South Wairarapa District Council

Long Term Plan

2012/2022

SOUTH WAIRARAPA DISTRICT COUNCIL

KUPE'S SAIL

Ngā Rā o Kupe (Kupe's Sail) is on the eastern shore of Palliser Bay, about two-thirds of a mile north-west of Cape Palliser. The name was originally applied to two triangular patches of light-coloured cliff showing against the green vegetation of the surrounding hills. The story connected with Ngā Rā o Kupe, is that Kupe and his companion Ngake were camped here on one occasion, when a contention arose as to who could succeed in first completing a canoe sail (Rā). So each started to work in the evening to make a sail; Kupe had finished his a little after midnight, whilst Ngake did not complete his until dawn. Thus Kupe won. The sails were then hung up against the cliffs "and may be seen there to this day".

Both patches of light-coloured cliff are composed of outcrops of late Miocene sandstone (about 12–14 million years old) dipping seawards at an angle of 45 degrees. The sandstone is compacted and well bedded, and one of the patches, immediately east of the mouth of Kupe Stream, is a very prominent dip slope. Nowadays the name "Kupe's Sail" is more usually applied to this outcrop in particular. Abundant marine fossils are in the sandstone and similar beds occur in Hurupi Stream and Putangirua Stream further to the west around Palliser Bay.

(Graeme Roy Stevens, M.SC.(N.Z.), PH.D.(CANTAB.), Paleontologist, New Zealand Geological Survey, Lower Hutt as published on www.teara.govt.nz)

Ngā Rā o Kupe (Kupe's Sails) depicted in this 1850s watercolour by William Mein Smith.

Cover photo credits:

Kupe's Sail, Ngawi
by Kevin Jones, Department of Conservation

Soldiers Memorial Park Playground
by Suzanne Clark

Featherston Fell Engine Mosaic
by Jen Olsen

CONTENTS

MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE

Welcome to the South Wairarapa District Council Draft Long Term Plan (LTP) for the period 2012 -2022. The LTP is the document that sets the direction that Council will be taking over the next ten years. It also describes how Council will finance its operations during the period covered by the Plan. Although the LTP extends over ten years Council's approach to its development has been to take a longer term view which looks forward thirty years at the issues that confront the South Wairarapa district.

The LTP is a joint exercise between the Council and the residents of the South Wairarapa district. The needs and wishes of the community are taken into account through the consultation that forms an integral part of the LTP process. This process includes advertising in the media, public meetings throughout the district, submissions and hearings.

The first year of the LTP is also the Annual Plan for 2012-2013 and as such it provides the operational and budgetary guidelines for the year. It links in with the Wellington Regional Strategy (WRS) and Council is actively ensuring the South Wairarapa district's interests are well represented in the WRS.

As a preliminary part of the consultation process Council initiated a series of meetings with targeted sector groups such as the Rural, Sport and Leisure, Local Business sectors and Iwi. These meetings not only focused on the current plan but also considered the needs of the district over a 30 year + time period. The sector group meetings have indicated that participants want Council to provide levels of service that are at least consistent with current levels with any increases being carried out in a fiscally responsible way.

The South Wairarapa district population during the ten years covered by this plan will remain static. The demographics also show an ageing population with forecasts from Statistics New Zealand indicating that the age profile will increase gradually from a base median age in 2006 of 42.7 to a forecast median age in 2031 of 55.2.

Water supply and conservation remains an issue with water metering throughout the district now largely completed. The Council is actively investigating the provision of a new alternative potable water supply for Featherston. Council will also continue to seek ways to supplement the supply of potable water to Greytown and Martinborough.

New resource consents for waste water discharges at the Martinborough and Featherston sites are being sought and Council is considering its treatment and disposal options. This is potentially a very significant cost for Council over the next 10-20 years and it is important that the right questions are asked as Council proceeds. Some land has already been acquired in Featherston to facilitate disposal of treated effluent to land and options for securing the use of further land for the disposal of treated effluent will be explored over the next two years at all sites within the district. Council is exploring new treatment technologies as it continues to improve the quality of its waste water discharges. The aim is to progressively reduce and ultimately remove discharges from waterways in a sustainable and affordable way.

The Council elected in October 2010 has worked hard on producing this LTP and every member of the Council has played an active part in the process. Council is set to continue the good work that it has undertaken and to provide sound governance for the district.

As an integral part of this work Council has undertaken a review of its Funding Policy during which it considered the question of whether it should move from its current land-based system to a capital-based system. After considerable investigation and deliberation it decided to remain with the current system.

This is an interesting and challenging time for the Council as there is much discussion about the future structure of local councils within New Zealand. At the time of writing the Government has issued its Better Local Government paper and there is discussion within the Wellington Region about how local government might be structured in future. In its efforts to deliver services to the community more efficiently and effectively South Wairarapa District Council continues to collaborate with its neighbouring councils at Carterton and Masterton. As part of this collaboration it has participated in a study entitled "An Assessment of the Options for Joint Management and Service Delivery for Wairarapa Councils". This document is expected to provide a sound base for discussion with our communities on the best governance options for future Wairarapa.

The Wairarapa councils are continuing to investigate and participate in shared services arrangements throughout the range of services and functions, including in the environmental health, planning and building departments. The aim is to create a seamless experience when dealing with the individual councils in these areas. The Council will need to continue to anticipate and work with recent and upcoming changes in legislation in the areas of building, liquor licensing and resource management. In administering the District Plan and carrying out other regulatory functions, Council must also look to encourage and support economic development and growth where possible.

Council's infrastructural assets are critical to the delivery of the levels of service outlined in the LTP. The infrastructure has been constructed over a significant period of time and it continues to age but remains serviceable. The LTP outlines the key condition assessments for roading, water, sewerage and stormwater systems within the district. The maintenance and renewal programmes integrated into this plan's financial estimates have been created through robust condition assessment exercises undertaken by council officers to ensure that the overall condition of the infrastructure systems is maintained to deliver the levels of service set out in the LTP.

Adrienne Staples

Mayor

Dr Jack Dowds

Chief Executive Officer

PROPOSED INCREASE IN RATES REVENUE									
2012/13	**2013/14**	**2014/15**	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**
4.31%	4.07%	2.44%	4.29%	5.00%	3.82%	3.17%	3.35%	3.71%	3.01%

The percentages above relate to the increase over the prior year in the total dollar value of rates required

Individual property rates changes will vary from this because of valuation changes.

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of
South Wairarapa District Council's
Long Term Plan
for the 10 years commencing 1 July 2012

The Auditor-General is the auditor of South Wairarapa District Council (the District Council). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to report on the Long Term Plan (LTP), on her behalf. We have audited the District Council's LTP dated 27 June 2012 for the 10 years commencing 1 July 2012.

The Auditor-General is required by section 94(1) of the Local Government Act 2002 (the Act) to report on:

- the extent to which the LTP complies with the requirements of the Act; and
- the quality of information and assumptions underlying the forecast information provided in the LTP.

Opinion

Overall Opinion

In our opinion the District Council's LTP dated 27 June 2012 provides a reasonable basis for long term integrated decision-making by the District Council and for participation in decision-making by the public and subsequent accountability to the community about the activities of the District Council.

In forming our overall opinion, we considered the specific matters outlined in section 94(1) of the Act which we report on as follows.

Opinion on Specific Matters Required by the Act

In our view:

- **the District Council has complied with the requirements of the Act in all material respects demonstrating good practice for a council of its size and scale within the context of its environment; and**
- **the underlying information and assumptions used to prepare the LTP provide a reasonable and supportable basis for the preparation of the forecast information.**

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Accordingly, we express no opinion as to whether the forecasts will be achieved.

Our report was completed on 27 June 2012. This is the date at which our opinion is expressed.

The basis of the opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the International Standard on Assurance Engagements (New Zealand) 3000: *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). We have examined the forecast financial information in accordance with the International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information.*

Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain all the information and explanations we considered necessary to obtain reasonable assurance that the LTP does not contain material misstatements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves performing procedures to obtain audit evidence about the forecast information and disclosures in the LTP. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the information in the LTP. In making those risk assessments we consider internal control relevant to the preparation of the District Council's LTP. We consider internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

Our audit procedures also include assessing whether:

- the LTP provides the community with sufficient and balanced information about the strategic and other key issues, and implications it faces and provides for participation by the public in decision making processes;
- the District Council's financial strategy, supported by financial policies is financially prudent, and has been clearly communicated to the community in the LTP;
- the presentation of the LTP complies with the legislative requirements of the Act;
- the decision-making and consultation processes underlying the development of the LTP are compliant with the decision-making and consultation requirements of the Act;
- the information in the LTP is based on materially complete and reliable asset or activity information;
- the agreed levels of service are fairly reflected throughout the LTP;
- the District Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the LTP are based on best information currently available to the District Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast information has been properly prepared on the basis of the underlying information and the assumptions adopted and the financial information complies with generally accepted accounting practice in New Zealand;

- the rationale for the activities is clearly presented;
- the levels of service and performance measures are reasonable estimates and reflect the key aspects of the District Council's service delivery and performance; and
- the relationship of the levels of service, performance measures and forecast financial information has been adequately explained within the LTP.

We do not guarantee complete accuracy of the information in the LTP. Our procedures included examining on a test basis, evidence supporting assumptions, amounts and other disclosures in the LTP and determining compliance with the requirements of the Act. We evaluated the overall adequacy of the presentation of information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council

The Council is responsible for preparing a LTP under the Act, by applying the Council's assumptions and presenting the financial information in accordance with generally accepted accounting practice in New Zealand. The Council is also responsible for such internal control as it determines is necessary to enable the preparation of a LTP that is free from material misstatement.

The Council's responsibilities arise from section 93 of the Act.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the LTP and reporting that opinion to you based on our audit. This responsibility arises from section 15 of the Public Audit Act 2001 and section 94(1) of the Act.

It is not our responsibility to express an opinion on the merits of any policy content within the LTP.

Independence

When reporting on the LTP we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than this report and in conducting the audit of the LTP Statement of Proposal and the annual audit, we have no relationship with or interests in the District Council.

Leon Pieterse
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand

WHAT IS A LONG TERM COUNCIL PLAN?

The Local Government Act 2002 requires every district council to produce, once every three years, a Long Term Council Plan (LTP) which sets out what the council will do for at least the next ten years.

The 2012/2022 Long Term Plan

- Describes the 'Community Outcomes' of the South Wairarapa district (what the community has told South Wairarapa District Council it wants achieved).
- Provides a long-term focus for the decisions and activities of Council.
- Provides a basis for Council to be accountable to the community.
- Through the consultation process has allowed the public to participate in decision-making processes on activities to be undertaken by Council.
- Describes the activities of Council, setting out what we will do in the next 3 years, 10 years and beyond and what the cost of those activities will be.

The LTP is aligned with other core planning documents by which Council is accountable to the South Wairarapa community, including the Annual Plan and the Annual Report as well as the District Plan. Please note that the information in the LTP may not be appropriate for purposes other than those described above.

Development of this LTP will follow an extensive process which includes consideration of a wide range of issues such as the maintenance and upgrading requirements of Council assets and feedback received from the public from various consultation exercises undertaken by Council.

Part 1
Setting Direction

Working with Maori

District and Regional Responsibilities

Snapshot of South Wairarapa District

Community Outcomes

Significant Activities

Measuring Performance

WORKING WITH MAORI

The South Wairarapa district is rich in Maori history and culture

Some of the earliest known occupational sites exist within its boundaries, and for centuries the natural environment has provided both material and spiritual sustenance. Its place in the Maori political history of New Zealand is a matter of national record.

Lake Wairarapa and the South Wairarapa coastline are of immense cultural, spiritual and historic significance to Maori.

Relationship Building

The Resource Management Act 1991 (RMA) and more recently the Local Government Act 2002 (LGA), require Council to establish more formal, meaningful and sustainable relationships with Maori. These relationships, guided by the Treaty of Waitangi principles, are intended to foster:

- Opportunities for Maori to contribute to the decision-making process of Council.
- The development of Maori capacity to contribute to the decision-making process of Council.
- The provision of information to Maori enabling them to contribute to the decision-making processes of Council.

The Council is committed to engage in active consultation with Maori and to foster positive relationships in pursuance of the partnership envisaged under the Treaty of Waitangi, on matters that affect and concern Maori.

A Maori Standing Committee has been in operation for a number of years and representatives from the local marae and Iwi are members of this committee. Marae are located at Papawai, Martinborough (Hauariki) and Pirinoa (Kohunui) and the Wairarapa Iwi are Rangitane o Wairarapa and Ngati Kahungunu ki Wairarapa.

The role of the Maori Standing Committee is to:

- Advise on tangata whenua and Maori interest in the Council's major areas of activity.
- Establish a method of consultation, which involves tangata whenua, on all matters relating to the district's resources, and involving the district's planning processes.
- Advise on consultation processes with Maori in the district and assist in the development of consultation networks throughout the district.
- Promote the development of processes within Council, which develop policy, processes and guidelines, based on the Treaty of Waitangi principles of participation, partnership and active protection.

Working Together

A hui with members of the local marae and iwi was held to get input from Maori on current and long term issues as well as current or potential Council projects. The input from the hui has been incorporated into this Draft LTP. The table that follows incorporates the key issues as identified by Maori.

KEY ISSUES FOR MAORI
Wastewater treatment - No sewer release to rivers and waterways - No impact of sewer to receiving environment - Management of farm nutrient runoff - Mauri of water
Recognition, promotion and protection of Maori heritage and cultural assets - Telling 'our story' - Heritage Park – accessibility of some sites - Protection of significant sites - Kaitiakitanga
Maori health and care of aging population
Recognition of Marae as a community asset - Financial and promotional assistance - Community partnerships with marae - Transfer of skills/resources from Marae to community

DISTRICT AND REGIONAL RESPONSIBILTIES

South Wairarapa District Council is one of three local authorities operating in the Wairarapa

South Wairarapa follows the coastline from the western end of Palliser Bay in Cook Strait to Honeycomb Rock, east of Martinborough. The western boundary follows the main divide of the Rimutaka and Tararua Ranges to Mount Hector, from which the boundary runs south east across the Wairarapa plain to the coast.

The Wairarapa councils/district as referred to in this document include the South Wairarapa District Council, Carterton District Council and Masterton District Council. The Wellington region is comprised of the South Wairarapa, Carterton, Masterton, Wellington City, Lower Hutt, Upper Hutt, Porirua and the Kapiti Coast regions.

Councils have a variety of roles including:

- Facilitating solutions to local needs.
- Enabling democratic local decision-making.
- Advocacy on behalf of the local community with central government, other local authorities and other agencies.
- Development of local resources.
- Management of local infrastructure including network infrastructure (e.g. roads, sewage disposal, water, stormwater, flood and river control works) and community infrastructure (e.g. libraries, parks and recreational facilities).
- Environmental management.
- Planning for future needs.
- Ensuring that there are systems in place to effectively monitor the governance of the district and its resources –including prudent financial management, balancing resources for existing and future requirements, and procedures to assess and monitor services.

Shared Services

The three Wairarapa councils have a Shared Services Working Party(SSWP) with members made up from councillors from each district as well as the Mayor and CEO of each Council who meet regularly to provide direction to Council so gains can be made from aligning contracts for services and other efficiencies. It is our intention to keep working with our neighbours so our communities can share resources seamlessly within our region.

Achievements of the SSWP are:

a) Wairarapa Combined District Plan.

b) Joint solid waste contract.

c) District wide rural fire officer.

d) Central emergency services management.

e) Property valuations for the Wairarapa are calculated by QV at the same time.

The SSWP are now working with a consultancy firm to examine how Wairarapa might be structured in the future.

Other Agencies

Other agencies also have a role within our community. Council must liaise closely with Greater Wellington Regional Council (GWRC) and New Zealand Transport Agency (NZTA) in particular as they have their own responsibilities within our region.

The **Regional Council's** responsibilities include:

a) Sustainable regional well-being.

b) Managing the effects of using freshwater, land, air and coastal waters, by developing regional policy statements and the issuing of consents.

c) Managing rivers, mitigating soil erosion and flood control.

d) Regional emergency management and civil defence preparedness.

e) Regional land transport planning and contracting passenger services.

NZTA are responsible for:

a) Planning the land transport networks.

b) Investing in land transport.

c) Managing the state highway network.

d) Providing access to and use of the land transport system.

SNAPSHOT OF SOUTH WAIRARAPA DISTRICT

Area

The South Wairarapa district is situated at the southernmost corner of the North Island and has an area of approximately 248,455 hectares (2,484 square kilometres).

In the south the district boundary follows the coastline from the western end of Palliser Bay in Cook Strait to Honeycomb Rock, east of Martinborough.

The western boundary follows the main divide of the Rimutaka and Tararua ranges to Mount Hector, from which the boundary runs south east across the Wairarapa Plains to the coast.

The district includes the towns of Featherston, Greytown and Martinborough which are the main population centres.

Natural Resources

The South Wairarapa district is rich in natural resources including soils, vegetation, wildlife, freshwater, landscapes, forest parks and minerals. These are detailed in the early sections of the District Plan.

Of particular interest are Lake Wairarapa and the Coast.

Lake Wairarapa

Lake Wairarapa is large and shallow, with a surface area of 7,800 hectares and dimensions of 18km (north/south) and 6km (east/west). Maximum depths seldom exceed 2.5 metres.

Lake Wairarapa is an example of a "lateral lake", formed when a lateral tributary valley drowned behind the levees of the Ruamahanga River. Some of the main ponds between the Ruamahanga River and southern Lake Wairarapa may also have been formed by this process.

The lake shore and hydrology have been considerably modified due to continuing natural processes such as sedimentation (resulting in "delta" formation) and wave action; natural events like the 1855 earthquake (resulting in considerable uplift); pioneer endeavours of forest clearance and over grazing; and recent farming and river control activities.

The Lower Wairarapa Development Scheme, proposed by the former Wairarapa Catchment Board, was approved in 1961. The aim was to increase agricultural production by reclaiming 5,260 hectares of the lake and wetlands and protecting 16,200 hectares of the lower Wairarapa from flooding. The Scheme is currently being reviewed by Greater Wellington Regional Council.

A National Water Conservation Order has been granted in respect to the waters of Lake Wairarapa and its contributing rivers and streams. Minimum lake levels are imposed in order to preserve the lake in its natural state and "protect recreational wildlife habitat features".

Lake Wairarapa is of immense cultural and spiritual significance to Maori.

With the changes to the Lake Wairarapa wetlands over the past 150 years many traditional fishing sites and sources of plant materials such as flax, ti (cabbage tree) and pingao have been lost or greatly reduced. With appropriate management and plantings, some of these sites could be restored specifically for the sustainable harvest of cultural materials, which would have the additional benefit of increasing habitat diversity for wildlife.

Guidelines for the management of the Lake Wairarapa wetlands have been produced and adopted by interested parties.

In 2005 both Lake Wairarapa and the Ruamahanga River were included in a list of nationally significant water bodies.

The Coast

The Coastline of the district is the longest local authority coastline in the Wellington Region, covering some 124km. Of this approximately 27km is beach (25km undeveloped) and the balance (97km) is rock and cliff; 32km of the coastline is in public ownership (being marginal strips, recreation reserves or other reserves and Forest Parks); 78km is private freehold land; and 14km is Maori land.

From Palliser Bay around to Cape Palliser there are many rocky headlands restricting agricultural or forestry uses. East of Cape Palliser there are a series of important coastal flats, some of which have been developed for farming, and several river mouths. Whether flat or headland the coastline has important recreational, scenic, and historic Maori values, as well as important natural values in river estuaries.

Cape Palliser Road provides some access for the area, particularly for the Ngawi fishing village and beach settlements located along it. Otherwise the coast is only reached by road along the river valleys with no interconnecting routes near the Coast.

A Coastal Strategy was developed jointly by the combined efforts of the Greater Wellington Regional Council and the district councils of Masterton, Carterton and South Wairarapa. Elements of the coastal strategy are included in the Wairarapa Combined District Plan.

South Wairarapa at a Glance

The following key statistics are from the 2006 census data, projections from Statistics NZ to 2031 and the South Wairarapa Community Profile for the Community Response Model Forum which in addition to the above data sources used recent government agency data.

- The resident population in the district is around 9,300 people and is expected to remain stable over the next decade.
- The median age is 42 (compared with 35 nationally) and is projected to increase over time.
- Maori residents make up 13% of the population which is slightly lower than the national average of 15%.
- Ethnic diversity is low, with pacific and asian groups significantly under NZ averages.
- South Wairarapa is judged to be less socio-economically deprived than NZ as a whole with 56% living in the (most well-off) lowest five deciles (compared with 50% nationally).
- Median personal income is almost the same as national rates but family incomes are 8% lower than NZ rates.

INCOME 2006 CENSUS

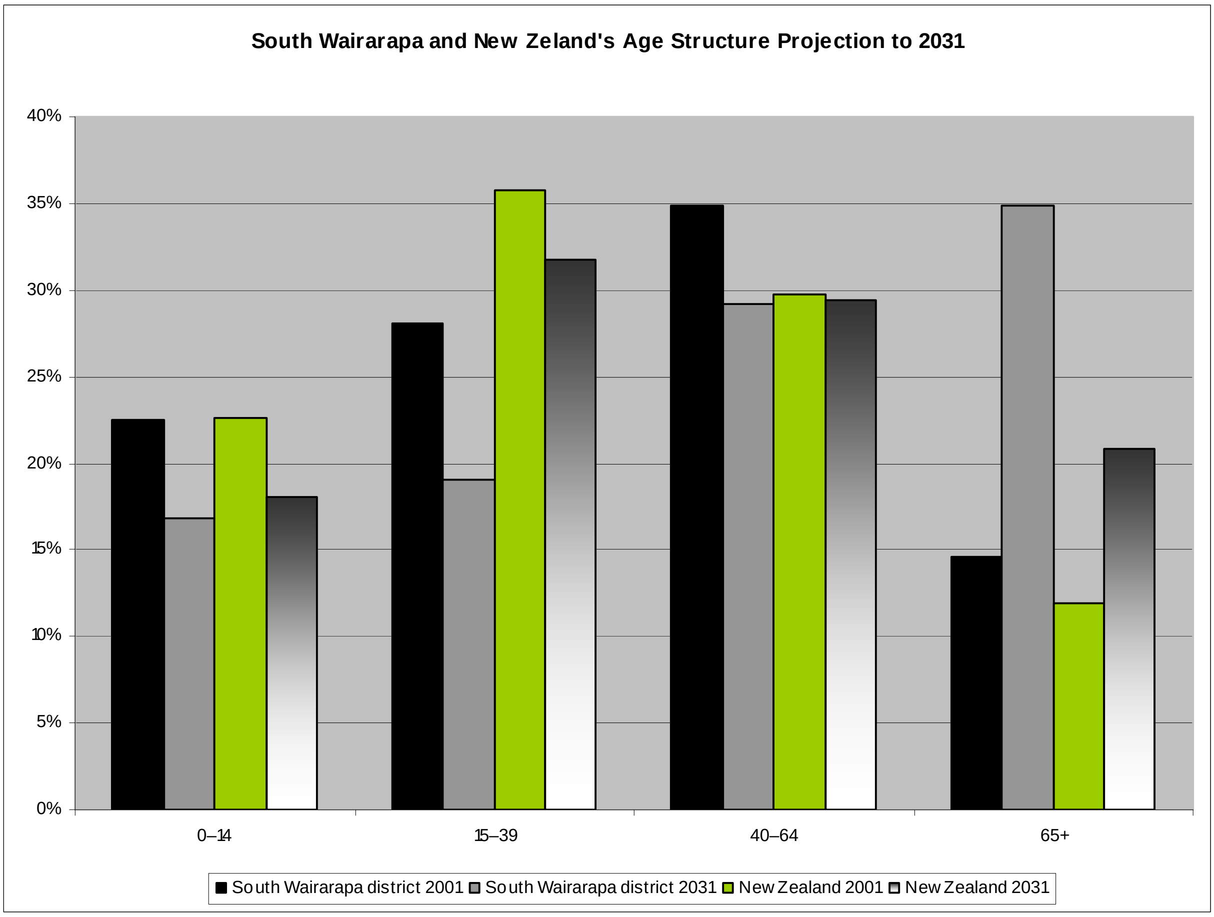
Income	SWDC	New Zealand
100,001 or more	3.1%	3.7%
70,001-100,000	4.3%	4.4%
50,001-70,000	9.5%	9.9%
40,001-50,000	8.9%	9.2%
30,001-40,000	15.0%	14.2%
20,001-30,000	16.2%	15.3%
10,001-20,000	24.9%	21.7%
1-10,000	14.0%	15.8%
Nil	3.4%	5.1%
Loss	0.7%	0.6%

- The employment rate is higher than the NZ rate with 67% of the population over 15 years employed (65% nationally).
- Agriculture, forestry and fishing are the biggest industries employing 24% of working residents (compared with 7% nationally).
- South Wairarapa residents over 15 years hold fewer qualifications than New Zealanders as a whole, however 73% of the districts 0-4 year olds were on regular early childhood rolls in 2010 (60% nationally).

EDUCATION (HIGHEST QUALIFICATION) 2006 CENSUS

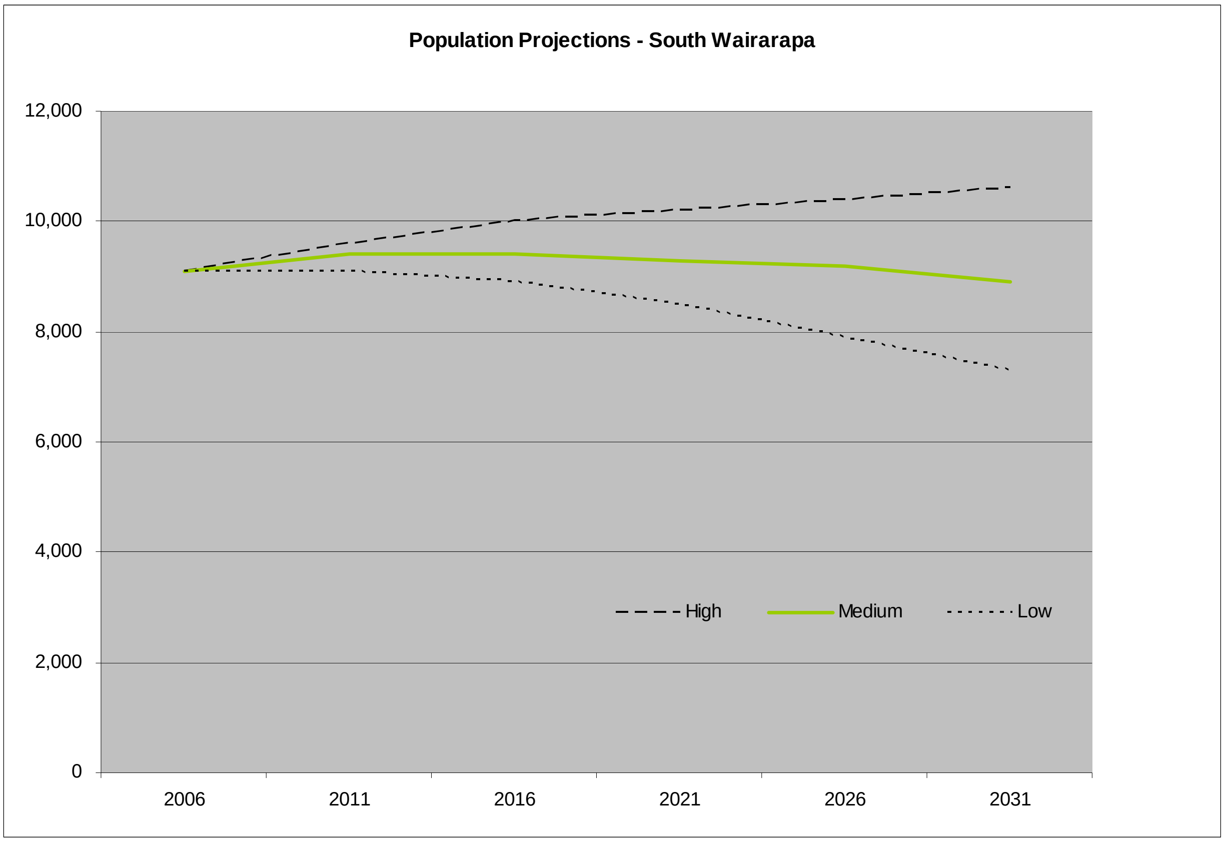
Qualifications	SWDC	New Zealand
No formal qualification	29.2%	25.0%
School qualifications	56.3%	39.5%
Tertiary qualifications	34.4%	35.5%

- 98% of children in Plunket client families were reported to be fully immunised in 2010 (85% nationally).
- Life expectancy in the Wairarapa is expected to continue to increase for the period until 2026.
- The crime rate was lower than NZ rates across 2006-2010 but the gap between the NZ rates and the South Wairarapa rates became smaller.
- The rate of home ownership in the district is 60% private ownership and 13% owned by a family trust (national rates are 55% and 12% respectively).
- 90.9 percent of households in South Wairarapa district had access to a telephone, compared with 91.6 percent for all of New Zealand.
- 58.7 percent of households in South Wairarapa district had access to the internet, compared with 60.5 percent for all of New Zealand.
- 15.5 percent of households in South Wairarapa district had access to 3 or more motor vehicles, compared with 15.9 percent for all households in New Zealand.



	1996	2001	2006	2011	2016	2021	2026	2031
0–14	2,200	2,000	1,900	1,900	1,800	1,700	1,600	1,500
15–39	2,900	2,500	2,300	2,200	1,900	1800	1800	1,700
40–64	2,800	3,100	3,400	3,500	3,400	3,200	2,900	2,600
65+	1200	1300	1,500	1,900	2,300	2,600	2,900	3,100

0–14 15–39 40–64 65+


Population Projections - South Wairarapa
12,000
10,000
8,000
6,000
4,000
2,000
0
2006
2011
2016
2021
2026
2031
High
Medium
Low

COMMUNITY OUTCOMES

Our Vision is to *'work with and for the South Wairarapa communities to affect the best possible social and economic outcomes which are based on valuing and respecting the people, the land and the resources'*

Five community outcomes have been identified by the community in order to achieve this vision. Council has a role in achieving the community outcomes via significant activities. The community outcomes for the South Wairarapa are as follows:

HEALTHY & ECONOMICALLY SECURE PEOPLE

Working towards healthy and well housed people who are economically secure, active and involved in their community.

EDUCATED AND KNOWLEDGEABLE PEOPLE

Educated and knowledgeable people who feel confident that they can achieve their aspirations.

VIBRANT AND STRONG COMMUNITIES

A place where people feel safe, are proud to live and have a sense of belonging.

SUSTAINABLE SOUTH WAIRARAPA

A sustainably managed district where economic development and environmental management go hand in hand.

A PLACE THAT'S ACCESSIBLE AND EASY TO GET AROUND

Well served by a range of transport options (including roading), local and regional services and telecommunications.

SIGNIFICANT ACTIVITIES

The Community's outcomes define the future shape and form of social, cultural, economic and environmental well being for the district. Council, along with other key-stakeholders, has a role in promoting the sustainable well-being of its district community. It achieves this through the collective application of its ten significant activities, being:

- Governance/Leadership/ Advocacy
- Public Protection
- Economic, Cultural & Community Development
- Resource Management
- Amenities
- Land Transport
- Water Supply
- Solid Waste Management
- Sewerage
- Stormwater Drainage

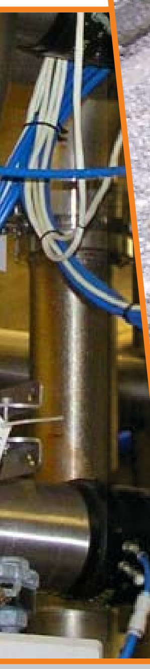
Each significant activity comprises a number of sub-activities. The scope and cost of providing each significant activity is determined through a series of agreed levels of service. The quantity and quality of each level of service translates into cost – generally the higher the service the higher the cost. In a number of cases, the minimum levels of service are determined by statutory and regulatory compliance rather than community requirements.

Part 3 defines the services, costs and performance indicators for each significant activity. Council is satisfied that the level of funding provided in this Long Term Plan will provide funds to complete projects up until 2022 and at least maintain the levels of service established in the 2009 – 19 LTCCP.

MEASURING PERFORMANCE

Council resolved to retain the community outcomes as it was felt they were still relevant.

It is very important that Council's performance in undertaking its significant activities is evaluated. For each significant activity a number of key performance indicators are given as part of the performance measures, with targets to be achieved for monitoring purposes.



Part 2
Summary

SUMMARY OF INFORMATION

The Long Term Plan 2012/22 provides the proposed direction for Council over the next ten year period and it describes the services that Council will provide and how it will fund them over the time period covered by the Plan.

At a time when there are directives from Government for Councils to focus on core services and to be fiscally responsible SWDC can justifiably claim to be a no-frills Council. The Council is focused on providing core services to the community it serves.

Council's key issues are:

- Wastewater Treatment and Disposal, and
- Water Supply

Council also provides and maintains amenities such as libraries and swimming pools in each of the three towns as well as the public buildings.

One of the main challenges faced by Council is the treatment and disposal of waste water. This has the potential to be a significant expense to the district during the period of this LTP and beyond. The provision of alternative water supplies within the district brings challenges and costs that have to be met. The future of the Martinborough Town Hall is another issue that has been addressed in this LTP as Council works towards finding a solution to the question of what is to be done with the earthquake prone building.

Council's regulatory operations in resource management, public health and building control continue and the LTP describes how these activities will continue to be carried out and funded.

This Draft LTP describes the Council's commitment over the next ten years to the provision of services and it provides the community with an opportunity to have its say through the consultation that is an integral part of the process.

Key Community Projects for 2012/2022

In addition to a number of smaller projects, Council has three significant projects scheduled for the next ten year period.

Our Key Projects are:

- Urban Waste Water Treatment
- Urban Water Supply
- Martinborough Town Hall Strengthening

The waste water treatment and water supply upgrades are required because our existing services don't meet new resource consent requirements. The Martinborough Town Hall does not comply with current earthquake standards so work must be undertaken to make it safe for community use.

Fees and Charges

The three Wairarapa Councils have reviewed their fees and charges with a view to aligning these fees and charges where possible. Please refer to Part 7, the Appendix, for a schedule of the proposed fees and charges.

Forecasting Assumptions Note

This summary and the full Draft Long Term Plan have been prepared using the best information available.

As with any forecast, there are assumptions made about future events. Please refer to the forecasting assumptions included in Part 4 for a discussion on the key assumptions.

LISTENING TO YOUR VIEWS

Formal consultation on the Draft Long Term Plan 2012/2022 will take place over the period Wednesday 9 May 2012 to Friday 8 June 2012

Council will be hosting informal public workshops at the following locations to present and discuss the Draft LTP with interested members of the public:

CONSULTATION		
LOCATION	VENUE	TIME/DATE
Martinborough	Council Chambers (Martinborough)	7PM, 14 May 2012
Featherston	Kiwi Hall	7PM, 15 May 2012
Greytown	Greytown Town Centre	7PM, 16 May 2012
Rural	Tuturumuri Hall	7PM, 17 May 2012

You are most welcome to attend and discuss the background and content of this Long Term Plan with Her Worship the Mayor, councillors and community board members.

Copies of the Draft LTP 2012/2022, the associated Summary of Information, and spare submission forms may be viewed at or obtained from the following locations:

- South Wairarapa District Council website *www.swdc.govt.nz*
- South Wairarapa District Council Office, 19 Kitchener Street, Martinborough
- Martinborough Public Library, 14 Jellicoe Street, Martinborough
- Featherston Library, 70 Fitzherbert Street, Featherston
- Greytown Library, 89 Main Street, Greytown

Tell Us What You Think

This Draft Long Term Plan (LTP) outlines Council's intentions for the 2012/22 period. It sets out what Council intends to achieve in the coming year for each significant activity, what the planned activities will cost and how they will be funded. We welcome your feedback on the proposals contained in this Draft Plan as part of our consultation process and before the Plan is finalised.

Written submissions on this Draft LTP 2012/2022 close at 5:00pm on Friday 8 June 2012. Submissions may be submitted in writing as follows:

Online: LTP Submission Form, www.swdc.govt.nz

Post: LTP Submissions, South Wairarapa District Council, P O Box 6, Martinborough 5741

Deliver: South Wairarapa District Council, 19 Kitchener Street, Martinborough

Fax: 06 306 9373

Email: *LTP@swdc.govt.nz*

Submissions on the Draft LTP 2012/2022 will be heard and deliberated on by Council at meetings to be held on Monday 18 June, Tuesday 19 June and Wednesday 20 June 2012 respectively. The actual number and duration of these meetings will depend on the number of submissions received, with the Wednesday 20 June 2012 meeting set down as a reserve day. Adoption of Council's final Long Term Plan 2012/22 is set down for Wednesday 27 June 2012.

All of the hearings and deliberations meetings will be held in the Council Chambers, 19 Kitchener Street, Martinborough, commencing at 9.30am, and will be open to the public.

Consultation on Other Policies and Papers

In Part 8 of this document are other papers and policies which are being consulted on at the same time as the Draft LTP. A separate submission form can be found in Part 8. Hearings and deliberations of these submissions will heard at the same time as Draft LTP submissions.

KEY PROJECT - WASTE WATER TREATMENT

1. What is wastewater?

Wastewater includes sewage from toilets, and water from handbasins, washing machines, sinks, the shower & bath and trade wastes.

2. Our goal for wastewater

"To collect, treat and discharge wastewater from the urban areas of Featherston, Greytown and Martinborough and the coastal settlement of Lake Ferry so as to provide public health protection with minimal effects on the environment."

How do we propose to do this?

a) Progressively reduce discharges into waterways in a sustainable and affordable way.

b) Introduce an irrigation system to help discharge treated effluent onto land, particularly over the drier summer months, boosting the productivity of the irrigated land and using the wastewater as a valuable resource.

3. Progress to Date

Since 2008, Council has been consulting about future wastewater management with representatives of Ngati Kahungunu ki Wairarapa, Rangitane o Wairarapa, Wairarapa Public Health, Department of Conservation, Fish and Game, Greater Wellington Regional Council and community boards.

Committees from Featherston and Greytown have met several times to discuss and progress scheme upgrades, consider options for the future, and recommend the preferred type of upgrade and timeframes for action. These committees have now been combined and include Martinborough representatives.

The draft strategy

An initial draft strategy has been developed with short, medium and long-term components which build on each other towards a long-term goal. This strategy has been consulted on with the community and Council have requested that additional work and consultation be undertaken before the strategy is adopted.

We need to investigate and develop effluent treatment and discharge options to a reasonable degree of certainty before committing resources. Resource consents will be phased to reflect the time needed to achieve this.

What we have achieved

Trials to improve pond treatment to a level that will allow the effluent to be irrigated onto pasture are underway at the Featherston oxidation pond. Once these trials are complete, Council should be able to decide the most effective system for stage 2 improvements and begin planning installations for each town.

A small (approx. 12.5ha) area of land adjoining the Featherston oxidation pond has been purchased. $1.5M has been spent on the current wastewater projects.

Summary of completed work to date

a) Installation of UV technology at Featherston to reduce bacteria is underway.

b) Construction of new channel and rock filter to bypass Papawai Stream at Greytown.

c) Trickling filters and floating treatment wetlands are being trialled at Featherston and will be assessed for later improvements (see below).

4. Timing and Costs

We need to do this project once and do it right. To get something this big to run smoothly requires a lot of planning, consultation and negotiation.

It is expected that the proposed wastewater upgrade will take more than 30 years to complete. The total cost may be in the order of $17 million depending on the final configuration. While this is a lot, it is far less than more sophisticated and complex treatment plants would cost. We plan to spread the cost over many years so the upgrade is affordable to the limited number of wastewater ratepayers funding the three schemes.

There will be a fine line between finding the best environmental solution and what is affordable to ratepayers. Only those ratepayers who are connected to or have access to a community wastewater scheme will pay for the upgrade.

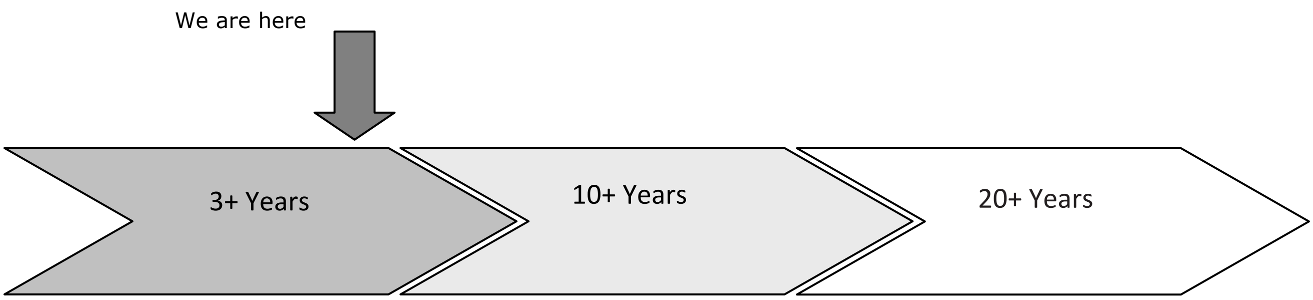
The water and wastewater activities are major parts of Council expenditure. Most wastewater ratepayers are also connected to a town water supply at Featherston, Martinborough or Greytown.

The project outline below summarises the whole wastewater project. The $6.1 million set aside in this LTP is in line with this larger project. The total project is estimated at $17 million dollars over the next 30 years. Accordingly there will be further cost increases of approximately $9.3 million, beyond the LTP 2012/22. In line with Council policy, this project will be funded by loan.

5. CONSULTATION

The wastewater project is a long term and costly project. The public and other interested parties have been consulted widely already and as such the general direction discussed is reasonably well understood. Included in this LTP is the best estimate of the project configuration based on previous consultation, and further decisions may need to be consulted on. One of the key variables is the nature and conditions that will attach to the resource consents granted. Cost is another variable that will influence future direction. If circumstances change to the extent the project configuration alters materially then further consultation may be necessary.

On the timeline



PROPOSED STAGES OF WASTE WATER STRATEGY		
STAGE 1 – SHORT-TERM	**STAGE 2 – MEDIUM-TERM**	**STAGE 3 – LONG-TERM**
Address immediate resource consent requirements.	Install high-benefit inflow & infiltration reticulation repair & control works, initially at Featherston & Greytown.	Complete remaining high priority/high-benefit reticulation inflow & infiltration works.
Ensure that all stages of the upgrade are compatible with and form a permanent part of the long-term solution.	Investigate potential sites for irrigation, both seasonal and year-round, as an option for future discharge.	Supplement irrigation on Council land with full summer discharge over suitable, available Council-owned or leased private land, remote from Council's treatment ponds.
Complete investigations, model, & undertake inflow & infiltration repair works to reduce excess inflow.	Obtain consents & irrigate some or all of the treated effluent onto Council-owned land during summer.	Work towards removing discharge of treated effluent to streams in winter. Construct wet-weather storage, subject to affordability & secure long-term lease arrangements for irrigation on private land.
Programme high-benefit inflow and infiltration reticulation control works, initially for Featherston & Greytown. Martinborough to be reviewed.	Establish lease agreements over suitable & available private land.	Establish any storage requirements on Council-owned land to lessen the risk associated with the potential change of use of leased land for irrigation.
Install UV treatment systems in each oxidation pond to remove or reduce risk of spreading disease from wastewater to humans & fish that use waterways near the discharge.	Install optimised treatment technology at all 3 wastewater sites.	Structure any future resource consent to allow discharge to streams as a contingency option during high-flow times, or when operational or capacity limitations are exceeded, or land-use arrangements are suspended.
Trial low-cost, high-benefit treatment technology that removes material (mostly algae), to allow the quality of the final effluent to be more suited to irrigation onto land.	Prepare resource consent applications, taking account of environmental & economic sustainability.	
	To begin with, discharge any remaining wastewater not used for irrigation to local waterways when the weather is wet & the rivers are running high.	

KEY PROJECT - WATER SUPPLY

1. What is Water Supply?

The water supply system comprises a water collection and storage system (including groundwater bores), filtration and treatment system, and reticulation systems.

What is the issue?

The Featherston emergency / supplementary supply is nearing the end of its useful life, and an alternative supply is required.

Greytown and Featherston water supplies do not comply with NZ Drinking Water Standards 2005.

2. Our Goals for Water Supply

"To provide reliable (as possible) and sustainable reticulated water supplies to the townships of Greytown, Featherston and Martinborough."

"To provide stock water race supply networks from the Tauherenikau and Waiohine Rivers."

"To encourage conservation of water and the wise use of this valuable resource."

How do we propose to do this?

a) For Martinborough - by achieving compliance with the NZ Drinking Standards 2007.

b) For Featherston and Greytown – by planning source and treatment enhancements for implementation as can be afforded and according to this Plan. Completion of these projects will result in compliance with NZ Drinking Standards 2007.

c) By maintaining and improving a demand management framework aimed at further reducing consumption of treated water.

3. Progress to date

An initial investigation into the options available for Featherston was commenced during 2012, and is due to be completed in 2013. A subsidy of $50,000 was received from the Ministry of Health to cover the cost of this work.

The Martinborough water supply upgrade will be completed by June 2012, to comply with NZ Drinking Standards 2007.

4. Timing and costs

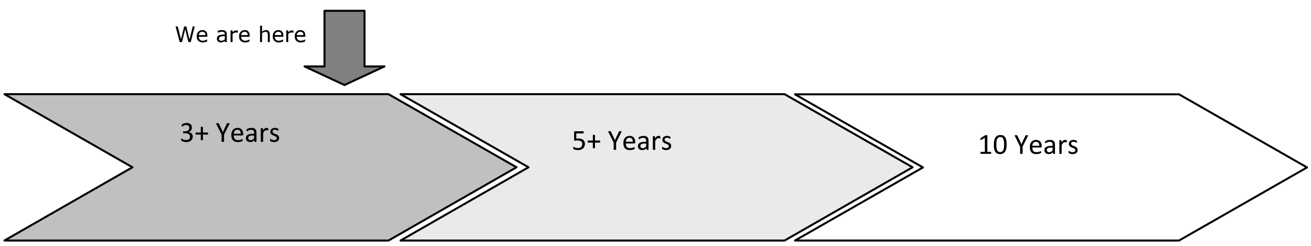
$806,000 has been set aside during the years 2014 to 2018 to cover the cost of the upgraded Featherston system. $186,000 has been allowed during the 2014 and 2015 years for the Greytown Bore UV plant, this is an estimate based on known solutions; the final configuration may differ. Completion of this project will result in compliance with NZ Drinking Standards 2007.

In line with Council policy, these projects will be funded by loan.

5. Consultation

There are few options available with regards to the configuration of the water supply system; as such there is limited opportunity for consultation.

On the timeline



PROPOSED STAGES OF WATER SUPPLY PROJECTS

STAGE 1 – SHORT-TERM	STAGE 2 – MEDIUM-TERM	STAGE 3 – LONG-TERM
Establish additional water source for Featherston and develop design options.	Confirm and fund initial improvement works for Featherston. Plan treatment options for Greytown to achieve DWSNZ 2005 compliance.	Complete all capital works for Greytown and Featherston community water supply.

KEY PROJECT - MARTINBOROUGH TOWN HALL

The Martinborough Town Hall is an unreinforced masonry structure built in 1912. It is listed as a Heritage Building in the Wairarapa Combined District Plan. An assessment of the Martinborough Town Hall has found that it is an earthquake prone building (EPB) under the current Building Act and that it would be a risk to life in the event of a moderate earthquake. The hall falls well below current standards designed to keep people safe.

District Council policy on earthquake prone buildings requires that the risk be removed within the next 10 years (by 2021).

This means either strengthening the building to improve its performance, or demolishing the building to remove the risk.

The hall belongs to the community, through the South Wairarapa District Council.

Martinborough Town Hall Circa 1920

1. Our Goal for the Martinborough Town Hall

"That strengthening and refurbishment of the Martinborough Town Hall be undertaken based on affordability in order to provide the residents of Martinborough with a civic facility that meets the community's needs"

How do we propose to do this?

a) Public consultation has already been undertaken to ascertain the thoughts of the district on the future of the hall.

b) Budget for funds to undertake the required strengthening work of the Hall so that it meets 100% of the current building code by 2021.

c) Work with the community to determine refurbishment needs and requirements and determine how these improvements can be funded.

2. Progress to date

A public meeting was held on 24 November 2011 to discuss options for the future of the hall.

Following the meeting the public were invited to make a submission on what they wanted Council to do with the hall.

Council considered 63 submissions from the community at an extraordinary meeting held on 24 March 2012. At the Council meeting on the 4 April 2012 Council agreed to fund the required strengthening work in stages but deferred a decision on funding refurbishment.

3. Timing and costs

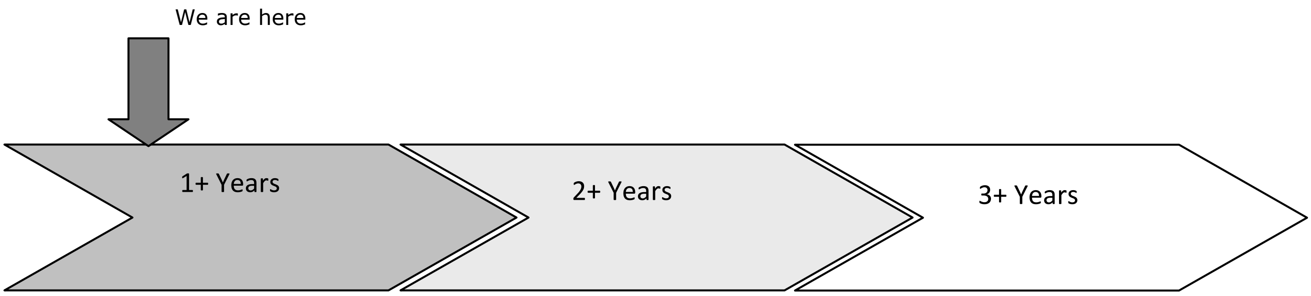
A total of $900,000, funded by loan, has been budgeted during 2013/14 for strengthening work to be undertaken; however the timing of this work will depend on the time taken on the design of the work required. Stage One strengthening work can be undertaken with no funds required for refurbishment, however Stage Two strengthening (included in the $900,000) needs to be undertaken in conjunction with refurbishment in order to minimise the cost. Before Stage Two strengthening can commence Council needs to work with the community to determine what type of civic facility the community wants, how best to achieve this requirement and how refurbishment is to be funded.

4. CONSULTATION

The key matters on this project have been consulted on previously, further discussion will be held regarding the refurbishment of the town hall. No allowance has been made in this LTP for the cost of this refurbishment.

On the timeline

Following is a timeline of how long strengthening and refurbishment of the Martinborough Hall may take.



PROPOSED STAGES OF MARTINBOROUGH TOWN HALL STRENGTHENING PROJECT		
STAGE 1 – SHORT-TERM	**STAGE 2 – MEDIUM-TERM**	**STAGE 3 – LONG-TERM**
Agree the future of the Martinborough Town Hall in consultation with the Community.	Undertake Stage One strengthening work.	Complete Stage Two strengthening work.
Budget funds in the LTP 2012/2022 for strengthening work to be undertaken.	Commence Stage Two strengthening work.	Complete Hall refurbishment.
Work with the community to determine refurbishment needs and requirements and how these improvements can be funded.	Commence Hall refurbishment.	

OTHER PROJECTS WE ARE CONSULTING ON

MARTINBOROUGH AND GREYTOWN TOILETS

The Martinborough and Greytown toilet blocks are outdated and require replacement.

Modern ablution blocks are now expected by the community and are especially important to visitors.

Refurbishment was considered, however replacement was considered the most cost effective option.

$200,000 has been set aside for each town, funded by loan.

Council feels there is little choice, or options for the upgrade of these toilets.

GREYTOWN BORE ULTRA VIOLET TREATMENT

Local Authorities are required to meet the latest (2007) drinking water standard by 2014. To achieve this the Greytown bore needs to have a UV plant fitted. There are no other options; $186,000 has been included in the LTP for this purpose and will be funded by a loan.

WATER RACE UPGRADE

This project relates to the upgrade of the Greytown stormwater system in relation to discharges into the Moroa water race and works required on Longwood and Moroa to ensure compliance with the consent conditions.

The regulation of stormwater into the Moroa water race is to prevent incidence of flooding caused through inundation and restricted access. This includes design and capacity planning for future years.

The options are to either leave the status quo, in which case the existing flooding points will remain, or undertake the project.

$206,000 has been allowed over the term of this LTP for the progressive upgrade of the system, funded from reserves

TRANSFER STATION UPGRADE

The Martinborough Transfer Station requires an upgrade to improve the handling of solid waste.

$136,000, funded from reserves, has been set aside for this project during the term of this LTP to improve the functionality for the contract to lower operational costs and to improve the usability for the customer.

These works include but are not exclusive to, traffic layouts, drainage and hard stand areas as well as screening and aesthetic works.

The options are to leave the transfer station as it is, or undertake the project. If this project is not undertaken, the existing inefficiencies and operating conditions will remain

STORMWATER RETICULATION UPGRADE

The general upgrade of stormwater systems is ongoing, including the design and hydrology for future planning of preventative works. Preventative works for localized flooding through inundation will be carried out in all towns through development of increased capacity of primary pits and pipes.

$1,678,000, funded by new loans, has been allowed over the term of this LTP. Final configuration of this project is not known; accordingly these costs may alter once the design work has been carried out

SOFTWARE SYSTEMS

SWDC's current local authority software suite has been terminated and must be replaced. $94,000 has been set aside for this project.

For the following project Council has a choice of doing nothing, or progressing with the projects below. Council's preferred option is to undertake the projects.

$200,000 has been included in this LTP for the purchase and implementation of an electronic data and records management system.

PROJECTS SUMMARY

The following table summarises the key and significant projects Council are undertaking.

We have also included a column of possible projects for the district and their estimated costs. These projects have been identified by various stakeholder groups through LTP workshops.

Roading maintenance is an ongoing activity and as such is not shown here. There are no new roading projects planned for the coming period.

CAPITAL PROJECTS	2012/13 $000	2013/14 $000	2014/15 $000	2015/22 $000	10+ YEAR POSSIBE PROJECTS
KEY PROJECTS					
Urban wastewater treatment	391	973	781	3,975	9,300
Water Supply	31	108	112	586	
Martinborough Town Hall		900			
OTHER PROJECTS					
Amenities					
Martinborough Toilet Upgrade	200				
Greytown Toilet Upgrade		200			
Water Supply					
Greytown bore UV treatment		130	56		
Water race upgrade	16	43		147	
Solid Waste Management					
Transfer station upgrade	26		54	56	
Stormwater Drainage					
Reticulation Upgrade		208		1,471	
Corporate Support					
Local Authority software suite replacement	294				

OTHER MATTERS FOR CONSULTATION

The following is a summary of the other issues we are consulting on – refer to Part 8, commencing page 161, of the Long Term Plan for more detail.

LOCAL GOVERNMENT FUNDING AGENCY

SWDC is considering participating as a borrower from the New Zealand Local Government Funding Agency Limited (LGFA).

The LGFA is being established by a group of local authorities and the Crown to enable local authorities to borrow at lower interest margins than would otherwise be available. The LGFA will be recognised in legislation, which will modify the effect of some statutory provisions.

SWDC has modified its **Borrowing** and **Liability** policies to enable participation in LGFA.

Please refer to Part 8 of the LTP for more detail.

WASTEWATER POLICY

SWDC is proposing no change to its Wastewater policy, but will be developing a series of protocols to provide more financial flexibility where ratepayer owned sewer laterals (i.e. the pipe from the sewer main to the property and the connection to the main) require repair. This change will allow Council to assist in the road opening costs in certain circumstances.

Please refer to Part 8 of the LTP for more detail.

REGIONAL AMENITIES FUND

The councils in the Wellington region, including SWDC, propose the establishment of a Regional Amenities Fund (the Fund). The Fund is intended as a 'top up' funding mechanism for entities that provide regional benefits primarily in the arts, culture and environmental attractions and events sectors. Individual councils would continue with their existing investments into local amenities.

Please refer to Part 8 of the LTP for more detail.

PROJECTS AND ISSUES BY SIGNIFICANT ACTIVITY

GOVERNANCE/LEADERSHIP/ ADVOCACY

Council will continue to advocate issues on behalf of its community. This includes having a voice on the Wellington Regional Growth Strategy, working collaboratively in a joint committee with Carterton and Masterton District Councils in administering the Wairarapa Combined District Plan, and participating in shared services with neighbouring councils in the interests of achieving possible cost savings.

Projects

- Review of South Wairarapa District Council's Funding Policy. Ideas being considered are targeted rates for local economic development.
- Council will continue to work with other Councils in developing shared services in a number of areas. Due consideration will also be given to the possibility of amalgamation with the neighbouring local authorities.
- The representation review held in 2005/2006 was guided by information gathered from voters at the time of the local government elections in October 2004. The next representation review is 2011/2012

Issues

- The continuing changes in legislation which in many instances are giving extra responsibilities to local government without additional funding, places added pressure on ratepayers, especially in smaller councils like South Wairarapa.
- The LTP is an evolutionary process and work will need to be continuing and ongoing, at both political and management levels, to ensure that audit requirements are met. Greater co-ordination of community outcomes work between councils in the region is evident in this version of the LTP.
- It is important that Council acknowledges the possibility that the economic situation will worsen during the next 6 to 18 months. It will be necessary for the Council to monitor the situation so that financial adjustments can be made if necessary. It will also be necessary for Council to be prudent in managing its limited funds and in the control of debtors.
- Climate change will continue to be a major global concern and will need to be considered as a factor in decision making to ensure that Council's activities are sustainable and environmentally sound. Council will be cognisant of the approaches taken by other Territorial Authorities and Central Government on these issues. No specific provision for impact of climate change has been made in this LTP.
- Council uses a mix of sinking funds and table loans to fund debt. Sinking funds involve raising and holding funds which are used to repay long term loans in future. Table loans repay interest and principal over the term of the loan. Council considers that loans are the best method to ensure intergenerational equity by spreading the rates across the life of assets funded through debt.

PUBLIC PROTECTION

This year there are likely to be changes to the three key pieces of legislation relating to public protection: The Sale of Liquor Act, the Food Act, and the Building Act. The Council will work with the other local authorities in the region and with central government to review and update our processes to implement any new requirements.

The Council has maintained their registration as a Building Consent Authority and is an accredited Building Control Authority. To maintain accreditation we are required to have external auditors to come and review our processes and practices every two years. We have allocated $20,000 in the budget for this work.

Projects

Bylaws are an important mechanism for ensuring public protection. During the term of this LTP Council will continue to review our bylaws to ensure they are meeting the needs of residents and visitors to the district.

Scanning of building files will commence during the year. This project will take a number of years.

Issues

- For businesses in the district this may mean changes to the way we issue food and liquor licences. We will be working closely with business owners and operators to make sure they have time to adapt to any changes.

- The Wairarapa Combined Rural Fire District (WCRFD) will provide the rural fire needs for the South Wairarapa district. The WCRFD is a contractor to SWDC, and this model is seen as a positive change by having one body responsible for rural fire across the district.

ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT

Regionally Council will continue to support economic development through the Wellington Regional Strategy, Grow Wellington and other agencies and local business groups.

Council will also continue to support and promote district tourism through its funding of Destination Wairarapa and Aratoi.

Projects

- Greater emphasis on economic development both regionally and locally through the Wellington Regional Strategy, Grow Wellington, Destination Wairarapa and other agencies and local business groups.
- The Southern Wairarapa Safer Community Council (SWSCC) was formed by Carterton and South Wairarapa District Councils in response to an earlier central government initiative. "Life to the Max" is a project being undertaken by SWSCC under an integrated contract with a number of central government agencies and targets problematic young people and their families. SWDC supports the World Health Organisation concept of 'Safer Wairarapa'.
- Council will continue to be business friendly and encourage economic development.
- Council has provided a modest budget of $31K for town centre development. This is funded out of the amenities budget.

Issues

- Deriving funds for many organisations continues to get harder. Changes to people's working lives also makes it harder for organisations to get volunteers. Council is experiencing increasing demands for grant funding and for this reason council has revised and tightened its criteria for disbursement of funds. Funding will be disbursed where the greatest benefit is derived.

RESOURCE MANAGEMENT

In 2010/11 the Wairarapa Combined District Plan became operative. It is the first combined plan in New Zealand and provides for much greater consistency across the Wairarapa in relation to resource consent requirements and decisions.

The new plan meets the public expectation that planning of the district will maintain the rural nature for the area but allow for a sustainable South Wairarapa. This will be an ongoing challenge for Council.

Projects

- The three Wairarapa Councils have started the process to change parts of the operative plan where the need for a change has been identified but has been on hold waiting for the plan to become operative.
- During the 2012/13 year we will be reviewing our Coastal Reserve Management Plan. In 2013/14 we will review the Rural Reserve Management Plan. We will also be putting in place the processes to make sure that all of the Council's reserve management plans are translated to appropriate on-the-ground works and maintenance in our reserves. We will also work with the community to develop a consistent approach to how volunteer groups can be involved with Council reserves.

Issues

- The District Plan sets rules for development, which by their very nature will not meet everybody's expectation on every occasion. Consultation with Iwi and tangata whenua on issues of cultural significance is important and will continue to be undertaken.
- Administration of the Resource Management Act (the Act) requires significant resource. No quantifiable changes to the Act have been identified; however any changes that are made during the term of this LTP may have a significant impact.
- Resource consent applications are generally impacted by matters outside Council's control, however if lower than anticipated applications are received then revenue may be impacted.

AMENITIES

Asset management planning for buildings and reserves will be a focus for 2012/13. It is important to know the real lifetime costs of facilities such as playgrounds, halls, and pools to ensure their continuance and upkeep through appropriate allowances.

The libraries in the district are operated as part of the Wairarapa Library Service, a combined operation with the Carterton District Council.

Parks and reserves including sports and playgrounds are subject to Council's Smoke Free Policy. South Wairarapa District Council's reserves and open spaces are considered to be part of the regional open space networks.

Council will continue to monitor usage of coastal reserves over the summer months.

Projects

- Documentation of work required to strengthen Council buildings to the required earthquake standard. Consideration also needs to be given to council facilities operating in buildings not owned by the council but requiring upgrading.
- The Greytown campground is an iconic part of Council's reserves. In 2012/13 an updated lease and facilities upgrade will be fundamental to the continuation of the opportunities the site provides.
- Work is in progress so that all major reserves and parks have management plans which set out the orderly development and use of the facilities. These are being progressively implemented to provide children's playgrounds, tree planting and leisure facilities. Reserve management plans already adopted will also be reviewed as necessary.
- Investigation into shared library services with all Wairarapa councils.
- Investigation and purchase of a new library management system.
- Further development of reserve management plans and reviewing the existing reserve management plans will be carried out.
- Options for the efficient heating of swimming pools will be considered during the early years of this LTP.

Issues

- Martinborough and Greytown toilets will be improved during the term of this LTP.

LAND TRANSPORT

Roading is a vital element to enable social and economic development. With a vast road network and limited money consideration needs to be given to sustainability of maintaining roads over the long term.

Public transport is a significant factor for many in South Wairarapa. This is particularly relevant when considering the vast area of the district, and the relatively wide spread of the small population. The December 2008 consultation indicated that the majority of residents were happy with the service they were receiving.

Rail services combined with bus service are a key element in the future of the Wairarapa. Tranz Metro is vital for the significant commuter traffic from Wairarapa to Wellington. Trains are now equipped with new carriages and additional train and bus services were introduced last year. Council is seeking additional weekend train services through GWRC's LTP process. NZTA advises that recently, agreement has also been reached to provide rail services from Wairarapa to Wellington for logging which will increase significantly in the next 10 years. This will greatly assist in reducing some road traffic over the Rimutaka Hill Road.

Roading in the district is vital, not only for car traffic which is the primary means of transport for most residents and visitors, but also for commercial traffic which is essential to service major industrial and agricultural enterprises, particularly farming. Farming has for many years been the major production provider in the district and this is expected to continue despite the current recession and increasing wine and tourism sectors.

Council will promote walkways where the community groups come up with viable proposals and where funding is available.

Travel demand management initiatives such as development and uptake of school travel plans will be promoted through funding the Enviroschools programme and developing a walking and cycling strategy.

Projects

- In 2011/12 Council will focus on applying to attract maximum subsidies in the areas of drainage, bridging, road safety and maintenance.

Issues

- South Wairarapa has a large road network per head of population.

	POP	ROADS (KMS)	AVG LENGTH PER PERSON
Masterton	23,200	803	0.03417
Carterton	7,260	429	0.05909
South Wairarapa	9,120	653	0.06931

- Dust nuisance on gravel roads is a major concern to the rural people, however due to the removal of the NZTA seal extension subsidy on all road classes, including Special Purpose Roads, no new sealing will be undertaken, except where eligibility for a subsidy can be achieved through other mechanisms e.g. road safety.

WATER SUPPLY

The Council will work to improve the water supply in the three main towns.

Water is a precious resource which is going to be under increasing pressure in the future. In addition, the lack of suitable alternative sources of water supply and regulations requiring high standards with regard to health are factors which Council has to take into account. Council has actively encouraged water conservation measures by installing meters, education and promotion of alternative supplies for garden use, irrigation and similar activities. Other water conservation measures such as leak detection and pressure reduction will also be trialled.

Because of the above factors, Council has limited its area of water supply to the defined urban areas only. The existing water supply system has the capacity to enable infill development within urban areas but can not provide supply to any development in the rural areas around the towns. Therefore outside the urban areas, it will be the individual residents or the developers' responsibility for supply. Town water supply connections are provided in conformity with Council's Town Water Supply Policy. Water supply lateral connection from the toby and into the property is the respective owners' responsibility.

Projects

- A review of the Council's water supply and maintenance contract will be undertaken to look at the form of service delivery and the levels of service supplied.
- Town water supplies must be upgraded to meet the requirements of the Health (Drinking Water) Amendment Act 2007, by 2014.
- Subsidies will be sought for the Featherston water supply to ensure the Featherston/ Greytown water supply is robust enough to cope with current and future demand and for maintenance and other outages.

Issues

- Upgrading the water supply will be a major capital expenditure item in the next three years which will increase rates.
- The current annual allowance of 300 cubic metres per title will be reviewed to ascertain whether this level is set at the correct level.

SOLID WASTE MANAGEMENT

With a new waste management contract in place at the end of 2010/11 the three Wairarapa councils have the opportunity to work together as one to achieve better service for residents and better environmental outcomes. This also supports the goals in the Wellington region Waste Management and Minimisation Plan. Waste Minimisation Levy funds are applied to analysis of solid waste, recycling, education, advertising and other projects.

The three Wairarapa councils have combined contracts for transportation and disposal of waste at Bonny Glen landfill.

Council has been proactive in encouraging recycling and will continue to support initiatives to foster this area of waste minimisation. While waste reduction has started there is a long way to go.

Projects

- Provision for the upgrade of transfer stations is included in this LTP.

Issues

- Review of rubbish collection and recycling service delivery will be carried out to address the rubbish problems in rural areas. The Waste Minimisation Act 2008 requires a levy of $10 per tonne to be applied to all rubbish.
- The Waste Minimisation Act 2008 requires the Council to collect a levy @ $10.00 / tonne of waste and became effective on 1 July 2009. The requisite provision has been included in this Plan. This levy applies to house hold rubbish collection also. This levy and associated administration cost will add to the rates. Council is already committed to waste minimisation and will continue to promote it further.

- Illegal dumping of rubbish in rural areas is a major problem, Council continues to monitor this.

WASTE WATER (SEWERAGE)

Working towards increased waste water disposal to land is a target, along with balancing the economic and environment impacts of the treatment and disposal. There is a commitment to making sure that our operation and consents are pragmatic; meet the needs of residents; and allow for adoption of more efficient and effective approaches as they become achievable.

As for water supply, Council has limited its area of sewer connections to the defined urban area; beyond this it will be the individual resident's or developer's responsibility for sewage disposal, as it is in the rest of rural areas. Sewer connections are provided in conformity with Council's Sewer Connection Policy. Sewer lateral connections from the Council sewer mains to individual properties is the respective owner's responsibility.

There are areas in each of the towns where older pipes and flooding can cause problems with inflow and infiltration. The ongoing cyclical replacement programme will continue as will the development of measures to counter flooding effects.

Projects

- Refer to the key community project - waste water treatment project for more detail.
- Council will apply for the resource consents needed for the three main towns' wastewater treatment plants.
- Alternative effluent disposal systems such as discharge to land for the waste water systems in the three towns are being investigated to meet GWRC's discharge standards. This will be the most significant capital expenditure item in the next three years. To ensure that our wastewater system is sustainable now and into the future, we are looking at new solutions which address these concerns.
- Resource consent renewal applications for Featherston and Martinborough are being processed by GWRC and the Greytown consent is progressing well. The affected parties are being consulted and the feedback especially from Iwi Authorities and Papawai Marae suggests that continuation of discharge to river/stream would not be acceptable and they expect the Council to take an integrated approach to find an alternative solution such as discharge to land. Therefore ongoing investigation into a wide variety of alternative disposal systems for the three towns to meet the discharge standards required and land acquisition for Featherston are continuing.
- We will also be looking at how to reduce infiltration into the sewer system which puts a high load on the treatment plants and increases costs. We may achieve some of this through customer education and a review of policy. In addition the reticulation system will also be upgraded to stop infiltration and inflow of stormwater. That will result in a significant increase in sewage rates to meet the capital and operational costs over the term of this LTP. This increase is likely to be from the current (2011/12) level of $341.00 to $607.00.

Issues

- Wastewater from Greytown, Martinborough and Featherston is treated in oxidation pond systems which were built in the early 1970s. Treated effluent from these is discharged into our rivers and streams.
- The discharge of treated effluent to our rivers and streams is of concern to our community, and may have a negative impact on the environment and public health and safety.
- Implementing alternative wastewater systems for our urban areas can not be avoided and may be in the order of $17 million depending on the final configuration. Because of the expected costs of the wastewater systems and the need to keep rates increases down, other projects funded by general rates need to be kept to a minimum.
- A number of sustainability issues are outlined in the LTP, particularly concerning water and sewerage which have required definitive consideration by Council. Sustainability conversations will be ongoing to ensure that the district can meet expectations for sustainable development into the future.

STORMWATER DRAINAGE

It is Council policy that all stormwater from buildings is disposed of onsite through soakpits. The low density of development and the soil type generally means there are few stormwater problems. The Council will continue to monitor the situation to ensure the policy continues to be effective. Council will also respond to ongoing or significant issues of water ponding on roads.

Design and operational considerations for the stormwater system are fundamentally different from other piped services such as water supply and wastewater. For those services, the peak loading on the system can be estimated and designed for.

Projects

- The public stormwater system has been designed to provide protection to existing properties which represent high flood risks due to their design and location.

  The stormwater system will be designed to limit, as far as practicable, future maintenance requirements and the discharge of pollutants from the system.

Issues

- Stormwater drainage work will continue to have increased emphasis. Alternative drainage routes will be investigated to bypass the drains going through the towns (Greytown and Martinborough) where possible.
- The stormwater system cannot provide protection against all foreseeable storm events and aims only to provide a level of protection accepted by the community as being reasonable.
- The actual timing of asset development works will reflect the ability of the community to meet the cost as determined through the annual planning process. As storm water from rural areas goes through the towns due to natural topographical conditions, especially in Martinborough and Greytown, upgrading existing drains provides practical difficulties. Alternative routes for stormwater drains in these towns will be investigated.

FINANCIAL STRATEGY AND FINANCIAL OVERVIEW

South Wairarapa District Council is a small rural local authority, with a relatively high infrastructural asset base per capita, and a relatively small rate base.

The financial strategy, set out in Part 5 of the LTP includes the following highlights:

- Little if any population growth.
- No significant change in land use.
- An aging population.

Small local authorities generally have very little discretionary expenditure and are therefore required to focus heavily on maintaining current service levels and their infrastructural asset base.

The LTP reflects this focus, and we are confident the plan will ensure the longevity of the asset base and maintenance of service levels while retaining financial health.

At the same time, Council is cognisant that raising debt locks ratepayers into repayments for 20 to 25 years and takes a prudent approach to raising debt. Debt raising is generally only undertaken for new assets, replacement of existing assets should be made from depreciation reserves built up for that purpose.

Financial sustainability is fundamental to the long term sustainability of the district, and while this plan has steered away from being austere, the limited revenue base compared to the high asset base requires very careful consideration of operational and capital expenditure.

The forecasts have been prepared on the basis that, as a minimum, existing levels of service will be maintained. The rates and other revenue requirements set out in this LTP are set at levels that will achieve this goal.

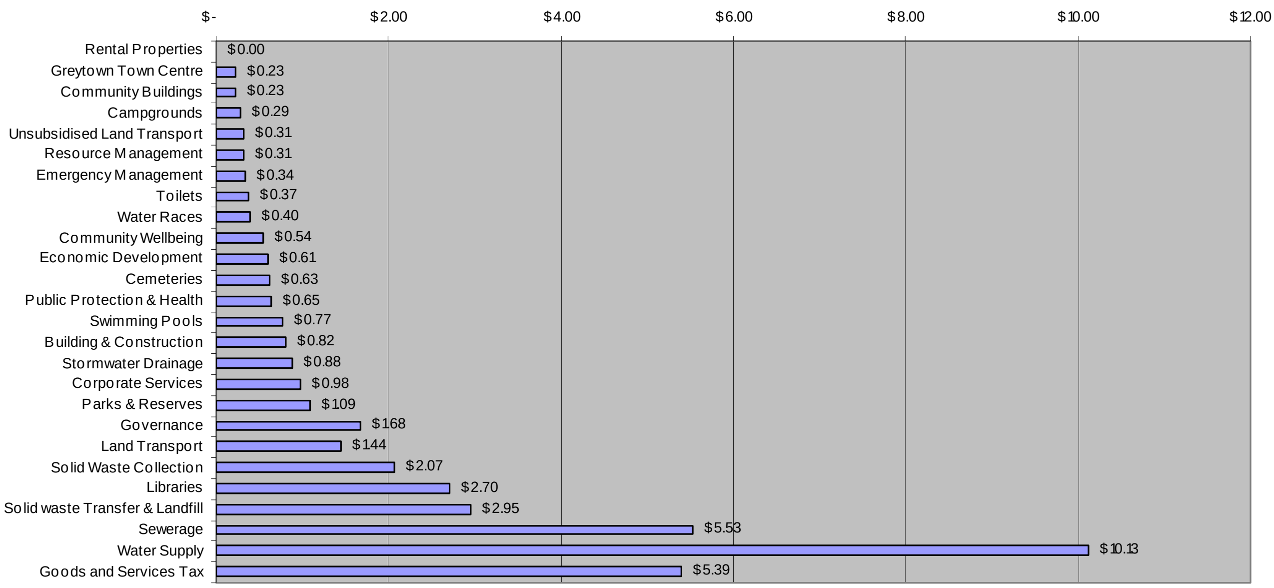
WHAT YOU GET FOR YOUR RATES

RATES EXAMPLES (INCLUDING GST)						
	COMMERCIAL $		URBAN $		RURAL $	
	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
Low Value						
Land Value	100,000	100,000	125,000	125,000	240,000	240,000
General rate	344	442	215	276	466	497
UAGC	487	529	487	529	487	529
Reserves & Civic Amenities	243	188	243	188	116	96
Water	646	638	646	638		
Sewer	347	366	347	366		
Refuse	129	124	129	124		
	2,195	**2,287**	**2,066**	**2,121**	**1,069**	**1,122**
% Increase		**4%**		**3%**		**5%**
Medium Value						
Land Value	150,000	150,000	250,000	250,000	600,000	600,000
General rate	515	664	430	553	1,165	1,242
UAGC	487	529	487	529	487	529
Reserves & Civic Amenities	243	188	243	188	116	96
Water	646	638	646	638		
Sewer	347	366	347	366		
Refuse	129	124	129	124		
	2,367	**2,509**	**2,281**	**2,398**	**1,768**	**1,867**
% Increase		**6%**		**5%**		**6%**
High Value						
Land Value					4,000,000	4,000,000
General rate					7,767	8,282
UAGC					487	529
Reserves & Civic Amenities					116	96
Water						
Sewer						
Refuse						
					8,370	**8,907**
% Increase						**6%**

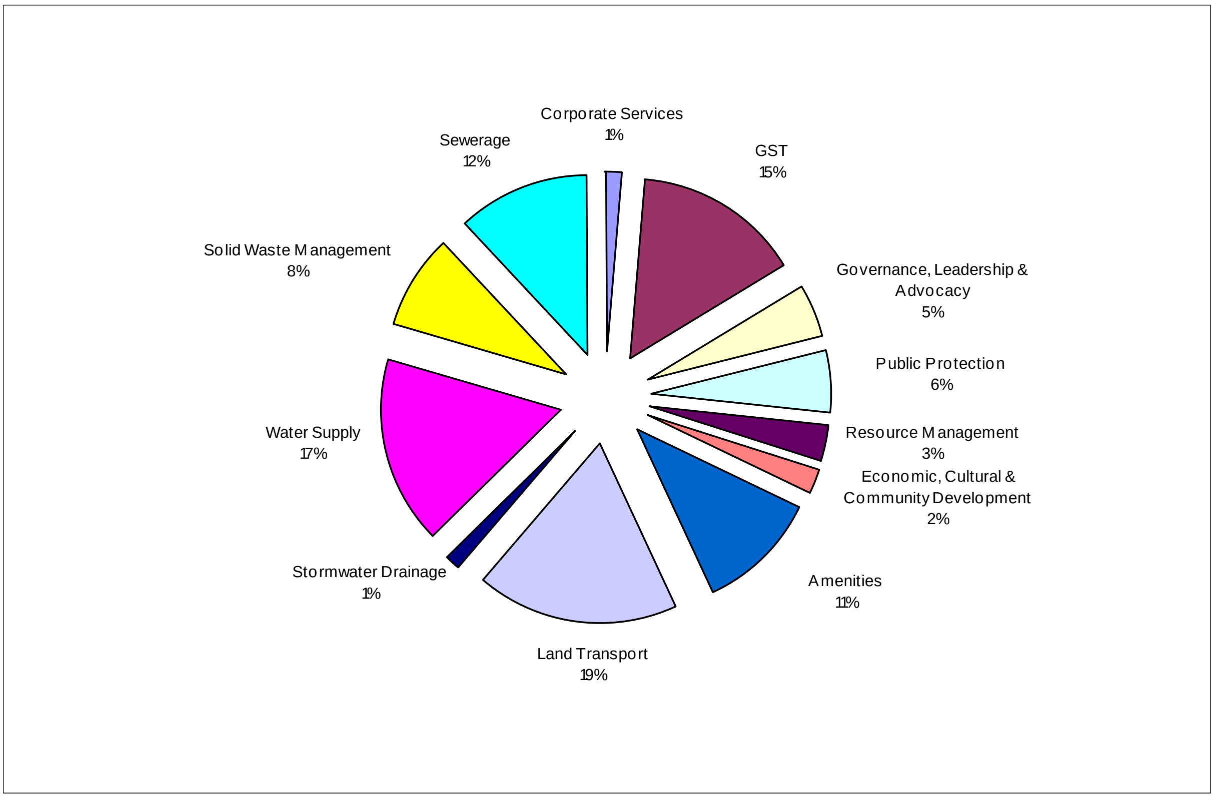
RATES AND CHARGES (Excluding GST)	2011/12	2012/13	CHANGE %	CHANGE
General Rates - Commercial rate in dollar of LV	0.003004444	0.003846449	28.03%	0.00084200
General Rates - Urban rate in dollar of LV	0.001502222	0.001923224	28.03%	0.00042100
General Rates - Rural rate in dollar of LV	0.001697778	0.001800344	6.04%	0.00010257
UAGC	426	460	8.04%	34
UAC Urban	212	163	-23.05%	-49
UAC Rural	104	83	-19.73%	-21
Water Charge	564	555	-1.71%	-10
Sewer Charge	303	318	5.00%	15
Refuse Collection Levy	113	108	-4.48%	-5

INDICATIVE RESIDENTIAL RATES

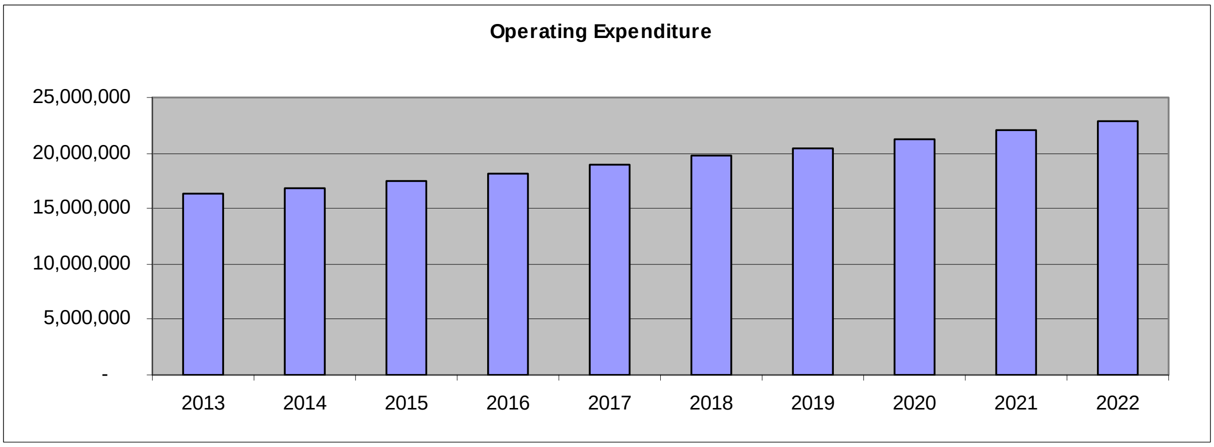
For 2012/13, the rates levy on the average value South Wairarapa home in the urban area will be in the order of $2,150 or about $41.35 per week. The indicative rates levy per week (on average) is presented graphically below for each service of Council.



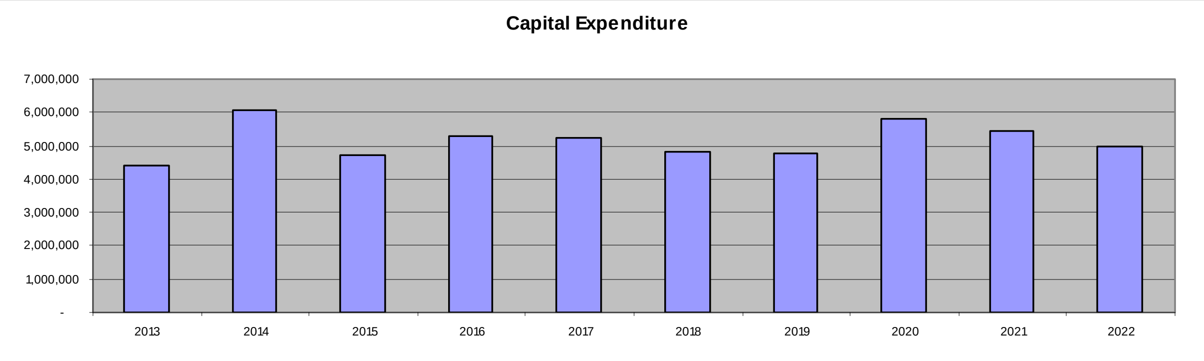
LTP RATE FUNDING 2012/13



The following graph represents how operating expenditure is projected over the term of this LTP.

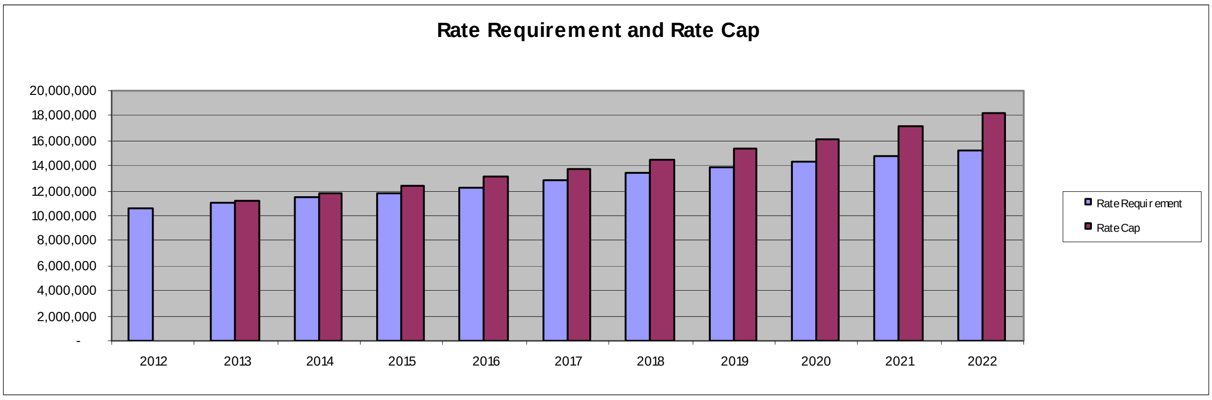


The following graph represents the projected capital expenditure flows for the term of this LTP.



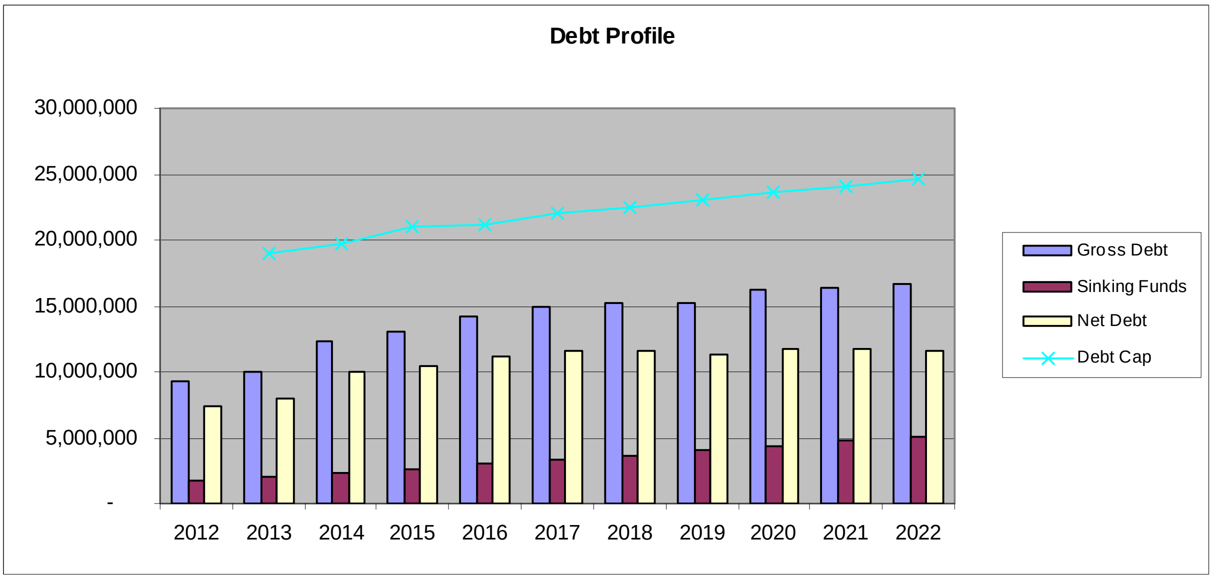
Rates Cap

The following graph summarises the forecast rate requirement for the term of this LTP, and the rates cap proposed by SWDC. The rates cap is set at 2% above the Local Government Cost Index. Council is required by legislation to include a statement on quantified limits on rates. The Local Government Rates Inquiry suggests that around 50% of a council's operating revenue should be taken from rates. Currently, Council draws about 67% 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.



Debt and Debt Cap

The following table highlights gross debt, sinking fund levels, net debt (gross debt less sinking funds), and the debt cap set by Council.



Part 3
Significant Activities

SIGNIFICANT ACTIVITIES INTRODUCTION

The community outcomes define the future shape and form of social, cultural, economic and environmental well-being for the district.

Council, along with other key stakeholders, have a role in promoting the sustainable well-being of its district community. Well-being is achieved through the collective application of Council's ten significant activities:

- Governance/Leadership/ Advocacy
- Public Protection
- Economic, Cultural & Community Development
- Resource Management
- Amenities
- Land Transport
- Water Supply
- Solid Waste Management
- Sewerage
- Stormwater Drainage

Each significant activity comprises a number of sub-activities. The scope and cost of providing each significant activity is determined through a series of agreed levels of service. The quantity and quality of each level of service translates into cost – generally the higher the service the higher the cost. In a number of cases, the minimum levels of service are determined by statutory and regulatory compliance rather than community requirements.

The following section defines the services, costs and performance indicators for each significant activity. Council is satisfied that the level of funding provided in this Long Term Plan will at least maintain the levels of service established in the 2009/2019 LTCCP, except for provision of road seal extensions which has been discontinued following the withdrawal of NZTA subsidy. In addition there is provision for increased levels of service in water supply (Featherston emergency/supplementary supply) and waste water with significant extra cost associated with the increased levels of treatment and disposal.

GOVERNANCE/LEADERSHIP/ ADVOCACY

1. DESCRIPTION

The Local Government Act 2002 defines the purpose of local government which is to:

- Enable democratic local decision-making and action by, and on behalf of, communities; and
- Promote the social, economic, environmental and cultural well-being of communities, in the present and for the future.

While Council provides a limited range of services compared with the larger local authorities, its leadership and advocacy on behalf of the community is a major role for Council. Such leadership and advocacy can cover a very wide range of issues important to the community.

Governance is the means for collective action in society, responding to and guiding change that is beyond the capacity of private action. Council believes it has carried this out appropriately and will continue to do so.

The governance model under the Act is representative democracy. The community elects individuals to make judgements on behalf of the community about what will promote well-being. Although the model is one of representative democracy there are strong elements of citizen participation.

There are 3 elements to governance under the Act, these are:

- Representing the community.
- Strategic planning and policy development.
- Monitoring performance.

Representation

This involves the provision of leadership and governance of the District through the Mayor's office, the Council/committee structure and the three community boards at Greytown, Featherston and Martinborough. The Mayor is elected "at large" by the district as a whole, irrespective of the existence of wards, and chairs the meetings of full Council. The Mayor is usually appointed to be the spokesperson on behalf of the Council on decisions and policies made by the Council.

In the interests of efficiency, and to provide separation between the Council's regulatory and non-regulatory roles, the Council may choose to establish committees. Representation on and delegations to committees is decided by the Council, usually after each triennial election. A committee chairperson is responsible for presiding over meetings of a committee and ensuring that the committee acts within the powers delegated by Council.

The chairs of Council committees and the three community boards are elected from within by each of the respective committees/community boards.

The South Wairarapa District Council currently operates three publicly notified committees as follows:

- The Planning Hearings Committee.
- The Maori Standing Committee.
- The Policy and Finance Committee.

A number of operational committees, working parties and focus groups also meet. Council and community board meetings are held six weekly and the Planning Hearings Committee meet as required.

A fundamental role of the Council is to represent the views of its electors. It differs from the governance role in that the latter is about decision making on matters before the Council, whereas representation encompasses being accessible to the community to receive and understand their views, and if appropriate explain Council reasoning behind a particular decision or policy to those who might be interested. Representation also includes representation of Council through membership of various Council and community organisations.

Strategic Planning and Policy Development

This involves carrying out long term and annual planning for the district and producing plans which reflect the Council's role and level of involvement in helping to achieve the community outcomes. The Long Term Plan is produced on a three yearly cycle.

Communicating and consulting with the community is fundamental to the Council's strategic planning role. Formal consultation is required before certain decisions can be made. The trigger for the extent of consultation is determined by Council based on the extent to which the Council is already aware of the issues, the interests of those affected by a particular proposal, and the regard to the circumstances in which a decision is being made.

The activity also involves planning and strategy development for urban and district growth to ensure growth is sustainable and infrastructural planning for the future can be carried out with certainty within clearly defined boundaries. Reviews of the District Plan are included in this activity. Policy development arising from this activity provides the framework for the community's strategic direction.

Monitoring and Reporting

Monitoring of community outcomes takes place on a three-yearly cycle. The objective is to measure the impact of Council's role and programmes on achieving the outcomes, and to report on the progress made.

After each financial year the Council is required to prepare an Annual Report setting out information on the level of achievement against the key financial and performance targets for the year ended 30 June. The Annual Plan identifies what the Council plans to do over the next 12 months. The Annual Report explains what actually took place and the financial position at year end.

The remuneration and expenses for the Mayor, Councillors and Community Board Members are set independently for each Council by the Remuneration Authority.

2. Community Outcomes to Which the Activity Contributes

The community outcomes to which the Governance/Leadership/Advocacy activity contributes are described in the table below:

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	**HOW GOVERNANCE / LEADERSHIP / ADVOCACY CONTRIBUTES**
Healthy & economically secure people	By demonstrating leadership and advocacy for the community with regard to health services, social services etc
	By continuing the provision of housing for disadvantaged older people
	By encouraging people to be active
Educated and knowledgeable people	By demonstrating leadership and advocacy for the community with regard to education and by the provision of good information
Vibrant and strong communities	By demonstrating leadership and advocacy for the community with regard to policing and community safety
	By demonstrating pride in the District and a sense of belonging
	By demonstrating sound and considered governance by Council
Sustainable South Wairarapa	By demonstrating leadership and advocacy to ensure economic development and environmental management go hand in hand
A place that's accessible and easy to get around	By demonstrating leadership and advocacy in all forms of land transport that will assist the community
	By continuing to provide and improve the District's roading network

3. The Activity Goal and Principal Objectives

The governance/leadership/advocacy activity goal is:

a) To provide for the governance, leadership, advocacy and policy making activities in the South Wairarapa District.

Council's principal objectives are:

a) To be a vigorous advocate for issues of concern to the community and demonstrate leadership in carrying out its work.

b) To demonstrate sound and considered governance.

c) To develop good policies in order to guide its work in a consistent manner.

d) To assist in co-ordinating the many different actions of central government, education providers and businesses to make Council's vision a reality.

e) To have strategies and planning which will be keys to success, as will new and innovative ways of doing things.

f) To encourage and facilitate public consultation and opportunities for effective public partnership in Council's decision making process.

g) To keep people informed and hold a sound database of information.

h) To use best practice to achieve measurable results and to continue to make South Wairarapa a great place in which to live and to work.

i) To work with others (councils included) in partnerships to achieve best results for South Wairarapa and also Wairarapa as a whole.

4. Assets we Look After

The only asset under this activity is a motor vehicle.

5. PROJECTS FOR 2012/13

The governance/leadership/advocacy projects for 2012/13 include:

- Completion of the Annual Report for 2011/12.
- Complete the review of Council's Revenue and Financing Policy.
- Planning, consultation and adoption of the Long Term Plan for 2012/22.
- Continuation of the governance review.

6. PROJECTS FOR 2014/15 AND BEYOND

There are no specific projects identified under this activity for 2014/15 and beyond.

7. SIGNIFICANT NEGATIVE EFFECTS

There are no identified significant negative effects this activity will have on social, economic, environmental, or cultural well-being of the local community.

8. STATEMENT OF SERVICE PERFORMANCE

MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)					HOW IT WILL BE MEASURED
		BASELINE 2005	2012/13	2013/14	2014/15	2016/19 – 2021/22	
Opportunities are provided for the community to have its views heard	Ratepayers and residents feel they can contact a Council member to raise an issue or problem	52%	75%	75%	75%	80%	NRB Survey 3 yearly*
	Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views	63%	75%	75%	75%	80%	NRB Survey 3 yearly
Council determines what activities it should engage in through consultation and regulatory requirements then sets clear direction	Ratepayers and residents are satisfied with Council's decisions and actions	39%	50%	50%	50%	65%	NRB Survey 3 yearly
	Ratepayers and residents are satisfied with how Council allocates rates/funds to be spent on the services and facilities provided (target peer group age)	77%	78%	78%	78%	80%	NRB Survey 3 yearly
Community Boards make decisions that consider local issues	Community Board decision - making reports on local issues	(New)	90%	90%	90%	92%	Community Board reports and minutes
	% of ratepayers and residents who know how to contact a community board member	(New)	65%	65%	65%	75%	NRB Survey 3 yearly
Opportunities are available to raise local issues and understand what will happen as a result	Ratepayers and residents satisfied with the way Council involves the public in the decision it makes	(New)	50%	65%	65%	75%	NRB Survey 3 yearly
Opportunities are available to raise issues relating to Maori through the Maori Standing Committee	The Maori Standing Committee makes recommendations to Council in relation to policy and plan development and resource management applications	Maori Standing Committee representation on working parties and similar groups is considered by Council on all occasions	100% applicable applications	100% applicable applications	100% applicable applications	100% applicable applications	Maori Standing Committee minutes

NOTE:

*A community satisfaction survey was carried out in late 2010. The results of the survey will be useful for the next review of the LTP. Council encourages on-going feedback on satisfaction levels from the community through the use of 'get it sorted' sent with the rates demands and available on our website. Council is pleased to receive other feedback at any time.

9. GOVERNANCE, LEADERSHIP AND ADVOCACY PROSPECTIVE OPERATING STATEMENT FOR YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

GOVERNANCE, LEADERSHIP & ADVOCACY PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Miscellaneous income	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	-	-	-	-	-	-	-	-	-	-	-
OPERATING COSTS											
Administration expenses	459	531	499	509	522	538	555	567	581	599	614
Elections	5	5	40	5	5	40	5	5	40	5	5
Community boards	139	139	143	147	150	154	160	163	167	173	177
Maori standing committee	40	37	38	39	40	40	42	43	44	45	46
Total Operating Costs	**643**	**712**	**719**	**700**	**717**	**773**	**761**	**777**	**832**	**822**	**842**
Note: Total operating costs include; Depreation	6	8	7	4	4	7	7	7	7	7	6
Net Cost of Service	**(643)**	**(712)**	**(719)**	**(700)**	**(717)**	**(773)**	**(761)**	**(777)**	**(832)**	**(822)**	**(842)**
CAPITAL EXPENDITURE											
Motor vehicles	-	-	-	-	45	-	-	-	-	52	-
Total Capital Expenditure	**-**	**-**	**-**	**-**	**45**	**-**	**-**	**-**	**-**	**52**	**-**
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	-	-	-	-	-	-	-	-	-	-	-
Total Capital & Debt	**-**	**-**	**-**	**-**	**45**	**-**	**-**	**-**	**-**	**52**	**-**
Funding Required	**643**	**712**	**719**	**700**	**762**	**773**	**761**	**777**	**832**	**874**	**842**
Funded By:											
Rates income											
General rates	625	624	629	641	685	739	724	738	788	777	794
Target rates											
Total Rates Income	625	624	629	641	685	739	724	738	788	777	794
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	6	8	7	4	4	6	7	7	7	7	6
Reserve transfers	(6)	51	53	26	40	(6)	(7)	(7)	(7)	45	(6)
Other	18	29	29	29	31	34	37	40	44	45	47
Total Other Funding	18	88	90	59	76	34	37	40	44	97	47
Total Funding	**643**	**712**	**719**	**700**	**762**	**773**	**761**	**777**	**832**	**874**	**842**

10. South Wairarapa District Council Funding Impact Statement for the Years Ended 30 June 2012-2022 for Governance, Leadership and Advocacy

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR GOVERNANCE, LEADERSHIP & ADVOCACY	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	625	624	629	641	685	739	724	738	788	777	794
Target rates (other than a targeted rate for water supply)											
Subsidies and grants for operating purposes											
Fees, charges, and targeted rates for water supply											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	18	29	29	29	31	34	37	40	44	45	47
Total operating funding (A)	**643**	**653**	**658**	**670**	**717**	**773**	**761**	**777**	**832**	**822**	**842**
Applications of operating funding											
Payments to staff and suppliers	365	411	413	388	399	445	421	432	479	457	470
Finance costs	7	9	8	4	5	8	8	8	8	7	7
Internal charges and overheads applied	271	292	298	307	313	320	332	337	346	357	364
Other operating funding applications											
Total applications of operating funding (B)	**643**	**712**	**719**	**700**	**717**	**773**	**761**	**777**	**832**	**822**	**842**
Surplus (deficit) of operating funding (A-B)	**-**	**(59)**	**(61)**	**(30)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt		-									
Gross proceeds from sale of assets											
Lump sum contributions											
Total sources of capital funding (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to inprove the level of service											
- to replace existing assets		-	-	-	45	-	-	-	-	52	-
Increase (decrease) in reserves	-	59	61	30	(45)		()	()		(52)	()
Increase (decrease) of investments											
Total applications of capital funding (D)	**-**	**59**	**61**	**30**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Surplus (deficit) of capital funding	**-**	**59**	**61**	**30**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

PUBLIC PROTECTION

1. DESCRIPTION

Public protection activities entail numerous responsibilities in the regulatory field under a range of central government legislation. These responsibilities include:

- Protection of public health including water monitoring.
- Noise control and enforcement.
- Building consents and enforcement.
- Dog and animal control.
- Liquor licensing and registration of food premises.
- Emergency management and civil defence.
- Rural fire.
- Location of gaming machine venues and numbers of machines.
- Location of brothels.

Protection of Public Health

Council has a duty to improve, promote and protect public health. It aims to ensure the environmental health of the District and its citizens by enforcement and licensing under relevant statutes, regulations and bylaws, together with educational activities aimed at informing the public of environmental health protection.

Noise Control and Enforcement

The Combined Wairarapa District Plan set noise control limits and Council aims to enforce these for the benefit of residents and those operating any business or activity that has a noise component.

Building Consents and Enforcement

Council's role as an accredited Building Consent Authority is to ensure that all new buildings and building activities in the district comply with the requirements of the current Building Act 2004. Council provides a response service to address non compliance with the Building Act 2004.

Adjustments made to the building fees and charges schedule were to recognise increased costs in processing building consent applications. In reviewing the fees, Council also worked in with MDC to align fees as part of our approach to streamline processes between the Councils and generally offer more consistent service.

Dog and Animal Control

Council provides a response service to address issues with dogs and other animals in public places to prevent nuisances and ensure public safety. The service requires enforcement of the requirements of the Dog Control By-law 2005 and the Dog Control Act 2003.

Liquor Licensing

Council administers the Sale of Liquor Act 1989 with the aim of encouraging sensible and safe drinking in the South Wairarapa through the use of educational processes for licencees and staff.

Emergency Management and Civil Defence

The Wellington region is exposed to a wide range of natural and man-made hazards (earthquake, flooding, landslide, tsunami, storm, biological, chemical, terrorism, etc). However, there is a great deal that we can do to reduce the impact of these hazards on our communities. Our approach to emergency management is based on the principles of reduction of risk, readiness, response and recovery.

Greater Wellington has joined with the city and district councils in the region to form a semi-autonomous civil defence and emergency management group. All the councils' emergency management staff and resources will be pooled together. We expect this to lead to improved effectiveness from increased scale and co-ordination, as well as efficiencies from the centralised provision of services such as training and public education. Local emergency management offices will be retained to enable effective local responses to emergencies. The new team will start on 1 July 2012 and undertake the following:

- Lead the preparation and review of the Wellington Region CDEM Group Plan and associated plans.
- Educate people about the risks they face and how to prepare for emergency events.
- Maintain the Wellington Region CDEM Groups' emergency operations centre so that it can be quickly activated to manage an emergency event. The centre has information management systems, robust communication systems and trained volunteer staff.

- Work with central government, emergency services, welfare groups, lifeline utilities and a wide range of interested and affected organisations on emergency management issues.
- Maintain the Wellington Region CDEM Group's emergency operations centres so that they can be quickly activated to manage emergency events. The centres include information management systems, robust communication systems, plus trained appointed and volunteer staff.

The Civil Defence Emergency Management Act 2002 requires each region to have a CDEM Group and prepare a CDEM Group Plan. The Act also requires Greater Wellington to be the administering authority for the Wellington region CDEM Group. While all staff of the team are Greater Wellington employees, the work of the team is overseen by the CDEM Group (a joint committee of all the Mayors in the region along with the Chair of Greater Wellington) and the Co-ordinating Executive Group[1].

A civil defence response, while coordinated by the regional body, relies heavily on small local groups within the community.

Rural Fire

Council is required to maintain a rural fire organisation capable of responding to rural fire events as provided for in the Forest and Rural Fire Act 2002. From 1 July 2011 the 'Wairarapa Rural Fire District' administers this responsibility on Council's behalf.

The WCRFD is a contractor to SWDC, and this model is seen as a positive change by having one body responsible for rural fire across the district.

2. Community Outcomes to Which the Activity Contributes

The community outcomes to which the public protection activity primarily contributes are described in the table below.

[1] The Co-ordinating Executive Group is a requirement of the Civil Defence and Emergency Management Act 2002 and is made up of the Chief Executives of Greater Wellington, the district and city councils and district health boards in the region, along with senior representatives from NZ Policy, NZ Fire Service, Wellington Lifelines Group and the Regional Commissioner for the Ministry of Social Development.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

Community Outcomes	How The Public Protection Contributes
Healthy & economically secure people	By providing services which help to protect the health of the community
Educated & knowledgeable people	By contributing to Council's data base of public information
Vibrant and strong communities	By providing services which help to protect the safety and welfare of the community
Sustainable South Wairarapa	By providing services in a sustainably managed way

3. The Activity Goal and Principal Objectives

The public protection activity goal is:

a) To undertake regulatory services in the district that ensure adequate levels of protection of public health, welfare and safety.

The Council's principal objectives are:

a) To ensure that services are provided to meet legislative requirements.

b) To ensure that the required services are provided in a cost effective manner to the community.

c) To put in place a sound management regime for all matters relating to public protection.

4. Assets we Look After

The only asset under this activity is a motor vehicle.

5. Projects for 2012/13

The projects for 2012/13 include:

- Review, update and consult on the Council's bylaws.
- Work with the other councils in the region to develop procedures and practices to implement the new Food Act.
- Respond to any changes from the Alcohol Reform Act.
- Maintain accreditation as a Building Control Authority.
- Review the Dog Control Policy.

6. Key Projects for 2014/15 and Beyond

There are no specific projects for 2014/15 and beyond, however changes in legislation may impact this activity.

7. Significant Negative Effects

There are no identified significant negative effects this activity will have on social, economic, environmental, or cultural well-being of the local community.

8. Statement of Service Performance

MEASURING SERVICE DELIVERY PERFORMANCE							
Service Level	**Key Performance Indicators**	**Performance Targets (for the financial Year)**					**How it will be measured**
		Baseline 2008/09	**2012/13**	**2013/14**	**2014/15**	**2016/19 – 2021/22**	
Food services used by the public are safe	Premises failing to comply with Food Hygiene regulations that are re-inspected within a 3 month period and enforcement is affected if offence continues	100%	100%	100%	100%	100%	Council inspection records
The supply of liquor is controlled by promoting responsible drinking	Premises that sell liquor that are checked prior to renewal to make sure they comply with the Sale of Liquor Act 1989	100%	100%	100%	100%	100%	Council inspection records
	% Premises that fail at first inspection		20%	20%	20%	20%	Council inspection records
The Council will respond when I need some help with noise control	% of calls received by Council that have been responded to	90%	100%	100%	100%	100%	Council inspection records
Dogs don't wander freely in the street or cause menace to humans or stock	Undertake public education, school and community visits to promote safe behaviour around dogs and/or responsible dog ownership	-	(New) Baseline 6 visits	6 visits	6 visits	6 visits	Council records
	Complaints about roaming and nuisance dogs are responded to within 4 hours	(New)	100%	100%	100%	100%	Council records
Stock don't wander on roads, farmers are aware of their responsibilities	Stock causing a traffic hazard is responded to within 1 hour.	100%	100%	100%	100%	100%	Council records
	Council responds to complaints regarding animals within 40 hours	100%	100%	100%	100%	100%	Council records
People are prepared for a civil defence emergency	Ratepayers and residents prepared for an emergency	(New)	52%	65%	76%	75%	NRB Survey 3 yearly*
	Regional Civil Defence Emergency Plan developed and implemented	-	In development	Implemented	Tested	-	
Council certifies all consented work complies with the building code – ensuring our communities are safe	Code Compliance Certificate applications are processed within 20 working days	95%	100%	100%	100%	100%	Council records
	Building consent applications are processed within 20 working days	85%	100%	100%	100%	100%	Council records
The Council processes, inspects and certifies building work in my District	Council maintains its processes so that it meets BCA accreditation every 2 years	Yes	Yes		Yes	Yes	Building Consent Authority
	Earthquake prone buildings reports received		30%	60%	100%		Council records

NOTE:

A community satisfaction survey was carried out in late 2010. The results of the survey will be useful for the next review of the LTP. Council encourages on-going feedback on satisfaction levels from the community through the use of 'get it sorted' sent with the rates demands and available on our website. Council is pleased to receive other feedback at any time.

9. PUBLIC PROTECTION PROSPECTIVE OPERATING STATEMENT FOR YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

PUBLIC PROTECTION PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Liquor, health and other licensing	81	72	75	77	80	83	85	88	91	94	98
Building & Construction	343	309	319	329	341	353	365	377	389	403	417
Animal Control	110	115	118	122	126	131	135	140	144	149	155
Emergency Management	5	-	-	-	-	-	-	-	-	-	-
Total Operating Income	**539**	**497**	**512**	**529**	**547**	**566**	**585**	**604**	**624**	**647**	**670**
OPERATING COSTS											
Liquor, health and other licensing	221	215	220	224	230	238	246	252	259	266	273
Building & Construction	519	559	570	596	589	633	632	671	665	703	696
Animal Control	176	205	209	212	218	225	232	237	244	250	256
Emergency Management	271	296	305	315	324	335	347	357	368	382	394
Total Operating Costs	**1,188**	**1,275**	**1,305**	**1,348**	**1,362**	**1,430**	**1,457**	**1,517**	**1,535**	**1,601**	**1,618**
Note: Total operating costs include; Depreatio	68	67	61	35	40	48	57	59	61	50	49
Net Cost of Service	**(649)**	**(778)**	**(792)**	**(819)**	**(815)**	**(864)**	**(872)**	**(912)**	**(911)**	**(954)**	**(949)**
CAPITAL EXPENDITURE											
Motor vehicles	40	45	-	45	-	-	45	-	45	-	-
IT software	-	-	-	-	-	-	-	-	-	-	-
Equipment/furniture	2	-	-	-	-	-	-	-	-	-	-
Other Equipment	54	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	**96**	**45**	**-**	**45**	**-**	**-**	**45**	**-**	**45**	**-**	**-**
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Capital & Debt	**96**	**45**	**-**	**45**	**-**	**-**	**45**	**-**	**45**	**-**	**-**
Funding Required	**746**	**823**	**792**	**864**	**815**	**864**	**917**	**912**	**956**	**954**	**949**
Funded By:											
Rates income											
General rates	631	747	760	785	779	826	830	866	862	902	896
Target rates											
Total Rates Income	631	747	760	785	779	826	830	866	862	902	896
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	68	67	61	35	40	48	57	59	61	50	49
Reserve transfers	28	(22)	(61)	10	(40)	(48)	(12)	(59)	(16)	(50)	(49)
Other	18	31	32	34	36	38	42	46	48	52	53
Total Other Funding	114	76	32	79	36	38	87	46	93	52	53
Total Funding	**746**	**823**	**792**	**864**	**815**	**864**	**917**	**912**	**956**	**954**	**949**

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022 FOR PUBLIC PROTECTION

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR PUBLIC PROTECTION	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	631	747	760	785	779	826	830	866	862	902	896
Target rates (other than a targeted rate for water supply)											
Subsidies and grants for operating purposes											
Fees, charges, and targeted rates for water supply		494	510	527	545	564	583	602	622	644	667
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	557	33	34	36	38	40	44	49	51	55	56
Total operating funding (A)	**1,188**	**1,275**	**1,305**	**1,348**	**1,362**	**1,430**	**1,457**	**1,517**	**1,535**	**1,601**	**1,618**
Applications of operating funding											
Payments to staff and suppliers	895	1,017	1,048	1,101	1,110	1,167	1,177	1,233	1,246	1,308	1,325
Finance costs	84	47	43	25	29	34	40	42	43	35	35
Internal charges and overheads applied	209	211	213	222	223	229	240	241	246	257	259
Other operating funding applications											
Total applications of operating funding (B)	**1,188**	**1,275**	**1,305**	**1,348**	**1,362**	**1,430**	**1,457**	**1,517**	**1,535**	**1,601**	**1,618**
Surplus (deficit) of operating funding (A-B)	-	-	-	-	-	-	-	-	-	-	-
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt											
Gross proceeds from sale of assets											
Lump sum contributions											
Total sources of capital funding (C)	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to inprove the level of service											
- to replace existing assets	96	45	-	45	-	-	45	-	45	-	-
Increase (decrease) in reserves	(96)	(45)	()	(45)			(45)		(45)	()	-
Increase (decrease) of investments											
Total applications of capital funding (D)	-	-	-	-	-	-	-	-	-	-	-
Surplus (deficit) of capital funding	-	-	-	-	-	-	-	-	-	-	-
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT

1. DESCRIPTION

Council's role to promote the social, economic, environmental and cultural well-being of the community involves working collaboratively with organisations and community groups. Moving forward Council aims to be creative and innovative in its thinking and action.

South Wairarapa District Council is a small rural council with a small ratepayer base. By necessity it has to use its resources carefully and where practicable, work with other Wairarapa councils and other organisations to achieve results. Other organisations in the community undertake social, environmental and cultural work and where appropriate Council provides grants to these organisations as part of the annual planning process.

This Plan summarises the Council's strategic and management long term approach to economic, cultural and community development.

2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the economic, cultural and community development activity primarily contributes are described in the table below:

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
Community Outcomes	**How The Economic/Cultural and Community Development Activity Contributes**
Healthy & economically secure people	By contributing to the economic development of the district
Educated and knowledgeable people	By contributing to the cultural development of the district
Vibrant and strong	By contributing to the social and community development of the district
Sustainable South Wairarapa	By contributing to the environmental well-being of the district

3. THE ACTIVITY GOAL & PRINCIPAL OBJECTIVES

The economic, cultural and community development activity goals are:

a) To assist in the stimulation of appropriate and sustainable economic, tourism and cultural growth and the development of employment opportunities throughout the district.

b) To actively dev elop a sa fe, in clusive and cohesive community.

The Council's principal objectives are:

a) To create a climate for and give encouragement to organisations and individuals to take initiatives in the stimulation of economic growth, tourism and employment opportunities in the district.

b) To encourage interest in the social development of the district with the aim of assisting individuals and community groups to help themselves.

c) To encourage cultural development for the benefit of the district and Wairarapa as a whole.

d) To actively develop a safe, inclusive and cohesive community by:

   1. Making South Wairarapa a safe place for its residents.
   2. Promoting South Wairarapa as a good place in which to live.
   3. Fostering a sense of community pride.
   4. Consulting widely to ensure representative and inclusive policies.
   5. Respecting obligations under the Treaty of Waitangi.

e) To provide community leadership, facilitation, advocacy and contribute to funding where it can by way of grants.

4. ASSETS WE LOOK AFTER

There are no assets that this activity manages.

5. PROJECTS FOR 2012/13

Projects for 2012/13 include:

- Continued involvement with economic development both regionally and locally through the Wellington Regional Strategy, Grow Wellington, Destination Wairarapa and other agencies and local business groups.
- Continued support for South Wairarapa Safer Community Council (jointly with Carterton District Council).
- Support for cultural organisations including the Wairarapa Cultural Trust.

- Continue to work with South Wairarapa Community Arts Council.
- Continued support for the Wairarapa water project.

6. Projects for 2014/15 and Beyond

There are no specific projects identified under this activity for 2014/15 and beyond.

7. Significant Negative Effects

There are no identified significant negative effects this activity will have on social, economic, environmental, or cultural well-being of the local community.

8. Operating Costs (Grants)

Council is reviewing its criteria for the disbursement of funding under this output.

9. Statement of Service Performance

MEASURING SERVICE DELIVERY PERFORMANCE

Service Level	Key Performance Indicators	Performance Targets (for the financial Year)					How it will be measured
		Baseline 2008/09	2012/13	2013/14	2014/15	2016/19 – 2021/22	
Council will identify through the Wellington Regional Strategy where the community should focus its resources in order to gain the greatest economic benefit	Council resources are focused on the priority areas identified in the regional economic development strategy	Yes	Yes	Yes	Yes	Yes	Council records
Programmes that aim to improve the health and safety of our communities can be accessed	Support, and where appropriate, funding is provided to organisations and agencies to help them deliver their programmes and services to their communities	Yes	Yes	Yes	Yes	Yes	Council records
Organisations that support art, heritage and cultural activities are supported	Support, and where appropriate, funding is provided to organisations and agencies to help them deliver their programmes and services to their communities	Yes	Yes	Yes	Yes	Yes	Council records

10. Economic, Cultural and Community Development Prospective Operating Statement for Years Ending 30 June 2012 – 30 June 2022

ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Rentals	-	-	-	-	-	-	-	-	-	-	-
Grants & donations	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	-	-	-	-	-	-	-	-	-	-	-
OPERATING COSTS											
Administration costs	51	60	61	64	64	66	69	69	71	73	74
Destination Wairarapa	111	116	120	124	128	132	137	141	146	151	157
Community grants	114	103	113	117	121	125	129	133	138	143	148
Total Operating Costs	**276**	**280**	**294**	**304**	**313**	**323**	**335**	**344**	**355**	**368**	**379**
Note: Total operating costs include; Depreatio	-	-	-	-	-	-	-	-	-	-	-
Net Cost of Service	**(276)**	**(280)**	**(294)**	**(304)**	**(313)**	**(323)**	**(335)**	**(344)**	**(355)**	**(368)**	**(379)**
CAPITAL EXPENDITURE											
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	-	-	-	-	-	-	-	-	-	-	-
Total Capital & Debt	-	-	-	-	-	-	-	-	-	-	-
Funding Required	**276**	**280**	**294**	**304**	**313**	**323**	**335**	**344**	**355**	**368**	**379**
Funded By:											
Rates income											
General rates	268	268	282	291	299	309	319	326	336	347	357
Target rates											
Total Rates Income	268	268	282	291	299	309	319	326	336	347	357
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	-	-	-	-	-	-	-	-	-	-	-
Reserve transfers	-	-	-	-	-	-	-	-	-	-	-
Other	8	11	12	13	14	14	16	18	19	20	21
Total Other Funding	8	11	12	13	14	14	16	18	19	20	21
Total Funding	**276**	**280**	**294**	**304**	**313**	**323**	**335**	**344**	**355**	**368**	**379**

11. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS 2012-2022 FOR ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	268	268	282	291	299	309	319	326	336	347	357
Target rates (other than a targeted rate for water supply)											
Subsidies and grants for operating purposes											
Fees, charges, and targeted rates for water supply											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	8	11	12	13	14	14	16	18	19	20	21
Total operating funding (A)	**276**	**280**	**294**	**304**	**313**	**323**	**335**	**344**	**355**	**368**	**379**
Applications of operating funding											
Payments to staff and suppliers	7	16	16	17	17	18	18	18	19	20	20
Finance costs		-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	45	45	45	47	47	48	51	51	52	54	54
Other operating funding applications	224	219	233	240	249	257	266	275	284	294	304
Total applications of operating funding (B)	**276**	**280**	**294**	**304**	**313**	**323**	**335**	**344**	**355**	**368**	**379**
Surplus (deficit) of operating funding (A-B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt											
Gross proceeds from sale of assets											
Lump sum contributions											
Total sources of capital funding (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to inprove the level of service											
- to replace existing assets		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves											
Increase (decrease) of investments											
Total applications of capital funding (D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Surplus (deficit) of capital funding	-	-	-	-	-	-	-	-	-	-	-
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RESOURCE MANAGEMENT

1. DESCRIPTION

Council, together with Carterton and Masterton District Councils, was the first in New Zealand to adopt a Combined District Plan under the Resource Management Act 1991.

Under Section 31 of the Act, Council has the following functions:

"(a) *The establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district:*

(b) *The control of any actual or potential effects of the use, development, or protection of land, including for the purpose of—*

(i) *the avoidance or mitigation of natural hazards; and*

(ii) *the prevention or mitigation of any adverse effects of the storage, use, disposal, or transportation of hazardous substances; and*

(iia) *the prevention or mitigation of any adverse effects of the development, subdivision, or use of contaminated land:*

(iii) *the maintenance of indigenous biological diversity:*

(c) *(Repealed)*
(d) *The control of the emission of noise and the mitigation of the effects of noise:*
(e) *The control of any actual or potential effects of activities in relation to the surface of water in rivers and lakes:*

(f) *Any other functions specified in this Act."*

This plan summarises the Council's strategic long-term approach to resource management, and controls day to day activities in the district.

The Wairarapa Combined District Plan (WCDP) was publicly notified in August 2006. The WCDP became operative on 25 May 2011.

2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which resource management contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	**HOW THE RESOURCE MANAGEMENT ACTIVITY CONTRIBUTES**
Educated and knowledgeable people	By contributing to people's confidence that they can achieve their aspirations
Vibrant and strong communities	By contributing to people feeling safe, are proud to live and have a sense of belonging
Sustainable South Wairarapa	By ensuring that the District is sustainably managed where economic development and responsible environmental management go hand in hand

3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The resource management activity goals are:

a) To promote the sustainable management of natural and physical resources of the district through an effective District Plan that meets all statutory requirements.

b) To provide for the administration of the district Plan in a consistent, fair and expeditious manner, providing certainty to residents.

The Council's principal objectives are:

a) To assess all land use and subdivisional applications in accordance with the requirements of the District Plan.

b) To enforce the rules of the District Plan and Bylaws, and take regulatory action where breaches have been identified.

c) To prepare and implement changes to the District Plan.

d) To advise the public on the provisions of the District Plan and on planning matters of whatever nature.

4. ASSETS WE LOOK AFTER

There are no assets that this activity manages.

5. PROJECTS FOR 2012/13

Projects for 2012/13 include:

- Review the Coastal Reserves Management Plan.
- Protect and enhance significant indigenous flora and fauna with stakeholders.
- Continue to improve the functionality of the District Plan and undertake Council initiated plan changes.
- Continue to provide an approach that meets the Council's legislative requirements while facilitating economic development in the district.

6. PROJECTS FOR 2014/15 AND BEYOND

- Review the Rural Reserves Management Plan.

Changes to the Resource Management Act may impact future service delivery. As these changes are not quantifiable, no allowance has been made in this LTP for the impact.

7. STATEMENT OF SERVICE PERFORMANCE

MEASURING SERVICE DELIVERY PERFORMANCE							
SERVICE LEVEL	**KEY PERFORMANCE INDICATORS**	**PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)**					**HOW IT WILL BE MEASURED**
		BASELINE 2008/09	**2012/13**	**2013/14**	**2014/15**	**2016/19 – 2021/22**	
All resource consents will be processed efficiently	Consent applications completed within statutory timeframes	90%	100%	100%	100%	100%	Council records
	s.223* certificates issued within 10 working days	100%	100%	100%	100%	100%	Council records
	s.224* certificates issued within 15 working days of receiving all required information (note no statutory requirement)	85%	85%	85%	85%	85%	Council records
Accurate, prompt and courteous advice will be delivered to people to help understand the District Plan rules							
The Council works with others to protect natural and cultural icons in the district							
Council has a Combined District Plan that provides certainty of land-use/environmental outcomes at the local and District levels.	Ratepayers and residents satisfied with the District as a "better" place to live	54% (2005)	58%	65%	65%	75%	NRB Survey 3 yearly**
	Ratepayers and residents satisfied with the image of the closest town centre shown as "satisfied"	(New)	62%	65%	65%	75%	NRB Survey 3 yearly**
The Combined District Plan has a monitoring programme that provides information on the outcomes of the District Plan at the local and district level.							
Our environment is being cared for							
Council has a reserve management programme	Number of Management and/or Plans adopted or revised	1	1	1	1	1	Council records
Land Information Memoranda It is easy to purchase information on any property in the District	My LIM contains all relevant accurate information (no proven complaints)	New					Council records
	My non-urgent LIM is processed within 10 days	New	100%	100%	100%	100%	Council records

NOTES:

***** s.223's and s.224's refer to sections 223 and 224 of Resource Management Act.

** A community satisfaction survey was carried out in late 2010. The results of the survey will be useful for the next review of the LTP. Council encourages on-going feedback on satisfaction levels from the community through the use of 'get it sorted' sent with the rates demands and available on our website. Council is pleased to receive other feedback at any time.

8. RESOURCE MANAGEMENT PROSPECTIVE OPERATING STATEMENT FOR YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

RESOURCE MANAGEMENT PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
District plan sales	-	-	-	-	-	-	-	-	-	-	-
Resource consent fees	142	111	114	118	122	126	130	135	139	144	149
Subdivision reserve fees	92	94	97	100	104	107	111	115	118	123	127
Total Operating Income	**234**	**205**	**211**	**218**	**226**	**233**	**241**	**249**	**258**	**267**	**276**
OPERATING COSTS											
District plan costs	35	31	32	33	34	35	36	37	39	40	41
Resource management	466	511	522	537	549	564	584	596	612	632	646
Total Operating Costs	**501**	**542**	**554**	**570**	**583**	**599**	**620**	**633**	**650**	**672**	**687**
Note: Total operating costs include; Depreatio	28	5	4	2	3	3	3	4	4	3	3
Net Cost of Service	**(267)**	**(337)**	**(343)**	**(352)**	**(357)**	**(366)**	**(379)**	**(384)**	**(393)**	**(405)**	**(411)**
CAPITAL EXPENDITURE											
IT software	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	-	-	-	-	-	-	-	-	-	-	-
Total Capital & Debt	-	-	-	-	-	-	-	-	-	-	-
Funding Required	**267**	**337**	**343**	**352**	**357**	**366**	**379**	**384**	**393**	**405**	**411**
Funded By:											
Rates income											
General rates	384	415	423	433	440	450	463	469	479	493	501
Target rates											
Total Rates Income	384	415	423	433	440	450	463	469	479	493	501
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	28	5	4	2	3	3	3	4	4	3	3
Reserve transfers	(153)	(97)	(98)	(98)	(101)	(103)	(106)	(109)	(111)	(113)	(116)
Other	7	14	14	15	16	16	18	20	21	22	23
Total Other Funding	(118)	(78)	(80)	(81)	(82)	(84)	(84)	(85)	(86)	(88)	(89)
Total Funding	**267**	**337**	**343**	**352**	**357**	**366**	**379**	**384**	**393**	**405**	**411**

9. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022 FOR RESOURCE MANAGEMENT

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR RESOURCE MANAGEMENT

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	384	415	423	433	440	450	463	469	479	493	501
Target rates (other than a targeted rate for water supply)											
Subsidies and grants for operating purposes											
Fees, charges, and targeted rates for water supply		111	114	118	122	126	130	135	139	144	149
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	149	14	14	15	16	16	18	20	21	22	23
Total operating funding (A)	**534**	**539**	**551**	**566**	**577**	**592**	**611**	**624**	**639**	**659**	**673**
Applications of operating funding											
Payments to staff and suppliers	382	423	435	447	460	473	486	499	513	529	545
Finance costs	28	5	4	2	3	3	3	4	4	3	3
Internal charges and overheads applied	91	113	115	121	120	123	131	130	133	140	140
Other operating funding applications											
Total applications of operating funding (B)	**501**	**542**	**554**	**570**	**583**	**599**	**620**	**633**	**650**	**672**	**687**
Surplus (deficit) of operating funding (A-B)	**33**	**(2)**	**(3)**	**(5)**	**(6)**	**(7)**	**(9)**	**(9)**	**(11)**	**(13)**	**(15)**
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions	92	94	97	100	104	107	111	115	118	123	127
Increase (decrease) in debt											
Gross proceeds from sale of assets											
Lump sum contributions											
Total sources of capital funding (C)	**92**	**94**	**97**	**100**	**104**	**107**	**111**	**115**	**118**	**123**	**127**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to inprove the level of service											
- to replace existing assets		-									
Increase (decrease) in reserves	(125)	(92)	(94)	(96)	(98)	(100)	(103)	(105)	(107)	(110)	(113)
Increase (decrease) of investments											
Total applications of capital funding (D)	**(125)**	**(92)**	**(94)**	**(96)**	**(98)**	**(100)**	**(103)**	**(105)**	**(107)**	**(110)**	**(113)**
Surplus (deficit) of capital funding	(33)	2	3	5	6	7	9	10	11	13	15
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

AMENITIES

1. DESCRIPTION

Council owns a number of properties and amenities in the District. Some are held to assist Council to achieve its objectives (e.g. council offices), some are held for social reasons and others are held for historical reasons.

The Local Government Act 2002 provides the statutory authority for Council to own and manage properties. Council provides the management, planning, administration and maintenance of outdoor sports and recreation areas, children's playgrounds, passive parks, reserves and open spaces for casual and spontaneous leisure needs.

In addition, Council is a key member of the Joint Wairarapa Moana Conservation Project for Lake Wairarapa in partnership with Greater Wellington Regional Council and Department of Conservation.

The Council is also responsible for the provision and maintenance of Council's cemeteries, public swimming pools, and management of Council's forestry plantations and for the administration of Council's policies relating to amenities.

Work is in progress so that all major reserves and parks have management plans which set out the orderly development and use of the facilities. These are being progressively implemented to provide children's playgrounds, tree planting and leisure facilities. The work on these plans is provided for in the resource management activity. As the plans become operational they become an amenities activity program of works.

The libraries in the district are operated as part of the Wairarapa Library Service, a combined operation with the Carterton District Council. This shared service is under revision to incorporate a greater number of libraries within the shared service to increase community value of their libraries.

This plan summarises the Council's strategic and management long term approach to amenity development.

Adjustments made to the cemetery fees and charges schedule were to recognise increased costs, and the actual cost of providing cemetery services. In reviewing the fees, Council also worked in with MDC to align fees as part of our approach to streamline processes between the Councils and generally offer more consistent service.

2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the amenities activity primarily contributes are described in the following table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	**HOW THE AMENITIES ACTIVITY CONTRIBUTES**
Healthy & economically secure people.	By providing amenities to assist active communities
Educated & knowledgeable people.	By providing amenities to assist people achieve their aspirations
Vibrant & strong communities	By providing amenities for outside communities to feel safe, so that they are proud to live here and have a sense of belonging
Sustainable South Wairarapa.	By providing amenities which are sustainably managed

3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The amenities activity goals are:

a) To provide facilities for recreational and social enhancement.

b) To provide facilities that encourage the safe and sustainable use of the natural environment while protecting that natural environment.

The Council's objectives are:

a) To maintain its assets enabling the public to safely enjoy the recreational and social services provided.

b) To achieve defined standards of customer service.

c) To comply with legal requirements.

d) To achieve defined technical standards.

e) To achieve defined environmental standards.

f) To achieve defined management standards.

4. ASSETS WE LOOK AFTER

This activity maintains the following assets:

Featherston

The following Featherston public amenities are owned and maintained by Council:

- Card Reserve/Randolph Park and Swimming Pool, Featherston Cemetery, Clifford Square library, playground, toilet, Dorset Square, Anzac Hall, War Memorial, Walkway Kereru Grove to Tetoki Grove, Walkway Hardie Grove to Brandon Street, Walkway Kenward Street to Harrison Street West, Walkway Watt Street, Walkway Brandon St to Ludlum St (SH2), Garden One Tree Hill walkway Revans Street, Garden One Tree Hill Walkway Bell Street, Pensioner Flats (Burling and Mathews), Featherston Swimming Pool, dog park and skateboard park.

Greytown

The following Greytown public amenities are owned and maintained by Council:

- Greytown Cemetery, SH2 berm Greytown Southern Gateway, Arbor Reserve, Pensioner Flats in West Street, Collier Reserve, Kowhai Reserve, Stella Bull Park and old library building, public toilets, Soldiers Memorial Park (includes playground, carpark, bushwalk and sports fields), Greytown Campground, Greytown Swimming Pool and the Greytown Town Centre building.

Martinborough

The following Martinborough public amenities are owned and maintained by Council:

- Dublin Street Cemetery and Puruatanga Road Cemetery, Centennial Park, Martinborough Motor Camp, Martinborough Swimming Pool, Huangarua Park, Coronation Park and Puruatanga Park, Memorial Square, Martinborough Town Hall, Martinborough Playground, Martinborough Public Toilet, Martinborough Museum, the pensioner flats on Naples Street, and the newly opened dog park.

Rural

The following rural public amenities are owned and maintained by Council:

- Camp Memorial and Peace Garden SH2, lookout off SH2 Featherston west, Lake Reserve off Lake Domain Road south of Featherston, Diversion Reserve off East West Access Road near the Barrage Bridge, Te Hopi camp site off East West Access Road, Lake Ferry two large grassed areas one either side of the Motor Camp (includes toilets and playground), Lake Ferry car park and pit toilet at end of Lake Ferry Road, coastal camping area with pit toilet, Te Awaiti and Tora Farm Road toilets and sites for camping, Whangaimoana Road rubbish skip site at end of road, Cape Palliser Road litter bin sites and pit toilet.

Other amenities

The following amenities are owned and maintained by Council and/or Council's leasee:

- *Featherston:* Daniell Street adjacent to Railway, Johnson Street adjacent to railway, traffic islands and berms.
- *Martinborough:* Grassed area adjacent to the fire station, council offices, information centre building and garden, old council works office and yard, old council chambers in Cork Street, and Pain Farm.
- *Greytown:* Historic railway goods shed, Greytown cycle trail, and the walkway between Udy and Kuratawhiti Streets.

5. Projects for 2012/13

Projects for 2012/13 include:

- Let a new maintenance contract for amenities.
- Continue the new cemetery development at Featherston.
- Carry out the strengthening Martinborough Town Hall project.
- Program works from the selected parks management plans.
- Re-lease the Greytown Campground under a revised arrangement.
- Complete Martinborough toilet upgrade.
- Complete feasibility study for Council's three pools.

6. Projects for 2014/15 and beyond

Projects for 2014/15 and beyond include:

- Complete Greytown toilet upgrade.

7. SIGNIFICANT NEGATIVE EFFECTS

There are no identified significant negative effects this activity will have on social, economic, environmental, or cultural well-being of the local community.

8. STATEMENT OF SERVICE PERFORMANCE

MEASURING SERVICE DELIVERY PERFORMANCE							
SERVICE LEVEL	**KEY PERFORMANCE INDICATORS**	**PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)**					**HOW IT WILL BE MEASURED**
		BASELINE 2008/09	**2012/13**	**2013/14**	**2014/15**	**2016/19 – 2021/22**	
Parks and reserves enhance the quality of life in our communities	Users satisfied with parks and reserves	86% (2005 survey)	90%	90%	90%	90%	NRB survey 3 yearly*
Our playgrounds in parks and reserves are safe and enjoyed by the community	Ratepayers and residents are satisfied with Council playgrounds	(New)	75%	75%	75%	75%	NRB survey 3 yearly*
	Council playground equipment that meets national standards	(New)	90%	95%	100%	100%	Council records
Clean safe public swimming pools can be accessed in the District	Council pools comply with NZ swimming pool water testing standards	90%	95%	95%	95%	95%	Council records
	Ratepayers and residents satisfaction with Council swimming pools	59%	70%	70%	70%	70%	NRB survey 3 yearly*
Provision of some low cost housing for the elderly (or in line with Council policy) in each town	Occupancy of pensioner housing	97%	97%	97%	97%	97%	Council records
Well maintained hall facilities that are available for the public to book	Ratepayers and residents satisfied with town halls use	New	77%	77%	77%	77%	Council records
Public toilets are convenient, clean and safe	Ratepayers and residents satisfied with public toilet facilities	60% (2005)	60%	60%	60%	70% by 2015/16 75% by 2018/19	NRB Survey 3 yearly*
There is a wide range of library stock including up-to-date material	Taking programmes out into the community and providing a wide variety of programmes in the library	New	>3 per library	>3 per library	>3 per library	>3 per library	Council records
	% of ratepayers and residents satisfied with libraries	83% (2005)	97%	97%	97%	97%	NRB Survey 3 yearly*

NOTE:

*A community satisfaction survey was carried out in late 2010. The results of the survey will be useful for the next review of the LTP. Council encourages on-going feedback on satisfaction levels from the community through the use of 'get it sorted' sent with the rates demands and available on our website. Council is pleased to receive other feedback at any time.

9. AMENITIES PROSPECTIVE OPERATING STATEMENT FOR YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

AMENITIES PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Parks and reserves	-	13	14	14	15	15	16	16	17	17	18
Swimming pools	25	24	25	26	27	25	21	21	22	23	23
Libraries	45	46	47	49	50	52	54	55	57	59	61
Community buildings	26	20	21	21	22	23	24	24	25	26	27
Cemeteries	44	37	39	40	41	43	44	46	47	49	50
Rental properties	299	289	298	308	318	329	340	352	363	376	389
Total Operating Income	**438**	**429**	**443**	**457**	**473**	**487**	**498**	**514**	**531**	**550**	**570**
OPERATING COSTS											
Parks and reserves	641	817	900	931	932	962	999	1,016	1,045	1,079	1,103
Swimming pools	256	267	273	284	282	276	288	294	303	314	322
Libraries	632	662	695	723	696	725	760	769	793	817	834
Community buildings	263	264	279	291	278	290	306	309	319	330	337
Cemeteries	181	173	178	185	189	195	203	208	214	223	228
Rental properties	303	225	234	243	243	252	263	267	276	286	293
Total Operating Costs	**2,275**	**2,409**	**2,558**	**2,657**	**2,620**	**2,700**	**2,819**	**2,863**	**2,949**	**3,049**	**3,116**
Note: Total operating costs include; Depreciatio	331	326	371	397	312	341	372	366	382	388	392
Net Cost of Service	**(1,837)**	**(1,980)**	**(2,115)**	**(2,200)**	**(2,147)**	**(2,214)**	**(2,321)**	**(2,349)**	**(2,418)**	**(2,499)**	**(2,546)**
CAPITAL EXPENDITURE											
Library books	93	96	98	101	104	107	109	112	115	118	121
Toilets	85	206	212	25	26	26	27	28	28	29	30
Reserves	55	57	58	60	61	63	65	66	68	70	72
Property improvements	22	21	21	22	22	23	24	24	25	25	26
Playgrounds	22	23	23	24	25	25	26	27	27	28	29
Swimming pool renewals	22	57	58	60	61	63	65	66	68	70	72
Cemetery developments	30	46	48	49	50	52	53	54	56	57	59
Cemetery development renewals	-	-	-	-	6	6	6	6	6	6	7
Campgrounds	51	31	-	-	-	-	-	-	-	-	-
Campgrounds renewals	-	-	5	5	6	6	6	6	6	6	7
Town centres	-	31	32	33	34	34	35	36	37	38	39
Greytown town hall	5	5	5	5	5	5	5	5	6	6	6
Martinborough town hall	49	5	905	5	5	5	6	6	6	6	6
ANZAC hall	-	15	22	5	6	6	6	6	6	6	7
Featherston stadium	-	16	-	9	-	-	-	-	-	-	-
Community buildings	44	26	26	27	28	29	29	30	31	32	33
Community housing	5	36	37	38	39	40	41	42	43	44	46
Martinborough museum	-	-	-	-	2	2	2	2	2	3	3
Featherston library	2	-	-	-	1	1	1	1	1	1	1
Greytown library	2	-	-	6	1	1	1	1	1	1	1
Martinborough library	2	-	-	-	1	1	1	1	1	1	1
Total Capital Expenditure	**490**	**670**	**1,551**	**474**	**483**	**497**	**509**	**521**	**534**	**548**	**562**
Public Debt											
Loan repayments	14	4	24	25	27	28	30	32	34	36	38
Sinking fund contributions	9	8	8	8	8	8	-	-	-	-	-
Total Debt Requirements	**23**	**12**	**32**	**33**	**35**	**37**	**30**	**32**	**34**	**36**	**38**
Miscellaneous											
Depreciation not funded	(93)	(127)	(141)	(148)	(123)	(131)	(141)	(139)	(144)	(145)	(147)
Total Miscellaneous	**(93)**	**(127)**	**(141)**	**(148)**	**(123)**	**(131)**	**(141)**	**(139)**	**(144)**	**(145)**	**(147)**
Total Capital, Debt & Miscellaneous	**420**	**554**	**1,443**	**359**	**396**	**402**	**398**	**414**	**424**	**438**	**453**
Funding Required	**2,257**	**2,535**	**3,558**	**2,559**	**2,542**	**2,616**	**2,719**	**2,763**	**2,842**	**2,937**	**3,000**
Funded By:											
Rates income											
General rates	1,611	1,441	1,533	1,592	1,929	2,081	2,154	2,180	2,239	2,313	2,359
Target rates											
Total Rates Income	1,611	1,441	1,533	1,592	1,929	2,081	2,154	2,180	2,239	2,313	2,359
Loans	-	200	1,100	-	-	-	-	-	-	-	-
Depreciation Reserves	239	199	231	249	189	209	231	227	238	242	245
Reserve transfers	355	614	608	625	329	227	221	235	234	242	251
Other	52	80	87	93	95	98	113	121	130	139	145
Total Other Funding	646	1,093	2,025	966	613	535	565	583	603	624	641
Total Funding	**2,257**	**2,535**	**3,558**	**2,559**	**2,542**	**2,616**	**2,719**	**2,763**	**2,842**	**2,937**	**3,000**

10. South Wairarapa District Council Funding Impact Statement for the Years Ended 30 June 2012-2022 for Amenities

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR AMENITIES

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	1,611	1,441	1,533	1,592	1,929	2,081	2,154	2,180	2,239	2,313	2,359
Target rates (other than a targeted rate for water supply)											
Subsidies and grants for operating purposes											
Fees, charges, and targeted rates for water supply											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	490	509	530	550	569	585	611	635	661	689	715
Total operating funding (A)	**2,101**	**1,950**	**2,063**	**2,143**	**2,498**	**2,666**	**2,765**	**2,815**	**2,901**	**3,003**	**3,073**
Applications of operating funding											
Payments to staff and suppliers	1,390	1,487	1,517	1,564	1,615	1,669	1,723	1,776	1,833	1,896	1,960
Finance costs	384	391	502	528	442	455	486	479	495	500	504
Internal charges and overheads applied	501	530	538	565	563	577	610	607	621	652	652
Other operating funding applications											
Total applications of operating funding (B)	**2,275**	**2,409**	**2,558**	**2,657**	**2,620**	**2,700**	**2,819**	**2,863**	**2,949**	**3,049**	**3,116**
Surplus (deficit) of operating funding (A-B)	**(174)**	**(459)**	**(496)**	**(514)**	**(122)**	**(35)**	**(54)**	**(48)**	**(49)**	**(46)**	**(43)**
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt	(23)	188	1,068	(33)	(35)	(37)	(30)	(32)	(34)	(36)	(38)
Gross proceeds from sale of assets											
Lump sum contributions											
Total sources of capital funding (C)	**(23)**	**188**	**1,068**	**(33)**	**(35)**	**(37)**	**(30)**	**(32)**	**(34)**	**(36)**	**(38)**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand		206	212								
- to inprove the level of service											
- to replace existing assets	490	464	1,340	474	483	497	509	521	534	548	562
Increase (decrease) in reserves	(687)	(940)	(979)	(1,022)	(640)	(568)	(593)	(600)	(616)	(630)	(643)
Increase (decrease) of investments											
Total applications of capital funding (D)	**(197)**	**(271)**	**572**	**(548)**	**(157)**	**(71)**	**(84)**	**(80)**	**(82)**	**(82)**	**(81)**
Surplus (deficit) of capital	**174**	**459**	**496**	**514**	**122**	**35**	**54**	**48**	**49**	**46**	**43**
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

LAND TRANSPORT (ROADING AND FOOTPATHS)

1. DESCRIPTION

This Plan covers the provision of roading network services to the residents of South Wairarapa District. This includes roads, bridges and culverts, footpaths, street lighting, street cleaning, vegetation control, kerb and channel, and structures such as retaining walls, bus shelters and carparks including railway station carparks.

The provision and management of roads is a function of local authorities in terms of the Local Government Act 2002 including the relevant provisions of LGA 1974 and Land Transport Management Act 2003. These Acts stipulate that South Wairarapa District Council is the owner and road controlling authority of all roads other than state highways in the district.

The section of State Highways 2 and 53 within the South Wairarapa district boundary are controlled and operated by NZTA. However footpaths within state highway corridors in urban areas are included in this plan as they are maintained by Council.

The operation and maintenance of the roading components of the network are eligible for financial assistance from NZTA at a subsidy rate of 49% for maintenance, 59% for construction such as minor safety works. For the Special Purpose Road (Cape Palliser Road) subsidy rates are 100% for maintenance and 75% for construction. The subsidy for seal extensions was 49% but has been removed indefinitely on all road classifications, accordingly there is no allowance for seal extensions during the term of this LTP. Council considered other options, however there was no suitable alternative that would attract a subsidy. The subsidy rates are reviewed by NZTA every year but the financial forecasts in this Annual Plan are based on the aforesaid subsidy rates.

This Plan summarises the Council's strategic and management long-term approach for the provision and maintenance of roading throughout the district.

The steps involved in the development of regional land transport programmes start with the identification of potential activities. Councils identify activities for local roads and for public transport services and the NZTA for state highways. Councils have to assess the priority of each activity, considering aspects such as value for money and the readiness to start, before scheduling the activities into a transport programme. This programme is then incorporated into the Long Term Plan, which councils consult on within their communities.

2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which the roading activity primarily contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	**HOW THE AMENITIES ACTIVITY CONTRIBUTES**
Healthy and economically secure people	By advocating for better transport systems for the community with regard to health services, employment opportunities and social services
Vibrant and strong communities	By ensuring land transport, in all its forms, is safe for the community and that it encourages a sense of pride and belonging
A place that is accessible and easy to get around.	By demonstrating advocacy and commitment to achieving improved land transport options and services and telecommunications
Sustainable South Wairarapa.	By ensuring all transport options and telecommunications add to the sustainability of the South Wairarapa

3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The land transport goal is:

a) To improve transport options.

b) To plan, provide and maintain a roading network for the safe, comfortable and convenient movement of people and goods.

The Council's principal objectives are:

a) To achieve defined standards of customer service.

b) To protect the health and safety of the community.

c) To minimise adverse effects on the environment.

d) To comply with legal requirements.

e) To achieve defined technical standards including NZTA agreement.

f) To implement policies of South Wairarapa District Council.

g) To achieve defined standards of system management.

4. Assets we Look After

This activity maintains the following assets:

ASSET DESCRIPTION			
Pavement length (km)	**Rural**	**Urban**	**Total**
Sealed	328.5	53.4	381.9
Unsealed	270.4	0.6	271.0
TOTAL	**598.9**	**54.0**	**652.9**
Guard Rails (m)	1046	-	1046
Bridges & Major Culverts (No.)	**Rural**	**Urban**	**Total**
Timber Bridges	16	-	16
Concrete Bridges	80	-	80
Armes/Twin pipes/concrete pipes	13	-	13
Box Culverts (span 2.5m)	25	-	25
TOTAL	**134**		**134**
Street Lights (No.)	**Rural**	**Urban**	**Total**
Featherston	-	234	234
Greytown	-	181	181
Martinborough	-	267	267
Rural	40	-	40
TOTAL	**40**	**722**	**722**
Kerb & Channel (m)	**Rural**	**Urban**	**Total**
Featherston	-	21,252	21,252
McMaster/East Street, Greytown	-	20,818	20,818
Martinborough	-	27,471	27,471
TOTAL		**69,541**	**69,541**
Footpaths (m)	**Rural**	**Urban**	**Total**
Featherston			
- Asphalt		11,871	17,484
- Concrete		5,613	
Greytown			
- Asphalt		10,981	14,165
- Concrete		3,184	
Martinborough			
- Asphalt		1,5016	17,393
- Concrete		2,377	
TOTAL		**49,190**	**49,042**
Bus Passenger Shelter (No.)	**Rural**	**Urban**	**Total**
Featherston		2	2
Greytown		2	2
Martinborough		1	1
TOTAL		**5**	**5**

NOTE
Asset information as at 1 July 2008.

Pavements (Roads)

Roadways smoothed to provide users with a safe and comfortable ride.

Road surfaces resealed to maintain pavement integrity.

Drainage

Roads drained to protect the pavement structure and to control surface water.

Berms and Embankments

Berms installed to provide space for utility services and for aesthetics and beautification.

Vegetation

Vegetation controlled to provide a safe and tidy environment and to minimise maintenance. Weed spraying is done where appropriate and where adjoining neighbours do not want weed spraying, they are required to do vegetation control at their own cost.

Footpaths

Footpaths are kept in a safe and useable condition to separate pedestrians from other road users and provide foot access to properties.

- Central business district areas in the three towns have footpaths on both sides of the street.
- Other urban streets have generally footpath on one side.

Kerb and Channel

Kerb and channel including sumps are cleaned regularly as part of street cleaning contract to prevent flooding.

Structures

Bridges and cattle stops maintained to ensure continuity of roading network.

Retaining walls and seawalls provided to maintain roadway stability.

Street cleaning

Street cleaning in urban areas is carried out on a programmed basis to minimise inconvenience to road users resulting from flooding and to maintain a clean and tidy environment.

Vehicle access

Vehicle access to properties (conforming to District Plan provisions) to ensure traffic safety and adequate drainage.

Car Parking

On and off street car parking areas are provided in business and shopping areas to meet commuter and residential parking needs, and District Plan and Building Act requirements.

Bus passenger shelters

Bus passenger shelters in urban areas are provided and maintained at the more heavily patronised stops for the convenience of public transport by Wellington Regional Council in consultation with South Wairarapa District Council.

Street lighting

Street lighting is maintained to provide road user and pedestrian safety and security. (Powerco is responsible for maintaining the current lines). Residential streets in urban areas lit to the National Standard (NZS 6701) which provides sufficient light to show the way and illuminate any hazards for both vehicle users and pedestrians.

5. PROJECTS FOR 2012/13

Projects for 2012/13 include:

- Review and complete the roads Asset management Plan.
- Add all asset details into the asset management system and model expenditure vs. condition for 10 years.
- Complete an annual reseals programme and remettaling programme.
- Complete the bridge inspection programme and develop works program for 2013/14 from the results.
- Carry out street lighting improvements in Featherston.
- Renew and extend footpaths as per Council programme.

6. PROJECTS FOR 2014/15 AND BEYOND

No projects for 2014/15 and beyond have been identified.

7. SIGNIFICANT NEGATIVE EFFECTS

An unsafe roading network could endanger users. In order to ensure the safety of road users, the roading network needs to be maintained to a standard that allows safe passage. The roading network is maintained using contemporary techniques and the roading program is audited by NZTA.

8. STATEMENT OF SERVICE PERFORMANCE

MEASURING SERVICE DELIVERY PERFORMANCE							
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)					HOW IT WILL BE MEASURED
		BASELINE 2007/08	2012/13	2013/14	2014/15	2016/19 – 2021/22	
The roads are maintained to ensure that they are safe and comfortable to travel on	Using the RAMM measurement system, average smooth travel exposure on urban roads to be 85% and rural roads 95% with maximum variation of 5%	100%	95%	95%	95%	95%	Council records
	Ratepayers and residents fairly/very satisfied with the roads	81%	82%	82%	82%	82%	NRB Survey 3 yearly*
	(20km ± 10% variation) sealed roads are resealed each year subject to availability of NZTA subsidy	100%	100%	100%	100%	100%	
	The pavement condition index as measured by the NZTA pavement integrity index	New	95%	95%	95%	95%	NZTA
	The number of crashes causing injuries is reduced	Crashes per km less does not exceed	Group and control average	Group and control average	Group and control average	Group and control average	NZTA
Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	New	70%	70%	70%	70%	NRB Survey 3 yearly
	Availability of footpaths on at least one side of the road down the whole street	84.8% (2005)	90%	90%	90%	90%	Council records

NOTE:

*A community satisfaction survey was carried out in late 2010. The results of the survey will be useful for the next review of the LTP. Council encourages on-going feedback on satisfaction levels from the community through the use of 'get it sorted' sent with the rates demands and available on our website. Council is pleased to receive other feedback at any time.

1. Baseline length of footpaths is worked out on the basis that 49,190m length is completed out of total length of 58,015m.
2. Smooth travel exposure (STE) is percentage of travel undertaken on roads with a roughness less than 150 NAASRA (National Association of Stats Roading Authorities) counts. NAASRA counts are a measure of road roughness (reflecting smoothness of road) i.e. the higher the count the rougher the road. Compared to other Councils' roads in New Zealand, South Wairarapa District Council's roads smoothness standard is very high. It is difficult to improve smooth travel exposure further but roads will be maintained to current level with ± 5% variation.
3. + _ 10% variation for seal extensions and reseals is to take into consideration location and site conditions of work.
4. Projected income has decreased due to withdrawal of New Zealand Transport Agency subsidy for seal extensions, which was budgeted in the SWCCP. The reduced income is offset by reduced works costs, corresponding to the subsidy component. The annual seal extension programme has therefore reduced from approximately two kilometres per year to approximately 700 metres.
5. Levels of service from reseal and rehabilitation programmes (other roads) can be achieved from expenditure levels similar to 2011/12 budgets.
6. The NZTA subsidy for seal extension has been withdrawn, accordingly it is unlikely any seal extensions will be carried out until the subsidy is reinstated.

9. LAND TRANSPORT (ROADING AND FOOTPATHS) PROSPECTIVE OPERATING STATEMENT FOR YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

LAND TRANSPORT PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Transfund subsidy	3,362	2,424	2,371	2,585	2,642	2,721	2,808	2,907	3,014	3,117	3,226
Petrol tax	93	93	96	99	102	105	108	112	116	120	125
Sinking fund interest	10	14	16	19	22	25	27	30	34	37	40
Miscellaneous income	464	454	466	479	494	509	525	543	563	583	603
Total Operating Income	**3,928**	**2,985**	**2,950**	**3,182**	**3,260**	**3,360**	**3,469**	**3,593**	**3,728**	**3,857**	**3,994**
OPERATING COSTS											
Local roads:-											
Routine maintenance	1,347	1,316	1,304	1,376	1,391	1,433	1,507	1,530	1,587	1,671	1,698
Safety maintenance	180	247	249	258	266	273	282	292	303	313	324
Flood protection	17	131	132	136	141	145	150	155	160	166	172
	1,544	1,693	1,685	1,770	1,797	1,851	1,939	1,977	2,050	2,150	2,194
Special purpose roads:-											
Cape palliser maintenance	290	143	145	150	154	159	164	170	176	182	188
Cape palliser safety work	33	12	13	13	13	14	14	15	15	16	16
	323	156	157	163	168	173	178	185	191	198	205
Unsubsidised roads maintenance	106	116	119	124	127	130	135	139	143	149	153
Other operating costs:											
Interest	108	108	108	108	101	96	96	96	96	96	89
In-house professional services	773	760	767	805	799	820	875	870	894	942	938
Depreciation	1,973	2,380	2,399	2,408	2,546	2,563	2,580	2,730	2,747	2,765	2,926
Occupancy costs	106	110	113	117	121	124	128	133	138	142	147
	2,959	3,358	3,386	3,437	3,566	3,604	3,680	3,830	3,876	3,946	4,100
Total Operating Costs	**4,932**	**5,323**	**5,347**	**5,494**	**5,658**	**5,758**	**5,932**	**6,130**	**6,260**	**6,442**	**6,652**
Note: Total operating costs include; Depreatio	1,973	2,380	2,399	2,408	2,546	2,563	2,580	2,730	2,747	2,765	2,926
Net Cost of Service	**(1,004)**	**(2,338)**	**(2,398)**	**(2,312)**	**(2,398)**	**(2,399)**	**(2,463)**	**(2,537)**	**(2,533)**	**(2,586)**	**(2,658)**
CAPITAL EXPENDITURE											
Seal extensions (all roads) - New	-	-	-	-	-	-	-	-	-	-	-
Culverts	400	-	-	-	-	-	-	-	-	-	-
Reseals (other roads) - Renewals	410	491	594	742	781	822	865	910	958	1,005	1,055
Reseals (SPR) - Renewals	35	64	67	71	75	79	83	87	92	96	101
Footpath renewals	40	42	43	44	45	47	48	49	51	52	54
New footpaths	80	83	86	88	91	93	96	99	102	104	107
Land transport (misc) - contribution to Waihang	-	-	-	-	-	-	-	-	-	-	-
Drainage (Other Roads) - Renewals	205	208	214	221	227	233	239	246	254	261	268
Drainage (SPR) - Renewals	-	21	21	22	23	23	24	25	25	26	27
Signs & guardrails (other roads) - Renewals	55	42	43	44	45	47	48	49	51	52	54
Traffic Services (Renewals) (SPR)	5	5	5	6	6	6	6	6	6	7	7
Street lighting (other roads) - Renewals	12	41	13	13	14	14	14	15	15	16	16
Area wide rehabilitation (other roads) - Renew	350	270	278	287	295	303	311	320	330	339	348
Area wide rehabilitation (SPR) - Renewals	83	52	53	55	57	58	60	62	63	65	67
Minor safety works (other roads) - New	296	72	75	77	79	81	83	86	89	91	93
Minor safety works (SPR) - New	64	107	110	113	117	120	123	127	130	134	137
Structures (renewal)	66	7	7	7	7	8	8	8	8	9	9
Road Metalling (renewal)	274	86	88	91	94	96	99	102	105	107	110
Road metalling (renewal) (SPR)	99	239	246	254	261	268	275	283	292	300	308
New bridges (SPR)	230	16	16	17	17	17	18	18	19	20	20
Erosion Control (SPR) - New	219	224	230	238	245	251	258	265	273	281	288
Total Capital Expenditure	**2,923**	**2,067**	**2,189**	**2,391**	**2,478**	**2,566**	**2,659**	**2,758**	**2,863**	**2,964**	**3,068**
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	61	54	54	54	54	54	54	54	54	54	54
Total Debt Requirements	**61**	**54**	**54**	**54**	**54**	**54**	**54**	**54**	**54**	**54**	**54**
Miscellaneous											
Depreciation not funded	(986)	(1,190)	(1,199)	(1,204)	(1,273)	(1,281)	(1,290)	(1,365)	(1,374)	(1,383)	(1,463)
Total Miscellaneous	**(986)**	**(1,190)**	**(1,199)**	**(1,204)**	**(1,273)**	**(1,281)**	**(1,290)**	**(1,365)**	**(1,374)**	**(1,383)**	**(1,463)**
Total Capital, Debt & Miscellaneous	**1,997**	**931**	**1,043**	**1,241**	**1,260**	**1,339**	**1,422**	**1,447**	**1,544**	**1,635**	**1,659**
Funding Required	**3,001**	**3,269**	**3,441**	**3,553**	**3,658**	**3,737**	**3,886**	**3,984**	**4,076**	**4,221**	**4,317**
Funded By:											
Rates income											
General rates	1,975	2,415	2,541	2,550	2,544	2,590	2,688	2,737	2,783	2,881	2,930
Target rates											
Total Rates Income	1,975	2,415	2,541	2,550	2,544	2,590	2,688	2,737	2,783	2,881	2,930
Loans	140	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	986	1,190	1,199	1,204	1,273	1,281	1,290	1,365	1,374	1,383	1,463
Reserve transfers	(129)	(433)	(398)	(299)	(267)	(241)	(214)	(250)	(218)	(188)	(229)
Other	30	96	99	98	107	107	121	132	138	145	152
Total Other Funding	1,027	853	900	1,004	1,113	1,147	1,198	1,247	1,293	1,339	1,387
Total Funding	**3,001**	**3,269**	**3,441**	**3,553**	**3,658**	**3,737**	**3,886**	**3,984**	**4,076**	**4,221**	**4,317**

10. South Wairarapa District Council Funding Impact Statement for the Years Ended 30 June 2012 – 2022 for Land Transport (Roading and Footpaths)

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR LAND TRANSPORT

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	1,975	2,415	2,541	2,550	2,544	2,590	2,688	2,737	2,783	2,881	2,930
Target rates (other than a targeted rate for water supply)											
Subsidies and grants for operating purposes	3,362	2,424	2,371	2,585	2,642	2,721	2,808	2,907	3,014	3,117	3,226
Fees, charges, and targeted rates for water supply											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	488	545	562	576	601	618	651	682	710	739	769
Total operating funding (A)	**5,824**	**5,385**	**5,474**	**5,710**	**5,788**	**5,930**	**6,147**	**6,326**	**6,508**	**6,737**	**6,925**
Applications of operating funding											
Payments to staff and suppliers	2,254	2,257	2,261	2,362	2,408	2,481	2,588	2,649	2,747	2,871	2,940
Finance costs	2,173	2,584	2,606	2,618	2,752	2,768	2,789	2,943	2,965	2,987	3,144
Internal charges and overheads applied	505	481	481	513	497	509	555	537	549	585	568
Other operating funding applications											
Total applications of operating funding (B)	**4,932**	**5,323**	**5,347**	**5,494**	**5,658**	**5,758**	**5,932**	**6,130**	**6,260**	**6,442**	**6,652**
Surplus (deficit) of operating funding (A-B)	**892**	**62**	**127**	**217**	**130**	**171**	**215**	**196**	**247**	**295**	**274**
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt	79	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)	(54)
Gross proceeds from sale of assets											
Lump sum contributions	108	112	116	120	123	127	131	136	141	145	151
Total sources of capital funding (C)	**187**	**58**	**61**	**65**	**69**	**73**	**77**	**82**	**87**	**91**	**96**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand			-	-	-	-	-	-	-	-	-
- to inprove the level of service	230	420	433	447	459	472	485	499	514	527	542
- to replace existing assets	2,693	1,647	1,756	1,944	2,019	2,094	2,174	2,259	2,349	2,436	2,526
Increase (decrease) in reserves	(1,843)	(1,947)	(2,001)	(2,109)	(2,279)	(2,322)	(2,367)	(2,480)	(2,529)	(2,577)	(2,698)
Increase (decrease) of investments											
Total applications of capital funding (D)	**1,079**	**120**	**188**	**282**	**199**	**244**	**292**	**278**	**334**	**387**	**370**
Surplus (deficit) of capital funding	**(892)**	**(62)**	**(127)**	**(217)**	**(130)**	**(171)**	**(215)**	**(196)**	**(247)**	**(295)**	**(274)**
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

WATER SUPPLY

1. DESCRIPTION

Territorial authorities have numerous responsibilities relating to the supply of water. One such responsibility is a duty under the Health Act 1956 to improve, promote, and protect public health within their districts. This implies that in the case of the provision of potable water, councils have an obligation to identify where such a service is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

In the South Wairarapa district, there are presently two public water supply systems – Greytown (for Greytown and Featherston) and Martinborough, with 3615 connections to the system, with another 263 properties that can be connected.

Five sources supply water to the urban populations of Featherston, Greytown and Martinborough. The sources of water are:

- Featherston - Boar Bush Gully Catchment.
- Featherston - Tait's Creek Intake Weir.
- Greytown and Featherston - Waiohine River.
- Greytown Bore.
- Martinborough - Herricks Well.

Two sources supply water to the rural areas of Featherston and Greytown. The sources of water are:

- Featherston - Tauherenikau River (Longwood Water Race)
- Greytown - Waiohine River (Moroa Water Race)

The preferred source of water for Martinborough is Herricks Well.

Featherston – Boar Bush Gully Catchment

A catchment area of approximately 3km^2 supplies runoff to an earth dam. The reservoir behind the earth dam contains approximately 40 days storage and includes a settling pond immediately upstream.

Water flows by gravity from the reservoir to the Boar Bush holding tanks which have a capacity of 450,000 litres. This source is currently operated as an emergency supply only.

Featherston – Tait's Creek Intake Weir

A concrete intake weir is located across Tait's Creek to the north of Featherston. The weir is designed to divert water from the creek into a 300mm gravity trunk main which supplies water to the holding tanks. The catchment area upstream of the weir is about 16km^2 with the 9km length of trunk main having a capacity of 6.3 million litres per day. This source is currently operated as an emergency supply only.

This supply is under review, and options are being considered to ensure a reliable emergency supply is available. The preferred option is a bore utilising the Tauherenikau ground water zone.

Greytown & Featherston – Waiohine River

Water is abstracted from the Waiohine River into a diversion channel on the river berm from which it is pumped to storage ponds each having a capacity of 18,250,000 litres.

Water then passes through an ultra-filtration plant and supplies both Greytown and Featherston. A 3.9km 300mm PVC pipe supplies water from the UF plant to the existing pipeline crossing the Tauherenikau River.

Greytown Bore

This is an alternative source of water for Greytown. It is required when the principal source of water from the Waiohine River has elevated turbidity conditions limiting the operation of the ultra filtration plant at Woodside.

The groundwater is abstracted from a single bore along Kuratawhiti Street outside the Memorial Baths. Water is pumped directly into the existing mains via a 300mm main over 450m meters.

The resource consent allows a total abstraction of 60 litres per second. This supply has been utilised more than anticipated recently and options are being reviewed to reduce usage. The changes to the Featherston supply will to a certain extent reduce usage of this bore.

Martinborough – Herricks Wells

This is the principal source of water for Martinborough being the groundwater aquifer in the vicinity of the Ruamahanga River.

The groundwater is abstracted from four bores approximately 2.5km south east of Martinborough and approximately 650m from the older terraces upon which Martinborough township is located. Water is pumped directly to three town reservoirs each having a capacity of 850,000 to 920,000 litres. These supply water by gravity flow via a 1.8km length of main. Resource consent conditions allow total abstraction at 90*l*/sec (combined abstraction from three bores). As part of the agreement with the land owner, Council provides him water at 20 *l*/sec.

Featherston – Tauherenikau River (Longwood Water Race)

A concrete pipe intake structure situated in the Tauherenikau River supplies water via a 600mm culvert to the Longwood water race system. This supplies primarily stock water to rural properties via a system of approximately 40km of open channel within the defined water district.

Greytown – Waiohine River (Moroa Water Race)

A diversion channel located adjacent to the Waiohine River diverts water from the Waiohine River. The Greytown town water supply is extracted from the channel and the reminder of the flow is conveyed into the Moroa water race for stock watering purposes. Within the defined water district that is approximately 225km of open race delivering water.

Martinborough – Huangarua

A channel intake is located adjacent to the Huangarua River approximately 200m north of Hinakura Road. The diverted water then flows approximately 50m into a well and then pumped 1km to the twin reservoirs. This is not a preferred source of water for Martinborough and is used for emergency water supply only.

It is the Council's responsibility to store adequate quantities of water in appropriate positions and to provide an adequate reticulation system for distribution.

The Council owns a number of structures and components supplying water including the following:

WATER SUPPLY	
URBAN	**NETWORK**
Featherston	36km of underground pipes
Greytown	30km of underground pipes
Martinborough	38km of underground pipes
RURAL	**NETWORK**
Featherston	40km of open race
Greytown	225km of open race

A summary of data is held on the geographical information system (GIS) and other asset systems. The data is regularly updated, extended and improved to incorporate additions, deletions and accuracy of detail.

The Featherston system is a mix of asbestos-cement, concrete-lined steel, fibrolite and reinforced concrete. A significant amount of alkathene exists in smaller sizes and minor amounts of galvanised steel, copper, Upvc and steel exist.

Greytown is predominately asbestos-cement with increasing amounts of Upvc being laid in recent times. A quantity of fibrolite, alkathene and steel pipe is also laid.

Martinborough has primarily asbestos-cement and Upvc piping with only minor quantities of alkathene, copper, galvanised and steel.

Water supplies in all the three towns are monitored and controlled through Council's telemetry system.

The Council provides town water supply to the needs of urban residents and industrial, commercial and horticultural users plus some rural users in accordance with Council's Town Water Supply Policy.

Most rural residents obtain their water by other means – mostly from their own rainwater tanks, but some have private bores. There is a small reticulated supply that serves residences at Pirinoa. This is under the overview and maintenance of the community itself.

This plan summarises the Council's strategic and management long-term approach for the provision and maintenance of potable water supplies to properties throughout the District (excluding those that service single premises that have their own rainwater tanks or bores) – whether they be provided by public or private means.

2. Community Outcomes to Which the Activity Contributes

The community outcomes to which the water supply activity primarily contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
Community Outcomes	**How The Water Supply Activity Contributes**
Healthy & economically secure people	By ensuring that adequate public supplies are provided, at an affordable cost, and that private supplies are properly monitored
Vibrant & strong communities	By ensuring that adequately located and pressured connections for fire fighting are provided in reticulated communities
Sustainable South Wairarapa	By ensuring that all of the reticulated systems operate as efficiently as possible, that the conditions of the water permits are complied with and that average consumption per annum is maintained or reduced
Healthy & economically secure people	By ensuring that adequate public supplies are provided, at an affordable cost, and that private supplies are properly monitored

Fluoridation of town water supplies is planned to be investigated and consulted on in the next few years.

3. The Activity Goal and Principal Objectives

The water supply activity goal is:

a) To provide reliable (as possible) and sustainable reticulated water supplies to the townships of Greytown, Featherston and Martinborough.

b) To provide stock water race supply networks from the Tauherenikau and Waiohine Rivers.

c) To encourage conservation of water and the wise use of this valuable resource.

The Council's principal objectives are:

a) To achieve defined standards of customer service.

b) To protect the health and safety of the community.

c) To minimise adverse effects on the environment.

d) To comply with legal requirements.

e) To achieve defined technical standards.

f) To implement policies of South Wairarapa District Council.

g) To promote development throughout the district.

h) To achieve defined standards of system management.

i) To provide a water supply with a minimum grading of Bb in Featherston and Greytown. In Martinborough, Council will endeavour to improve the quality of ground water which has a high percentage of manganese and other minerals.

4. Assets we Look After

This activity maintains the following assets:

Water Sources Urban

Five sources supply water to the urban populations of Featherston, Greytown and Martinborough. The sources of water are:

- Featherston - Boar Bush Gully Catchment. This source is currently operated as an emergency supply only.
- Featherston - Taits Creek Intake Weir
  This source is currently operated as an emergency supply only.
- Greytown & Featherston - Waiohine River.
- Greytown – Supplementary Bore.
- Martinborough - Herricks Wells. This is the preferred source of water for Martinborough.
- Martinborough – Huangarua (used for emergency water supply only).

Water Sources Rural (Stock Water Races)

Two sources supply water to the rural areas of Featherston and Greytown. The sources of water are:

- Featherston - Tauherenikau River (Longwood Water Race)
- Greytown - Waiohine River (Moroa Water Race)

5. Projects for 2012/13

Projects for 2012/13 include:

- Renewal of ultra-filtration units at Greytown/Featherston water treatment plant at the rate of approximately 20 per year (average duration of renewals cycle is 5-years).
- Renewal of valves, pumps and fittings including telemetry equipment.
- Add all asset details into the asset management system and model expenditure vs. condition for 10 years.

- Complete investigations into alternative Featherston supply.
- Review of energy use and the development of an energy reduction/minimisation plan.

6. PROJECTS FOR 2014/15 AND BEYOND

Projects for 2014/15 and beyond include:

- Investigation, design, and implementation of the Featherston emergency/supplementary water supply.
- Greytown bore UV treatment.
- Compliance with the 2008 drinking water standards, required by 2014.
- Water race upgrade.

7. SIGNIFICANT NEGATIVE EFFECTS

A water supply that does not meet minimum health standards could cause health problems for users. Council uses contemporary techniques to ensure the water supply is fit for use.

In addition, a reliable supply is needed for fire fighting purposes. Council ensures reliability by regularly maintaining the system.

8. STATEMENT OF SERVICE PERFORMANCE

MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)					HOW IT WILL BE MEASURED
		BASELINE 2008/09	2012/13	2013/14	2014/15	2016/19 – 2021/22	
The Council provides reliable and safe drinking water supplies	Compliance with resource consent conditions/water permit conditions to "mainly complying" or better	95%	95%	95%	95%	95%	Council records
The water provided is safe to drink	Water supply systems comply with Ministry of Health Bacteriological Drinking Water Standards guidelines 2000**	95%	95%	95%	95%	95%	Council records
	Ratepayers and residents satisfied with level of service for water	46%	57%	75%	75%	80%	NRB Survey 3 yearly*
	Urgent (dirty, cloudy, smelly, or bad tasting water or no water at all) requests for service responded to within 1 day	95%	95%	95%	95%	95%	Council records
There is adequate water for urban fire fighting	Fire hydrants tested annually that meet NZ Fire Service Code of Practice	New	100%	100%	100%	100%	Council records

NOTE:

*A community satisfaction survey was carried out in late 2010. The results of the survey will be useful for the next review of the LTP. Council encourages on-going feedback on satisfaction levels from the community through the use of 'get it sorted' sent with the rates demands and available on our website. Council is pleased to receive other feedback at any time.

**Flooding rivers, droughts and other unavoidable factors do not enable 100% compliance during the year.

9. WATER SUPPLY PROSPECTIVE OPERATING STATEMENT FOR YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

WATER SUPPLY PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Water meter charges	340	252	252	252	261	271	281	291	302	314	327
Sinking fund interest	27	37	40	43	47	51	55	59	63	67	67
Grants, Subsidies & Donations	176	19	-	-	-	-	-	-	-	-	-
Water connection fees	56	57	59	61	63	66	68	70	73	76	79
Total Operating Income	**599**	**364**	**351**	**356**	**372**	**388**	**403**	**420**	**437**	**457**	**473**
OPERATING COSTS											
Water races	86	86	86	86	86	89	92	96	99	103	108
Depreciation	898	799	828	845	849	873	888	880	896	905	896
Works costs	744	708	709	710	711	738	764	791	821	854	889
Treatment & reticulation	780	897	914	948	956	970	1,007	1,015	1,042	1,085	1,098
Total Operating Costs	**2,507**	**2,489**	**2,536**	**2,589**	**2,602**	**2,670**	**2,752**	**2,781**	**2,857**	**2,947**	**2,991**
Note: Total operating costs include; Depreatio	898	799	828	845	849	873	888	880	896	905	896
Net Cost of Service	**(1,908)**	**(2,125)**	**(2,186)**	**(2,232)**	**(2,230)**	**(2,282)**	**(2,348)**	**(2,362)**	**(2,420)**	**(2,490)**	**(2,518)**
CAPITAL EXPENDITURE											
Universal metering	138	63	11	11	12	12	12	13	13	13	14
Cyclical renewal	373	313	324	335	346	357	368	378	390	402	414
Featherston Bore investigation	300	31	-	-	-	-	-	-	-	-	-
Featherston Supply Supplementation	-	-	108	112	288	298	-	-	-	-	-
Greytown Bore UV treatment	-	-	130	56	-	-	-	-	-	-	-
Water Race UpGrade	-	16	43	-	46	-	49	-	52	-	-
Pirinoa Water Tank	-	8	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	**811**	**430**	**616**	**513**	**692**	**667**	**429**	**391**	**455**	**415**	**428**
Public Debt											
Loan repayments	-	-	4	8	14	20	21	22	24	25	26
Sinking fund contributions	67	56	56	56	56	56	56	56	56	56	56
Total Debt Requirements	**67**	**56**	**61**	**64**	**70**	**76**	**77**	**79**	**80**	**81**	**83**
Total Capital & Debt	**879**	**486**	**677**	**578**	**762**	**743**	**507**	**470**	**535**	**497**	**511**
Funding Required	**2,787**	**2,612**	**2,863**	**2,810**	**2,992**	**3,026**	**2,855**	**2,831**	**2,955**	**2,987**	**3,029**
Funded By:											
Rates income											
General rates	-	-	-	-	-	-	-	-	-	-	-
Target rates	2,178	2,206	2,255	2,305	2,310	2,372	2,431	2,445	2,503	2,573	2,601
Total Rates Income	2,178	2,206	2,255	2,305	2,310	2,372	2,431	2,445	2,503	2,573	2,601
Loans	350	-	238	167	288	298	-	-	-	-	-
Depreciation Reserves	898	799	828	845	849	873	888	880	896	905	896
Reserve transfers	(644)	(481)	(548)	(603)	(556)	(620)	(581)	(618)	(577)	(632)	(614)
Other	55	88	91	96	100	103	117	124	133	141	146
Total Other Funding	659	406	608	504	682	654	423	386	452	414	428
Total Funding	**2,837**	**2,612**	**2,863**	**2,810**	**2,992**	**3,026**	**2,855**	**2,831**	**2,955**	**2,987**	**3,029**

NOTES:

Projected operating income has increased due to the estimated increase in water meter charges. Water supply activities are required to operate on a break-even basis.

10. South Wairarapa District Council Funding Impact Statement for the Years Ended 30 June 2012 – 2022 for Water Supply

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR WATER SUPPLY	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties											
Target rates (other than a targeted rate for water supply)											
Subsidies and grants for operating purposes	176	19	-	-	-	-	-	-	-	-	-
Fees, charges, and targeted rates for water sup	2,178	2,206	2,255	2,305	2,310	2,372	2,431	2,445	2,503	2,573	2,601
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fee	479	376	383	391	409	425	452	473	497	522	540
Total operating funding (A)	**2,832**	**2,601**	**2,637**	**2,696**	**2,719**	**2,797**	**2,884**	**2,919**	**3,000**	**3,095**	**3,141**
Applications of operating funding											
Payments to staff and suppliers	1,109	1,188	1,203	1,217	1,232	1,277	1,320	1,365	1,415	1,471	1,530
Finance costs	1,076	952	981	999	1,004	1,017	1,028	1,021	1,038	1,047	1,040
Internal charges and overheads applied	322	350	352	373	366	376	403	396	404	428	421
Other operating funding applications											
Total applications of operating funding (B)	**2,507**	**2,489**	**2,536**	**2,589**	**2,602**	**2,670**	**2,752**	**2,781**	**2,857**	**2,947**	**2,991**
Surplus (deficit) of operating funding (A-B)	**325**	**112**	**101**	**108**	**117**	**127**	**132**	**137**	**143**	**148**	**150**
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt	283	(56)	177	103	218	221	(77)	(79)	(80)	(81)	(83)
Gross proceeds from sale of assets											
Lump sum contributions		57	59	61	63	66	68	70	73	76	79
Total sources of capital funding (C)	**283**		**236**	**164**	**282**	**287**	**(9)**	**(8)**	**(7)**	**(5)**	**(4)**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to inprove the level of service											
- to replace existing assets	861	430	616	513	692	667	429	391	455	415	428
Increase (decrease) in reserves	(254)	(318)	(279)	(242)	(293)	(253)	(307)	(262)	(319)	(272)	(282)
Increase (decrease) of investments											
Total applications of capital funding (D)	**608**	**112**	**337**	**272**	**399**	**414**	**123**	**129**	**136**	**143**	**146**
Surplus (deficit) of capital funding	**(325)**	**(112)**	**(101)**	**(108)**	**(117)**	**(127)**	**(132)**	**(137)**	**(143)**	**(148)**	**(150)**
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

SOLID WASTE MANAGEMENT DESCRIPTION

Territorial authorities have responsibilities relating to the collection and disposal of solid waste management and associated recycling.

In the South Wairarapa district there is presently one transfer station at Martinborough and recycling stations at Featherston, Greytown, Martinborough and Pirinoa. All these sites have recycling facilities and are managed by Council. There is an unmanned recycling depot at Tuturumuri and Hinakura. Private collection services are also available in the district, and disposal of this material is allowed at Council's transfer station. Coastal areas are also serviced particularly during tourist visitor times.

The Council is also working with other councils in the region to look at Wairarapa wide solutions to solid waste management.

3,820 properties are charged for refuse collection services. Urban properties are compulsory and rural properties by choice provided they are on the collection service routes.

This plan summarises the Council's strategic and management long-term approach for the provision and maintenance of solid waste management services throughout the district (excluding private collection services).

Waste minimisation levy funds are applied to analysis of solid waste, recycling, education, advertising and other projects.

1. Community Outcomes to Which the Activity Contributes

The community outcomes to which the solid waste activity primarily contributes are shown in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	**HOW THE SOLID WASTE MANAGEMENT ACTIVITY CONTRIBUTES**
Healthy & economically secure people	By providing services which help to protect the health of the community
Vibrant and strong Communities	By providing services which help to protect the safety of the community
Sustainable South Wairarapa	By providing services in a sustainably managed way

2. The Activity Goal and Principal Objectives

The solid waste management goal is:

a) To provide a reliable and safe solid waste management regime within the district and the Wairarapa region.

And the Council's principal objectives are:

a) To protect the health of the community.

b) To protect the environment.

c) To minimise waste volumes that require disposal by addressing recycling use and reduction for waste material.

d) To work with other councils toward Wairarapa regional solutions.

3. Assets we Look After

This activity owns and maintains the Martinborough, transfer station, and the Featherston, Greytown Tuturimuri and Lake Ferry recycling centres.

4. Projects for 2012/13

Projects for 2012/13 include:

- Continue to work with Carterton and Masterton District Councils on solid waste management issues and solutions.
- Develop a single waste minimization officer for all three councils under contract.
- Work at a regional and sub-regional level towards the outcome of the waste management and minimisation plan as required under the Waste Minimisation Act 2008.
- Provide at least 2 hard waste collections per year.
- Incorporate all asset details into the asset management system and model expenditure vs. condition for 10 years.
- Carry out all actions listed for SWDC under the Regional Waste Management Plan.

5. PROJECTS FOR 2013/14 AND BEYOND

Projects for 2013/14 and beyond include:

- Development and upgrade of transfer stations.

6. SIGNIFICANT NEGATIVE EFFECTS

Council recognises there are health risks if solid waste is not disposed of in an orderly manner.

Council has implemented a solid waste management system to mitigate the risks associated with solid waste.

7. STATEMENT OF SERVICE PERFORMANCE

MEASURING SERVICE DELIVERY PERFORMANCE							
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)					HOW IT WILL BE MEASURED
		BASELINE 2008/09	2012/13	2013/14	2014/15	2016/19 – 2021/22	
Recycling stations are accessible and maintained	Number of communities with recycling centres	6	6	6	6	6	Council records
Refuse and recycling collection services are provided and waste minimisation actively promoted	Volume of waste disposed out of district	1995 tonne (2007/2008)	Decreasing by 2.5%	Decreasing by 2.5%	Decreasing by 2.5%	Decreasing by 2.5%	Council records
	% of ratepayers and residents satisfied with the level of service	83% (2005)	90%	90%	90%	90%	NRB Survey 3 yearly*

NOTE:
*A community satisfaction survey was carried out in late 2010. The results of the survey will be useful for the next review of the LTP. Council encourages on-going feedback on satisfaction levels from the community through the use of 'get it sorted' sent with the rates demands and available on our website. Council is pleased to receive other feedback at any time.

8. SOLID WASTE MANAGEMENT PROSPECTIVE OPERATING STATEMENT YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

SOLID WASTE MANAGEMENT PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Fees and charges	125	128	132	136	141	146	151	156	161	167	173
Other charges	102	82	85	87	90	93	97	100	103	107	110
Other income	11	34	35	36	37	39	40	41	43	44	46
Total Operating Income	**238**	**244**	**252**	**260**	**269**	**278**	**287**	**297**	**307**	**318**	**329**
OPERATING COSTS											
Collections	604	538	553	573	588	608	632	647	668	694	713
Transfer stations	778	855	880	911	935	965	1,002	1,028	1,059	1,077	1,108
Total Operating Costs	**1,382**	**1,393**	**1,433**	**1,484**	**1,523**	**1,573**	**1,634**	**1,675**	**1,727**	**1,771**	**1,820**
Note: Total operating costs include; Depreatio	17	27	28	28	29	29	29	29	29	7	7
Net Cost of Service	**(1,144)**	**(1,149)**	**(1,182)**	**(1,224)**	**(1,254)**	**(1,295)**	**(1,347)**	**(1,378)**	**(1,420)**	**(1,453)**	**(1,492)**
CAPITAL EXPENDITURE											
Development work	30	23	23	24	25	25	26	27	28	28	29
Resource consents	-	5	-	-	-	-	-	-	-	-	-
Transfer Station Upgrade (General)	22	26	-	54	-	58	-	-	-	-	-
Total Capital Expenditure	**52**	**53**	**23**	**78**	**25**	**83**	**26**	**27**	**28**	**28**	**29**
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Capital & Debt	52	53	23	78	25	83	26	27	28	28	29
Funding Required	**1,196**	**1,202**	**1,205**	**1,303**	**1,279**	**1,378**	**1,373**	**1,405**	**1,448**	**1,482**	**1,521**
Funded By:											
Rates income											
General rates	676	669	652	631	600	1,238	1,282	1,308	1,344	1,373	1,408
Target rates	436	434	482	543	599	-	-	-	-	-	-
Total Rates Income	1,112	1,103	1,134	1,173	1,199	1,238	1,282	1,308	1,344	1,373	1,408
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	17	27	28	28	29	29	29	29	29	7	7
Reserve transfers	35	27	(5)	50	(4)	55	(3)	(3)	(1)	22	22
Other	32	46	48	51	55	57	65	70	75	80	84
Total Other Funding	84	99	71	129	79	140	91	97	103	108	113
Total Funding	**1,196**	**1,202**	**1,205**	**1,303**	**1,279**	**1,378**	**1,373**	**1,405**	**1,448**	**1,482**	**1,521**

9. South Wairarapa District Council Funding Impact Statement for the Years Ended 30 June 2012-2022 for Solid Waste Management

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR SOLID WASTE MANAGEMENT	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	676	1,103	1,134	1,173	1,199	1,238	1,282	1,308	1,344	1,373	1,408
Target rates (other than a targeted rate for water supply)	436										
Subsidies and grants for operating purposes											
Fees, charges, and targeted rates for water supply											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	270	290	299	311	323	335	352	367	382	398	413
Total operating funding (A)	**1,382**	**1,393**	**1,433**	**1,484**	**1,523**	**1,573**	**1,634**	**1,675**	**1,727**	**1,771**	**1,820**
Applications of operating funding											
Payments to staff and suppliers	1,161	1,157	1,194	1,232	1,274	1,318	1,363	1,408	1,454	1,507	1,559
Finance costs	17	27	28	28	29	29	29	30	29	7	8
Internal charges and overheads applied	204	210	212	224	220	226	242	238	243	257	253
Other operating funding applications											
Total applications of operating funding (B)	**1,382**	**1,393**	**1,433**	**1,484**	**1,523**	**1,573**	**1,634**	**1,675**	**1,727**	**1,771**	**1,820**
Surplus (deficit) of operating funding (A-B)		-	-	-	-	-	-	-	-	-	-
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt											
Gross proceeds from sale of assets											
Lump sum contributions											
Total sources of capital funding (C)	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to inprove the level of service											
- to replace existing assets	52	53	23	78	25	83	26	27	28	28	29
Increase (decrease) in reserves	(52)	(53)	(23)	(78)	(25)	(83)	(26)	(27)	(28)	(28)	(29)
Increase (decrease) of investments											
Total applications of capital funding (D)	-	-	-	-	-	-	-	-	-	-	-
Surplus (deficit) of capital funding	-	-	-	-	-	-	-	-	-	-	-
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

WASTE WATER (SEWERAGE)

1. DESCRIPTION

Territorial authorities have numerous responsibilities relating to waste water systems. One such responsibility is the duty under the Health Act 1956 to improve, promote, and protect public health within their districts. This implies that, in the case of the provision of waste water systems, councils have an obligation to identify where such a service is required, and to either provide it directly themselves, or to maintain an overview of the supply if it is provided by others.

In the South Wairarapa district, there are presently four waste water systems, to which 3,784 pans are connected to the system with a further 321 properties that can be connected.

The sewerage schemes are:

- Featherston – Urban.
- Greytown – Urban.
- Martinborough – Urban.
- Lake Ferry – Rural.

Featherston - Urban

Essentially a gravity system (95%) with minor pumping (5%).

Sewage flows by gravity from individual connections through the mains to a primary and secondary oxidation pond configuration.

Featherston oxidation ponds are located off Longwood Road some 1.3 km from the edge of the urban development. The ponds have a total surface area of 38,000 m^2 and incorporate a clay sealing layer, polyethylene sealed sides and wavebands.

Treated effluent is discharged via a trough into an open channel which flows into Donald's Creek below Longwood Road.

Greytown - Urban

Essentially a gravity system (95%) with minor pumping (5%). At present 90% of the Greytown urban area is connected to the waste water system. Some properties are still on septic tanks.

Sewage flows by gravity from individual connections through mains to primary and secondary ponds.

The Greytown sewage ponds are located at the end of Pah Road, some 3km from Greytown. Pond No 1 has an area of 18,500m^2 and Pond No 2 has an area of 15,000m^2. Both ponds are clay lined and have concrete wavebands.

An internal boulder wall filter was constructed in 2000 for pond No 2. This was a requirement of the resource consent process and is aimed at improving effluent quality.

The effluent discharges into the Papawai Stream. The Papawai Stream flows into the Ruamahanga River some 1,500 metres downstream of the effluent discharge point.

Martinborough - Urban

Martinborough operates entirely as a gravity system.

Sewage flows by gravity from individual connections through the mains to a single anaerobic pond.

The pond has an area of 16,300m^2 and incorporates a clay sealing layer and waveband. Mechanical aerators were installed in 1998 and four maturation ponds were constructed in 2006 to improve the quality of effluent. It is sited at the end of Weld Street, some 1.3km from the Square.

Treated effluent is discharged via an outlet structure into the Ruamahanga River.

A few households in Martinborough are still operating off septic tanks and not connected to the system.

Summary of Council Infrastructure

The Council owns a number of structures and components for the disposal of waste water including the following:

SYSTEM	
URBAN	**NETWORK**
Featherston	25km of underground pipes
Greytown	20km of underground pipes
Martinborough	20km of underground pipes
RURAL	**NETWORK**
Lake Ferry Settlement	3km underground pipes (nearly 50% rising mains

The Featherston system is a mix of earthenware, asbestos-cement, fibrolite, reinforced concrete and uPVC. Approximately 90% of the total reticulation is 150mm pipe. There has been the greatest use of earthenware and asbestos-cement pipe with decreasing amounts of reinforced concrete, uPVC and fibrolite.

Greytown is predominantly concrete and fibrolite. The use of uPVC is increasing (currently 12%) with smaller amounts of asbestos-cement and earthenware pipe.

Most of Martinborough (approximately 99.5%) is asbestos-cement pipe. The remainder is uPVC pipe.

Sewer pumps and aerators are controlled and monitored through Council's telemetry system.

A summary of data is held in Council's geographical information system (GIS) and other asset systems. The information held is regularly updated to incorporate additions and deletions and to improve detail accuracy.

This plan covers the disposal of:

- Waste water from the urban centres of Featherston, Greytown and Martinborough.
- The scheme for Lake Ferry settlement.

If ratepayers are unable to pay upfront for the financial contributions for the Lake Ferry waste water scheme then the Council will allow installments over 5 years.

The Council provides for the disposal of waste water to meet the needs of urban residents and industrial, commercial, institutional, recreational, horticultural and rural users (near the urban areas) in accordance with the Waste Water Disposal – Sewerage Connection Policy.

The Council operates and maintains the system for disposal of sewage in accordance with standards established by the Ministry of Health and the Greater Wellington Regional Council.

This Plan summarises the Council's strategic and management long term approach for the provision and maintenance of sewerage to properties in the district (excluding those that service single premises that have their own septic tanks).

2. Community Outcomes to Which the Activity Contributes

The community outcomes to which sewerage activity primarily contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
Community Outcomes	**How The Sewerage Activity Contributes**
Healthy and economically secure people	By ensuring that adequate public systems are provided, at an affordable cost
Sustainable South Wairarapa	By ensuring that all of the reticulated systems operate as efficiently as possible; that the conditions are complied with

3. The Activity Goal and Principal Objectives

The waste water activity goal is:

a) To collect, treat and dispose of waste water from the urban areas of Featherston, Greytown, Martinborough and Lake Ferry so as to provide public health protection with minimal effects on the environment.

The Council's principal objectives are:

a) To achieve defined standards of customer service.

b) To protect the health and safety of the community.

c) To minimise adverse effects on the environment.

d) To comply with legal requirements.

e) To achieve defined technical standards.

f) To implement policies of South Wairarapa District Council.

g) To promote development throughout the cistrict.

h) To achieve defined standards of system management.

4. Assets we Look After

In the South Wairarapa district, there are four waste water community systems. There are 3,274 properties connected to the four systems.

The sewerage schemes are:

- Featherston – Urban.
- Greytown – Urban.
- Martinborough – Urban.
- Lake Ferry – Rural.

These systems include pipes, pumps, ponds and plant facilities to collect treat and discharge the waste water.

5. Projects for 2012/13

Projects for 2012/13 include:

- Investigate sources of inflow and infiltration into sewerage reticulation at each of the three towns.

- Continued programme of sewerage reticulation repairs and renewals.
- Prepare and apply for consent applications for Martinborough, Featherston and Greytown.
- Divert flow from Papawai Stream (Greytown).
- Install ultra-violet disinfection for the Greytown effluent discharge and apply for land irrigation consents.
- Complete land studies for Featherston and Martinborough.
- Add all asset details into the asset management system and model expenditure vs. condition for 10 years.

6. PROJECTS FOR 2013/14 AND BEYOND

Projects for 2013/14 and beyond include:

- Continue to develop waste water treatment systems to meet the requirements of the new resource consents.

7. SIGNIFICANT NEGATIVE EFFECTS

Council recognises there are health and environmental risks if waste water is not disposed of in an orderly manner. Council has implemented a waste water system to mitigate the risks associated with waste water. The resource consent process ensures health, environmental, and cultural considerations are taken into account.

8. STATEMENT OF SERVICE PERFORMANCE

MEASURING SERVICE DELIVERY PERFORMANCE							
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)					HOW IT WILL BE MEASURED
		BASELINE 2008/09	2012/13	2013/14	2014/15	2016/19 – 2021/22	
Council provides waste water services that effectively collect and dispose of waste water	Number of blockages per 1000 connections	New	10	10	10	10	Council records
	Ratepayers and residents satisfaction with waste water services	67% (2005)	70%	70%	70%	70%	NRB survey 3 yearly*
Waste water disposal does not create any smells, spill or health issues and causes minimal impact on the natural environment	% of resource consent conditions complied with to mainly complying or better**	90%	90%	90%	90%	90%	Council records
	Proportion of urgent waste water service requests responded to within 6 hours of notification	-	New	95%	95%	95%	Council records

NOTE:

*A community satisfaction survey was carried out in late 2010. The results of the survey will be useful for the next review of the LTP. Council encourages on-going feedback on satisfaction levels from the community through the use of 'get it sorted' sent with the rates demands and available on our website. Council is pleased to receive other feedback at any time.

** This allows for a small number of "technical" breaches associated with the myriad of resource consent conditions which may be due to short-term, unplanned impacts on operating conditions, equipment failure etc. The indicator should not be read as an intention to plan for non-compliance.

9. SEWERAGE PROSPECTIVE OPERATING STATEMENT FOR YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

SEWERAGE PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Fees and charges	11	12	12	13	13	14	14	14	15	16	16
Grants, subsidies & donations	-	-	-	-	-	-	-	-	-	-	-
Sinking fund interest	20	26	31	37	42	47	53	60	65	72	79
Contributions	38	39	23	24	24	25	26	27	28	29	31
Total Operating Income	**69**	**77**	**66**	**73**	**79**	**86**	**93**	**102**	**109**	**117**	**126**
OPERATING COSTS											
Reticulation	956	974	1,025	1,058	1,094	1,121	1,156	1,174	1,213	1,261	1,273
Treatment and disposal	346	466	501	518	416	547	563	468	483	502	511
Total Operating Costs	**1,302**	**1,439**	**1,526**	**1,577**	**1,510**	**1,668**	**1,719**	**1,642**	**1,696**	**1,762**	**1,784**
Note: Total operating costs include; Depreatio	345	377	412	429	464	481	492	504	532	560	574
Net Cost of Service	**(1,234)**	**(1,362)**	**(1,460)**	**(1,504)**	**(1,430)**	**(1,582)**	**(1,626)**	**(1,540)**	**(1,587)**	**(1,645)**	**(1,658)**
CAPITAL EXPENDITURE											
Reticulation renewals	261	172	294	112	288	298	307	315	325	335	345
Alternative disposal systems (Greytown)	1,187	208	541	335	-	-	-	-	650	670	-
Alternative disposal systems (Martinborough)	223	78	54	56	288	298	-	-	-	-	-
Alternative disposal systems (Featherston)	114	104	54	56	577	-	-	-	-	-	-
Land purchase (Featherston)	-	-	-	-	-	357	368	-	-	-	-
Land purchase (Greytown)	-	-	324	335	-	-	-	-	-	-	-
Land purchase (Martinborough)	-	-	-	-	-	-	-	378	390	-	-
Miscellaneous	11	52	54	56	58	60	61	63	65	67	69
Lake ferry sewerage system	12	16	16	17	17	18	18	19	19	20	21
Oxidation ponds	40	42	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	**1,847**	**672**	**1,337**	**965**	**1,228**	**1,030**	**754**	**776**	**1,448**	**1,092**	**435**
Public Debt											
Loan repayments	12	42	63	81	102	120	131	146	174	196	208
Sinking fund contributions	157	112	109	109	109	109	109	109	109	109	109
Total Debt Requirements	**169**	**155**	**172**	**190**	**212**	**230**	**240**	**255**	**283**	**306**	**317**
Total Capital & Debt	**2,017**	**827**	**1,509**	**1,156**	**1,440**	**1,260**	**994**	**1,031**	**1,731**	**1,398**	**752**
Funding Required	**3,250**	**2,189**	**2,970**	**2,659**	**2,870**	**2,842**	**2,620**	**2,571**	**3,319**	**3,043**	**2,410**
Funded By:											
Rates Income											
General rates	-	-	-	-	-	-	-	-	-	-	-
Target rates	1,421	1,417	1,512	1,572	1,637	1,701	1,752	1,791	1,864	1,945	1,974
Total Rates Income	1,421	1,417	1,512	1,572	1,637	1,701	1,752	1,791	1,864	1,945	1,974
Loans	1,524	391	973	781	865	655	368	378	1,039	670	-
Depreciation Reserves	345	377	412	429	464	481	492	504	532	560	574
Reserve transfers	(78)	(57)	6	(193)	(167)	(75)	(81)	(194)	(216)	(239)	(249)
Other	39	61	66	70	72	79	90	91	99	107	111
Total Other Funding	1,829	772	1,457	1,088	1,233	1,140	868	780	1,454	1,098	437
Total Funding	**3,250**	**2,189**	**2,970**	**2,659**	**2,870**	**2,842**	**2,620**	**2,571**	**3,319**	**3,043**	**2,410**

NOTE

The full extent of the planned land acquisition for the Featherston effluent disposal system has been deferred to 2011/12 to allow the actual area requirements to be quantified from consent requirements and monitoring of treatment plant performance.

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 -2022 FOR SEWERAGE

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR SEWERAGE	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties											
Target rates (other than a targeted rate for wate	1,421	1,417	1,512	1,572	1,637	1,701	1,752	1,791	1,864	1,945	1,974
Subsidies and grants for operating purposes											
Fees, charges, and targeted rates for water supply											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fee	70	99	109	120	127	140	157	166	180	195	206
Total operating funding (A)	**1,491**	**1,516**	**1,622**	**1,691**	**1,763**	**1,841**	**1,909**	**1,957**	**2,044**	**2,140**	**2,180**
Applications of operating funding											
Payments to staff and suppliers	416	574	613	634	541	680	699	616	639	664	690
Finance costs	691	640	685	701	731	744	759	769	794	820	818
Internal charges and overheads applied	196	225	228	241	238	244	260	257	263	278	275
Other operating funding applications											
Total applications of operating funding (B)	**1,302**	**1,439**	**1,526**	**1,577**	**1,510**	**1,668**	**1,719**	**1,642**	**1,696**	**1,762**	**1,784**
Surplus (deficit) of operating funding (A-B)	**189**	**77**	**95**	**115**	**254**	**173**	**190**	**315**	**348**	**377**	**396**
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions	38	39	23	24	24	25	26	27	28	29	31
Increase (decrease) in debt	1,354	236	801	591	653	425	127	123	756	364	(317)
Gross proceeds from sale of assets											
Lump sum contributions											
Total sources of capital funding (C)	**1,392**	**275**	**824**	**614**	**677**	**451**	**154**	**150**	**784**	**394**	**(287)**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to inprove the level of service	1,524	391	973	781	865	655	368	378	1,039	670	-
- to replace existing assets	324	281	364	184	363	375	386	397	409	422	435
Increase (decrease) in reserves	(266)	(320)	(418)	(236)	(297)	(406)	(410)	(310)	(316)	(321)	(326)
Increase (decrease) of investments											
Total applications of capital funding (D)	**1,581**	**352**	**919**	**729**	**931**	**624**	**344**	**465**	**1,133**	**771**	**109**
Surplus (deficit) of capital funding	**(189)**	**(77)**	**(95)**	**(115)**	**(254)**	**(173)**	**(190)**	**(315)**	**(348)**	**(377)**	**(396)**
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

STORMWATER DRAINAGE

1. DESCRIPTION

Territorial authorities have numerous responsibilities for stormwater management. In the case of stormwater Council has an obligation to identify where such a service is required and to either provide it directly or to maintain an overview where it is provided by others.

Public stormwater services are the responsibility of Council.

Design and operational considerations for the stormwater system are fundamentally different from other piped services such as water supply and waste water. For those services, the peak loading on the system can be estimated and designed for. The stormwater system cannot provide protection against all foreseeable storm events and aims only to provide a level of protection accepted by the community as being reasonable.

An overall level of stormwater protection is provided by a combination of:

- A primary stormwater system.
- A secondary stormwater system.

The primary stormwater system is the system of reticulation pipes, culverts, open drains and access chambers. It is designed to collect stormwater resulting from moderate rainfall and discharge it into watercourses. The primary stormwater system is intended to minimise what is often termed as nuisance flooding.

The secondary stormwater system generally comprises overland flow-paths designed to convey excess floodwater with a minimum of damage when the primary stormwater system is unable to cope. Roads are often used as secondary flow-paths.

Many of the urban areas are not provided with secondary stormwater flow-paths. The provision of secondary stormwater flow-paths is a relatively recent practice in New Zealand. Secondary flow-paths are generally provided at the time of subdivision as the subsequent provision of secondary stormwater flow-paths is usually technically difficult and expensive.

Details of stormwater assets are available in Stormwater Management Plans for the three towns.

Council aims over the long-term to provide protection of properties in all urban areas and to ensure stormwater is contained in channels, pipes and structures to direct the flow in a controlled manner across Council owned/vested land to a waterway or other suitable discharge points. Council's policy is that unused stormwater from the roof is disposed of onsite through appropriate means.

This plan summarises the Council's strategic and long-term approach for stormwater where this is provided and maintained by Council, and also the requirements where it is provided by others.

2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which stormwater activity primarily contributes are described in the table below.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	**HOW THE STORMWATER ACTIVITY CONTRIBUTES**
Vibrant and strong communities	By ensuring that people feel safe and are proud to live in.
Sustainable South Wairarapa	By ensuring that the stormwater systems, whether Council's or private, operate as efficiently as possible.

3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The stormwater activity goal is:

a) To provide and maintain waterways to collect and dispose of excess surface water to protect amenities, reduce flooding, avoid erosion and establish a safe environment.

The Council's principal objectives are to:

a) Achieve defined standards of customer service.
b) Protect the health and safety of the community.
c) Minimise adverse effects on the environment.
d) Comply with legal requirements.
e) Achieve defined technical standards.
f) Implement policies of the Council.
g) Promote development throughout the district.
h) Achieve defined standards of system management.

4. ASSETS WE LOOK AFTER

This activity owns and maintains all pipes and pits that collect and discharge storm water in the district.

The Moroa water race system also forms part of the Greytown stormwater drainage system.

5. PROJECTS FOR 2012/13

Projects for 2012/13 include:

- Continued renewal and upgrading of stormwater drains.
- Review Martinborough, Featherston and Greytown systems with details added to Councils Asset Management System.

6. PROJECTS FOR 2013/14 AND BEYOND

No projects for 2013/14 and beyond have been identified.

7. SIGNIFICANT NEGATIVE EFFECTS

There are no identified significant negative effects this output will have on social, economic, environmental, or cultural well-being of the local community.

8. STATEMENT OF SERVICE PERFORMANCE

MEASURING SERVICE DELIVERY PERFORMANCE

SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)					HOW IT WILL BE MEASURED
		BASELINE 2007/08	2012/13	2013/14	2014/15	2016/19 – 2021/22	
Stormwater drains are well operated and maintained by the Council	% of ratepayers and residents satisfied with stormwater drains	New	50%	50%	50%	50%	NRB survey 3 yearly*
	% of urgent (any blockage causing extensive flooding of buildings or other serious flooding) requests for service responded to within 5 hours	90%	90%	90%	90%	90%	Council records

NOTE:

*A community satisfaction survey was carried out in late 2010. The results of the survey will be useful for the next review of the LTP. Council encourages on-going feedback on satisfaction levels from the community through the use of 'get it sorted' sent with the rates demands and available on our website. Council is pleased to receive other feedback at any time.

9. STORMWATER DRAINAGE PROSPECTIVE OPERATING STATEMENT FOR YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

STORMWATER DRAINAGE PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Miscellaneous income	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
OPERATING COSTS											
Channel & other maintenance	193	209	232	236	256	265	292	296	312	334	357
Management plan	-	-	-	-	-	-	-	-	-	-	-
Total Operating Costs	**193**	**209**	**232**	**236**	**256**	**265**	**292**	**296**	**312**	**334**	**357**
Note: Total operating costs include; Depreatio	94	101	108	108	113	119	127	131	140	147	153
Net Cost of Service	**(193)**	**(209)**	**(232)**	**(236)**	**(256)**	**(265)**	**(292)**	**(296)**	**(312)**	**(334)**	**(357)**
CAPITAL EXPENDITURE											
Reticulation upgrade	-	-	208	-	221	-	235	-	249	-	265
Reticulation renewals	192	-	-	-	-	179	-	189	-	201	-
Total Capital Expenditure	**192**	**-**	**208**	**-**	**221**	**179**	**235**	**189**	**249**	**201**	**265**
Public Debt											
Loan repayments	-	-	4	4	8	9	14	15	20	21	27
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	**-**	**-**	**4**	**4**	**8**	**9**	**14**	**15**	**20**	**21**	**27**
Total Capital & Debt	**192**	**-**	**211**	**4**	**230**	**188**	**249**	**204**	**269**	**222**	**293**
Funding Required	**385**	**209**	**443**	**241**	**485**	**452**	**541**	**500**	**582**	**556**	**649**
Funded By:											
Rates income											
General rates	188	201	226	231	253	262	291	295	315	336	363
Target rates											
Total Rates Income	188	201	226	231	253	262	291	295	315	336	363
Loans	-	-	208	-	221	-	235	-	249	-	265
Depreciation Reserves	94	101	108	108	113	119	127	131	140	147	153
Reserve transfers	98	(101)	(108)	(108)	(113)	59	(127)	58	(140)	54	(153)
Other	5	8	10	10	12	12	15	16	18	20	22
Total Other Funding	197	8	217	10	233	191	250	205	267	221	287
Total Funding	**385**	**209**	**443**	**241**	**485**	**452**	**541**	**500**	**582**	**556**	**649**

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022 FOR STORMWATER DRAINAGE

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012 - 2022 FOR STORMWATER DRAINAGE	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	188	201	226	231	253	262	291	295	315	336	363
Target rates (other than a targeted rate for water supply)											
Subsidies and grants for operating purposes											
Fees, charges, and targeted rates for water supply											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	5	8	10	10	12	12	15	16	18	20	22
Total operating funding (A)	**193**	**209**	**235**	**241**	**264**	**274**	**306**	**311**	**332**	**355**	**384**
Applications of operating funding											
Payments to staff and suppliers	32	34	35	36	38	39	40	42	43	45	47
Finance costs	95	102	121	121	139	144	165	169	181	197	218
Internal charges and overheads applied	66	74	76	80	80	82	86	86	88	92	92
Other operating funding applications											
Total applications of operating funding (B)	**193**	**209**	**232**	**236**	**256**	**265**	**292**	**296**	**312**	**334**	**357**
Surplus (deficit) of operating funding (A-B)		**-**	**4**	**4**	**8**	**9**	**14**	**15**	**20**	**21**	**27**
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt		-	204	(4)	213	(9)	222	(15)	229	(21)	238
Gross proceeds from sale of assets											
Lump sum contributions											
Total sources of capital funding (C)	**-**	**-**	**204**	**(4)**	**213**	**(9)**	**222**	**(15)**	**229**	**(21)**	**238**
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to inprove the level of service											
- to replace existing assets	192	-	208	-	221	179	235	189	249	201	265
Increase (decrease) in reserves	(192)	-	-	-	-	(179)	-	(189)	-	(201)	-
Increase (decrease) of investments											
Total applications of capital funding (D)	**-**	**-**	**208**	**-**	**221**	**-**	**235**	**-**	**249**	**-**	**265**
Surplus (deficit) of capital funding	**-**	**-**	**(4)**	**(4)**	**(8)**	**(9)**	**(14)**	**(15)**	**(20)**	**(21)**	**(27)**
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Part 4
Financial Information

FINANCIAL INFORMATION

FINANCIAL ASSUMPTIONS

1. GENERAL FORECASTING ASSUMPTIONS

Preamble

This LTP, along with all forward planning documents, are subject to the risks associated with making assumptions about the future.

Council has taken care to ensure the forecasts are as accurate as possible; the significant forecasting assumptions are discussed below.

In light of the above observations, actual results may vary from that forecast.

Users should note that the information contained in this LTP may not be suitable for other purposes.

Governance

There has been a significant amount of discussion recently on governance in the local authority sector. There have not been any concrete proposals tabled from which we can gain an understanding of the likely shape of local government in the future.

As such we cannot quantify the risk or ascertain any options.

The assumption in this LTP is therefore that the status quo will remain for the term of the LTP.

Levels of Service

Unless otherwise stated in the individual activity sections, services are generally assumed to remain the same.

Any changes to the services other than those forecast in the Draft LTP will change costs. Customer expectations regarding levels of service may change.

Most communities have already defined the levels of service they expect and what they are prepared to pay for that level of service. Whilst customers may wish for a higher level of service, most are hesitant at paying for this increase.

Population Growth

The latest census was held during 2006, which identified a population of 8,890. Statistics New Zealand have estimated the population of South Wairarapa at 27 January 2012 as 9,430, with the population declining to 8,900 in 2031.

The assumption used in this LTP is that population will remain static over the 10 year period.

POPULATION GROWTH		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Growth does not meet the assumption	Medium	The population growth assumption is based on the medium statistical growth predictions. If the changes are less than predicted then some projects will not go ahead and expenditure will be lower than forecast. If population growth is higher than predicted, then some projects will go ahead earlier than forecast, and expenditure will be higher than forecast. The current infrastructure is forecast to be able to meet the projected growth.

Number of Rateable Properties Growth

The number of rateable properties is assumed to be 7,208 by 2022, this is a growth of 10.5% from 1 July 2011 (6,525).

RATEABLE PROPERTIES		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Growth does not meet assumption	Medium	The growth has been based on figures from 2011 and takes into account ongoing development in the District. Should such growth not continue then some projects will not go ahead and expenditure will be lower than forecast. If the growth is greater than predicted, then some projects will go ahead earlier than forecast, and expenditure will be higher than forecast.

New Zealand Transport Agency

Subsidies from New Zealand Transport Agency have been included at the approved rate for the 2012/13 year. NZTA has confirmed that the same subsidy rate will continue during the first three years of this LTP. For the remaining seven years it is assumed that the level of subsidy to cost will not change.

NZ TRANSPORT AGENCY		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Changes in subsidy rate and variation in criteria for inclusion in subsidised works programmes.	Low	The Government has increased petrol tax to provide additional funding for roading and this commitment is unlikely to change.

Water Metering

Council has completed installing meters to every town water supply connection.

Charges for water use through universal metering of the district's urban water supply commenced in the 2009/10 financial year. Water allowances per property will be 300m^3 for the term of this LTP. Prices for water used in excess of the allowance will be charged per cubic metre at rates to be determined by Council at an appropriate time. The current rate is $1.80 per cubic metre.

There are a number of external factors that impact delivery of water services, particularly in changes of legislation. Changes of this nature are usually flagged well in advance and are able to be incorporated in planning documents.

WATER METERING		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Water meters do not generate the level of revenue anticipated.	Low	As the overall fixed charge for water is high, the impact of water by meter revenue being low will not have a material impact on water supply Legislative changes are hard to predict, however the length of time prior to enacting legislation allows organization to plan adequately. **External Factors** There will be no unexpected changes to legislation or other external factors that alter the nature of services provided by Council. Most changes to legislation are phased and known about in advance. Only in extraordinary circumstances would unexpected changes to legislation be made.

2. FINANCIAL FORECASTING ASSUMPTIONS

Revaluation of Non-Current Assets

Revaluation assumptions have been included in the Plan. These have been done following the Business & Economic Research Limited (BERL) forecasts of price level change adjusters.

Revaluation movements will be shown in the statement of financial position. Revaluations are carried out at three year intervals.

.

REVALUATION OF NON-CURRENT ASSETS		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Actual revaluation results differ from those in the forecast.	Medium	Where the actual inflation rate is different from that forecast, the actual revaluation will be different from that forecast. The LTP for each subsequent year is reviewed by way of the Annual Plan round and a new LTP is produced every three years.

Interest Rates

The range of interest rates on Term Debt is calculated at 4.82% to 6.78%. To allow for anticipated timing of capital expenditure, on selected loans interest expenditure is provided for on only 50% of forecast new loan amounts each year.

The range of interest rates on investments is calculated at 3.6% to 4.6%.

INTEREST RATES		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That the interest rate will differ from those used in the calculations.	Medium	This will be managed through the Liability Management Policy and Investment Policy. The financial impact is not able to be measured. A 1% movement in interest rates (on a $1M loan) increases/decreases total loan repayments by $7,300. On the total forecast portfolio of $17M, this would result in an increase / decrease of $125,000. Council would have the option of mitigating this impact by altering the term of the loans

Depreciation

Over the term of the LTP, Council has elected to fully fund depreciation on all assets with the exception of land transport (where approximately 50% of depreciation is funded) and specific amenities which Council has identified would not be replaced or replacement would be funded by rates and insurance (includes playgrounds, swimming pools, pensioner housing, Ngawi Hall, Martinborough Town Hall, ANZAC/Kiwi Hall and Greytown Town Centre) at the time required.

Depreciation has been calculated on asset values at their latest revaluation date, and on additions at cost afterwards. It is assumed that:

- Existing depreciation will continue.
- Replacement assets (renewals) affect depreciation as follows.
- Asset renewal will equal that of the assets being replaced.
- New assets' depreciation will be the result of their estimated lives and values.
- Depreciation on new and renewal programmes will impact in the year following the capital programme.

DEPRECIATION

Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
That more detailed analysis of planned capital works once complete may alter the depreciation expense. That asset lives may alter due to new technology improving asset lives.	Low	Council has asset management planning and upgrade programmes in place. Asset capacity and condition is monitored with replacement works being planned in accordance with standard asset management and professional practices. Depreciation is calculated in accordance with normal accounting and asset management practices.

Asset Lives

Useful lives of assets are based on professional advice. These are summarised in the depreciation note within the accounting policies.

ASSET LIVES

Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
That assets wear out earlier than estimated.	Low	Asset life is based on estimates of engineers, valuers and asset managers. Capital projects can be brought forward in event of early expiration of assets (this would affect depreciation and interest of which the amounts are unknown).

Asset Condition

Activity and Asset Management Plans have been prepared for all major activities, and include renewal and capital programmes for all major infrastructural assets. These Plans include assessments of asset condition, lifecycle and demand management. This planning information is considered by Council to be reasonable and supportable. There are no substantial asset disposals that will impact significantly on the plan. There are no substantial asset acquisitions that will impact significantly on the Plan.

FUTURE REPLACEMENT OF ASSETS FUNDS

Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
Asset Management Plans are incomplete. Condition ratings and life cycle demand assumptions are erroneous.	Low to Moderate	Asset management plans are updated annually following 'best practice' as prescribed by the New Zealand Infrastructure Asset Management Manual. For instance, for Roading Asset inventories and condition ratings are stored and maintained in the RAMM database. It was audited by NZTA in 2011 and found to be adequately maintained.

Sources of Funds for Future Replacement of Assets

This is detailed in the Council Activities Section (Part 3) under each significant activity.

Sources of funding are also included in the Revenue and Financing Policy.

The funding of the replacement of future assets is based on the following assumptions:

The Council has, over the term of the LTP, set revenue levels sufficient to fully fund depreciation of its assets with the exception of land transport (where approximately 50% of depreciation is funded) and specific amenities which Council has identified would not be replaced or replacement would be funded by insurance (includes playgrounds, swimming pools, pensioner housing, Ngawi Hall, Martinborough Town Hall, ANZAC/Kiwi Hall and Greytown Town Centre).

The funding for the replacement of any individual asset will be funded from the following sources in the following order of priority:

- From prior year credit depreciation reserve balances.
- From the current years cash arising from the funding of depreciation.
- Loan funding with a loan being for the term of the life of the asset.
- Special funds set aside for specific purposes identified by Council.

FUTURE REPLACEMENT OF ASSETS FUNDS

Risk	Level of Uncertainty	Reasons and Financial Effect of Uncertainty
That a particular funding source is unavailable.	Low	As the Council operates a central treasury function, should one source of funding be unavailable for asset replacement, a further option would be available.

Inflation

Operating Revenues and Expenses

2012/13 revenues and expenses have been predicted. Beyond this, inflation has been included in the Plan. Inflation has been predicted using the BERL (Business & Economic Research Limited) forecasts of price level change adjusters and is as follows.

INFLATION			
YEAR	ROADING	WATER SUPPLY/SEWERAGE/STORMWATER	PROPERTY
2011/12	4.3%	4.5%	3.9%
2012/13	3.8%	4.2%	3.0%
2013/14	3.1%	3.9%	2.9%
2014/15	3.5%	3.5%	2.9%
2015/16	3.1%	3.7%	3.0%
2016/17	3.0%	3.8%	3.1%
2017/18	3.2%	3.5%	2.8%
2018/19	3.5%	3.5%	2.8%
2019/20	3.7%	3.8%	3.0%
2020/21	3.4%	4.1%	3.3%
2021/22	3.5%	4.1%	3.3%

INFLATION		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That actual inflation differs to that predicted. That decisions are made based on predicted inflation levels.	Medium	Where the actual inflation rate is different from that forecast, the cost of projects and expenditure will be different from that forecast. The LTP for each subsequent year is reviewed by way of the Annual Plan round and a new 10 year plan is produced every three years.

Investments and Return on Investments

The Council's long term special funds will be retained in their present form throughout the Plan. Additions and withdrawals from the funds have been accounted for each year through the Plan where identified and required. A range of 4.36% to 6.7% has been assumed for the return on the special funds investment.

INVESTMENTS AND RETURN ON INVESTMENTS		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
That the actual return on investment differs to that budgeted.	Medium	Movement in the investment fund is difficult to predict but best efforts have been used, using past results. The financial effect is unknown.

Commitments and Contingencies

There are no commitments or contingencies that the Council is aware of that have not been included in the LTP.

Opening Balance Sheet

To provide a more accurate forecast, the opening balance sheet figures are based on a forecast closing balance sheet, not the closing 2011/12 Annual Plan figures.

Rounding Differences

Due to the complexities of the financial model, there is a number of insignificant one dollar rounding differences in the financial statements.

Insurance

The assumption used in this LTP is that insurance cover will be available at similar levels (cost and coverage). Any significant change in the insurance market may impact both the forecast insurance cost, and potentially the level of coverage. Council may alter the level of coverage if circumstances deem this to be the best course of action.

Authorisation for Issue

The Council is responsible for the prospective financial statements, underlying assumptions and other related disclosures.

This document was authorised by Council on Tuesday 2 May 2012.

Purpose of the LTP

The LTP has been prepared in accordance with section 93 of the Local Government Act (LGA) 2002. The information has been prepared to comply with the requirements of the LGA 2002 and may not be appropriate for other purposes.

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2013 - 2022

Reporting Entity

South Wairarapa District Council (SWDC) is a territorial local body governed by the Local Government Act 2002 (LGA 2002) and is domiciled in New Zealand.

The SWDC is a separate legal entity and does not have any subsidiaries.

The primary objective of the SWDC is to provide goods and services for the community or social benefit rather than making a financial return. Accordingly, the SWDC has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

Accrual accounting is used to recognise and match costs with revenues in the period.

Reliance is placed on the fact that Council is a 'going concern' and that sufficient funds are available, or will be received, to allow Council to operate at the levels of activity estimated.

The Draft Long Term Plan was authorised by Council on 2 May 2012 and issued for consultation on 8 May 2012. Following hearings and Council's consideration of the views and requests received during consultation, Council will adopt the amended Annual Plan on 27 June 2012.

Statement of Compliance

The Annual Plan and Long Term Plan is in full compliance with Financial Reporting Standard 42 (FRS 42) "Prospective Financial Statements".

The financial statements contained within this Long Term Plan follow the appropriate legislative requirements of the Local Government Act 2002, and generally accepted accounting principals recognised as appropriate and relevant for the reporting of financial information in the public sector.

Basis of preparation of forecast information

In September 2011, the External Reporting Board issued a position paper and consultation papers proposing a new external reporting framework for public benefit entities (PBEs). The papers proposed that accounting standards for PBEs would be based on International Public Sector Accounting Standards, modified as necessary. The proposals in these papers do not provide certainty about any specific requirements of future accounting standards. Therefore, the accounting policies on which the forecast information for 2012-22 has been prepared are based on the current New Zealand equivalents to International Financial Reporting Standards

Measurement Base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructure assets, investment property, forestry assets and certain financial instruments (including derivative instruments).

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the SWDC is New Zealand dollars.

Changes in Accounting Policies

There have been no changes in accounting policies during the year.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Significant Accounting Policies

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Rates Revenue

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

Rates collected on behalf of the Greater Wellington Regional Council (GWRC) are not recognised in the financial statements, apart from the Statement of Cashflows, as SWDC is acting as an agent for the GWRC.

Other Revenue

<u>Revenue from Water Rates</u>

Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Government Grants

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

Provision of Services

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

Vested Assets

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

Sales of Goods

Sales of goods are recognised when a product is sold to the customer. Sales are in cash. The recorded revenue is the gross amount of the sale.

Agency Fees

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 and Dividends

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established. Dividends are recorded net of imputation credits.

Development Contributions

Development contributions and financial contributions are recognised as revenue when the council provides, or is able to provide, the service for which the contribution was charged. Otherwise development contributions and financial contributions are recognised as liabilities until such time as the council provides, or is able to provide, the service.

Development contributions are classified as part of "contributions" ("other revenue").

Borrowing Costs

The council has elected to defer the adoption of NZ IAS 23 Borrowing Costs (revised 2007) in accordance with its transitional provisions that are applicable to public benefit entities.

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

Leases

Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the SWDC recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the statement of financial performance over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the SWDC will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments readily convertible to a known amount of cash and are not subject to a significant risk of changes in value.

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

Debtors and Other Receivables

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

A provision for impairment of receivables is established when there is objective evidence that the SWDC will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Financial Instruments

The SWDC is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, investments, debtors, creditors and loans. All financial instruments are recognized in the Statement of Financial Position and all revenues and expenses are recognized in relation in the Statement of Financial Performance

Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost. The valuation includes allowance for slow moving and obsolete items. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the FIFO method.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the statement of financial performance in the period of the write-down.

Assets Held for Sale

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

Any impairment losses for write-downs of non-current assets held for sale are recognised in the statement of financial performance.

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

Assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, Plant and Equipment

Property, plant and equipment consists of:

Operational Assets

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

Restricted Assets

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

Infrastructure Assets

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

Heritage Assets

Heritage assets are assets owned by the SWDC which are of cultural or historical significance to the community and cannot be replaced due to the nature of the assets. Buildings recorded under the Historic Places Act 1993 have been recorded as heritage assets.

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

Revaluation

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

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

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

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the statement of financial performance. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the statement of financial performance will be recognised first in the statement of financial performance 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 and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the SWDC and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

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

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

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 the SWDC and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which also includes the landfill and water races), at rates which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The estimated useful economic lives of major classes of assets have been estimated as per the following table.

DEPRECIATION

Asset	Estimated Life	Depreciation Rate
Buildings	100 years	1%
Heritage assets	100 years	1%
Furniture and equipment	5 to 22 years	20% to 4.5%
Motor vehicles	5 years	20%
Library collections	7 years	14%
Roading*	1 to 300 years	100% to 0.33%
Bridges*	18 to 100 years	5.6% to 1%
Water infrastructure*	1 to 40 years	100% to 2.5%
Sewer infrastructure*	2 to 100 years	50% to 1%
Stormwater infrastructure*	10 to 80 years	10% to 1.25%
Parks and reserves	5 to 50 years	20% to 2%
Finance leases	3 to 5 years	33% to 20%

In relation to infrastructural assets marked * (above), depreciation has been calculated at a componentry level based on the estimated remaining useful lives as assessed by Council's engineers and independent registered valuers.

A summary of these lives are detailed above.

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

Revaluation

Those asset classes that are revalued are valued on a three yearly cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

Land and Buildings

At fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Kerry Stewart (Val Prof Urb, PG Dip Env Audit, MBA, FNZIV, FPINZ), Angela Croad (BBS (VPM), MPINZ) and Jamie Benoit (BApplSci (VFM and Ag), MPINZ) of Darroch Valuations, and the valuation is effective as at 30 June 2010.

Heritage assets are also included in this category. Additions are recorded at cost.

Infrastructure Assets

Infrastructure asset classes – Roads, bridges & footpaths, water systems, sewerage systems and stormwater systems.

At fair value determined on a depreciated replacement cost basis by an independent valuer. At balance date the SWDC assesses the carrying values of its infrastructure assets to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued. The most recent valuation was performed by John Vessey (BE (Civil), BA (Economics), FIPENZ (Civil), CPEng, and IntPE) of Opus International Consultants on 30 June 2009. Additions are recorded at cost.

Vested Assets

At the actual costs or the current cost of providing identical services.

Library Collections

At depreciated replacement cost in accordance with the guidelines released by the New Zealand Library Association and the National Library of New Zealand in May 2002. Library valuations are performed by Graeme Hughson (BE, MIPENZ) and Ian Martin (BE, CPEng, MIPENZ) of Maunsell AECOM New Zealand Limited, and the valuation is effective as at 30 June 2009.

Investment Properties

Investment properties are valued annually at fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Kerry Stewart (Val Prof Urb, PG Dip Env Audit, MBA, FNZIV, and FPINZ) and Jamie Benoit (BApplSci (VFM and Ag), MPINZ) of Darroch Valuations, on 30 June 2011.

Assets Held for Sale

Assets held for sale are valued annually at the lower of carrying value and fair value less costs to sell as determined from market-based evidence by an independent valuer. As at 30 June 2011 SWDC has no assets which are held for sale.

Intangible Assets

Software Acquisition and Development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Easements

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite life and are not amortised, but are instead tested for impairment annually.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when an asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in surplus or deficit.

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

Tangible Asset	Asset Life	Amortisation Rate
Computer Software	5 years	20%

Investment Properties

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at cost, including transaction costs.

After initial recognition, the SWDC measures all investment property at fair value as determined annually by an independent valuer.

Gains and losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Impairment of Non-financial Assets

Assets that have an indefinite useful life or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment at each balance date. When there is an indicator of impairment, the asset recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash flows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

The value in use for cash-generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or 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 statement of financial performance, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

Creditors and Other Payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Employee Entitlements

Short-term Employee Entitlements

Employee benefits that the SWDC expects to be settled within twelve months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

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

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

The SWDC recognises a liability and an expense for bonuses where contractually obliged 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.

Long-term Employee Entitlements

Superannuation Schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Provisions

The SWDC recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost expense.

Borrowings

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

Borrowings are classified as current liabilities unless SWDC has an unconditional right to defer settlement of the liability for at least 12 months after the balance date, or if the borrowings are expected to be settled within 12 months of balance date.

Equity

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

The components of equity are:

- Public equity – accumulated funds.
- Special reserves and trust funds.
- Asset revaluation reserves.
- Sinking fund reserves.

Restricted and Council Created Reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the SWDC.

Restricted reserves are those subject to specific conditions accepted as binding by the SWDC and which may not be revised by the SWDC 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.

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

The SWDC's objectives, policies and processes for managing capital are described in note 34.

Property Revaluation Reserve

The asset revaluation reserve relates to the revaluation of property, plant and equipment to fair value.

Fair Value through other Comprehensive Income Reserves

Fair value through other comprehensive income reserves comprises the net cumulative change in the fair value through other comprehensive income instruments.

Goods and Services Tax (GST)

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

Cost Allocation

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

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

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

Critical Accounting Estimates and Assumptions

In preparing these financial statements, the SWDC 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

Council has a legal obligation under the resource consents to provide ongoing maintenance and monitoring services at its former landfill site. A provision for post closure costs has been recognised as a liability.

The provision is based on the present value of all expected future cashflows. The provision includes all costs associated with landfill post closure.

The discount rate used is a rate that reflects current market assessments of the time value of money and the risks specific to Council.

Infrastructural Assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets.

These include:

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

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

Experienced independent valuers perform the Council's infrastructural asset revaluations.

Critical Judgments in Applying the SWDC's Accounting Policies

Management has exercised the following critical judgments in applying the SWDC's accounting policies for the year ended 30 June 2011.

Classification of Property

SWDC 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 SWDC's social housing policy. These properties are accounted for as property, plant and equipment.

Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Council invests as part of its day-to-day cash management. GST is disclosed net as disclosing gross amounts does not provide any further meaningful information.

Operating activities include cash received from all income sources and cash payments made for the supply of goods and services. Agency transactions (the collection of Regional Council rates) are recognised as receipts and payments in the statement of cash flows because they flow through the 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 structure of the Council.

Cost of Service Statements

The cost of service statements, as provided in the statement of service performance, report the net cost of services for significant activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDED 30 JUNE 2012-2022

	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
OPERATING INCOME											
Rates	10,600	11,057	11,507	11,788	12,294	12,909	13,403	13,827	14,290	14,821	15,267
Rates penalty	98	283	293	302	312	323	334	345	356	369	382
Interest	154	194	223	253	289	330	440	508	588	672	767
Internal interest loans	38	38	38	38	38	21	21	21	21	21	-
Fees & licences	651	581	600	619	640	662	685	707	731	757	783
User levies	701	610	622	634	656	680	703	727	753	781	811
Commissions	62	61	63	65	67	70	72	74	77	80	82
NZ Transport Agency Subsidy	3,362	2,424	2,371	2,585	2,642	2,721	2,808	2,907	3,014	3,117	3,226
Petrol tax	93	93	96	99	102	105	108	112	116	120	125
Grants, subsidies & donations	195	42	24	25	26	27	28	29	30	31	32
Rentals	325	312	322	333	344	356	368	380	393	407	421
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Contributions	292	302	295	305	315	325	336	348	360	374	387
Gain on share revaluation	-	-	-	-	-	-	-	-	-	-	-
Profit on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Gain on asset revaluations	-	40	40	41	41	41	41	41	42	42	42
Miscellaneous income	392	377	386	396	409	421	435	450	466	482	499
Total operating income	**16,961**	**16,415**	**16,879**	**17,481**	**18,174**	**18,992**	**19,782**	**20,477**	**21,237**	**22,074**	**22,824**
OPERATING COSTS											
Governance, leadership & advocacy	643	712	719	700	717	773	761	777	832	822	842
Public protection	1,188	1,275	1,305	1,348	1,362	1,430	1,457	1,517	1,535	1,601	1,618
Resource management	501	542	554	570	583	599	620	633	650	672	687
Economic, cultural & community development	276	280	294	304	313	323	335	344	355	368	379
Amenities	2,275	2,409	2,558	2,657	2,620	2,700	2,819	2,863	2,949	3,049	3,116
Land transport	4,932	5,323	5,347	5,494	5,658	5,758	5,932	6,130	6,260	6,442	6,652
Water supply	2,507	2,489	2,536	2,589	2,602	2,670	2,752	2,781	2,857	2,947	2,991
Solid waste management	1,382	1,393	1,433	1,484	1,523	1,573	1,634	1,675	1,727	1,771	1,820
Sewerage	1,302	1,439	1,526	1,577	1,510	1,668	1,719	1,642	1,696	1,762	1,784
Stormwater drainage	193	209	232	236	256	265	292	296	312	334	357
Rate debtors written off	40	41	42	44	45	47	48	50	52	53	55
Bad debts	30	-	-	-	-	-	-	-	-	-	-
Loss on asset revaluations	-	-	-	-	-	-	-	-	-	-	-
Loss on share revaluations	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Total operating costs	**15,270**	**16,112**	**16,548**	**17,002**	**17,187**	**17,807**	**18,370**	**18,709**	**19,226**	**19,821**	**20,300**
Total surplus/(deficit)	1,691	303	331	479	987	1,185	1,413	1,768	2,011	2,253	2,524
Note: Total operating costs include;											
Depreciation	3,914	4,204	4,308	4,323	4,434	4,548	4,653	4,817	4,910	4,923	5,102
Interest	723	608	691	685	681	654	662	652	647	646	649

PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 30 JUNE 2013-2022	1 JULY 2012 Opening Balance	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Total surplus/(deficit)	1,691	303	331	479	987	1,185	1,413	1,768	2,011	2,253	2,524
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in share revaluation reserve	-	1	1	1	1	1	1	1	1	1	1
Increase/(decrease) in asset revaluation reserve	32,394	7	-	33,760	25	-	36,825	42	-	39,681	49
Total other comprehensive income	**32,394**	**8**	**1**	**33,761**	**26**	**1**	**36,826**	**43**	**1**	**39,682**	**50**
Total Comprehensive Income	**34,085**	**311**	**333**	**34,240**	**1,013**	**1,186**	**38,239**	**1,811**	**2,012**	**41,934**	**2,573**

PROSPECTIVE STATEMENT OF EQUITY FOR THE YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

PROSPECTIVE STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEARS ENDED 30 JUNE 2013-2022	1 JULY 2012 Opening Balance	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Public equity	143,580	143,921	142,636	108,840	143,009	143,785	106,870	143,604	144,537	105,787	145,967
Special reserves and trust funds	15,507	16,565	17,868	17,933	17,664	17,575	18,512	19,624	20,139	20,843	22,163
Share revaluation reserve	2	3	4	5	6	7	8	9	11	12	13
Asset revaluation reserve	196,900	229,301	229,301	263,060	263,085	263,085	299,911	299,952	299,952	339,633	339,681
Sinking fund reserves	1,791	2,076	2,368	2,671	2,985	3,310	3,647	3,998	4,360	4,736	5,121
Total comprehensive income	34,085	311	333	34,240	1,013	1,186	38,239	1,811	2,012	41,934	2,573
Equity at end of year	**391,865**	**392,177**	**392,509**	**426,749**	**427,762**	**428,949**	**467,188**	**468,999**	**471,011**	**512,945**	**515,519**

* The opening balance sheet disagrees with the Annual Plan as both are based on forecast information.

PROSPECTIVE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012 FOR YEARS 2012 - 2022

PROSPECTIVE STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDED 30 JUNE 2013-2022	1 JULY 2012 Opening Balance Sheet $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
ASSETS											
Current assets											
Cash and cash equivalents	375	375	375	375	375	375	375	375	375	375	375
Short term deposits	1,553	1,763	2,100	2,349	2,960	3,642	4,261	4,945	5,691	6,247	7,314
Sinking fund/loan redemption/reserves deposit	3,217	4,029	4,571	5,132	5,714	6,178	7,056	8,172	9,435	10,852	12,237
Investments	1,502	1,502	1,502	1,502	1,502	1,502	1,502	1,502	1,502	1,502	1,502
Debtors and other receivables	2,572	1,979	2,035	2,107	2,191	2,289	2,385	2,468	2,560	2,661	2,751
Inventories	48	48	48	48	48	48	48	48	48	48	48
Assets held for sale	-	-	-	-	-	-	-	-	-	-	-
Total current assets	**9,267**	**9,696**	**10,630**	**11,514**	**12,790**	**14,035**	**15,627**	**17,510**	**19,611**	**21,685**	**24,228**
Non-current assets											
Investments	97	98	99	100	101	102	103	105	106	107	108
Intangible assets	1	21	39	111	123	134	144	153	161	168	173
Investment properties	8,024	8,064	8,105	8,145	8,186	8,227	8,268	8,309	8,351	8,393	8,435
Property, plant and equipment	386,874	387,065	388,824	422,893	423,758	424,426	461,421	461,422	462,300	502,485	502,397
Total non-current assets	**394,996**	**395,248**	**397,067**	**431,249**	**432,169**	**432,889**	**469,936**	**469,990**	**470,917**	**511,152**	**511,113**
Total assets	**404,263**	**404,945**	**407,697**	**442,763**	**444,958**	**446,924**	**485,563**	**487,500**	**490,528**	**532,837**	**535,340**
LIABILITIES											
Current liabilities											
Creditors and other payables	2,349	1,942	1,995	2,050	2,072	2,147	2,214	2,255	2,318	2,389	2,447
Employee entitlements	250	250	250	250	250	250	250	250	250	250	250
Public debt - current portion	96	148	175	212	246	268	291	332	364	390	-
Finance leases - current portion	10	-	-	-	-	-	-	-	-	-	-
Total current liabilities	**2,705**	**2,341**	**2,420**	**2,512**	**2,568**	**2,665**	**2,756**	**2,838**	**2,932**	**3,030**	**2,698**
Non-current liabilities											
Public debt - non current portion	9,253	9,990	12,333	13,070	14,198	14,883	15,195	15,242	16,166	16,446	16,711
Finance leases - non current portion	-	-	-	-	-	-	-	-	-	-	-
Landfill aftercare provision	439	437	435	432	430	427	425	422	419	416	413
Total non-current liabilities	**9,692**	**10,427**	**12,768**	**13,502**	**14,628**	**15,310**	**15,620**	**15,663**	**16,585**	**16,862**	**17,124**
Equity											
Public equity	145,271	144,232	142,969	143,080	144,022	144,971	145,109	145,415	146,549	147,722	148,541
Special reserves and trust funds	5,311	3,830	3,641	3,202	2,502	2,086	2,173	2,373	2,557	2,754	2,726
Deprecation reserves	10,196	12,735	14,227	14,731	15,162	15,489	16,339	17,252	17,582	18,090	19,436
Share revaluation reserve	2	3	4	5	6	7	8	9	11	12	13
Asset revaluation reserve	229,294	229,301	229,301	263,060	263,085	263,085	299,911	299,952	299,952	339,633	339,681
Sinking fund reserves	1,791	2,076	2,368	2,671	2,985	3,310	3,647	3,998	4,360	4,736	5,121
Total equity	**391,866**	**392,177**	**392,509**	**426,749**	**427,762**	**428,949**	**467,188**	**468,999**	**471,011**	**512,945**	**515,519**
Total liabilities and equity	**404,263**	**404,945**	**407,697**	**442,763**	**444,958**	**446,924**	**485,563**	**487,500**	**490,528**	**532,837**	**535,340**

* The opening balance sheet disagrees with the Annual Plan as both are based on forecast information. The significant difference between the "Annual Plan" and the "Opening Balance" was the fact that the Annual Plan did not take into account the revaluation that will occur at the end of the 2012 financial year. Other changes are not considered significant by Council.

PROSPECTIVE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

PROSPECTIVE STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 30 JUNE 2013-2022	1 July 2012 Opening Balance	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
CASH FLOWS FROM OPERATING ACTIVITIES											
Cash was received from:											
Rates	10,698	11,340	11,799	12,090	12,606	13,232	13,737	14,172	14,647	15,190	15,649
Government grants & subsidies	3,556	2,467	2,396	2,610	2,668	2,748	2,836	2,936	3,044	3,148	3,258
Petrol tax	93	93	96	99	102	105	108	112	116	120	125
Other income	1,058	2,796	2,189	2,235	2,302	2,369	2,455	2,553	2,636	2,726	2,838
Regional council rates	2,454	2,220	2,354	2,495	2,645	2,803	2,971	3,150	3,339	3,539	3,751
Interest on investments	154	194	223	253	289	330	440	508	588	672	767
	18,012	**19,110**	**19,057**	**19,782**	**20,612**	**21,588**	**22,548**	**23,431**	**24,370**	**25,396**	**26,388**
Cash was applied to:											
Payments to suppliers & employees	9,874	11,630	11,419	11,861	11,969	12,464	12,921	13,130	13,537	14,109	14,439
Regional council rates	2,454	2,220	2,354	2,495	2,645	2,803	2,971	3,150	3,339	3,539	3,751
Interest paid	134	608	691	685	681	654	662	652	647	646	649
	12,462	**14,458**	**14,463**	**15,041**	**15,295**	**15,922**	**16,554**	**16,932**	**17,523**	**18,294**	**18,840**
Net cash flow from operating activitie	**5,550**	**4,652**	**4,594**	**4,741**	**5,317**	**5,666**	**5,995**	**6,499**	**6,847**	**7,102**	**7,548**
CASH FLOWS FROM INVESTING ACTIVITIES											
Cash was received from:											
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-
Term investments & advances	-	-	228	228	228	(22)	220	220	-	220	(70)
Investments in loan redemption & sinking funds	-	-	-	-	-	250	-	-	-	-	290
	-	**-**	**228**	**228**	**228**	**228**	**220**	**220**	**-**	**220**	**220**
Cash was applied to:											
Purchase of fixed assets	5,611	4,408	6,085	4,704	5,287	5,227	4,833	4,786	5,795	5,434	4,970
Term investments, shares & advances	(85)	(231)	-	-	-	-	-	-	(220)	-	-
Investments in loan redemption & sinking funds	295	231	228	228	228	228	220	220	220	220	220
	5,821	**4,408**	**6,313**	**4,932**	**5,515**	**5,455**	**5,052**	**5,006**	**5,795**	**5,654**	**5,190**
Net cash flow from investing activitie	**5,821**	**(4,408)**	**(6,085)**	**(4,704)**	**(5,287)**	**(5,227)**	**(4,833)**	**(4,786)**	**(5,795)**	**(5,434)**	**(4,970)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Cash was received from:											
Drawdown of public debt	2,014	885	2,518	948	1,374	953	603	378	1,289	670	265
	2,014	**885**	**2,518**	**948**	**1,374**	**953**	**603**	**378**	**1,289**	**670**	**265**
Cash was applied to:											
Repayment of public debt	65	106	148	175	212	246	268	291	332	364	390
	65	**106**	**148**	**175**	**212**	**246**	**268**	**291**	**332**	**364**	**390**
Net cash flow from financing activitie	**1,949**	**779**	**2,370**	**773**	**1,162**	**707**	**335**	**87**	**957**	**306**	**(125)**
Net increase/(decrease) in cash held	1,678	1,022	878	811	1,193	1,146	1,497	1,800	2,009	1,974	2,452
Add cash at start of year (1 July)	4,969	6,647	7,669	8,547	9,358	10,551	11,697	13,194	14,994	17,003	18,976
BALANCE AT END OF YEAR (30 June	**6,647**	**7,669**	**8,547**	**9,358**	**10,551**	**11,697**	**13,194**	**14,994**	**17,003**	**18,976**	**21,428**
REPRESENTED BY:											
Cash and cash equivalents	375	375	375	375	375	375	375	375	375	375	375
Short term deposits and investments	3,055	1,763	2,100	2,349	2,960	3,642	4,261	4,945	5,691	6,247	7,314
Sinking fund/loan redemption reserves cash fu	3,217	5,531	6,072	6,634	7,215	7,679	8,558	9,674	10,936	12,354	13,739
	6,647	**7,669**	**8,547**	**9,358**	**10,551**	**11,697**	**13,194**	**14,993**	**17,003**	**18,976**	**21,428**

PROSPECTIVE RECONCILIATION OF NET SURPLUS TO OPERATING ACTIVITIES FOR YEARS ENDING 30 JUNE 2012 – 30 JUNE 2022

PROSPECTIVE RECONCILIATION OF TOTAL SURPLUS TO NET CASH FLOW FROM OPERATING ACTIVITIES FOR THE YEARS ENDED 30 JUNE 2013-2022

	1 JULY 2012 Opening Balance $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
TOTAL COMPREHENSIVE INCOME	**34,085**	**311**	**333**	**34,240**	**1,013**	**1,186**	**38,239**	**1,811**	**2,012**	**41,934**	**2,573**
Non cash expenses											
Rates write-offs	40	41	42	44	45	47	48	50	52	53	55
Depreciation	3,914	4,204	4,308	4,323	4,434	4,548	4,653	4,817	4,910	4,923	5,102
Share devaluation/(revaluation)	-	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset devaluation/(revaluation)	(32,409)	(47)	(40)	(33,800)	(66)	(41)	(36,866)	(83)	(42)	(39,722)	(91)
Increase/(decrease) provisions	-	(2)	(2)	(2)	(2)	(3)	(3)	(3)	(3)	(3)	(3)
Bad debts	30	-	-	-	-	-	-	-	-	-	-
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Profit on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Non Cash Expenses	**(28,425)**	**4,195**	**4,307**	**(29,437)**	**4,410**	**4,550**	**(32,169)**	**4,781**	**4,916**	**(34,750)**	**5,062**
Plus/(less) movements in working capital											
(Increase)/decrease in inventories	-	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in debtors and other receivabl	527	552	(98)	(116)	(129)	(145)	(144)	(134)	(143)	(154)	(146)
Increase/(decrease) in crediotrs and other payables	(637)	(406)	53	55	22	75	68	41	62	72	58
Increase/(decrease) in employee entitlements	-	-	-	-	-	-	-	-	-	-	-
Total Movements in Working Capital	**(110)**	**146**	**(46)**	**(61)**	**(106)**	**(71)**	**(76)**	**(93)**	**(81)**	**(82)**	**(88)**
Net cashflow from operating activities	**5,550**	**4,652**	**4,594**	**4,741**	**5,317**	**5,666**	**5,995**	**6,499**	**6,847**	**7,102**	**7,548**

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2012-2015

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2012-2015

TOTAL CAPITAL ANNUAL PLAN 30 JUNE 2012 $		CARRIED FORWARD CAPITAL EXPENDITURE 30 JUNE 2012 $	NEW CAPITAL EXPENDITURE 30 JUNE 2013 $	TOTAL CAPITAL EXPENDITURE 30 JUNE 2013 $	TOTAL ESTIMATED EXPENDITURE 2013/14	TOTAL ESTIMATED EXPENDITURE 2014/15
	GOVERNANCE, LEADERSHIP & ADVOCACY					
-	Motor vehicles	-	-	-	-	-
-		-	-	-	-	-
	PUBLIC PROTECTION					
40,000	Motor vehicles	-	45,000	45,000	-	45,000
2,144	Equipment/furniture	-		-	-	-
47,168	Security systems	-		-	-	-
7,000	Other equipment	-		-	-	-
96,312		**-**	**45,000**	**45,000**	**-**	**45,000**
	AMENITIES					
21,860	Playgrounds	-	22,660	22,660	23,298	23,936
54,650	Parks & reserves	-	56,650	56,650	58,245	59,840
51,186	Campgrounds	-	30,900	30,900	5,295	5,295
21,860	Swimming pools	-	56,650	56,650	58,245	59,840
85,000	Toilets	-	206,000	206,000	211,800	25,024
30,000	Cemeteries	-	46,350	46,350	47,655	48,960
6,186	Libraries	-	-	-	-	6,158
22,271	Property improvements	-	20,600	20,600	21,180	21,760
5,465	Community housing	-	36,050	36,050	37,065	38,080
43,860	Community buildings	31,131	25,750	56,881	26,475	27,200
-	Featherston ANZAC hall	-	15,450	15,450	22,239	5,440
-	Featherston stadium	-	16,480	16,480	-	8,621
5,465	Greytown town Centre/hall	-	4,635	4,635	4,766	4,896
49,165	Martinborough town hall	49,165	4,841	54,006	904,977	5,114
92,796	Library books	-	95,790	95,790	98,487	101,184
	Town Centres	-	30,900	30,900	31,770	32,640
489,764		**80,296**	**669,706**	**750,002**	**1,551,497**	**473,988**
	LAND TRANSPORT					
12,045	Street lighting (Other Roads)	-	41,456	41,456	12,828	13,248
54,750	Signs & guardrails (Other Roads)	-	41,520	41,520	42,760	44,160
230,000	New bridges (SPR)	-	-	-	-	
410,000	Reseals (Other Roads)	-	491,182	491,182	593,830	742,330
35,000	Reseals (SPRs)	-	63,759	63,759	67,239	71,108
350,400	Rehabilitation (Other Roads)	-	269,880	269,880	277,940	287,040
83,220	Rehabilitation (SPRs)	-	72,401	72,401	74,563	77,004
80,000	New footpaths	-	83,040	83,040	85,520	88,320
40,000	Footpath renewals	-	41,520	41,520	42,760	44,160
400,000	Culverts	-	-	-	-	
204,765	Drainage	-	207,600	207,600	213,800	220,800
-	Drainage (SPR)		20,760	20,760	21,380	22,080
295,650	Minor safety works (Other Roads)	-	106,656	106,656	109,841	113,437
64,215	Minor safety works (SPRs)	-	6,808	6,808	7,012	7,241
5,475	Traffic services (SPRs)	-	5,190	5,190	5,345	5,520
219,000	Erosion control (SPRs)	-	223,689	223,689	230,370	237,912
65,700	Structures	-	85,635	85,635	88,193	91,080
273,750	Road metalling	-	238,740	238,740	245,870	253,920
98,550	Road metalling (SPRs)	-	15,570	15,570	16,035	16,560
-	Associated Improvements (Other Roads)	-	51,900	51,900	53,450	55,200
2,922,520		**-**	**2,067,306**	**2,067,306**	**2,188,736**	**2,391,120**

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2012-2015 CONTINUED

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2012-2015

TOTAL CAPITAL ANNUAL PLAN 30 JUNE 2012 $		CARRIED FORWARD CAPITAL EXPENDITURE 30 JUNE 2012 $	NEW CAPITAL EXPENDITURE 30 JUNE 2013 $	TOTAL CAPITAL EXPENDITURE 30 JUNE 2013 $	TOTAL ESTIMATED EXPENDITURE 2013/14	TOTAL ESTIMATED EXPENDITURE 2014/15
	WATER SUPPLY					
138,000	Universal metering	-	62,520	62,520	10,810	11,160
373,450	Cyclical renewal	-	312,600	312,600	324,300	334,800
-	Featherston supply supplementation	-	-	-	108,100	111,600
-	Greytown Bore UV Treatment	-	-	-	129,720	55,800
300,000	Reservoirs (Featherston)	-	-	-	-	-
-	Water plant & bores (Featherston) - Investigation	-	31,260	31,260	-	-
50,000	Water plant & bores (Martinborough)	-	-	-	-	-
-	Water Race Up Grade	-	15,630	15,630	43,240	-
	Pirinoa Water Tank		8,000	8,000	-	-
861,450		**-**	**430,010**	**430,010**	**616,170**	**513,360**
	SOLID WASTE MANAGEMENT					
30,000	Development work	-	22,528	22,528	23,232	23,936
22,000	Resource consents	-	5,120	5,120	-	-
-	Transfer station upgrade	-	25,600	25,600	-	54,400
52,000		**-**	**53,248**	**53,248**	**23,232**	**78,336**
	SEWERAGE					
260,500	Reticulation renewals	68,440	171,930	240,370	294,032	111,600
-	Land purchase (Greytown)	-	-	-	324,300	334,800
1,186,504	Alternative disposal systems (Greytown)	436,504	208,400	644,904	540,500	334,800
223,499	Alternative disposal systems (Martinborough)	-	78,150	78,150	54,050	55,800
113,520	Alternative disposal systems (Featherston)	-	104,200	104,200	54,050	55,800
40,000	Oxidation ponds	40,000	41,680	81,680	-	-
12,340	Sewerage (Lake Ferry)	-	15,630	15,630	16,215	16,740
11,040	Sewerage (Misc)	-	52,100	52,100	54,050	55,800
1,847,403		**544,944**	**672,090**	**1,217,034**	**1,337,197**	**965,340**
	STORMWATER DRAINAGE					
-	Reticulation upgrade	-	-	-	207,552	-
192,060	Reticulation renewals	167,060	-	167,060	-	-
192,060		**167,060**	**-**	**167,060**	**207,552**	**-**
	CORPORATE SERVICES					
10,720	Council offices	-	10,000	10,000	10,560	10,880
5,000	Furniture	-	10,000	10,000	10,560	11,163
-	IT hardware	-	51,200	51,200	31,680	43,520
32,160	IT software	-	504,000	504,000	131,680	32,640
281,050	IT networks & cabling	-	-	-	-	-
37,520	Motor vehicles	-	-	-	-	-
7,763	Office equipment	-	7,680	7,680	7,920	8,160
5,066	GIS	-	11,162	11,162	10,560	10,880
379,279		**-**	**594,042**	**594,042**	**202,960**	**117,243**
	PROFESSIONAL SERVICES					
10,350	Motor vehicles	-	66,560	66,560	36,960	38,080
10,350	GIS	-	10,240	10,240	10,560	70,720
-	Miscellaneous	-	10,240	10,240	10,560	10,880
20,700		**-**	**87,040**	**87,040**	**58,080**	**119,680**
6,861,488	**Total Capital Expenditure**	**792,300**	**4,618,442**	**5,410,742**	**6,185,424**	**4,704,067**

PROSPECTIVE STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR THE YEARS ENDED 30 JUNE 2012-2022

PROSPECTIVE STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR THE YEARS ENDED 30 JUNE 2012-2022	OPENING BALANCE 12/13 $000	TRANSFERS IN $000	TRANSFERS OUT $000	CLOSING BALANCE 21/22 $000
District Property	512	299	-	811
To be used for Town Centre Development				
Asset Realisation	347	128	(244)	232
Capital gains from the sale of Council Assets that have been realised overtime.				
Plantation Reserve	65	32	-	97
For road protection schemes and seal extensions in the future.				
Community Board Reserves				
Community Board funds Carried over:				
Featherston	44	5	(49)	
Greytown	51	5	(51)	5
Martinborough	54	5	(50)	9
Restricted Reserves				
To provide for the acquisition and development of reserves and open spaces in response to the needs arising from subdivision and development, to protect conservation values, To provide opportunities for public assess to and longing water bodies, to provide recreational opportunities near water bodies	1,417	1,810	(2,584)	643
Water Race Reserves				
Featherston/Longwood Water race	(15)	43		28
Moroa	190	43		234
Trusts				
Campground Memorial:	7	-	-	7
Pain Farm	230	91	(55)	266
Pain Farm: maintaining and improving the Borough's parks, sports grounds, camping ground, swimming baths, providing, equipping and maintaining sports facilities and a children's playground.				
Infrastructure Contributions	1,033	2,021	(2,660)	393
To provide a potable water supply, to safeguard the health of inhabitants and protect the natural environment for inappropriate disposal of sewage, to prevent damage to property or amenity form the indiscriminate and uncontrolled runoff of Stormwater, to ensure sufficient water is available for fire fighting purposes. To provide for the safe and convenient movement on roads of motor vehicles, bicycles and pedestrians within and through the Wairarapa.				
Combined District Plan Reserve	(270)	272	-	2
To Spread the costs of the District plan over the life of the plan				
Loan Redemption Reserve	289	251	(540)	-
Depreciation Reserves	11,553	59,413	(51,530)	19,436
To fund new capital projects				
	15,507	**64,418**	**(57,763)**	**22,163**

FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022

The revenue and financing mechanisms to be used to cover the estimated expenses of the Council for the Year ended 30 June 2012 are described in the Revenue and Financing Policy.

The method and impact of both general and targeted rates is covered in "The Rating System" section which follows. The specific rating details given in the following pages have been drawn from and are consistent with Council's LTP.

1. RATING SYSTEM

Introduction

Schedule 101(3) of the Local Government Act 2002 requires Council to include a funding impact statement in its Annual Plan. The following matters cover the specific statements to be provided as set out in Schedule 101(3).

This Funding Impact Statement should be read in conjunction with Council's Revenue and Financing Policy.

General Rates

The Council proposes to set a general rate based on the land value of each rating unit in the district.

The general rate will be set on a differential basis over three rating groups:

- Group 1 Commercial.
- Group 2 Urban.
- Group 3 Rural.

In addition, the Council has set a Uniform Annual General Charge on each rating unit. Council's UAGC has not exceeded the 30% rating cap requirement specified in Section 21 of the Local Government (Rating) Act 2002.

The General Rate, the Uniform Annual General Charge and the Amenities Charge will be used to fund, or assist with funding, all Council activities other than those funded by way of targeted rates for water supply, sewage disposal and refuse collection and disposal.

Differential Matters and Categories

The Council proposes to differentiate the General Rate based on land valuation (Schedule 2 Local Government (Rating) Act 2002).

The differential categories are:

- *Group 1 Commercial* – all rating units that are used (or available) primarily for any commercial or industrial purpose.
- *Group 2 Urban* – all rating units used for residential and related purposes within the urban areas of the District Plan.
- *Group 3 Rural* – all rating units within the rural area in the District Plan.

Separately Used or Inhabited Part of a Rating Unit

The following definition applies to the levying of all targeted rates by the South Wairarapa District Council where the Council has determined that the rate shall apply to each separately used or inhabited part of a rating unit.

A separately used or inhabited part of a rating unit includes any portion of any separate rating unit used or inhabited by any person, other than the ratepayer (as defined by clause 11 of the Local Government (Rating) Act 2002), having the right to use or inhabit that portion by virtue of a tenancy, lease, license or other agreement.

Water Races

Council proposes to set a targeted rate based on land value for each rating unit in the Featherston–Longwood water race rating district and separately for each rating unit in the Moroa Water Race rating district that have access to the races.

The Featherston-Longwood rate will be .00116 cents per dollar of land value, including GST.

The Moroa rate will be **.**000349 cents per dollar of land value, including GST.

No lump sum contributions will be invited in respect of this targeted rate.

Sewage Disposal

Council proposes to set a uniform targeted rate for wastewater disposal based on each separately used or inhabited part of a rating unit which is serviced by a connection to the system. Serviceable rating units, which are those which could be connected to the system but are not at this time, will be 50% of this charge.

The uniform targeted rate covers the first two toilet pans for each separately used or inhabited part of a rating unit and the same charge is made for each additional pan.

No lump sum contributions will be invited in respect of this targeted rate.

The financial contribution for the Lake Ferry Wastewater Scheme, as established in the 2008/09 Annual Plan, is to be paid over five years in equal installments each year. Council will continue to invoice separately for the installment due each year during the next three years unless a property owner makes special arrangement with the Council for an alternative frequency of payment.

Water Supply

Council proposes to set a uniform targeted rate for water supply based on each separately used or inhabited part of rating unit for all urban, rural or commercial rating units which are serviced by a connection to the system. Serviceable rating units which are those who could be serviced but are not at this time will be 50% of this charge.

The uniform targeted rate will apply to each connection.

An additional targeted rate is proposed where the volume exceeds 300m^3 per year for all metered connections. This charge will be $1.60 per m^3, plus GST, for the 2012/13 year. The aforesaid volume will be reviewed as and when required in future.

Council proposes to set a uniform targeted rate for water supply for each rating unit in the Pirinoa Water Supply area. The rate will be $605 per full share, including GST.

No lump sum contributions will be invited in respect of this targeted rate.

Amenities

Council proposes a uniform targeted rate for all rating units in the urban areas of Featherston, Greytown and Martinborough for the provision of amenity facilities.

Council proposes a different uniform targeted rate for all rating units in the rural area of the district for the provision of amenity facilities.

The amenity facilities include parks and reserves, swimming baths, community buildings (including public halls) and other civic amenities.

Refuse Collection

The Council proposes to set a uniform, targeted rate for rubbish collection and disposal. This will apply to rating units and separately inhabited parts of rating units where the Council provides refuse collection or use of disposal facilities.

Overall Rating Levels

The combined effect on individual rating units of a 4.36% increase in total rates will vary considerably from rating unit to rating unit depending on the different types of rates and valuations applicable.

2. RATING EXAMPLES

The following tables shows the typical rates increase for commercial, urban and rural properties.

RATES EXAMPLES (INCLUDING GST)	COMMERCIAL $		URBAN $		RURAL $	
	2011/12	2012/13	2011/12	2012/13	2011/12	2012/13
Low Value						
Land Value	100,000	100,000	125,000	125,000	240,000	240,000
General rate	344	442	215	276	466	497
UAGC	487	529	487	529	487	529
Reserves & Civic Amenities	243	188	243	188	116	96
Water	646	638	646	638		
Sewer	347	366	347	366		
Refuse	129	124	129	124		
	2,195	**2,287**	**2,066**	**2,121**	**1,069**	**1,122**
% Increase		**4%**		**3%**		**5%**
Medium Value						
Land Value	150,000	150,000	250,000	250,000	600,000	600,000
General rate	515	664	430	553	1,165	1,242
UAGC	487	529	487	529	487	529
Reserves & Civic Amenities	243	188	243	188	116	96
Water	646	638	646	638		
Sewer	347	366	347	366		
Refuse	129	124	129	124		
	2,367	**2,509**	**2,281**	**2,398**	**1,768**	**1,867**
% Increase		**6%**		**5%**		**6%**
High Value						
Land Value					4,000,000	4,000,000
General rate					7,767	8,282
UAGC					487	529
Reserves & Civic Amenities					116	96
Water						
Sewer						
Refuse						
					8,370	**8,907**
% Increase						**6%**

3. RATES AND CHARGES

The following tables shows the rating change from the 2011/12 year to the 2012/13 year.

RATES AND CHARGES (Excluding GST)				
	2011/12	2012/13	CHANGE %	CHANGE
General Rates - Commercial rate in dollar of LV	0.003004444	0.003846449	28.03%	0.00084200
General Rates - Urban rate in dollar of LV	0.001502222	0.001923224	28.03%	0.00042100
General Rates - Rural rate in dollar of LV	0.001697778	0.001800344	6.04%	0.00010257
UAGC	426	460	8.04%	34
UAC Urban	212	163	-23.05%	-49
UAC Rural	104	83	-19.73%	-21
Water Charge	564	555	-1.71%	-10
Sewer Charge	303	318	5.00%	15
Refuse Collection Levy	113	108	-4.48%	-5

4. STATEMENT OF FUNDING SOURCES

The High Level Financial Information table on the next page shows a summary of the funding sources for the LTP. Council's Revenue and Financing Policy and work programmes form the basis of the funding forecast. The table is produced on a "plus GST" basis.

FUNDING IMPACT STATEMENT – HIGH LEVEL FINANCIAL INFORMATION FOR THE YEARS ENDED 30 JUNE 2012-2022

FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2012-2022	Annual Plan 30 JUNE 2012 $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	6,565	7,433	7,740	7,911	8,347	8,836	9,219	9,591	9,923	10,303	10,692
Target rates (other than a targeted rate for water supply)	1,857	1,417	1,512	1,572	1,637	1,701	1,752	1,791	1,864	1,945	1,974
Subsidies and grants for operating purposes	3,538	2,443	2,371	2,585	2,642	2,721	2,808	2,907	3,014	3,117	3,226
Fees, charges, and targeted rates for water supply	2,178	2,811	2,879	2,950	2,976	3,062	3,145	3,182	3,264	3,362	3,417
Internal Charges and overheads recovered	2,410	2,530	2,558	2,693	2,667	2,733	2,910	2,880	2,945	3,101	3,078
Local authorities fuel tax, fines, infringement fees, and other receipts	2,536	1,917	1,983	2,052	2,141	2,222	2,358	2,470	2,588	2,710	2,817
Total operating funding (A)	**19,084**	**18,551**	**19,044**	**19,762**	**20,411**	**21,275**	**22,192**	**22,820**	**23,598**	**24,538**	**25,204**
Applications of operating funding											
Payments to staff and suppliers	9,948	10,705	10,927	11,278	11,409	11,936	12,301	12,539	12,946	13,432	13,799
Finance costs	5,027	5,147	5,345	5,440	5,485	5,566	5,754	5,845	5,945	6,041	6,142
Internal charges and overheads applied	2,410	2,530	2,558	2,693	2,667	2,733	2,910	2,880	2,945	3,101	3,078
Other operating funding applications	224	219	233	240	249	257	266	275	284	294	304
Total applications of operating funding (B)	**17,610**	**18,601**	**19,064**	**19,651**	**19,809**	**20,493**	**21,232**	**21,538**	**22,119**	**22,869**	**23,324**
Surplus (deficit) of operating funding (A-B)	**1,474**	**(50)**	**(20)**	**111**	**602**	**782**	**961**	**1,282**	**1,479**	**1,669**	**1,881**
Sources of Capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	130	133	120	124	128	133	137	142	147	152	158
Increase (decrease) in debt	1,645	548	2,142	545	934	479	115	(133)	737	86	(345)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	108	169	175	181	187	193	199	206	214	222	230
Total sources of capital funding (C)	**1,882**	**850**	**2,436**	**850**	**1,249**	**805**	**452**	**215**	**1,097**	**460**	**42**
Applications of capital funding											
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	205	212	-	-	-	-	-	-	-	-
- to inprove the level of service	1,754	811	1,406	1,228	1,324	1,127	852	877	1,553	1,197	542
- to replace existing assets	4,858	3,391	4,468	3,476	3,963	4,100	3,980	3,909	4,242	4,237	4,429
	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	(3,506)	(3,674)	(3,735)	(3,875)	(3,632)	(3,841)	(3,625)	(3,499)	(3,433)	(3,525)	(3,272)
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	**3,106**	**734**	**2,350**	**829**	**1,655**	**1,386**	**1,207**	**1,288**	**2,362**	**1,909**	**1,698**
Surplus (deficit) of capital	**(1,474)**	**50**	**20**	**(111)**	**(602)**	**(782)**	**(961)**	**(1,282)**	**(1,479)**	**(1,669)**	**(1,881)**
Funding Balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

RECONCILIATION OF FUNDING IMPACT STATEMENTS TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2012 - 2022

SOUTH WAIRARAPA DISTRICT COUNCIL RECONCILIATION OF FUNDING IMPACT STATEMENTS TO FINANCIAL STATEMENTS FOR THE YEARS ENDED 30 JUNE 2012 - 2022	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
REVENUE											
Prospective financial plan											
Total activity revenue	6,361	5,359	5,372	5,693	5,880	6,082	6,380	6,649	6,946	7,252	7,557
Rates requirement for operations	10,600	11,057	11,507	11,788	12,294	12,909	13,403	13,827	14,290	14,821	15,267
Rates Penalty											
Rate Write Offs											
Gain on Asset Revaluations											
Plus internal charges											
Total revenue	**16,961**	**16,415**	**16,879**	**17,481**	**18,174**	**18,992**	**19,782**	**20,477**	**21,237**	**22,074**	**22,824**
Summary funding impact statement											
Sources of operating funding											
Total operating funding (A)	19,084	18,551	19,044	19,762	20,411	21,275	22,192	22,820	23,598	24,538	25,204
Add sources of capital funding											
Subsidies and grants for capital expenditure		-	-	-	-	-	-	-	-	-	-
Development and financial contributions	130	133	120	124	128	133	137	142	147	152	158
Lump sum contributions	108	169	175	181	187	193	199	206	214	222	230
less internal charges	(2,410)	(2,530)	(2,558)	(2,693)	(2,667)	(2,733)	(2,910)	(2,880)	(2,945)	(3,101)	(3,078)
plus Reserve Cash Balances interest	50	51	59	67	75	83	123	147	181	222	269
Plus Gain on Asset Revalutaions	-	40	40	41	41	41	41	41	42	42	42
Total revenue	**16,961**	**16,414**	**16,879**	**17,481**	**18,174**	**18,992**	**19,782**	**20,477**	**21,237**	**22,074**	**22,824**
Statement of comprehensive income											
Revenue and rates per prospective financial plan	16,961	16,415	16,879	17,481	18,174	18,992	19,782	20,477	21,237	22,074	22,824
Total revenue	**16,961**	**16,415**	**16,879**	**17,481**	**18,174**	**18,992**	**19,782**	**20,477**	**21,237**	**22,074**	**22,824**
EXPENDITURE											
Prospective financial plan Total activity expenditure	**15,270**	**16,112**	**16,548**	**17,002**	**17,187**	**17,807**	**18,370**	**18,709**	**19,226**	**19,821**	**20,300**
Summary funding impact statement											
Applications of operating funding											
Total applications of operating funding (B)	17,610	18,601	19,064	19,651	19,809	20,493	21,232	21,538	22,119	22,869	23,324
Less internal charges	(2,410)	(2,530)	(2,558)	(2,693)	(2,667)	(2,733)	(2,910)	(2,880)	(2,945)	(3,101)	(3,078)
add Rate Debtor W/offs	40	41	42	44	45	47	48	50	52	53	55
add Bad Debts	30	-	-	-	-	-	-	-	-	-	-
Total expenditure	**15,270**	**16,112**	**16,548**	**17,002**	**17,187**	**17,807**	**18,370**	**18,709**	**19,226**	**19,821**	**20,300**
Statement of comprehensive income Expenditure											
Expenditure per prospective financial plan	15,270	16,112	16,548	17,002	17,187	17,807	18,370	18,709	19,226	19,821	20,300
Total expenditure	**15,270**	**16,112**	**16,548**	**17,002**	**17,187**	**17,807**	**18,370**	**18,709**	**19,226**	**19,821**	**20,300**
TOTAL Surplus/ (deficit)	**1,691**	**303**	**331**	**479**	**987**	**1,185**	**1,413**	**1,768**	**2,011**	**2,253**	**2,524**

RECONCILIATION OF SIGNIFICANT ACTIVITY STATEMENTS TO STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDED 30 JUNE 2012-2022

RECONCILIATION OF SIGNIFICANT ACTIVITY STATEMENTS TO STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDED 30 JUNE 2012-2022	30 JUNE 2012 Annual Plan $000	30 JUNE 2013 $000	30 JUNE 2014 $000	30 JUNE 2015 $000	30 JUNE 2016 $000	30 JUNE 2017 $000	30 JUNE 2018 $000	30 JUNE 2019 $000	30 JUNE 2020 $000	30 JUNE 2021 $000	30 JUNE 2022 $000
STATEMENT OF FINANCIAL PERFORMANCE											
Income	8,763	7,641	7,661	8,093	8,227	8,476	8,845	9,027	9,321	9,709	9,924
Operating costs	17,918	18,911	19,381	19,976	20,144	20,839	21,588	21,907	22,501	23,264	23,733
Net cost of service	(9,155)	(11,270)	(11,720)	(11,883)	(11,917)	(12,362)	(12,744)	(12,880)	(13,181)	(13,555)	(13,809)
General	10,846	11,574	12,052	12,362	12,904	13,547	14,156	14,648	15,192	15,808	16,333
Revaluation	-										
Net surplus/(loss)	**1,691**	**303**	**331**	**479**	**987**	**1,185**	**1,413**	**1,768**	**2,011**	**2,253**	**2,524**
Net surplus/(loss) per P&L	**1,691**	**303**	**331**	**479**	**987**	**1,185**	**1,413**	**1,768**	**2,011**	**2,253**	**2,524**
CAPITAL											
Capital	6,611	4,408	6,085	4,704	5,287	5,227	4,833	4,786	5,795	5,434	4,970
Capital expenditure per LTP model	6,611	4,408	6,085	4,704	5,287	5,227	4,833	4,786	5,795	5,434	4,970
DEBT											
Public debt	369	337	376	403	440	474	488	511	552	584	610
Miscellaneous											
Depreciation not funded	(1,079)	(1,317)	(1,340)	(1,352)	(1,395)	(1,413)	(1,431)	(1,504)	(1,517)	(1,528)	(1,610)
Total capital, debt & miscellaneous	**5,901**	**3,429**	**5,122**	**3,755**	**4,332**	**4,288**	**3,890**	**3,793**	**4,829**	**4,490**	**3,971**
FUNDING											
Funding required	15,056	14,699	16,842	15,638	16,249	16,650	16,633	16,673	18,010	18,045	17,779
Rates income	10,600	11,057	11,507	11,788	12,294	12,909	13,403	13,827	14,290	14,821	15,267
Loans	2,014	885	2,518	948	1,374	953	603	378	1,289	670	265
Depreciation reserves	2,835	2,887	2,968	2,970	3,039	3,136	3,222	3,313	3,392	3,395	3,492
Reserve transfers	(659)	(596)	(639)	(580)	(998)	(908)	(1,233)	(1,528)	(1,691)	(1,617)	(2,054)
Other	266	467	488	511	540	561	638	682	730	777	810
Total Other Funding	**4,456**	**3,642**	**5,336**	**3,850**	**3,955**	**3,741**	**3,231**	**2,846**	**3,720**	**3,224**	**2,513**
Total Funding	**15,056**	**14,699**	**16,842**	**15,638**	**16,249**	**16,650**	**16,633**	**16,673**	**18,010**	**18,045**	**17,779**

Part 5
Funding and Financing Policies

INTRODUCTION TO THE FUNDING AND FINANCING POLICIES

The funding and financial policies have been reviewed and updated as part of the LTP 2012/2022 process. A summary of changes is included in this section which provides the intent of the policy, issues relating to any changes and the expected financial implications of these changes. The following policies are included in this section:

- Revenue and Financing Policy
- Liability Management Policy
- Investment Policy
- Development Contributions/Financial Contributions Policy
- Remission and Postponement of Rates on Maori Freehold Land Policy
- Rates Remission Policy
- Rates Postponement Policy

Also included in this section is Council's Financial Strategy for 2012/22.

SUMMARY OF POLICY CHANGES

Revenue and Financing Policy

The policy outlines how operating and capital expenditure for each activity will be funded, what funding sources are available to Council and how spending contributes to the Community Outcomes included in the LTP. Changes made to the policy are minor wording changes only.

Issues: There are no issues requiring consideration.

Financial Impact: There are no material financial implications arising from the adoption of the updated Revenue and Financing Policy.

Liability Management Policy

The policy outlines how Council will manage borrowing and debt. Changes made to the policy are minor wording changes, introduction of a borrowing limit and security for borrowings clarification.

Issues: The liability management policy has been amended to allow borrowing from the LGFA.

Financial Impact: There are no material financial implications arising from the adoption of the updated Liability Management Policy.

Investment Policy

The policy outlines how Council manages investments and minimises risk. The policy now includes AIRTEL, Farmlands equity investments, ETS trading scheme units, the LGFA policy and statements regarding the objectives for holding the investments and the return targets for the investments (new requirement of section 101A of the Local Government Act).

Issues: The liability management policy has been amended to allow borrowing from the LGFA.

Financial Impact: There are no material financial implications arising from the adoption of the updated Investment Policy.

Development Contributions or Financial Contributions Policy

The policy outlines the requirements for financial contributions for subdivision and land use consents. The policy in this document replicates the Financial Contribution Chapter (23) from the Wairarapa Combined District Plan.

Issues: There are no issues requiring consideration.

Financial Impact: There are no material financial implications arising from the adoption of the updated Financial Contributions Policy.

Remission and Postponement of Rates on Maori Freehold Land Policy

The policy recognises that certain Maori land is eligible for relief from rates. There are no changes from the previous policy.

Issues: There are no issues requiring consideration.

Financial Impact: There are no material financial implications arising from the adoption of the proposed Remission and Postponement of Rates on Maori Freehold Land Policy.

Remission of Rates Policy

The policy provides a means for allowing rates relief where it is considered fair and reasonable to do so. The remission period has been extended from 5 months up to a period of 24 months.

Issues: It had become apparent that 5 months was not long enough in the current economic climate for ratepayers to meet commitments.

Financial Impact: Council carries debt longer, however it is more likely that the debt will be collected.

Postponement of Rates Policy

The policy outlines under what conditions Council will allow postponement of rates. There are no changes from the previous policy.

Issues: There are no issues requiring consideration.

Financial Impact: There are no material financial implications arising from the adoption of the Postponement of Rates Policy.

FINANCIAL STRATEGY 2012/22

South Wairarapa District Council is a small rural local authority, with a relatively high infrastructural asset base per capita, and a relatively small rate base.

Small local authorities generally have very little discretionary expenditure and are therefore required to focus heavily on maintaining current service levels and their infrastructural asset base.

This LTP reflects this focus, and we are confident the plan will ensure the longevity of the asset base and maintenance of service levels while retaining financial health.

At the same time, Council is cognisant that raising debt locks ratepayers into repayments for 20 to 25 years and takes a prudent approach to raising debt. Debt raising is generally only undertaken for new assets, replacement of existing assets should be made from depreciation reserves built up for that purpose.

Financial sustainability is fundamental to the long term sustainability of the district, and while this plan has steered away from being austere, the limited revenue base compared to the high asset base requires very careful consideration of operational and capital expenditure.

The forecasts have been prepared on the basis that, as a minimum, existing levels of service will be maintained. The rates and other revenue requirements set out in this LTP are set at levels that will achieve this goal.

This strategy is prepared pursuant to Section 101A of the Local Government Act 2002.

Balanced Budget Requirement

The Local Government Act requires us to run a balanced budget. This Plan achieves that requirement and shows consistent surpluses and cash reserves. Future councils may decide to repay debt early or commit more funding to renewals expenditure. There are building cash balances through the ten years which are taken account of in reporting 'Net Debt'. In general, we do not fund all of the depreciation expense. There are a number of reasons for this, including choosing to fund debt repayment instead, deciding not to put aside depreciation funds on certain assets and relying on a modest level of financial contributions income to fund infrastructure renewals. Also, our planned use of carried forward funds and reserves for some operating costs means we risk not achieving the balanced budget. Over the ten years of the Plan we have built inconsistent increases in the funding of depreciation, except on assets we do not expect to replace, allowing us to consistently achieve a balanced budget and remain financially sustainable.

Statement of the factors that are expected to have a significant impact on South Wairarapa District Council

The local government sector is facing significant uncertainty, there are a number of initiatives being mooted, however there is no concrete indication as to the future shape of local government, or how services will be delivered.

The 2012-22 Long term Plan has been based on the existing service delivery model.

South Wairarapa District Council, like many local authorities throughout the country, have been, and will continue to investigate shared services delivery option where the opportunity exists.

One of the key pressures facing all local authorities is the level of borrowing. A significant majority of local authorities have infrastructural assets that will require replacement or upgrade in the short to medium term, and SWDC is no different. Council is very conscious of the long term impact of debt, and has covenants in place to ensure debt is managed to prudent levels.

Council has prepared this LTP with a view to ensuring cash reserves will more closely match the total of "special reserves", trust funds, depreciation reserves and sinking fund reserves. This plan will continue after the term of this LTP.

1. Statement of Factors

In terms of the known factors expected to have a significant impact the following is a summary from SWDC perspective:

a) Governance.

- As indicated above, there are a number of initiatives underway looking at governance of local authorities. This includes a "Wellington region" governance review, and a "Wairarapa district" review.
- At the time of preparation of this LTP, the results of these reviews have not been ascertained.
- No changes to the governance model have been factored in to this LTP, however funding of $50,000 in 2013 has been set aside for participation in options analysis.

b) Land Transport.

- Land Transport is Councils largest, by dollar value, output.
- Council policy is to only fund those activities that attract a subsidy from New Zealand Transport Agency (NZTA).
- The two key factors impacting the land transport output are oil prices, and availability of roading contractors to deliver services.

  This LTP has used the cost indices promulgated by BERL. These indices indicate that the cost of delivering the land transport program (which includes projected oil prices, and contractors costs) will increase by an average of 3.4% each year for the term of this LTP.

c) Water Supply.

- There is significant pressure to provide a higher standard of water supply, ultra violet treatment plants have been installed.
- The following table outlines the proposed capital works program.

WATER SUPPLY	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2021/ 2022
Featherston Bore Investigation	31,260								
Featherston Supply Supplementation		108,100	111,600	288,250	297,750				
Greytown Bore UV Treatment		129,720	55,800						

- Particularly the Featherston and Greytown emergency supplies require additional investment.

d) Wastewater.

- This is the output that is under the most pressure.
- Council is under increasing pressure to increase the quality of discharge well above the levels that have been included in the previous resource consent.
- The Greytown consent is due to be lodged late 2012, the Featherston and Martinborough consents due shortly thereafter.
- The timing and level of expenditure required to meet the terms of the resource consents is uncertain at present.
- The timing and level of expenditure has been included in this LTP is based on an estimate of the quantum and timing of the consent that have been lodged and are under negotiation.
- The levels of expenditure are expected to be the maximum spent.

e) Debt Levels.

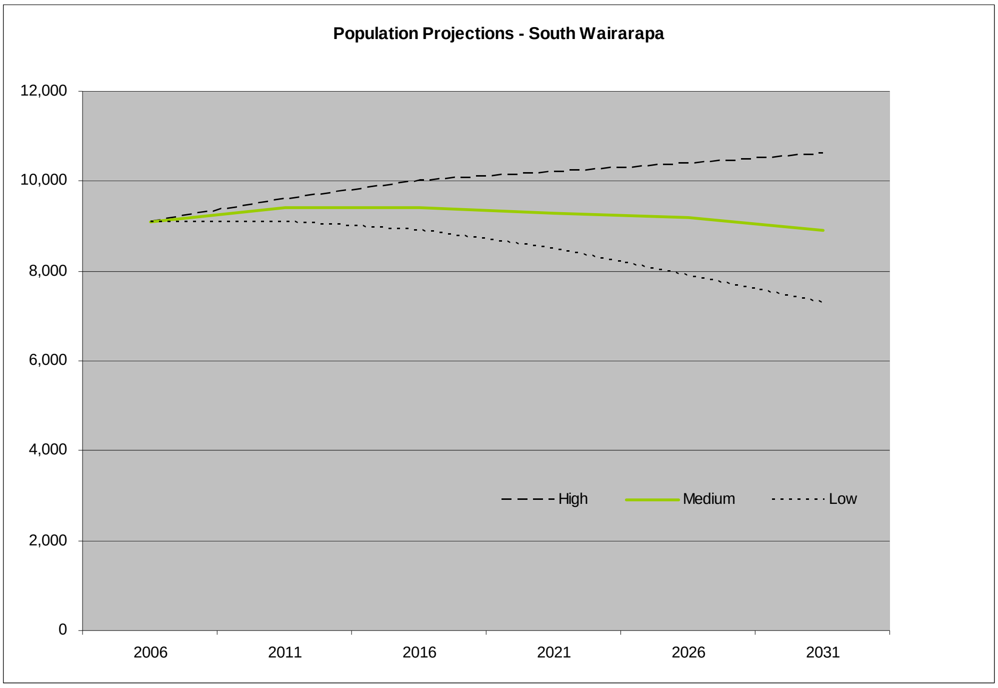
- Current forecast will result in significant increases in debt levels, but within SWDC debt cap which states interest expense cannot exceed of 12% of rates revenue.

2. EXPECTED CHANGES IN POPULATION

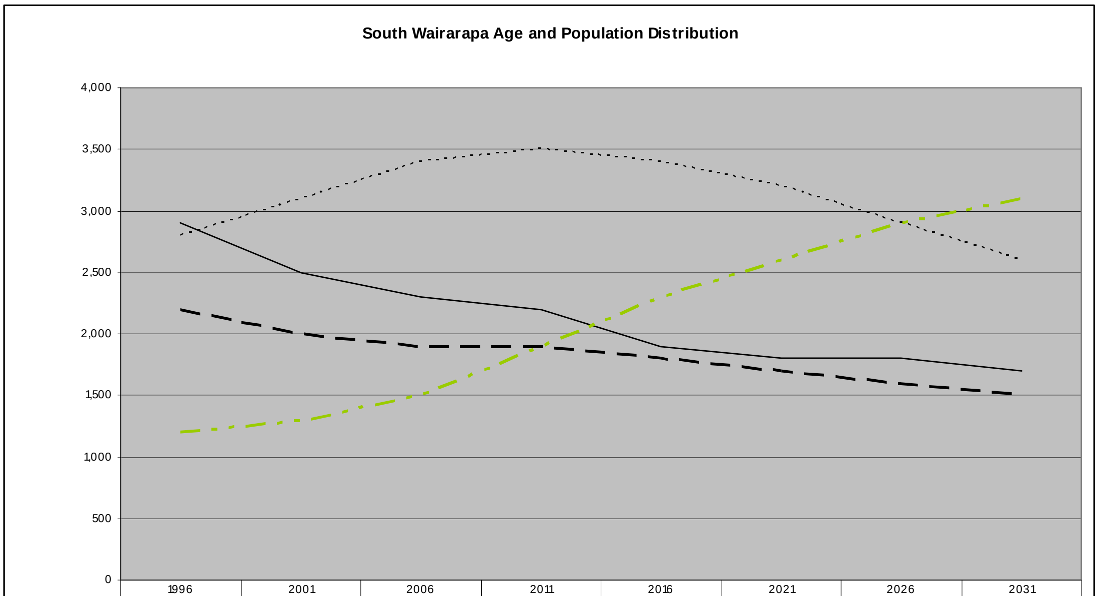
As at the last full census taken during 2006, the resident population of South Wairarapa District was 8,890. This was an increase of 150 over the 2001 census.

Statistics New Zealand have estimated the population of South Wairarapa at 27 January 2012 as 9,430, with the population declining to 8,900 in 2031.

The following table, prepared with information provided by Statistics New Zealand outlines the population projection. The high, medium, and low factors relate to the different projection levels.



The following table, prepared with data supplied by Statistics New Zealand, outlines the age and population distribution. The projection forecasts the median age of south Wairarapa residents to increase from 42.7 years in 2006 to 55.2 years in 2031. It is anticipated 35% of the population will be over 65 years by 2031, up from 16% at 2006.



	1996	2001	2006	2011	2016	2021	2026	2031
0–14	2,200	2,000	1,900	1,900	1,800	1,700	1,600	1,500
15–39	2,900	2,500	2,300	2,200	1,900	1,800	1,800	1,700
40–64	2,800	3,100	3,400	3,500	3,400	3,200	2,900	2,600
65+	1,200	1,300	1,500	1,900	2,300	2,600	2,900	3,100

0–14 15–39 40–64 65+

SWDC does not anticipate changes in population demographics will alter to any significant extent; accordingly it is confident existing infrastructure will have sufficient capacity to meet future needs.

Capital costs of providing for those changes

As SWDC does not anticipate population growth will exceed existing infrastructure capacity, no allowance has been made for capital to build additional capacity.

Operating costs of providing for those changes

As SWDC does not anticipate population growth will exceed existing infrastructure capacity, no allowance has been made for additional operating costs.

3. Expected Changes in Use of Land

The following table summarises the numbers of rateable units by land type identified by Quotable value.

LAND CATEGORY ASSESSMENTS	2009	2011
Arable	0	0
Commercial	200	205
Dairy	233	241
Forestry	18	19
Horticulture	143	142
Industrial	123	130
Lifestyle	934	975
Minings	3	2
Other	374	377
Pastoral	601	604
Residential	3853	3948
Specialist Livestock	7	7
Utility	33	35

Historical changes in land use have been relatively low, and it is anticipated this low rate of change will continue.

Existing budget and infrastructural levels have been adequate to meet the historical land use changes without the need for substantial investment.

There are two areas of change in land use that put pressure on infrastructure and cost, these are dairy conversions, and rural subdivisions.

While dairy conversions result in a significant increase in vehicle movements, the rate of these conversions has slowed considerably and current levels of expenditure are sufficient to maintain serviceability of the infrastructure.

Rural subdivisions and 'urban sprawl" creates pressure for seal extensions. As this activity no longer attracts Land Transport New Zealand subsidy, the full cost of any extensions fall on the ratepayer. However in mitigation of these pressures, expenditure on seal extensions is entirely discretionary.

In summary, it is not anticipated land use will change to the extent that additional expenditure is required.

SWDC existing infrastructure levels have sufficient capacity to meet anticipated future growth levels.

Capital costs of providing for those changes

As SWDC does not anticipate significant change in land use, no allowance has been made for capital to build additional capacity. The majority of capital works required for subdivisional activity is funded from financial contributions by the subdivider.

Operating costs of providing for those changes

As SWDC does not anticipate significant change in land use, no allowance has been made for increased operating costs to cover land use changes.

4. Expected Capital Expenditure Required to Maintain Existing Levels of Service on Network Infrastructure

Water

The capital value of SWDC water assets at 30 June 2012 is valued at $22.3M.

The following table highlights the capital requirement to maintain existing levels of service for water supply.

CAPITAL REQUIREMENTS REQUIRED TO MAINTAIN WATER SUPPLY SERVICE	2012/ 2013 ($000)	2013/ 2014 ($000)	2014/ 2015 ($000)	2015/ 2016 ($000)	2016/ 2017 ($000)	2017/ 2018 ($000)	2018/ 2019 ($000)	2019/ 2020 ($000)	2021/ 2022 ($000)
Universal metering	62	10	11	11	11	12	12	13	13
Cyclical renewal, pipeline renewal (FSTN/GTN)	312	324	334	345	367,	378	389	402	414

Wastewater

The capital value of SWDC wastewater assets at 30 June 2012 is valued at $13.9M.

The following table highlights the capital requirement to maintain existing levels of service for wastewater.

CAPITAL REQUIREMENTS REQUIRED TO MAINTAIN WASTEWATER SERVICE

	2012/ 2013 ($000)	2013/ 2014 ($000)	2014/ 2015 ($000)	2015/ 2016 ($000)	2016/ 2017 ($000)	2017/ 2018 ($000)	2018/ 2019 ($000)	2019/ 2020 ($000)	2020/ 2021 ($000)	2021/ 2022 ($000)
Reticulation upgrade	171	294	111	288	297	306	315	324	335	345
Reticulation renewals	52	54	55	57	59	61	63	64	67	69
Lake Ferry sewerage system	15	16	16	17	17	18	18	19	20	20

Flood protection

The majority of flood protection services are carried out by Greater Wellington Regional Council, however SWDC does provide urban drainage services.

The capital value of SWDC stormwater assets at 30 June 2012 is valued at $3.0M

The following table highlights the capital requirements to maintain existing levels of service for stormwater.

CAPITAL REQUIREMENTS REQUIRED TO MAINTAIN STORMWATER SERVICE

	2012/ 2013 ($000)	2013/ 2014 ($000)	2014/ 2015 ($000)	2015/ 2016 ($000)	2016/ 2017 ($000)	2017/ 2018 ($000)	2018/ 2019 ($000)	2019/ 2020 ($000)	2020/ 2021 ($000)	2021/ 2022 ($000)
Reticulation upgrade		207		221		235	242	249	257	265
Reticulation renewals					178		189		201	

Flood control works

Flood control works is generally the responsibility of Greater Wellington Regional Council.

Other significant factors affecting the LA's ability to:

a) Maintain existing levels of service.

There are no other significant factors not covered above that are known to affect SWDC's ability to meet existing levels of service.

b) Meet additional demands for services.

There are no other significant factors not covered above that are known to affect SWDC's ability to meet existing levels of service.

FUTURE RATES REQUIREMENTS

	2012/ 2013 ($000)	2013/ 2014 ($000)	2014/ 2015 ($000)	2015/ 2016 ($000)	2016/ 2017 ($000)	2017/ 2018 ($000)	2018/ 2019 ($000)	2019/ 2020 ($000)	2020/ 2021 ($000)	2021/ 2022 ($000)
Rates increase	4.31%	4.07%	2.44%	4.29%	5.00%	3.82%	3.17%	3.35%	3.71%	3.01%
Rate Revenue	11,057	11,507	11,788	12,294	12,909	13,403	13,827	14,290	14,821	15,267

Note: These limits do not anticipate additional costs that are the result of changes in legislation, or unexpected requirements tom increase service levels.

Based on provision of existing levels of service, SWDC anticipates it will be able to meet future requirement with in the BERL "Local Authority Cost index" as issued from time to time +2%.

QUANTIFIED LIMITES ON RATES	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022
BERL Local Authority Index	3.79%	3.46%	3.17%	3.27%	3.42%	3.26%	3.38%	3.69%	3.89%	3.90%
Maximum rates increase	5.79%	5.46%	5.17%	5.27%	5.42%	5.26%	5.38%	5.69%	5.89%	5.90%

Council is required by legislation to include a statement on quantified limits on rates. The Local Government Rates Inquiry suggests that around 50% of a council's operating revenue should be taken from rates. Currently, Council draws about 67% 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.

Borrowings

- Borrowings are capped at interest cost no greater than 12% of rates revenue.
- The following table outlines rates revenue, 12% of rates revenue, being maximum interest payable, maximum borrowings, and forecast borrowing in this LTP.

RATES BORROWINGS	2012/ 2013 ($000)	2013/ 2014 ($000)	2014/ 2015 ($000)	2015/ 2016 ($000)	2016/ 2017 ($000)	2017/ 2018 ($000)	2018/ 2019 ($000)	2019/ 2020 ($000)	2020/ 2021 ($000)	2021/ 2022 ($000)
Rate revenue	11,057	11,507	11,788	12,294	12,909	13,403	13,827	14,290	14,821	15,267
12% of rates revenue	1,327	1,381	1,415	1,475	1,549	1,608	1,659	1,715	1,779	1,832
Forecast interest expense	646	728	722	718	675	683	673	668	667	649
Maximum debt at 5.9% interest rate	22,489	23,403	23,975	25,004	26,256	27,260	28,123	29,065	30,145	31,051
Forecast LTP debt	9,990	12,333	13,070	14,198	14,883	15,195	15,242	16,166	16,446	16,711

Assessment of its ability within the quantified limits (above) to provide and maintain:

Existing levels of service

SWDC is confident it can maintain existing levels of service within the quantified limits described above.

Meet additional demands

Council faces significant pressure to increase levels of service in certain areas.

SWDC has made provision in this LTP to cover the costs of meeting the additional demands, within the limits set above.

The two key areas of additional demand are:

- Provision of potable water to Featherston and Greytown residents.
- Treatment and disposal of sewerage effluent to a much higher level than was agreed in previous consents.

Water Supply

The following table indicates the forecast costs of providing for the increased level of service. These costs have been factored in to this LTP; therefore SWDC is confident the required work can be completed within the covenants set.

INCREASED COSTS OF WATER SUPPLY	2012/ 2013 ($000)	2013/ 2014 ($000)	2014/ 2015 ($000)	2015/ 2016 ($000)	2016/ 2017 ($000)	2017/ 2018 ($000)	2018/ 2019 ($000)	2019/ 2020 ($000)	2020/ 2021 ($000)	2021/ 2022 ($000)
Featherston Bore Investigation	31									
Featherston Supply Supplementation		108	111	288	297					
Greytown Bore UV treatment		129	55							

Sewerage

The following table indicates the forecast costs of providing for the increased level of service. These costs have been factored in to this LTP; therefore SWDC is confident the required work can be completed within the covenants set.

INCREASED COSTS OF SEWERAGE DISPOSAL	2012/ 2013 ($000)	2013/ 2014 ($000)	2014/ 2015 ($000)	2015/ 2016 ($000)	2016/ 2017 ($000)	2017/ 2018 ($000)	2018/ 2019 ($000)	2019/ 2020 ($000)	2020/ 2021 ($000)	2021/ 2022 ($000)
Alternative disposal systems (Greytown)	208	540	334					649	670	
Alternative disposal systems (Martinborough)	78	54	55	288	297					
Alternative disposal systems (Featherston)	104	54	55	576						
Land purchase (Featherston)					357	367				
Land purchase (Greytown)		324	334							
Land purchase (Martinborough)							378	389		

SWDC Policy on the giving of securities for its borrowing

Council does not offer assets as security for borrowings.

SWDC objectives for holding and managing:

a) Financial investments.

Refer to Councils investment policy for the objectives for holding and managing financial investments.

b) The quantified targets for returns on financial investments.

The Council's long term special funds will be retained in their present form throughout the Plan. Additions and withdrawals from the funds have been accounted for each year through the Plan where identified and required. A range of 4.36% to 6.7% has been assumed for the return on the special funds investment.

c) Equity securities.

Council holds a very limited portfolio of equity investments.

These are held for strategic purposes only and are not held for specific investment.

d) The quantified targets for returns on equity securities.

There is no quantified target for equity investments for the reasons outlined above.

REVENUE AND FINANCING POLICY

1. INTRODUCTION

The Revenue and Financing Policy (Policy) contains Council's policies with respect to the funding of operating expenditure and capital expenditure from various revenue sources. When read in conjunction with the Funding Impact Statement (Rating), this policy provides the link between the funding decisions taken at the activity level, with the eventual rates assessment that each ratepayer will receive. It is also the lead policy for other funding and financial policies including:

- Liability Management Policy.
- Investment Policy.
- Development and/or Financial Contributions Policy.
- Rates Remission Policies.
- Rates Postponement Policy.

Section 101 (3) of the Local Government Act 2002 (LGA) set out the requirements Council must consider as part of the development of the policy. Section 103 LGA sets out the general contents of the Policy.

The first step requires consideration, at activity level of each of the following:

- Community outcomes - the community outcomes to which the activity primarily contributes (in other words your rationale for service delivery).
- The user/beneficiary pays principle – the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals.
- The intergenerational equity principle – the period in or over which those benefits are expected to accrue.
- The exacerbator pays principle – 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.

Community Outcomes

The requirement to consider community outcomes in the funding process is seen as an obligation for Council to consider why it is engaged in an activity and to what level. To that extent, possible funding of activities should be consistent with achievement of desired outcomes.

Distribution of Benefits

At this stage, Council is required to consider who benefits from the activities performed by Council. This is expressed as the Public/Private split. Economic theory suggests there are two main characteristics that need to be considered when looking at a particular good or service:

Rivalry in Consumption

A good is a rival in consumption if one person's consumption of the good or service prevents others from doing so, e.g. a chocolate bar is a good with a large degree of rivalry in consumption, i.e. if Bill eats it, Jane cannot.

Excludability

A good or service is excludable if a person can be prevented from consuming the good or service, e.g. if Bill does not buy a movie ticket, then the usher can exclude him by preventing him from entering the theatre.

At one end of the continuum there are so-called 'public goods'. These are goods which are both non-rival and non-excludable, i.e. everyone can consume them and no one can be prevented from consuming them if they wish. A good example of a public good is national defence, where the whole community is protected from an invasion by the armed forces whether it wishes to be or not, and this protection cannot be removed from anyone in New Zealand.

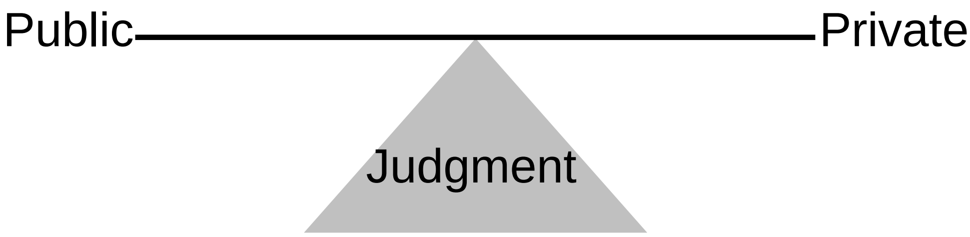
At the other end of the continuum are 'private goods' which are both rival and excludable. Most daily consumables are private goods.

Very few goods and services are entirely public goods or private goods. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum.

The characteristics of a good or service determine what type of funding mechanism might be used to fund a particular service. Council has already made judgements about what it considers are public goods when deciding whether or not to undertake a particular activity.

For example, a good towards the public end of the continuum may not be a good candidate for user charges as people cannot be prevented from consuming it, or because everyone consumes it whether they wish to or not. Such goods will generally be candidates for funding from some general source such as a general rate. A good towards the private end of the spectrum may be a candidate for a targeted rate or a user charge.

In the end, it is likely to come down to 'reasonable' judgment. Both the LGA and previous case law place the responsibility on elected members to make decisions about who benefits and who should pay.



Distribution of Benefits Over Time

Council needs to consider something called 'intergenerational equity' which means that funding decisions are required to consider future generations, not just today. Many of the activities provided by local government are either network or community infrastructure which has long service lives. Benefits from these services can be expected to accrue over the entire life of the asset. Current ratepayers should not be expected to subsidise the benefits that future ratepayers receive nor should future ratepayers subsidise current ratepayers.

One way that Council applies the intergeneration equity principle is by spreading costs over the future. Council will typically borrow to fund the cost of a project and future ratepayers will repay the loan (and interest cost), say over a 25 year period. Council typically only borrows to fund capital expenditure but Council may use short term borrowing to spread some operating costs smooth funding over a limited period to avoid rate spikes.

Council also needs to ensure that appropriate funding has been allocated to reasonably meet the levels of service that each activity is targeting to meet and financial sustainability into the future needs to be considered.

Actions or Inactions of Individuals or Groups

This generally refers to how to make the 'exacerbators' pay. This could include funding mechanisms to allow for the fining of people that cause unwanted Council activity, e.g. cleaning up abandoned cars or rubbish. However, Council has very limited funding mechanisms to enable targeted charging and, in many cases, it is not possible to pass this cost on to the exacerbator and, therefore, it becomes more a case of identifying the quantum of the issue and deciding who then should bear the cost, if not the exacerbator.

Costs, Benefits and Separate Funding

Council is required to consider whether an activity should be separately funded and what the cost implications might be. There are administration costs associated with separate funding and these need to be weighed against any benefits of targeting specific beneficiaries/users of a service, including transparency and accountability.

Transparency and accountability are most evident when an activity is totally distinctly funded. This allows ratepayers, or payers of user charges, as the case may be, to see exactly how much money is being raised for and spent on the activity, and to assess more readily whether or not the cost to them of the activity represents good value.

However, funding every activity this way would be extremely complex. For some activities, the quantity of rates funding to be collected amounts to only a few cents per ratepayer. The administrative costs and lack of significance lead Council to fund a number of activities by way of a general rate. To aid in transparency and accountability, Council separates the total general rate into reasonable activity breakdowns when presenting the ratepayer with their rates assessment notices. This then allows the ratepayer to make some form of meaningful assessment down to activity level.

2. SELECTION OF TOOLS

Section 103(1) requires Council to identify the funding of operational expenditure and capital expenditure.

Operational expenditure is normally funded by way of revenue (income) while capital expenditure can be funded by way of both revenue and non-revenue items such as borrowings and the use of Council created reserves.

Capital expenditure is expenditure when the benefit of that expenditure is greater than one year and therefore benefits obtained by those assets spread according to the life of the asset.

Section 103 (2) LGA requires Council to identify its funding tools from the list below.

A number of tools can be used to allocate both public and private good. The use of targeted rates is good example of this. An activity with a very high percentage of public good can be allocated over a small geographical area and therefore the most appropriate tool to recover the expenditure would be a targeted rate. Therefore in this instance a targeted rate is used to recover a public good. However targeted rates can be used to recover a private good such as use of water from a closed network. This is where Council can restrict people using that network and before they can join they have to formally join to it and are charged the appropriate fee(s).

3. Revenue

General Rates

Including Uniform Annual General Charge.

This is usually used to recover public good.

South Wairarapa District uses land value for the application of its general rate.

Council believes that land of value allocates the costs fairly between the rural and urban communities.

When Council considered the advantages and disadvantages of each option it considered it identified that:

- The ratio of land to capital value was inconsistent across the district and this would have lead more ratepayers having an increase than those decreases) in rates payable.

RATIO OF LAND CAPITAL VALUES

Movement in General Rates	Percent of General Properties with Movement
Decrease between 0% and 30%	35%
Increase between 0% and 30%	14%
Increase between 30% and 100%	31%
Increase greater than 100%	20%

- As land value is the current method it is accepted and understood by the majority of ratepayers.
- There would be additional costs in both moving to capital value and additional costs in maintaining the rating database without out any significant increase in value.

Targeted rates

Any other rate includes, Uniform Annual Changes, rate set on a differential on value, rates set over at area of benefit and rates for a service or for an activity.

This can be used for both private good and public good.

Current targeted rates include the amenity rates.

Lump sum contributions

For the recovery of specific capital expenditure, otherwise loan funded (optional for ratepayer).

This must have a high component of private good.

Fees and charges

Any fee, recovery fine or charge made Council for service or activity.

Must have a high component of private good.

Interest and dividends from investments

Income from an investment. This would be generally public good.

Financial & development contributions

There are used to recover costs to mitigate the effects of development. Council has a Financial Contributions Policy under the Resource Management Act 1991which explains the application and the levying of these fees. Council does not have a development contributions policy.

This must have a high component of private good.

Grants and subsidies

Income from external funding entity. These generally would be of a public good.

Borrowing

Loans, both short term and long term. This is a funding tool and does not need a split between public and private good as it is only deferring the eventual charge.

Proceeds from asset sales

This would only need to be recognized where an asset was being sold and not replaced with a similar asset. For the example where the proceeds from the sale of corporate property where used to fund another activity. Again this is a funding tool.

Council Created reserves

Council created reserves result from surplus revenues over expenditure being held for a particular purpose or the transfer of non-cash expenditure (e.g. depreciation).

Group of Activities, and Activity	Community Outcomes	user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed: Private	Proposed: Public	Rationale	Funding Sources: Operational	Funding Sources: Capital
Governance/Leadership/Advocacy										
Representing the community	Vibrant and strong communities, Sustainable South Wairarapa	NIL	NIL	L	L		*100%*	The democracy process is available to all residents and ratepayers, therefore all ratepayers benefit from this activity	General rate & reserve funding	
Public Protection										
Protection of public health		M	NIL	M	M	70%-80%	30%-20%	Council has a statutory obligation to enforce public health legislation	Fees & Charges General Rate	
Noise control and enforcement		NIL	NIL	H	L	10%	90%	Council has the ability to charge for monitoring and recover other costs	Fees & Charges General Rate	
Building consents and enforcement		H	NIL	L	M	80%-90%	20%-10%	Council has statutory obligation to enforce the building act	Fees & Charges General Rate	
Dog and animal control	Healthy & economically secure people	L-M	NIL	H	L	60%-70%	30%-40%	For dog control the urban community receive a higher benefit than the rural community while for animal control the rural community receives a higher benefit than the urban	Fees & Charges General Rate	
Liquor licensing		H	NIL	L	L	70%-80%	30%-20%	Council has a legal obligation to enforce liquor act	Fees & Charges General Rate	
Emergency management and civil defence		NIL	NIL	L	H	0	100%	Emergency management is for the protection of life and restoration of essential services	General rate	
Rural fire		M	NIL	H	M	75%-85%	25%-15%	Council has a statutory obligation to fund combined rural fire activity	Targeted General rate	
Community Development										
Cultural and community development		L	NIL	NIL	H		100%	Supporting community activities for which council believes there is a high public benefit	General rate Targeted rate	
Economic Development	Vibrant and strong communities, Sustainable South Wairarapa	NIL	NIL	NIL	L		100%	Economic development provides a benefit of the district, but there are occasions where parts of the district benefit to a different degree	General rate Targeted rate	
Economic Development - Tourism		M	NIL	NIL	M	60%-70%	40%-30%	Tourism is a very important part of economic activity within Swai therefore has a high public good. However the benefit received from tourism develop also directly benefits the tourist related businesses	General rate Targeted rate	
Resource Management										
Educated and knowledgeable people										
Vibrant and strong communities										
Sustainable South Wairarapa										
District Plan (reviews and development)		L	NIL	M	L	5%	95%	DP is a strategic and statutoryutory planning document for the benefit of the district however members of the community can apply and fund a private plan change	General rate, fees and charges, reserves short term loans (1-3 yrs)	
Resource consent applications		H	NIL	H	H	95%	5%	Element public good for enquiries, and consents that have a high public interest	General rates, F & C surpluses	
Resource consent appeals		H	NIL	H	L	50%	50%	Appeals potentially cover a wide range of effects and have a wide range of benefits	General rates / surpluses	

Group of Activities, Community Outcomes and Activity		user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed Private	Proposed Public	Rationale	Funding Sources Operational	Funding Sources Capital
Amenities										
Parks and Reserves including playgrounds	Healthy & economically secure people, Educated and knowledgeable people, Vibrant and strong communities	L	H	M	M	10%-15%	90%-85%	Reserves are there for recreational purposes and are open to all without restriction except for specific areas and times	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Swimming Pools in Featherston, Greytown and Martinborough.		H	M-H	L	L	30%-40%	70%-60%	While pools provide recreation value council can restrict access	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Ownership of Camping Grounds in Martinborough and Greytown.		H	M	L	L	70%-85%	15%-30%	Martinborough is a restricted area and Greytown is unrestricted however council may in the future may look at options for Greytown	Targeted rates, fees and charges	Targeted rates, surplus funds & Loans
Civic Amenities										
Libraries in Featherston, Greytown and Martinborough.		H	L-H	L	M	30%-40%	60%-70%	This activity provides public benefit by increasing people's knowledge, but also provides a private benefit.	General rate, fees & charges	General rates, surplus funds & Loans
Pensioner housing units in Featherston, Greytown and Martinborough.		H	M	L	L	95%	5%	There is high private benefit by the tenants and council provides this facility for the wellbeing of a select number of the community	Fees & charges	Surplus funds & loans
Public toilets in Featherston, Greytown and Martinborough and at various rural and coastal sites.		H	M	H	M	80%-90%	20%-10%	Providing essential service to ensure a clean environment	Targeted rates	Targeted rates, surplus funds & Loans
Public halls, Sports Stadium in Featherston, Greytown and Martinborough.		M-H	M	M	L	40%-60%	60%-40%	Halls while used for private benefit there are wider community benefits of having halls available, Halls are the focal point of the community	Targeted rates, fees and charges	Targeted rates, contributions, surplus funds & Loans
Cemeteries in Featherston, Greytown and Martinborough.		H	H	L	L	90%	10%	Can restrict access and there are alternatives, providing service to public there are benefits from memorial status	Targeted rates, fees and charges	Targeted rates, surplus funds & Loans
Roading / Land Transport										
	A place that's accessible and easy to get around	H	H	H	H	70%-80%	30%-20%	Road corridor provides high public good however the use of the road is predominantly for private benefit purposes	Fees & charges, NZTA subsidy, tolls, contributions, General Rates	Surplus funds, NZTA subsidy, tolls, contributions, general rates
Solid Waste Management										
Waste collection	Healthy & economically secure people	H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Closed Landfill		NIL	M	L	L		100%	Protect environment from impacts of previous events	General rates	General rates, surplus funds & Loans
Transfer stations		H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans
Recycling		H	L	H	M	70%-80%	30%-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rates	Surplus funds, fees & charges, targeted rates and loans

Group of Activities, Community Outcomes and Activity		user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed Private	Proposed Public	Rationale	Funding Sources Operational	Funding Sources Capital
Stormwater										
Healthy & economically secure people Sustainable South Wairarapa.										
Stormwater Collection	Sustainable South Wairarapa.	H	H	H	L-M	20%	80%	Collection predominantly to prevent flooding of private and public property	Fees & Charges, targeted rates, general rates	Fees & Charges, contributions, targeted rates, general rates, surplus funds and loans
Stormwater Treatment		L	H	H	L-M	5%	95%	To protect the environment	Fees & Charges, targeted rates, general rates	Fees & Charges, targeted rates, general rates, surplus funds and loans
Water Supply										
	Healthy & economically secure people	H	H	H	M	90%	10%	Provides safe potable drinking water	Fees & Charges, targeted rates, contributions	Fees & Charges, targeted rates, contributions, surplus funds and loans
Sewerage										
	Healthy & economically secure people, Sustainable South Wairarapa.	H	H	H	M	75%	25%	Provide safe/sanitary treatment & disposal environment for waste	Fees & Charges, targeted rates, contributions	Fees & Charges, targeted rates, contributions, surplus funds and loans

LIABILITY AND MANAGEMENT POLICY

1. Introduction

The borrowing management policy will be consistent with Council's overall objectives and plans. The amount of borrowing is driven on a project by project basis. Council approves borrowing by resolution as part of the Annual Planning process.

Council may borrow from itself, any registered bank or wholesale investor by the issue of local authority stock, or the Local Government Funding Authority (following special consultative procedure adoption during the 2012-22 LTP process) or in any other manner which it considers appropriate.

2. Interest rate exposure

Council's borrowing gives rise to direct exposure to interest rate movements. Given the long term nature of Council's assets, projects and intergenerational factors, Council's policy is to have a high percentage of fixed rate borrowing.

Interest rate risk is managed by adjusting the maturity of borrowings to avoid a concentration of debt reissues or rollovers in line with interest rate predictions.

All matters concerning borrowing which can be lawfully delegated are delegated to the Chief Executive.

The use of hedging instruments for risk management on Council's borrowing is not appropriate. Should Council wish to use hedging instruments an ordinary resolution approving their use will be adopted by Council.

3. Liquidity

Liquidity refers to the availability of cash resources to meet all obligations as they arise.

Short term liquidity management is monitored and controlled through daily cash management activities with long term liquidity being monitored and controlled through the Annual Plan and Long Term Financial Strategy processes.

Council ensures debt maturity is spread widely to minimise the risk of large concentrations of debt maturing at any one time. Council may maintain an overdraft facility to meet short term cash requirements as and when necessary.

4. Credit exposure

Council is readily able to attract cost effective borrowing because of the strength of security offered by its powers to rate, and the very low historical incidence of default by local authorities.

5. Debt repayment

Council has at present two types of loans. These comprise reducing balance and interest only loans. Reducing balance (table mortgage) loans are repaid from operational funds over the life of the loan. Council can liquidate these loans at any point of time if allowed under the terms of the loan agreement. Interest only loans are taken out over the life of the project and refinanced at three to five year intervals.

Council has established sinking funds in respect of all interest only loans. Council has not forecast to make any repayments of principal on the loans it has sinking funds for, as the loans are intended to be for the same length of time as the asset life and the sinking fund repayment schedules are calculated based on the same. Most of the loans are for assets that have a life of either 10 or 20 years and as a result – none of these mature within the period of this LTP. This spreads the principal and interest costs related to the asset purchase evenly over the period of the assets life, and therefore achieves inter-generational equity for the ratepayers. While the loan principal is not paid off progressively, the sinking fund deposits accumulate progressively and therefore accumulate more interest earned.

Council has introduced a policy of building up its cash reserves in order to meet future renewals of its assets.

Council is under no obligation to establish sinking funds for new borrowings but must consider and record how it intends to effect repayment.

Terms of repayment should be determined after consideration of the cost of finance and any intergenerational benefits of the assets being financed.

The maximum period over which borrowings are to be repaid is the lesser of 30 years or the life of the project.

6. Specific borrowing limits

The gross interest expense of all borrowings will not exceed 12% of rates income.

7. Security

Council does not offer assets as security for borrowings.

INVESTMENT POLICY

1. INTRODUCTION

The investment policy will be consistent with Council's overall objectives and plans Council acknowledges that there are financial risks associated with its investment activities but is risk averse. The treasury function is based on managing risk and protecting investments. There is no involvement in speculative transactions.

The management of trusts, and special funds and reserves will be reviewed on a regular basis. This will ensure that their holding complies with any statutory or other special requirements and that their use is consistent with these and with Council policy at the time.

Investments generally will be made having regard to the following objectives:

- To manage short term cash flows in an efficient and prudent manner which provides cash for approved expenditure needs and in the event of urgent requirements.
- To provide cash for the future retirement of debt on maturity.
- To maximise interest income and minimise risk to the capital invested.

2. TREASURY INVESTMENTS

Council's treasury investments comprise sums reserved for special purposes and funds held for working capital requirements. These funds are managed using the following guidelines:

- Funds are invested only with institutions which offer an excellent degree of security. These include the New Zealand Government, State Owned Enterprises, Local Authorities and New Zealand registered banks.
- The maximum amount to be invested with any one approved institution is 30% of Council's total investments except for the Wairarapa Building Society which shall be 10%.

3. EQUITY INVESTMENTS

Council has a small shareholdings in the following organisations:

- New Zealand Local Government Insurance Corporation Limited.
- AIRTEL Limited.
- Farmlands Limited.

A Council resolution is required to dispose of these shares.

Council is risk averse and does not wish to expose itself to the risks associated with equity investments. It will not as a general rule seek to acquire further equity investments.

4. EMISSIONS TRADING SCHEME

Council has a number of "New Zealand Emissions Units" that were issued as a result of the introduction of the emissions trading scheme.

A Council resolution is required to transact these units.

5. LOCAL GOVERNMENT FUNDING AUTHORITY

Council may, after following the special consultative procedure, borrow funds from the Local Government Funding Authority.

Under certain very limited circumstances, the borrower notes can convert to shares.

A Council resolution will be required to manage these shares.

6. PROPERTY

Council does not hold real property for investment purposes. It may and does purchase property from time to time to assist in the provision of its core services to the community. Surplus properties will be disposed of wherever possible. Council will review its property holdings on a regular basis.

7. MIX OF INVESTMENTS

The mix of investments will be determined having regard to the overall funding needs of Council. Investment mix is also influenced by risk management considerations. Council will maintain sufficient general funds for day to day operational needs.

Council may establish, alter or dissolve a fund for a particular purpose by ordinary resolution.

8. ACQUISITION OF NEW INVESTMENTS

Treasury investments are acquired under delegated authority to the Chief Executive.[1]

It is unlikely that Council will invest in shares or investment properties in the foreseeable future. Any such acquisitions would require a resolution by Council.

[1] Means the Chief Executive and /or other officers to whom the Chief Executive may delegate from time to time.

When acquiring treasury investments Council seeks to:

- Optimise return on investments.
- Ensure investments are secure.
- Manage potential interest rate movement losses.

9. Disposition of Revenue from Investments

All dividends, interest and other income from investments will be available for Council's general use except:

- Where Council has resolved that interest earned on funds invested in an account shall be reinvested in that account. These accounts shall be subject to review each year.
- Interest earned on sinking funds which shall remain in the sinking funds.

10. Disposition of Proceeds of Sale of Investments

Equity and property investments may be disposed of by resolution of Council and the proceeds will be available for Council's general use unless it resolves otherwise. These proceeds may only be used for capital investments or the retirement of debt.

On maturity, treasury investments may be realised for Council's general use or reinvested under delegated authority by the Chief Executive.

11. Procedures

Equity and property investments will be reviewed by Council before the end of March each year.

Treasury investments will be managed under delegated authority by the Chief Executive. All realisations, transfers and reinvestments will comply with this policy. All treasury transactions are required to be validated by way of a deal ticket (as contained in Council's Treasury Policy).

Council will receive a schedule of all treasury investments each month as part of the Chief Executive Officer's report.

12. Investment Risk Assessment and Management

Council has no investment properties and only three small equity investments. The exposure to risk in these areas is minimal.

Council's primary objective in respect of treasury investments is the protection of those investments. Only credit worthy counter parties are acceptable.

Council will manage its exposure to credit risk by maintaining a diverse investment portfolio with prescribed limits for each counter party. The exposure to interest rate risk will be managed by a mix of terms and staggered maturity dates to mitigate the effect of market fluctuations.

13. Objectives for Holding and Managing Financial Investments and Equity Securities

The objectives of holding financial investments are:

- To maintain sufficient cashflow to meet current and future needs
- To ensure sufficient funding is available to meet future loan repayments as they fall due through the maintenance of sinking fund accounts

The objectives of holding equity investments are:

- Equity investments are held solely for strategic purposes and are not held for financial return
- Equity investments will only be made to support companies that provide a service that may not otherwise be provided, for the benefit of either the three Wairarapa local authorities, or a wider base of local authorities.

14. Targets for Returns on Financial Investments and Equity Investments

The targets for returns on financial investments are:

- The key rationale of the holdings of financial investments is risk minimisation. Due to the levels of cash holdings these are managed solely for cashflow purposes. Council policy limits investment to very low risk investment, which by it's nature provides modest returns

The objectives of holding equity investments are:

- Equity investments are held solely for strategic purposes and are not held for financial return
- There is no quantified target for equity investments for the reasons outlined above

DEVELOPMENT CONTRIBUTIONS/FINANCIAL CONTRIBUTIONS

1. INTRODUCTION

As further subdivision occurs and new activities are established within the Wairarapa, the existing infrastructure and amenities come under pressure. Financial contributions are a way of ensuring that any adverse effects from subdivision and development on the environment or on community resources are minimised, including ways of offsetting any adverse effects with a contribution toward environmental improvements. Such contributions can be in the form of money, land, works or services and may include the provision of roads and services, the protection of an important historic or natural feature, the visual enhancement of a site through landscape treatment or the provision of access to a hitherto inaccessible river or stream.

Financial contributions for subdivision and land use consents may include the costs of upgrading and expanding community works and services as a result of the proposal, including (but not limited to) public roads, public water supplies, and the disposal of sewage and stormwater.

This section deals with the requirements for financial contributions, either as a standard of a permitted activity, or a land use or subdivision consent.

Where a financial contribution is required as a condition of a permitted activity or resource consent, the purpose, circumstances in which a contribution may be required, and the amount of that contribution are stated. For some types of contributions, a maximum contribution is specified to ensure such contributions are equitable and not unreasonably onerous for some forms of development.

Contributions for land use development through the resource consent process will be sought in full, unless a previous contribution has been received in the subdivision of the site. Conversely, if a contribution was paid at the time of land use development, then no contribution may be required at the time of any subsequent subdivision consent in recognition of the previous contributions.

2. RESERVE CONTRIBUTIONS STANDARD

A. Circumstances when a general reserves contribution is required as a condition of a permitted activity or a resource consent

a) As a condition of a land use resource consent for any additional residential unit, provided that a general reserve contribution has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Plan.

b) As a condition of subdivision resource consent for any new allotment, provided that a general reserve contribution has not already been made under the relevant Council's Long Term Plan.

c) As a standard of a permitted land use activity for any additional residential unit, with the payment of the contribution to be made prior to the issuance of code of compliance certificate for the building consent, provided that a general reserve contribution has not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Plan.

B. Amount of Contribution for reserves as a standard of a Permitted Activity or as a condition of Resource Consent

a) For subdivision, a general district-wide reserves contribution of 3% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 2% of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the sum of this general district-wide reserves contribution and any general district-wide roads, access, parking and loading contribution taken under Rule 4.A(g) shall be $7,500 (plus GST) per allotment created by a subdivision; or

b) For land use development for residential purposes, a general district-wide reserves contribution of 0.25% of the value of each additional residential unit (plus GST).

C. Assessment Criteria for Remission or Waiver of Reserves Contribution

In determining whether to grant a remission or waiver of any reserves contribution, regard shall be had, but not limited to, the following criteria:

a) The activity's impacts on the reserve network and the cost to the relevant Council to avoid, remedy, or mitigate these impacts.

b) Measures proposed by the developer to enhance an existing reserve or the open space of the locality.

c) Other methods proposed by the developer to avoid, remedy or mitigate any adverse effects on the reserve network.

d) Whether any site of natural and cultural heritage can and should be enhanced or protected.

D. Form of Contribution

a) The contribution may be required in the form of money or land or any combination thereof.

If the reserve contribution is in the form of land which is acceptable to Council, the value of the land to be vest ed as reserve shall b e established on the basis of a registered valuer's report. Registered val uer's reports sha ll be produced at the consent holders cost and be no older t han 3 mo nths a t th e ti me the contribution is paid.

E. Purpose

a) To provide for the acquisition and development of reserves and open spaces in response to the needs arising from subdivision and development.

b) To protect conservation values of riparian and coastal margins, and associated water quality and aquatic habitat.

c) To provide opportunities for public access to and along water bodies including the coast.

d) To provide recreational opportunities near water bodies.

F. Contributions Payable

a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.

b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.

c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

3. INFRASTRUCTURE CONTRIBUTIONS STANDARD

A. Circumstances when an infrastructure contribution is required as a standard of a permitted activity or as a condition of a resource consent

a) As a condition of a land use resource consent for any additional residential unit or administrative, commercial or industrial purposes towards particular works of one or more of the types referred to in sections 3.B(a) to (f) and a contribution under section 3.B(h) or (i), provided that an infrastructure contribution towards those particular works and a contribution under section 3.B(h) or (i) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Plan.

b) As a condition of subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 3.B(a) to (f)and a contribution under section 3.B(g), provided that an infrastructure contribution towards those particular works and a contribution under section 3.B(g), have not already been made under the relevant Council's Long Term Plan.

c) As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 3.B(a) to (f) and a contribution under section 3.B(h) or (i), with the payment of the contribution(s) to be made prior to the issuance of code of compliance certificate for the building consent, provided that an infrastructure contribution towards those particular works and a contribution under section 3.B(h) or (i), have not already been made at the time of the subdivision creating that lot of under the relevant Council's Long Term Plan.

B. Amount of contribution for infrastructure as a standard of a permitted activity or as a condition of a resource consent

a) The actual cost of water supply, wastewater or stormwater disposal systems to the development; and

b) The actual cost of all necessary water supply, wastewater or stormwater disposal reticulation within the development for each allotment or building; and

c) The actual cost of connections between the water supply, wastewater or stormwater disposal reticulation in the development and the Council's water supply, wastewater and stormwater disposal system; and

d) The actual cost of upgrading of any existing Council water supply, wastewater or stormwater disposal system to the extent that it is necessary to service the development; and

e) A share of the cost of the existing water supply, wastewater or stormwater disposal system where additional capacity has been created in anticipation of future development. The share will be calculated on the proportion of the additional capacity required to serve the development; and

f) A share of the cost of new water supply, wastewater or stormwater disposal system or upgraded water supply, wastewater or stormwater disposal system where additional capacity will be required by the cumulative effects of an area's development - the share will be calculated on the proportion of the additional capacity required by the development; and

g) For subdivisions, a general district-wide infrastructure contribution of $5000 (plus GST) per allotment that connects with public infrastructure and services; or

h) For land use development for residential, administrative, commercial and industrial purposes, a general district-wide infrastructure contribution of $5000 (plus GST) per new unit for linking with public infrastructure and services; plus 0.5% of the assessed value of any building development in excess of $1,000,000 (plus GST). The assessed value of the development will be based on the estimated value of the building as stipulated on the building consent application, or

i) For land use development for additions and alterations for administrative, commercial or industrial purposes that connects with public infrastructure and services, a general district-wide infrastructure contribution of 0.5% of the assessed value of any building development in excess of $50,000 (plus GST). The assessed value of the development will be based on the estimated value (excluding GST) of the building as stipulated on the building consent application.

C. Assessment Criteria for Remission or Waiver of Infrastructure Contribution

In determining whether to grant a remission of any infrastructure contribution, regard shall be had, but not limited to, the following criteria:

a) Whether any allotment or any part of the development is proposed to be connected to public infrastructure and services.

b) The effect of the proposed subdivision or development on the infrastructure and the cost to the relevant Council to avoid, remedy, or mitigate these impacts.

c) Measures proposed by the developer to upgrade any existing infrastructure.

d) Whether any contribution had been previously made towards the establishment or upgrade of the infrastructure.

D. Form of Contribution

a) The contribution may be required in the form of money or works or any combination thereof.

E. Purpose

a) To provide a potable water supply.

b) To safeguard the health of inhabitants and protect the natural environment from inappropriate disposal of sewage.

c) To prevent damage to property or amenity from the indiscriminate and uncontrolled runoff of stormwater.

d) To ensure sufficient water is available for fire fighting purposes.

F. Contributions Payable

a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.

b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.

c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

4. ROADS, ACCESS, PARKING & LOADING CONTRIBUTIONS STANDARD

A. Circumstances when a roads, access, parking and loading contribution is required as a standard of a permitted activity or as a condition of a resource consent

a) As a condition of a land use resource consent for any residential, commercial or industrial activity towards particular works of one or more of the types referred to in sections 4.B(a) to (f) and a contribution under section 4.B(g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 4.B(g) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Plan.

b) As a condition of a subdivision resource consent for any new allotment towards particular works of one or more of the types referred to in sections 4.B(a) to (f) and a contribution under section 4.B(g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 4.B(g) have not already been made under the relevant Council's Long Term Plan.

c) As a standard of a permitted land use activity towards particular works of one or more of the types referred to in sections 4.B(a) to (f) and a contribution under section 4.B(g) with the payment of the contribution(s) to be made prior to the issuance of code of compliance certificate for the building consent, provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 4.B(g) have not already been made at the time of the subdivision creating that lot or under the relevant Council's Long Term Plan.

d) As a condition of land use resource consent in the Commercial or Industrial Zones in which the waiver of all or some of the required on-site parking is sought.

B. Amount of contribution for roads, access, parking and loading as a standard of a permitted activity or as a condition of a resource consent

a) The actual cost of providing a road or access to the development concerned; and

b) The actual cost of all necessary roads and accesses within the development area for each allotment or building; and

c) The actual cost of road or access crossings between allotments, or buildings in the development; and

d) A share of the cost of the existing roads and access where additional capacity has been created in anticipation of future subdivision or development. The share will be calculated on the proportion of that additional capacity which is to serve the development; and

e) A reasonable share of the cost of new or upgraded roads or access where additional capacity or safety improvements are necessary to accommodate the cumulative effects of the development within an area. The share will be calculated on the proportion of additional traffic likely to be generated by the development; and

f) The cost of forming of the parking spaces (where a waiver from the District Plan parking requirements is sought, the cost of forming a parking space is deemed to be at a rate of $5,000 (plus GST) per space); and

g) For subdivision, a general district-wide roads, access, parking and loading contribution of 2% of the land value of each allotment to be created in the Residential, Commercial and Industrial Zones (plus GST), and 3% of the land value of each allotment to be created in the Rural Zone (plus GST). In the Rural Zone, the maximum amount of the sum of this general district-wide roads, access, parking and loading contribution and any general districtwide reserves contribution taken under Rule 2.A(a) shall be $7,500 (plus GST) per allotment created by a subdivision.

C. Form of Contribution

a) The contribution may be required in the form of money or land or any combination thereof.

D. Purpose

a) To provide for the safe and convenient movement on roads of motor vehicles, bicycles and pedestrians within and through the Wairarapa.

E. Contributions Payable

a) For permitted activities involving construction of a residential building, contributions shall be made prior to the issuance of the Code of Compliance Certificate for the Building Consent.

b) For land use resource consents, contributions shall be payable as and when required by any condition of that consent.

c) For subdivision resource consents, contributions shall be made prior to the issuance of the Certificate under Section 224 of the Resource Management Act 1991.

REMISSION AND POSTPONEMENT OF RATES ON MAORI FREEHOLD LAND POLICY

1. Objectives

a) To recognise that certain Maori owned land may have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide for relief from rates.

b) To recognise that the Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non-collectable.

c) To meet the requirements of section 102 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Maori freehold land.

2. Conditions and Criteria

a) Application for remission or postponement under this policy should be made prior to the commencement of the rating year. Applications made after the commencement of the rating year may be accepted at the discretion of the Council. A separate application must be made for each year.

b) Owners or trustees making application should include the following information in their applications:

1. Details of the rating unit or units involved.
2. Documentation that shows that the land qualifies as land whose beneficial ownership has been determined by a freehold order issued by the Maori Land Court.

c) The Council may of its own volition investigate and grant remission or postponement of rates on any Maori freehold land in the District.

d) Relief, and the extent thereof, is at the sole discretion of the Council and may be cancelled and reduced at any time.

e) Council will give a remission or postponement of up to 100% of all rates for the year for which it is applied or based on the extent to which the remission or postponement of rates will:

1. Support the use of the land by the owners for traditional purposes.
2. Support the relationship of Maori and their cultural traditions with their ancestral lands.
3. Avoid further alienation of Maori freehold land.
4. Facilitate any wish of the owners to develop the land for economic use.
5. Recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.
6. Recognise and take account of the importance of the land for community goals relating to:
    - The preservation of the natural character of the coastal environment.
    - The protection of outstanding natural features.
    - The protection of significant indigenous vegetation and significant habitats of indigenous fauna.
7. Recognise the level of community services provided to the land and its occupiers.
8. Recognise matters relating to the physical accessibility of the land.
9. Provide for an efficient collection of rates and the removal of rating debt.

f) Decisions on the remission and postponement of rates on Maori freehold land may be delegated to Council officers or a Committee of the Council. All delegations will be recorded in the Council's delegation schedule.

REMISSION OF RATES POLICY

1. INTRODUCTION

In order to allow rate relief where it is considered fair and reasonable to do so, the Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are therefore set out separately in the following pages, together with the objectives of the policy.

2. REMISSION OF PENALTY RATES

Objectives

- To enable Council to act fairly and reasonably in its consideration of rates which have not been received by the due date.
- To provide relief and assistance to those ratepayers experiencing financial hardship.

Criteria and Conditions

Council will consider each application on its merit and remission may be granted where it is considered that the application meets the following criteria and conditions.

Criteria

a) Council will remit penalty rates where it is demonstrated that penalty rates have been levied due to an error by Council.

b) Remission of one penalty will be considered in any one rating year where payment had been late due to significant family disruption. Significant family disruption is likely to be the ratepayer, or a member of the household being affected by serious illness, serious accident, hospitalisation or death.

c) Remission of penalty may be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control. Applications under this criteria will only be accepted if the ratepayer has a history of regular payments of rates and has not incurred penalty rates in the previous two years.

d) Remission of penalty rates will be considered for those ratepayers who due to financial hardship, are in arrears and who have entered into an agreement with Council to repay all outstanding and current rates. This repayment scheme will generally be up to a period of 24 months. Penalty rates remission will not be considered if the agreement plan is not being adhered to.

e) Remission will be considered if a new owner receives penalty rates through the late issuing of a sale notice, a wrong address on the sale notice or late clearance of payment by the Solicitor on a property settlement. This only applies to penalty rates incurred on one instalment. Future instalments do not qualify under this criteria.

Conditions

a) Application for remission of penalty rates must be in writing using the prescribed form.

b) Penalty rates will not be considered for remission if the penalty rates were incurred in a previous rating year, regardless if the application otherwise meets the criteria.

Delegation

Council delegates the authority to remit penalty rates to the Chief Executive Officer or the Group Manager Corporate Support.

3. REMISSION OF RATES FOR LAND USED BY SPORTING, RECREATIONAL AND COMMUNITY ORGANISATIONS

Objectives

- To facilitate the ongoing provision of non-commercial sporting, recreational and community services that meet the needs of the residents of the District.
- To provide indirect financial assistance to community organisations.
- To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These may include children, youth, young families, aged people and economically disadvantaged people.

Conditions and Criteria

a) This policy will apply to land owned by the Council or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation or community purposes.

b) Council will remit 50% of rates, with the exception of targeted rates, for organisations that qualify under this policy, and with the exception of Rural Halls which will receive 100% remission. Sporting organisations will qualify for 50% remission regardless of whether they hold a current licence under the Sale of Liquor Act 1989.

c) The policy does not apply to organisations operated for pecuniary profit or which charge tuition fees.

d) The policy does not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting or community services as a secondary purpose only.

e) Applications for remission must be made to the Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated. All rating units that have remissions in place at 1 July 2002 are not required to make application.

f) Organisations making application should include the following documents in support of their application. Information of activities and programmes, details of membership and statement of objectives.

Delegation

Council delegates the authority to remit 50% of rates for sporting, recreational and community organisations to the Chief Executive Officer or the Group Manager Corporate Support.

4. REMISSION OF RATES ON LAND PROTECTED FOR NATURAL, HISTORICAL OR CULTURAL CONSERVATION PURPOSES.

Objectives

- To preserve and promote natural resources and heritage.
- To encourage the protection of land for natural, historic or cultural purposes.

Conditions and Criteria

a) Ratepayers who own rating units which have some feature of cultural, natural or historic heritage which is voluntarily protected may qualify for remission of rates under this part of the policy.

b) Land that is non-rateable under section 8 of the Local Government (Rating) Act and is liable only for rates for water supply, sewage disposal or refuse collection will not qualify for remission under this part of the policy.

c) Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the rating unit e.g. a copy of the covenant or other legal mechanism.

d) In considering any application for remission of rates under this part of the policy the Council will consider the following criteria:

1. The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.
2. The degree to which features of natural, cultural or historic heritage are present on the land.
3. The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.

e) In granting remissions under this part of the policy, Council may specify certain conditions before remissions will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.

f) Council will decide what amount of rates will be remitted on a case-by-case basis.

Delegations

Applications for the remission of rates for protection of heritage will be considered by Council.

5. REMISSION OF UNIFORM ANNUAL GENERAL CHARGE IN CERTAIN CIRCUMSTANCES

Objectives

- To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple UAGCs.
- To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation.

Conditions and Criteria

a) For subdivision purposes, this policy will apply to land that is:

1. subdivided into two or more lots; and
2. where title has been issued, and
3. the unsold lots remain in common ownership.

Remission will be the charge for each unsold lot except one.

b) For multiple rating units, this policy will apply to land that is:

1. contiguous, and
2. are used as part of the farming operation.

Remission will be the charge for each unit except the main farm residence unit.

Delegation

Council delegates the authority to remit UAGCs to the Chief Executive Officer or the Group Manager Corporate Support.

6. Remission of Reserves and Civic Amenities Charge

Objectives

- To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple UAGCs.
- To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation
- To provide relief to rural farming properties for a vacant unit used as a run-off.

Conditions and Criteria

a) For subdivision purposes, this policy will apply to land that is:

1. subdivided into two or more lots; and
2. where title has been issued, and
3. the unsold lots remain in common ownership.

Remission will be the charge for each unsold lot except one.

b) For multiple rating units, this policy will apply to land that is:

1. contiguous, and
2. are used as part of the farming operation.

Remission will be the charge for each unit except the main farm residence unit.

c) For a run-off unit the policy will apply to one unit used as a run-off for a farming operation.

Delegation

Council delegates the authority to remit Reserves and Civic Amenities Charge to the Chief Executive Officer or the Group Manager Corporate Support.

7. Remission of Rates for Natural Disasters

Objective

- To provide relief to properties affected by natural disasters.

Conditions and Criteria

a) Council will remit rates to those properties identified according to the conditions and criteria set by Central Government.

The level of remission will be to the extent of funding provided by Central Government.

POSTPONEMENT OF RATES POLICIES

1. INTRODUCTION

These policies are prepared under section 110 of the Local Government Act 2002.

2. EXTREME FINANCIAL CIRCUMSTANCES

Objective

- To assist ratepayers experiencing extreme financial circumstances which affects their ability to pay rates.

Conditions and Criteria

Council will consider, on a case by case basis, all applications received that meet the criteria listed below.

Criteria

a) The ratepayer(s) is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision of maintenance of the home and chattels at an adequate standard as well as making provision for normal day to day living expenses.

b) The ratepayer(s) must be the current owner of the rating unit and have owned or resided on the property or within the District for not less than five years.

c) The rating unit must be used solely for residential purposes and the ratepayer(s) must reside on the property.

d) The ratepayer(s) must not own any other rating units or investment properties, whether in this District or another.

Conditions

a) Application must be in writing by the ratepayer(s) or by an authorised agent.

b) The ratepayer(s) is required to disclose to Council, all personal circumstances, including the following factors: age, physical or mental disability, injury, illness and family circumstances so that Council can consider these factors to establish whether extreme financial hardship exists.

c) Applications for postponement of rates will only be considered from the beginning of the rating year in which the application is made. If Council decides to postpone rates the ratepayer(s) must first enter into an agreement with Council to make regular payments for future rates.

d) Council will charge a postponement fee on the postponed rates for the period between the due date and the date they are paid. This fee is designed to cover the Council's administrative and financial costs and may vary from year to year. The fee is $50.00.

e) Any postponed rates will be postponed until;

1. the death of the ratepayer(s); or
2. until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
3. until the ratepayer(s) ceases to use the property as their residence; or
4. until a date specified by the Council as determined by Council in any particular case.

f) Postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.

g) Postponed rates will be registered as a statutory land charge on the rating unit under the Statutory Land Charges Registration Act 1928 and no dealing with the land may be registered by the ratepayer while the charge is registered except with the consent of Council.

Delegation

Council delegates the authority to approve applications for rate postponement to the Chief Executive Officer.

3. RATEPAYERS AGED 65 YEARS AND OVER

Objective

- To give ratepayers a choice between paying rates now or later subject to the full cost of postponement being met by the ratepayer and Council being satisfied that the risk of loss in any case is minimal.

General Approach

Only rating units defined as residential and used for personal residential purposes by the applicant(s) as their sole or principal residence will be eligible for consideration of rates postponement under the criteria and conditions of this policy.

Current and all future rates may be postponed indefinitely if at least one ratepayer (or, if the ratepayer is a family trust, at least one named occupier) is 65 years of age or older.

Owners of units in retirement villages will be eligible provided that Council is satisfied payment of postponed rates can be adequately secured.

Council will add to the postponed rates all financial and administrative costs to ensure neutrality as between ratepayers who use the postponement option and those who pay as rates are levied. Council will establish a reserve fund out of which to meet any shortfall between the net realisation on sale of a property and the amount outstanding for postponed rates and accrued charges, at the time of sale. This will ensure, that neither the ratepayer(s) nor the ratepayer(s') estate will be liable for any shortfall.

Conditions and Criteria

a) Eligibility

Any ratepayer aged 65 years or over is eligible for postponement provided that the rating unit is used by the ratepayer as their sole or principal residence. This includes, in the case of a family trust owned property, use by a named individual or couple. Residents of retirement villages who hold an occupation licence will be able to apply for postponement of the rates payable by the retirement village on their unit with the agreement of the owner of the retirement village.

b) Risk

Council must be satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible. To determine this, the Council uses a model developed by an actuary to forecast, on a case by case basis, expected equity, when repayment falls due. If that is likely to be less than 20%, the Council will offer partial postponement, set at a level expected to result in final equity of not less than 20%.

For prudential reasons, the Council will need to register a statutory land charge against the property to protect its right to recover postponed rates. At present the law does not allow councils to register such a charge against Maori freehold land. Accordingly, Maori freehold land is not eligible for rates postponement (unless and until the law is changed so that the Council can register a statutory land charge).

If the property in respect of which postponement is sought is subject to a mortgage, then the applicant will be required to obtain the mortgagee's consent before the Council will agree to postpone rates.

c) Insurance

The property must be insured for its full value and evidence of this produced annually.

To assist ratepayers who are currently uninsured, Council is arranging for the development of a group insurance policy to provide all risks cover. This will achieve cover against catastrophic loss at minimum cost. The premium will be treated as part of the postponement fee and thus come within the postponement arrangements. Council expectations are that arrangements for the group insurance policy will be completed in time for it to come into effect from 1 July 2006. If insurance cannot be arranged because the property is uninsurable, only the land value can be used when calculating maximum postponement allowable under section 'Rates Able to be Postponed'.

d) Rates Able to be Postponed

All rates are eligible for postponement except for:

1. target rates for water supplied by volume (water-by meter rates)
2. lump sum options which are rates paid in advance

e) Conditions

Any postponed rates (under this policy) will be postponed until:

1. the death of the ratepayer(s) or named individual or couple, (in this case the council will allow up to 12 months for payment so that there is ample time available to settle the estate or, in the case of a trust owned property, make arrangements for repayment); or
2. the ratepayer(s) or named individual or couple ceases to be the owner or occupier of the rating unit (if the ratepayer sells the property in order to purchase another within the Council's district, Council will consider transferring the outstanding balance, or as much as is needed, to facilitate the purchase, provided it is satisfied that there is adequate security in the new property for eventual repayment); or
3. If the ratepayer(s) or named individual or couple continue to own the rating unit, but are placed in residential care, Council will consider them to still be occupying the

residence for the purpose of determining when postponement ceases and rates are to be paid in full.

4. a date specified by Council.

Council will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs and may vary from year to year.

The financial cost will be the interest Council will incur at the rate of Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include Council's own in-house costs, a 1% p.a. levy on outstanding balances to cover external management and promotion costs, a reserve fund levy of 0.25% p.a., and a contribution to cover the cost of independent advice).

To protect Council against any suggestion of undue influence, applicants will be asked to obtain advice from an appropriately qualified and trained independent person. A certificate confirming this, will be required before postponement is granted. Council has made arrangements with a reputable and appropriately qualified non-government organisation to provide this service. The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy. Postponed rates will be registered as a statutory land charge on the rating unit title. This means that Council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

f) Review of Suspension of Policy

This policy is in place indefinitely and can be reviewed subject to the requirements of the Local Government Act 2002 at any time. Any resulting modifications will not change the entitlement of people already in the scheme to continued postponement of all future rates. Council reserves the right not to postpone any further rates once the total of postponed rates and accrued charges exceeds 80% of the ratable value of the property as recorded in Council's rating information database. This will require the ratepayer(s) for that property to pay all future rates but will not require any payment in respect of rates postponed up to that time. These will remain due for payment on death or sale.

The policy consciously acknowledges that future changes in policy could include withdrawal of the postponement option.

g) Procedures

Applications must be on the required form which will be available from any Council office. The policy will apply from the beginning of the rating year in which the application is made.

This policy was implemented effective from 1 July 2006.

Part 6
Our Future

OUR FUTURE

Introduction

Workshops with various industry stakeholders were held to get input on current and long term issues as well as current or potential Council projects. The following are the stakeholder groups that we sought input from before the Draft LTP was prepared and the key issues identified by these stakeholder groups are included as they were presented. Many of the key issues were consistent with the projects currently being undertaken and priority will be given to ensure projects align to the community vision.

- Business Stakeholders
- Sports Stakeholders
- Rural Stakeholders
- Martinborough Community Board
- Featherston Community Board
- Greytown Community Board
- Maori Standing Committee and Wairarapa Iwi (refer Part 1)

Key Issues

Following are the issues as identified by our stakeholders. Not all the issues presented come under Council's jurisdiction, however they are still included for completeness.

- Aging population: growth projection required, additional Council housing may be required in the future.
- Correct ad-hoc subdivision development.
- Preserve areas of best land use: growth on to high value land.
- Limited development in infrastructure.
- Economic development forum: look for businesses to move into Featherston/South Wairarapa.
- Big industry to Featherston, e.g. build sawmill.
- Target certain types of businesses to open in South Wairarapa; e.g. McDonalds and big BP.
- Resource consent and building consent processes easier: Streamline Council processes.
- Ease of doing business with Council: Appoint a Business Manager/Case Manager.
- Broadband: change the way we live, e.g. shopping online.
- Lack of Buildings in South Wairarapa: how to facilitate growth.
- Greytown Trustlands: can invest anywhere in New Zealand.
- Amenities: We always think of having three amenities in three towns – need to make decision? Lose spirit of community if only one.
- Grow out of town owners or decrease out of town owners.
- Working from home needs to be enabled.
- Look at sustainable sewerage and grey water options for new builds.
- Ban 1080 poison: consider using the unemployed to kill possums.
- Danger of losing community feeling if towns have commuters.
- Provide Featherston with Swimming Pool signage.
- Encourage utilisation of the District pools (some are under utilised), pools are cold and have limited opening hours.
- Encourage greater sports participation.
- Make South Wairarapa sports teams competitive in Wairarapa/Wellington by providing better sporting facilities i.e. heating pools, creating turf's, supporting gyms.
- Provide a greater variety of recreation.
- Cater to the rural population as well as town.
- Work with GWRC to provide better public transport options.
- Have a dedicated Council employee for leisure.
- Centralisation of facilities.
- Investigate why facilities under-utilised and correct.
- Lack of awareness of district facilities.
- Promote facilities on Council website.
- Water quality needs improving.
- Water races need improving.
- Amalgamation concerns: District issues may get overlooked but savings may be made.
- Subdivisions: Impacts on current owners, buyers must be aware they are buying into a rural area.
- Promote/protect primary industry.
- Road quality (width, height, loose metal etc) not suitable for today's conditions and traffic volumes.
- Impact of new activities on traffic volumes.
- Level of rates.
- Provide greater visibility to how the rates are split between outputs in plans and reports.
- High impact of urban "outputs" on rural sector.
- Farming wind constrained by network capacity: What is District Council's role in promoting this?
- Council to lobby for rural broadband in the district.

Promoting Our District – Tourism

Following are ideas our stakeholders have given us about promoting our district. Currently promotion of the district is undertaken by Destination Wairarapa on our behalf.

- Promote existing attractions.
- Ensure Destination Wairarapa provides a value for money service.
- Liaise with business sector regarding correct promoting of Wairarapa brands.

- Piggyback promotion on already scheduled events.
- Ensure a collective South Wairarapa promotions approach.
- Understand current economic climate and funding pressures on businesses.
- Develop strategic partnerships.
- Creation/promotion of more events.
- Promotion of Wellington as a resource.
- Lack of community volunteers for sporting administration.
- Community has lost the 'bring a plate' thinking.
- Sport is over administered.
- Encourage a distinct town culture for each town and promote.
- Promote South Wairarapa as a place to live because of easy access to Wellington, low cost of living.
- Promote/protect primary industry.
- Promotion of Wairarapa Moana.

How our District Looks in the Future (20+ years)

Following are stakeholder ideas for how the South Wairarapa district may look in the future. Some of the ideas are not within the current jurisdiction of Council however the ideas have still been presented.

- A more prosperous South Wairarapa.
- Young people want to stay in the South Wairarapa and employment is available.
- Greytown Trust Lands Trust remains an important part of the community.
- South Wairarapa is achieving environmental excellence.
- Our district has clean rivers and high water quality.
- South Wairarapa town centres are examples of excellence.
- South Wairarapa towns have free Wi-Fi.
- Nga Haerenga – New Zealand Cycle Trail is operational.
- Council infrastructure and facilities are well maintained and improved over time.
- State Highways through our district are well maintained and new bridges have been built on State Highway 2 and State Highway 53.
- District libraries are networked with other NZ libraries.
- Community activity where people can participate is greater than infrastructure.
- The district has a Sport and Leisure Coordinator.
- There is centralised administration and promotion of sports clubs and activities.
- Our district has well maintained amenities and resources.
- There is open and good communication between sports groups and the community about what's available.
- 'Learn to Swim' lessons are available at our pools.
- More lifestyle blocks are created encouraging families to move to our district.
- South Wairarapa Council has a district wide focus (as opposed to towns only).
- Tauherenikau has a centralised area with better facilities.
- The district resources are better utilised.
- Children are encouraged to participate in decisions of local government.
- Sports players in our district are not charged sports subscriptions.
- A good and reliable network of public transport is available around the wider region.
- A community feel is maintained in our district even with growth and potential local. government changes
- Our towns have retained their individual facilities.
- Sports and other clubs are well supported and have the required resources.
- Services and clubs of Featherston are centralised to Card Reserve.
- Irrigation is accessible to farmers; including cheap funding and cash flows necessary to start a irrigation project.
- Our districts have well maintained and improved road quality.

Part 7
Appendices

2012/13 SCHEDULE OF FEES AND CHARGES

Fees shown are inclusive of GST at the prevailing rate of 15%.

DESCRIPTION

COMMUNITY SERVICES		FEES $
Council Office *Opening Hours* Monday to Friday 8:00am-4.30pm		
Rubbish Bags (bundle of 10)		8.00
Photocopying:		
Black and white (per copy)		
	Single sided A4	.30c
	Single sided A3	.50c
	Double sided A4	.40c
	Double sided A3	.60c
Photocopying: Colour (per copy)		
	Single sided A4	3.00
	Single sided A3	5.00
	Double sided A4	4.00
	Double sided A3	6.00
Street Index – with rates		127.00
Copies of existing Building Files (per hr)		61.00

LIBRARY/SERVICE CENTRES		FEES $
Featherston *Opening Hours* Monday to Friday 9.30am-5pm Saturday 10am-12pm		
Greytown *Opening Hours* Monday to Friday 9.30am-5pm Saturday 10am-12pm		
Martinborough *Opening Hours* Monday to Friday 9.30am-5pm Saturday 10am-12pm		
Rental Books		.50c
Magazines		No Charge
Premium Magazine Range		.50c
Music CD's		2.00
Reservation of Books		.50c
Replacement Cards (Lost)		2.00
Theft or Worn Out		No Charge
Inter-loan Items:	Books	5.00
	Audio Books	2.00
Book Covering:	Paperback	50c
	Hardback	1.00
	Large	2.00
Internet		No charge
Printouts (per page)		20c
DVD/Video Hire (one week)		2.00
Laminating	A3	3.00
	A4	2.00
Fax Service:	Per page	50c
	Australia per page	2.00
	Rest of World per page	5.00

POOLS	FEES $
(open from 12 Nov 2011 to 11 Mar 2012)	
Featherston *Opening Hours During School Term* Monday – Friday 2pm - 5:15pm Saturday - Sunday 1pm - 5.30pm	
Opening Hours During School & Public Holidays: Everyday 1pm - 5.15pm	
Greytown *Opening Hours During School Term* Monday – Friday 2pm - 5:30pm Saturday - Sunday 11am - 5.30pm	
Opening Hours During School & Public Holidays: Everyday 11am - 5.30pm	
Martinborough *Opening Hours During School Term* Monday – Friday 2pm - 5:30pm Saturday - Sunday 1pm - 5.30pm	
Opening Hours During School & Public Holidays: Everyday 1pm - 5.30pm	
Charges (All towns)	
Adults	3.00
College Students	2.00
Children 12 yrs and under	2.00
Adults accompanying children under 8yrs and not swimming	No Charge
10 Swim Tickets (Adult)	15.00
10 Swim Tickets (Child)	10.00

COMMUNITY BUILDINGS	FEES $
Fees and Charges – All venues (in addition to hire charges)	
Deposit (required to confirm booking)	204.00
Bond if alcohol to be served	306.00
Cleaning Fee per hour (if required)	25.00
Custodian Call-out – per hour (if required)	25.00
Access to Kitchen Facilities	20.00
Refreshment Service – Setting out/cleaning up	51.00

SMALL VENUES – ALL LOCATIONS

MARTINBOROUGH GREEN ROOM FEATHERSTON KIWI HALL SUPPER ROOM GREYTOWN COMMITTEE ROOMS , MARTINBOROUGH COUNCIL CHAMBERS	FEES $
Schools or Free Admission to General Public	
Weekday (morning or afternoon)	30.00
Monday to Friday – full day or part morning / part afternoon	40.00
Monday to Thursday evening	40.00
Friday evening, Saturday, Sunday, Public Holidays	51.00
Private Use or Admission Charged	
Weekday (morning or afternoon)	40.00
Monday to Friday – full day or part morning / part afternoon	61.00
Monday to Thursday evening	61.00
Friday evening, Saturday, Sunday, Public Holidays	102.00
GREYTOWN WBS ROOM	
Schools or Free Admission to General Public	
Weekday (morning or afternoon)	40.00
Monday to Friday – full day or part morning / part afternoon	61.00
Monday to Thursday evening	61.00
Private Use or Admission Charged	
Weekday (morning or afternoon)	40.00
Monday to Friday – full day or part morning / part afternoon	61.00
Monday to Thursday evening	61.00
Notes:	
Projector available in Greytown WBS Room	
Large Venue rates apply for Greytown WBS Room Friday Evening, Saturday, Sunday and Public Holidays	

LARGE VENUES - GREYTOWN

Greytown Town Centre (WBS & Forum - hired together)	Fees
Rates for hiring Greytown WBS Room on Friday – Sunday and Public Holidays are as per below	
Meetings, Services (seated provided)	
Weekday – morning or afternoon	71.00
All day or part morning/part afternoon	102.00
Evenings, Saturday, Sunday, Public Holidays	122.00
Each hour after midnight	102.00
Dances, Social Functions - (clear floor – limited chairs/tables)	
Monday to Sunday – includes kitchen facilities	388.00
Each hour after midnight	102.00
Displays, Exhibitions (clear floor)	
Local and Free Admission	0
Non Local or Admission Charged	102.00
Pack in/out per day	0
Sale of Goods/Auctions	
Local	153.00
Non Local per day	306.00
Pack in – Pack out day	40.00
Stage Performances/Musical Recitals etc	
Free Admission	
Pack in/out and Rehearsals – per day	0
Performance Day	153.00
Admission Charged – Local Amateur Performers	
Pack in/out and Rehearsals – per day	40.00
Performance Day	153.00
Admission Charged – Professional Performers	
Pack in/out and Rehearsals – per day	40.00
Performance Day	306.00

LARGE VENUES – MARTINBOROUGH & FEATHERSTON

Martinborough Town Hall (including Green Room) Featherston ANZAC Hall (including supper room)	Fees $
Meetings, Services (seated provided)	
Weekday – morning or afternoon	61.00
All day or part morning/part afternoon	81.00
Evenings, Saturday, Sunday, Public Holidays	102.00
Each hour after midnight	102.00
Dances, Social Functions - (clear floor – limited chairs/tables)	
Monday to Sunday – includes kitchen facilities	306.00
Each hour after midnight	102.00
Displays, Exhibitions (clear floor)	
Local and Free Admission	0
Non Local or Admission Charged	102.00
Pack in/out per day	0
Sale of Goods/Auctions	
Local	153.00
Non Local per day	306.00
Pack in – Pack out day	40.00
Stage Performances/Musical Recitals etc	
Free Admission	
Pack in/out and Rehearsals – per day	0
Performance Day	153.00
Admission Charged – Local Amateur Performers	
Pack in/out and Rehearsals – per day	40.00
Performance Day	153.00
Admission Charged – Professional Performers	
Pack in/out and Rehearsals – per day	40.00
Performance Day	306.00

SPORTS STADIUMS

Featherston Sports Stadium and Annex	Fees $
Hours	
Daytime: 8:00am – 6:00pm	
Evening: 6:00pm – 12:00am	
Rates	
Hours (Stadium)	
- Minimum 2 hours	$10.00 /hr
Daytime	$73.00
Evening	$45.00
Hourly (Annex)	
- Minimum 2 hours	$2.00/hr

Cemeteries	Fees $
Burial	
Adult	665.00
Child – Under 10	305.00
Infant – Under 1	123.00
Burial of Ashes	204.00
Family interment (registration fee)	$50.00
Extra depth charge (not available in Featherston)	$255.00
Plot Fee	
Adult	920.00
Infant under 1	153.00
Child under 10	306.00
Cremation Plot / Columbarium Wall	204.00
Top Soil Charge	$300.00
Weekend and public holiday burials will be charged the standard fee plus cost of providing after hours service	
Additional Fee – Non Resident (includes fee for weekend and public holiday burials)	$777.00
Breaking Concrete	Actual cost
Disinterment or Re interment	By Arrangement
RSA	
No charge for plot, or out of district fee, charge interment fee only.	

Dog Registration		Fees
Approved Owners		
Desexed	Urban	55.00
	Rural	32.00
Entire	Urban	78.00
	Rural	43.00
Approved Owners Late Fees		
Desexed	Urban	82.00
	Rural	47.00
Entire	Urban	117.00
	Rural	66.00
General Owners		
Desexed	Urban	83.00
	Rural	47.00
Entire	Urban	117.00
	Rural	66.00
General Owners Late Fees		
Desexed	Urban	123.00
	Rural	72.00
Entire	Urban	175.00
	Rural	98.00
Flat fee for 5 plus Rural Dogs		206.00
Late fee for 5 plus Rural Dogs		309.00
Surrender a dog for euthanasia		30.00
Micro-chipping a dog		42.00
Permit application to keep more than two dogs in an urban area including breeder		37.00
Breeder permit holder urban registration per dog		69.00
Re-homing fee for impounded dogs		69.00
Costs and expenses relating to impounding and securing impounded dogs		Actual costs plus 10%
Replacement registration tag (if tag lost or damaged)		5.00
Transfer of a registered dog in another council to SWDC		0
Collars		Actual cost plus 10%
Impounding Fees		
First Impounding		66.00
Second Impounding		107.00
Third Impounding		127.00
Feeding (per day)		10.50
Failure to Register		306.00
Failure to keep dog under control		204.00
Failure/refusal to supply information or wilfully submitting false particulars		766.00
Failure to comply with any by-law		306.00

HEALTH LICENSING	FEES $
Note: Food premises operating under an approved Food Control Plan and will be charged according to the food hygiene registration fees	
New Food Premises	255.00
Annual Registration of Food Premises	205.00
Minor Food Processing (limited sale)	105.00
Inspection Fee	115.00
Camping Ground (per annum)	150.00
Hairdressers Registration (per annum)	130.00
Offensive Trade Registration (per annum)	130.00
Hawkers licence	90.00
Mobile shop licence – involving food (including inspection fee) per annum	205.00
Transfer of registration	50.00
Itinerant trader (including inspection fee) per annum	235.00
Inspection on request	120.00
Re-inspection for failure to comply with requisition or Food Control Plan Record	65.00
Street stall – site licence (per week/4m^2)	Not necessary
Street stall – licence (per week)	20.00
Food stall (Minimum)	20.00
Registration of event	75.00
Amusement gallery (per annum)	105.00
Amusement Devices – for one device, for the first seven days of proposed operation or part thereof	11.50
Additional Device – first week (or part week)	2.30
Additional Weeks (or part week) per device	1.15
Noise Control	
Noise control charges (seizure) - per callout to property	260.00
Return of seized equipment –administration and return fee per property, PLUS	60.00
Burglar alarm disconnection (if required)	Electrician/ Service Callout charges plus 10%
Gambling	
Venue and gaming machine per consent	$255.00 plus mileage costs

PENSIONER HOUSING	FEES PER 4 WEEKS $
Greytown	
Westhaven ($60/week)	240.00
Martinborough	
Cecily Martin ($70/week)	280.00
Featherston	
Burling (Single) ($60/week)	240.00
Burling (Double) ($75/week)	300.00
Matthews ($75/week)	300.00

LIQUOR LICENSING	FEES $
On Licence	793.24
Off Licence	793.24
Club Licence	793.24
Special Licence	64.40
Variation or Cancellation of conditions of Licence	793.24
Renewal of Licence	793.24
Temporary Authority	134.93
Manager's Certificate	134.93
Renewal of Manager's Certificate	134.93
Endorsed Licence	134.93

RESOURCE MANAGEMENT	FEES $
Land Use or Subdivision Consents	
Controlled	400.00
Restricted Discretionary	400.00
Discretionary	700.00
Non-complying	1,500.00
Heritage Items (including notable trees)	Free*
*Fees will be waived for additions and alterations to buildings listed at Appendix 1.7 (Heritage items) of the Combined District Plan, or located within a Historic Heritage Precinct (Appendix 1.8) of the District Plan. This waiving only applies where no other aspect of the proposal requires resource consent; e.g. a yard encroachment.	
Additional Charges	
Public Notification	700.00
Limited Notification	350.00
Pre-hearing	500.00
Hearing	1,000,00
Hourly Rate above deposit	85.00
External Consultancy	Actual cost
Post Decision – e.g. S127	340.00
Certification	
223 Certificates	250.00
224 Certificates	250.00
S226 Certificate – Existing Use Rights Certificate of Compliance	300.00
LIM – Urgent (5 days) *includes GST*	250.00
LIM – Standard (10 days), *includes GST*	185.00
Certification of Title Searches *includes GST*	20.00

BUILDING CONSENTS	PIM FEE (IF APLYING PRIOR OR WITH BC APPLICATION ADDITIONAL TO BC FEE) $	BUILDING CONSENT (BC) ONLY FEE EXCLUDING BRANZ & DBH LEVIES $
Minor Work		
(MA) Solid fuel Heater	40.00	260.00
(MB) Minor plumbing, drainage work e.g. fittings alteration (solar panel)	40.00	328.00
(MC) Drainage Work e.g. new minor subdivision services & common drains (see commercial fees for larger subdivisions)	40.00	840.00
(MD) Drainage work e.g. New Effluent Disposal System	40.00	840.00
(ME) Wet Area Shower (vinyl floor)	40.00	416.00
(MF) Wet Area Shower (tiled floor)	40.00	624.00
(MG) Private Marquee > 100 sq m *professional assembly only* (no inspection)	40.00	120.00
(MH) Public Marquee >50 sq m. < 50 people *professional assembly only* (no inspection)	40.00	120.00
(MI) Public Marquee >50 sq m > 50 people Private marquee > 100sq m (with inspection)	40.00	248.00
Sheds / Garages / Conservatories etc		
(MJ) Spa Pools, Swimming pool 1200 above ground & swimming pool fence only	N/A	72.00
(SN) Inground swimming pool	40.00	300.00
(SA) Garden sheds/Retaining Walls/Carports/Decks/Conservatories/Other minor works	40.00	440.00
(SC) Minor farm buildings/haysheds/covered yards 1-6 bays etc	80.00	576.00
(SD) Larger farm buildings (covered yards, wool sheds) no plumbing or drainage	80.00	904.00

BUILDING CONSENTS	PIM FEE (IF APLYING PRIOR OR WITH BC APPLICATION ADDITIONAL TO BC FEE) $	BUILDING CONSENT (BC) ONLY FEE EXCLUDING BRANZ & DBH LEVIES $
(SE) Larger farm buildings (covered yards, wool sheds) with plumbing or drainage	80.00	1,256.00
(SF) Proprietary Garages Standard	80.00	608.00
(SG) Proprietary Garages with Fire Wall	80.00	704.00
(SO) Proprietary Garages with plumbing and drainage	80.00	888.00
(SO) Proprietary Garages including sleep-out no plumbing or drainage	80.00	704.00
(SI) Proprietary Garages including sleep-out with plumbing and drainage	80.00	960.00
(SJ) Garages, Simple Design Single Level	80.00	760.00
(SJ) Garages, Custom Design Single Level	80.00	760.00
(SK) Garages, Custom Design Single Level with plumbing and drainage (if sleepout use dwelling fee)	80.00	1,112.00
(SL) Residential Repile	40.00	496.00
(SM) Residential Demolition	40.00	208.00
Residential New Dwellings		
(NA) Single Story Brick Veneer Urban	320.00	2,784.00
(NB) Single Story Brick Veneer Rural	320.00	3,360.00
Single Story Weatherboard Urban	320.00	2,912.00
Single Story Weatherboard Rural	320.00	3,520.00
Single Story Stucco/Texture Coating/Ply/Steel/Block Urban	320.00	3,120.00
Single Story Stucco/Texture Coating/Ply/Steel/Block Rural	320.00	3,760.00
Multi Storey Brick Veneer Urban	480.00	3,104.00
Multi Storey Brick Veneer Rural	480.00	3,680.00
Multi Story Weatherboard Urban	480.00	3,232.00
Multi Story Weatherboard Rural	480.00	3,840.00
Multi Story Stucco/Texture Coating/Ply/Steel/Block Urban	480.00	3,440.00
Multi Story Stucco/Texture Coating/Ply/Steel/Block Rural	480.00	4,080.00
Transportable Dwelling (Yard built)	80.00	2,448.00
Note: Double Units charged at single unit rate plus 50%		
Other charges may apply. Check the last section of this schedule or contact a council officer		
Residential Dwelling Additions & Alterations		
(AA) Internal Alterations	40.00	510.00
(AB) Internal Alterations with Plumbing & Drainage	40.00	638.00
(AC) Single Story Brick Veneer	80.00	1,456.00
(AD) Single Story Brick Veneer with Plumbing & Drainage	80.00	1,616.00
(AE) Single Story Weatherboard	80.00	1,616.00
(AF) Single Story Weatherboard with Plumbing & Drainage	80.00	1,872.00
(AG) Single Story Stucco/Texture Coating/Ply/Steel/Block	80.00	1,904.00
(AH) Single Story Stucco/Texture Coating/Ply/Steel/Block with Plumbing & Drainage	80.00	2,160.00
(AI) Multi Storey Brick Veneer	160.00	1,632.00
(AJ) Multi Storey Brick Veneer with Plumbing & Drainage	160.00	1,888.00
(AK) Multi Story Weatherboard	160.00	1,856.00
(AL) Multi Story Weatherboard with Plumbing & Drainage	160.00	2,112.00

BUILDING CONSENTS	PIM FEE (IF APLYING PRIOR OR WITH BC APPLICATION ADDITIONAL TO BC FEE) $	BUILDING CONSENT (BC) ONLY FEE EXCLUDING BRANZ & DBH LEVIES $
(AM) Multi Story Stucco/Texture Coating/Ply/Steel/Block	160.00	2,064.00
(N) Multi Story Stucco/Texture Coating/Ply/Steel/Block with Plumbing & Drainage	160.00	2,320.00
Note: All residential additions with multiple cladding types are charged as Stucco/Texture coating/Ply/Steel/Block rate		
Relocated Residential Dwellings		
Note: If Relocation Includes Alterations or Additions		
***Add** Alteration & Addition rate as above*		
(RA) Relocated Residential Dwelling Urban	480.00	1,440.00
(RB) Relocated Residential Dwelling Rural	480.00	1,696.00
(Note: See other charges for bonds)		
Commercial / Industrial		
(CN) Commercial Demolition	40.00	496.00
(CA) Single Story Shop fit outs	80.00	1,032.00
(CB) Multi Story Shop fit outs	80.00	1,288.00
(CC) Single storey Multi Unit Apartments/Motels	320.00	1,888.00 plus 384.00 per unit
(CD) Multi storey Multi Unit Apartments/Motels	480.00	2,208.00 plus 640.00 per unit
(CE) Minor Commercial work e.g. Signs/Shop Fronts/Minor fit outs (No Plumbing/Drainage)	160.00	800.00
Use Commercial rate for large subdivision services installations		
(CF) Commercial/Industrial <$50,000	256.00	1,952.00
(CG) Commercial/Industrial $50,001 - $100,000	384.00	2,720.00
(CH) Commercial/Industrial $100,001 - $150,000	512.00	3,488.00
(CI) Commercial/Industrial l $150,001 - $250,000	640.00	4,256.00
(CJ) Commercial/Industrial l $250,001 - $350,000	768.00	5,024.00
(CK) Commercial/Industrial l $350,001 - $500,000	896.00	5,792.00
(CL) Commercial/Industrial $500,001 - $1,000,000	896.00	6,304.00
(CM) Commercial/Industrial l >$1,000,001	896.00	6,304.00 plus 378.00 per 100,000 value

BUILDING CONSENTS – OTHER CHARGES	UNITS	FEES $
BRANZ Levy (for work of $20,000 or more)	Per 1,000	1.00
DBH Levy (for work of $20,000 or more)	Per 1,000	2.01
Unscheduled Building, Plumbing and Drainage Inspections		128.00
Structural Engineering or Fire Engineering Assessment/Peer review		Cost +10%
NZ Fire Service Design Review		Cost +10%
The building consent fee does not include the cost of any structural or fire engineers assessment which may be required		
Compliance Schedule change		160.00
Inspection hourly rate		160.00
Re-inspection fee	Per inspection	128.00

BUILDING CONSENTS – OTHER CHARGES	**UNITS**	**FEES $**
Certificate of Acceptance - Building consent fee for the applicable building payable with lodgment plus actual cost charges	Per hour – payable on issue of certificate	160.00
Re-assessment Fee (Amended Plans) Lodgment Fee includes ½ hour assessment		240.00 lodgment plus 160.00 per hr over and above first hr
Building Warrant of Fitness audit inspection fee	Per hour	160.00
Application for Certificate of Public Use		240.00
Infrastructure Protection Deposit on all relocated dwellings (onto site or off site), all work over a value of $100,000, all commercial work in urban areas with a value of more than $20,000, and at officers discretion where there is risk to infrastructure.		1,000.00
Photocopy plans etc:		
Time involved to retrieve and/or photocopy plans	Per 10 minutes	10.00

INFRASTRUCTURE AND SERVICES	**FEES $**
Water and Sewer Connections	
(All new dwellings on town supply)	
Road Opening Bond	511.00
Water Administration Fee (paid to Council)	67.00
Sewer Administration Fee (paid to Council)	67.00
1. New water and sewer connections are administered by Council.	
2. The applicant has the choice of using Transfield Services or any other contractor acceptable to Council.	
3. No work may commence until the administration fee has been paid, and Council's maintenance contractor and Transfield Services have been notified.	
4. Transfield Services must be advised of <u>all</u> work	
Sewerage (Dumping Septic Tank Waste)	
4 cubic metre tank	199.00
8 cubic metre tank	398.00
Vehicle Crossings	
Vehicle Run Up Charge	541.00
(Refunded after completed to Council specifications)	
Rapid Numbers	
Rapid Numbering (per number)	$50.00

TRANSFER STATIONS/LANDFILLS		**FEES $**
Featherston – Recycling Station (Johnston St) *Opening Hours* Wednesday 11am – 3pm Saturday- Sunday 11am-3pm		
Greytown – Recycling Station (Cotter St) *Opening Hours* Tuesday 1pm-3:30pm Saturday 10am-12pm Sunday 10am-1pm		
Martinborough – Transfer Station and Recycling Station (Lake Ferry Rd) *Opening Hours* Wednesday 1pm-3pm Saturday 10am-4pm Sunday 10am – 1pm		
Pirinoa – Recycling Station *Opening Hours* Wednesday 1pm-3pm Saturday 10am-12pm Sunday (May – August) 3pm – 5pm Sunday (September – April) 4pm-6pm		
Replacement recycling bins		$17.50
Miscellaneous Rubbish (Martinborough Only)		175.00 per tonne
(A minimum charge of $10.00 per load will apply). These charges will be subject to review during the year dependant on costs and volume for waste. These charges include Ministry of Environment's Waste Minimisation Levy @ 10/tonne.		
Green Waste (Recycling Stations)		
Car Boot		5.00
Car Trailer or Ute		10.00
Large Trailer / Medium Truck	Up to 2 tonne	20.00
Normal Truck	Up to 6 tonne	40.00
Large Truck	Over 6 tonne	At negotiated rate

ELECTED MEMBER CONTACTS

MAYOR AND COUNCILLORS		
MEMBERS CONTACT DETAILS		
Adrienne Staples – Mayor **(Chairperson)**	Gum Grove RD3 Western Lake Featherston 5773	Phone (06) 306 9611 wk Phone (06) 306 9611 Cell 027 446 8060 *themayor@swdc.govt.nz*
Cr Margaret Craig	13 Jellicoe Street Greytown 5712	Phone (06) 304 8557 Fax (06) 304 8556 Cell 021 236 4600 *margaret.craig@swdc.govt.nz*
Cr Dean Davies	69 Underhill Road Featherston 5710	Phone (06) 308 8469 Fax (06) 308 8469 Cell 027 636 4339 *dean.davies@swdc.govt.nz*
Cr Mike Gray	16 Udy Street Greytown 5712	Phone (06) 304 9376 Fax (06) 304 9376 *mike.gray@swdc.govt.nz*
Cr Brian Jephson	Palliser Bay Station Palliser Bay Road RD 2 Featherston 5772	Phone (06) 308 8956 Cell 027 502 6198 *brian.jephson@swdc.govt.nz*
Cr Viv Napier	13 Homestead Lane Greytown 5712	Phone (06) 304 9473 *vivien.napier@swdc.govt.nz*
Cr Julie Riddell	Lime Ridge 776 Westmere Rd RD 10 Masterton 5890	Phone (06) 372 7550 Fax (06) 308 8834 *julie.riddell@swdc.govt.nz*
Cr Solitaire Robertson	24 Renall Street Featherston 5710	Phone (06) 308 9378 Cell 021 0228 7955 *solitaire.robertson@swdc.govt.nz*
Cr Keith Sexton	7 Woodward Street Featherston 5710	Phone (06) 06 308 8067 Cell 027 620 2492 *keith.sexton@swdc.govt.nz*
Cr Max Stevens	43 Cambridge Road Martinborough 5711	Phone (06) 306 9095 Fax (06) 308 6049 *maxwell.stevens@swdc.govt.nz*

FEATHERSTON COMMUNITY BOARD

MEMBERS CONTACT DETAILS		
Mr Garry Thomas **(Chairperson)**	1 Johnston Street Featherston 5710	Phone (06) 308 9487 Cell 027 450 0660 aandgelectrics@xtra.co.nz
Helen Barrow	28 Daniel Street Featherston 5710	Phone (06) 308 9504 dandhbarrow@xtra.co.nz
Lee Carter	34 Lyon Street Featherston 5710	Phone (06) 308 9843 Cell 027 248 1364 jadetui@xtra.co.nz
Mr Phillip Robertson	6 Titoki Grove Featherston 5710	Phone (06) 308 8107 Cell 027 410 4999 phil.robertson@paradise.net.nz
Cr Solitaire Robertson	24 Renall Street Featherston 5710	Phone (06) 308 9378 Cell 021 0228 7955 solitaire.robertson@swdc.govt.nz
Cr Keith Sexton	7 Woodward Street Featherston 5710	Phone (06) 06 308 8067 Cell 027 620 2492 keith.sexton@swdc.govt.nz

GREYTOWN COMMUNITY BOARD

MEMBERS CONTACT DETAILS		
Mrs Christine Stevenson **(Chairperson)**	143 Papawai Rd RD 1 Greytown 5792	Phone (06) 304 9175 Cell 021 516 264 christine.stevenson@solwaycollege.school.nz
Shane Atkinson	72D Woodside Rd RD 1 Greytown 5794	Phone (06) 304 8967 Cell 027 272 7707 shane.anne@clear.net.nz
Michele Falleni	30 Market Road Greytown 5712	Phone (06) 304 8670 Cell 027 246 9144 falleni@xnet.co.nz
Kay Gray	16 Udy Street Greytown 5712	Phone (06) 304 9376 Fax (06) 304 9376 Cell 027 262 2282 mike.kaygray@xtra.co.nz
Cr Margaret Craig	13 Jellicoe Street Greytown 5712	Phone (06) 304 8557 Fax (06) 304 8556 Cell 021 236 4600 margaret.craig@swdc.govt.nz
Cr Viv Napier	13 Homestead Lane Greytown 5712	Phone (06) 304 9473 vivien.napier@swdc.govt.nz

MARTINBOROUGH COMMUNITY BOARD

Members Contact Details

Pam Colenso **(Chairperson)**	30 New York Street Martinborough 5711	Phone (06) 306 9503 Fax (06) 306 9531 Cell 027 4414 892 pmcolenso@xtra.co.nz
Adrienne McMaster	45 Weld Street Martinborough 5711	Phone 06 306 9064 Fax 06 306 9431 Cell 027 4822220 pakohe@infogen.co.nz
Heather Gibbs	Brookside RD 1 Martinborough	Phone (06) 306 9420 dhgibbs@xtra.co.nz
Jo Guscott	752E Ponatahi Road RD 2 Carterton 5792	Phone (06) 306 9240 Cell 027 320 0514 jo@wizbiz.net.nz
Cr Julie Riddell	Lime Ridge 776 Westmere Rd RD 10 Masterton 5890	Phone (06) 372 7550 Fax (06) 308 8834 julie.riddell@swdc.govt.nz
Cr Max Stevens	43 Cambridge Road Martinborough 5711	Phone (06) 306 9095 Fax (06) 308 6049 maxwell.stevens@swdc.govt.nz

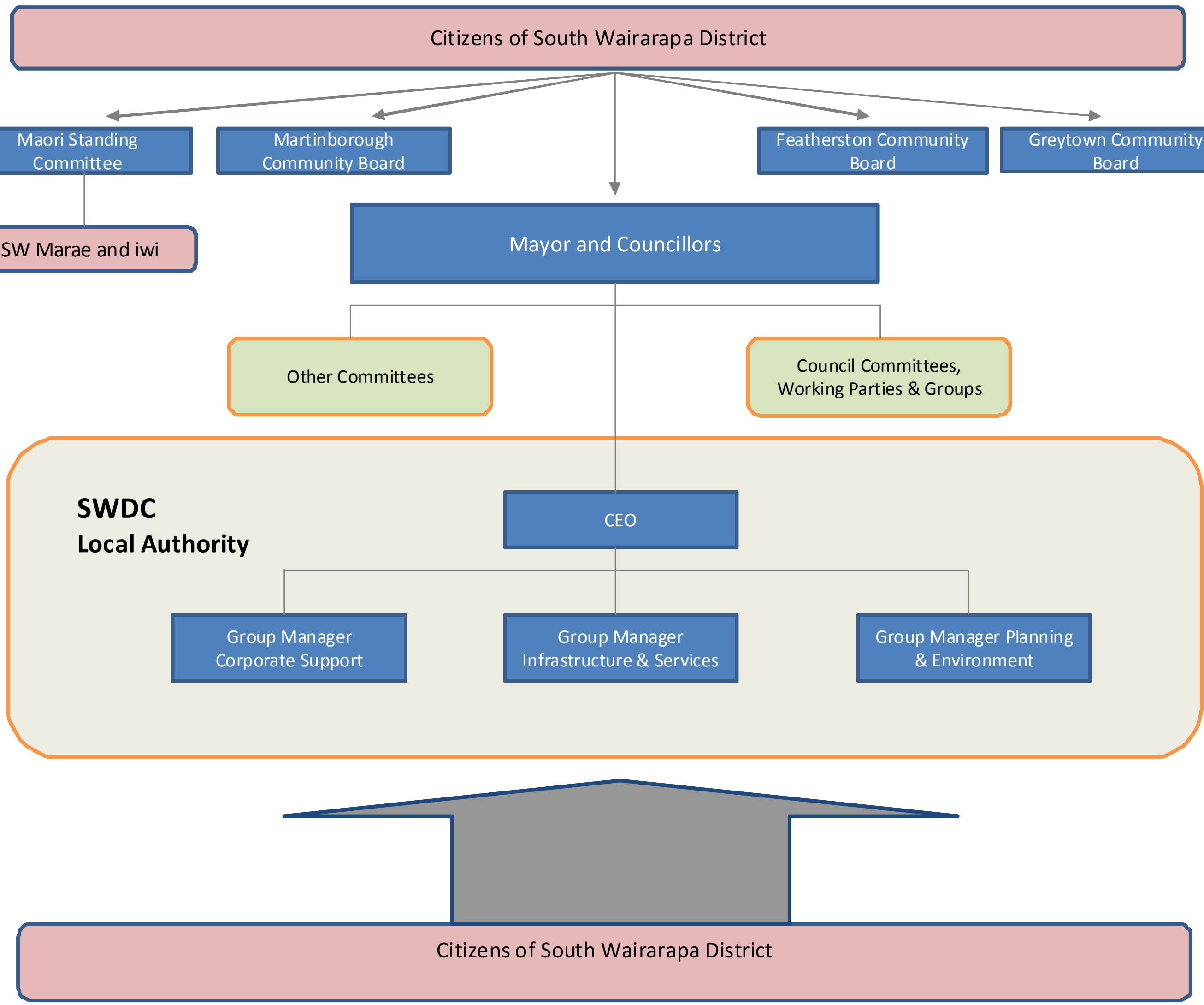
NON-ELECTED MEMBER CONTACTS

MAORI STANDING COMMITTEE		
MEMBERS CONTACT DETAILS		
Haami Te Whaiti **(Chairperson)** **Kohunui Marae**	60 Pownall Street Masterton 5810	haami@hinewaka.com
Terry Te Maari **Kohunui Marae**	3009 Lake Ferry Road Pirinoa RD2 Featherston 5772	
Gray Carter **Hau Ariki Marae**	16 Daniel Street Martinborough 5711	Phone (06) 306 9387 Fax (06) 306 9042
Trevor Hawkins **Hau Ariki Marae**	128 Dublin Street Martinborough 5711	Phone (06) 306 9112 Cell 027 446 4669 mboro.trans@xtra.co.nz
Lisa Pirere **Papawai Marae**	185 High Street Masterton 5810	Phone (06) 304 9623 lisapirere@live.com
Liz Watson **Papawai Marae**	18 Daniell Street Featherston 5710	
Alexander Webster **Kahungunu ki Wairarapa**	Oakridge 344 Kahutara Road RD 1 Featherston 5771	Phone (06) 308 9552 aawebster@orcon.net.nz
Janine Adams/Dane Rimene **Rangitaane o Wairarapa**	Rangitaane o Wairarapa PO Box 354 Masterton 5840	Phone (06) 370 0600 ext 701 Cell 027 691 9105 janine@rangitane.iwi.nz
Cr Brian Jephson	Palliser Bay Station Palliser Bay Road RD 2 Featherston 5772	Phone (06) 308 8956 Cell 027 502 6198 brian.jephson@swdc.govt.nz
Cr Solitaire Robertson	24 Renall Street Featherston 5710	Phone (06) 308 9378 Cell 021 0228 7955 solitaire.robertson@swdc.govt.nz

COUNCIL DIRECTORY

COUNCIL DIRECTORY		
Council Office	Location: 19 Kitchener St Mar tinborough Postal: PO Box 6 M artinborough 5741 AFTER HOURS Emergency calls only (06) 306 8440 Rural Fire Officer Cell 027 289 9609 Dog Control Officer (06) 308 9076 or Dog Control Officer Cell 027 441 2737 Noise Control (call free) 0800 664 732	Phone (06) 306 9611 Fax (06) 306 9373 web: www.swdc.govt.nz email: enquiries@swdc.govt.nz
Civil Defence Emergency Management Wairarapa		Phone 0800 239 247
Featherston Service Centre/Library	Fitzherbert Street Featherston	Phone (06) 308 9030
Greytown Service Centre/Library	115/117 Main Street Greytown	Phone (06) 304 9061 Fax (06) 304 9008
Martinborough Library	Jellicoe Street Martinborough	Phone (06) 306 9758
Greytown Campground	Kuratawhiti St Greytown	Phone (06) 304 9837
Martinborough Campground	Cnr Princes & Dublin St Martinborough	Phone 0800 780 909 Web: www.martinboroughcamping.com

ORGANISATIONAL STRUCTURE



GLOSSARY

GLOSSARY		
AEE	-	Assessment of Environmental Effects
AMP	-	Asset Management Plan
BERL	-	Business and Economic Research Limited
BCA	-	Building Consent Authority
CDEMG	-	Civil Defence Emergency Management Group
DOC	-	Department of Conservation
DV	-	Depreciated Value
EEO	-	Equal Employment Opportunities
ETS	-	Emissions Trading Scheme
FRS	-	Financial Reporting Standard
GST	-	Goods and Services Tax
IFRS	-	International Financial Reporting Standards
LAPP	-	Local Authorities Protection Programme
LGA	-	Local Government Act
LCFA	-	Local Government Funding Authority
LTP	-	Long-Term Plan (replaces LTCCP from 2012/2013)
LTCCP	-	Long-Term Council Community Plan
NAASRA	-	National Association of Australia State Roading Authorities
NZTA	-	New Zealand Transport Agency (formerly Transfund, Land Transport Safety Authority and Transit NZ)
NEW CAPITAL	-	Capital Expenditure on New Infrastructure Assets
NMuA	-	National Multi-use Approval. Applies to building structures that are constructed to a standard and repetitive design
NRB	-	National Research Bureau
RAMM	-	Road Asset Maintenance Management
RENEWAL CAPITAL	-	Capital Expenditure on Renewal of Infrastructure Assets e.g. Sewer or Water Pipes
RLTC	-	Regional Land Transport Committee
RLTS	-	Regional Land Transport Strategy
RMA	-	Resource Management Act
SL	-	Straight Line
SPR	-	Special Purpose Road
SUIP	-	Separately Used or Inhabited Part. Applies to the levying of targeted rates and includes any portion of any separate rating unit used or inhabited by any person, other than the ratepayer (as defined by Clause 11 of the Local Government (Rating) Act 2002) having the right to use or inhabit that portion by virtue of a tenancy, lease, license or other agreement.
SWCCP	-	South Wairarapa Council Community Plan
UAC	-	Uniform Annual Charge – a charge made on each property, but to which a differential can be applied, e.g. 70% urban 30% rural.
UAGC	-	Uniform Annual General Charge – a charge made equally to each property.
VESTED CAPITAL	-	Capital Expenditure on Assets by Others with Ownership Vested in Council.
WLS	-	Wairarapa Library Service

Part 8

Other Consultation

Introduction

Waste Water Disposal Policy – Connections to the Sewer Reticulation System

A Regional Amenities Fund

Participation in the Local Government Funding Authority

OTHER CONSULTATION

Introduction

At the same time as the Draft Long Term Plan is out for public consultation, Council are also undertaking special consultative procedure on the following:

- **Waste Water Disposal Policy – Connections to the Sewer Reticulation System**
- **Regional Amenities Fund**
- **Participation in the Local Government Funding Authority**

Consultation on the above proposals will take place over the period Wednesday 9 May 2012 to Friday 8 June 2012.

Council invite you to make written comment on the proposals either by:

- Completing the form enclosed with this draft LTP and sending to the Chief Executive Officer, South Wairarapa District Council, PO Box 6, Martinborough 5741;
- Emailing LTP@swdc.govt.nz; or
- Completing the online form on our website www.swdc.govt.nz.

Submissions must be received by 5:00pm 8 June 2012.

Every submission will be:

- Acknowledged by the Council in accordance with the LGA 2002.
- Copied and made available to the public.

The LGA 2002 requires the Council to make all written submissions on this consultation available to the public. This requirement is subject to the provisions of the Local Government Official Information and Meetings Act 1987. If you consider there to be compelling reasons why your contact details and/or submission should be kept confidential, you should advise within your submission.

The submissions hearings, deliberations and adoption process will be run at the same time as the Draft LTP and are as per page 18 of this LTP.

Waste Water Disposal Policy – Connections to Sewer Reticulation System

1. Statement of Proposal

The policy as included in this section was adopted on the 29 June 2009. The policy outlines the conditions and cost responsibilities relating to sewer reticulation schemes (including privately owned connections) in the District.

The issue under consultation relates to clause 3.1.9.

The policy states that sewer laterals up to the main connection, including the actual connection, are owned and are to be maintained by owners.

It is proposed that this policy be adopted as is, as part of the LTP 2012/22 process.

2. Issues

- Sewer laterals extend beyond the physical property boundary including under footpaths and roads. There is perception that damage may be caused to the pipes as a result of trees, work on Council mains and heavy traffic on roads above pipes.
- Sewer laterals have historically had very little maintenance and much of the sewer infrastructure is aged.
- The cost of maintenance to sewer laterals can be expensive for owners especially if the lateral extends under a footpath or road.
- Infiltration and ingress of groundwater into the sewer system as a result of faulty joints and leaking pipes increases sewage volume and flow rate, making the sewer and treatment systems more costly to run (cost hard to quantify).

3. Policy and Finance Committee Review

On the 4 April 2012 the Policy and Finance Committee resolved to 'adopt the policy approach as per the model bylaw NZS9201 part 22:1999 (with modifications to suit SWDC)'. Ownership of laterals and required maintenance would remain with property owners. In addition, the Committee asked that a series of protocols be developed to assist Council work with property owners to make necessary repairs. Council would be proactive in approaching owners if a problem is encountered while scheduled maintenance is being undertaken on the Council owned sewer network and payment plans for property owners unable to fund the cost of the repair would be developed.

4. Financial Impact

If the current policy is adopted by Council as recommended by the Policy and Finance Committee then there are no additional financial considerations for rate payers on serviced connections. The draft LTP 2012/22 has been prepared using this approach.

If Council takes on lateral ownership then the asset must be depreciated. The asset value has been estimated at $5.25m which would equate to approximately $42 additional per year for 20 years for every resident on a serviced connection. This figure doesn't allow for actual maintenance or replacement, so the cost to rate payers on a serviced connection would be more than $42 per year.

5. Tell Us What You Think

Council invite you to provide written comment on the proposal by 5:00pm 8 June 2012.

Waste Water Disposal Policy– Connections to Sewer Reticulation System

1.0 RATIONALE

Sewer Reticulation to urban areas requires a significant investment by Council to meet ratepayers' expectations. This policy is to protect Council's investment by setting standards for connections to the system and identifying where the costs of connection lie.

2.0 PURPOSE

To set out conditions and cost responsibilities relating to Council owned Sewer Reticulation Schemes in the District.

3.0 GUIDELINES

3.1 GENERAL

3.1.1 All new connections are charged an administration fee set by the Council each financial year.

3.1.2 Works shall not commence until an administration fee has been paid by an applicant, and the Manager Works and Services (or his representative) has approved the specifications for the connection work in writing.

3.1.3 The cost of connection work (lateral) from the sewer mains to the road boundary and any other associated costs are met by applicants.

3.1.4 Connection work referred to above may include (but is not limited to) pipe work, attendance by the Council's contractor at the time of connection to the sewer mains, a New Zealand Transport Agency permit for trenching (if required), reinstatement of the road and other disturbed infrastructure, relocation of any other services, and any other related work.

3.1.5 Applicants have a choice of engaging either Council's contractor or other contractor acceptable to the Council to carry out the connection work(s) referred to. Applicants pay all the costs to the contractor, direct.

3.1.6 If applicants engage a contractor other than Council's contractor, that contractor does the connection to the mains in the presence of Council's contractor. Applicants pay the necessary cost of attendance to Council's contractor, direct.

3.1.7 Costs of extending the sewer mains where required are met by applicants.

3.1.8 For connections to new subdivision lots and other properties, and buildings including multi-dwellings and occupancies, applicants pay financial contributions to join the existing system at a rate set by the Council from time to time.

3.1.9 New and existing users own the asset relating to laterals including the actual connection with the sewer main, and are responsible for the maintenance and replacement in future of that asset. Sewer laterals are to be maintained in leak-proof condition.

3.1.10 Each property receives only one connection. Additional connections may be available at Council's discretion where the Council permits more than one house, a commercial building or any other building in a section. In such cases, applicants pay the initial financial contribution referred to above and subsequently sewer charges for each separate connection.

3.1.11 For new connections, applicants are required to provide double flush cisterns to conserve town water.

3.1.12 All new or existing users must ensure that no storm water leaks to or is made to discharge into the sewer laterals.

3.1.13 Charges are recovered through sewerage rates set by the Council each year. That allows for the use of two WC pans, and additional charges apply for any additional pans (one additional charge for each additional pan or equivalent).

3.1.14 Users (commercial and industrial users in particular) are required to seek specific written approval for the discharge of any trade waste to the sewer reticulation system. Each case is dealt with on its own merits after giving due consideration to alternative disposal systems available to applicants, the impact on oxidation ponds and the environment. If approved, specific financial contributions and disposal charges shall apply depending upon the type of trade waste.

3.1.15 Applicants are required to provide as-built plans of connections on completion for Council records.

3.1.16 Council's obligation to provide sewer connection and liability complies with Wastewater Drainage Model Bylaw NZS 9201: Part 22: 1999. Council's goal, strategies and policies are made public through the Annual Plan / LTCCP process.

3.1.17 To reduce pressure on Council's wastewater treatment systems, no new or replacement of existing waste disposal unit is permitted.

3.1.18 This policy will be reviewed and amended from time to time.

3.2 URBAN AREAS

3.2.1 Urban boundaries are those defined in the District Plan Maps.

3.2.2 Domestic sewer connections shall be 100 mm minimum diameter (internal) or as approved by the Manager Works & Services. For industrial purposes, specific design is to include features such as grease traps which require prior approval of the Manager Works & Services. Financial contributions set by the Council year to year referred to in 3.1.8 above are for standard 100mm connections. For bigger diameter connections if and where permitted shall be on pro-rata bases e.g. for 150mm diameter pipe connection, financial contributions will be 2.25 times that of 100mm diameter connection financial contributions.

3.3 RURAL AREAS

3.3.1 Rural areas are those areas adjoining the urban boundaries defined in item 3.2.1 above. Any rural areas included in the urban zone as a result of further District Plan changes remain classified as rural areas for sewer connection financial contributions purposes. Except for rural properties for which council has already committed to provide sewer connections, no other new connections shall be provided to any rural property.

3.3.2 In rural areas, sewer connections, if available, are for domestic use only. As mentioned in clause 3.3.1 above, except for rural properties for which council has already committed to provide sewer connections, no other new connections shall be provided to any rural property.

3.3.3 Sewer connections are as stated in 3.2.2 above. As mentioned in clauses 3.3.1 and 3.3.2 above, except for rural properties for which council has already committed to provide sewer connections, no other new connections shall be provided to any rural property.

3.3.4 Despite clauses 3.3.1 to 3.3.3 above, Council may provide a new connection of any specification to a rural property provided that the connection is for a Council deemed significant commercial use and it promotes the social, economic, environmental and/or cultural well-being of the community. Any connection provided under this clause will be at Council's absolute discretion. For the avoidance of doubt, no connection will be provided under this clause for an agricultural use or a residential subdivision.

Statement of Proposal for a Regional Amenities Fund

1. A Regional Amenities Fund

The councils in the Wellington region, including South Wairarapa District Council, propose the establishment of a Regional Amenities Fund (the Fund). The Fund is intended as a 'top up' funding mechanism for entities that provide regional benefits primarily in the arts, culture and environmental attractions and events sectors. Individual Councils would continue with their existing investments into local amenities.

2. Why a Fund?

As entities struggle to maintain talent and their current levels of service as a consequence of ongoing funding pressures, the councils in the Wellington region have begun looking at options for the funding of Wellington's regional amenities.

In addition, entities in the Wellington region are experiencing the pull and greater investment power of Auckland and councils have sought to use the collective resources of the region to maintain and develop entities that enhance the region's unique points of difference and quality of life.

Through this activity the Fund ensures that regionally significant entities can be developed or sustained in the Wellington region to contribute to the region's quality of life; attractiveness to residents and visitors; and economy.

3. Survey of Residents

The councils in the Wellington region commissioned Colmar Brunton to survey 2000 residents across the Wellington region in March 2011 about their willingness to pay for regional amenities. They also asked what amenities the residents believed should receive region-wide support.

The Colmar Brunton survey found that a majority of the region's residents - 76% - were willing to pay between $25 and $50 per year to support regional amenities, across all income brackets. The survey also found that residents backed region wide support for a wide range of amenities including Te Papa, the Wellington Zoo and Kapiti Island. Resident's support was not strongly related to levels of direct use.

A copy of the full March 2011 report can be found at www.wellington.govt.nz/aboutwgtn/mayorforum/amenities/pdfs/amenities.pdf.

4. Tell Us What You Think

Council invite you to provide written comment on the proposal by 5:00pm 8 June 2012.

The Proposed Regional Amenities Fund

1. Top up the Fund

There is a long history in the Wellington region of funding a wide range of amenities based on longstanding relationships between councils and the amenities. Rather than undoing this it was seen as less complicated and more efficient to retain the current funding system and establish a new regional amenities fund that could supplement the current funding arrangements.

2. Regional or Local Rate

A regional funding mechanism, agreed through each council's Long Term Plan (LTP) has been proposed. Once established, it is proposed that the Wellington Regional Amenities Funding Agreement be reviewed on a three yearly basis as part of the review and development of each councils' LTP.

For each council's share of the Fund, the council would determine how to fund it. This includes how to apportion the rate in their area between residential, rural and commercial. South Wairarapa District Council proposes to collect this rate as part of it's uniform annual general charge, with the first year cost being set up $1.87 per property (raising $11,000) and contribution $3.74 per property (raising $22,000). The proposed contributions for year two are $4.21; year three $4.67; and year four $5.14a uniform charge of $5.61 per rateable property.

3. Amount of the Fund

We met with a number of amenities to establish the size of the funding problem they are experiencing, and to understand the impact of changes in sponsorship on them as a consequence of the economic recession. We also considered the potential implications of Creative New Zealand's move to a national/regional tiered funding structure, which has seen a change in the amount of funding available for Wellington's regional amenities.

A Fund beginning at $2 million, capped at $3 million, was chosen to respond to the financial needs of regional amenities, while considering issues of affordability for our residents.

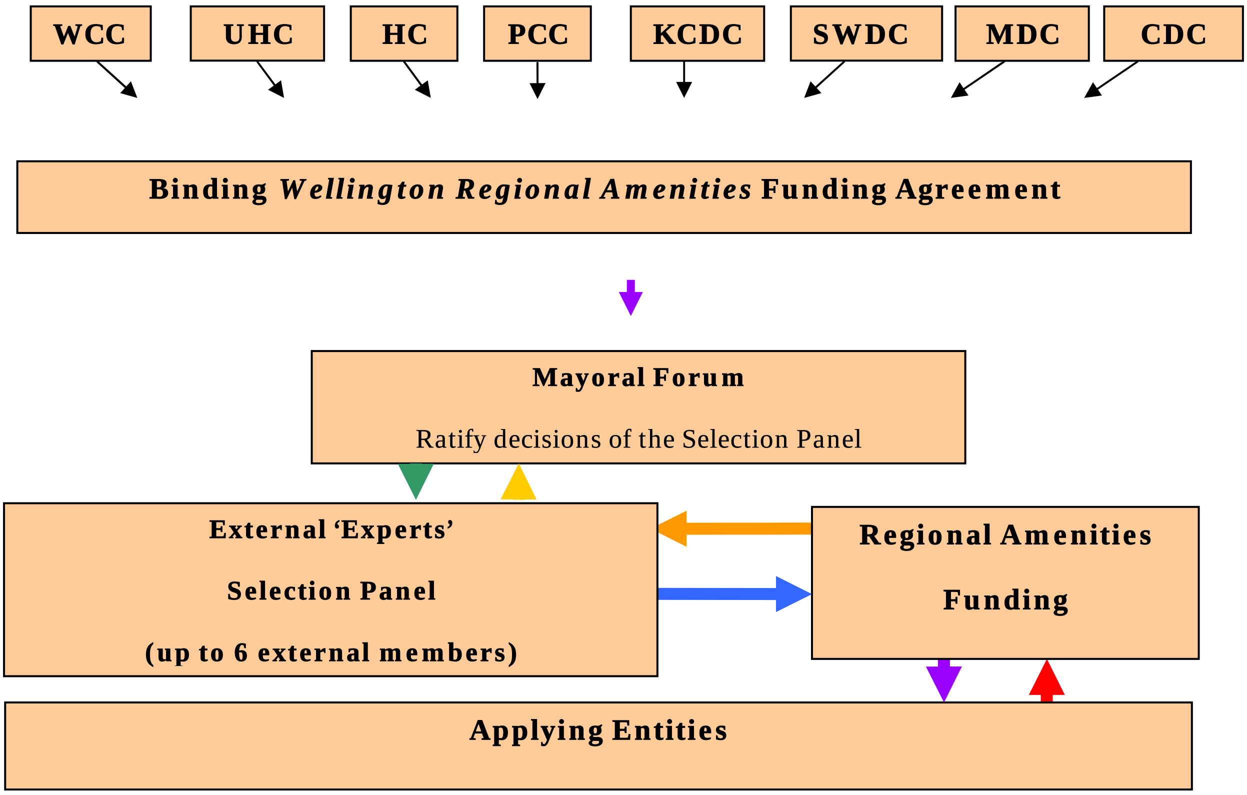
4. Apportioning the Cost

The development of a dynamic fund that grows incrementally each year was chosen because it will allow the councils to work together as a region, building the Fund slowly over time to extend support to a larger number of entities or projects each year as the Fund develops.

We looked at different funding options and have chosen a mechanism which builds in a distance differential, notwithstanding the importance of other benefits from amenities such as the contribution to regional employment and increased regional attractiveness and liveability. The distance differential recognises that currently most regional amenities are located in Wellington City which is a benefit to the city, and that services provided by the amenities may not be shared evenly given the distance between them and the outlying council areas.

It is proposed that the Fund would start at $2m in 2013/14 (with a $1 million levy in the 2012/13 establishment year) and grow by $250,000 each year to a cap of $3 million in 2017/18.

The cost apportionment is based on a distance differential, for example the year one contribution from Wellington city amounts to $1,188,000 compared to SWDC's contribution of $22,000



5. GOVERNANCE

It is proposed that an independent Selection Panel of six external experts, with the members and Chair appointed by the Mayoral Forum, would select appropriate entities or projects for regional support. The Selection Panel would be required to make the best funding decisions for the region, rather than as representatives of specific cities or districts or entities seeking funding.

The Selection Panel would work with a Wellington Regional Amenities Funding Officer based in Wellington City Council working on behalf of participating territorial authorities. They would assess funding applications, select appropriate entities and decide on the level of funding to be provided to successful amenities. The Selection Panel's decisions would be ratified by the Mayoral Forum, which would need to be formalised as a Joint Committee by resolution of each participating council.

6. SECTION CRITERIA

To be eligible for support, entities will:

- be recognised as an arts, culture and environmental attraction and/or event which provides a regionally significant facility or service that contributes to the wellbeing and attractiveness of the Wellington region as a place to live and visit
- demonstrate the regional benefit of their project, service or facility to residents and visitors to the Wellington region
- provide facilities or services not otherwise generally available
- be financially and administratively well managed with good governance and an excellent track record
- have structures to ensure all regional funding provided to the entity is used for facilities or services provided to Wellington region residents and visitors
- have audited financial accounts covering the previous 5 years
- meet the stated funding outcomes and priorities of the regions councils

In addition, amenities would be assessed on:

- their level of innovation
- their level of need (entities would need to clearly demonstrate a need for public funding and provide information on other funding bodies they are applying to)
- the extent to which the amenity delivers benefits (economic, environmental, cultural and social) to the region
- the reach of the amenity to the regional audience

- its ability to provide positive publicity and marketing for the region.

The region would develop and provide a clear list of regional priorities as part of the LTP process. Priorities would be reviewed every three years alongside the LTP. The Selection Panel would select entities and projects against these priorities so there is a clear link between the activity funded and the strategic goals of the region.

Funding will be available for projects focused on arts and culture as well as environmental attractions and events. Both sectors are essential to the region's quality of life and economy, and funding needs in both sectors are high.

7. Financial Implications

The development of a Fund using a differential considering distance would require an additional $33,000 in funding from South Wairarapa District Council in the set up year (2012/13).

In the first full year of operation of the Fund (2013/14) [South Wairarapa District Councils dollar share of the fund would be $24,750.

Participation in the Local Government Funding Authority

1. Introduction

The Council is considering participating as a **borrower** in the New Zealand Local Government Funding Agency Limited (LGFA), which will be a council– controlled trading organisation (CCTO).

The LGFA is being established by a group of local authorities and the Crown to enable local authorities to borrow at lower interest margins than would otherwise be available. The LGFA will be recognised in legislation, which will modify the effect of some statutory provisions.

All local authorities will be able to borrow from the LGFA, but different benefits apply depending on the level of participation. Generally all local authorities borrowing from LGFA will be required to have some shareholding and enter into guarantees in favour of LGFA and other local authorities. This is certainly the case for Principal Shareholding Local Authorities. The exceptions will apply to some local authorities with much lower levels of borrowing (like SWDC), but those local authorities will only be able to borrow a limited amount, and will be required to pay higher funding costs.

Principal Shareholding Local Authorities will be required to invest capital in the LGFA, but are expected to receive a return on that capital. The Principal Shareholding Local Authorities will be required to meet a certain proportion of their borrowing needs through the LGFA Scheme for an initial period.

2. Statutory Considerations

Section 56 of the Local Government Act 2002 (LGA 2002) provides that a proposal to establish a council-controlled organisation (CCO) (which includes a CCTO) must be adopted by special consultative procedure before a local authority may establish or become a shareholder in the CCO.

Section 102(6) of the LGA 2002 requires any amendment to a liability management policy or investment policy to be by way of an amendment to the Long Term Plan (LTP). Both of these provisions are relevant in the present case. The Council's involvement in the LGFA as a borrower is not provided for in the Investment

Policy, and specifics of the debt raising arrangements with the LGFA go beyond what is currently provided in the Liability Management Policy (particularly the guarantee commitments). It is therefore appropriate to amend these policies (by amending the LTP) using the same special consultation procedure required to comply with section 56. (Section 83A of the LGA 2002 expressly authorises combined special consultative procedures.)

3. Reasons for Proposal

The Council is proposing participating in the LGFA Scheme because it believes that it will enable it to borrow at lower interest margins, and that this benefit outweighs the costs and risks associated with the LGFA Scheme. A discussion of these costs and benefits is included as Part C of the Information Memorandum.

The Council is proposing that its participation be as a borrower only as the minimum capital required to become a "shareholding" investor is above the level SWDC would be comfortable with and would negate any savings in interest rates achieved

The Council is consulting on this proposal for the reasons set out above under "Statutory Considerations".

4. Analysis of Reasonably Practicable Options

The reasonably practicable options are as follows:

a) Participate in the LGFA Scheme as a Principal Shareholding Local Authority.

b) Participate in the LGFA Scheme as a Guaranteeing Local Authority, but not a Principal Shareholding Local Authority.

c) Participate in the LGFA Scheme, but not as a Principal Shareholding Local Authority or as a Guaranteeing Local Authority (i.e. as a borrower only).

d) Not participate in the LGFA Scheme.

Should the Council participate in the LGFA Scheme as a borrower?

The level of the Council's borrowing was $8.3M as at 31 December 2011. This is projected to grow to $18.4M by 2022. Consequently, the benefits of lower interest margins are significant. On the basis of the modelling done by Cameron Partners and Asia Pacific Risk Management to date, the Council anticipates saving approximately $40,000 per $10 million of debt, per annum. Although the modelling is based on a number of assumptions, this number gives an indication of the scale of potential savings.

Consequently, the Council proposes that option (d) is not adopted.

Should the Council participate in the LGFA Scheme without being a Guaranteeing Local Authority?

If the Council was to join the LGFA Scheme without being a Guaranteeing Local Authority, the cost of participating would be less. However, it would face higher funding costs, reducing the benefit of participating, and it is likely that it would only be able to borrow up to $20,000,000. SWDC is not anticipating reaching this threshold during the term of this LTP.

Consequently, the Council is proposing to participate as a borrower only (c).

Should the Council participate in the LGFA Scheme as a Principal Shareholding Local Authority?

The Council believes that investing in the LGFA Scheme as a Principal Shareholding Local Authority is not justified here for the reasons set out above. That is the cost (financial and non financial) of investing as a Principal Shareholding Local Authority would outweigh the benefits that might accrue.

Consequently, the Council is proposing that option (c) be adopted.

5. PARTS OF IP AND LMP TO BE AMENDED

The Council proposes that sections be added to the end of each of its Investment Policy and Liability Management Policy. The suggested additions have been included in the policies and are included as part of this draft LTP.

Investment Policy

The Investment Policy will be amended through this LTP process to make it clear that the Council's investment activity includes participating as a Principal Shareholder in LGFA.

There will be a direct return on this investment, but it is acknowledged that this may be less than might be achieved by alternative investments. There is an additional benefit to the Council in that the Council's investment of capital makes it more likely that the LGFA Scheme, which will deliver benefits to the Council, will become viable.

The primary objective for Council's interest in LGFA is to lower the Council's cost of borrowing. There are no consequential changes to any other provisions in the LTP, though there is a related change to the Liability Management Policy discussed below.

Liability Management Policy

The Liability Management Policy will be amended through this LTP process to make it clear that the Council may participate in the LGFA Scheme, including borrowing from the LGFA and entering into the transactions relating to that borrowing described in paragraph 63 of the Information Memorandum.

The primary objective of these changes is to allow borrowing by the Council at lower interest margins than it currently faces.

6. TELL US WHAT YOU THINK

This proposal and the summary of proposal will be distributed, and available for inspection and copying, as required by section 83 of the Local Government Act 2002.

This statement of proposal is available for inspection at the Council office in Martinborough, the district libraries and our website (www.swdc.govt.nz).

Council invite you to provide written comment on the proposal by 5:00pm 8 June 2012.