map: 24 – Paihia Stormwater Rating Area

FUNDING IMPACT STATEMENT



Map: 25 – Kaikohe Stormwater Rating Area



Map: 26 – Okaihau Stormwater Rating Area



Map: 27 – Moerewa Stormwater Rating Area



Map: 28 – Opononi / Omapere Stormwater Rating Areas



Map: 29 – Russell Stormwater Rating Area



Map: 30 – Waipapa Stormwater Rating Area



Map: 31 – Rawene Stormwater Rating Area

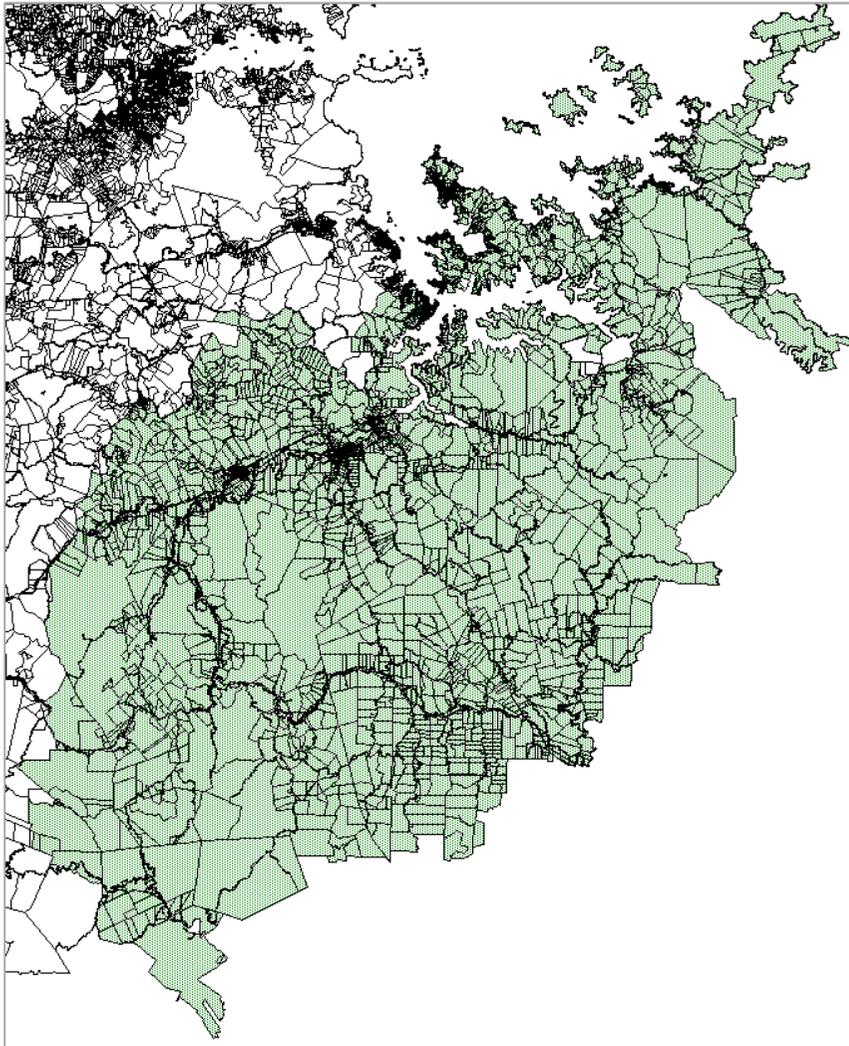


Map: 32 – Kohukohu Stormwater Rating Area

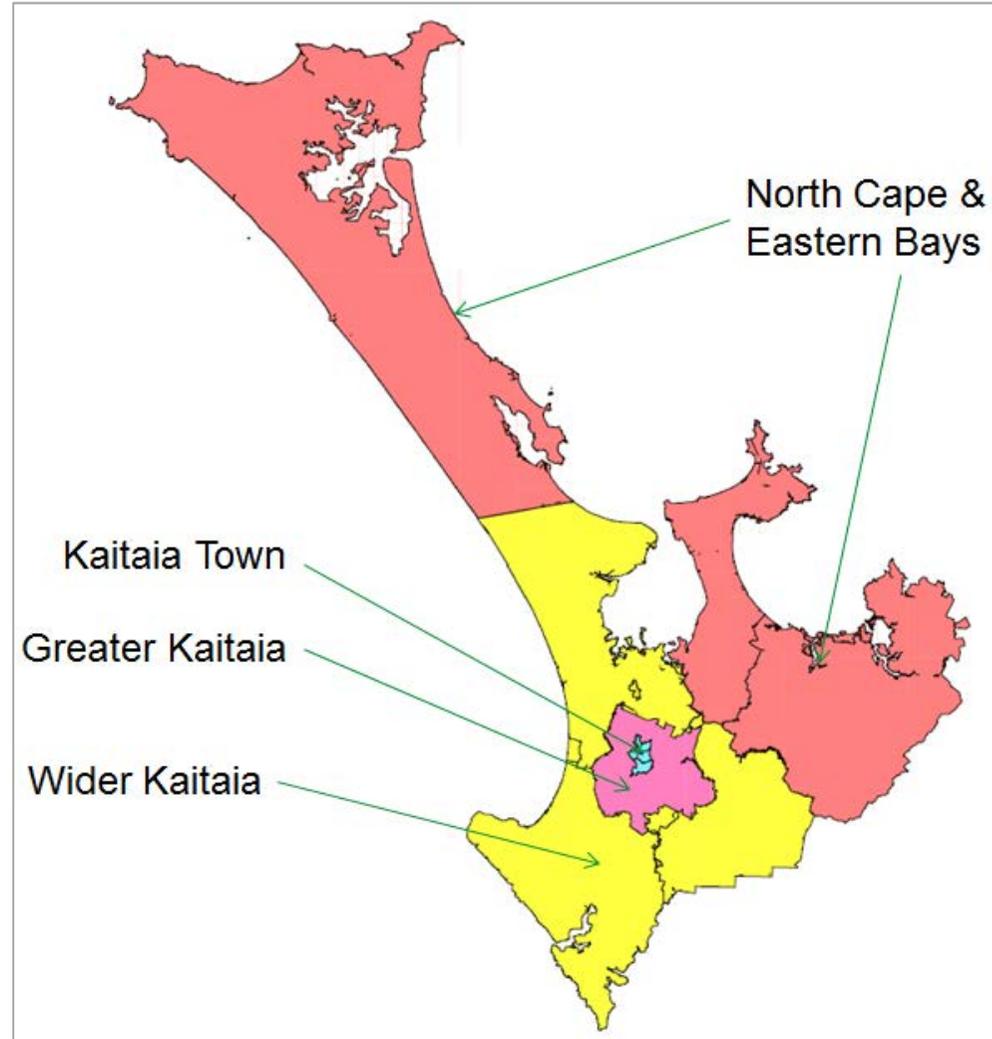


Map: 33 – Kawakawa Stormwater Rating Area

FUNDING IMPACT STATEMENT



Map: 34 – ASB Recreation Centre Rating Area



Map: 35 - Te Hiku Ward Pool Rating Area

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

WHOLE OF COUNCIL FINANCIAL STATEMENTS

The following is the 2015-2025 prospective financial forecast, covering the whole of Council and activity groups.

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES										
Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Revenue										
44,951 Rates - General	47,927	50,850	53,661	54,061	55,582	59,668	61,579	64,134	66,903	69,139
7,606 Rates - Targeted Water	2,057	2,408	3,050	3,300	3,871	4,415	5,244	5,548	5,959	6,335
25,735 Rates - Targeted Excluding Water	25,315	26,607	27,968	29,761	30,838	32,144	32,921	33,818	34,659	35,988
2,060 Rates - Penalties	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085	2,085
7,250 Fees & Charges	14,125	14,117	14,164	15,104	15,049	14,616	14,642	14,577	14,607	14,641
5,971 Subsidies Operational	6,977	7,090	7,175	7,218	7,319	7,420	7,521	7,622	7,622	7,622
9,329 Subsidies Capital	19,288	21,291	14,257	11,268	10,475	12,698	13,142	14,195	13,800	12,684
496 Development Contributions	0	545	5,025	0	0	0	0	0	23	0
1,062 Other Income	1,148	1,282	1,190	1,140	1,234	1,140	1,140	1,140	1,140	1,140
104,460 Total Comprehensive Revenue	118,922	126,276	128,576	123,937	126,453	134,186	138,274	143,119	146,798	149,634
Expenditure										
22,362 District Facilities	22,110	22,964	23,598	24,475	25,072	26,222	27,077	28,045	28,617	29,502
8,379 Environmental Management	9,820	10,203	10,416	10,679	10,941	11,248	11,550	11,878	12,236	12,574
7,149 Governance & Strategic Administration	6,355	6,797	6,750	6,901	7,270	7,279	7,503	7,710	7,916	8,175
31,032 Roading and Footpaths	33,692	35,240	37,138	38,146	38,994	41,216	42,656	44,228	45,923	47,674
2,094 Stormwater	2,280	2,326	2,375	2,448	2,511	2,618	2,697	2,803	2,861	2,969
5,153 Strategic Planning & Policy	5,657	6,025	6,599	6,390	6,515	7,090	6,849	7,038	7,651	7,413
5,091 Waste Management	5,159	5,365	5,477	5,617	5,765	6,010	6,202	6,388	6,568	6,786
11,445 Wastewater	13,856	13,767	14,226	16,247	14,709	15,339	15,740	16,167	16,641	17,413
7,594 Water Supply	8,251	8,603	9,205	9,455	10,026	10,570	11,399	11,703	12,114	12,490
100,299 Total Operating Expenditure	107,179	111,291	115,783	120,357	121,802	127,592	131,673	135,960	140,528	144,997
4,161 Net Operating Surplus/(Deficit)	11,743	14,985	12,793	3,580	4,651	6,593	6,601	7,159	6,270	4,637

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES (continued)

Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Surplus/(Deficit) attributable to:										
4,161	11,743	14,985	12,793	3,580	4,651	6,593	6,601	7,159	6,270	4,637
Far North District Council										
Items that will not be reclassified to surplus										
38,671	36,575	41,218	44,650	48,359	53,707	57,377	61,333	67,457	71,660	76,063
Gain/(Loss) on asset valuations										
38,143	0	0	0	0	0	0	0	0	0	0
Change in other reserves										
76,814	36,575	41,218	44,650	48,359	53,707	57,377	61,333	67,457	71,660	76,063
Total other comprehensive revenue										
80,975	48,318	56,203	57,443	51,939	58,358	63,970	67,934	74,616	77,930	80,700
Total comprehensive revenue										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT										
4,161	11,743	14,985	12,793	3,580	4,651	6,593	6,601	7,159	6,270	4,637
Net Surplus/(Deficit)										
265	2,706	1,887	1,444	2,375	302	311	321	331	343	355
Loan										
35,606	27,538	37,366	46,848	38,057	40,866	38,439	42,133	41,084	39,216	47,575
Appropriation from Reserves										
17,763	16,004	17,258	20,000	14,563	14,033	18,500	11,232	7,647	10,457	9,006
Notional Loans Raised										
(4,697)	(2,517)	(4,115)	(9,460)	(3,608)	(5,848)	(5,903)	(5,964)	(6,006)	(6,119)	(6,219)
Appropriation to Reserves										
53,099	55,475	67,381	71,626	54,967	54,004	57,941	54,323	50,216	50,166	55,354
Total Funding										
Capital Expenditure										
47,348	49,608	60,598	63,981	46,430	44,791	48,115	43,591	39,133	38,992	43,862
Capital Projects										
5,750	5,867	6,783	7,645	8,537	9,213	9,827	10,732	11,082	11,174	11,492
Debt Repayment										
53,099	55,475	67,381	71,627	54,967	54,004	57,942	54,324	50,215	50,166	55,354
Total Capital Expenditure										
0	0	0	0	0	0	0	0	0	0	0
NET SURPLUS/(DEFICIT)										

Depreciation in the statement of financial performance differs from the depreciation shown in the funding impact statement reconciliation as depreciation on corporate activities is allocated to the activities and forms part of the direct and indirect costs.

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES (continued)										
Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Annual Plan										
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Expenses by expense type										
19,220 Personnel costs	20,717	21,485	21,786	22,238	22,720	23,236	23,787	24,376	25,004	25,673
28,200 Depreciation & amortisation costs	26,887	28,542	30,156	31,653	32,944	34,426	35,863	37,477	39,243	41,060
4,674 Finance costs	6,290	6,903	8,379	9,068	9,546	10,696	10,826	10,726	10,775	10,732
48,204 Other expenses	53,285	54,361	55,462	57,399	56,593	59,234	61,196	63,381	65,506	67,531
100,299 Total operating expenses	107,179	111,291	115,783	120,357	121,802	127,592	131,673	135,960	140,528	144,997

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

STATEMENT OF SOURCE AND APPLICATION OF FUNDS										
Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
CAPITAL STATEMENT										
4,161 Net Surplus/(Deficit)	11,743	14,985	12,793	3,580	4,651	6,593	6,601	7,159	6,270	4,637
265 Loan	2,706	1,887	1,444	2,375	302	311	321	331	343	355
35,606 Appropriation from Reserves	27,538	37,366	46,848	38,057	40,866	38,439	42,133	41,084	39,216	47,575
17,763 Notional Loans Raised	16,004	17,258	20,000	14,563	14,033	18,500	11,232	7,647	10,457	9,006
(4,697) Appropriation to Reserves	(2,517)	(4,115)	(9,460)	(3,608)	(5,848)	(5,903)	(5,964)	(6,006)	(6,119)	(6,219)
53,099 Total Funding	55,475	67,381	71,626	54,967	54,004	57,941	54,323	50,216	50,166	55,354
Capital Expenditure										
47,348 Capital Projects	49,608	60,598	63,981	46,430	44,791	48,115	43,591	39,133	38,992	43,862
5,750 Debt Repayment	5,867	6,783	7,645	8,537	9,213	9,827	10,732	11,082	11,174	11,492
53,099 Total Capital Expenditure	55,475	67,381	71,627	54,967	54,004	57,942	54,324	50,215	50,166	55,354
0 NET SURPLUS/(DEFICIT)	0									
Depreciation in the statement of financial performance differs from the depreciation shown in the funding impact statement reconciliation as depreciation on corporate activities is allocated to the activities and forms part of the direct and indirect costs.										
Annual Plan										
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Expenses by expense type										
19,220 Personnel costs	21,993	22,579	22,930	23,408	23,919	24,466	25,049	25,672	26,336	27,044
28,200 Depreciation & amortisation costs	26,965	28,653	30,081	31,700	33,093	34,447	36,107	37,761	39,583	41,569
4,674 Finance costs	4,526	5,161	6,388	7,232	7,732	8,583	9,156	9,048	8,884	8,897
48,204 Other expenses	53,695	54,898	56,384	58,017	57,058	60,097	61,360	63,480	65,724	67,486
100,299 Total operating expenses	107,179	111,291	115,783	120,357	121,802	127,592	131,673	135,960	140,528	144,997

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY												
Annual Plan 2014-15 \$'000s	Revised 2014-15 \$'000s	PROSPECTIVE FINANCIAL STATEMENTS 2015-25	LTP 2015-16 \$'000s	LTP 2016-17 \$'000s	LTP 2017-18 \$'000s	LTP 2018-19 \$'000s	LTP 2019-20 \$'000s	LTP 2020-21 \$'000s	LTP 2021-22 \$'000s	LTP 2022-23 \$'000s	LTP 2023-24 \$'000s	LTP 2024-25 \$'000s
1,633,501	1,586,399	Opening Balance	1,621,313	1,669,631	1,725,834	1,783,277	1,835,216	1,893,574	1,957,544	2,025,478	2,100,094	2,178,024
		Surplus/(Deficit) attributable to:										
	4,161	Far North District Council	11,743	14,985	12,793	3,580	4,651	6,593	6,601	7,159	6,270	4,637
	30,753	Gain/(Loss) on asset valuations	36,575	41,218	44,650	48,359	53,707	57,377	61,333	67,457	71,660	76,063
80,975	30,753	Total Comprehensive Income	36,575	41,218	44,650	48,359	53,707	57,377	61,333	67,457	71,660	76,063
1,714,476	1,621,313	Closing Balance	1,669,631	1,725,834	1,783,277	1,835,216	1,893,574	1,957,544	2,025,478	2,100,094	2,178,024	2,258,724

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

PROSPECTIVE STATEMENT OF FINANCIAL POSITION												
Annual Plan 2014-15 \$'000s	Revised 2014-15 \$'000s	PROSPECTIVE FINANCIAL STATEMENTS 2015-25	LTP 2015-16 \$'000s	LTP 2016-17 \$'000s	LTP 2017-18 \$'000s	LTP 2018-19 \$'000s	LTP 2019-20 \$'000s	LTP 2020-21 \$'000s	LTP 2021-22 \$'000s	LTP 2022-23 \$'000s	LTP 2023-24 \$'000s	LTP 2024-25 \$'000s
		PUBLIC EQUITY										
341,115	315,169	Other reserves	351,745	392,963	437,613	485,972	539,679	597,056	658,389	725,846	797,506	873,569
2,602	3,896	Restricted reserves	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896	3,896
1,370,759	1,302,248	Retained earnings	1,313,990	1,328,975	1,341,768	1,345,348	1,349,999	1,356,592	1,363,194	1,370,353	1,376,623	1,381,260
1,714,476	1,621,313	Public Equity	1,669,631	1,725,835	1,783,277	1,835,216	1,893,575	1,957,544	2,025,479	2,100,095	2,178,025	2,258,725
		<i>Represented by;</i>										
		CURRENT ASSETS										
3,574	2,258	Cash & cash equivalents	8,879	8,687	5,833	7,831	10,671	17,459	22,325	30,032	41,588	46,919
39,792	33,206	Trade & other receivables	33,969	34,819	35,724	36,689	37,752	38,885	40,091	41,413	42,822	44,363
2,046	4,176	Other financial assets	4,268	4,370	4,480	4,596	4,725	4,862	5,008	5,168	5,338	5,520
67	67	Inventories	67	67	67	67	67	67	67	67	67	67
45,479	39,707	Current Assets	47,183	47,943	46,104	49,183	53,215	61,273	67,491	76,680	89,815	96,869
		<i>Less;</i>										
		CURRENT LIABILITIES										
20,326	20,325	Trade & other payables	20,792	21,312	21,866	22,457	23,108	23,801	24,539	25,349	26,211	27,154
12,017	3	Borrowings	5,003	48,639	10,000	5,837	15,855	19,573	10,722	8,469	7,168	9,406
13	47	Provisions	44	19	20	36	8	16	7	16	10	17
53	63	Derivative financial instruments	63	63	63	63	63	63	63	63	63	63
1,841	1,269	Employee benefits	1,814	1,859	1,907	1,959	2,016	2,076	2,141	2,211	2,286	2,369
34,250	21,707	Current Liabilities	27,716	71,892	33,856	30,352	41,050	45,529	37,472	36,108	35,738	39,009
11,229	18,000	Working Capital	19,468	(23,949)	12,248	18,831	12,165	15,744	30,019	40,572	54,077	57,860

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

PROSPECTIVE STATEMENT OF FINANCIAL POSITION *(continued)*

Annual Plan 2014-15 \$'000s	Revised 2014-15 \$'000s	PROSPECTIVE FINANCIAL STATEMENTS 2015-25	LTP 2015-16 \$'000s	LTP 2016-17 \$'000s	LTP 2017-18 \$'000s	LTP 2018-19 \$'000s	LTP 2019-20 \$'000s	LTP 2020-21 \$'000s	LTP 2021-22 \$'000s	LTP 2022-23 \$'000s	LTP 2023-24 \$'000s	LTP 2024-25 \$'000s
		NON CURRENT ASSETS										
96	256	Other financial assets	256	256	256	256	256	256	256	256	256	256
529	488	Forestry	493	497	502	502	502	502	502	502	502	502
12,601	13,997	Intangible assets	13,717	13,437	13,157	12,877	12,597	12,317	12,037	11,757	11,477	11,197
12,000	12,000	Investments in subsidiaries	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
726	1,175	Derivative financial instruments	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175
1,765,195	1,662,484	Property, plant & equipment	1,717,408	1,786,011	1,859,952	1,918,112	1,978,512	2,044,434	2,108,040	2,171,514	2,237,137	2,309,948
1,791,147	1,690,400	Non Current Assets	1,745,049	1,813,376	1,887,042	1,944,922	2,005,042	2,070,684	2,134,010	2,197,204	2,262,547	2,335,078
		NON CURRENT LIABILITIES										
86,649	86,197	Borrowings	94,040	62,765	115,204	127,767	122,872	128,138	137,810	136,959	137,885	133,516
0	0	Trade & other payables	0	0	0	0	0	0	0	0	0	0
365	25	Derivative financial instruments	25	25	25	25	25	25	25	25	25	25
0	0	Employee benefits	0	0	0	0	0	0	0	0	0	0
887	865	Provisions	821	802	781	745	737	721	714	699	689	671
87,901	87,087	Non Current Liabilities	94,886	63,592	116,010	128,537	123,634	128,884	138,549	137,683	138,599	134,212
1,714,476	1,621,313	Net Assets	1,669,631	1,725,835	1,783,277	1,835,216	1,893,575	1,957,544	2,025,479	2,100,095	2,178,025	2,258,724

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

PROSPECTIVE STATEMENT OF CASHFLOWS

PROSPECTIVE STATEMENT OF CASHFLOWS											
Annual Plan	PROSPECTIVE FINANCIAL STATEMENTS 2015-25	LTP									
2014-15		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
\$'000s		\$'000s									
	OPERATING ACTIVITIES										
	<i>Cash was provided from:</i>										
79,419	Rates	82,819	87,546	92,303	94,687	97,756	103,623	107,068	110,707	114,642	118,449
24,047	Other Income	35,340	37,881	35,368	28,285	27,633	29,430	30,001	31,089	30,748	29,643
61	Interest and Dividends	0	0	0	0	0	0	0	0	0	0
103,527		118,159	125,427	127,671	122,972	125,389	133,053	137,069	141,796	145,390	148,092
	<i>Cash was applied to:</i>										
63,634	Supply of Goods, Services & Employees	71,294	71,766	73,397	75,095	74,410	77,645	80,001	81,031	84,488	86,793
4,674	Interest Paid	4,738	5,420	6,654	7,482	7,986	8,985	9,569	9,623	9,421	9,396
65	Fringe Benefit Tax Paid	57	62	63	65	66	68	70	72	74	77
68,373		76,089	77,248	80,114	82,642	82,462	86,698	89,640	90,726	93,983	96,266
	Net Cash Inflows / (Outflows) from Operating Activities										
35,154		42,070	48,179	47,557	40,330	42,927	46,355	47,429	51,070	51,407	51,826
	FINANCING ACTIVITIES										
	<i>Cash was provided from:</i>										
17,849	Borrowing	18,710	19,145	21,445	16,938	14,335	18,812	11,553	7,979	10,799	9,361
17,849		18,710	19,145	21,445	16,938	14,335	18,812	11,553	7,979	10,799	9,361
	<i>Cash was applied to:</i>										
5,750	Borrowing	5,867	6,783	7,645	8,537	9,213	9,827	10,732	11,082	11,174	11,492
5,750		5,867	6,783	7,645	8,537	9,213	9,827	10,732	11,082	11,174	11,492
12,099	Net Cash Inflows / (Outflows) from Financing Activities	12,843	12,362	13,800	8,401	5,122	8,985	821	(3,103)	(375)	(2,131)

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

PROSPECTIVE STATEMENT OF CASHFLOWS (continued)											
Annual Plan 2014-15	PROSPECTIVE FINANCIAL STATEMENTS 2015-25	LTP 2015-16	LTP 2016-17	LTP 2017-18	LTP 2018-19	LTP 2019-20	LTP 2020-21	LTP 2021-22	LTP 2022-23	LTP 2023-24	LTP 2024-25
\$'000s		\$'000s									
	INVESTING ACTIVITIES										
	<i>Cash was provided from:</i>										
	<i>Cash was applied to:</i>										
47,169	Purchase & Development of Property, Plant & Equipment	49,608	60,598	63,981	46,430	44,791	48,115	43,591	39,133	38,992	43,862
47,169		49,608	60,598	63,981	46,430	44,791	48,115	43,591	39,133	38,992	43,862
(47,169)	Net Cash Inflows / (Outflows) from Investing Activities	(49,608)	(60,598)	(63,981)	(46,430)	(44,791)	(48,115)	(43,591)	(39,133)	(38,992)	(43,862)
84	Net Increase / (Decrease) in Cash Flows	5,305	(57)	(2,624)	2,301	3,258	7,225	4,659	8,834	12,040	5,833
	NET CASH POSITION										
	<i>Opening Balances 1 July</i>										
3,490	Cash & cash Equivalents	3,574	8,879	8,822	6,197	8,499	11,758	18,983	23,641	32,474	44,514
3,490		3,574	8,879	8,822	6,197	8,499	11,758	18,983	23,641	32,474	44,514
	<i>Less Balances 30 June</i>										
3,574	Cash & cash Equivalents	8,879	8,822	6,197	8,499	11,758	18,983	23,641	32,474	44,514	50,346
3,574		8,879	8,822	6,197	8,499	11,758	18,983	23,641	32,474	44,514	50,346
84	Cash Movements for the Year	5,305	(57)	(2,624)	2,301	3,258	7,225	4,659	8,834	12,040	5,833

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

RESERVES REPORT

The LGA, Schedule 10, requires the LTP to include information on each reserve fund set aside by Council.

The LTP must identify the purpose of the fund, the activity it relates to and the amount expected to be in the fund at the commencement of the first year of the plan and the end of the last year of the plan.

The LTP must also indicate the amounts that are to be allocated to and from the funds for each year of the plan.

The following tables identify the reserves Council maintains and the balances and movement expected during the life of the plan.

Reserve balance purposes

Fair Value through Equity Reserve, Capital Reserve, Cash Flow Hedge Reserve; these reserves are all balance sheet reserves used for accounting purposes only.

General separate funds

These are restricted reserves that are restricted for specific purposes and are not available for general expenditure.

Special funds

Funds received under the RMA that are ring fenced for specific works relating to the aspect of the RMA under which they were contributed.

Development contributions

Contributions received in line with Council's Development Contributions Policy. As the policy has changed over time, funds are required to be kept at both district wide and ward levels to provide an account of the contributions received under each policy and their use.

Open spaces development contributions

Contributions received in line with Council's Development Contributions Policy. As the policy has changed over time, funds are required to be kept at both district wide and ward levels to provide an account of the contributions received under each policy and their use.

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

Amenity development funds

Funds were generated by way of a targeted rate for the development and enhancement of the central business areas within major towns. Over time the rating policy has changed and these rates are no longer levied, however, the balance of the reserves are required to be held at ward level until they are fully depleted.

Community services fund

Funds are generated by way of targeted rates and are intended for the use of maintenance of community infrastructure such as parks and reserves, public toilets, cemeteries, swimming pools, footpaths, halls etc., and the maintenance of central town areas such as street cleaning and rubbish collection. Funds were maintained at ward level but as the rating policy has changed over time, funds are now maintained as a district wide reserve.

Depreciation reserves

Council is required to fund depreciation on assets that it is intending to renew at a future date. The depreciation charges generated are held by asset/activity area so that funds are available for future replacement.

Retained earnings

General funds retained by Council arising from the accumulation of prior year's surpluses or deficits from general rate funded operations.

Emergency event reserve

Specific funds ear marked for the recovery requirements of future weather related events.

Property disposal reserve

Net sale proceeds arising from surplus property for use to fund future strategic needs within communities. The funds are held at activity and ward levels. The funding decisions are made by Council either at the time of sale or at a future date.

Revaluation reserves

These reserves represent the projected movement in the valuation of Council's assets over the 10 years of the plan.

Mineral Survey Reserve

Reserve to investigate the mineral potential of the Northland Region.

NOTE: Where a reserve balance is shown in brackets it means the reserve is overdrawn.

PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

PROSPECTIVE RESERVES BALANCES REPORT

Prospective Reserve Balances Report										
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$000's									
Revaluation Reserves										
Opening Balance	311,636	348,211	389,429	434,079	482,438	536,145	593,522	654,855	722,312	793,972
Appropriations	36,575	41,218	44,650	48,359	53,707	57,377	61,333	67,457	71,660	76,063
Closing Balance	348,211	389,429	434,079	482,438	536,145	593,522	654,855	722,312	793,972	870,035
Fair Value through Equity Reserve										
Opening Balance	51	51	51	51	51	51	51	51	51	51
Closing Balance	51									
Capital Reserve										
Opening Balance	2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697	2,697
Closing Balance	2,697									
Cash Flow Hedge Reserve										
Opening Balance	785	785	785	785	785	785	785	785	785	785
Closing Balance	785									
General Separate Fund										
Opening Balance	646	646	646	646	646	646	646	646	646	646
Closing Balance	646									
Special Fund										
Opening Balance	3,961	3,961	3,961	3,961	3,961	3,961	3,961	3,961	3,961	3,961
Closing Balance	3,961									
Amenity Development Fund										
Opening Balance	242	242	242	242	242	242	242	242	242	242
Closing Balance	242									
Community Board Reserve Funds										
Opening Balance	234	234	234	234	234	234	234	234	234	234
Closing Balance	234									

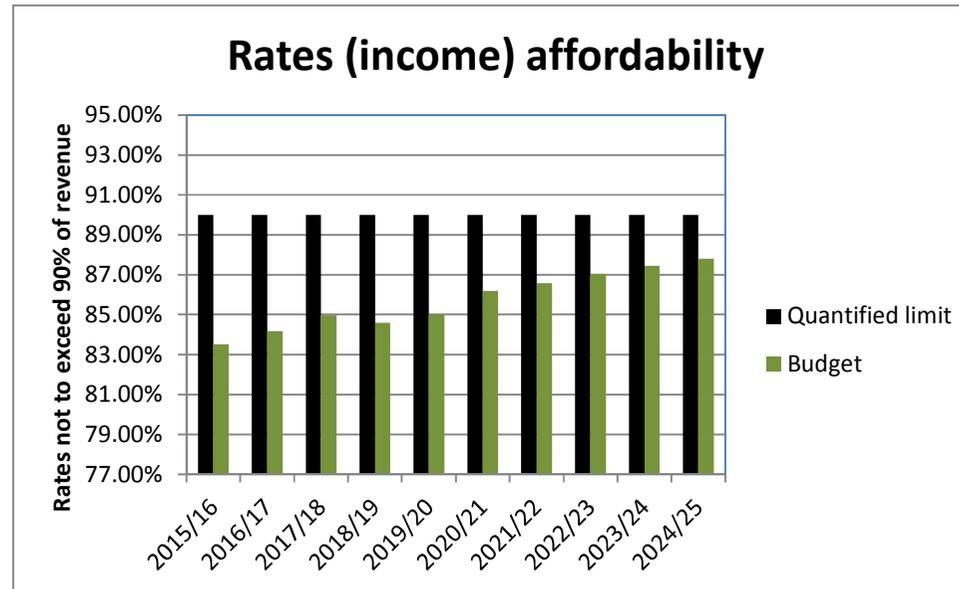
PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

Prospective Reserve Balances Report (continued)										
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	\$000's									
Community Services Fund										
Opening Balance	(1,187)	(1,187)	(1,187)	(1,187)	(1,187)	(1,187)	(1,187)	(1,187)	(1,187)	(1,187)
Closing Balance	(1,187)									
Development Contributions										
Opening Balance	(17,895)	(17,895)	(17,895)	(17,895)	(17,895)	(17,895)	(17,895)	(17,895)	(17,895)	(17,895)
Closing Balance	(17,895)									
Open Spaces Development Contributions										
Opening Balance	(3,861)	(3,861)	(3,861)	(3,861)	(3,861)	(3,861)	(3,861)	(3,861)	(3,861)	(3,861)
Closing Balance	(3,861)									
Depreciation Reserve										
Opening Balance	48,070	47,826	41,149	31,691	27,074	23,312	23,455	21,661	22,722	27,625
Appropriations	28,259	30,212	31,691	33,628	35,098	36,570	38,318	40,116	42,029	44,114
Withdrawals	(28,503)	(36,890)	(41,149)	(38,245)	(38,860)	(36,427)	(40,112)	(39,055)	(37,126)	(45,472)
Closing Balance	47,826	41,149	31,691	27,074	23,312	23,455	21,661	22,722	27,625	26,267
Retained Earnings										
Opening Balance	1,301,956	1,287,228	1,308,484	1,330,329	1,338,120	1,346,127	1,352,171	1,360,161	1,365,853	1,366,814
	(14,728)	0	0	0	0	0	0	0	0	0
Retained Earnings Generated	0	21,256	21,845	7,791	8,007	6,044	7,990	5,692	961	5,589
Closing Balance	1,287,228	1,308,484	1,330,329	1,338,120	1,346,127	1,352,171	1,360,161	1,365,853	1,366,814	1,372,403
Emergency Event Reserve										
Opening Balance	(10)	396	802	1,208	1,614	2,020	2,426	2,832	3,238	3,644
Appropriations	542	542	542	542	542	542	542	542	542	542
Withdrawals	(136)	(136)	(136)	(136)	(136)	(136)	(136)	(136)	(136)	(136)
Closing Balance	396	802	1,208	1,614	2,020	2,426	2,832	3,238	3,644	4,050
Mineral Survey Reserve										
Opening Balance	50	50	50	50	50	50	50	50	50	50
Closing Balance	50									
Property Disposal Reserve										
Opening Balance	246	246	246	246	246	246	246	246	246	246
Closing Balance	246									

BENCHMARKS

Rates (income) affordability

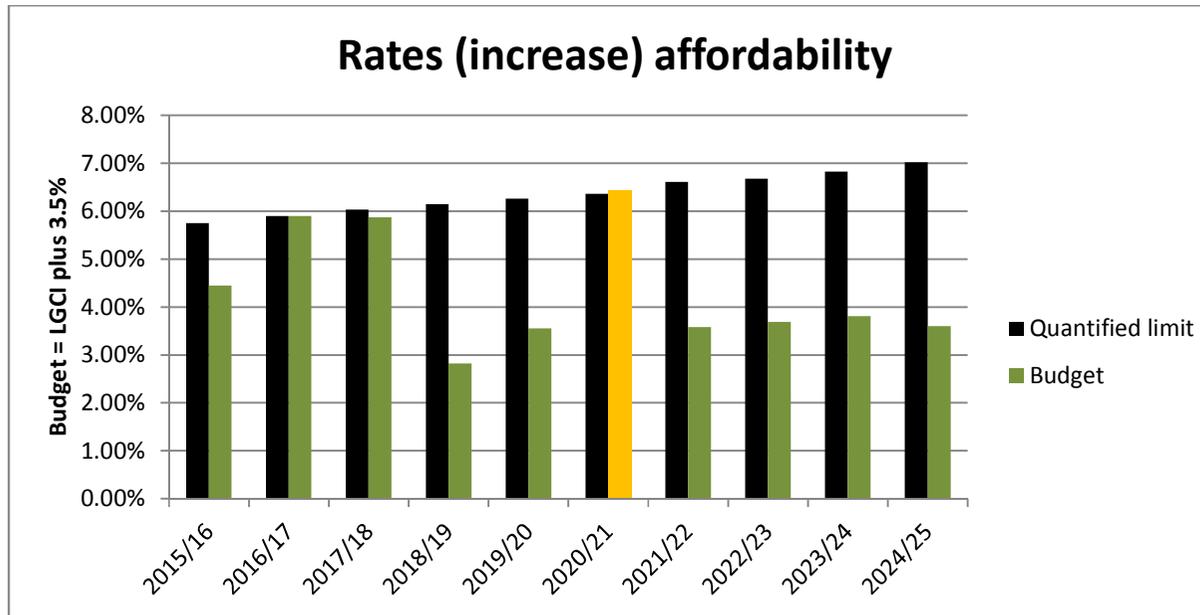
The following graph compares the council's planned rates income with the quantified limit on rates contained in the financial strategy included in the council's long term plan 2015/25. The quantified limit is that rates income will not exceed 90% of total revenue (excluding subsidies and contributions) in any year. The graph shows the budgeted rates proportion of revenue measured against the proposed proportion. Council will achieve this benchmark.



PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

Rates (increases) affordability

The following graph compares the council's planned rate increases with the quantified limit on rates increases included in the financial strategy included in the council's long term plan 2015/25. The quantified limit is that total rates income will not increase by more than LGCI (Local Government Cost Index) plus 3.5% in any year. The graph shows the proposed rate increase percentages measured against the quantified limit increases. Council will achieve this benchmark in all years except 2020/21. This is a result of including some capital projects which may not proceed or may have a different value at the time of delivery.

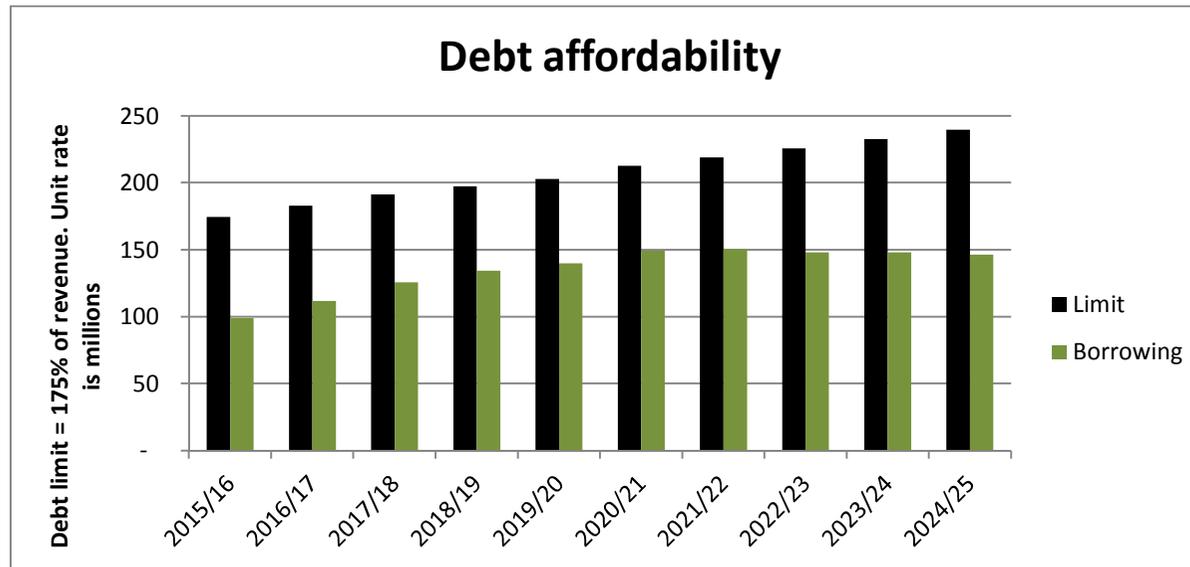


PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

Debt affordability

The council meets the debt affordability benchmark if its planned borrowings are within the quantified limit on borrowing.

The following graph compares the council's planned borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long term plan 2015/25. The quantified limit is that borrowing is not to exceed 175% of revenue (excluding subsidies and contributions) in any year. The following graph shows the maximum borrowing permitted under the limit and the proposed borrowing. The graph is measured in \$000's. Council will achieve this benchmark.

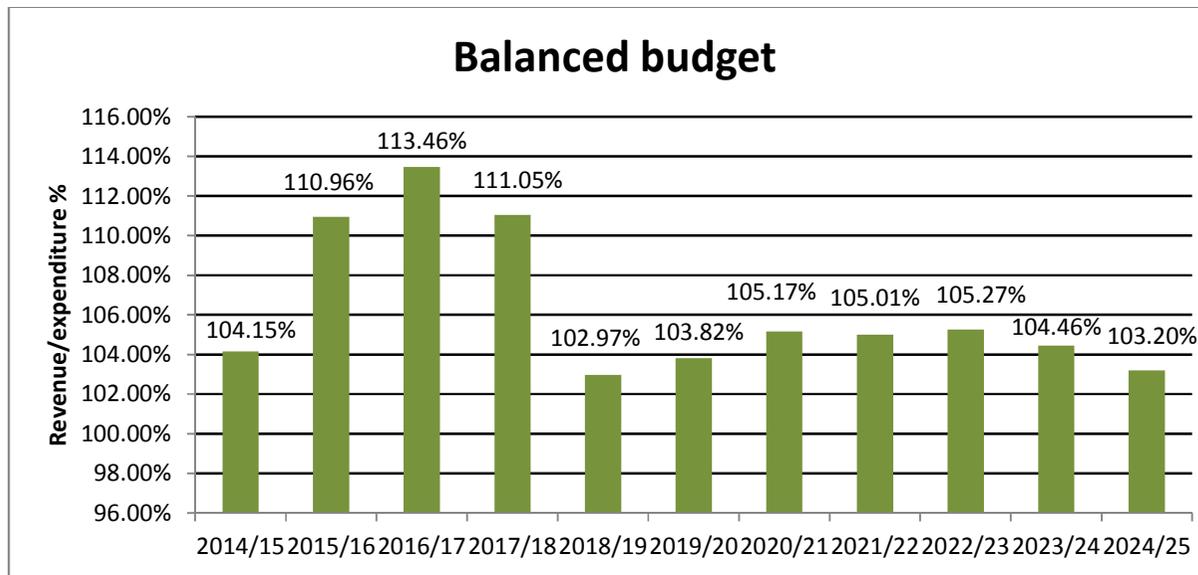


PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

Balanced budget

The following graph displays the council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluation of property, plant & equipment) as a proportion of operating expenses (excluding loss on derivative financial instruments and revaluations of property, plant & equipment).

Council meets this benchmark if it's revenue equals or is greater than it's operating expenses. Council will achieve this benchmark.



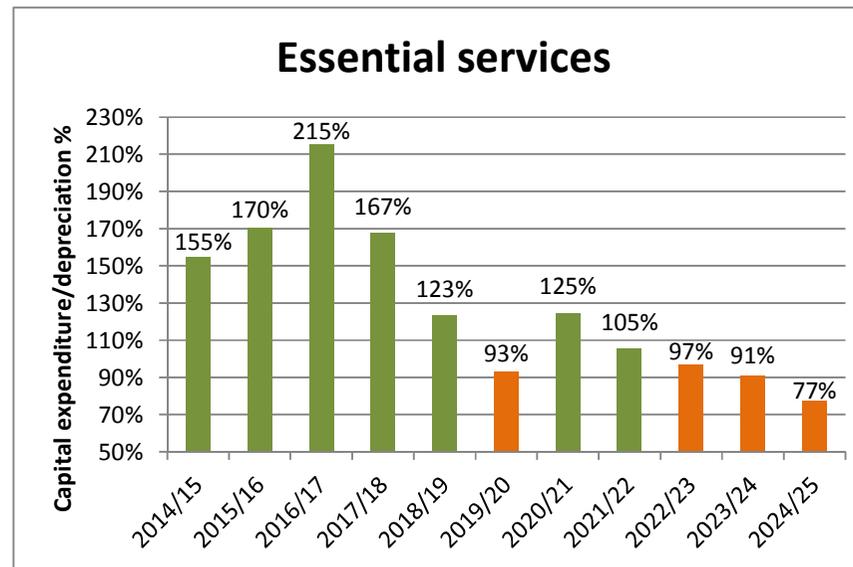
PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

Essential services

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services. Network services are defined as:

- Water supply
- Sewerage and treatment and disposal of sewage
- Stormwater drainage
- The provision of roads and footpaths

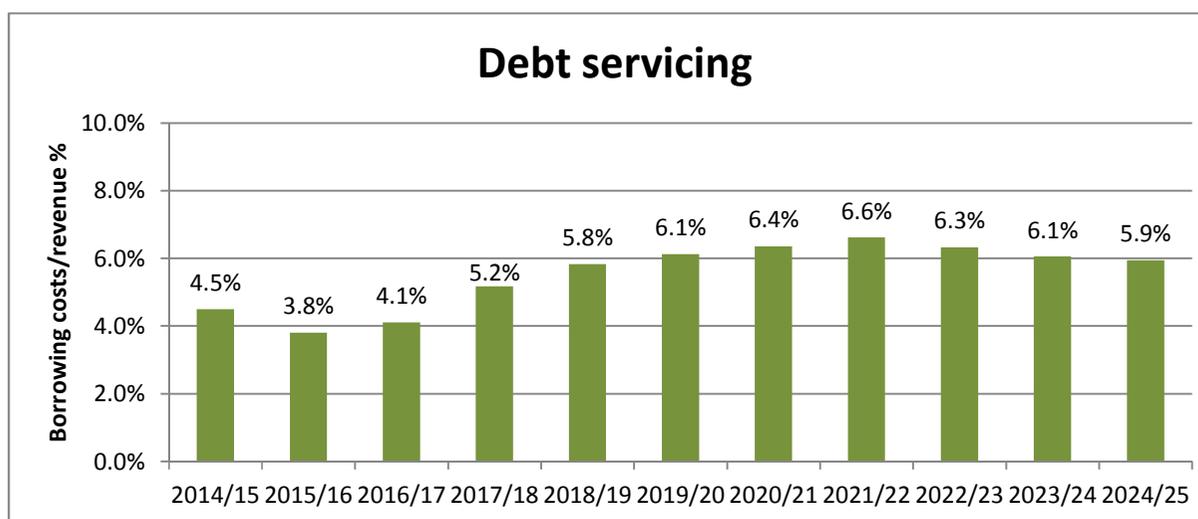
Council meets this benchmark if its planned capital expenditure on network services equals or is greater than depreciation on network services. Council has achieved this benchmark in all but the last five years of the plan. Under investment in previous years means that the capital programme has been front-loaded. In aggregate, over 10 years, Council is proposing to spend 128% of the depreciation charged. Council will achieve this benchmark in all years except 2019/20 2022/23 to 2024/25



PROSPECTIVE FINANCIAL STATEMENTS AND OTHER INFORMATION

Debt servicing

The following graph displays the council's planned borrowing costs as a proportion of proposed revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant & equipment) Because Statistics New Zealand projects the council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if it's borrowing costs equal or less than 10% of its revenue. Council will achieve this benchmark.



REVENUE AND FINANCING POLICY

OVERVIEW

The Revenue and Financing Policy is a document which sets out how Council plans to fund all of its operating and capital expenditure, including at an activity level, over the life of the Long Term Plan.

The Policy discusses all the potential revenue and funding sources available to Council and outlines how and when it will use these. In order to arrive at its chosen funding arrangements Council has taken account of many factors, including:

- The community outcomes to which each activity primarily contributes
- An analysis of who benefits from the activity
- Over what period of time the benefits are delivered
- Whether the activity is needed in response to the action(s) (or lack of action(s)) of some person or group
- Whether it would be more prudent for the activity to be funded separately or included with other activities

Finally the Policy discusses how Council addresses “the overall impact of any allocation of liability for revenue needs on the community.”

How has Council developed its Policy?

Every activity has been analysed using the factors discussed above. This analysis has then been used to develop a set of funding decisions about the use of rates, both general and targeted, user charges, and other funding sources to arrive at what it considers is an optimal funding arrangement for the activity.

The next step has been for Council to consider the overall effects of these separate funding proposals on the district as a whole.

The ultimate objective of this analysis was to find ways of funding Council’s activities that are, as far as possible, affordable, transparent, and accountable.

Funding Principles

After considering the factor identified above, Council has agreed the following basic principles to guide the assessment of fairness and equity in choosing funding sources.

1. Each generation of ratepayers should pay for the services they receive
2. User charges are preferred whenever a private benefit can be identified; and it is efficient to collect the revenue
3. Council will use any other funding sources before rates
4. Capital expenditure to replace assets will be funded from depreciation reserves

REVENUE AND FINANCING POLICY

5. Capital expenditure to upgrade or build new assets will initially be funded through borrowings
6. Rate increases will be within the limits set in the financial strategy
7. Borrowing will be within the limits set in the financial strategy.

Complying with these principles can at times be challenging. Council must apply judgment in assessing many options to determine fairness in the development of budgets or acquisition of assets along with the choice of funding sources to implement these.

Operating Costs

Operating costs are the day to day outgoings that are used to maintain the services delivered by the Council, including a contribution to the wear and tear on assets used – referred to as depreciation. Council generally operates a balanced budget; meaning that operating costs will be met from operating income. This ensures that those people who use Council's services pay for them.

Operating Cost Funding Sources

User Charges

User charges are used for services where there is a benefit to an individual or group. The price of the service is set, taking account of a number of factors. These could include:

- The cost of providing the service
- An estimate of the users' private benefit derived from using the service
- The impact of cost to encourage/discourage behaviours
- The impact of cost on the demand for the service
- Cost and efficiency of collection mechanisms
- The impact of affordability on users
- Other matters as determined by Council

Grants, Sponsorship and Subsidies

Grants, sponsorship and subsidies are used wherever they are available. The council expects to continue receiving substantial subsidies for road maintenance.

Some services can only be continued so long as funding from these sources continues.

Investment Income; Dividends, Interest

Income from dividends and interest is used to offset the overall costs of Council.

REVENUE AND FINANCING POLICY

Other Revenue

Council receives other operating income from:

- Petrol tax
- Property rentals
- Other minor sources

Rates

Having identified all other sources, Council funds its remaining operating expenses from rates as shown in Figure 1.

As was discussed in the overview, Council has taken into account many factors in making its overall funding decisions.

General Rate

Council sets its General Rates on the basis of Land Value to fund its general activities.

The General Rate is set using two differentials, general and commercial. This reflects Council's view that the general rate is a form of property based tax, where different benefits are received by general and commercial ratepayers.

Uniform Annual General Charge (UAGC)

Council sets a UAGC to fund a portion of its general costs. The UAGC is assessed on the basis of the Separately Used or Inhabited Parts (SUIP) of a Rating Unit.

Targeted Rates

Council uses a number of targeted rates to fund a range of services. Some of these rates are seen as proxies for user charges, particularly for services such as water and sewerage. These rates are described as "proxies" because they are generally fixed amounts payable by the different category of ratepayer, rather than an amount based on the level of usage.

An example of the difference between a proxy and a user charge is the way that Council charges for sewerage. Council charges a fixed amount to the rating unit based on the number of users (SUIPS) and/or the number of pans. If that rate were a true user charge, Council might charge on the basis of the amount of sewerage being discharged. Although the community regularly requests that form of rating, that mechanism is currently not allowed by law. The only legal mechanism allowing for a rate to be truly usage-based is the water by meter rate.

Council sets targeted rates where it believes that the cost of the service should be paid for by the group that benefits most or exclusively from the activity. Targeted rates may be set on a uniform basis or differentially for different categories of rateable land.

REVENUE AND FINANCING POLICY

Targeted rates include:

- Ward rate
- Stormwater rate
- Drainage rates
- Sewerage capital and operating rates
- Water capital rates
- Community Development rates
 - Kerikeri mainstreet rate
 - Paihia CBD rate
 - Kaitia BID rate
- Bay of Islands Recreation Centre rate
- Roding uniform rate
- Differential roding rate
- Water by Meter Operating rate
- Private Road Sealing rate
 - Tanekaha Lane roding sealing rate

Details of these rates charged are included in the Funding Impact Statement published in the Long Term Plan and each year's Annual Plan.

Council is also introducing a number of new targeted rates in the 2015 – 2025 LTP, these are described below:

Ross Street Upgrading Rate

Council proposes to introduce this targeted rate at the request of the ratepayers in Ross Street, Opuā. The purpose of this rate is to fund the upgrading of the road in preparation for Council taking it over as a public road.

It is proposed that this rate will be first charged in the year following the road's upgrade. It is anticipated that this rate will initially be set in the 2016/17 rating year.

Te Kao Water Supply Rate

The 2015 – 2025 Long Term Plan contains a proposal for Council to take over a small water supply scheme that currently operates within the Te Kao community. If this proposal proceeds, Council will set a new targeted rate to fund the capital costs of bring this supply up to Council's standards. It is anticipated that the project will be undertaken in either 2015/16 or 2016/17 with the first rates being set in the following year.

Bay of Islands Recreation Centre Rate

The 2016 – 2025 LTP contained a proposal for Council to provide funding for the BOI Recreation Centre, subject to a satisfactory arrangement being entered into with a suitable agency to manage the complex. Council plans to provide an operational grant to be funded by a new targeted rate to be set over the area contained within rating rolls 400 to 499.

REVENUE AND FINANCING POLICY

Kaitaia Pool Rate

Council has consulting with the community over the development of a new heated swimming pool in Kaitaia. The final decision on whether to proceed with the pool is dependent on the community providing 66% of the funding. The Council share of this pool, if proceeded with, will be funded by way of a new Differential Targeted Rate to be set over the whole of the Te Hiku Ward.

It is anticipated that this rate will first be set in 2017/18.

Operating Funding Sources for 2015 – 2016

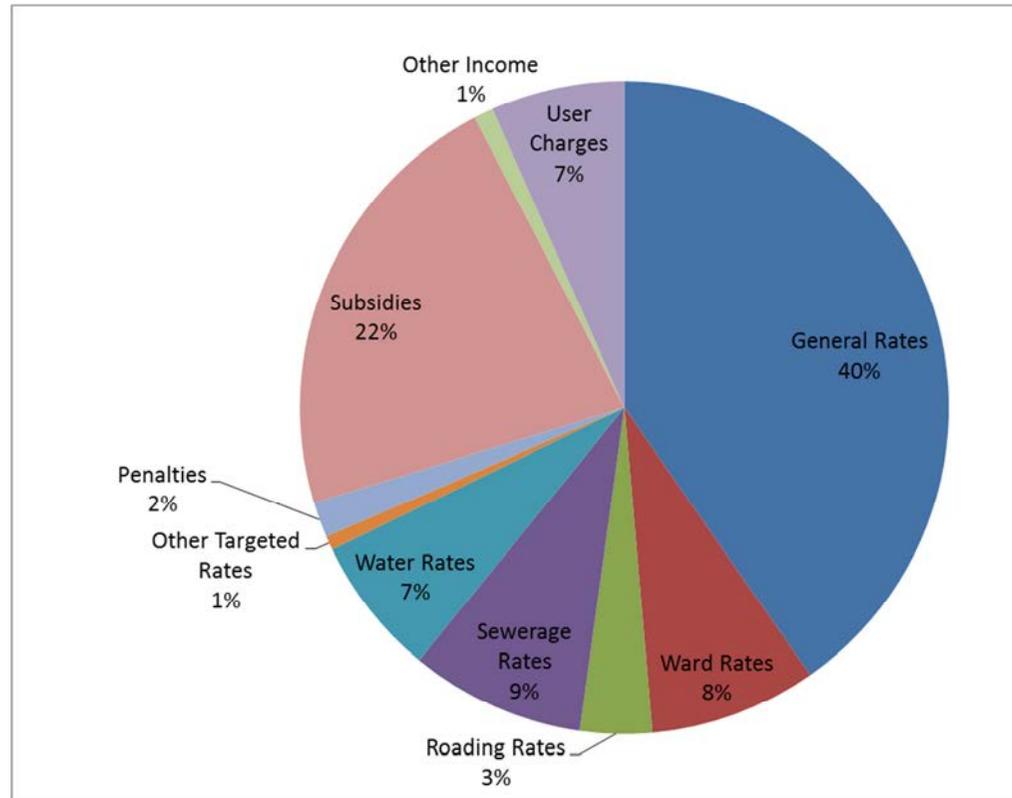


Figure 1 – Summary of Operating Income

Note: The operating funding sources may change from year to year; this summary only shows the funding arrangements for 2015/16

REVENUE AND FINANCING POLICY

Capital Costs

Capital costs are the spending which Council undertakes for the purchase, development or acquisition of assets which provide the community with a service over a longer period of time than is the norm with operating expenditure.

Capital Cost Funding Sources

As shown in figure 2, the funding of capital costs can come from a variety of sources including:

Borrowings

For larger capital costs that provide a long term benefit to the community, Council may determine that borrowing the funds is the fairest method of allocating the costs of a project over time to users

Council Reserves

Reserves include financial contribution collected under the Resource Management Act, 1991 and development contributions collected under the Local Government Act, 2002.

Council has resolved to cease charging development contributions from 1 July 2015. Contributions will continue to be received in respect of consents granted prior to that date.

Council also holds some reserve funds for capital projects and will approve the use of the funds when a project meets the specific criteria for the reserve.

Capital Contributions

Capital contributions are contributions made by other people or agencies in support of specific capital projects. An example is the 66% contribution to be made by the community towards the construction of the proposed swimming pool in Kaitaia..

Grants, subsidies, and other income

Contributions towards capital expenditure from other parties such as the New Zealand Transport Agency (NZTA) (in relation to certain roading projects) and the Crown (in relation to certain wastewater projects).

Revenue collected to cover depreciation charges

Renewal projects are primarily funded from depreciation where those funds are available.

REVENUE AND FINANCING POLICY

Proceeds from the sale of assets

From time to time, the Council sells assets. Council will use the proceeds from the sale (after paying for the cost of sale) to repay any debt attached to the asset.

Rates

Rates are primarily used to fund Council's day to day expenses. This includes funding an annual amount (depreciation) toward the ongoing replacement of existing assets; and the funding of its financing costs on debt created to purchase assets.

From time to time Council may undertake specific capital works funded by borrowings, where the debt repayment is sourced from targeted rates. Usually, these are in respect of specific community projects.

Operating surpluses

Operating surpluses can be used to fund capital expenditure.

Capital Funding Sources 2015 – 2016

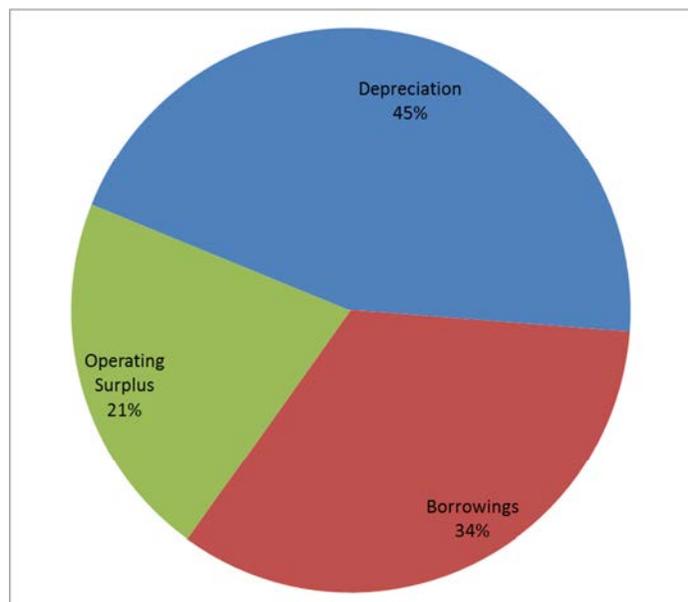


Figure 2 – Summary of Capital Funding

REVENUE AND FINANCING POLICY

Notes:

1. The capital funding sources may change from year to year; this summary only shows the funding arrangements for 2015/16.
2. The NZTA subsidies towards the cost of road maintenance and construction are excluded from this chart.

Balanced Budget Statement

Section 100 of the LGA requires that Council's projected operating revenues match its projected operating expenditures. Despite this, Council may choose not to fully fund operating expenditure in any particular year if Council can show that it is financially prudent to do so and where the deficit can be funded from operating surpluses in the immediately preceding or subsequent years. An operating deficit will only be budgeted when it would be beneficial to avoid significant fluctuations in rates, fees, or charges.

Council may choose to fund from the above sources more than is necessary to meet the operating expenditure in any particular year. Council will only budget for such an operating surplus if necessary to fund an operating deficit in the immediately preceding or following years, or to repay debt. Council will have regard to forecast future debt levels when ascertaining whether it is prudent to budget for an operating surplus for debt repayment.

Council has determined the proportion of operating expenditure to be funded from each of the sources listed above, and the method for apportioning rates and other charges. The details of the funding apportionment are set out in the Funding Sources Summary that is included in this Policy.

The LGA requires Council to produce Funding Impact Statements (FIS), which provides details of the funding mechanisms to be used for each group of activities for each year covered by the LTP. These Funding Impact Statements show how Council intends to implement the Revenue and Financing Policy. It also shows the amounts to be collected from each available source for each group and how various rates are to be applied.

Summary of Operating Revenue Sources

Council has determined the proportion of operating expenditure to be funded from each of the sources listed below, and the method for apportioning rates and other charges. A summary of the funding sources for each of Council's primary activities is presented in figure 3 below.

As can be seen, some activities are fully funded by the general or targeted rates and others have some level of other income, usually fees and charges.

These funding arrangements have been agreed by Council following an analysis of the district overall funding requirements.

REVENUE AND FINANCING POLICY

Additional Information

This policy is presented in a high level short format. It was prepared following a detailed funding needs analysis for each activity as required by Local Government Act 2002, Section 101(3). The results of this analysis are included in the Revenue and Financing Policy Analysis document which is attached as Appendix One.

Further information relevant to this policy is contained in the Financial Strategy, Rating Policies and Funding Impact Statement contained within the Long Term Plan.

Overall funding consideration

Council is required by S101(3)(b) to consider the overall impact of the allocation of liability for revenue needs on the community. This is a reference to the Purpose Statement of Local Government

“...to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses”

This brings the concept of “affordability” into the mix and allows Council, as a final measure, to modify the overall mix of funding in response to these considerations.

Council uses its choice of differentials and general and targeted rates, to achieve the most affordable outcomes for the community as a whole. Council recognises that the disparate nature of property values across the district result in wide variations in rating levels. For this reason it consciously recovers a relatively high proportion of its income from the UAGC and other fixed rates.

Summary of Funding Sources

Figure 3 below summarises the principle funding sources for each of the Council’s primary activities. In addition to these, there are a number of other minor funding sources which contribute to the total funding arrangements. The scale and nature of these sources do not warrant separate disclosure, for example photocopying charges paid by a customer form part of the funding of Customer Services.

REVENUE AND FINANCING POLICY

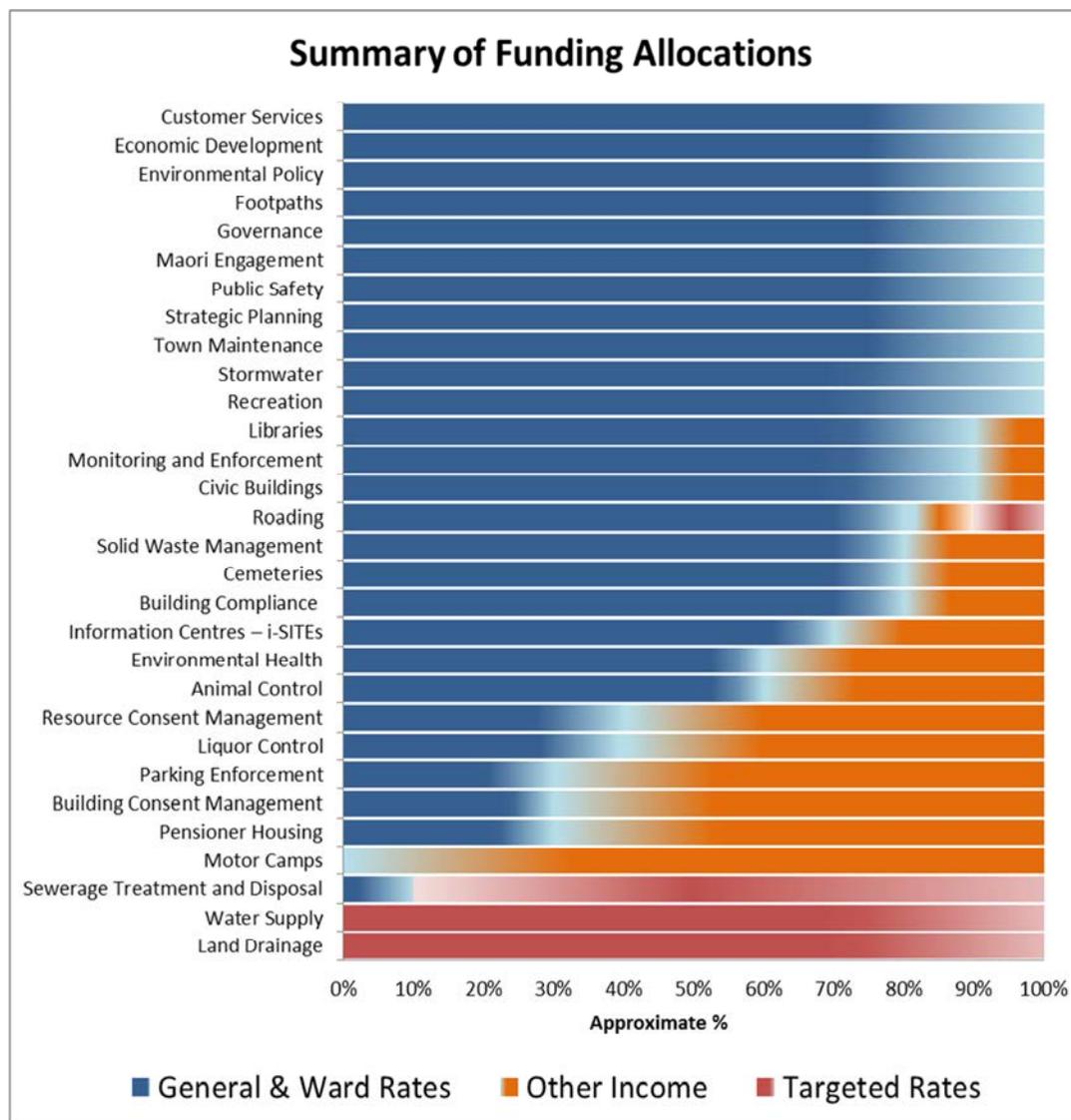


Figure 3 - Summary of Operating Funding Allocations

REVENUE AND FINANCING POLICY

Far North District Council Revenue and Financing Policy Funding Needs Analysis

The purpose of this document is to set out how Council proposes to fund each of its activities. It has been prepared in accordance with the provisions of Section 101(3) of the Local Government Act 2002 (the Act).

Note: throughout this references are made to legislative provisions. Unless stated otherwise, these references refer to the Local Government Act 2002.

INTRODUCTION

The Act requires all councils to adopt a Revenue and Financing Policy showing how Council proposes to fund its various operating and capital expenditures, and more importantly, who will pay these and why.

Council must decide in accordance with S101(3) how each activity will be funded taking into consideration:

- The community outcomes to which the activity primarily contributes
- The distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
- The period in or over which those benefits are expected to occur
- The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

And must also consider:

- The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community.

This analysis document is designed to show how Council has considered each of these requirements and how they relate to the final Revenue and Financing Policy.

REVENUE AND FINANCING POLICY

Funding Sources for Operating Costs

Operating costs are the day to day spending that maintains the services delivered by Council. This includes a contribution to the wear and tear on assets used (depreciation), interest charged on borrowing for capital projects and a contribution to corporate overheads.

The funding sources for operating costs include:

User charges

User charges are used for services where there is a benefit to an individual or group. The price of the service is based on a number of factors, including:

- The cost of providing the service
- An estimate of the users' private benefit derived from using the service
- The impact of cost to encourage/discourage behaviours
- The impact of cost on the demand for the service
- Cost and efficiency of collection mechanisms
- The impact of affordability on users
- Other matters as determined by Council

The S101(3) funding analysis included in Appendix A identifies the arrangements Council proposes to apply to be able to budget for each activity. Frequently there is a mix of funding mechanisms including both general and targeted rates together with a range of fees and charges. In many instances the final funding mix depends on the level of activity and the ability to recover costs from user charges.

Grants, sponsorship and subsidies

Grants, sponsorship and subsidies are used wherever they are available. Council expects to continue receiving substantial subsidies for road maintenance.

Investment income

Income from dividends and interest is used to offset the overall costs of Council.

REVENUE AND FINANCING POLICY

Rates

Having exhausted all other funding sources, Council funds its remaining operating expenses from rates. For many activities this is the main funding source reflecting Council's view that the collective benefit to the District is greater than any identifiable individual benefit.

Council recognises that there is a balance between transparency and efficiency when considering rating options. In deciding whether to introduce a new targeted rate Council must take into account the overall costs before deciding on whether to separately fund the activity.

Some activities may be best funded using user charges such as the issue of building and resource consents. Other activities are better funded by targeted rates such as water and sewerage services. Many activities are better funded collectively from the general or ward rates. Examples include roading which is primarily funded from general rates or parks and reserves which are primarily funded from the ward rate.

Separate funding

Distinct or separate funding enables ratepayers or payers of user charges to assess more readily whether or not the cost of the service to them represents good value. They can also more easily determine how much money is being raised for and spent on the service. This is seen to promote transparency and accountability.

One of the factors Council is required to consider when deciding whether to separately fund an activity is the costs and benefits that might be achieved by that separate funding. The intent of this requirement is to avoid incurring costs in separately accounting for an activity where there is no clear benefit in so doing.

Basis of rating

On a number of occasions in the past, Council has considered the option of using Capital Value to calculate rates but the community has strongly opposed that concept. For this reason the general and roading targeted rates are allocated to properties on the basis of land value.

General Rate

In 2012 Council consulted with the community over the use of a range of general rate differentials designed to better match rating levels to the benefits received. The community also strongly opposed that concept so Council agreed to retain the existing differential structures. Under the current system, Council sets two differentials, general and commercial. The commercial differential recognises the additional benefits received or costs caused by that sector on the Council's services and infrastructure.

In addition to the land value rate Council charges a Uniform Annual General Charge (UAGC) on the basis of the Separately Used or Inhabited Part of a Rating Unit (SUIP). This ensures that every rating unit makes a fair contribution towards the costs of managing the district.

REVENUE AND FINANCING POLICY

Roading Rate

In 2012 Council introduced a new targeted uniform rate on the basis of the SUIP to pay a portion of roading costs. Because of the effect of the Cap on uniform rates, this new rate resulted in an equivalent reduction in the UAGC

In 2013 Council introduced an additional targeted rate based on land value to pay a portion of the costs of managing the roading network. Currently that portion is set at 10% of the total roading costs net of the roading uniform rate. This rate is allocated on the basis of 10 differentials designed to match the costs or impacts of the different property categories on the roading network.

Ward Rate

Council funds a range of local, community and recreational activities from a ward rate. This rate is differentiated on the basis of the ward within which the rating unit is located and recognises the expenditures and demands placed on ward services within each area. This rate is set on the basis a fixed amount on the SUIP.

Sewerage Rates

Council operates 18 different sewerage schemes across the district. In 2012 Council changed the way that it charged for sewerage moving from a district wide approach to a more complex mix of district and scheme based funding. Under this system the depreciation and interest costs on any scheme are separately charged to each of the different sewerage schemes. This rate is referred to as the Sewerage Capital Rate.

The remaining running and maintenance costs associated with all sewerage schemes continue to be rated on a district wide basis across all properties that are within the sewerage rateable areas. In both cases these rates are charged on the basis of fixed amounts on each SUIP or additional pan.

Water Rates

Council currently operates 8 different water supply schemes. In 2012 adopted a rating model similar to that adopted for sewerage. Under this model the depreciation and interest costs are charged as separate targeted rates across the individual water supply schemes on the basis of the SUIP. This rate is referred to as the Water Capital Rate.

In the case of water, the on-going running and maintenance costs are also recovered district wide but on consumption basis. Every property supplied with water is metered and pays for the water consumed through semi-annual billing. Whilst these charges are reported in Council's accounts as fees and charges, they remain a rate and are subject to the provisions of the Local Government (Rating) Act 2002.

REVENUE AND FINANCING POLICY

Targeted Development Rates

From time to time different communities approach Council for funding for specific projects to be undertaken within their communities. In those instances Council may agree to introduce a separate targeted rate over discrete areas to fund the project or service.

Council currently sets three such rates, a rate to fund the Kerikeri Mainstreet Project, a rate to fund improvements to the Paihia Central Business District and a rate to fund the Kaitaia Business Improvement District.

Stormwater Rates

Stormwater works are primarily funded from the General Rate however, a number of years ago Council introduced a new targeted rate to fund specific capital projects within the areas served by stormwater disposal systems. This rate is set differentially using the same differential categories as the general rate.

Private Road Upgrading Rates

Council operates a policy whereby the residents of an area can approach Council to upgrade or seal a road. Under this policy Council may agree to a proposal provided that the ratepayers agree to fund the project. From time to time these groups ask Council to recover the costs through a local targeted rate. Currently Council sets one such rate for the sealing of Tanekaha Lane in Kerikeri, this rate will remain in place until 2017.

New Rates

Council is introducing a number of new rates in the 2015-25 Long Term Plan. In each case these rates have either been requested by individual groups or are designed to fund new or enhanced services. These - new rates are:

Ross Street Upgrading Rate

Council has received a request from the ratepayers of Ross Street, a private road in Opuā, for Council to take over the road as part of the public roading network. Council has a policy to undertake similar projects provided that 75% of the affected ratepayers agree. Subject to this agreement, Council will meet this request provided the road is brought up to Council's standards at the Ross Street ratepayers' cost.

The project is estimated to cost approximately \$60,000 and the work will be undertaken in the 2015/16 year with the rates being charged to the Ross Street ratepayers from 2016/17 onwards.

Funding

Council will introduce a new Uniform Targeted Rate on the basis of the Separately Used or Inhabited Part (SUIP) of a Rating Unit to meet the costs of a 20 year loan to fund the works.

The project will be included in the 2015/16 programme of works and the rates will first be assessed in the following year from 1 July 2016.

REVENUE AND FINANCING POLICY

As part of the proposal Council will be seeking the ratepayers' views on the availability of a lump sum contribution option. If requested, Council will prepare a Capital Project Funding Plan pursuant to LGA Section 117B to provide ratepayers with this option.

Te Kao Water Supply Rate

The 2015 – 2025 Long Term Plan contains a proposal for Council to take over a small water supply scheme that currently operates within the Te Kao community. At one time this was a Council owned and operated scheme but some years ago it was transferred to a private company to operate. Recently the community has asked Council to take back the scheme and the project may qualify for a subsidy from the Ministry of Health. At this stage no firm commitment has been given but Council has retained the funding in the LTP to allow for a solution affordable to the community.

Funding Proposal

Subject to the project proceeding, Council is proposing to set a new targeted rate on the basis of the SUIP to fund the capital costs associated with Council taking over the water supply system and bringing it up to Council's standards.

Once connected, every property will also be subject to the Water Operating Rate which will be calculated on the basis of the quantity of water supplied as measured by a water meter.

The works associated with this project are programmed to be undertaken in either 2015/16 or 2016/17 with the first rates being set in the year following the upgrade.

Bay of Islands Recreation Centre Rate

The Bay of Islands Recreation Centre is located on North Road, Kawakawa and consists of a heated pool, fitness centre, squash court, and gymnasium. The facility was originally run by a Community Trust which was wound up in 2004. Since then the complex has been maintained and managed by the Board of Trustees of Bay of Islands College. However, that management arrangement is no longer satisfactory. The LTP contains a proposal for the management of the Recreation Centre to be transferred to a suitable agency which would enter into a contract for the provision of an agreed level of service to the community. That contract would be funded by way of an agreed operational grant.

Funding Proposal

Council will fund the project by way of a new a Uniform Targeted Rate to be set on the basis of the SUIP on all rating units within rating rolls 400 to 499.

REVENUE AND FINANCING POLICY

Swimming Pool Rates

Kaitaia Pool

Council consulted with the community over the development of a new heated swimming pool in Kaitaia. Council has agreed to proceed with this pool provided that there is a community contribution of not less than 66% of the capital costs. If the project is proceeds, Council's share will be funded by way of a new Differential Targeted Rate to be set over the whole of the Te Hiku Ward.

It is anticipated that this rate will first be set in 2017/18.

Council's Section 101(3) Analysis for Operating Expenditure by Activity

Council has reviewed the funding proposals for each of its individual activities using the methodologies set out in LGA Section 101(3), as outlined above. The method used for this process was to consider each activity individually and then reach a conclusion on each of the required factors.

Once this was completed, Council was then able to then decide how much of the activity should be funded by direct user charges and how much by rates. In this context, rates include the General Rate, Targeted Rates and Water by Meter charges, and user charges includes all other forms of fees and charges.

Appendix A shows the results of this analysis and outlines the different funding arrangements. To add clarity the splits between Rates and User Charges are presented in 10% bands.

It should be noted that the analysis excludes subsidies including those provided by NZTA and Ministry of Health.

Funding Sources for Capital Costs

Capital costs are those costs associated with the purchase and improvement of assets. The funding sources for capital costs include:

User charges

User charges are generally not available for capital costs.

Grants, subsidies, and other income

Council receives significant subsidies for capital works on its roading network and is confident that this will continue. Other activities may be able to access grants and subsidies from time to time. Grants and subsidies are used wherever they are available.

REVENUE AND FINANCING POLICY

Development, financial and other contributions

In previous years Council relied on development and financial contributions to fund growth related capital projects. Council has decided that this form of funding is not sustainable because of the absence of growth in the district and, more importantly, because these contributions are considered to inhibit growth. For these reasons Council has decided that it will no longer collect these contributions.

There are, however both development and financial contribution reserves and Council will continue to collect contributions on consents that were granted prior to the removal of the policy. Where appropriate, these will be used to fund particular capital projects.

In addition, Council may receive other contributions from the community or other agencies to fund specific capital works. An example of this is the 66% contribution to be made by the community towards the Kaitaia Heated Swimming Pool Project.

Other reserves

Council holds some reserve funds for capital projects and will approve the use of the funds when a project meets the specific criteria for the reserve.

Borrowing

When capital projects are funded by debt, Council spreads the repayment over several years. This enables Council to best match the charges placed on the community against the period of time over which the benefits will be received.

Borrowing is managed within the framework specified in the Liability Management Policy. Whilst seeking to minimise interest costs and financial risks associated with borrowing, Council seeks to match the term of borrowings with the average life of assets when practical.

Depreciation

Renewal projects are primarily funded from depreciation where those funds are available. Because Council only started funding depreciation in 2000 the accumulated depreciation funds often do not have sufficient reserves to replace the assets. In those cases Council will rely on borrowings.

Rates

Rates are used firstly to fund the day to day expenses including depreciation and loan funding costs. Depending on debt levels, rates may be required to fund the balance of the capital cost of new assets.

Operating surpluses

Operating surpluses make a contribution to capital expenditure where there is direct rate funding as is the case for stormwater and refuse.

REVENUE AND FINANCING POLICY

Proceeds from the sale of assets

From time to time the Council sells assets. Council will use the proceeds from the sale (after paying any costs) to repay any debt attached to the asset.

Some assets have restrictions on how the proceeds may be used, for example proceeds from the sale of land that previously had a reserve status can only be used for reserve purposes.

Council's S101(3) analysis for Capital Expenditure by Activity

Council will fund the cost of borrowing on the same basis as operating costs unless it resolves otherwise.

Generally it is not practical to create separate funding policies for each and every capital project so Council will only do this when a project is particularly large, affects a particular group or does not fit with an existing funding policy or activity. Whenever Council resolves to consider a separate funding policy Council will consider the sources of funds outlined above, the Revenue and Financing Policy and complete a S101(3) assessment to determine a fair funding and equitable arrangement for the project.

Generally, Council will resolve the funding policy at the time the project is proposed in an Annual or Long Term Plan.

REVENUE AND FINANCING POLICY

APPENDIX A – Funding of Operational Expenditure

Activity	Community Outcomes – Refer Appendix B	Who Benefits	Period of Benefit	Whose actions creates a need	Separate Funding	Rationale
<p>* Notes: 1. The Funding Source relate to Council's costs only, it excludes any subsidies that may be received from NZTA, Min of Health etc. 2. The split between public (rate) and private (user) funding is an approximation and is arranged in 10% bands 3. Refer to Appendix C for a description of these headings</p>						
Funding Source – Rates 100% (approx., may include other minor funding sources)						
Customer Services	<ul style="list-style-type: none"> Sustainable Development Sustainable Infrastructure 	Individuals, groups and community	Ongoing	Community	Most of the costs of this activity relate to its public benefits so it is fully funded by general rates	The community as a whole benefits from this activity. Whilst there are opportunities to recover some costs by way of fees and charges, these are very limited.
Economic Development	<ul style="list-style-type: none"> Sustainable Development 	Individuals, businesses	Ongoing	Individuals, businesses, Community	High level of public benefit so the activity is fully funded by general rates	This activity benefits the whole district but in particular the commercial and industrial sectors recognised through the General Rate differentials
Environmental Policy	<ul style="list-style-type: none"> Safety Environmental Protection 	Community	Ongoing	Community	Core planning function providing no particular benefit to any except in the case of private plan changes so it is fully general rate funded	The activity is undertaken for the benefit of the district as a whole, it is therefore fully funded from General Rates
Footpaths	<ul style="list-style-type: none"> Safety Sustainable Infrastructure 	Community	Ongoing	Users	Most of the costs of this activity relate to its public benefits so is fully general rate funded	The provision of footpaths is one of the core Council activities and is therefore fully funded from General and Ward Rates
Governance	<ul style="list-style-type: none"> Leadership 	Community	Ongoing	Community	This activity is core to Council's democratic operations so it is fully general rate funded	This activity supports Council's democratic process it is therefore fully funded from General Rates
Land Drainage	<ul style="list-style-type: none"> Sustainable Infrastructure 	Individuals, Groups	Ongoing	Landowners in areas of benefit	Fully funded by benefiting property owners using separate targeted rates	This activity provides a private benefit for the land owners located within the defined drainage areas. It is therefore fully funded by local targeted rates

REVENUE AND FINANCING POLICY

APPENDIX A – Funding of Operational Expenditure

Activity	Community Outcomes – Refer Appendix B	Who Benefits	Period of Benefit	Whose actions creates a need	Separate Funding	Rationale
Maori Engagement	<ul style="list-style-type: none"> Partnerships Te Tiriti o Waitangi 	Community	Ongoing	Community	High level of public benefit so it is fully general rate funded	This is a public good activity core to the District's planning and governance functions therefore it is fully funded from General Rates
Public Safety	<ul style="list-style-type: none"> Safety 	Individuals, Groups	Ongoing	Individuals, Groups	Most of the costs of this activity relate to its public benefits so it is fully general rate funded	Council provides for 100% emergency management from rates to ensure that the Community is safeguarded. Where possible recovery is sought from exacerbators to reduce public funding which is provided from General Rates
Recreation	<ul style="list-style-type: none"> Sustainable Development Sustainable Infrastructure 	Individuals, groups and community	Ongoing	Individuals	Some private benefits but limited or no opportunities to charge so it is fully funded from general and ward rates	Most of Council's recreational activities are non-excludable. That means that Council cannot exclude people from using the facilities. For that reason the activity is fully funded from General and Ward Rates
Stormwater	<ul style="list-style-type: none"> Safety Sustainable Infrastructure 	Community	Ongoing	Landowners	Primarily General Rate funded with a limited targeted rate over urban areas to fund specific capital projects	Despite the private benefit received from the provision of stormwater, Council is of the view that the overall benefit to the community as a whole supports the continuation of the funding from the general rate with a smaller stormwater rate over urban communities
Strategic Planning	<ul style="list-style-type: none"> Sustainable Development 	Community	Ongoing	Community	This is a core planning function so it is fully general rate funded	This activity supports Council's democratic process which benefits all ratepayers therefore it is fully funded from General Rates
Swimming Pools	<ul style="list-style-type: none"> Sustainable Development Sustainable Infrastructure 	Individuals, groups and community	Ongoing	Individuals, Community	This project is primarily provided for the benefit of the community so it will be funded by new targeted rates	This is a proposed new activity which is included in the LTP for consultation in response to requests from the community. Council has agreed to provide up to 33% of the capital costs of the establishment of a new heated swimming pool in Kaitaia .

REVENUE AND FINANCING POLICY

APPENDIX A – Funding of Operational Expenditure

Activity	Community Outcomes – Refer Appendix B	Who Benefits	Period of Benefit	Whose actions creates a need	Separate Funding	Rationale
Town Maintenance	<ul style="list-style-type: none"> Sustainable Development Sustainable Infrastructure 	Individuals, groups and community	Ongoing	Community	Most of the costs of this activity relate to its public benefits so it is funded by ward and general rates	<p>Council needs to balance maintenance and up-grade costs against what the communities want and can afford</p> <p>Most town maintenance activities benefit the communities at large so it is fully rate funded</p>
Water Supply	<ul style="list-style-type: none"> Safety Sustainable Infrastructure 	Individuals, Groups	Ongoing	Landowners in areas of benefit	Separately funded with a mix of targeted rates - scheme based capital rates and a district wide meter operating rate	<p>The activity is primarily undertaken for the benefit of the consumers so no public funding is provided</p> <p>The mix of district wide and scheme based rates balances the individual benefits with affordability</p>
Funding Source – Rates 90% - 99% User Charges 1% - 10%						
Civic Buildings	<ul style="list-style-type: none"> Sustainable Infrastructure 	Community	Ongoing	Community	Some private benefits which general some fees but because of the limited opportunities to charge the unrecovered costs are funded from general rates	Whist Council believes that the users of these facilities should contribute towards their costs; it needs to balance the maintenance and up-grade costs against what the community can afford so it is primarily rate funded
Monitoring and Enforcement	<ul style="list-style-type: none"> Safety 	Individuals, groups and community	Ongoing	Individuals, Groups	<p>This activity relates to the control of negative effects but the ability to recover these is limited by statute</p> <p>Unrecovered costs are funded from general rates</p>	The majority of work carried out under this activity is for public good and it is primarily funded from General Rates. The only individual or private good relates to the bylaw licensing aspect of the role where these costs are recovered by fees
Libraries	<ul style="list-style-type: none"> Sustainable Development Sustainable Infrastructure 	Individuals, groups and community	Ongoing	Individuals, Groups	High level of private benefit, but with a limited ability to apply user charges. Primarily general rate funded	By their nature libraries are seen as a public benefit provided to the community. Given the remote nature of many of the district's communities and the relatively low level internet access, libraries are important facility providing sources knowledge and supporting and improving educational opportunities in the district. For these reasons they are primarily funded from General Rates

REVENUE AND FINANCING POLICY

APPENDIX A – Funding of Operational Expenditure

Activity	Community Outcomes – Refer Appendix B	Who Benefits	Period of Benefit	Whose actions creates a need	Separate Funding	Rationale
Funding Source – Rates 80% - 89% User Charges 11% - 20%						
Roading	<ul style="list-style-type: none"> Safety Sustainable Infrastructure 	Community	Ongoing	Users	Council recognised that different categories of ratepayers receive different benefits. For this reason it has mixed funding with 10% net received from land use based targeted rates with the balance being funded from general rates. There is a small contribution from other fees and charges	<p>Council considered separately funding the whole of the roading activity with differentiated targeted rates but as a result of community engagement agreed to primarily fund it from General Rates with a relatively small contribution from Targeted Rates and fees and charges</p> <p>Council believes that this arrangement provides clarity and affordability for funding the roading activity.</p>
Solid Waste Management	<ul style="list-style-type: none"> Safety Sustainable Infrastructure 	Community	Ongoing	Community	Council has previously considered whether to separately fund this activity but has retained the current general rate funding	<p>This activity is about the management of the waste stream for the district as a whole therefore it is appropriate for it to be primarily funded from general rates with some user charges</p> <p>The collection and management of refuse within the communities is carried out by independent operators who charge directly for the service</p>
Cemeteries	<ul style="list-style-type: none"> Safety Sustainable Infrastructure 	Community Individuals	Ongoing	Individuals	High level of private benefit reflected in user charges but there is a need for indefinite maintenance requiring significant general rate funding	Cemeteries are important to the community for cultural and social and environmental reasons. Whilst they do provide a private benefit there is a long term need to maintain them for an indefinite period of years
Building Compliance Management	<ul style="list-style-type: none"> Safety Environmental Protection 	Community	Ongoing	Community	This activity is predominantly carried out for the public good, and whilst there is some fee income this is limited. Unrecovered costs are funded from general rates	This activity is primarily about Council ensuring that it meets its legislative requirements as a consent authority therefore much of the costs are not recoverable. The cost of issuing compliance and other certificates are borne by applicants which the shortfall funded by general rates

REVENUE AND FINANCING POLICY

APPENDIX A – Funding of Operational Expenditure

Activity	Community Outcomes – Refer Appendix B	Who Benefits	Period Benefit	of	Whose actions creates a need	Separate Funding	Rationale
Funding Source – Rates 70% - 79% User Charges 21% - 30%							
Information Centres – i-SITES	<ul style="list-style-type: none"> Sustainable Development Sustainable Infrastructure 	Individuals, groups	Ongoing		Individuals	<p>This activity is primarily provided for visitors to the district but there are limited user charging opportunities</p> <p>Unrecovered costs funded from general rates</p>	<p>Some fee income received but this is quite limited. Council's avowed intention is to make i-Sites fully self-funding but, given that they also act as service centres, this is unlikely to be achieved</p>
Funding Source – Rates 60% - 69% User Charges 31% - 40%							
Environmental Health	<ul style="list-style-type: none"> Safety Environmental Protection 	Individuals, groups and community	Ongoing		Individuals, Groups	<p>User charges are based on the level of private benefit but the ability to recover these is restricted because fees are limited by statute. Unrecovered costs are funded from general rates</p>	<p>Many of the costs arising from this activity relate to private benefits and the control of negative effects. The ability to recover those costs is governed by statute or a need to remain affordable to avoid the risk of reduced compliance</p> <p>There is an overall benefit to the community from increased safety and health which is reflected in the general rate funding</p>
Animal Control	<ul style="list-style-type: none"> Safety 	Individuals, groups and community	Ongoing		Individuals	<p>Majority of funding is received from fees and charges but there is an overall benefit to the community as a whole</p> <p>Unrecovered costs are funded from general rates .</p>	<p>Animal Control includes both dog and other animal and stock control.</p> <p>The majority of dog owners register their dogs in the required time and rarely call upon the service beyond the registration or micro-chipping requirements.</p> <p>The majority of responses to incidents or complaints come from the general public and whilst there are mechanisms to recover some costs, these are limited and the fee income rarely covers this expense .</p>

REVENUE AND FINANCING POLICY

APPENDIX A – Funding of Operational Expenditure

Activity	Community Outcomes – Refer Appendix B	Who Benefits	Period of Benefit	Whose actions creates a need	Separate Funding	Rationale
Funding Source – Rates 40% - 49% User Charges 51% - 60%						
Resource Consent Management	<ul style="list-style-type: none"> Safety Environmental Protection 	Individuals, groups and community	Ongoing	Individuals, Groups	<p>Primarily fee funded but some public good costs cannot be recovered</p> <p>Unrecovered costs are funded from general rates</p>	<p>This activity is primarily to support developers and provides a high level of private good. There is, however a significant investment in providing advice to the public on a no-fee basis and in responding to and defending consent appeals because the courts rarely award full costs</p>
Liquor Control	<ul style="list-style-type: none"> Safety Environmental Protection 	Individuals, groups and community	Ongoing	Individuals, Groups	<p>This activity is primarily for private good but includes the control of negative effects but the ability to recover these costs is limited by statute</p> <p>Unrecovered costs are funded from general rates</p>	<p>The majority of the work relates to an individual or business; however there is a strong element of public good including, dealing with complaints about licensed premises, host responsibility education</p> <p>The fees for this activity are set by legislation and there is no ability to recover any additional costs from the licensees</p>
Funding Source – Rates 30% - 39% User Charges 71% - 80%						
Building Consent Management	<ul style="list-style-type: none"> Safety Environmental Protection 	Individuals, groups and community	Ongoing	Individuals, Groups	<p>This activity is primarily funded by separate fees - some costs arise from the provision of “public good” activities such as giving information and advice, this is funded by general rates</p>	<p>The full costs of the consent process should be borne by the applicants but it is currently not practical to identify and charge all those who receive advice, those costs are funded from general rates</p>

REVENUE AND FINANCING POLICY

APPENDIX A – Funding of Operational Expenditure

Activity	Community Outcomes – Refer Appendix B	Who Benefits	Period of Benefit	Whose actions creates a need	Separate Funding	Rationale
Elderly Persons Housing	<ul style="list-style-type: none"> Safety Sustainable Infrastructure 	Individuals	Ongoing	Individuals	<p>High level of private benefit paid for in rental income but some costs cannot be recovered</p> <p>Unrecovered costs funded from general rates</p>	Primarily funded by rentals paid by the occupiers but Council recognises that at times this activity may not be self-funding. This can be caused by a number of factors such as unexpected vacancies, market conditions etc. In that event the additional funding will be provided from General Rates
Parking Enforcement	<ul style="list-style-type: none"> Safety Sustainable Development 	Individuals, groups and community	Ongoing	Individuals, Groups	<p>Council's view is that whilst parking control is primarily required because of the actions of individuals, the control of parking also provides a significant community benefit.</p> <p>Unrecovered costs are funded from general rates</p>	The majority of the costs of this activity are funded by fines and user charges. The balance is seen as a public good contribution and is funded by rates
Funding Source – Rates 10% - 19% User Charges 81% - 90%						
Sewerage Treatment and Disposal	<ul style="list-style-type: none"> Safety Environmental Protection 	Individuals, groups	Ongoing	Landowners in areas of benefit	Separately funded with a mix of targeted rates - scheme based capital rates and a district wide operating rate	<p>The activity is primarily undertaken for the benefit of the ratepayers connected to the schemes however there is a small public benefit arising from wastewater treatment protecting the environment. For this reason a small general rate contribution provided.</p> <p>The mix of district wide and scheme based rates balances the individual benefits with affordability .</p>

REVENUE AND FINANCING POLICY

APPENDIX A – Funding of Operational Expenditure

Activity	Community Outcomes – Refer Appendix B	Who Benefits	Period Benefit	of	Whose actions creates a need	Separate Funding	Rationale
Funding Source – User Charges Approx. 100%							
Motor Camps	<ul style="list-style-type: none"> Sustainable Development Sustainable Infrastructure 	Individuals, groups	Ongoing		Individuals, groups	High public benefit but users pay direct to the operator meaning that there are limited opportunities for separate funding	This activity is primarily funded by lease rentals. Some rate funding is required to support the monitoring of illegal camping

REVENUE AND FINANCING POLICY

APPENDIX B

The Community Outcomes referenced in the foregoing analysis are outlined in detail below. These were adopted by Council on the 30th October 2014 in preparation for the 2015 – 2025 Long Term Plan. These were also included and adopted with the Long Term Plan on 25 June 2015.

Leadership	Capable, credible, civic leadership that advocates for people and is trusted by the communities we serve
Prudent	Prudent financial management within long term strategic planning
Partnerships	Strong partnerships with Māori, communities, businesses, government, Northland councils, non-profit, voluntary groups and communities that improve quality of life and maximise community benefit
Safety	Safe, healthy, resilient places and people
Environmental Protection	Our environment is protected, enhanced and wisely managed
Sustainable Development	Sustainable development of our local economy through partnerships, innovation, quality infrastructure and planning
Sustainable Infrastructure	Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of District
Te Tiriti o Waitangi	Acknowledging Te Tiriti o Waitangi / Treaty of Waitangi

REVENUE AND FINANCING POLICY

APPENDIX C: FACTORS CONSIDERED IN ASSESSING S101(3) MATTERS

LGA Section	Description from Table	Factors considered
S101(3)(a)(i)	Community Outcomes	Information drawn from Council's Outcomes adopted 30 October 2014
S101(3)(a)(ii)	Who benefits	Council has grouped the beneficiaries of every activity according to the following criteria: Individuals: where there is a direct benefit to a user Groups: where a particular group in the community benefits. For example, a group could be identified by proximity to a service or by association Community: where there is a benefit to the majority of persons or properties in the community.
S101(3)(a)(iii)	Period of benefit	For operating costs the period of benefit is generally ongoing as Council regularly provides the service For the purpose of user charges the benefit is generally restricted to the period of use, and user charges generally recognise this For capital projects Council will consider the period of benefit to be the current and future generations who will benefit from the activity and will distribute the funding accordingly
S101(3)(a)(iv)	Whose act creates a need	Council considered whether the action or inaction of individuals or groups contribute to the need to undertake the activity. This assessment may help Council determine whether user charges or targeted rates may be a funding option to modify the behaviour of those whose action or inaction causes cost to Council
S101(3)(a)(v)	Separate funding and Funding source	In the first instance Council considered whether individual user charges were the best method to attribute transparent and accountable charges to beneficiaries of the service. In considering the feasibility of this, Council considered the cost of and efficiency of collecting the separate revenues Council believes that the current mix of general and targeted rates provides a transparent funding arrangement whilst, at the same time does not create an excessive complex system to maintain
S101(3)(b)	Rationale	In considering the overall impact of the liability to pay rates, Council is of the view that it is not possible or fair to allocate the cost solely on individuals' benefits (as if rates replicated user pays). It is through the collective contribution of the whole community that the wellbeing of the district is best improved Council does, however operate a range of differentials which are designed to allocate the funding requirements to recognise the different demands that different ratepayer groups make on the services that Council provides

SIGNIFICANCE AND ENGAGEMENT POLICY SUMMARY

The Council adopted a Significance and Engagement Policy (Policy # 2124) in October 2014 to:

- Enable it to assess the significance of issues, proposals, assets, decisions and activities
- Provide greater clarity about when communities could expect it to involve them in its decision-making, as well as the form of engagement required.

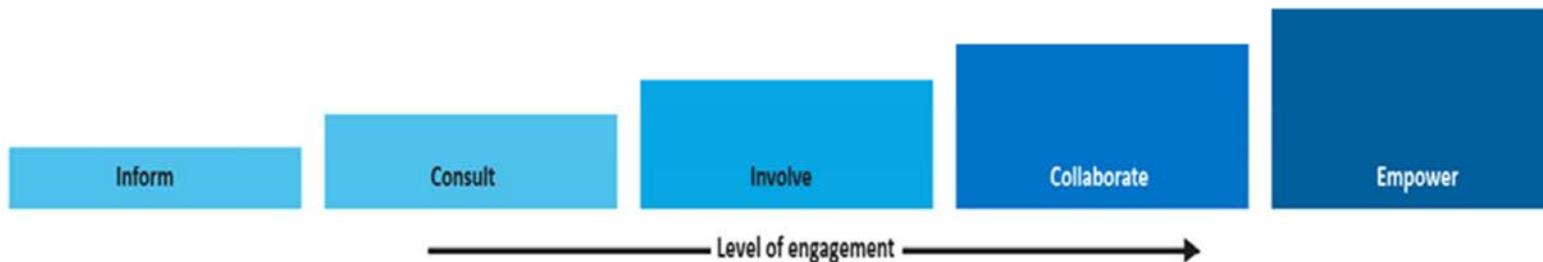
Council decision making

Matters will generally NOT be significant when:

- The decision is consistent with or included in existing planning
- The financial consequences are budgeted for or below thresholds set to guide decision making
- The decision impacts on all ratepayers equally
- The matter is not controversial
- A strategic asset is not involved
- Council's capacity to perform its activities and achieve community outcomes is not compromised.

Engagement

Community involvement is important for Council decision making. Council will use a spectrum of engagement appropriate to the significance of the decision making.



For some decisions the process of engagement is identified in law. Where we have discretion as to whether and how we consult on our proposals, engagement levels and potential tools, related to the significance of the issue, are indicated in our policy.

Go to www.fndc.govt.nz to read the full policy.

STATEMENT OF ACCOUNTING POLICIES

Statement of Accounting Policies

Reporting Entity

The Far North District Council is a territorial local authority governed by the Local Government Act 2002 and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002. The prospective financial statements reflect the operations of Far North District Council and do not include the consolidated results of Council Controlled Organisations.

Council has not presented group prospective financial statements because it believes that the parent prospective financial statements are more relevant to users. The main purpose of the prospective financial statements in the LTP is to provide users with information about the core services that council intends to provide.

Far North District Council has designated itself to be a Tier 1 public benefit entity (PBE) for the purposes of International Public Sector Accounting Standards (IPSAS). Far North District Council's primary objective is to provide local infrastructure, goods and services for community or social benefit and any equity has been provided with a view to supporting that primary objective rather than for a financial return.

The prospective financial statements are for the 10 year period to 30 June 2025 and were authorised by Far North District Council for issue on 25th June 2015

Basis of Preparation

Statement of compliance

The prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 93 and Part 1 of Schedule 10, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

These prospective financial statements have been prepared in accordance with NZ GAAP. They comply with the PBE International Public Sector Accounting Standards (IPSAS), in particular these prospective financial statements have been prepared in accordance with PBE FRS 42: Prospective Financial Statements, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Council is responsible for the prospective financial statements included in the LTP 2015-25, including the appropriateness of the significant financial assumptions these are based on, and the other disclosures included in the document.

The prospective financial statements are for the period 1 July 2015 to 30 June 2025 and do not reflect any actual results. The actual results achieved for the period covered by this plan are likely to vary from the information presented in this document and these variations may be material. Council does not intend to update the prospective financial statements after publication.

In the opinion of Council and the management of the Far North District Council, the prospective financial statements for the 10 year period ending 30 June 2025 fairly reflect the prospective financial position, performance and operations of the Far North District Council.

STATEMENT OF ACCOUNTING POLICIES

Measurement base

The prospective financial information has been prepared on a historical cost basis, modified by the revaluation of forestry assets, certain classes of property, plant and equipment, certain classes of intangible assets, investment property and certain financial instruments (including derivatives).

Functional and presentation currency

The prospective financial statements are presented in New Zealand dollars (NZD) and are rounded to the nearest thousand dollars (\$000's). The functional currency of Council is New Zealand dollars.

Changes in accounting policies

The accounting policies set out below have been applied consistently to the prospective financial statements.

Standards issued and not yet effective and have not been early adopted

In May 2013, the External Reporting Board issued a new suite of PBE accounting standards for application by public sector entities for reporting periods beginning on or after 1 July 2014. The Council has applied these standards in preparing the prospective financial statements.

In October 2014, the PBE suite of accounting standards was updated to incorporate requirements and guidance for the not-for-profit sector. These updated standards apply to PBE's with reporting periods beginning on or after 1 April 2015. The Council will apply these updated standards in preparing its 30 June 2016 financial statements/ The Council expects there will be minimal or no change in applying these updated accounting standards.

Specific Accounting Policies

(a) Cost Allocation

Council has derived the net cost of service for each significant activity of Council using the cost allocation system outlined below. Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity / usage information.

(b) Criteria for Direct and Indirect Costs

"Direct costs" are those costs directly attributable to a significant activity.

"Indirect costs" are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and floor area.

STATEMENT OF ACCOUNTING POLICIES

(c) Prospective Financial Statements

The prospective financial statements, as provided within each of the council activities, report the net cost of services for significant activities of council, and are represented by the costs of providing the service less all directly related revenue that can be allocated to these activities.

(d) Revenue

Revenue is measured at the fair value of consideration received or receivable.

The specific accounting policies for significant revenue items are explained below:

Revenue from non-exchange transactions

Rates revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as an expense when the Council has received an application that satisfies its rate remission policy
- Rates collected on behalf of the Northland Regional Council (NRC) are not recognised in the financial statements, as the Council is acting as an agent for the NRC.

Development Contributions

The revenue recognition point for development contributions is the later of the point when Council provides or is ready to provide the service for which the contribution is levied or the event that will give rise to a requirement for a development contribution under the legislation.

Building and resource consent revenue

Fees and charges for building and resource consents are recognised on application.

STATEMENT OF ACCOUNTING POLICIES

Landfill fees

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed of by users.

New Zealand Transport Agency roading subsidies

The Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Vested or donated physical assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

For long lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Revenue from exchange transactions

Rendering of services

Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the Statement of Financial Position date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods or continuing management involvement with the goods.

Sale of goods

Revenue from fees and charges is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Water billing revenue is recognised on an accrual basis. Unbilled sales, as a result of unread meters at year end, are accrued on an average usage basis.

STATEMENT OF ACCOUNTING POLICIES

Rental income

Rental income is recognised in the Statement of Financial Performance on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

Dividends

Dividends are recognised on an accrual basis net of imputation credits when the right to receive the dividend is established.

Third party / agency income

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.

Interest

Interest income is recognised using the effective interest method.

(e) Borrowing

Borrowing

Borrowings are initially recognised at their fair value. After initial recognition all borrowings are measured at amortised cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Borrowing costs

Borrowing costs to be expensed in the period they are incurred.

(f) Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specific 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 the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

(g) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised against the surplus or deficit except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

STATEMENT OF ACCOUNTING POLICIES

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting, nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Statement of Financial Position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(h) Goods and Services Tax (GST)

All items in the prospective financial statements are exclusive of GST. Where GST is not recoverable as an 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.

(i) Leases

Finance lease

Leases that effectively transfer to the lessee substantially all risks and benefits incident to ownership of the leased item are classified as finance leases. At the commencement of the lease term, Council recognises the finance leases as assets and capitalises them at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the shorter of the lease term or its useful life.

Liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the shorter of the lease term or its useful life.

Operational lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the periods in which they are incurred.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

STATEMENT OF ACCOUNTING POLICIES

(j) 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 3 months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

(k) Debtors and Other Receivables

Short term debtors and other receivables are stated at expected face value, less any provision for impairment.

A receivable is impaired when there is objective evidence that Council will not be able to collect amounts due. 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. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account for receivables. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

(l) Creditors and Other Payables

A liability is recognised when the service has been received or the goods received or when it has been established that the rewards of ownership have been transferred from the seller / provider to Council and when it is certain that an obligation to pay arises. Short term creditors and other payables are initially measured at fair value and are subsequently measured at amortised cost.

(m) Employee Entitlements

Short term employee entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured 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, and sick leave.

A liability for sick leave is recognised 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 it will be used by staff to cover those future absences.

A liability and an expense are recognised for bonuses where Council has a contractual obligation or where there is a past practice that has created a constructive obligation.

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

STATEMENT OF ACCOUNTING POLICIES

Defined contribution schemes

Obligations for contributions to Kiwisaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or (deficit) when incurred.

(n) Property, Plant and Equipment

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses. When significant parts of property, plant & equipment are required to be replaced at intervals, council recognises such parts as individual assets/components with specific useful lives and depreciates them accordingly.

Property, plant & equipment consists of:

(i) Operational assets

These include land, buildings, improvements, plant and equipment, and motor vehicles.

(ii) Restricted assets

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

(iii) Infrastructural assets

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

(o) Revaluations

Council accounts for revaluations of property, plant and equipment on a class of asset basis. Valuations are performed with sufficient regularity to ensure that the carrying amount is not materially different to their fair value. Carrying values of revalued assets are assessed annually to ensure they do not differ materially to fair value. If there is a material difference then a revaluation is performed.

All assets are valued at historical cost, except the following assets which are shown at fair value, based on periodic valuations by independent valuers, less subsequent depreciation:

Roading infrastructural assets;

Stormwater infrastructural assets;

Water and sewerage infrastructural assets;

Drainage infrastructural assets;

Maritime assets;

Footpaths and footbridges;

Carparks;

Refuse transfer stations;

Library books;

Ferry assets;

Heritage assets; and

Community facilities buildings.

STATEMENT OF ACCOUNTING POLICIES

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 recognized in the surplus or deficit. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the surplus/(deficit) will be recognised first in the surplus/(deficit) up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

ADDITIONS

The cost of an item of property, plant & equipment is recognized 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 that the cost of the item can be measured reliably.

Work in progress is recognized at cost less impairment and is not depreciated.

Additions between valuations are recorded at cost, except for vested assets. Certain infrastructure assets and land have been vested in Council as part of the sub divisional consent process. The vested reserve land has been valued at 50% of the surrounding residential land as per an appropriately certified government valuation. Vested infrastructure assets have been valued based on the actual quantities of infrastructure components vested and the current unit rates for that component provided by the most recent valuation.

DISPOSALS

Gains and losses are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus/(deficit). When revalued assets are sold, the amounts included in the asset revaluation reserves in respect of those assets are transferred to accumulated comprehensive revenue and expense.

DEPRECIATION

Depreciation is provided for on a straight line basis on all property, plant & equipment, other than land and roading formation, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Assessed economic life is calculated using the methodology in the New Zealand Institute of Asset Management (NZIAM) manual. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

OPERATIONAL ASSETS:

Runways	10 yrs	10%
Buildings	25 – 100 yrs	1 – 4%
Motor vehicles	3 – 5 yrs	20 – 33%
Plant and machinery	1 – 40 yrs	2.5 – 100%
Wharves (concrete)	10 - 85 yrs	1.17 - 2%
Wharves (timber), moorings & ramps	10 – 50 yrs	2 – 10%
Office furniture & equipment	5 – 15 yrs	6.67 – 20%
Computers	3 - 7 yrs	20 – 33%
Library books	3 – 45 yrs	2.22 – 33%
Heritage assets	10 – 140 yrs	0.71 – 6.7%

STATEMENT OF ACCOUNTING POLICIES

INFRASTRUCTURAL ASSETS:

Roads

Top surface (seal)	5 - 50 yrs	2 – 20%
Pavement (base course) – sealed	35 yrs	2.85%
Culverts, cesspits	15 - 100 yrs	1 – 6.7%
Footpaths	25 – 60 yrs	1.6 – 4%
Kerbs	50 – 80 yrs	1.25 – 2%
Street lights	8– 60 yrs	1.67 – 12.5%
Signs	10 - 15 yrs	6.67 - 10%
Bridges	50 – 100 yrs	1 – 2%

Water Reticulation

Pipes	40 – 100 yrs	1 – 2.5%
Valves, hydrants	50 - 70 yrs	1.43 – 2%
Pump stations	10 – 50 yrs	2 – 10%
Tanks / dams	40 – 80 yrs	1.25 – 2.5%

Sewerage Reticulation

Pipes	40 - 100yrs	1 – 2.5%
Manholes	80 yrs	1.25%
Treatment plant	15 – 50 yrs	2 – 6.67%

Stormwater Systems

Pipes	40 – 120 yrs	0.83 – 2.5%
Manholes	100 yrs	1%

Improvements to leased assets are depreciated over the shorter of the unexpired period of the leases and the estimated useful lives of the improvements. The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Land is not depreciated.

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.

The costs of day to day maintenance of property, plant & equipment are recognised in the surplus or deficit as they are incurred.

ASSETS UNDER CONSTRUCTION

Assets under construction are not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

STATEMENT OF ACCOUNTING POLICIES

(p) Intangible Assets

Intangible assets that are acquired by the Council are stated at cost less accumulated amortisation. Easements, resource consents, public access rights, software and electronic books are included in this category.

COMPUTER SOFTWARE

Acquired computer software systems are capitalised on the basis of costs incurred to acquire and bring to use the specific software. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

OTHER INTANGIBLE ASSETS

Other intangible assets that are acquired by Council, excluding easements which are not amortised, are stated at cost less accumulated amortisation and impairment losses. The useful lives and associated amortisation classes of intangible assets have been estimated as follows:

Resource consents	5 - 30 years	3.33 - 20%
Software and electronic books	3 – 10 years	10 – 33%
Public access rights	10 - 50 years	2 - 10%

Where Council invests at least \$100,000 in a project, but will not ultimately own an asset, the cost of the right will be treated as an intangible asset where:

- The community has the right to use the facility, and
- In terms of the contract, that right exists for longer than 12 months.

In all instances the cost will be amortised over the shorter of the expected life of the asset or the term of the contract rights.

SUBSEQUENT EXPENDITURE

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates, and it meets the definition of, and recognition criteria for, an intangible asset. All other expenditure is expensed as incurred.

AMORTISATION

An intangible asset with a finite useful life is amortised over the period of that life, annually assessed for indicators of impairment and tested for impairment if indicators of impairment exist and carried at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset with an indefinite useful life is not amortised.

STATEMENT OF ACCOUNTING POLICIES

(q) Forestry Assets

Forestry assets are stated at fair value less point of sale costs and are independently revalued to estimated market valuation based on net present value. The net gain or loss arising from changes in the forest asset valuation is included in the surplus/(deficit). All gains and losses from harvesting are recognised in the Statement of Financial Performance when realised.

Forestry maintenance costs are expensed as incurred.

(r) Equity

Equity is the community's interest in Council and is measured as the difference between total assets and liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that Council makes of its accumulated surpluses. The components of equity are:

- Accumulated funds;
- Restricted reserves;
- Property revaluation reserves;
- Fair value through equity reserves; and
- Cash flow hedge reserve.

Accumulated funds

- Accumulated comprehensive revenue and expense; and
- Capital reserves.

Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of the equity have been assigned. Reserves may be legally restricted or created by Council.

Funds that are received or set aside for particular purposes, and have legislative restrictions placed upon them, are considered as restricted funds. These include some special funds or reserves and sinking funds created prior to the repeal of the Local Authorities Loans Act. The portion of these funds not required in the current year has been shown as restricted funds.

Restricted reserves are those reserves subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

STATEMENT OF ACCOUNTING POLICIES

Council created reserves are reserves established by Council decision. Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

Property revaluation reserves

These reserves relate to the revaluation of property, plant and equipment to fair value.

Fair value through equity reserves.

This reserve comprises the cumulative net change in the fair value through equity assets.

Cash flow hedge reserves

This reserve comprises the effective portion of the cumulative net change in the fair value of derivatives designated as cash flow hedges.

(s) Development Costs

Expenditure on development projects is carried forward to be expended against future revenue to be derived from the project. Expenditure carried forward is expensed at such time Council determines that the project has ceased or no identified future benefits will be derived.

(t) Financial Assets

Council classifies its financial assets in the following categories for the purpose of measurement:

i) Financial assets or financial liabilities at fair value through other comprehensive revenue and expense

This category has 2 sub categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Council does not have any financial assets that meet this definition.

ii) 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 balance date, which are included in non-current assets. After initial recognition they are measured at amortised cost. Gains and losses when the asset is impaired or derecognised are recognised in the surplus / (deficit). Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

iii) Held to maturity investments

Held to maturity investments are non derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. Council does not have any financial assets that meet this definition.

iv) Fair value through equity financial assets

Fair value through equity financial assets are non derivatives that are either designated in this category or not classified in any of the other categories. Financial assets that are included in this category are shares in Local Government Insurance Corporation Limited.

STATEMENT OF ACCOUNTING POLICIES

The classification depends on the purpose for which the investments were acquired.

Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

(u) Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognized in the surplus or deficit.

i) Loans and receivables.

Impairment is established when there is evidence that the Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are considered an indicator that the asset is impaired. The amount of the impairment is the difference between the assets carrying amount and the present value of estimated future cash flows. For debtors and other receivables the impairment is provided for in a provision and recognised in the surplus or deficit. When the receivable is uncollectible it is written off against the provision.

(v) Inventories and Work In Progress

Inventories are valued at the lower of cost (determined on a first in first out basis) and net realisable value. This valuation includes allowances for slow moving and obsolete inventories. Work in progress is valued at cost. Inventories held for distribution at no charge, or for a nominal amount, are stated at the lower of cost and current replacement cost.

The write down from cost to current replacement cost or net realisable value is recognised in the surplus/(deficit).

(w) Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, Council measures all investment properties at fair value determined annually by an independent valuer. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Any gain or loss arising from a change in fair value is recognised in the surplus / (deficit). There is no depreciation on investment properties.

Rental income from investment property is accounted for as described in the accounting policy for revenue recognition.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any differences arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity if it is a gain. Upon disposal of the item the gain is transferred to accumulated comprehensive revenue and expense. Any loss arising in this manner is recognised immediately in the surplus/(deficit).

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes of subsequent recording. When Council begins to redevelop an existing investment

STATEMENT OF ACCOUNTING POLICIES

property for continued future use as investment property, the property remains an investment property, which is measured based on fair value, and is not reclassified as property, plant and equipment during the redevelopment.

(x) Provisions

A provision is recognised in the Statement of Financial Position when Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Landfill post – closure costs

Council as an operator of both closed and operational landfills has a legal obligation under the Resource Management Act (1991) to provide ongoing maintenance and monitoring services at the landfill sites after closure. A provision for post closure costs is recognised as a liability when the obligation for post closures costs arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account ongoing future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

Council measures landfill assets using the cost model with changes in the provision for decommissioning costs being added to, or deducted from, the asset value until closure of the asset, at which time all changes to the provision are taken to the surplus / (deficit).

The discount rate used is a pre tax rate that reflects current market assessments of time value of money and risks specific to Council.

(y) Statement of Cash Flows

Cash or cash equivalents means cash balances on hand, held in bank accounts, demand deposits of 3 months or less and other highly liquid investments in which Council or its subsidiaries invest as part of its day to day cash management.

Operating activities include cash received from all income sources of Council and record the cash payments made for the supply of goods and services. Agency transactions (for example, the collection of regional council rates) are recognised as receipts and payments in the Statement of Cash Flows given that they flow through Council's main bank account.

Investing activities are those activities relating to the acquisition and disposal of non current assets.

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

(z) Impairment

Non financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite life are reviewed for impairment when ever events or changes in circumstances indicate that the carry amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

STATEMENT OF ACCOUNTING POLICIES

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of an asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace it's remaining future economic benefits or service potential.

The carrying amounts of Council assets are reviewed at each Statement of Financial Position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the surplus/(deficit). Impairment losses on revalued assets offset any balance in the asset revaluation reserve, with any remaining impairment loss being posted to the surplus/(deficit).

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus/(deficit), a reversal of the impairment loss is also recognised in the surplus/(deficit)

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the surplus/(deficit)

(aa) Non Current Assets Held for Sale

Non current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non current asset is recognised at the date of de-recognition.

Non current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities classified as held for sale continue to be recognised.

Non current assets classified as held for sale are presented separately from the other assets in the Statement of Financial Position.

(ab) Critical Accounting Estimates and Assumptions

In preparing these prospective financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments 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 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 (DRC) valuations over infrastructural assets. These include:

The physical deterioration and condition of an asset. Council may be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets that are not visible, such as stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing physical inspections and assessments;

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. 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 Statement of Financial Performance.

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 upon past experience.

Experienced independent valuers perform Council's infrastructural asset revaluations.

(ac) Derivative Financial Instruments and Hedge Accounting

Council uses derivative financial instruments to hedge interest rate risks arising from financing activities. In accordance with its Treasury Policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus / (deficit). Council designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); *or*
- Hedges of highly probable forecast transactions (cash flow hedge).

Council documents at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. Council also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of hedging derivatives is classified as non current if the remaining maturity of the hedged item is more than 12 months and as current if the remaining maturity of the hedged item is less than 12 months.

STATEMENT OF ACCOUNTING POLICIES

Cash flow hedge

The portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognised directly in equity through the Statement of Changes in Equity and the ineffective portion of the gain or loss on the hedging instrument is recognised in the surplus/(deficit).

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains or losses that were recognised directly in equity will be reclassified into surplus/(deficit) in the same period or periods during which the asset acquired or liability assumed affects then surplus/(deficit). However, if Council expects that all or a portion of a loss recognised directly in equity will not be recovered in one or more future periods, it will reclassify into surplus or deficit the amount that is not expected to be recovered.

When a hedge of a forecast transaction subsequently results in the recognition of a non financial asset or a nonfinancial liability, or a forecast transaction for a non financial asset or non financial liability becomes a firm commitment for which fair value hedge accounting is applied, then the associated gains and losses that were recognised directly in equity will be included in the initial cost or carrying amount of the asset or liability.

If a hedging instrument expires or is sold, terminated, exercised or revoked, or it no longer meets the criteria for hedge accounting, the cumulative gain or loss on the hedging instrument that remains recognised directly in equity from the period when the hedge was effective will remain separately recognised in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that remains recognised directly in equity from the period when the hedge was effective is reclassified from equity to the surplus / (deficit).

(ad) Critical judgments in applying Council's accounting policies

Management has exercised the following critical judgments in applying the Council accounting policies for the 10 year period ended 30 June 2025.

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 social housing policy. These properties are accounted for as property, plant and equipment.

WATER, SANITARY SERVICES AND WASTE MANAGEMENT ASSESSMENT VARIATIONS

ASSESSMENT PROGRESS

Part 7 subpart 1 of the Local Government Act 2002 (LGA) specifies obligations by local government organisations to make assessments of water and sanitary services. After the legislation was enacted in 2002, the first assessment was undertaken by the Far North District Council (FNDC) in 2005, meeting the deadline set.

Several significant amendments to part 7, subpart 1, of the LGA have been made, with the most recent being in August 2014. Therefore, there has been a need to evaluate assessments done to date to ensure compliance with the current legislation, in particular:

- There has been a shift in focus from prescribing the scope of assessments and the process to be followed, to specifying the purpose of these assessments
- In terms of the purpose of these assessments, there has been a shift in requirements from assessing risk itself to assessing adequacy of services from a public health risk perspective.

In light of these changes, Council has recently carried out a review of Sanitary Services in the district, and has identified the following actions to be progressed:

- Undertake a full assessment using a set of questions that FNDC should seek to answer for each community as contributing factors to adequacy. This approach means that if an answer is unknown or negative, it does not necessarily make the service inadequate but it does point towards an elevated public health risk. Together, all the answers for each service applied to a particular community provide a framework for FNDC to assess its adequacy
- Creation of a single “water and Sanitary Services Assessment (LGA ss125/126)” document that either collates the results of the assessment for each community or references them where they are already available in other FNDC documents (e.g. Asset Management Plans)
- Provision of this document through the FNDC website, Council offices and libraries to inform communities about the adequacy of the services.

Services requiring assessment under s125 and s126 are:

- Drainage works (stormwater), sewerage works, and works for the disposal of sewage
- Waterworks
- Sanitary conveniences for the use of the public (public toilets and motorhome dumpsites)
- Cemeteries and Crematoria.

Assessments and proposed actions are currently underway and will be completed by the end of June 2015, and then repeated every three years in parallel with the Long Term Plan process.

AUDIT OPINION

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

Independent auditor's report on Far North District Council's 2015/2025 Long-Term Plan

I am the Auditor-General's appointed auditor for Far North District Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's Long-Term Plan (the plan). I have carried out this audit using the staff and resources of Audit New Zealand. We completed the audit on 25 June 2015.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and coordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 428 to 433 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from the District Council's audited information.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee complete accuracy of the information in the plan.

AUDIT OPINION

Basis of Opinion

We carried out our work in accordance with the Auditor-General's Auditing Standards, relevant international standards and the ethical requirements in those standards.¹

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate audit procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our audit procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face over the next 30 years;
- the information in the plan is based on materially complete and reliable asset and activity information;
- the Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and

¹ The International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and The International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information*.

AUDIT OPINION

- the relationship between the levels of service, performance measures and forecast financial information has been adequately explained within the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on aspects of the plan, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

Independence

We have followed the independence requirements of the Auditor-General, which incorporates those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



Karen MacKenzie, Audit New Zealand
On behalf of the Auditor-General, Auckland, New Zealand

GLOSSARY

Activity

A good or service provided by or on behalf of a local authority.

Activity Management Plans (AMPS)

AMPs cover all aspects of managing an asset. They include policy, financial forecasting and engineering requirements for all major activities. They ensure that the required level of services is maintained over the long-term by helping Council anticipate and plan for future needs and renewals.

Allocated Costs

Allocation of costs by support departments to other Council departments for services provided. They reflect the true cost of the provision of goods and services.

Annual Plan

A plan produced by Council every year that sets out what it plans to do for the following year and into the future, how much it will cost and how Council plans to fund it. Every third year it is part of the LTP (Long-Term Plan, formerly LTCCP, Long-Term Council Community Plan).

Annual Report

A document that Council prepares each year which provides the public with information on the performance of the local authority during the past year, both in financial and non-financial terms.

Appropriation

Money that has been set aside from or brought into an operating revenue account.

Assets

Assets are available resources owned by Council. Non-current assets are assets that have a useful life of more than 1 year, such as roads, parks, footpaths and buildings.

AWPT

Abbreviation for Area Wide Pavement Treatment Programme. AWPT is a NZTA subsidised programme of renewal of pavements including overlays and chemical stabilization. It should not be confused with Council's road sealing programme.

Authority

Power, responsibility.

BERL

Business and Economic Research Ltd. This is the index councils use for inflation figures across all areas like roading, water and stormwater, all have different inflation rates.

BKBM

This is a bank bill mid rate. This is the official bank rate for 90 days.

Capacity

Council's ability to deliver a service. For some services, Council may not have legal or budgetary control and may only be able to act as an advocate or facilitator.

Capital Value

The value of land plus any additions like buildings, driveways and fences.

Capital Expenditure (CAPEX)

Capital expenditure is additions, improvements or renewals to fixed assets that have or will be built or purchased by the Council, where the benefit will be reflected over more than one financial year.

CBEC

Abbreviation for Community Business and Environment Centre.

Chief Executive

The person in charge of managing the Council organisation and the principal adviser to Council and employer of staff.

Code of Conduct

A document that defines councillors' roles and conduct while in office.

CP

Abbreviation for commercial paper.

GLOSSARY

Community

A network of people and organisations linked together by common factors. This might refer to a network of people linked by place (that is, a geographic community), common interest or identity (for example, a Hapu, voluntary organisations or society), or an administrative community (such as a district).

Community Board

A local elected board within a community to advise a district council on issues affecting the community and to carry out functions delegated to it by the Council.

Community Development (CD)

Is a broad term applied to the practices and disciplines for involving local people to improve the economic and social progress of the communities. Community development seeks to provide individuals and groups of people with the skills they need to affect change in their own communities. These skills are often created through the forming and supporting of interest groups working for an agreed common agenda.

Community Outcomes

The future that a community wants to achieve. These outcomes set the direction for Council plans and help in the coordination of activities.

Constituency

An electoral area within district boundaries.

Council Controlled Organisation (CCO)

An organisation where the Council has 50% or more of the voting rights.

Council Controlled Trade Organisation (CCTO)

A Council controlled trading organisation.

Consultation

Listening to what people think about an issue.

Council

A territorial authority, being an elected group of people that by democratic process have the mandate of the community they represent to make decisions and provide local governance. In the context of this document, 'Council' refers to the Far North District Council, while 'council' refers to all territorial authorities generally.

Councillor

A person elected to be on the Council.

Decision

A resolution or agreement to follow a particular course of action, including an agreement not to take any action in respect of a particular matter.

Delegate

To give responsibility to someone else.

Democracy

Letting the community participate in decision-making.

Development contributions

A mechanism provided under the Local Government Act 2002 to fund capital expenditure needed to meet extra demand placed on utilities by development and to ensure the cost of providing services to and within subdivisions and developments, or upgrading of services as a result of subdivision, are met by the developer/subdivider.

Depreciation

The loss in value of an asset over time. This is an accounting device to ensure that an appropriate amount of capital expenditure is spread as an expense each year and matched against the income of the Council (including rates) in the Statement of Financial Performance.

Deighton Total Infrastructure Management System (dTIMS)

dTIMS (Deighton's Total Infrastructure Management System) is a decision support tool used by managers to plan, analyse and select maintenance and rehabilitation activities in the life-cycle of their infrastructure assets.

GLOSSARY

Far North Holdings Limited (FNHL)

A Council Controlled Trading Organisation in which the Far North District Council is the major shareholder. FNHL manages fixed and non commercial assets including maritime facilities and assets.

Fees and charges

Fees and charges are charges for a Council service that must be met by the user of the service (e.g. entrance fees to swimming pools, fees for dumping waste at tips etc).

FNDC

Abbreviation for Far North District Council

FRAs

Abbreviation for Forward Rate Agreements.

Grant

Money given to a group for a particular purpose.

Hearing

Meeting to enable members of the public to speak about a particular issue.

Infrastructure

The systems that help a district function such as roads, public water supply, refuse and effluent disposal.

Internal recoveries

Recovery of costs by support departments from other Council departments.

ISDA

Abbreviation for International Swaps and Derivatives Agreement.

Land Transport New Zealand (LTNZ)

Formerly Transfund New Zealand. From 1 December 2004, the Land Transport Safety Authority (LTSA) and Transfund New Zealand formed Land Transport New Zealand.

Land value

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

Levels of service (LoS)

A measure of the service that Council delivers i.e. a number of sports fields available for use, library opening hours, water quality etc.

LGA

Local Government Act (2002). The purpose of the LGA (2002) is to provide for democratic and effective Local Government that recognises the diversity of New Zealand communities. The Act

provides the general framework and powers under which New Zealand's 78 local authorities – regional, district and city councils – operate.

LGCI

Local Government Cost Index. A measure of the cost of business for a local authority.

Liabilities

Amounts that the organisation owes. Non current liabilities are amounts that are not due to be paid within the next year.

Loan Funds

This is money used by Council that it has obtained by raising a loan.

Local Government Statement

A collection of information prepared under Section 40 of the Local Government Act 2002 that includes information about the ways in which a local authority engages with its community, how it makes decisions, and the ways in which citizens can influence those processes.

Long-Term Plan (LTP)

A plan covering at least ten years, adopted under Section 93 of the Local Government Act 2002 that describes the activities the Council will engage in over the life of the plan, why the Council plans to engage in those activities, and how those activities

GLOSSARY

will be funded. (Formerly the LTCCP – Long-term Council Community Plan).

Mayor

The leader of Council, elected from across the District.

NZTA

New Zealand Transport Agency. NZTA is a Crown entity established under the Land Transport Management Act 2003. The objective of the Agency is to undertake its functions in a way that contributes to an affordable, integrated, safe, responsive and sustainable land transport system. Each year, the NZ Transport Agency funds innovative and relevant research that contributes to this objective.

New Zealand Transport Strategy

Government's vision for transport for an affordable, integrated, safe, responsive and sustainable transport system.

NZGAAP

New Zealand Generally Accepted Accounting Practices.

Operating Expenditure

Spending for the normal day to day services of Council. This also includes depreciation, interest on loans, and allocated costs.

Outcomes

Outcomes are the future that a community wants to achieve. There is often a relationship between a community outcome and a specific service or facility that Council provides.

Performance Indicators

Performance indicators are used by Council to measure how well services are performing. They enable targets to be set for service improvement and comparisons of performance over time with other organisations.

Private benefit

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

Public benefit

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

Rates

Money that property owners pay to the District and Regional Council for the provision of assets and services.

Refuse

Rubbish, garbage and waste management.

Regional Council

A Council that represents a regional community, manages natural resources and deals with issues that affect the environment. Our Regional Council is the Northland Regional Council.

Regulatory

A function of Local Government concerning legal (usually bylaw) enforcement.

Renewal expenditure

This is spending that replaces deteriorating assets with new assets that have the same service potential as the originals.

Reserve contribution

A contribution made either in money or land (at Council's discretion) to the district's reserves, payable for any subdivision in which the number of lots is increased, or for any significant development of land.

Resource consent

Special permission from Council for an activity related to land.

GLOSSARY

Restricted assets

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

Reticulation

When water is supplied from a main source and distributed within a defined area, for a cost. Also a means of wastewater disposal where sewage is discharged to a main source where it is treated for disposal.

Revenue

Money received by Council.

Revenue and financing policy

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

RFS

Request For Service. This is Council's system for tracking all public requests such as maintenance requests, questions or complaints.

Service levels

The defined service parameters or requirements for a particular activity or service against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.

Significance

The degree of importance of an issue, proposal, decision or matter, as assessed by the authority, in terms of its likely impact on and likely consequences for:

- The current and future wellbeing of the district or region;
- Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter; and
- The capacity of the Council to perform its role and the financial and other costs of doing so.

Special consultative procedure

A formal consultation process defined in legislation, setting out a series of steps that must be followed when councils consult on particularly types of decisions.

Special funds/reserve funds

Money set aside for a specific purpose. Some uses are legal restricted and others created by Council.

Stormwater catchment management plans

The sustainable management of stormwater runoff within a defined catchment utilising piped networks and overland flows giving consideration to current and future development, climate change, system capacity and condition, water quality, financial affordability and the environment.

Submission

Individuals or organisations giving Council formal feedback when Council has initiated a consultation process.

Subsidies

Money to help pay for some particular service, activity or infrastructure; usually paid by Central Government.

Sustainability

Sustainability focuses on improving the quality of life for all people without increasing the use of natural resources beyond the capacity of the environment to supply them indefinitely. Sustainable activities utilise resources and build capacity in a way that ensures the activity can be safely maintained over time.

GLOSSARY

Sustainable development

Sustainable development has many definitions. Most interpretations share the fundamental idea that it is development that maintains or enhances economic opportunity and community wellbeing while protecting and restoring the natural environment upon which people and economies depend. Sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs.

Territorial Authority

A city or district council.

Triennial agreement

An agreement entered into by all of the local authorities within a region that sets out the basis for community and coordination between authorities.

Trust

Money or property looked after by an organisation.

Uniform annual general charge (UAGC)

The contribution to the costs of the activities, works or services, whose costs are not otherwise recovered from separate and special rates and charges and shall be levied in respect of every separately rateable property. This amount does not vary with the value of the property.

User fees and charges

Fees charged to users of specific services and facilities provided by Council.

Utilities (Utility assets)

Utilities are network infrastructures that provide mechanisms for the delivery of services. In a Local Government context, utilities are commonly public water supply, wastewater, sewerage and solid waste.

Ward

An area within the district administered by Council.