



South Wairarapa District Council
Long Term Plan
2015/2025



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MESSAGE FROM THE MAYOR

Welcome to the South Wairarapa District Council Long Term Plan (LTP) for the period 2015 -2025. 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 stakeholder forums, advertising in the media, public meetings throughout the district, submissions and hearings.

The first year of the LTP is also the Annual Plan for 2015-2016 and as such it provides the operational and budgetary guidelines for the year

As a preliminary part of the consultation process Council initiated a series of meetings with targeted sector groups such as the Youth, Senior Citizens, Service users, Community Organisations, 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 have minimal growth. 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 2013 of 44.9 to a forecast median age in 2043 of 50.9 years old.

The key issue facing the district over the next 40+ years is the treatment and disposition of urban wastewater.

New resource consents for waste water discharges at the Martinborough, Greytown and Featherston sites are being sought and Council is applying for the treatment methodologies and disposal to land. This is a very significant cost for Council, \$29 million in total of which \$7.4 million has already been spent. It is therefore important that all the right questions are

asked as Council proceeds. Land has already been acquired in all three towns to facilitate disposal of treated effluent to land. The aim is to progressively reduce and ultimately remove discharges from waterways in a sustainable and affordable way by 2048.

The Council elected in October 2013 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.

The consultation process asked for feedback on a number of issues. Given the cost of the wastewater project we asked whether the financial (rates) impact should be spread or smoothed over a number of years to avoid an initial spike in rates. Your feedback indicated this was an option that should be adopted; accordingly this plan **smooth's** the cost over the first 5 years. Any over or under expenditure will be held in reserve and applied to the wastewater output as required. Rural seal extensions were also discussed, and your feedback indicated we should continue this initiative. While 1km doesn't **sound like much, over a** number of years a significant positive impact can be made to important sections of our unsealed road network. We will be investigating cycle ways as a result of the feedback received. The initial project for the 2015/16 year will be a document with which we can decide whether cycle ways are feasible and affordable, and where they might be located. Your feedback also indicated footpaths were important to you, this feedback has helped us decide to concentrate on ensuring our existing stock is in good serviceable condition as opposed to concentrating on new sections of footpaths. There was some feedback on whether we should be involved in pensioner housing, the feedback was relatively evenly spread and we will have to consider our next steps with this activity. We will continue as planned with the development of the coastal reserves.

Following a submission from the very successful **"Greytown Sport and Leisure Society"** Council has decided to support their initiative to extend their reach into Featherston and Martinborough. Coordinated sport and leisure administration was highlighted as a significant issue during targeted sector group meetings held as part of this, and the previous, Long Term Plan. We are confident the Society will meet what is a real and obvious need in our communities.

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 initial proposal put forward by the Local Government Commission has been withdrawn, and no firm decision on the future of local government within the Wellington region has been made. The application submitted by the three Wairarapa **council's** remains as an application, as does the application from Greater Wellington Regional Council. **By leaving these applications "open" the** Local Government Commission can now explore other opportunities, and the Commission has signalled it wishes to involve local authorities more in this process. There is no timeframe, or even plan, as to what the next steps may be.

In the mean time we continue to deliver services to the community as efficiently and effectively as possible collaborating with neighbouring councils Carterton and Masterton forming shared services and working groups where beneficial.

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, and for many years beyond.

While previous legislative changes took to the word **"community" from the long term plan** process, the community has made a significant contribution in shaping this plan, and for that we thank you for your input.



Adrienne Staples

Mayor

A handwritten signature in dark ink, appearing to read 'Adrienne Staples'.

To the reader

Independent auditor's report on South Wairarapa District Council's 2015/25 Long-Term Plan

I am the Auditor-General's appointed auditor for South Wairarapa District Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's Long-Term Plan (the plan). I have carried out this audit using the staff and resources of Audit New Zealand. We completed the audit on 24 June 2015.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and coordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 122 to 123 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from District Council's audited information.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee complete accuracy of the information in the plan.

Basis of Opinion

We carried out our work in accordance with the Auditor-General's Auditing Standards, relevant international standards and the ethical requirements in those standards.¹

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate audit procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

¹ The International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and The International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information*.

Our audit procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face over the next 30 years;
- the information in the plan is based on materially complete and reliable asset and activity information;
- the Council's key plans and policies have been consistently applied in the development of the forecast information;
- the assumptions set out within the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures and forecast financial information has been adequately explained within the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on aspects of the plan, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

Independence

We have followed the independence requirements of the Auditor-General, which incorporate those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with, or interests in, the Council or any of its subsidiaries.



Phil Kennerley, Audit New Zealand

On behalf of the Auditor-General, Wellington, 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 2015/2025 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, Strategies and Policies. Please note that the information in the LTP may not be appropriate for purposes other than those described above.

Development of this LTP followed 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 Tangata Whenua
District and Regional Responsibilities
Snapshot of South Wairarapa District
Community Outcomes
Significant Activities
Measuring Performance



WORKING WITH TANGATA WHENUA

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

Members of the Maori Standing Committee provided input from Maori on current and long term issues as well as current or potential Council projects. The input from has been incorporated into this 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
- Maori 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
- Signage to support this

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

Treaty Settlement

It is envisaged treaty Settlement with the crown will be reached with Rangitane and may be reached with Ngati Kahungunu during this LTP period. This is likely to have implications and opportunities for the Council to be worked through.

DISTRICT AND REGIONAL RESPONSIBILITIES

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.
- f) Economic development initiatives including WAIConnect - Broadband advocacy.

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 2013 census data, projections from Statistics NZ to 2043 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 9,528 people and is expected to increase to approx. 10,250 by 2043.
- The median age is 44.9 (compared with 35 nationally) and is projected to increase to 50.9 by 2043.
- Maori residents make up 13% of the population which is slightly lower than the national average of 14%.
- Ethnic diversity is low, with pacific and asian groups significantly under NZ averages.
- Median personal income is almost the same as national rates.

INCOME 2013 CENSUS

INCOME	SWDC	NEW ZEALAND
100,001 or more	6.3%	5.4%
70,001-100,000	7.1%	7.1%
50,001-70,000	11.3%	11.7%
40,001-50,000	9.4%	8.6%
30,001-40,000	10.7%	10.7%
20,001-30,000	14.2%	12.4%
10,001-20,000	19.3%	16.4%
1-10,000	8.8%	10.4%
Nil	4.9%	7.2%
Loss	0.5%	0.5%
Not Stated	7.5%	9.7%

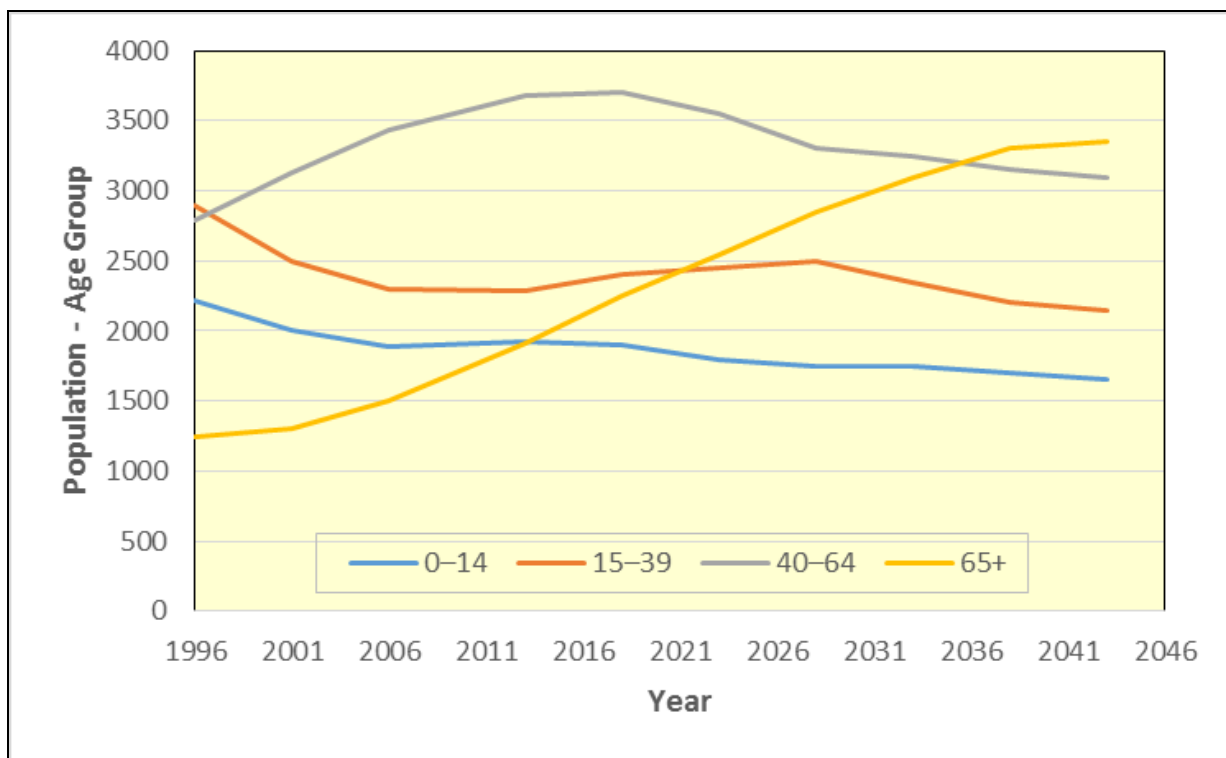
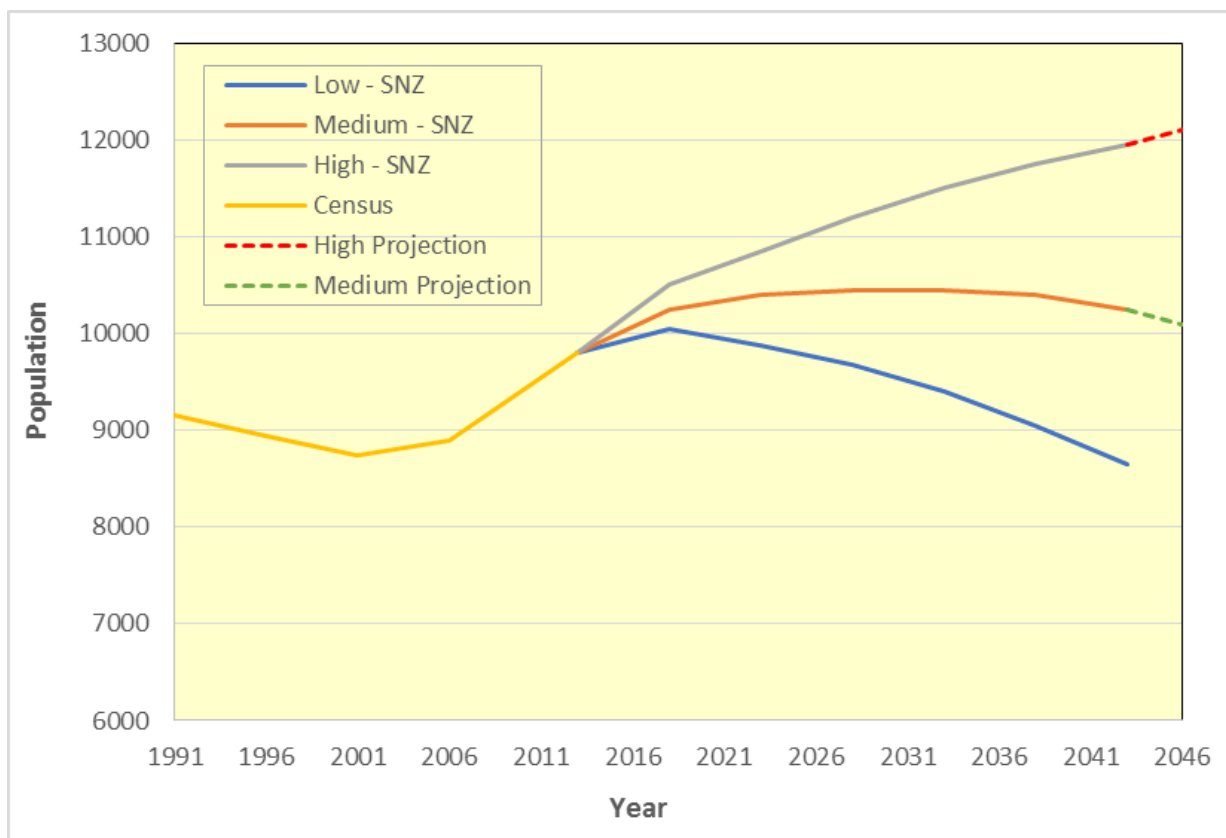
- Agriculture, forestry and fishing are the biggest industries employing 27% of working residents.

South Wairarapa residents over 15 years hold fewer qualifications than New Zealanders as a whole.

EDUCATION (HIGHEST QUALIFICATION) 2013 CENSUS

QUALIFICATIONS	SWDC	NEW ZEALAND
No formal qualification	22.2%	20.9%
School qualifications	58.3%	59.1%
Tertiary qualifications	18.8%	20.0%

- Life expectancy in the Wairarapa is expected to continue to increase for the period until 2026.
- The rate of home ownership in the district is 72.2% private or family trust ownership (national rates are 64.8% respectively).
- 74.8 percent of households in South Wairarapa district had access to the internet, compared with 76.8 percent for all of New Zealand.
- 15.1 percent of households in South Wairarapa district had access to 3 or more motor vehicles, compared with 16 percent for all households in New Zealand.



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 2 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 2025 and at least maintain the current levels of service.

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 (some of these are regulatory requirements) are given as part of the performance measures, with targets to be achieved for monitoring purposes.



Part 2

Significant Activities

Significant Activities

Introduction

Governance/Leadership/Advocacy

Public Protection

Economic, Cultural
and Community Development

Resource Management

Amenities

Land Transport

Water Supply

Solid Waste Management

Waste Water

Stormwater Drainage



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, has a role in promoting the sustainable well-being of its district and communities. 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
- Storm water 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 2012/2022 LTP. The LTP includes a new range of service level measures as outlined in the amendments to the Local Government Act 2002. Plan changes may occur following further legislative change.

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 is carrying this out appropriately.

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 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 Mayor, 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.

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

For this the Mayor, councillors and community board members are set remuneration independently by the Remuneration Authority.

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.

This is outlined in the Significance and Engagement Policy.

This 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 independently 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.

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
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:

- To provide for the governance, leadership, advocacy and policy making activities in the South Wairarapa district.

Council's principal objectives are:

- To be a vigorous advocate for issues of concern to the community and demonstrate leadership in carrying out its work.
- To demonstrate sound and considered governance.
- To develop good policies in order to guide its work in a consistent manner.
- To assist in co-ordinating the many different actions of central government, education providers and businesses to make Council's vision a reality.
- To have strategies and planning which will be keys to success, as will new and innovative ways of doing things.
- To encourage and facilitate public consultation and opportunities for effective public partnership in Council's decision making process.
- To keep people informed and hold a sound database of information.
- 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.
- To work with others (councils included) in partnerships to achieve best results for South Wairarapa and also Wairarapa as a whole.
- To foster iwi relationships and meet treaty obligations.

4. ASSETS WE LOOK AFTER

The only asset under this activity is a motor vehicle.

5. PROJECTS FOR 2015/16

- Completion of the annual report for 2014/15.
- Reviewing policies as they are due.
- Continuation of the governance review.
- Advocate for public transport to meet the community's needs.
- Review the combined Wairarapa District Plan.

6. PROJECTS FOR 2015/16 AND BEYOND

It is envisaged treaty settlement will be reached between the crown and Rangitaane during this long term plan period with an agreement in principle signed between the parties in 2014. Ngati Kahungunu may also reach settlement. This will require input and consideration on how SWDC

works during and after the transition including a review of the Maori Standing Committee.

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	RESULTS 2013/14	2015/16	2016/17	2017/18	2018/19 - 2024/25	
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%	73%	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%	62%	70%	72%	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%	76%	80%	80%	80%	80%	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%	64%	78%	79%	80%	80%	NRB Survey 3 yearly
Community boards make decisions that consider local issues	Community board decision making; reports on local issues	(New)	Greytown 68% Featherston 80% Martinborough 73%	90%	90%	90%	90%	Community board reports and minutes
	% of ratepayers and residents who know how to contact a community board member	(New)	65%	65%	68%	71%	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)	49%	68%	70%	72%	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%	100% applicable applications	100% applicable applications	100% applicable applications	100% applicable applications	Maori Standing Committee minutes

9. GOVERNANCE, LEADERSHIP AND ADVOCACY PROSPECTIVE OPERATING STATEMENT FOR THE YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

GOVERNANCE, LEADERSHIP & ADVOCACY PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$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	30 JUNE 2023 \$000	30 JUNE 2024 \$000	30 JUNE 2025 \$000
OPERATING INCOME											
Miscellaneous income	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	-	-	-	-	-	-	-	-	-	-	-
OPERATING COSTS											
Administration expenses	530	559	569	583	598	611	623	643	657	676	690
Elections	20	13	13	13	13	13	13	13	13	13	13
Community boards	159	145	147	150	154	157	161	166	170	175	180
Maori standing committee	41	35	35	36	37	37	38	39	40	41	42
Total Operating Costs	750	751	763	781	801	818	835	861	880	904	925
Note: Total operating costs include; Depreciation	23	4	5	6	7	8	6	8	7	7	1
Net Cost of Service	(750)	(751)	(763)	(781)	(801)	(818)	(835)	(861)	(880)	(904)	(925)
CAPITAL EXPENDITURE											
Motor vehicles	-	-	40	-	-	-	-	40	-	-	-
Total Capital Expenditure	-	-	40	-	-	-	-	40	-	-	-
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	-	-	-	-	-	-	-	-	-	-	-
Total Capital & Debt	-	-	40	-	-	-	-	40	-	-	-
Funding Required	750	751	803	781	801	818	835	901	880	904	925
Funded By:											
Rates income											
General rates	668	662	729	764	781	795	806	828	842	861	877
Target rates											
Total Rates Income	668	662	729	764	781	795	806	828	842	861	877
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	23	4	5	6	7	8	6	8	7	7	1
Reserve transfers	34	60	52	(6)	(7)	(8)	(6)	32	(7)	(7)	(1)
Other	25	25	18	17	20	23	30	32	38	43	48
Total Other Funding	82	89	75	17	20	23	30	72	38	43	48
Total Funding	750	751	803	781	801	818	835	901	880	904	925

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025 FOR GOVERNANCE, LEADERSHIP AND ADVOCACY

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR GOVERNANCE, LEADERSHIP & ADVOCACY											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	668	662	729	764	781	795	806	828	842	861	877
Target rates											
Subsidies and grants for operating purposes											
Fees and charges											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees	25	25	18	17	20	23	30	32	38	43	48
Total operating funding (A)	693	687	746	781	801	818	835	861	880	904	925
Applications of operating funding											
Payments to staff and suppliers	397	387	393	402	411	420	430	441	453	465	479
Finance costs	1	2	2	3	3	3	3	3	3	3	3
Internal charges and overheads applied	329	358	362	370	381	387	397	409	417	429	442
Other operating funding applications											
Total applications of operating funding	727	747	758	775	795	810	830	853	873	897	924
Surplus (deficit) of operating funding (A)	(34)	(60)	(12)	6	7	8	6	8	7	7	1
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											
Other dedicated capital funding											
Total sources of capital funding (C)	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service											
- to replace existing assets		-	40	-	-	-	-	40	-	-	-
Increase (decrease) in reserves	(34)	(60)	(52)	6	7	8	6	(32)	7	7	1
Increase (decrease) of investments											
(D)	(34)	(60)	(12)	6	7	8	6	8	7	7	1
Surplus (deficit) of capital funding	34	60	12	(6)	(7)	(8)	(6)	(8)	(7)	(7)	(1)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

PUBLIC PROTECTION

1. DESCRIPTION

Public protection activities and responsibilities arise under a range of legislation. These responsibilities relate to and include:

- Public nuisances and health
- Noise
- Safe and sanitary buildings
- Dogs and animals
- Alcohol and safe food
- Emergency management and civil defence
- Rural fire
- Gaming machine numbers and venues
- Location of brothels

Public Nuisance and Health

Council aims to ensure the environmental health of the district and its citizens through enforcement and licensing under relevant statutes, regulations and bylaws, together with educational activities.

Noise

The Combined Wairarapa District Plan sets noise limits and Council aims to enforce these for the benefit of residents and those operating any business or activity that has a noise component. In addition Council enforces section 326 of the Resource Management Act 1991 relating to excessive noise.

Safe and Sanitary Buildings

Council's role is to ensure that all new building works and building activities in the district comply with legislative requirements for safety and sanitary conditions. Council provides services to ensure all:

- Building works subject to consent meet the appropriate design and construction standards.
- Address non-compliance with the Building Act.

Adjustments made to the building fees and charges schedule are to recognise increased costs in processing building consent applications since the last fee adjustment 3 years ago. In reviewing the fees, Council also consulted with MDC and CDC consequently MDC are also adjusting their fees by 4.1%.

Dogs and Animals

Council provides a response service to address issues with dogs and other animals to prevent nuisances and

ensure public safety. The service enforces the requirements of the:

- Dog Control By-law 2005.
- The Dog Control Act 2003.
- The Council's own policies and bylaws.

Alcohol

Council administers the Sale and Supply of Alcohol Act 2012 with the aim of encouraging responsible and safe drinking in the South Wairarapa. Council does this through the development and implementation of its Local Alcohol Policy, use of inspection services, enforcement and educational processes for licencees and staff. Council also supports the operation of the District Licensing Committee in carrying out its decision making responsibilities under the Act.

Safe food

The Food Act came into effect in March 2015. Provision for a 3 year transition period has been incorporated into regulations. During this time food premises operating under the former Food Hygiene Regulations 1974 will be required to transition to the new regulatory regime.

The Act replaces the Food Hygiene Regulations which required registration of food premises based on inspection of physical facilities against standards towards a system based on risk based Food Control Plans (FCP) and national programmes.

Council retains a primary role as a registration authority, and is the first point of contact for a significant proportion of businesses. Council also monitors for compliance. This process is more extensive than previous systems and is requiring additional resources to be applied, for Council to fulfil its responsibilities under the Act ensuring safe food is available to its community.

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 Regional Council (GWRC) 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 are

pooled together. Improved effectiveness from increased scale and co-ordination, as well as efficiencies from the centralised provision of services such as training and public education has occurred. Local emergency management offices will be retained to enable effective local responses to emergencies. The team has:

- Prepared the Wellington Region CDEM Group Plan and associated plans.
- Led further development of the community response plans for Martinborough, Featherston and Greytown.
- Educated people about the risks they face and how to prepare for emergency events, through attending public events, running training courses and attending community group meetings.
- Maintained 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.
- Worked with central government, emergency services, welfare groups, lifeline utilities and a wide range of interested and affected organisations on emergency management issues.

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 GWRC to be the administering authority for the Wellington region CDEM Group. While all staff of the team are GWRC 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 Group¹.

Wairarapa has 1.5 staff dedicated to the area.

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

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 GWRC, 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.

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 (WRFD) administers this responsibility on Council's behalf.

The WRFD is a contractor to SWDC, and this model continues to have a positive impact.

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.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW 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:

- To ensure adequate levels of protection of public health, welfare and safety.

The Council's principal objectives are:

- To ensure that services are provided to meet legislative requirements and reasonable community expectations.
- To ensure that the required services are provided in a cost effective manner to the community.
- To put in place appropriate operational regimes for all matters relating to public protection.

4. ASSETS WE LOOK AFTER

The only assets under this activity are motor vehicles.

5. PROJECTS FOR 2015/16

The projects for 2015/16 include:

- Monitor the performance of and if required review, update and consult on the Council's bylaws.
- Setup and commence a project to scan existing building consent files along with all new building consents.
- Commence development and establishment of electronic building consent processing and work with Masterton District Council and Carterton District Council where appropriate.
- Review the Gambling Policy.
- Review adequacy of current pound facility and determine necessary improvements.
- Work where practicable, with the other councils in the Wairarapa region to develop procedures and practices to implement the new Food Act.
- Complete the development of a Local Alcohol Policy with MDC and CDC and monitor the performance of DLC and Council processes in implementation of the Act and LAP.
- Maintain accreditation as a Building Control Authority. Next bi-annual review is due in 2016.
- Review regulatory policy documents by due dates.

- Consider earthquake strengthening support opportunities.

6. KEY PROJECTS FOR 2016/17 AND BEYOND

Projects for 2016/17 and beyond include:

- Continue scanning existing building consent files.
- Changes in legislation may require additional projects to be initiated, particularly the Food Act 2014, while proposed adjustments to the Building Act, in particular relating to earthquake prone buildings, may require specific policy and operational responses.

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	RESULTS 2013/14	2015/16	2016/17	2017/18	2018/19 – 2024/25	
Food services used by the public are safe	Premises have appropriate FMP in place and meet the risk based standards set out in the Plan	100%	100%	100%	100%	100%	100%	Council inspection records
	Premises are inspected in accord with regulatory requirements	100%	100%	100%	100%	100%	100%	Council inspection records
The sale and supply of alcohol is controlled and responsible drinking is promoted	Premises are inspected as part of licence renewals or applications for new licences	-	-	100%	100%	100%	100%	Council inspection records
The Council will respond when I need some help with noise control	Premises that are high or medium risk are inspected annually, while low risk premises are audited no less than once every three years	-	-	100%	100%	100%	100%	Council inspection records
	Compliance activities are undertaken generally in accord with the Combined Licencing Enforcement Agencies agreement	-	-	100%	100%	100%	100%	CLEG agreement and Council records
	% of calls received by Council that have been responded to within 1.5 hours	90%	100%	100%	100%	100%	100%	Council inspection records
Dogs don't wander freely in the street or cause menace to or harm humans or stock	Undertake public education, school and community visits to promote safe behaviour around dogs and/or responsible dog ownership	0	0	New Material produced and distributed	3 Visits	3 Visits	3 Visits	Council records
	Complaints about roaming and nuisance dogs are responded to within 4 hours	New	100%	100%	100%	100%	100%	Council records
	Complaints about dog attacks on persons or stock are responded to within 1 hour	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%	100%	Council records
	In cases where multiple stock escapes (more than 1 occasion) have occurred from a property, taking enforcement action against the property owner	-	-	100%	100%	100%	100%	Council records
	Council responds to complaints regarding animals within 48 hours	100%	100%	100%	100%	100%	100%	Council records
People are prepared for a civil defence emergency	Ratepayers and residents prepared for an emergency	New	74%	75%	77%	80%	80%	NRB Survey 3 yearly
	Regional Civil Defence Emergency Annual Plan achieved.	-	-	Yes	Yes	Yes	Yes	WREMO records
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%	99%	100%	100%	100%	100%	Council records
	Building consent applications are processed within 20 working days	85%	99%	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	Yes	Yes	Building Consent Authority
	Earthquake prone buildings reports received	new	50%	70%	80%	90%	100%	Council records

9. PUBLIC PROTECTION PROSPECTIVE OPERATING STATEMENT FOR THE YEARS ENDING 30 JUNE 2015– 30 JUNE 2025

PUBLIC PROTECTION PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
OPERATING INCOME											
Liquor, health and other licensing	83	122	125	128	132	136	140	144	149	154	159
Building & Construction	331	438	494	507	520	535	551	569	587	608	630
Animal Control	142	165	169	173	178	183	188	194	201	208	215
Total Operating Income	556	724	788	808	830	854	880	907	937	969	1,004
OPERATING COSTS											
Liquor, health and other licensing	312	335	345	355	365	375	380	394	403	415	417
Building & Construction	620	714	736	760	759	757	731	777	770	815	793
Animal Control	213	217	221	226	232	237	243	250	256	264	271
Emergency Management	300	274	282	292	302	311	320	332	341	353	363
Total Operating Costs	1,446	1,540	1,584	1,633	1,658	1,681	1,673	1,753	1,770	1,846	1,844
Note: Total operating costs include; Depreciation	30	30	44	53	58	68	53	66	65	68	32
Net Cost of Service	(890)	(815)	(797)	(825)	(828)	(827)	(794)	(846)	(834)	(877)	(840)
CAPITAL EXPENDITURE											
Motor vehicles	45	25	-	25	-	25	-	25	-	25	-
IT software	-	-	-	-	-	-	-	-	-	-	-
Equipment/furniture	-	1	1	1	1	1	1	1	1	1	1
Other Equipment	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	45	26	1	26	1	26	1	26	1	26	1
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	-	-	-	-	-	-	-	-	-	-	-
Total Capital & Debt	45	26	1	26	1	26	1	26	1	26	1
Funding Required	935	841	798	851	829	853	795	872	835	903	841
Funded By:											
Rates income											
General rates	860	789	778	807	807	803	765	814	798	835	796
Target rates											
Total Rates Income	860	789	778	807	807	803	765	814	798	835	796
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	30	30	44	53	58	68	53	66	65	68	32
Reserve transfers	15	(4)	(43)	(27)	(57)	(42)	(52)	(40)	(64)	(42)	(31)
Other	30	27	19	18	21	24	28	32	36	42	44
Total Other Funding	75	53	20	44	22	50	29	58	37	68	45
Total Funding	935	841	798	851	829	853	795	872	835	903	841

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025 FOR PUBLIC PROTECTION

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR PUBLIC PROTECTION											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	860	789	778	807	807	803	765	814	798	835	796
Target rates											
Subsidies and grants for operating purposes											
Fees and charges	540	687	749	768	789	812	836	862	891	922	955
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	45	65	57	58	62	65	71	76	82	90	93
Total operating funding (A)	1,446	1,540	1,584	1,633	1,658	1,681	1,673	1,753	1,770	1,846	1,844
Applications of operating funding											
Payments to staff and suppliers	1,167	1,264	1,295	1,328	1,337	1,348	1,349	1,404	1,420	1,485	1,507
Finance costs	6	9	9	9	9	10	10	10	11	11	11
Internal charges and overheads applied	243	238	236	243	254	255	261	273	275	283	294
Other operating funding applications											
Total applications of operating funding (B)	1,416	1,510	1,540	1,580	1,600	1,613	1,620	1,687	1,705	1,779	1,811
Surplus (deficit) of operating funding (A-B)	30	30	44	53	58	68	53	66	65	68	32
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											
Other dedicated capital funding											
Total sources of capital funding (C)	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service											
- to replace existing assets	45	26	1	26	1	26	1	26	1	26	1
Increase (decrease) in reserves	(15)	4	43	27	57	42	52	40	64	42	31
Increase (decrease) of investments											
Total applications of capital funding (D)	30	30	44	53	58	68	53	66	65	68	32
Surplus (deficit) of capital funding	(30)	(30)	(44)	(53)	(58)	(68)	(53)	(66)	(65)	(68)	(32)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT

1. DESCRIPTION

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

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.

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:

- To assist in the stimulation of appropriate and sustainable economic, tourism and cultural growth and the development of employment opportunities throughout the district.
- To actively develop a safe, inclusive and cohesive community.

The Council's principal objectives are:

- 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.
- To encourage interest in the social development of the district with the aim of assisting individuals and community groups to help themselves.
- To encourage cultural development for the benefit of the district and Wairarapa as a whole.
- To actively develop a safe, inclusive and cohesive community by:
 - Making South Wairarapa a safe place for its residents.
 - Promoting South Wairarapa as a good place in which to live.
 - Fostering a sense of community pride.
 - Consulting widely to ensure representative and inclusive policies.
 - Respecting obligations under the Treaty of Waitangi.
- 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 2015/16

Projects for 2015/16 include:

- Continued involvement with economic development both regionally and locally through the Wellington Regional Strategy, Wellington Regional Economic Development Agency, Destination Wairarapa and other agencies and local business groups.
- Continued support for Wairarapa Safer Community Trust.
- Support for cultural organisations including the Wairarapa Cultural Trust.
- Continue to administer the Creative Communities Scheme under contract with Creative NZ.
- Continued support for the Wairarapa water project.

- Developing an economic development strategy.
- Policy implemented on grants.
- Assist Wellington Gliding Club establish their new home at the Papawai airstrip.
- Complete Registration of Interest to Ministry of Business Innovation & Employment in funding available for Ultra-Fast Broadband 2, Rural Broadband 2 & Mobile black Spots.
- Promote cycle tourism.

6. PROJECTS FOR 2016/17 AND BEYOND

There are no specific new projects identified under this activity for 2016/17 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, the total amount is unlikely to change.

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	RESULTS 2013/14	2015/16	2016/17	2017/18	2018/19 - 2024/25	
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	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	Yes	Council records

10. ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT PROSPECTIVE OPERATING STATEMENT FOR THE YEARS ENDING 30 JUNE 2015– 30 JUNE 2025

ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$'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	30 JUNE 2023 \$'000	30 JUNE 2024 \$'000	30 JUNE 2025 \$'000
OPERATING INCOME											
Rentals	-	-	-	-	-	-	-	-	-	-	-
Grants & donations	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	-	-	-	-	-	-	-	-	-	-	-
OPERATING COSTS											
Administration costs	59	56	56	57	60	60	62	64	65	67	69
Destination Wairarapa	120	122	124	127	129	132	135	138	142	145	149
Community grants	131	130	133	137	140	144	149	153	158	164	170
Total Operating Costs	309	308	314	321	330	337	345	356	365	375	387
Note: Total operating costs include; Depreciation	-	-	-	-	-	-	-	-	-	-	-
Net Cost of Service	(309)	(308)	(314)	(321)	(330)	(337)	(345)	(356)	(365)	(375)	(387)
CAPITAL EXPENDITURE											
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	-	-	-	-	-	-	-	-	-	-	-
Total Capital & Debt	-	-	-	-	-	-	-	-	-	-	-
Funding Required	309	308	314	321	330	337	345	356	365	375	387
Funded By:											
Rates income											
General rates	299	308	314	321	330	337	345	356	365	375	387
Target rates	-	-	-	-	-	-	-	-	-	-	-
Total Rates Income	299	308	314	321	330	337	345	356	365	375	387
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	-	-	-	-	-	-	-	-	-	-	-
Reserve transfers	-	-	-	-	-	-	-	-	-	-	-
Other	10	-	-	-	-	-	-	-	-	-	-
Total Other Funding	10	-	-	-	-	-	-	-	-	-	-
Total Funding	309	308	314	321	330	337	345	356	365	375	387

11. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS 2015-2025 FOR ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT											
	30 JUNE 2015 Annual Plan \$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	30 JUNE 2023 \$000	30 JUNE 2024 \$000	30 JUNE 2025 \$000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	299	308	314	321	330	337	345	356	365	375	387
Target rates											
Subsidies and grants for operating purposes											
Fees and charges											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	10	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	309	308	314	321	330	337	345	356	365	375	387
Applications of operating funding											
Payments to staff and suppliers	6	8	8	9	9	9	9	9	10	10	10
Finance costs	-	1	1	1	1	1	1	1	1	1	1
Internal charges and overheads applied	52	47	47	48	50	50	51	54	54	55	57
Other operating funding applications	250	252	258	264	270	277	284	292	300	309	318
Total applications of operating funding (B)	309	308	314	321	330	337	345	356	365	375	387
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											
Other dedicated capital funding											
Total sources of capital funding (C)	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service											
- to replace existing assets		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves		-	-	-	-	-	-	-	-	-	-
Increase (decrease) 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, has a Combined District Plan under the Resource Management Act 1991.

Under the Act, Council's district plan should be monitored and reviewed to ensure the plans objectives, policies and rules continue to achieve integrated management of the effects of activities on the environment; that mitigation or avoidance of natural hazards is achieved, that hazardous substances are managed, that land uses, subdivision of land or use of contaminated land is appropriately controlled, that noise emissions are controlled or mitigated and, activities on the surface of water are appropriately regulated.

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

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:

- To promote the sustainable management of natural and physical resources of the district.
- To maintain an effective District Plan that meets all statutory requirements.
- To administer the District Plan in an accurate, consistent and timely manner, providing

certainty to residents and meeting legal requirements.

The Council's principal objectives are:

- Assess all land use and subdivision applications in accord with the requirements of the Act, Regional Policy Statement and District Plan.
- Seek compliance with and if required enforce the rules of the District Plan, and take appropriate (in the circumstances) action where breaches have been identified.
- Prepare and implement changes to the District Plan where a change of policy is promoted by Council or deficiencies in the Plans provisions have become apparent through practice or monitoring.
- Advise the public on the provisions of the District Plan and on general planning related matters of whatever nature.

4. ASSETS WE LOOK AFTER

There are no assets that this activity manages.

5. PROJECTS FOR 2015/16

Projects for 2015/16 include:

- Monitor the implementation of the Coastal Reserves Management Plan.
- Continue to improve the functionality of the District Plan and undertake Council initiated plan changes where necessary.
- Respond to changes to the Resource Management Act 1991 by Government to ensure compliance with statutory requirements.
- Continue to provide an approach that meets the Council's legislative requirements while facilitating investment in buildings and businesses in the district.
- Review residential water race maintenance.
- Review the Combined Wairarapa District Plan in particular notable trees, historic buildings, signage, residential standards and flood management.

6. PROJECTS FOR 2016/17 AND BEYOND

Intended changes to the Resource Management Act by Government will impact significantly on future planning activity and service delivery. While these

changes are not quantifiable at this time, within the life of this LTP an allowance will need to be made for any new requirements imposed upon Council by government.

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	RESULTS 2013/14	2015/16	2016/17	2017/18	2017/18 – 2024/25	
All resource consents will be processed efficiently	Consent applications completed within statutory timeframes	100% 2008	97%	100%	100%	100%	100%	Council records
	s.223* certificates issued within 10 working days	100%	100%	100%	100%	100%	100%	Council records
	s.224* certificates issued within 15 working days of receiving all required information (note no statutory requirement)	New	97%	95%	95%	95%	95%	Council records
Council has a district plan that provides certainty of land-use/environmental outcomes	Ratepayers and residents satisfied with the image of the closest town centre shown as "satisfied"	70% 2008	70%	72%	75%	77%	80%	NRB Survey 3 yearly
Council has a reserve management programme	The District Plan has a monitoring programme that provides information on the achievement of its outcomes (AER's)	-	-	Yes	Yes	Yes	Yes	Council records
	Council maintains and updates reserve management plans as required	-	-	Yes	Yes	Yes	Yes	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)	100% 2008	99.5%	100%	100%	100%	100%	Council records
	My non-urgent LIM is processed within 10 days	100% 2008	100%	100%	100%	100%	100%	Council records

NOTES:

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

8. RESOURCE MANAGEMENT PROSPECTIVE OPERATING STATEMENT FOR THE YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

RESOURCE MANAGEMENT PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2026											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
OPERATING INCOME											
District plan sales	-	-	-	-	-	-	-	-	-	-	-
Resource consent fees	93	148	152	156	160	164	169	175	180	187	193
Subdivision reserve fees	77	18	121	124	127	131	135	139	144	149	154
Miscellaneous Income	-	2	2	2	2	2	2	2	2	3	3
Total Operating Income	170	268	275	282	289	298	307	316	327	338	350
OPERATING COSTS											
District plan costs	-	-	-	-	-	-	-	-	-	-	-
Resource management	499	454	463	474	487	498	510	526	539	555	572
Total Operating Costs	499	454	463	474	487	498	510	526	539	555	572
Note: Total operating costs include; Depreciation	3	1	2	3	4	5	4	5	6	6	6
Net Cost of Service	(329)	(186)	(188)	(192)	(198)	(200)	(203)	(209)	(212)	(217)	(222)
CAPITAL EXPENDITURE											
IT software	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	-	-	-	-	-	-	-	-	-	-	-
Total Capital & Debt	-	-	-	-	-	-	-	-	-	-	-
Funding Required	329	186	188	192	198	200	203	209	212	217	222
Funded By:											
Rates income											
General rates	428	326	333	340	348	353	359	368	374	382	391
Target rates											
Total Rates Income	428	326	333	340	348	353	359	368	374	382	391
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	3	1	2	3	4	5	4	5	6	6	6
Reserve transfers	(113)	(147)	(151)	(155)	(159)	(163)	(167)	(172)	(177)	(182)	(187)
Other	11	6	4	4	5	6	7	8	9	10	12
Total Other Funding	(99)	(140)	(145)	(148)	(150)	(153)	(155)	(159)	(162)	(165)	(169)
Total Funding	329	186	188	192	198	200	203	209	212	217	222

9. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025 FOR RESOURCE MANAGEMENT

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR RESOURCE MANAGEMENT											
	2015 ANNUAL PLAN \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	428	326	333	340	348	353	359	368	374	382	391
Target rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	93	148	152	156	160	164	169	175	180	187	193
Internal Charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	11	8	6	6	7	8	9	10	12	13	14
Total operating funding (A)	532	482	491	502	515	526	537	553	566	581	599
Applications of operating funding											
Payments to staff and suppliers	405	362	370	378	387	396	406	417	428	441	454
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	91	90	90	93	96	97	99	104	105	108	112
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	496	452	460	471	483	493	506	521	533	549	566
Surplus (deficit) of operating funding (A-B)	36	29	30	31	32	32	32	32	33	33	33
Sources of Capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	77	118	121	124	127	131	135	139	144	149	154
Increase (decrease) in debt	-	-	-	-	-	-	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	77	118	121	124	127	131	135	139	144	149	154
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	113	147	151	155	159	163	167	172	177	182	187
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	113	147	151	155	159	163	167	172	177	182	187
Surplus (deficit) of capital funding	(36)	(29)	(30)	(31)	(32)	(32)	(32)	(32)	(33)	(33)	(33)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

AMENITIES

1. DESCRIPTION

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

Council owns a number of properties and amenities in the district. These are held to assist Council to achieve its objectives (e.g. Council offices), or for social and 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 iwi, 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.**

Following a consultation process coastal plans have been completed and a prioritised program of work has been allowed for in this LTP.

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

2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

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

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:

- To provide facilities for recreational and social enhancement.
- To provide facilities that encourages the safe and sustainable use of the natural environment while protecting that natural environment.

The Council's objectives are:

- To maintain its assets enabling the public to safely enjoy the recreational and social services provided.
- To achieve defined standards of customer service.
- To comply with legal requirements.
- To achieve defined technical standards.
- To achieve defined environmental standards.
- 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, Featherston Information Centre, Clifford Square, library, playground, toilet, Dorset Square, Anzac Hall, War Memorial, Walkway Kereru Grove to Titoki 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, Dog Park, 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, Otairua Reserve, 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 surf toilet, coastal camping area with pit toilet, Te Awaiti and Tora Farm Road toilets and sites for camping, 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 2015/16

Projects for 2015/16 include:

- Continue the new cemetery development at Featherston.
- Carry out the strengthening of Martinborough Town Hall.
- Program works from the coastal reserves development plans.
- Establish Soldiers Memorial Park Development Plan.
- Featherston Town Square.
- Complete the ANZAC Hall upgrade.
- Complete pool upgrades.
- Development plan for youth focused facility in Greytown.
- Development plan for Card Reserve.
- Connect libraries to ultra-fast broadband.

PROJECTS FOR 2016/17 AND BEYOND

Projects for 2016/17 and beyond include:

- RF ID library system.

6. 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.

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 2005	RESULTS 2013/14	2015/16	2016/17	2017/18	2018/21 – 2024/25	
Parks and reserves enhance the quality of life in our communities	Users satisfied with parks and reserves	86% 2005	88%	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	80%	80%	80%	80%	85%	NRB survey 3 yearly
	Council playground equipment that meets national standards	New	89.6%	100%	100%	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% 2008	96%	100%	100%	100%	100%	Council records
	Ratepayers and residents satisfaction with Council swimming pools	59% 2008	62%	65%	67%	70%	75%	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% 2008	98%	94%	94%	94%	94%	Council records
Well maintained hall facilities that are available for the public to book	Ratepayers and residents satisfied with town halls	New	72%	74%	76%	78%	80%	Council records
Cycling embraced in the district	Cycle strategy	New	New	Developed	Implemented	Tested	Reviewed	Council records
Public toilets are convenient, clean and safe	Ratepayers and residents satisfied with public toilet facilities	60% 2005	88%	90%	90%	90%	90%	NRB Survey 3 yearly
The libraries provide relevant and up-to-date books and services	Taking programmes out into the community and providing a wide variety of programmes in the library	New	17	>3 per library	>3 per library	>3 per library	>3 per library	Council records
	% of ratepayers and residents satisfied with libraries	83% 2005	87%	90%	90%	90%	90%	NRB Survey 3 yearly

8. AMENITIES PROSPECTIVE OPERATING STATEMENT FOR THE YEARS ENDING 30 JUNE 2015– 30 JUNE 2025

AMENITIES PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
OPERATING INCOME											
Parks and reserves and toilets	5	18	18	19	19	20	21	21	22	23	23
Swimming pools	27	18	18	19	19	20	21	21	22	23	23
Libraries	47	48	49	51	52	53	55	57	59	61	63
Community buildings	21	2,020	21	21	22	22	23	24	24	25	26
Cemeteries	39	39	40	41	42	43	44	46	47	49	50
Rental properties	311	286	293	301	309	318	328	338	349	361	374
Total Operating Income	449	2,429	440	451	463	477	491	506	523	541	560
OPERATING COSTS											
Parks and reserves and toilets	818	904	938	965	987	1,015	1,046	1,071	1,102	1,138	1,175
Swimming pools	388	408	393	405	414	426	439	450	463	478	494
Libraries	795	710	759	784	786	810	837	837	856	881	898
Community buildings	353	384	348	360	360	372	384	384	393	404	411
Cemeteries	186	176	180	184	190	194	200	206	212	219	227
Rental properties	380	242	272	274	278	284	292	297	304	312	320
Total Operating Costs	2,921	2,825	2,889	2,972	3,014	3,100	3,197	3,245	3,329	3,432	3,525
Note: Total operating costs include: Depreciation	376	258	346	373	343	371	398	358	368	381	373
Net Cost of Service	(2,472)	(396)	(2,450)	(2,521)	(2,551)	(2,624)	(2,706)	(2,738)	(2,806)	(2,891)	(2,965)
CAPITAL EXPENDITURE											
Library books	90	92	94	96	99	101	104	107	109	112	115
Toilets	25	47	-	-	-	-	-	-	-	-	-
Reserves	60	73	16	16	16	17	17	18	18	19	19
Property improvements	21	-	-	54	-	-	-	-	-	-	-
Playgrounds	24	31	31	32	33	34	35	36	36	37	38
Swimming pool renewals	60	5	-	-	-	-	-	-	-	-	-
Cemetery developments	50	46	32	81	-	-	-	-	-	-	-
Cemetery development renewals	-	-	-	-	-	-	-	-	-	-	-
Campgrounds	5	5	5	5	5	6	6	6	6	6	6
Campgrounds renewals	-	5	5	5	5	6	6	6	6	6	6
Town centres	30	31	31	32	33	34	35	36	36	37	38
Greytown town hall	5	9	214	5	5	6	6	6	6	6	6
Martinborough town hall	505	-	3,795	-	-	-	-	-	-	-	-
ANZAC hall	6	-	-	-	-	-	-	-	-	-	-
Featherston stadium	9	153	-	-	-	-	-	-	-	-	-
Community buildings	27	10	10	11	11	11	12	12	12	12	13
Community housing	59	25	22	37	27	28	29	30	30	31	32
Martinborough museum	-	-	-	-	-	-	-	-	-	-	-
Libraries	-	22	10	11	11	11	12	12	12	12	13
Library computer software	-	-	-	-	-	-	-	-	-	-	-
Library computer software - Kotui	55	-	-	-	-	-	-	-	-	-	-
Cycle Trail - Cross creek to Featherston	205	-	-	-	-	-	-	-	-	-	-
Featherston library	-	-	-	-	-	-	-	-	-	-	-
Greytown library	-	-	-	-	-	-	-	-	-	-	-
Martinborough library	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	1,235	555	4,267	387	247	253	260	266	274	281	289
Public Debt											
Loan repayments	19	38	77	61	64	68	71	75	78	82	86
Sinking fund contributions	(2)	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	17	38	77	61	64	68	71	75	78	82	86
Miscellaneous											
Depreciation not funded	(118)	(103)	(134)	(142)	(134)	(142)	(150)	(138)	(141)	(145)	(142)
Total Miscellaneous	(118)	(103)	(134)	(142)	(134)	(142)	(150)	(138)	(141)	(145)	(142)
Total Capital, Debt & Miscellaneous	1,134	489	4,209	306	178	179	181	203	211	219	233
Funding Required	3,606	886	6,659	2,826	2,729	2,803	2,887	2,941	3,017	3,109	3,197
Funded By:											
Rates income											
General rates	1799	2,063	1904	1943	1965	2,011	2,254	2,330	2,639	2,708	2,774
Target rates											
Total Rates Income	1799	2,063	1904	1943	1965	2,011	2,254	2,330	2,639	2,708	2,774
Loans	-	1405	235	-	-	-	-	-	-	-	-
Depreciation Reserves	258	155	212	231	210	229	248	220	227	236	231
Reserve transfers	1465	(2,751)	4,249	595	487	486	287	285	26	23	34
Other	84	14	59	58	66	77	98	106	124	142	159
Total Other Funding	1807	(1,177)	4,755	883	763	792	633	611	377	401	423
Total Funding	3,606	886	6,659	2,826	2,729	2,803	2,887	2,941	3,017	3,109	3,197

9. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025 FOR AMENITIES

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR AMENITIES											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	1,799	2,063	1,904	1,943	1,965	2,011	2,254	2,330	2,639	2,708	2,774
Target rates											
Subsidies and grants for operating purposes											
Fees and charges											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	533	443	499	509	530	553	589	612	647	683	719
Total operating funding (A)	2,332	2,506	2,403	2,452	2,495	2,564	2,844	2,942	3,287	3,392	3,493
Applications of operating funding											
Payments to staff and suppliers	1,780	1,794	1,801	1,843	1,891	1,943	2,000	2,060	2,125	2,196	2,272
Finance costs	165	178	145	145	146	146	146	146	147	147	148
Internal charges and overheads applied	600	595	596	611	635	640	654	680	689	708	732
Other operating funding applications											
Total applications of operating funding (B)	2,545	2,567	2,543	2,599	2,671	2,729	2,800	2,886	2,960	3,051	3,152
Surplus (deficit) of operating funding (A-B)	(213)	(61)	(140)	(147)	(176)	(165)	44	56	326	340	341
Sources of Capital funding											
Subsidies and grants for capital expenditure		2,000									
Development and financial contributions											
Increase (decrease) in debt	(17)	1,367	158	(61)	(64)	(68)	(71)	(75)	(78)	(82)	(86)
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)	(17)	3,367	158	(61)	(64)	(68)	(71)	(75)	(78)	(82)	(86)
Applications of capital funding											
Capital Expenditure											
- to meet additional demand		47	-								
- to improve the level of service											
- to replace existing assets	1,235	508	4,267	387	247	253	260	266	274	281	289
Increase (decrease) in reserves	(1,465)	2,751	(4,249)	(595)	(487)	(486)	(287)	(285)	(26)	(23)	(34)
Increase (decrease) of investments											
Total applications of capital funding (D)	(230)	3,306	18	(208)	(240)	(233)	(27)	(19)	248	258	255
Surplus (deficit) of capital	213	61	140	147	176	165	(44)	(56)	(326)	(340)	(341)
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 car parks including railway station car parks.

The provision and management of roads is a function of local authorities in the terms of the Local Government Act 2002 including the relevant provisions of the LGA 1974 and the 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. 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 the new subsidy rate of 52%. For the Special Purpose Road (Cape Palliser Road) subsidy rates are 100% for the next 3 years transitioning to 52% by 2018.

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:

- To improve transport options.
- 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:

- To achieve defined standards of customer service.
- To protect the health and safety of the community.
- To minimise adverse effects on the environment.
- To comply with legal requirements.
- To achieve defined technical standards including NZTA agreement.
- To implement policies of South Wairarapa District Council.
- 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
<i>Guard Rails (m)</i>	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
<i>Featherston</i>			
- Asphalt		11,871	17,484
- Concrete		5,613	
<i>Greytown</i>			
- Asphalt		10,981	14,165
- Concrete		3,184	
<i>Martinborough</i>			
- Asphalt		15,016	17,393
- Concrete		2,377	
TOTAL		49,042	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 and residents a dust free environment.

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.

Urban Footpaths

Footpaths separate pedestrians from other road users, providing foot access to properties and all major destinations e.g. schools, medical centres and retirement homes.

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

Footpaths are kept in a safe and useable condition free of:

- Tripping hazards > 10mm.
- Pot holes > 70mm.
- Service works repairs.
- Service covers 10mm above or 20mm below the footpath.
- Obstructions.
- Scabbing.
- Failed path (vehicle weight).

Aesthetically footpaths are free from

- Cracks more than 2m long or more than 2 within 2m.
- Excessive Patching

Footpath surveys and physical inspections are carried out to assess condition and prioritise work against budget.

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 flooding, and 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 for the convenience of public transport users 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 are lit to the National Standard (NZS 6701) therefore providing sufficient light to show the way and illuminate any hazards for both vehicle users and pedestrians.

5. PROJECTS FOR 2015/16

Projects for 2015/16 include:

- Complete an annual reseals programme and re-metaling programme.
- Complete the bridge inspection programme and develop works program for 2016/17 from the results.

- Renew and extend footpaths as per community board programme.
- Construct a cycle trail from Cross Creek to Featherston.
- Complete 1km seal extensions.
- Develop a cycle strategy.
- Investigate options for rural residential footpaths.

6. PROJECTS FOR 2016/17 AND BEYOND

- Complete annual seal extension, reseal and re-metaling programmes.
- Develop works program for 2017/18 from the bridge inspection program results.
- Renew and extend footpaths as per community board programme.
- Special purpose road transition from 100% to 52% subsidy.
- Implement cycle strategy.

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. 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 2005	RESULTS 2013/14	2015/16	2016/17	2017/18	2018/21 – 2024/25	
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%	97% Urban 99% Rural	95%	95%	95%	95%	Council records
	Ratepayers and residents fairly/very satisfied with the roads	81%	75%	78	80%	82%	85%	NRB Survey 3 yearly
	5% of sealed roads are resealed each year subject to availability of NZTA subsidy	100%	100%	100%	100%	100%	100%	Council records
	The pavement condition index as measured by the NZTA pavement integrity index	New	97.9%	95%	95%	95%	95%	NZTA
	The number of crashes causing injuries is reduced	New	Yes	Group and control average	Group and control average	Group and control average	Group and control average	NZTA
	The number of fatalities and serious injury crashes on the local road network	New	New	<7	<7	<7	<7	NZTA
Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	New	66%	68%	70%	70%	75%	NRB Survey 3 yearly
	Availability of footpaths on at least one side of the road down the whole street	84.8%	85.9%	87%	88%	89%	90%	Council records
	Footpath Condition rating 95% compliant with SWDC AMP Standard	New	New	95%	95%	95%	95%	Council records
	The % of customer service requests relating to roads and footpaths responded to within 48 hours	New	New	95%	95%	95%	95%	Council records
	Meet annual plan footpath targets	New	New	Yes	Yes	Yes	Yes	Council records

NOTE:

- Baseline length of footpaths is worked out on the basis that 49,190m length is completed out of total length of 58,015m.
- 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 \pm 5% variation.
- \pm 10% variation for seal extensions and reseals is to take into consideration location and site conditions of work.
- Levels of service from reseal and rehabilitation programmes (other roads) can be achieved from expenditure levels similar to 2011/12 budgets.
- KPI's will be reviewed to align with the One network road classification in 2018.

9. LAND TRANSPORT (ROADING AND FOOTPATHS) PROSPECTIVE OPERATING STATEMENT FOR THE YEARS ENDING 30 JUNE 2015– 30 JUNE 2025

LAND TRANSPORT PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
OPERATING INCOME											
NZTA subsidy	2,973	2,600	2,128	2,363	2,336	2,380	2,428	2,475	2,524	2,574	2,625
Petrol tax	99	80	81	83	85	87	89	92	95	98	101
Sinking fund interest	18	-	-	-	-	-	-	-	-	-	-
Miscellaneous income	474	382	389	397	368	377	387	397	408	419	431
Total Operating Income	3,564	3,061	2,598	2,843	2,789	2,844	2,905	2,964	3,027	3,091	3,157
OPERATING COSTS											
Local roads:-											
Routine maintenance	1479	1456	1514	1549	1522	1559	1599	1638	1679	1722	1766
Safety maintenance	283	118	122	125	119	122	125	128	131	135	138
Flood protection	200	-	-	-	-	-	-	-	-	-	-
	1962	1575	1636	1674	1640	1681	1724	1767	1811	1857	1904
Special purpose roads:-											
Cape palliser maintenance	160	264	171	176	135	138	142	145	149	153	156
Cape palliser safety work	16	21	21	22	15	15	15	16	16	16	17
	176	285	192	198	150	153	157	161	165	169	173
Unsubsidised roads maintenance	136	208	210	215	221	226	232	239	245	253	261
Other operating costs:											
Interest	81	64	59	55	50	45	39	26	20	13	7
In-house professional services	722	696	689	708	707	706	719	759	760	780	809
Depreciation	2,403	2,400	2,379	2,393	2,494	2,509	2,519	2,642	2,656	2,671	2,824
Occupancy costs	97	12	12	12	13	13	13	14	14	15	15
	3,303	3,171	3,139	3,167	3,263	3,273	3,291	3,441	3,449	3,479	3,656
Total Operating Costs	5,577	5,239	5,178	5,254	5,274	5,332	5,404	5,607	5,670	5,757	5,993
Note: Total operating costs include; Depreciation	2,403	2,400	2,379	2,393	2,494	2,509	2,519	2,642	2,656	2,671	2,824
Net Cost of Service	(2,013)	(2,178)	(2,580)	(2,411)	(2,485)	(2,488)	(2,499)	(2,642)	(2,643)	(2,666)	(2,836)
CAPITAL EXPENDITURE											
Seal extensions (all roads) - New	240	120	123	126	129	132	135	138	142	145	149
Culverts	-	-	-	-	-	-	-	-	-	-	-
Reseals (other roads) - Renewals	499	423	433	444	526	539	552	566	580	595	610
Reseals (SPR) - Renewals	64	94	96	99	70	71	73	75	77	79	81
Footpath renewals	44	44	45	46	47	49	50	51	52	53	55
New footpaths	90	146	92	94	97	99	101	104	106	109	111
Drainage (Other Roads) - Renewals	91	76	78	80	98	98	100	103	105	108	110
Drainage (SPR) - Renewals	21	11	11	12	9	9	9	9	9	10	10
Signs & guardrails (other roads) - Renewals	40	42	44	44	53	54	55	57	58	60	61
Traffic Services (Renewals) (SPR)	5	6	6	6	5	5	5	5	5	5	5
Street lighting (other roads) - Renewals	-	-	-	-	-	-	-	-	-	-	-
Area wide rehabilitation (other roads) - Renewals	223	254	260	266	315	323	331	339	348	357	366
Associated improvements (other roads)	43	-	-	-	-	-	-	-	-	-	-
Area wide rehabilitation (SPR) - Renewals	171	77	78	79	56	57	59	60	62	63	65
Minor safety works (other roads) - New	102	140	144	151	347	355	364	373	382	391	400
Minor safety works (SPR) - New	173	17	18	18	100	102	105	107	110	113	116
Structures (renewal)	11	25	26	27	32	33	34	35	35	36	37
Structures (renewal) (SPR)	-	-	-	-	-	-	-	-	-	-	-
Road metalling (renewal)	195	237	242	248	294	301	309	317	325	333	341
Road metalling (renewal) (SPR)	16	21	22	23	16	16	17	17	18	18	19
New Bridges (SPR)	240	-	-	-	-	-	-	-	-	-	-
Improve - Expand - Replace	514	-	-	-	-	-	-	-	-	-	-
Resilience Improvements		564	-	236	-	-	-	-	-	-	-
Total Capital Expenditure	2,782	2,298	1,719	2,000	2,192	2,243	2,300	2,356	2,414	2,474	2,536
Public Debt											
Loan repayments	-	89	93	98	103	108	113	171	125	131	137
Sinking fund contributions	56	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	56	89	93	98	103	108	113	171	125	131	137
Miscellaneous											
Depreciation not funded	(1201)	(1200)	(1189)	(1196)	(1247)	(1255)	(1259)	(1321)	(1328)	(1336)	(1412)
Total Miscellaneous	(1,201)	(1,200)	(1,189)	(1,196)	(1,247)	(1,255)	(1,259)	(1,321)	(1,328)	(1,336)	(1,412)
Total Capital, Debt & Miscellaneous	1,637	1,187	623	901	1,048	1,096	1,153	1,206	1,211	1,270	1,261
Funding Required	3,650	3,364	3,203	3,313	3,533	3,585	3,652	3,849	3,854	3,936	4,097
Funded By:											
Rates income											
General rates	2,598	2,752	2,772	2,818	2,898	2,924	2,954	3,117	3,090	3,137	3,257
Target rates											
Total Rates Income	2,598	2,752	2,772	2,818	2,898	2,924	2,954	3,117	3,090	3,137	3,257
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	1201	1200	1189	1196	1247	1255	1259	1321	1328	1336	1412
Reserve transfers	(219)	(662)	(821)	(758)	(678)	(668)	(653)	(696)	(683)	(670)	(727)
Other	70	75	62	56	66	74	93	106	119	134	155
Total Other Funding	1052	613	431	494	635	661	698	731	764	799	840
Total Funding	3,650	3,364	3,203	3,313	3,533	3,585	3,652	3,849	3,854	3,936	4,097

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 – 2025 FOR LAND TRANSPORT (ROADING AND FOOTPATHS)

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR LAND TRANSPORT											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	2,598	2,752	2,772	2,818	2,898	2,924	2,954	3,117	3,090	3,137	3,257
Target rates											
Subsidies and grants for operating purposes	2,973	2,600	2,128	2,363	2,336	2,380	2,428	2,475	2,524	2,574	2,625
Fees and charges											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	546	413	408	409	388	404	431	453	476	500	532
Total operating funding (A)	6,116	5,765	5,307	5,590	5,622	5,708	5,813	6,046	6,090	6,212	6,414
Applications of operating funding											
Payments to staff and suppliers	2,466	2,266	2,243	2,295	2,185	2,238	2,296	2,353	2,413	2,475	2,540
Finance costs	167	65	60	56	51	46	40	27	21	15	8
Internal charges and overheads applied	541	508	496	511	545	540	549	585	580	596	621
Other operating funding applications											
Total applications of operating funding (B)	3,174	2,839	2,799	2,862	2,780	2,823	2,885	2,964	3,014	3,086	3,169
Surplus (deficit) of operating funding (A-B)	2,942	2,925	2,508	2,728	2,842	2,885	2,928	3,082	3,076	3,125	3,245
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt	(56)	(89)	(93)	(98)	(103)	(108)	(113)	(117)	(125)	(131)	(137)
Gross proceeds from sale of assets											
Lump sum contributions	116	123	125	128	131	134	138	142	146	150	155
Other dedicated capital funding											
Total sources of capital funding (C)	59	35	32	30	28	26	25	(30)	21	19	18
Applications of capital funding											
Capital Expenditure											
- to meet additional demand			-	-	-	-	-	-	-	-	-
- to improve the level of service	605	120	123	126	129	132	135	138	142	145	149
- to replace existing assets	2,177	2,178	1,596	1,874	2,064	2,111	2,164	2,218	2,273	2,329	2,387
Increase (decrease) in reserves	219	662	821	758	678	668	653	696	683	670	727
Increase (decrease) of investments											
Total applications of capital funding (D)	3,001	2,960	2,540	2,758	2,870	2,911	2,953	3,052	3,097	3,145	3,263
Surplus (deficit) of capital funding	(2,942)	(2,925)	(2,508)	(2,728)	(2,842)	(2,885)	(2,928)	(3,082)	(3,076)	(3,125)	(3,245)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

WATER SUPPLY

1. DESCRIPTION

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.

Territorial authorities have numerous responsibilities relating to the supply of water including 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 serviced and 263 serviceable connections.

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

Featherston – Boar Bush Gully Catchment

A catchment area of approximately 3km² 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 16km² 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 pipeline crossing the Tauherenikau River.

Council has identified the most suitable option to be the installation of two further bores approximately 100 metres from the recently installed bore and to connect all three bores to the Waiohine treatment plant. To achieve the necessary 4-log protozoa removal level, the installation of UV disinfection after the existing membrane process is proposed. This option will allow bore water to be used as the main water source, supplemented by the river source during the summer demand peak. This work is proposed to be completed by the end of June 2016.

Greytown Well

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 90l/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 remainder 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 residents at Pirinoa. This is under the overview and maintenance of the community itself.

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

3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The water supply activity goal is:

- 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 this valuable resource.

The Council's principal objectives are:

- To achieve defined standards of customer service.
- To protect the health and safety of the community.
- To minimise adverse effects on the environment.
- To comply with legal requirements.
- To achieve defined technical standards.
- To implement policies of South Wairarapa District Council.
- To promote development throughout the district.
- To achieve defined standards of system management.

4. ASSETS WE LOOK AFTER

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 - Tait's Creek Intake Weir. This source is currently operated as an emergency supply only.
- Greytown & Featherston - Waiohine River.
- Greytown – supplementary well.
- Martinborough - Herrick's 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 2015/16

Projects for 2015/16 include:

- Renewal of ultra-filtration units at Greytown/Featherston water treatment plant at the rate of approximately 5 per year (average duration of renewals cycle is 20 years).
- Renewal of valves, pumps and fittings including telemetry equipment as required.
- Continue the alternative Featherston supply project.
- Implement outstanding water rates penalty.

6. PROJECTS FOR 2016/17 AND BEYOND

Projects for 2016/17 and beyond include:

- Complete the alternative Featherston supply project.
- Maintain water races to meet consent requirements.

- Investigate decommissioning Boar Bush Gully and Tait's Creek Featherston alternate supplies.

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 2005	RESULTS 2013/14	2015/16	2016/17	2017/18	2018/21 – 2024/25	
Potable water demand	The average consumption of drinking water per day per resident within the territorial authority	New	New	<400 Lt	<400 Lt	< 400Lt	< 400 Lt	Council records
The Council provides reliable and safe drinking water supplies	Compliance with resource consent conditions/water permit conditions to "mainly complying" or better	95% 2008	Achieved	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% 2008	96%	95%	95%	95%	95%	Council records
	Water supply systems comply with Ministry of Health Protozoa Drinking Water Standards guidelines 2000	New	New	95%	95%	95%	95%	Council records
Customer satisfaction**	The total number of complaints received by the local authority about drinking water taste per 1000 connections	-	New	< 15	< 15	<15	<15	Council records
	The total number of complaints received by the local authority about drinking water odour per 1000 connections	-	New	<15	<15	<15	<15	Council records
	The total number of complaints received by the local authority about drinking water pressure or flow per 1000 connections	-	New	<15	<15	<15	<15	Council records
	The total number of complaints received by the local authority about continuity of supply per 1000 connections	-	New	<15	<15	<15	<15	Council records
	The total number of complaints received by the local authority about drinking water clarity per 1000 connections	-	New	<15	<15	<15	<15	Council records
Fault response times where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured	Ratepayers and residents satisfied with level of service for water	46% 2008	73%	75%	77%	80%	80%	NRB Survey 3 yearly
	Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	-	New	< 1 Hr	< 1 Hr	< 1 Hr	< 1 Hr	Council records
	Resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption	-	New	< 8 Hrs	< 8 Hrs	< 8 Hrs	< 8 Hrs	Council records
	Attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site	-	New	< 2 working days	< 2 working days	< 2 working days	< 2 working days	Council records
	Resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm	-	New	< 5 working days	< 5 working days	< 5 working days	< 5 working days	Council records
There is adequate water for urban fire fighting	Fire hydrants tested annually that meet NZ Fire Service Code of Practice	New	12.95%	20%	20%	20%	20%	Council records
Maintenance of the reticulation network	The % of real water loss from the local authority's networked reticulation system identified by establishing and measuring night flow	-	New	<20%	<20%	<20%	<20%	Council records

NOTE:

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

** The local authority's response to any of these issues (expressed per 1000 connections to the local authority's networked reticulation system).

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

WATER SUPPLY PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$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	30 JUNE 2023 \$000	30 JUNE 2024 \$000	30 JUNE 2025 \$000
OPERATING INCOME											
Water meter charges	250	152	158	163	169	176	182	188	196	204	212
Sinking fund interest	49	-	-	-	-	-	-	-	-	-	-
Grants, Subsidies & Donations	68	-	-	-	-	-	-	-	-	-	-
Water connection fees	61	59	61	63	66	68	71	73	76	79	82
Total Operating Income	978	211	219	227	235	244	253	262	272	283	294
OPERATING COSTS											
Water races	122	135	140	145	151	156	162	167	174	181	188
Depreciation	98	747	803	816	772	786	799	792	805	819	823
Works costs	720	836	868	898	931	967	1001	1036	1075	1119	1165
Treatment & reticulation	777	631	635	649	673	680	694	718	727	747	776
Total Operating Costs	2,537	2,348	2,446	2,509	2,526	2,590	2,655	2,713	2,781	2,865	2,952
Note: Total operating costs include; Depreciation	98	747	803	816	772	786	799	792	805	819	823
Net Cost of Service	(1,558)	(2,137)	(2,227)	(2,282)	(2,291)	(2,345)	(2,402)	(2,451)	(2,509)	(2,583)	(2,658)
CAPITAL EXPENDITURE											
Universal metering	-	-	-	-	12	12	13	13	13	14	14
Cyclical renewal	185	551	565	322	330	339	348	358	368	378	389
Featherston supply supplementation	726	-	-	-	-	-	-	-	-	-	-
Water race upgrade	-	-	-	49	-	52	-	-	-	-	-
Total Capital Expenditure	911	551	565	371	342	403	361	371	381	392	403
Public Debt											
Loan repayments	3	80	84	88	93	97	102	107	113	7	7
Sinking fund contributions	36	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	39	80	84	88	93	97	102	107	113	7	7
Total Capital & Debt	950	631	649	459	435	501	463	478	494	399	410
Funding Required	2,509	2,769	2,876	2,742	2,726	2,846	2,865	2,929	3,003	2,982	3,068
Funded By:											
Rates income											
General rates	-	-	-	-	-	-	-	-	-	-	-
Target rates	2,226	2,203	2,318	2,381	2,389	2,441	2,486	2,535	2,585	2,544	2,608
Total Rates Income	2,226	2,203	2,318	2,381	2,389	2,441	2,486	2,535	2,585	2,544	2,608
Loans	335	412	-	-	-	-	-	-	-	-	-
Depreciation Reserves	98	747	803	816	772	786	799	792	805	819	823
Reserve transfers	(1024)	(666)	(299)	(509)	(495)	(451)	(509)	(494)	(499)	(506)	(502)
Other	54	73	54	53	61	70	89	96	113	124	139
Total Other Funding	283	566	557	361	337	405	379	394	418	437	460
Total Funding	2,509	2,769	2,876	2,742	2,726	2,846	2,865	2,929	3,003	2,982	3,068

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 – 2025 FOR WATER SUPPLY

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR WATER SUPPLY											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties											
Target rates	2,225	2,203	2,318	2,381	2,389	2,441	2,486	2,535	2,585	2,544	2,608
Subsidies and grants for operating purposes	618	-	-	-	-	-	-	-	-	-	-
Fees and charges	250	150	156	161	167	174	180	186	193	201	209
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees	105	75	56	55	63	72	91	99	115	127	141
Total operating funding (A)	3,199	2,428	2,530	2,597	2,619	2,687	2,757	2,820	2,894	2,872	2,959
Applications of operating funding											
Payments to staff and suppliers	1,134	1,197	1,243	1,286	1,333	1,383	1,431	1,481	1,537	1,600	1,665
Finance costs	190	103	102	100	99	97	95	93	91	89	93
Internal charges and overheads applied	294	302	299	307	323	323	329	346	347	357	370
Other operating funding applications											
Total applications of operating funding (B)	1,619	1,601	1,643	1,693	1,754	1,803	1,856	1,921	1,976	2,046	2,129
Surplus (deficit) of operating funding (A-B)	1,580	827	887	905	864	884	901	899	918	826	830
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions	59	59	61	63	66	68	71	73	76	79	82
Increase (decrease) in debt	296	331	(84)	(88)	(93)	(97)	(102)	(107)	(113)	(7)	(7)
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)	355	390	(23)	(25)	(27)	(29)	(32)	(34)	(37)	72	75
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service	726										
- to replace existing assets	185	551	565	371	342	403	361	371	381	392	403
Increase (decrease) in reserves	1,024	666	299	509	495	451	509	494	499	506	502
Increase (decrease) of investments											
Total applications of capital funding (D)	1,935	1,217	864	880	837	855	870	865	881	898	905
Surplus (deficit) of capital funding	(1,580)	(827)	(887)	(905)	(864)	(884)	(901)	(899)	(918)	(826)	(830)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

SOLID WASTE MANAGEMENT

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).

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 and recycling station at Martinborough and recycling stations at Featherston, Greytown, Martinborough, and Pirinoa. All these sites are managed via contract by Council. There is an unmanned recycling depot at Hinakura and Ngawi. Private collection services are also available in the district including coastal areas particularly during tourist seasons, and disposal of this material is allowed at the Council's transfer station.

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.

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:

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

And the Council's principal objectives are:

- To protect the health of the community.
- To protect the environment.
- To minimise waste volumes that require disposal by addressing recycling use and reduction for waste material.
- 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 and Hinakura Ngawi and Pirinoa recycling centres.

The Tuturumuri recycling depot was closed in October 2014.

4. PROJECTS FOR 2015/16

Projects for 2015/16 include:

- Continue to work with Carterton and Masterton District Councils on solid waste management issues and solutions.
- 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 two hard waste collections per year.
- Trial wheelie bins for Featherston recycling.
- Carry out all actions listed for SWDC under the Regional Waste Management Plan.

5. PROJECTS FOR 2016/17 AND BEYOND

Projects for 2016/17 and beyond include:

- Development and upgrade of transfer stations.
- Bonny Glen consent up for renewal.

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 2005	RESULTS 2013/14	2015/16	2016/17	2017/18	2018/21 - 2024/25	
Recycling stations are accessible and maintained	Number of communities with recycling centres	6	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 2008	Increased 5.4%	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	Recycling 77% Refuse 73%	80%	85%	90%	90%	NRB Survey 3 yearly

8. SOLID WASTE MANAGEMENT PROSPECTIVE OPERATING STATEMENT FOR THE YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

SOLID WASTE MANAGEMENT PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$'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	30 JUNE 2023 \$'000	30 JUNE 2024 \$'000	30 JUNE 2025 \$'000
OPERATING INCOME											
Fees and charges	87	124	128	132	137	141	146	151	156	162	167
Other charges	108	90	93	96	99	103	106	110	113	117	121
Other income	12	25	26	27	28	28	29	30	31	33	34
Total Operating Income	207	239	247	255	263	272	282	291	301	311	322
OPERATING COSTS											
Collections	445	533	585	604	626	646	668	691	712	738	764
Transfer stations	949	813	899	926	960	989	1020	1050	1076	1114	1153
Total Operating Costs	1,394	1,346	1,484	1,531	1,586	1,635	1,688	1,741	1,788	1,851	1,917
Note: Total operating costs include; Depreciation	24	24	28	29	29	30	31	25	21	22	23
Net Cost of Service	(1,187)	(1,107)	(1,237)	(1,276)	(1,323)	(1,363)	(1,407)	(1,450)	(1,488)	(1,540)	(1,595)
CAPITAL EXPENDITURE											
Development work	-	25	-	26	-	28	-	-	-	-	-
Resource consents	5	-	-	-	-	-	-	-	-	-	-
Transfer Station Upgrade (General)	54	2	2	2	2	2	2	2	2	2	2
Total Capital Expenditure	59	27	2	28	2	30	2	2	2	2	2
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	-	-	-	-	-	-	-	-	-	-	-
Total Capital & Debt	59	27	2	28	2	30	2	2	2	2	2
Funding Required	1,246	1,134	1,239	1,304	1,325	1,393	1,409	1,452	1,490	1,542	1,597
Funded By:											
Rates income											
General rates	884	637	726	705	690	1324	1357	1395	1424	1466	1512
Target rates	263	434	482	543	599	-	-	-	-	-	-
Total Rates Income	1147	1071	1208	1247	1289	1324	1357	1395	1424	1466	1512
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	24	24	28	29	29	30	31	25	21	22	23
Reserve transfers	35	3	(26)	(1)	(27)	(1)	(29)	(23)	(19)	(20)	(21)
Other	40	37	29	29	34	39	50	55	64	74	83
Total Other Funding	99	63	31	57	36	69	52	57	66	76	85
Total Funding	1,246	1,134	1,239	1,304	1,325	1,393	1,409	1,452	1,490	1,542	1,597

9. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025 FOR SOLID WASTE MANAGEMENT

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR SOLID WASTE MANAGEMENT											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	147	1071	1208	1247	1289	1324	1357	1395	1424	1466	1512
Target rates											
Subsidies and grants for operating purposes											
Fees and charges		124	128	132	137	141	146	151	156	162	167
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	247	152	148	151	160	170	185	195	209	224	238
Total operating funding (A)	1,394	1,346	1,484	1,531	1,586	1,635	1,688	1,741	1,788	1,851	1,917
Applications of operating funding											
Payments to staff and suppliers	1204	1189	1325	1367	1414	1463	1513	1563	1614	1672	1731
Finance costs											
Internal charges and overheads applied	165	133	131	135	143	142	144	153	153	157	163
Other operating funding applications											
Total applications of operating funding (B)	1,370	1,323	1,456	1,502	1,557	1,605	1,658	1,716	1,767	1,829	1,894
Surplus (deficit) of operating funding (A-B)	24	24	28	29	29	30	31	25	21	22	23
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											
Other dedicated capital funding											
Total sources of capital funding (C)	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service											
- to replace existing assets	59	27	2	28	2	30	2	2	2	2	2
Increase (decrease) in reserves	(35)	(3)	26		27		29	23	19	20	21
Increase (decrease) of investments											
Total applications of capital funding (D)	24	24	28	29	29	30	31	25	21	22	23
Surplus (deficit) of capital funding	(24)	(24)	(28)	(29)	(29)	(30)	(31)	(25)	(21)	(22)	(23)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

WASTE WATER (SEWERAGE)

1. DESCRIPTION

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).

This plan covers the disposal of:

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

Territorial authorities have numerous responsibilities relating to waste water systems. One 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 serviced and 321 properties serviceable.

The sewerage schemes are:

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

Featherston - Urban

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 m² 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.

Council have purchased 170ha Hodder Farm adjacent to the current oxidation ponds as part of the consent process to irrigate to land.

Greytown - Urban

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 18,500m² and Pond No 2 has an area of 15,000m². 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.

Council have purchased 116ha Bicknell Farm adjacent to the current Papawai site as part of the consent process to irrigate to land.

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 16,300m² 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 as shown in the table on the following page:

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 sewer reticulation system comprises earthenware, asbestos-cement, reinforced concrete and uPVC pipe material. Approximately 90% of the total reticulation is 150mm pipe. The majority of pipeline material is earthenware and asbestos cement reflecting the age of the system and the materials that were available at the time. Currently for normal renewal applications, uPVC pipeline is the material of choice.

Greytown is predominantly concrete and fibrolite. The use of uPVC is increasing 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.

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.

2. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

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

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:

- 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:

- To achieve defined standards of customer service.
- To protect the health and safety of the community.
- To minimise adverse effects on the environment.
- To comply with legal requirements.
- To achieve defined technical standards.
- To implement policies of South Wairarapa District Council.
- To promote development throughout the district.
- 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 2015/16

Projects for 2015/16 include:

- Continued programme of sewerage reticulation repairs and renewals.
- Consent applications are set for:
 1. Martinborough, May 2015
 2. Greytown, September 2015
 3. Featherston, April 2016
- Divert flow from Papawai Stream (Greytown).
- Install ultra-violet disinfection for the Greytown effluent discharge and apply for land irrigation consents.
- Making South Wairarapa a safe place for its residents.
- Promoting South Wairarapa as a good place in which to live.

6. PROJECTS FOR 2016/17 AND BEYOND

Projects for 2016/17 and beyond include:

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

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	RESULTS 2013/14	2015/16	2016/17	2017/18	2018/21 – 2024/25	
Council provides waste water services that effectively collect and dispose of waste water	Number of blockages per 1000 connections	New	3	<10	<10	<10	<10	Council records
	Ratepayers and residents satisfaction with waste water services	67% 2005	58%	70%	70%	70%	70%	NRB survey 3 yearly
	Number of dry weather sewerage overflows per 1000 connections	-	New	<10	<10	<10	<10	Breach of Consent
	Attendance time: from notification to arrival on site	-	New	< 1 Hr	< 1 Hr	< 1 Hr	< 1 Hr	Council records
	Resolution time: from notification to resolution of fault	-	New	< 4 Hrs	< 4 Hrs	< 4 Hrs	< 4 Hrs	Council records
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% 2008	-	90%	90%	90%	90%	Council records
	No. of abatement notices	-	New	<2	<2	<2	<2	Council records
	No. of infringement notices	-	New	0	0	0	0	Council records
	No. of enforcement notices	-	New	0	0	0	0	Council records
	No. of convictions	-	New	0	0	0	0	Council records
	No. of complaints per 1000 connections received about sewage odour	-	New	< 15	< 15	< 15	< 15	Council records
	No. of complaints per 1000 connections received about sewage system faults	-	New	< 15	< 15	< 15	< 15	Council records
	No. of complaints per 1000 connections received about sewage system blockages	-	New	< 15	< 15	< 15	< 15	Council records
	No. of complaints per 1000 connections received about the response to issues with sewage	-	New	< 15	< 15	< 15	< 15	Council records
	Proportion of urgent waste water service requests responded to within 6 hours of notification	New	94.7%	95%	95%	95%	95%	Council records

NOTE:

* 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 THE YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

SEWERAGE PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
OPERATING INCOME											
Fees and charges	95	229	232	235	243	247	251	254	264	275	286
Grants, subsidies & donations	-	-	-	-	-	-	-	-	-	-	-
Sinking fund interest	35	-	-	-	-	-	-	-	-	-	-
Contributions	23	23	24	24	25	26	27	28	29	30	32
Total Operating Income	153	252	256	260	269	273	278	282	293	305	318
OPERATING COSTS											
Reticulation	1,96	143	1490	1562	1528	1554	1586	1602	1703	1735	1637
Treatment and disposal	49	437	557	542	470	479	490	497	398	390	519
Total Operating Costs	1,615	1,851	2,047	2,104	1,998	2,033	2,076	2,099	2,101	2,125	2,156
Note: Total operating costs include; Depreciation	426	353	404	423	422	436	453	468	466	481	498
Net Cost of Service	(1,463)	(1,599)	(1,791)	(1,844)	(1,729)	(1,759)	(1,798)	(1,816)	(1,808)	(1,820)	(1,838)
CAPITAL EXPENDITURE											
Reticulation renewals	551	355	314	214	220	226	232	238	245	252	259
Alternative disposal systems (Greytown)	230	392	349	155	239	-	252	173	-	-	-
Alternative disposal systems (Martinborough)	159	36	303	155	-	-	-	18	27	-	19
Alternative disposal systems (Featherston)	54	61	220	264	40	344	185	-	-	-	-
Miscellaneous	2										
Lake Ferry sewerage system	10										
Total Capital Expenditure	1,006	844	1,186	790	499	570	669	429	272	252	278
Public Debt											
Loan repayments	63	304	343	373	441	470	503	618	559	587	617
Sinking fund contributions	113	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	176	304	343	373	441	470	503	618	559	587	617
Total Capital & Debt	1,182	1,147	1,529	1,162	940	1,040	1,172	1,047	831	839	895
Funding Required	2,645	2,746	3,320	3,006	2,670	2,799	2,970	2,864	2,639	2,660	2,733
Funded By:											
Rates Income											
General rates	-	-	-	-	-	-	-	-	-	-	-
Target rates	1459	1663	1865	2,069	2,270	2,378	2,235	2,358	2,279	2,305	2,339
Total Rates Income	1459	1663	1865	2,069	2,270	2,378	2,235	2,358	2,279	2,305	2,339
Loans	1040	489	872	575	279	344	437	191	27	-	19
Depreciation Reserves	426	353	404	423	422	436	453	468	466	481	498
Reserve transfers	(335)	169	121	(118)	(365)	(432)	(248)	(258)	(250)	(259)	(270)
Other	55	73	57	57	63	73	94	105	118	133	148
Total Other Funding	1,186	1,084	1,454	938	400	421	736	506	360	355	394
Total Funding	2,645	2,746	3,320	3,006	2,670	2,799	2,970	2,864	2,639	2,660	2,733

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025 FOR SEWERAGE

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR SEWERAGE											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties											
Target rates	1459	1663	1865	2,069	2,270	2,378	2,235	2,358	2,279	2,305	2,339
Subsidies and grants for operating purposes											
Fees and charges											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees	186	302	289	292	307	320	344	359	382	408	434
Total operating funding (A)	1,645	1,965	2,155	2,361	2,577	2,699	2,579	2,717	2,661	2,713	2,773
Applications of operating funding											
Payments to staff and suppliers	504	556	681	701	619	642	664	687	713	742	772
Finance costs	444	705	726	738	704	700	700	672	648	622	595
Internal charges and overheads applied	241	237	236	242	253	254	260	271	274	281	291
Other operating funding applications											
Total applications of operating funding (B)	1,190	1,498	1,643	1,680	1,576	1,597	1,623	1,631	1,635	1,645	1,658
Surplus (deficit) of operating funding (A-B)	455	467	512	681	1,001	1,102	956	1,086	1,026	1,068	1,115
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions	23	23	24	24	25	26	27	28	29	30	32
Increase (decrease) in debt	864	185	529	202	(162)	(127)	(66)	(428)	(533)	(587)	(598)
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)	887	208	553	227	(137)	(100)	(38)	(399)	(503)	(557)	(567)
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service	443	489	872	575	279	344	437	191	27	-	19
- to replace existing assets	563	355	314	214	220	226	232	238	245	252	259
Increase (decrease) in reserves	335	(169)	(121)	118	365	432	248	258	250	259	270
Increase (decrease) of investments											
Total applications of capital funding (D)	1,341	674	1,065	907	864	1,002	917	687	522	511	549
Surplus (deficit) of capital funding	(455)	(467)	(512)	(681)	(1,001)	(1,102)	(956)	(1,086)	(1,026)	(1,068)	(1,115)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

STORMWATER DRAINAGE

1. DESCRIPTION

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.

Territorial authorities have numerous responsibilities for public 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.

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 storm water from the roof of all buildings is disposed of onsite through appropriate means.

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:

- 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:

- Achieve defined standards of customer service.
- Protect the health and safety of the community.
- Minimise adverse effects on the environment.
- Comply with legal requirements.
- Achieve defined technical standards.
- Implement policies of the Council.
- Promote development throughout the district.
- 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 2015/16

Projects for 2015/16 include:

- Continued renewal and upgrading of stormwater drains.

6. PROJECTS FOR 2016/17 AND BEYOND

- No new projects for 2016/17 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 2005	RESULT 2013/14	2015/16	2016/17	2017/18	2018/22 - 2024/25	
Stormwater drains are well operated and maintained by the Council	% of ratepayers and residents satisfied with stormwater drains	50%	54%	54%	55%	57%	60%	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%	100%	95%	95%	95%	95%	Council records
	No. of flooding events	-	New	0	0	0	0	Council records
	No. of habitable floors affected per flooding event per 1000 properties connected	-	New	0	0	0	0	Council records
Consent Compliance	No. of abatements notices	-	New	0	0	0	0	Council records
	No. of infringement notices	-	New	0	0	0	0	Council records
	No. of enforcement notices	-	New	0	0	0	0	Council Records
	No. of convictions	-	New	0	0	0	0	Council Records
	Median Response time to flooding events(Notification to personnel reaching site in hrs)	-	New	3	3	3	3	Council Records
	No. of complaints about stormwater per 1000 properties connected	-	New	0	0	0	0	Council records

NOTE:

We have no properties connected to the storm water system.

9. STORMWATER DRAINAGE PROSPECTIVE OPERATING STATEMENT FOR THE YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

STORMWATER DRAINAGE PROJECTED OPERATING STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
OPERATING INCOME											
Miscellaneous income	-	-	-	-	-	-	-	-	-	-	-
Total Operating Income	-	-	-	-	-	-	-	-	-	-	-
OPERATING COSTS											
Channel & other maintenance	215	218	226	232	232	237	243	248	254	261	269
Total Operating Costs	215	218	226	232	232	237	243	248	254	261	269
Note: Total operating costs include; Depreciation	107	89	94	96	92	93	95	96	98	100	101
Net Cost of Service	(215)	(218)	(226)	(232)	(232)	(237)	(243)	(248)	(254)	(261)	(269)
CAPITAL EXPENDITURE											
Reticulation upgrade	5	51	52	54	55	56	58	60	61	63	65
Total Capital Expenditure	5	51	52	54	55	56	58	60	61	63	65
Public Debt											
Loan repayments	-	-	-	-	-	-	-	-	-	-	-
Sinking fund contributions	-	-	-	-	-	-	-	-	-	-	-
Total Debt Requirements	-	-	-	-	-	-	-	-	-	-	-
Total Capital & Debt	5	51	52	54	55	56	58	60	61	63	65
Funding Required	220	269	278	285	287	293	301	308	315	325	333
Funded By:											
Rates income											
General rates	208	211	221	226	226	230	234	239	243	249	255
Target rates											
Total Rates Income	208	211	221	226	226	230	234	239	243	249	255
Loans	-	-	-	-	-	-	-	-	-	-	-
Depreciation Reserves	107	89	94	96	92	93	95	96	98	100	101
Reserve transfers	(102)	(38)	(42)	(43)	(37)	(37)	(37)	(36)	(36)	(37)	(36)
Other	7	7	5	5	6	7	9	9	11	13	14
Total Other Funding	12	58	58	59	61	63	67	69	72	76	79
Total Funding	220	269	278	285	287	293	301	308	315	325	333

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025 FOR STORMWATER DRAINAGE

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015 - 2025 FOR STORMWATER DRAINAGE											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	208	211	221	226	226	230	234	239	243	249	255
Target rates											
Subsidies and grants for operating purposes											
Fees and charges											
Internal Charges and overheads recovered											
Local authorities fuel tax, fines, infringement fees, and other receipts	7	7	5	5	6	7	9	9	11	13	14
Total operating funding (A)	215	218	226	232	232	237	243	248	254	261	269
Applications of operating funding											
Payments to staff and suppliers	43	48	50	52	53	55	57	59	61	64	66
Finance costs	-	7	7	8	8	8	8	9	9	9	10
Internal charges and overheads applied	65	74	75	76	79	80	82	84	86	88	91
Other operating funding applications											
Total applications of operating funding (B)	108	129	132	135	140	143	147	152	156	162	167
Surplus (deficit) of operating funding (A-B)	108	89	94	96	92	93	95	96	98	100	101
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											
Other dedicated capital funding											
Total sources of capital funding (C)	-	-	-	-	-	-	-	-	-	-	-
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service											
- to replace existing assets	5	51	52	54	55	56	58	60	61	63	65
Increase (decrease) in reserves	102	38	42	43	37	37	37	36	36	37	36
Increase (decrease) of investments											
Total applications of capital funding (D)	107	89	94	96	92	93	95	96	98	100	101
Surplus (deficit) of capital funding	(107)	(89)	(94)	(96)	(92)	(93)	(95)	(96)	(98)	(100)	(101)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0



Part 3

Financial Information

Financial Assumptions
Statement of Accounting Policies
Prospective Financial Statements and Reconciliations
Schedule of Prospective Capital Expenditure
Prospective Statement of Special and Separate Funds
Funding Impact Statement
Reconciliation of Funding Impact Statement to Financial Statements
Reconciliation of Significant Activity Statements to Income Statements
Total Income From Rates
Rates and Charges
Rating Examples



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 2013, which identified a population of 9,582. Statistics New Zealand have estimated the population increasing to 10,250 in 2043.

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

POPULATION GROWTH		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Growth does not meet the assumption	Medium	<p>The population growth assumption is based on the medium statistical growth predictions.</p> <p>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.</p> <p>The current infrastructure is forecast to be able to meet the projected growth.</p>

Number of Rateable Properties Growth

The number of rateable properties is assumed to be 6,685 by 2025; this is a growth of 2.3% from the 2015 year (6,535).

Forecast rating units by year.

2016	2017	2018	2019	2020
6550	6565	6580	6595	6610
2021	2022	2023	2024	2025
6625	6640	6655	6670	6685

RATEABLE PROPERTIES		
RISK	LEVEL OF UNCERTAINTY	REASONS AND FINANCIAL EFFECT OF UNCERTAINTY
Growth does not meet assumption	Medium	<p>The growth has been based on figures from 2014 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.</p>

New Zealand Transport Agency

Subsidies from New Zealand Transport Agency have been included at the approved rate for the 2015/16 year. NZTA has confirmed that the new rate for

other roads will be 52% from 2016 and 100% for the Special Purpose Roads until 2020 then it drops 5% that year and every year after until it gets to 52%.

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

Charging for water use through universal metering of the district's urban water supply is in place. Water allowances per property will be 350m³ but may be subject to review if the need arises. Prices for water used in excess of the allowance will be charged per cubic metre at a rate of \$1.84.

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	<p>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</p> <p>Legislative changes are hard to predict, however the length of time prior to enacting legislation allows organization to plan adequately.</p> <p>External Factors</p> <p>There will be no unexpected changes to legislation or other external factors that alter the nature of services provided by Council.</p> <p>Most changes to legislation are phased and known about in advance. Only in extraordinary circumstances would unexpected changes to legislation be made.</p>

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	<p>Where the actual inflation rate is different from that forecast, the actual revaluation will be different from that forecast.</p> <p>The LTP for each subsequent year is reviewed by way of the Annual Plan round and a new LTP is produced every three years.</p>

Interest Rates

The range of interest rates on term debt is calculated at 6.09% to 6.77%. 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	<p>This will be managed through the Liability Management Policy and Investment Policy. The financial impact is not able to be measured.</p> <p>A 1% movement in interest rates (on a \$1M loan) increases/decreases total loan repayments by \$8,411. On the total forecast portfolio of \$15M, 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</p>

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 or 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 and in the AMP. The new AMP was audited by NZTA in 2014/15 and found to be adequately maintained.

Sources of Funds for Future Replacement of Assets

This is detailed in the Council Activities Section (Part 2) 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 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.
- 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

2015/16 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
2015/16	1.2%	2.1%	2.2%
2016/17	1.4%	2.5%	2.4%
2017/18	2.2%	2.6%	2.5%
2018/19	2.4%	2.8%	2.6%
2019/20	2.5%	2.9%	2.8%
2020/21	2.7%	3.1%	2.9%
2021/22	2.8%	3.2%	3.0%
2022/23	3.0%	3.4%	3.2%
2023/24	3.1%	3.5%	3.3%
2024/25	3.3%	3.6%	3.4%

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 3.6% to 4.6% 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 2015/16 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.

Climate Change

In the long term it is predicted that climate change will have two principle impacts upon the South Wairarapa district of an increased risk from severe natural hazards, and a gradual change in environmental conditions such as rainfall and tide levels.

Within the lower North Island it is expected that over the next 40 years the average temperatures will rise by between 0.2°C and 2.2°C, evaporation will increase, enhanced westerly winds will occur. Heavy rain/storms will become more frequent requiring Council to consider the level of flood protection and the capacity of the three town's stormwater drainage system.

More frequent droughts may affect the security of water supply to all three towns. Currently the Council relies on adequate water flows from bores and direct from Waiohine River and only has reservoirs to buffer daily demand; there are no stored water facilities for a prolonged drought.

The Ministry for the Environment predicts mean sea level rise of at least 0.8m relative to the 1980–1999 average for periods up until 2090. Sea level rise may generate additional issues along coastal roads from rising tides and coastal erosion from storm surge. The assessed impact on infrastructure from coastal change is negligible in the 30-year horizon and there is no immediate response to these risk presented in this Strategy. However Council will keep abreast reports on these issues.

We will look to align our approach to that currently being developed by Greater Wellington Regional Council.

Martinborough Town Hall

The Council assumes that the all of the external funding for the Martinborough Town Hall will be received.

Maintenance, Renewal and Capital Program

The maintenance, renewal and capital expenditure program for Councils core assets is based on the information in Council's asset/activity management plans. This information is the best information available to Council about these assets. For some assets, (e.g. underground pipes) the information around age, type and quality is reliable, however, it is acknowledged that information around condition has some limitations. Where these limitations exist, the information will be reviewed as new information becomes available updated information could result in changes to the costs of timing of planned expenditure.

Wairarapa Unitary Authority

The Council assumes that South Wairarapa District Council will continue to operate as a sole district council for the foreseeable future.

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 Wednesday 24 June 2015.

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2016 - 2025

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. Accordingly, the SWDC has designated itself as a public benefit entity for the purposes of the new Public Sector Public Benefit Entity Standards (PBE standards).

The financial forecasts of the Council are for the financial years from 1 July 2015 to 30 June 2025. The financial forecasts were authorised for issue by Council from 30 June 2015.

Basis of Preparation

The prospective financial statements of the South Wairarapa District Council have been prepared in accordance with the requirements of the Local Government Act 2002, section 93 and Part 1 of Schedule 10, and the information may not be appropriate for other purposes.

These prospective financial statements have been prepared in accordance with PBE standards for a Tier 2 entity. The Council is adopting the PBE standards to the first time in the periods presented in these prospective financial statements.

The financial statements have been prepared on the going concern basis.

Statement of Prospective Financial Information

The financial information contained in this document is a forecast for the purposes of FRS 42. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take, as at the date the forecasts were prepared. The purpose for which it has been prepared is to enable the public to participate in the decision making process as to the services to be provided by the Council to the community.

Council does not intend to update the prospective financial statements subsequent to the final presentation of the Long Term Plan.

The Long Term Plan is in full compliance with PBE FRS 42.

The actual results achieved are likely to vary from the information presented. The variation may be material and will be dependent upon circumstances which arise during the forecast period.

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

The prospective 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). The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

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

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 Consultation Document was authorised by Council on 20 April 2015 and the Consultation Document issued on 20 April 2015. Following **hearings and Council's consideration of the views** and requests received during consultation, Council will adopt the Long Term Plan on 24 June 2015.

Effect of First-time Adoption of PBE Standards

This is the first set of prospective financial statements of the Council that is presented in accordance with PBE standards. The Council has previously reported in accordance with NZ IFRS (PBE).

Statement of Compliance

The Annual Plan and Long Term Plan are 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 principles recognised as appropriate and relevant for the reporting of financial information in the public sector.

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 thousand dollars. 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.

Standards, amendments and interpretations issued that are not yet effective and have not been early adopts

The revised suite of PBE standards issued in September 2014 has been applied to these prospective financial statements. The revised PBE standards have not materially affected the Council.

Significant Accounting Policies

Revenue

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

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

Revenue from Exchange and Non-exchange Transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash in exchange).

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transaction arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Many of services that the Council provides for a fee are charged at below market value as they are subsidised by rates. Other services operate on a cost recovery of breakeven basis and are not considered to reflect a market return. Most of the Council's revenue is therefore categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below. The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

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 revenue is recognised by Council as being income on the due date of each instalment. Rates are tax as they are payable under the Local Government Ratings Act 2002 and are therefore defined as non-exchange.

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

Revenue from Water Rates

Water billing revenue is recognised on an accrual basis and are taxes that use a specific charging mechanism to collect the rate and are non-exchange revenue. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

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.

Other grants and bequests, and assets vested in Council – with or without conditions – are recognised as revenue when control over the assets is obtained.

Provision of Services

Revenue from the rendering of services is non-exchange is recognised when the transaction occurs to the extent that a liability is not also recognised. Within rendering of services the only revenues considered to be exchange revenue are from commercial leases of some building assets. For these transactions the revenue is recognised by reference to the stage of completion of the transaction at the reporting date. The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer.

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.

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 and are classified as exchange revenue. Dividends are recorded net of imputation credits.

Revenue from fines and penalties (e.g. traffic and parking infringements, library overdue book fines, rates penalties) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Other Gains and Losses

Gains include additional earnings of the disposal of property, plant and equipment and movements in the fair value official assets and liabilities.

Vested asset revenue is recognised as non-exchange revenue when the maintenance period (where the developer is responsible for addressing maintenance items) ends and the asset is at the required standard to be taken over by Council.

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

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

Grant Expenditure

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

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when the grant is made.

Income Tax

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences and differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax

bases losses used in the computation of taxable surplus.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Council expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting surplus nor taxable surplus.

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 prospective 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 with original maturities of three months or less, and bank overdrafts.

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.

Derivative Financial Instruments and Hedge Accounting

The Council does not engage in the use of derivative financial instruments and hedging activities.

Other Financial Assets

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

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

Financial assets are classified into the following categories for the purpose of measurement:

- Fair value through surplus or deficit.
- Loans and receivables.
- Held to maturity investments.
- Fair value through other comprehensive.
- Income.

The classification of a financial asset depends on the purpose for which the instrument was acquired.

Financial Assets at Fair Value Through Surplus or Deficit

Financial assets at fair value through profit and loss include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-

term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

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

Council does not hold any financial assets in this category.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

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

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant.

Council's loans and receivables comprise debtors and other receivables, community and related party loans. Loans and receivables are classified as "debtors and other receivables" in the prospective statement of financial position.

Held to Maturity Investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for

maturities greater than 12 months after balance date, which are included in non-current assets.

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

Council's investments in this category include bank term deposits.

Fair Value Through Other Comprehensive Income

Financial assets at fair value through other comprehensive income are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the share investment within 12 months of balance date or if the debt instrument is not expected to be realized within 12 months of balance date.

Council includes in this category:

- Investments that it intends to hold long-term but which may be realised before maturity.
- Shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive income, except for impairment losses, which are recognised in the surplus or deficit.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

Impairment of Financial Assets

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and Other Receivables

Impairment is established when there is objective evidence that the Council will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the **asset's carrying amount and the present value of estimated future cash flows**, discounted using the original effective interest rate. For debtors and

other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government stock, and community loans, are recognised directly against the instruments carrying amount.

Financial Assets at Fair Value Through Other Comprehensive Income

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for the investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognized in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

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.

When land held for development and future resale is transferred from investment property/property, plant and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant and equipment.

Non-current Assets Held for Sale

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

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

Non-current assets held for sale (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 consist 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 net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset.

Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income.

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 100 years	100% to 0.3%
Bridges*	18 to 100 years	5.6% to 1%
Water infrastructure*	1 to 100 years	100% to 2.5%
Sewer infrastructure*	2 to 100 years	50% to 1%
Stormwater infrastructure*	10 to 100 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 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, FIPINZ), Trent Bellingham (BComAg, VPM and Pieter Geill (BBS, VPM, ANZIV, SPINZ) of QV Asset & Advisory, and the valuation is effective as at 30 June 2013.

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 2012. 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 Colin Gerrard (BSc, MSc, GIPENZ) and Ian Martin (BE, CPEng, MIPENZ) of AECOM New Zealand Limited, and the valuation is effective as at 30 June 2012.

Investment Properties

SWDC's investment properties are valued annually at fair value with the latest valuation effective 30 June 2014. All investment properties were based on open market evidence. The valuation was performed by David Cornford (BBS, VPM) and Eri Taylor (MPINZ) of QV Asset & Advisory.

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 2014 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.

Costs associated with maintaining computer software are recognised in the surplus or deficit 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%

Impairment of Property, Plant and Equipment and Intangible Assets

Intangible 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 indicators of impairment at each balance date. When there is an indicator of impairment the asset's 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 and cash-generating units 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 surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount (other than goodwill), the reversal of impairment loss is recognised in the surplus or deficit.

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.

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 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 an interest expense and is included in "Finance costs".

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value, even if a payment under the guarantee is not considered probable. If a financial guarantee contract was issued in a **standalone arm's length transaction to an unrelated party**, its fair value at inception is equal to the consideration received. When no consideration is received, a liability is recognised based on the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation. However, if it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value for the future expenditure.

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 components.

The components of equity are:

- Public equity – accumulated funds.
- Special reserves and trust funds.

- Restricted Reserves.
- Asset revaluation reserves.
- Sinking fund reserves.
- Fair value through other comprehensive income 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 of the 2014 Annual Report.

Asset Revaluation Reserves

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.

Prospective 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 GWRC 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.

Prospective Significant Activity Statements

The prospective group of activity 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.

Critical Accounting Estimates and Assumptions

In preparing these prospective 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

A provision has been included in the financial forecasts for the exposure of the Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

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 minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- 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 these financial statements.

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.

Prospective Total Surplus/(Deficit)

Council is projecting a surplus for the financial years ended 30 June 2017 to 30 June 2025. This surplus is required to fund a number of transactions/projects that do not appear in the prospective statement of financial performance for accounting purposes i.e. loan repayments, grants/subsidies/donations for capital projects, asset revaluations and contributions to reserve funds. The income for these transactions and projects is recorded in the prospective statement of financial performance whereas the payments are recorded in the prospective statement of financial position.

This income is partially offset by expenditure items that are not fully funded by rates i.e. bad debts, losses, depreciation and operating expenditure funded by reserves. The expenditure for these transactions is recorded in the prospective statement of financial performance and a reduction is recorded in the prospective statement of financial position.

Rounding Differences

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

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
OPERATING INCOME											
Rates	11891	12,258	12,640	13,116	13,505	13,801	14,001	14,549	14,850	15,076	15,411
Rates penalty	293	127	130	133	137	141	145	150	154	160	166
Interest	255	261	236	232	281	337	499	564	657	753	849
Fees & licences	601	788	853	875	898	925	952	982	1014	1049	1087
User levies	584	541	559	576	595	616	636	657	680	705	732
Commissions	63	60	61	63	65	66	68	71	73	75	78
NZ Transport Agency Subsidy	2,973	2,600	2,128	2,363	2,336	2,380	2,428	2,475	2,524	2,574	2,625
Petrol tax	99	80	81	83	85	87	89	92	95	98	101
Grants, subsidies & donations	642	2,015	15	15	16	16	17	17	18	18	19
Rentals	327	541	552	563	580	593	607	622	643	667	693
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Contributions	275	325	333	342	352	362	373	385	397	411	426
Gain on share revaluation	-	-	-	-	-	-	-	-	-	-	-
Profit on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Gain on asset revaluations	49	49	49	49	49	50	50	50	50	51	51
Miscellaneous income	409	319	326	333	303	310	319	327	336	345	355
Total operating income	18,460	19,962	17,961	18,743	19,201	19,682	20,184	20,939	21,491	21,982	22,591
OPERATING COSTS											
Governance, leadership & advocacy	750	751	763	781	801	818	835	861	880	904	925
Public protection	1446	1540	1584	1633	1658	1681	1673	1753	1770	1846	1844
Resource management	499	454	463	474	487	498	510	526	539	555	572
Economic, cultural & community development	297	308	314	321	330	337	345	356	365	375	387
Amenities	2,921	2,825	2,889	2,972	3,014	3,100	3,197	3,245	3,329	3,432	3,525
Land transport	5,577	5,239	5,178	5,254	5,274	5,332	5,404	5,607	5,670	5,757	5,993
Water supply	2,537	2,348	2,446	2,509	2,526	2,590	2,655	2,713	2,781	2,865	2,952
Solid waste management	1394	1346	1484	1531	1586	1635	1688	1741	1788	1851	1917
Sewerage	1,615	1,851	2,047	2,104	1,998	2,033	2,076	2,099	2,101	2,125	2,156
Stormwater drainage	215	218	226	232	232	237	243	248	254	261	269
Rate debtors written off	42	40	41	42	43	44	46	47	49	50	52
Bad debts	-	-	-	-	-	-	-	-	-	-	-
Loss on asset revaluations	-	-	-	-	-	-	-	-	-	-	-
Loss on share revaluations	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Total operating costs	17,293	16,920	17,435	17,852	17,949	18,305	18,672	19,194	19,526	20,024	20,591
Total surplus/(deficit) before tax	1,167	3,044	527	892	1,252	1,378	1,513	1,746	1,966	1,959	2,001
Income tax expense	-	-	-	-	-	-	-	-	-	-	-
Total surplus/(deficit) after tax	1,167	3,044	527	892	1,252	1,378	1,513	1,746	1,966	1,959	2,001
<i>Note: Total operating costs include;</i>											
Depreciation	4,490	3,959	4,187	4,289	4,329	4,431	4,474	4,593	4,634	4,699	4,811
Interest	828	923	895	893	846	827	811	780	738	693	653

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEARS ENDED 30 JUNE 2015-2025											
	1 JULY 2015 Opening Balance	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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Total surplus/(deficit)	1,167	3,044	527	892	1252	1378	1513	1746	1966	1959	2,001
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in share revaluation reserve	-	1	1	1	1	1	1	1	1	1	1
Increase/(decrease) in asset revaluation reserve	-	2,014	-	18,455	2,902	-	29,488	3,599	-	36,864	4,423
Total other comprehensive revenue and expense	-	2,015	1	18,456	2,903	1	29,489	3,600	1	36,865	4,424
Total Other Comprehensive Revenue and expense	1,167	5,058	528	19,348	4,156	1,379	31,002	5,346	1,967	38,825	6,425

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEARS ENDED 30 JUNE 2015-2025											
	1 JULY 2015 Opening Balance	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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Public equity	141,503	140,334	141,965	123,155	138,250	141,019	111,048	136,588	139,361	116,621	133,144
Special reserves and trust funds	19,278	22,852	23,762	25,009	26,719	28,230	30,226	32,321	35,116	37,948	40,867
Share revaluation reserve	2	4	5	6	7	8	9	10	11	12	14
Asset revaluation reserve	231,390	239,168	239,168	257,623	260,525	260,525	290,013	293,612	293,612	330,476	334,899
Sinking fund reserves	2,631	-	-	-	-	-	-	-	-	-	-
Total comprehensive revenue and expenses	1,167	2,014	-	18,455	2,902	-	29,488	3,599	-	36,864	4,423
Equity at end of year	395,971	404,371	404,900	424,247	428,403	429,782	460,784	466,130	468,097	506,922	513,347

* 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 2015 FOR YEARS 2015 - 2025

PROSPECTIVE STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDED 30 JUNE 2015-2025											
	1 JULY 2015 Opening Balance Sheet \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
ASSETS											
Current assets											
Cash and cash equivalents	100	100	100	100	100	100	100	100	100	100	100
Short term deposits	1083	2,847	1100	2,013	3,245	4,470	5,804	7,391	9,026	10,650	12,314
Sinking fund/loan redemption/reserves deposit	383	383	151	151	151	151	151	151	151	151	151
Investments	3,687	3,980	4,283	4,598	4,923	5,260	5,662	6,083	6,523	6,983	7,464
Debtors and other receivables	2,087	2,407	2,165	2,260	2,315	2,373	2,433	2,524	2,591	2,650	2,723
Inventories	33	33	33	33	33	33	33	33	33	33	33
Assets held for sale	-	-	-	-	-	-	-	-	-	-	-
Total current assets	7,373	9,749	7,862	9,153	10,766	12,386	14,183	16,130	18,271	20,415	22,633
Non-current assets											
Investments	75	76	77	79	80	81	82	83	84	85	86
Intangible assets	204	200	195	189	183	177	170	162	154	146	137
Investment properties	9,723	9,772	9,820	9,870	9,919	9,969	10,018	10,068	10,119	10,169	10,220
Property, plant and equipment	399,180	404,506	407,427	425,402	427,446	426,757	455,562	458,287	457,208	493,042	496,385
Total non-current assets	409,182	414,554	417,520	435,539	437,628	436,983	465,832	468,601	467,565	503,442	506,828
Total assets	416,556	424,303	425,382	444,692	448,394	449,370	480,016	484,731	485,836	523,857	529,462
LIABILITIES											
Current liabilities											
Creditors and other payables	2,271	2,040	2,102	2,152	2,164	2,207	2,251	2,314	2,354	2,414	2,482
Employee entitlements	326	326	326	326	326	326	326	326	326	326	326
Public debt - current portion	487	618	662	744	789	837	883	928	862	906	-
Finance leases - current portion	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	3,085	2,984	3,090	3,222	3,279	3,370	3,460	3,568	3,543	3,646	2,809
Non-current liabilities											
Public debt - non current portion	13,728	16,538	16,984	16,815	16,305	15,812	15,366	14,629	13,794	12,888	12,906
Finance leases - non current portion	-	-	-	-	-	-	-	-	-	-	-
Landfill aftercare provision	411	410	409	408	407	406	405	404	403	401	400
Total non-current liabilities	14,139	16,948	17,393	17,223	16,712	16,218	15,771	15,033	14,196	13,289	13,307
Equity											
Public equity	144,490	142,347	141,965	141,610	141,153	141,019	140,536	140,187	139,361	138,485	137,567
Special reserves and trust funds	3,806	4,749	4,949	5,287	5,586	5,838	6,555	7,199	8,299	9,463	10,695
Depreciation reserves	13,879	16,103	16,813	17,722	21,133	22,392	23,671	25,122	26,814	28,485	30,172
Share revaluation reserve	3	4	5	6	7	8	9	10	11	12	14
Asset revaluation reserve	237,154	239,168	239,168	257,623	260,525	260,525	290,013	293,612	293,612	330,476	334,899
Sinking fund reserves	-	-	-	-	-	-	-	-	-	-	-
Total equity	399,332	404,371	404,900	424,247	428,403	429,782	460,784	466,130	468,097	506,922	513,347
Total liabilities and equity	416,556	424,303	425,382	444,692	448,394	449,370	480,016	484,731	485,836	523,857	529,462

* 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 2015 financial year. Other changes are not considered significant by Council.

PROSPECTIVE CASH FLOW STATEMENT FOR THE YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

PROSPECTIVE STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 30 JUNE 2015-2025											
	1 July 2015 Opening Balance	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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
CASH FLOWS FROM OPERATING ACTIVITIES											
Cash was received from:											
Rates	12,196	12,385	12,770	13,249	13,642	13,941	14,146	14,698	15,004	15,236	15,576
Government grants & subsidies	3,615	4,614	2,142	2,378	2,352	2,396	2,445	2,492	2,542	2,592	2,644
Petrol tax	99	80	81	83	85	87	89	92	95	98	101
Other income	1979	2,215	2,884	2,616	2,694	2,770	2,849	2,905	3,029	3,145	3,245
Regional council rates	2,454	2,454	2,601	2,757	2,922	3,098	3,283	3,480	3,689	3,911	4,145
Interest on investments	217	224	215	211	260	316	478	564	657	753	849
	20,559	21,971	20,693	21,294	21,955	22,608	23,291	24,232	25,016	25,733	26,561
Cash was applied to:											
Payments to suppliers & employees	11,877	12,193	12,230	12,557	12,700	12,940	13,277	13,712	14,066	14,522	15,008
Regional council rates	2,454	2,454	2,601	2,757	2,922	3,098	3,283	3,480	3,689	3,911	4,145
Interest paid	798	923	895	893	846	827	811	780	738	693	653
	15,128	15,570	15,725	16,207	16,468	16,865	17,371	17,972	18,494	19,126	19,806
Net cash flow from operating activities:	5,431	6,402	4,968	5,087	5,487	5,743	5,920	6,259	6,522	6,607	6,755
CASH FLOWS FROM INVESTING ACTIVITIES											
Cash was received from:											
Sale of fixed assets	-	-	850	-	-	-	-	-	-	-	-
Term investments & advances	10	284	303	314	326	337	402	420	440	460	481
Investments in loan redemption & sinking funds	-	-	-	-	-	-	-	-	-	-	-
	10	284	1,153	314	326	337	402	420	440	460	481
Cash was applied to:											
Purchase of fixed assets	6,237	7,199	7,953	8,804	9,465	10,736	11,784	13,712	15,546	17,660	19,722
Term investments, shares & advances	10	293	303	314	326	337	402	420	440	460	481
Investments in loan redemption & sinking funds	203	-	-	-	-	-	-	-	-	-	-
	6,450	7,491	8,256	9,118	9,790	11,073	12,186	14,132	16,986	18,121	19,204
Net cash flow from investing activities	(6,440)	(7,207)	(7,103)	(3,804)	(3,465)	(3,736)	(3,784)	(3,712)	(3,546)	(3,660)	(3,722)
CASH FLOWS FROM FINANCING ACTIVITIES											
Cash was received from:											
Drawdown of public debt	1,993	2,305	1,107	575	279	344	437	191	27	-	19
	1,993	2,305	1,107	575	279	344	437	191	27	-	19
Cash was applied to:											
Repayment of public debt	137	565	618	662	744	789	837	883	928	862	906
	137	565	618	662	744	789	837	883	928	862	906
Net cash flow from financing activities	1,856	1,740	489	(86)	(465)	(445)	(400)	(692)	(901)	(862)	(887)
Net increase/(decrease) in cash held	847	935	(1646)	1,197	1,558	1,562	1,737	1,856	2,075	2,084	2,145
Add cash at start of year (1 July)	4,407	6,375	7,310	5,665	6,861	8,419	9,981	11,718	13,573	15,648	17,732
BALANCE AT END OF YEAR (30 June)	5,254	7,310	5,665	6,861	8,419	9,981	11,718	13,573	15,648	17,732	19,878
REPRESENTED BY:											
Cash and cash equivalents	100	100	100	100	100	100	100	100	100	100	100
Short term deposits and investments	1467	2,847	1,130	2,013	3,245	4,470	5,804	7,391	9,026	10,650	12,314
Sinking fund/loan redemption reserves cash fund	3,687	4,363	4,435	4,749	5,074	5,411	5,813	6,083	6,523	6,983	7,464
	5,254	7,310	5,665	6,861	8,419	9,981	11,718	13,573	15,648	17,732	19,878

PROSPECTIVE RECONCILIATION OF NET SURPLUS TO OPERATING ACTIVITIES FOR YEARS ENDING 30 JUNE 2015 – 30 JUNE 2025

PROSPECTIVE RECONCILIATION OF NET SURPLUS TO OPERATING ACTIVITIES FOR THE YEARS ENDED 30 JUNE 2015-2025											
	1 JULY 2015 Opening Balance \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
TOTAL COMPREHENSIVE INCOME	1,167	5,058	528	19,348	4,156	1,379	31,002	5,346	1,967	38,825	6,425
Non cash expenses											
Rates write-offs	42	40	41	42	43	44	46	47	49	50	52
Depreciation	4,490	3,959	4,187	4,289	4,329	4,431	4,474	4,593	4,634	4,699	4,811
Share devaluation/(revaluation)	-	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset devaluation/(revaluation)	(49)	(2,062)	(49)	(18,504)	(2,952)	(50)	(29,538)	(3,649)	(50)	(36,915)	(4,474)
Increase/(decrease) provisions	(16)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Bad debts	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of assets	(2,062)	-	-	-	-	-	-	-	-	-	-
Profit on sale of assets	(1)	-	-	-	-	-	-	-	-	-	-
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Total Non Cash Expenses	2,404	1,934	4,177	(14,175)	1,419	4,424	(25,020)	989	4,630	(32,168)	387
Plus/(less) movements in working capital											
(Increase)/decrease in inventories	1,934	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in debtors and other receivables	(280)	(359)	200	(136)	(98)	(103)	(106)	(138)	(115)	(110)	(126)
Increase/(decrease) in creditors and other payable:	77	(232)	62	50	12	43	44	63	40	60	68
Total Movements in Working Capital	1,732	(591)	262	(86)	(87)	(60)	(62)	(75)	(75)	(50)	(57)
Net cashflow from operating activities	5,302	6,402	4,968	5,087	5,487	5,743	5,920	6,259	6,522	6,607	6,755

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2015-2018

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2015-2018						
TOTAL CAPITAL ANNUAL PLAN 30 JUNE 2015 \$		CARRIED FORWARD CAPITAL EXPENDITURE 30 JUNE 2015 \$	NEW CAPITAL EXPENDITURE 30 JUNE 2016 \$	TOTAL CAPITAL EXPENDITURE 30 JUNE 2016 \$	TOTAL ESTIMATED EXPENDITURE 2016/17	TOTAL ESTIMATED EXPENDITURE 2017/18
GOVERNANCE, LEADERSHIP & ADVOCACY						
-	Motor vehicles	-	-	-	40,000	-
-		-	-	-	40,000	-
PUBLIC PROTECTION						
45,000	Motor vehicles		25,000	25,000	-	25,000
	Equipment/Furniture		1,000	1,000	1,000	1,000
45,000			26,000	26,000	1,000	26,000
AMENITIES						
24,000	Playgrounds		30,660	30,660	31,380	32,130
59,800	Parks & reserves		73,168	73,168	16,690	16,065
5,000	Campgrounds		10,220	10,220	10,460	10,710
60,000	Swimming pools	270,000	5,110	275,110	-	-
25,000	Toilets		47,012	47,012	-	-
50,000	Cemeteries		46,194	46,194	31,903	81,396
55,000	Library computer software - Kotui					
42,000	Property improvements			-		53,550
38,000	Community housing		25,039	25,039	21,966	37,485
27,000	Community buildings		10,220	10,220	10,460	10,710
6,000	Featherston ANZAC hall			-		
8,600	Featherston stadium		153,300	153,300		
4,500	Greytown town Centre/hall		8,687	8,687	214,430	5,355
1409,977	Martinborough town hall	1405,000	-	1405,000	3,795,000	
90,000	Library books		91,980	91,980	94,140	96,390
205,000	Cycle trail - Cross Creek to Featherston		-	-	-	-
30,000	Town Centres		30,660	30,660	31,380	32,130
	Libraries		22,484	22,484	10,460	10,710
	Library computer software		-	-	-	-
2,139,877		1,675,000	554,734	2,229,734	4,267,269	386,631
LAND TRANSPORT						
-	Street lighting (Other Roads)					
39,526	Signs & guardrails (Other Roads)		42,298	42,298	43,570	44,421
240,000	Seal Extensions (Other Roads)		120,000	120,000	122,880	125,829
499,300	Reseals (Other Roads)		423,022	423,022	433,174	443,756
64,409	Reseals (SPRs)		94,328	94,328	96,450	98,582
222,630	Rehabilitation (Other Roads)		253,819	253,819	260,156	266,083
170,854	Rehabilitation (SPRs)		76,597	76,597	78,015	79,433
90,000	New footpaths		146,000	146,000	92,160	94,372
44,160	Footpath renewals		44,160	44,160	45,220	46,305
-	Culverts			-		
-	Drainage		76,147	76,147	78,259	80,372
91,000	Drainage (SPR)		11,345	11,345	11,345	12,059
20,972	Drainage (SPRs)			-		
102,188	Minor safety works (Other Roads)		139,853	139,853	143,765	150,611
173,200	Minor safety works (SPRs)		17,115	17,115	17,604	18,093
5,243	Traffic services (SPRs)		5,672	5,672	6,386	6,386
240,000	Erosion control (SPRs)			-		
11,000	Structures		25,379	25,379	26,230	27,071
195,000	Road metalling		236,890	236,890	241,976	248,313
16,729	Road metalling (SPRs)		21,271	21,271	21,985	22,699
43,137	Associated Improvements (Other Roads)		-	-		
513,888	Resilience Improvements		564,303	564,303		235,697
2,782,236		-	2,298,199	2,298,199	1,719,175	2,000,082

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2015-2018 CONTINUED

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2015-2018						
TOTAL CAPITAL ANNUAL PLAN 30 JUNE 2015 \$		CARRIED FORWARD CAPITAL EXPENDITURE 30 JUNE 2015 \$	NEW CAPITAL EXPENDITURE 30 JUNE 2016 \$	TOTAL CAPITAL EXPENDITURE 30 JUNE 2016 \$	TOTAL ESTIMATED EXPENDITURE 2016/17	TOTAL ESTIMATED EXPENDITURE 2017/18
WATER SUPPLY						
-	Universal metering		-	-	-	-
185,000	Cyclical renewal		551,340	551,340	564,840	321,600
953,100	Featherston supply supplementation	1,029,510	-	1,029,510	-	-
43,000	Water Race Up Grade		-	-		49,441
1,181,100		1,029,510	551,340	1,580,850	564,840	371,041
SOLID WASTE MANAGEMENT						
20,332	Development work		24,576	24,576	-	26,112
5,000	Resource consents			-		
54,000	Transfer station upgrade		2,000	2,000	2,000	2,000
79,332		-	26,576	26,576	2,000	28,112
SEWERAGE						
761,000	Reticulation renewals		355,053	355,053	318,800	214,400
515,000	Alternative disposal systems (Greytown)		391,554	391,554	348,841	155,440
471,000	Alternative disposal systems (Martinborough)		35,735	35,735	303,340	155,440
54,000	Alternative disposal systems (Featherston)		61,260	61,260	219,942	264,248
35,000	Sewerage (Lake Ferry)		-	-	-	-
56,000	Sewerage (Misc)		-	-	-	-
1,892,000		-	843,602	843,602	1,185,923	789,528
STORMWATER DRAINAGE						
5,000	Reticulation upgrade		51,050	51,050	52,300	53,600
5,000		-	51,050	51,050	52,300	53,600
CORPORATE SERVICES						
10,880	Council offices		10,230	10,230	10,480	10,740
11,163	Furniture		11,253	11,253	11,528	11,814
43,520	IT hardware		45,012	45,012	46,112	47,256
32,640	IT software		32,736	32,736	33,536	34,368
8,160	Office equipment		8,184	8,184	8,384	8,592
10,880	GIS		10,230	10,230	10,480	10,740
117,243		-	117,645	117,645	120,520	123,510
PROFESSIONAL SERVICES						
38,080	Motor vehicles		25,000	25,000	-	25,000
18,226	GIS			-		
10,880	Miscellaneous			-		
67,186		-	25,000	25,000	-	25,000
8,308,974	Total Capital Expenditure	2,704,510	4,494,146	7,198,656	7,953,027	3,803,504

PROSPECTIVE STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR THE YEARS ENDED 30 JUNE 2015-2025

PROSPECTIVE STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR THE YEARS ENDED 30 JUNE 2015-2025				
	OPENING BALANCE 14/15 \$ 000	TRANSFE RS IN \$ 000	TRANSFE RS OUT \$ 000	CLOSING BALANCE 24/25 \$ 000
District Property	603	2,309	(2,000)	913
To be used for Town Centre Development				
Asset Realisation	347	172	-	519
Capital gains from the sale of Council Assets that have been realised overtime.				
Plantation Reserve	64	32	-	96
For road protection schemes and seal extensions in the future.				
Community Board Reserves				
<i>Community Board funds Carried over:</i>				
Featherston	14	1	(15)	
Greytown	19	1	(20)	
Martinborough	44	1	(46)	(1)
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 access to and along water bodies, to provide recreational opportunities near water bodies	774	1,925	(1,280)	1,419
Water Race Reserves				
Featherston/Longwood Water race	3	50		53
Moroa	201	50		251
Trusts				
Campground Memorial:	7	-	-	7
Pain Farm	277	603	(206)	675
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	1,206	7,880	(2,524)	6,562
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 from 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	(137)	337	-	200
To Spread the costs of the District plan over the life of the plan				
Kotui Library Software	(19)	19	-	
To Spread the cost over Three years				
Wastewater Reserve	-	(1)	-	(1)
To Spread the initial costs of the Wastewater project - Land				
Loan Redemption Reserve	383	-	(383)	
Depreciation Reserves	13,879	58,169	(41,876)	30,172
To fund new capital projects				
	17,666	71,550	(48,349)	40,867

FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025

The revenue and financing mechanisms to be used to cover the estimated expenses of the Council for the Year ended 30 June 2016 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.

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.

All figures for Rates and Charges in this Funding Impact Statement are inclusive of GST.

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.** A rate of 0.004218 cents per dollar of rateable land value. The total we anticipate to raise from this rate is \$178,601.
- **Group 2 Urban.** A rate of 0.002109 cents per dollar of rateable land value. The total we anticipate to raise from this rate is \$807,793.
- **Group 3 Rural.** A rate of 0.001999 cents per dollar of rateable land value. The total we anticipate to raise from this rate is \$3,456,085.

In addition, the Council has set a Uniform Annual General Charge on each rating unit of \$543. The total we anticipate to raise from this rate is \$3,182,511. **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 Inhabitable 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 inhabitable part of a rating unit.

A separately used or inhabitable part of a rating unit includes any portion of any separate rating unit used or inhabitable 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 .001899 cents per dollar of land value. The total we anticipate to raise from this rate is \$74,750.

The Moroa rate will be .0004505 cents per dollar of land value. The total we anticipate to raise from this rate is \$80,500.

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 inhabitable part of a rating unit which is serviced by a connection to the system of \$465 per serviced connection. 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 of \$233 per serviceable connection.

The uniform targeted rate covers the first two toilet pans for each separately used or inhabitable 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 total we anticipate to raise from this rate is \$1,923,882.

Water Supply

Council proposes to set a uniform targeted rate for water supply based on each separately used or inhabitable part of rating unit for all urban, rural or commercial rating units which are serviced by a connection to the system of \$604 per serviced connection. Serviceable rating units which are those who could be serviced but are not at this time will be 50% of this charge \$302 per serviceable connection.

The uniform targeted rate will apply to each connection. The total we anticipate to raise from this rate is \$2,533,333.

An additional targeted rate is proposed where the volume exceeds 350m³ per year for all metered connections. This charge will be \$1.84 per m³, for the 2015/16 year. The aforesaid volume will be reviewed as and when required in future.

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 of \$325 per urban rating unit. The total we anticipate to raise from this rate is \$1,022,757.

Council proposes a different uniform targeted rate for all rating units in the rural area of the district for the provision of amenity facilities of \$165 per rural rating unit. The total we anticipate to raise from this rate is \$438,324.

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, of \$136 this will apply to rating units and separately inhabited parts of rating units where the Council provides refuse collection or use of disposal facilities. The total we anticipate to raise from this rate is \$559,541.

Overall Rating Levels

The combined effect on individual rating units of a 2.98% increase in total rates will vary considerably from rating unit to rating unit depending on the different types of rates and valuations applicable.

Rates Examples

The following table shows the typical rates increase for commercial, urban and rural properties.

Rates Examples (Including GST)						
	COMMERCIAL \$		URBAN \$		RURAL \$	
	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
Low Value						
Land Value	100,000	100,000	125,000	125,000	240,000	240,000
General rate	392	422	245	264	513	480
UAGC	610	543	610	543	610	543
Reserves & Civ	233	325	233	325	116	165
Water	619	604	619	604		
Sewer	412	465	412	465		
Refuse	122	136	122	136		
	2,388	2,495	2,241	2,337	1,238	1,188
% Increase		4%		4%		-4%
Medium Value						
Land Value	150,000	150,000	250,000	250,000	600,000	600,000
General rate	588	633	490	527	1282	1200
UAGC	610	543	610	543	610	543
Reserves & Civ	233	325	233	325	116	165
Water	619	604	619	604		
Sewer	412	465	412	465		
Refuse	122	136	122	136		
	2,584	2,706	2,486	2,600	2,007	1,908
% Increase		5%		5%		-5%
High Value						
Land Value					4,000,000	4,000,000
General rate					8,544	7,998
UAGC					610	543
Reserves & Civic Amenities					116	165
Water						
Sewer						
Refuse						
					9,270	8,706
% Increase						-6%

Rates and Charges

The following table shows the rating change from the 2014/15 year to the 2015/16 year.

Rates and Charges (Including GST)				
	2014/15	2015/16	CHANGE %	CHANGE
General Rates - Commercial rate in dollar of LV	0.003921	0.004217781	7.57%	0.00029678
General Rates - Urban rate in dollar of LV	0.00196	0.002108891	7.60%	0.00014889
General Rates - Rural rate in dollar of LV	0.002136	0.001995599	-6.39%	-0.00014040
UAGC	610	543	-10.98%	-67
UAC Urban	233	325	39.48%	92
UAC Rural	117	165	41.03%	48
Water Charge	619	604	-2.42%	-15
Sewer Charge	412	465	12.86%	53
Refuse Collection Levy	122	136	11.48%	14

Statement of Funding Sources

The High Level Financial Information table on the next page shows a summary of the funding sources for the AP. 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 2015-2025

FUNDING IMPACT STATEMENT FOR THE YEARS ENDED 30 JUNE 2015-2025											
	30 JUNE 2015 Annual Plan \$ 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	30 JUNE 2023 \$ 000	30 JUNE 2024 \$ 000	30 JUNE 2025 \$ 000
Sources of operating funding											
General rates, uniform annual general Charges, Rates Penalties	8,218	8,393	8,457	8,666	8,846	8,981	9,280	9,656	9,986	10,227	10,463
Target rates	3,685	3,866	4,184	4,450	4,659	4,820	4,721	4,893	4,864	4,849	4,947
Subsidies and grants for operating purposes	3,591	2,600	2,128	2,363	2,336	2,380	2,428	2,475	2,524	2,574	2,625
Fees and charges	883	1,109	1,184	1,217	1,253	1,292	1,332	1,374	1,420	1,471	1,525
Interest and Dividends from investments	147	224	215	211	260	316	478	564	657	753	849
Local authorities fuel tax, fines, infringement fees	1,571	1,401	1,415	1,448	1,449	1,486	1,525	1,545	1,596	1,650	1,708
Total operating funding (A)	18,094	17,591	17,582	18,355	18,803	19,274	19,764	20,507	21,047	21,524	22,118
Applications of operating funding											
Payments to staff and suppliers	11,311	11,308	11,680	11,980	12,015	12,322	12,641	13,028	13,386	13,838	14,266
Finance costs	1,211	1,360	1,269	1,277	1,292	1,231	1,227	1,234	1,158	1,128	1,144
Other operating funding applications	250	252	258	264	270	277	284	292	300	309	318
Total applications of operating funding (B)	12,772	12,921	13,207	13,521	13,577	13,830	14,152	14,554	14,844	15,274	15,728
Surplus (deficit) of operating funding (A-B)	5,322	4,670	4,376	4,834	5,226	5,444	5,612	5,954	6,203	6,249	6,390
Sources of Capital funding											
Subsidies and grants for capital expenditure	-	2,000	-	-	-	-	-	-	-	-	-
Development and financial contributions	159	200	206	212	219	226	233	241	249	258	268
Increase (decrease) in debt	1,033	(76)	471	(86)	(465)	(445)	(400)	(831)	(901)	(862)	(887)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	116	123	125	128	131	134	138	142	146	150	155
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1,307	2,247	802	253	(116)	(85)	(29)	(449)	(506)	(454)	(464)
Applications of capital funding											
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	-	46	-	-	-	-	-	-	-	-	-
- to improve the level of service	1,774	1,482	1,311	1,260	715	790	896	660	508	493	524
- to replace existing assets	4,453	2,965	6,642	2,544	2,750	2,946	2,888	3,051	3,038	3,167	3,188
Increase (decrease) in reserves	401	2,423	(2,775)	1,284	1,645	1,623	1,800	1,793	2,151	2,135	2,204
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	6,629	6,917	5,178	5,087	5,110	5,359	5,583	5,505	5,697	5,796	5,926
Surplus (deficit) of capital	(5,322)	(4,670)	(4,376)	(4,834)	(5,226)	(5,444)	(5,612)	(5,954)	(6,203)	(6,249)	(6,390)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0



Part 4

Policies and Strategies

Introduction

Significance and Engagement Policy

Summary of Policy Changes

Revenue and Financing Policy

Liability and Management Policy

Investment Policy

Development Contributions
/Financial Contributions Policy

Remission and Postponement
of Rates on Maori Freehold Land Policy

Remission of Rates Policy

Postponement of Rates Policies

Financial Reporting and Prudence Disclosure Statement

Financial Strategy

Infrastructure Strategy

INTRODUCTION TO THE STRATEGIES AND POLICIES

The funding and financial strategy and policies have been reviewed and updated as part of the LTP 2015/2025 process and an infrastructure strategy implemented. 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:

- Significance and Engagement Policy
- 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 2015/25 and the Infrastructure Policy to 2045.

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 were minor wording changes only.

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 change to dispense with the use of sinking funds and allow the conversion of the existing sinking fund loans to ordinary loans. Sinking funds are an inefficient way to set funds aside for future repayment we borrow the principal and repay interest only on that loan. At the same time we set aside a calculated amount each month so that, after adding interest earned on the funds set aside, there will be sufficient funds set aside to repay the loan when it is due.

Financial Impact

There are no material impacts arising from the adoption of these changes.

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).

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.

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.

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

3.2.1 Replace "charitable" with "not for profit".

3.2.7 Additional clause to allow remission to be on-going until criteria no longer met rather than annual. This reduces administrative overhead.

Financial Impact

Reduction in administrative overhead.

Postponement of Rates Policy

The policy outlines under what conditions Council will allow postponement of rates.

Issues

3.3.3 Removed the clause to source adequate insurance for uninsured ratepayers as this is not current practice.

Financial Impact

There are no material financial implications arising from the adoption of this amendment.

SIGNIFICANCE AND ENGAGEMENT POLICY

Background

The Local Government Act 2002 (LGA) requires local authorities to have a significance and engagement policy.

References below relate to the LGA unless specified otherwise.

Once a decision is determined to be "significant" in accordance with the general approach, criteria and procedures in this policy, a higher standard of compliance is required. Section 76(3)(b) requires that the Council must ensure before a significant decision is made that subsection 76(1) has been "appropriately observed".

The legislation (schedule 10 LGA) only requires the Long Term Plan (LTP) to contain a summary of the Significance and Engagement Policy, but the entire policy is included in the LTP in place of the summary.

South Wairarapa District Council "General Approach" to Significance

The Local Government Act 2002 requires local authorities to set out their "general approach to determining the significance of proposals and decisions in relation to issues, assets, or other matters" (s90(1)(a)).

The Council will determine the significance of any issue requiring a decision, by making judgments according to the likely impact of that decision on:

- a) The current and future economic, cultural, environmental and social well-being of the district or region.
- b) The achievement of, or ability to achieve, the Council's strategic issues and objectives as currently set out in the LTP.
- c) Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter.
- d) The capacity of the local authority to perform its role and carry out its activities, now and in the future.
- e) The financial, resource and other costs of the decision.

Thresholds, Criteria and Procedures

The Policy must also set out any "thresholds, criteria, and procedures" that the Council uses for assessing significance (section 90(1)(b)).

The range of issues requiring decisions by local authorities is very wide and it is impossible to foresee every possibility. It is therefore recommended that thresholds are not used to determine significance.

The following procedure will be used to determine significance:

Procedure for Determining Significance

- a) Identification of an issue requiring a Council decision (generally by officers).
- b) Assessment of significance using the criteria set out in "South Wairarapa District Council's General Approach to Significance", set out above; followed by:
- c) Officer or other professional advice on significance and options; followed by:
- d) Council consideration and final decision-making on the:
 - Degree of significance of the issue.
 - Appropriate level and type of consultation.

Advice from Council officers will, in normal circumstances, be included in the Council approved report format. It is proposed that this format be revised so that it specifically considers the impact of decisions as set out in the "general approach" above.

Strategic Assets

This policy must also list those Council owned assets, considered by the Council to be "strategic assets" (section 90(2)).

"Strategic asset" is defined in the LGA as " ... an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community" and includes:

- a) Any asset or group of assets listed in accordance with section 90(2) by the local authority; and
- b) Any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and

- c) Any equity securities held by the local authority in –
- A port company within the meaning of the Port Companies Act 1998;
 - An airport company within the meaning of the Airport Authorities Act 1966.

The list below shows the South Wairarapa District Council owned assets that are considered to be “strategic assets”. Only those assets that are important to achieving the Council strategic objectives have been included.

- Roading network (including footpaths, street lighting and parking).
- Wastewater network and oxidation ponds.
- Water treatment, storage and supply network.
- Solid waste facilities.
- Stormwater network and water races.
- Reserves and sports fields.
- Swimming pools.
- Libraries.
- Community buildings.
- Public toilets.
- Cemeteries.
- Pensioner housing.

NOTE:

1. Pensioner housing is a strategic asset by law.
2. The Council considers all asset classes listed above as single whole assets. This is because the asset class as a whole delivers the service. Strategic decisions, therefore only concern the whole asset class and not individual components, unless that component substantially affects the ability of the Council to deliver the service, or would be deemed significant and strategic under the procedure above.

Consultation

Rationale

To ensure a consistent approach is taken to consultation across South Wairarapa District Council in compliance with the consultation requirements of the Local Government Act 2002.

This policy does not cover the submission process that may be required under the Resource Management Act 1991 or the Amendment Act 2009.

Introduction and Background

As an organisation responsible to the community it serves, South Wairarapa District Council is committed to on-going and effective consultation.

The Council already conducts consultation with the public on many issues and this policy reflects both current practice and its responsibilities under the Local Government Act 2002.

The Council will make its consultation policy publicly available after the three-yearly Local Body election of the Mayor and councillors, as set out in section 40 (1)(h) of the Local Government Act 2002.

Note that within this policy, the word council refers to any decision-maker within Council. This could be the Council, a committee or sub-committee or an officer with delegated authority.

Commitment to Consultation

A well-structured consultation process is a key part of improved decision making. The Council welcomes and values input from the people of South Wairarapa district so it can adequately reflect their views in its decision making. Decision making is improved as a result.

The Council is also committed to determining the overall community view as accurately as possible and will use the appropriate techniques to meet this objective.

Consultation will enhance the democratic process by contributing to the decision making of the Council.

The Council is committed to acknowledging the **unique perspective of Māori and will consult with Council's Maori Standing Committee.**

What is Consultation?

Consultation is a genuine exchange of information, points of view and options for decisions between affected and interested people and decision-makers before a decision has been made.

It does not mean that the decision will be delegated to those involved in the consultation process, but rather that the decision, when made, is likely to be improved by the public's involvement.

For the purpose of this policy South Wairarapa District Council has adopted the following definition of consultation:

Consultation is the dialogue that precedes decision-making

Consultation Means the Council Will:

- Seek input on a concept, issue or proposal that has not been decided upon.
- Encourage those people who will or may be affected by, or have an interest in, the matter

to present their views (section 82 (1)(b) Local Government Act 2002).

- Provide those people who will or may be affected by, or have an interest in, the matter with reasonable access to relevant information about the matter, and clear information about the purpose of the consultation and the scope of the decisions to be taken following consideration of the views presented (section 82 (1)(a) and (c) Local Government Act 2002).
- Give people a reasonable opportunity to present their views according to their preferences and needs (section 82 (1)(d) Local Government Act 2002).
- Listen to what people have to say and consider their views and comments with an open mind (section 82 (1)(e) of the Local Government Act 2002).
- Decide if and how any proposal should be changed or developed further.
- Report on the final decision and the reasons for it (section 82 (1)(f) Local Government Act 2002).
- Respond to the people involved in the process (section 82 (1)(f) Local Government Act 2002).

According to this definition, the public's role in consultation will generally be one of expressing an opinion and providing additional information. It does not usually mean that the decision has been delegated to them.

Consultation may include market research techniques such as quantitative surveys, qualitative focus groups and individual interviews.

Consultation is Not:

- Solely providing information (although effective communication forms part of consultation).
- Always about reaching an agreement or consensus.
- Always about negotiation.

Consultation is Not Appropriate When:

- A decision has already been made or the likely decision is apparent (section 82 (1)(e) Local Government Act 2002).
- There is a need for commercial sensitivity.
- It is a small issue with little public interest.
- The likely costs of the consultation are not in proportion to the benefits (section 82 (4)(e) Local Government Act 2002).
- There is a threat to public health or safety.

REVENUE AND FINANCING POLICY

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.

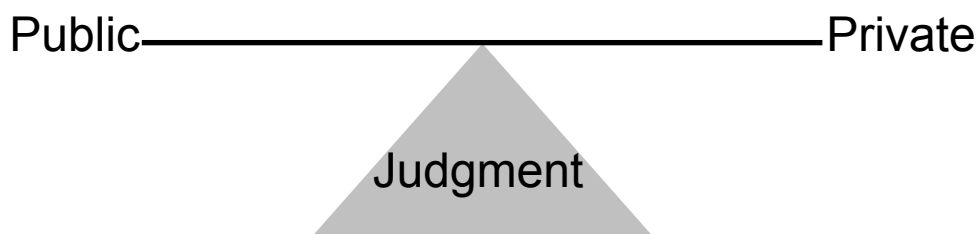
Very few goods and services are entirely public goods or private goods. Most goods and services are 'mixed goods' and fall somewhere between the two ends of the continuum.

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.

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.

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).

Revenue

General Rates (Including Uniform Annual General Charge)

The Council differentiates 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.

This is usually used to recover public good.

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

Targeted rates are set on a differential value and applied to certain areas or services or activities with a defined benefit.

These rates 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 1991 which 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 were 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).

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Group of Activities, Community Outcomes and Activity	user/beneficiary pays principle	intergenerational equity principle	exacerbator pays	costs and benefits	Proposed		Rationale	Funding Sources	
					Private	Public		Operational	Capital
Stormwater									
Healthy & economically secure people									
Sustainable South Wairarapa.									
Stormwater Collection									
	H	H	H	L-M	20%	80%	Collection predominantly to prevent flooding of private and public property	Fees & Charges, targeted rates, general rates, surplus funds and loans	Fees & Charges, 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

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.

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.

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.

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.

PART 4: STRATEGIES AND POLICIES

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. Sinking funds may be converted to "table" loans should it be prudent to do so.

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, unless otherwise resolved by Council.

Specific Borrowing Limits

The gross interest expense of all borrowings will not exceed 12% of rates income.

Security

Council does not offer assets as security for borrowings.

INVESTMENT POLICY

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.

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%.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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 its 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

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.

Reserve Contributions Standard

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.

Reserve Contribution Amount

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).

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.

Form of Contribution

- a) The contribution may be required in the form of money or land or any combination thereof.
- b) If the reserve contribution is in the form of land which is acceptable to Council, the value of the land to be vested as reserve shall be established on the basis of a registered **valuer's** report. **Registered valuer's** reports shall be produced at the consent holders cost and be no older than 3 months at the time the contribution is paid.

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.

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.

Infrastructure Contributions Standard

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.

Infrastructure Contribution Amount

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.

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.

Form of Contribution

- a) The contribution may be required in the form of money or works or any combination thereof.

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.

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.

Roads, Access, Parking & Loading Contributions Standard

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.

Roads, Access, Parking and Loading Contribution Amount

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.

Form of Contribution

- a) The contribution may be required in the form of money or land or any combination thereof.

Purpose

- a) To provide for the safe and convenient movement on roads of motor vehicles, bicycles and pedestrians within and through the Wairarapa.

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

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.

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

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.

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

- Council will remit penalty rates where it is demonstrated that penalty rates have been levied due to an error by Council.
- 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.
- 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.
- 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.

- 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

- Application for remission of penalty rates must be in writing using the prescribed form.
- 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 Policy and Reporting Manager.

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

- This policy will apply to land owned by the Council or owned and occupied by a not for profit organisation, which is used exclusively or principally for sporting, recreation or community purposes.
- 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 in writing 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.
- g) Remissions will remain in force until the purpose of the organization change such that the criteria is no longer met. No annual applications are required following the grant of the remission.

Delegation

Council delegates the authority to remit 50% of rates for sporting, recreational and community organisations to the Chief Executive Officer or the Policy and Reporting Manager.

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.

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 Policy and Reporting Manager.

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 Policy and reporting Manager.

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

Introduction

These policies are prepared under section 110 of the Local Government Act 2002.

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.

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.

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.

LONG-TERM PLAN DISCLOSURE STATEMENT

**Long-term plan disclosure statement for
period commencing 1 July 2015**

What is the Purpose of this Statement?

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

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

Rates Affordability Benchmark

The Council meets the rates affordability benchmark if—

- Its planned rates income equals or is less than each quantified limit on rates; and
- Its planned rates increases equal or are less than each quantified limit on rates increases.

Rates (Income) Affordability

The following graph compares the council's planned rates with a quantified limit on rates contained in the financial strategy included in this long-term plan. The quantified limit is based on rate revenue increasing by no more than 2% above the BERL "overall Local Government Cost Index as set in the financial strategy.

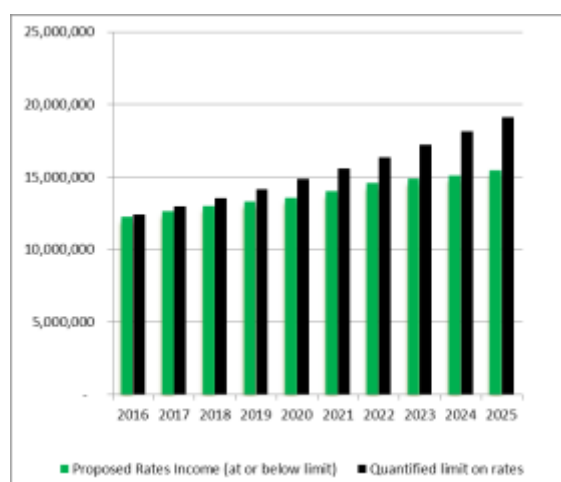
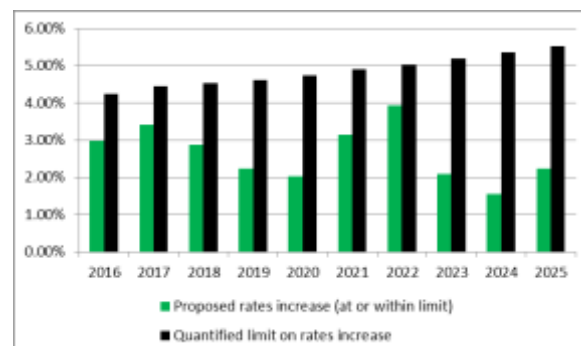


Figure - Rates (Increases) Affordability

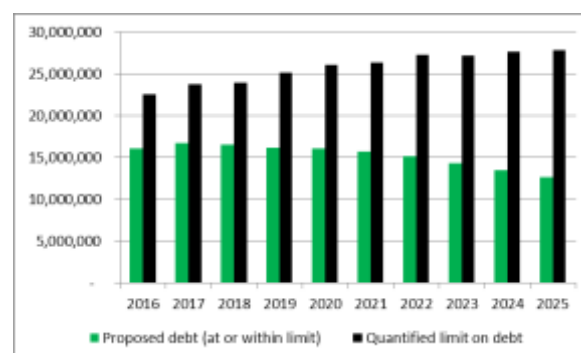
The following graph compares the Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this long-term plan. The quantified limit is 2% above the BERL "overall Local Government Cost Index".



Debt Affordability Benchmark

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

The following graph compares the Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this long-term plan. The quantified limit is based on the covenant that interest cost, using a default rate of 6.5%, will be no more than 12% of rates revenue.



Balanced budget benchmark

The following graph displays the Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

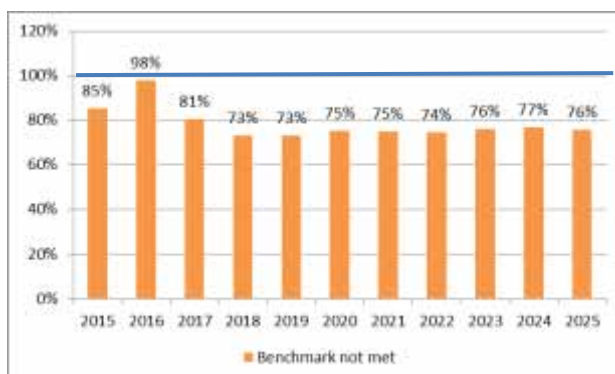
The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



Essential Services Benchmark

The following graph displays the Council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



Debt servicing benchmark

The following graph displays the Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the Council's population will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.



Additional Information/Comment

Essential Services Benchmark

Care needs to be taken in interpreting this benchmark. With the benchmark set at "100%" the interpretation of this could be that unless you spend all your depreciation charge every year there is a problem. This is not correct as many assets have different depreciation rates even within the same asset class (for example underground pipes made of different material). Spending 100% would lead to the situation where longer lasting assets would not have any depreciation reserves left when the time came to replace them. Any unspent depreciation is held in reserve. SWDC asset management plans are structured to ensure assets are maintained in what is effectively perpetuity.

FINANCIAL STRATEGY 2015/25

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.

The 2015/25 LTP will reflect 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 25 to 35 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 accumulating 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 in consistent 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 2015/25 Long Term Plan will be based on the existing service delivery model.

South Wairarapa District Council, like many local authorities throughout the country, has been, and will continue to investigate shared services delivery options 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.

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, the structure of Governance arrangements within the region is under review. The Local Government Commission has released a

preferred option and at the time of writing is consulting on that option.

- At the time of preparation of this LTP, the consultation process has not been finalised.
- No changes to the governance model have been factored in to this LTP, however funding of \$29,000 in 2016 has been set aside for participation in options analysis.

b) Land Transport

- **Land Transport is Council's largest, by dollar value, output.**
- Council policy is to only fund those activities that attract a subsidy from New Zealand Transport Agency (NZTA), apart from 1km seal extension each year which is unsubsidised and will be funded from rates.
- 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 programme (which includes projected oil prices, and contractors costs) will increase by an average of 2.5% 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 Featherston and Greytown emergency supplies require additional investment, and this has been factored into this LTP.
- The main supply pipe from Woodside to Greytown is due for replacement during the first three years of this LTP.

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 government recently released the National Policy Statement (Freshwater). This policy statement clearly signals that discharges to freshwater systems need to be reduced and eliminated over time.
- To achieve this increased environmental **standard, and in line with Council's policy**, Council has recently purchased two blocks of land with which, over time, to distribute treated wastewater.

- Added to the availability of Pain Farm land, and including the Lake Ferry scheme, South Wairarapa District Council will be able to distribute 100% of the wastewater to land except in exceptional circumstances.
- 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 consents that have been lodged and are under negotiation.
- The levels of expenditure are expected to be the maximum spent.

e) Debt Levels

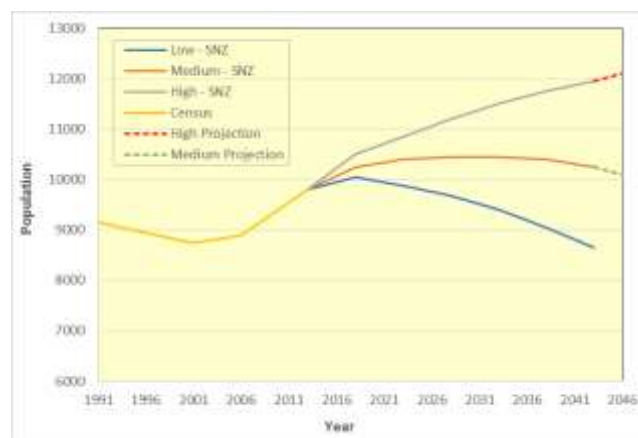
- Current forecast will result in significant increases in debt levels, but within SWDC debt cap which states interest expense cannot exceed 12% of rates revenue.

Expected Changes in Population

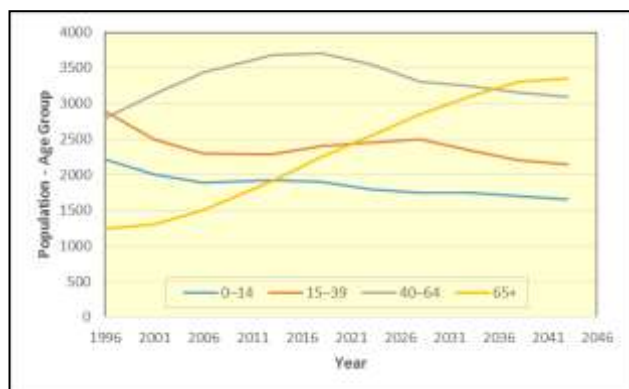
As at the last full census taken during 2013, the resident population of South Wairarapa district was 9,528. This was an increase of 639 over the 2006 census.

Statistics New Zealand has estimated the population of South Wairarapa will increase to 10,200 in 2043.

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.



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, apart from normal inflation.

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		
	2011	2014
Arable	0	0
Commercial	205	198
Dairy	241	240
Forestry	19	24
Horticulture	142	137
Industrial	130	131
Lifestyle	975	1065
Minings	2	2
Other/Utilities	412	431
Pastoral	604	604
Residential	3948	4038
Specialist Livestock	7	7

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 New Zealand Transport Authority (NZTA) 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.

Expected Capital Expenditure Required to Maintain Existing Levels of Service on Network Infrastructure

Land Transport

The capital value of SWDC land transport assets as at 30 June 2014 is \$319.5M.

The following table highlights the capital requirement to maintain existing levels of service for roading.

Capital requirements to maintain Roothing service										
	2015/ 2016 \$000	2016/ 2017 \$000	2017/ 2018 \$000	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000
Roothing (all aspects)	2,178	1,596	1,874	2,064	2,111	2,164	2,218	2,273	2,329	2,387

Water

The capital value of SWDC water assets at 30 June 2014 is \$21.6M.

The following table highlights the capital requirement to maintain existing levels of service for water supply.

CAPITAL REQUIREMENTS TO MAINTAIN WATERSUPPLY SERVICE										
	2015/ 2016 (\$000)	2016/ 2017 (\$000)	2017/ 2018 (\$000)	2018/ 2019 (\$000)	2019/ 2020 (\$000)	2020/ 2021 (\$000)	2021/ 2022 (\$000)	2022/ 2023 (\$000)	2023/ 2024 (\$000)	2024/ 2025 (\$000)
Universal metering		0	0	12	12	13	13	13	14	14
Reticulation renewals	551	565	322	330	339	348	358	368	378	389

Wastewater

The capital value of SWDC wastewater assets at 30 June 2014 is valued at \$13.9M.

The following table highlights the capital requirement to maintain existing levels of service for wastewater.

Capital requirements to maintain Wastewater service										
	2015/ 2016 \$000	2016/ 2017 \$000	2017/ 2018 \$000	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000
Reticulation Renewals	355	314	214	220	226	232	238	245	252	259

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 2014 is \$2.8M

The following table highlights the capital requirements to maintain existing levels of service for stormwater. No capital improvements are planned for the period of this LTP. The storm water assets will be maintained in accordance with the Asset Management Plan.

Capital requirements to maintain Stormwater service										
	2015/ 2016 \$000	2016/ 2017 \$000	2017/ 2018 \$000	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000
Reticulation Renewals	51	52	54	55	56	58	60	61	63	65

Quantified Limits on Rates										
	2015/ 2016 \$000	2016/ 2017 \$000	2017/ 2018 \$000	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000
BERL Local Authority Index	2.24%	2.45%	2.53%	2.61%	2.75%	2.90%	3.04%	3.19%	3.36%	3.53%
Maximum Rates Increase	4.24%	4.45%	4.53%	4.61%	4.75%	4.90%	5.04%	5.19%	5.36%	5.53%

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.

Rates Requirements

Future Rates Requirements										
	2015/ 2016 \$000	2016/ 2017 \$000	2017/ 2018 \$000	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000
Rates Increase	2.98%	3.11%	3.76%	2.97%	2.19%	1.45%	3.91%	2.07%	1.52%	2.22%
Rates Revenue	12,258	12,640	13,116	13,505	13,801	14,001	14,549	14,850	15,076	15,411

Note: These limits do not anticipate additional costs that are the result of changes in legislation, or unexpected requirements to increase service levels.

Based on provision of existing levels of service, SWDC anticipates it will be able to meet future requirement within the BERL "Local Authority Cost index" as issued from time to time +2%.

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 61% 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.

The BERL Local Government Cost Index does not take into account individual local authorities significant new capital projects, such as South Wairarapa's current wastewater projects. The impact of these projects could result in a breach of the covenants.

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.

Debt Cap										
	2015/ 2016 \$000	2016/ 2017 \$000	2017/ 2018 \$000	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000
Rate Revenue	12,258	12,640	13,116	13,505	13,801	14,001	14,549	14,850	15,076	15,411
12% of Rates Revenue	1,471	1,517	1,574	1,621	1,656	1,680	1,746	1,782	1,809	1,849
Forecast Interest Expense	12,193	12,230	12,557	12,700	12,940	13,277	13,712	14,066	14,522	15,008
Maximum Debt at 6.5% interest rate	22,631	23,336	24,214	24,932	25,478	25,848	26,860	27,415	27,832	28,451
Forecast LTP Debt	17,156	17,645	17,559	17,094	16,649	16,249	15,557	14,656	13,794	12,906

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. Renewals funding is based around the standard depreciation rates, which are linked to engineering estimates of infrastructure life.

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.

New assets will be funded by loan, and in some cases grant funding (where this is available). Loan funding ensures intergenerational equity.

Water Supply

The following table indicates the forecast costs of providing for the increased level of service. It is not anticipated to increase the level of service during the course of this LTP. There is some carried forward work that will be finalised during 2015/16 from prior periods.

Increased Cost of Water Supply										
	2015/ 2016 \$000	2016/ 2017 \$000	2017/ 2018 \$000	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000
Nil Planned	-	-	-	-	-	-	-	-	-	-

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. The increased level of service relates to improved environmental outcomes resulting from discharging treated wastewater to land.

Increased Cost of Sewerage Disposal										
	2015/ 2016 \$000	2016/ 2017 \$000	2017/ 2018 \$000	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000
Alternative disposal systems (Greytown)	392	349	155	239	-	252	173	-	-	-
Alternative disposal systems (Martinborough)	36	303	155	-	-	-	18	27	-	19
Alternative disposal systems (Featherston)	61	220	264	40	344	185	-	-	-	-

The above table refers to the program for the current 2015/25 LTP. For the years after this

current LTP the following is a brief summary of the requirements.

Increased Cost of Sewerage Disposal (excl. normal cyclical renewals)										
	2026 \$000	2027 \$000	2028 \$000	2029 \$000	2030 \$000	2031 \$000	2032 \$000	2033 \$000	2034 \$000	2035 \$000
All sites	796	796	0	0	870	870	870	0	1,233	1,233
	2036 \$000	2037 \$000	2038 \$000	2039 \$000	2040 \$000	2041 \$000	2042 \$000	2043 \$000	2044 \$000	2045 \$000
All Sites	1,233	-	1,053	1,053	1,053	-	829	829	829	-
	2046 \$000	2047 \$000	2048 \$000	2049 \$000	2050 \$000	2051 \$000	2052 \$000	2053 \$000	2054 \$000	2055 \$000
All sites	653	653	0	0	0	0	0	0	0	0

In proportionate terms, the most significant capital expenditure has been made, that is the purchase of land. The remaining cost is around the irrigation infrastructure, and the on-going inflow and infiltration issues and maintenance.

The rest of the project includes:

- Complete the irrigation aspect to get as close to 100% discharge to land.
- Complete remaining high priority/high-benefit reticulation inflow & infiltration works.
- Investigate storage.

This expenditure is for new assets; accordingly these assets are required to be loan funded.

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 3.6% to 4.6% 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.

INFRASTRUCTURE STRATEGY 2015-2045

Purpose

Infrastructure accounts for half of the Council's operating expenditure and 70% of the Council's capital expenditure. The role of infrastructure is to support, promote and achieve the Council's Community Outcomes therefore providing the foundations on which the South Wairarapa District Council community is built. It is essential to health, safety, and community sustainability and has a significant impact on the physical environment. Infrastructure enables businesses and communities to flourish. Getting infrastructure spending right is a prerequisite to economic performance and determining how much the council can spend on other services that enhance the quality of life and attract people to live in SWDC.

The purpose of the infrastructure strategy, as prescribed by the Local Government Act, is to identify the significant infrastructure issues for SWDC over the next 30 years, and to identify the principal options for managing those issues and the implications of those options.

The strategy provides guidance for:

- Retain current Levels of Service across all assets.
- Meet statutory requirements.
- Keep cost increases to a minimum.

The main goals of the strategy are to:

- Balance adequate infrastructural capacity to meet current and future demand whilst being affordable to the community.
- Increase the reliability and resilience of the existing and future infrastructure.
- Ensure sustainable use of resources and protect the environment.
- Ensure assets are utilised for their full lifecycle and maintained in perpetuity.
- Ensure agreed levels of service are met.
- Ensure infrastructure enables our district to develop and be prosperous.
- Ensure our services enable a healthy community and environment.
- Monitor and manage the infrastructure risks.
- Predict, monitor and mitigate unauthorised discharges to the environment.
- Utilise public education to assist with demand management and effective systems.

The strategy outlines the most likely infrastructure assets management scenario for South Wairarapa District Council over the next 30 years:

- Significant infrastructure issues and the actions required to address the gaps in both the short and long term.
- Options and associated expenditures.
- Service delivery implications and targets.
- The associated risks.
- The Council's current preferred scenario.

SUMMARY

The 2015-2045 Infrastructure Strategy is a basic outline for Council, developers and the community and should be read in conjunction with the relevant asset management plans. It covers the provision of assets and services to the residents of the South Wairarapa district assisting the Council and community to make informed decisions now taking into account the major decisions and investments that will occur in the next 10 to 30 years.

Investment must take into consideration demand, future affordability, technology, and effect on other projects to ensure it is both sustainable and effective. We manage our assets for their full-lifecycle using integrated planning and underlying data about their condition to ensure maintenance, replacement and renewal decisions are sound and in line with best practice and estimated lifespan.

Expenditure for Growth, Renewal and Changes in Levels of Service

In line with Council's Financial Strategy, growth is not anticipated therefore the only provision for capital is through renewal and the increases in service levels that take place through the consent acquisition processes for waste water.

Service levels are anticipated to be unchanged (except in new consents) and therefore expected to be in line with CPI under the current contractual delivery. Renewals delivered through provision for **depreciation is afforded in council's financial strategy**.

Expenditure plans do not differentiate between expenditure for growth, renewal and changes in levels of service. As stated above the service levels retain the status quo and there is no anticipated growth and therefore no requirement to fund infrastructure for growth consequently the capital expenditure in this strategy is targeted to renewal.

A major focus of this strategy is the accumulation and use of data that has a good confidence level for accurate targeted renewals, maximising the effect of the capital spent. The significant decisions required in renewal projects are reviewed annually within the annual plan process where targeted renewals may have options in replacement. This is a prioritisation process where as an example renewals for amenities can be ranked against the submissions received and the need of the asset in which case a decision may favour the renewal of a pool over the renewal of a sports field.

The expectation of expenditure in renewals is determined through the asset condition and level of service (LoS) with the expenditure required laid out in the asset management plans (AMP's) and long term plan budgets. The expenditure required to retain the investment in the associated assets is known with the only substantial decisions required in the operational targeting of the spending.

Significant Issues

- The renewal of waste water consents in Greytown, Martinborough and Featherston and the associated upgrades.
- Reduction in funding assistance rate (FAR) **funding for the "special purpose" road (Cape Palliser Road)** from 100% to 52%.
- The upgrade of the water supply for Featherston and Greytown.

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 100 years	100% to 0.3%
Bridges	18 to 100 years	5.6% to 1%
Water infrastructure	1 to 100 years	100% to 2.5%
Sewer infrastructure	2 to 100 years	50% to 1%
Stormwater infrastructure	10 to 100 years	10% to 1.25%
Parks and reserves	5 to 50 years	20% to 2%
Finance leases	3 to 5 years	33% to 20%

INTRODUCTION

The community must work together to meet the challenges of managing networked infrastructure like roads, water supply, wastewater and storm water with low levels of population growth, changing statutory and service level expectations, and event driven population fluctuation. Through consultation we balance competing needs, demands and preferences, against available financial and physical resource.

Consultation through the 2012/13 annual plan process identified that the residents of SWDC want to retain and maintain the same infrastructure capacity and where possible improve or increase its use to maximise and realise its value. Our current infrastructure has sufficient capacity to meet demand, except at peak times e.g. Toast Martinborough and Martinborough Fair. Demand

management, workarounds and innovation to manage this peak demand, rather than investing in new or additional infrastructure.

Our approach to ensuring we manage our existing assets efficiently and effectively and invest in new infrastructure assets wisely is based on the philosophy and practice of guardianship, Kaitiakitanga which takes into account the intergenerational nature of the resources. This makes the role of the present council to protect and grow the assets for future generations, ensuring long-term stability and sustainability in favour of short-term gain. The Council chooses to do this in a risk-averse manner, slowly, carefully and sustainably protecting the asset rather than engaging in high-risk changes, using the following community outcomes to guide decision making:

Healthy & Economically Secure People

Healthy, well housed people who are economically secure, active involved community.

Educated & Knowledgeable People

Educated and knowledgeable people, who are confident they can achieve their aspirations.

Vibrant & 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 encompassing economic development and environmental management

A Place that is Accessible & Easy to Get Around

A range of transport options (including roading), local and regional services and telecommunications.

SWDC's infrastructure assets are valued at \$388 million.

ASSET VALUES AT 30 JUNE 2014	
ASSET	\$
Roads	301,148,558
Bridges	18,314,398
Water Systems	21,566,540
Sewerage Systems	13,910,703
Stormwater Systems	2,810,204
Land	20,492,547
Buildings	4,536,134
Heritage Assets	2,937,518
Other	2,479,769
Total Assets	388,196,371

Over the next 10 years the Council plans to invest \$28 million on capital works for transport and the three waters, comprising upgrades, renewals and construction of new assets.

SWDC strive to achieve continuous improvement throughout the year with limited resources this includes using external professional services to undertake specialist tasks and those not continuous throughout the year. LoS performance targets are reported to every Council meeting with financial performance reported monthly to guide improvement.

A particular focus in current infrastructure management is improved data and information. This is needed to establish a more reliable basis for actions in this strategy.

Geographic Context

The South Wairarapa district is situated at the southernmost corner of the North Island and is 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's main centres are Featherston, Greytown and Martinborough with a number of small coastal settlements and rural dwellers making up the population.



Demographics

The most important assumption made in this strategy is the population of the district as this informs assumptions around:

- How many people we consider will be using a service.
- How many more will be using that service in years to come.
- How much of the service or product will they be using.
- How this will affect the life of the assets.

Population is influenced by a range of factors such as employment opportunities, business activity, age profile, fertility and mortality rates. Changes in population are difficult to predict but vital to understand future requirements for the infrastructure based services.

The growth projections used in determining the **most likely scenario are set out below. The District's** usual resident population shows a population of 9,155 in the 1991 Statistics NZ (SNZ) census reducing to 8,742 in 2001. This was followed by a period of growth through to 2013 when the population was 9,528. This represents growth of

about 9% in the period 2001 to 2013. Growth has occurred in rural areas rather than the urban areas with the population of Featherston showing a small decline, Martinborough returning to where it was in 1991 and Greytown showing slow but steady growth. Featherston remains our biggest town.



Figure - District Population Prediction

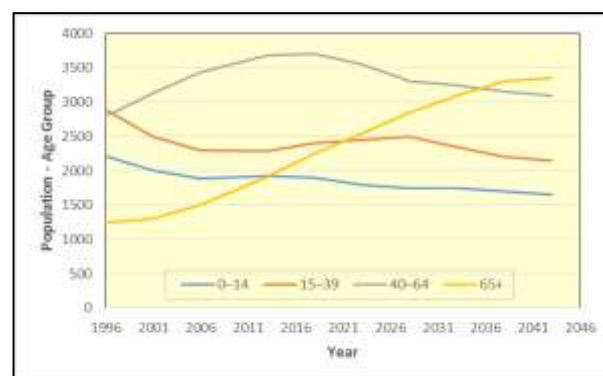


Figure - Population Projection by Age Group - 1996 to 2043 (SNZ 2014 update)

Statistics New Zealand (SNZ) produce population projections (high, medium and low). In recent years Council has adopted the SNZ's medium range projection and this has served well over the period since 2001. The most recent projection was based on the 2013 census.

Aging Population

The rate of natural population change is related to fertility and mortality rates. In New Zealand natural population growth is slowing in response to a declining fertility rate and an aging population. South Wairarapa district population projections (2006-2031) follow this general trend with a decreasing birth rate and increasing death rate over time. The composition of the population from 1996 to 2031 is presented below and indicates an increasing aging population. This shows all age groups except 65+ are forecast to decrease

significantly. This is taken into consideration by council in annual plan developments for items like urban footpath renewal, library stock catalogue targeting. The demographics of our resident population is moving to a median age of 50.1 years by 2043 increasing the number of residents with fixed incomes who may not be able to absorb the cost of increased service levels.

Other key points of interest:

- Approximately 27% of our properties have absentee owners resulting in increased resident population in weekends and holidays.
- Increasing rural population may increase and pose issues for supplying infrastructure and services such as waste collection.
- Declining population in a township may pose issues for maintaining infrastructure.
- Household size is decreasing.

Rural Land Use

There has been a reduction in the number of farming and horticultural units over this period which is reflected by small changes in the size of farming units.

The use of the urban water supply in viticulture has **a strong draw on council's water infrastructure in Martinborough**. This is dealt with under the terms of **SWDC's water consent with conditions regarding** use at periods of low river, flow; ensuring water is available for the most critical of users, public use and health.

There is a positive link between tourism industries and horticulture with data from Statistics NZ showing a steady increase supporting the growth in tourism.

TYPE OF FARMING	NUMBER OF FARMS JUNE 2007	NUMBER OF FARMS JUNE 2012
Sheep Farming	48	72
Beef/Cattle	78	66
Sheep/beef	105	60
Crop	12	30
Dairy	87	87
Deer	3	0
Horse	3	6
Other livestock	6	3
Forestry	24	24
Other	6	0
Subtotal	372	348
Nursery	6	6
Vegetable	9	0
Grape growing	63	54
Orchard inc. nut	15	15
Olive	21	27
Subtotal	114	102
Total	486	450

OVERARCHING MANAGEMENT

Identifying Priorities

As the demand for additional or improved infrastructure increases, the biggest challenge facing local authorities today is getting the funds required for upgrades of ageing or obsolete infrastructure, and for new infrastructure to meet increased levels of service and growth. Proposals to meet each of these challenges are presented later in this strategy.

It is important to identify where there are infrastructure deficiencies whether they are in data, performance or capacity and prioritise so that resources and efforts are focused on these first. Identifying what infrastructure is important to the **community and to meet the Council's legislated obligations**, Council's levels of service have been developed to help define and identify the key strategic priorities around our infrastructure.

The key pieces of legislation and regulations that **inform Council's legislative obligations in respect of** its infrastructure include, but are not limited to, the following;

- Health Act 1956,
- The Health (Drinking Water) Amendment Act 2007 (replaces the Water Protection Regulations 1961),
- Local Government Act 2002,
- Building Act 1994,
- Resource Management Act 1991,
- Health & Safety Act in Employment Act 1992,
- New Zealand Drinking Water Standards (2005) revised 2008,
- Civil Defence Emergency Management Act 2002,
- Public Works Act 1981
- Greater Wellington Region Council's Plan.
- Wairarapa Combined District Plan.

Levels of Service

SWDC will maintain current levels of service and capacity for the period of this strategy with affordable renewal programmes to address the condition of infrastructure. Managing the current infrastructure well paves the way for investing in new infrastructure in the future.

Service levels are reviewed annually as part of the annual plan process. Following public consultation they are not expected to change unless legislative

changes are imposed. Any increase in service will incur a cost increase.

Appendix two contains levels of service for infrastructure included in this strategy.

Financial Strategy 2015/25

Council's infrastructure strategy is in line with Council's financial strategy in achieving a balanced budget as required under the local government act where cash surpluses are shown in Council's reserves. These reserves can be used towards the planned upgrades of infrastructure in the future.

Waste water, within the financial strategy, is cognisant of the pressure to increase the quality of the discharges and the consenting processes and as such the infrastructure strategy also mirrors the need to be mindful of the debt levels of interest not exceeding the 12% of rates revenue. Also the infrastructure strategy in general meets the requirements laid out in the financial strategy for Council.

Funding Strategy

SWDC needs to be cognisant that raising debt locks ratepayers into repayments for 25-35 years and is to be prudent in its debt raising. We have built into our financial strategy consistent increases in depreciation, except on assets it has decided not to replace, allowing for a balanced budget to be achieved. Cash reserves will more closely match the total of special reserves, trust funds and depreciation reserves.

The demographic trend analysis is not anticipated to change significantly therefore the income to council is not expected to change drastically either hence funding increased levels of service or additional capacity is not required.

Replacement, Renewal and Maintenance

The general approach to renewals and maintenance is that maintenance is used to re-validate asset data through either RAMM for roading or CEM/CAM for the waters. The ability to see the asset data while carrying out maintenance also allows for photos and attributes data to be added where it had not been collected previously as well as existing data to be checked against the asset in real time.

Renewal programs can be generated electronically via Ram condition data and also through the use of CAM as above where previous breakages and works can be viewed. Once an indicative program is

produced for renewals the sites can be then validated via site inspections.

Council can:

- Invest in new systems for data capture and use.
- Bring in external resources to capture all data in a single snapshot.
- Review and clean historical data for input into the CEM/CAM system.

Due to the relatively small size of SWDC's assets review on site is easy to achieve to ensure renewal programs are accurate and correct, allowing assets to be replaced following inspection not on a cyclical basis.

New Investment

New infrastructure assets may be commissioned due to:

- Rising environmental expectation.
- Climate change.
- Earthquake resilience.
- Raise Level of Service.
- At or in avoidance of failure.

Commissioning of new assets is to be kept on an as needs basis or when serendipity provides opportunities for funding. Community consultation in line with the Council's Significance and engagement policy will take place in these situations. This is seen in the water upgrades that match the rising water health standards and Ministry of Health funding available.

Sustainability

It is also critically important that infrastructure decisions and the actions taken to achieve them are sustainable to strengthen quality of life. For infrastructure decisions and actions to be sustainable they should:

- Promote the efficient and effective use of resources.
- Deliver equity for the present and future generations.
- Avoid, mitigate and remedy any adverse effect on the environment.
- Promote the creation of liveable communities with a sense of place and identity.

The questions taken into consideration to help ensure sustainable outcomes are:

- Will the type of infrastructure built or being maintained, continue to serve the community into the future?
- Can the infrastructure be maintained or renewed given the limited resources available to the community?
- Does the infrastructure create effects or impacts that erode the quality of our natural environment?
- Does the method of maintaining or constructing this infrastructure have local or global impacts environmentally, socially or economically?

In the actions outlined later in this plan, Council will strive to act sustainably in all decisions, actions and practices throughout the life cycle of assets.

Risks to infrastructure and continued resilience are provided for in design, funding and management.

Roads infrastructure is developed through the use of resilience projects and funding based on NPV and whole of life calculations through the NZTA funding process. Examples of this in funding and design can be seen in the preventive maintenance work carried out on the Cape Palliser road decreasing the incidence of closure (greater resilience). Resilience is also managed through processes to minimise fragility, vulnerability and weakness and well as minimise impacts. Increased inspections and faster interventions through better knowledge and data is also a strategic way SWDC increases resilience on roads.

Water infrastructure resilience is dealt with several ways with the primary worst case scenario through the CDEM planning where households are **encourages to have at least 3 days' supply** available. Council also support the dissemination of CDEM rain water harvesting tanks for residents and has the availability of a fresh water tank for communities as a last resort. Resilience is also supported through demand management plans and the renewal planning based around condition of the networks.

Risks

Risk is defined as the effect of uncertainty on objectives e.g. deviation from the plan. Risk management is the coordinated activities to direct and control an organisation with regard to risk. Council has a responsibility to assess risks in order to best manage assets with the resources available to avoid and mitigate the effects of any negative outcome.

Risks that sit across all assets are:

- Continued servicing of all facilities in a possible declining or aging population.
- The adoption of higher level of service and the associated cost implications.
- Insurance (what are the risks).
- A disaster recovery plan for assets has not yet been prepared though the Wairarapa Emergency Lifeline Association (WELA) report sets a good foundation for the development of the plan.
- For natural and man-made disaster events the initial response to events and the priority order of inspection of assets also needs to be documented.

A company risk management plan is being established.

Public Health

Public health is very important to South Wairarapa District Council with compliance to potable water, disposal of waste and storm water. We will continue to meet current requirements and adopt improved and new health and environmental standards as they arise.

The focus of public health intervention is to improve health and quality of life through prevention and treatment of disease and other health conditions. This is done through surveillance of cases and health indicators, and through promotion of healthy behaviours. The interventions can range from advocacy against psychoactive substances to meeting quality water standards and cover a broad range of issues and facilitation, negotiation as well as physical works and services.

The South Wairarapa District Council promotes the **"active rural lifestyle"** as a general principal in all its undertakings and acknowledges that the dimensions of health can encompass "a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity."

New technologies such as modern transportation can also cause reduced physical activity and the introduction of a planned cycle strategy and increased active recreational activities. SWDC believes that behaviour is more effectively changed by taking development and motivations into consideration instead of only presenting information about health effects and lifestyle.

Some programs and policies associated with public health promotion and prevention can be controversial and council works diligently to avoid

this. The linked up nature of the social programs assisting public health for example free swimming passes given out through reading programs by surreptitiousness and discretion targets areas of the community where assistance can be given as health problems can be due to maladaptive personal behaviours.

Through the community safety and resilience working party health resilience is a key focus beyond the empirical measurement of health indicators.

Maori Contribution

The Local Government Act 2002 requires territorial authorities to maintain and improve the ability of Maori contribute to local government decision-making. Council is required to have regard to the relationship between Maori and their ancestral lands, water, sites, wahi tapu and other taonga of national importance. These relationships must be recognised and provided for by decision makers.

For many reasons, the Treaty of Waitangi considerations and the Resource Management Act (RMA) 1991 have a direct impact for long term infrastructure management. This includes consultation required as part of the resource consent process as well as consulting with Maori on the provision of infrastructure, relating to the likes of discharge of waste to land, or extraction of water.

The Council has a strong link with iwi through the Maori Standing Committee.

Climate Change

In the long term it is predicted that climate change will have two principle impacts upon the South Wairarapa district of an increased risk from severe natural hazards, and a gradual change in environmental conditions such as rainfall and tide levels.

Within the lower North Island it is expected that over the next 40 years the average temperatures will rise by between 0.2°C and 2.2°C, evaporation will increase, enhanced westerly winds will occur. Heavy rain/storms will become more frequent requiring council to consider the level of flood protection and the capacity of the three town's storm water drainage system.

More frequent droughts may affect the security of water supply to all three towns. Currently the council relies on adequate water flows from bores and direct from Waiohine River and only has

reservoirs to buffer daily demand; there are no stored water facilities for a prolonged drought.

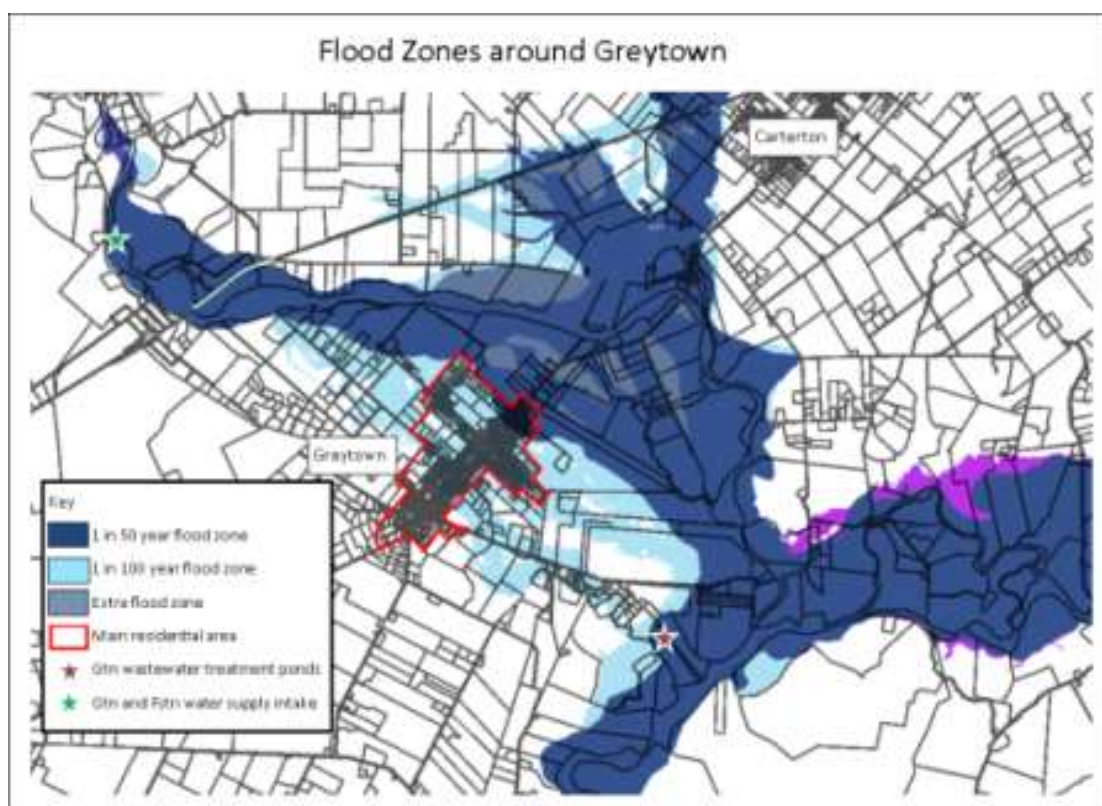
The Ministry for the Environment predicts mean sea level rise of at least 0.8m relative to the 1980–1999 average for periods up until 2090. Sea level rise may generate additional issues along coastal roads from rising tides and coastal erosion from storm surge. The assessed impact on infrastructure from coastal change is negligible in the 30 year horizon and there is no immediate response to these risk presented in this Strategy. However Council will keep abreast reports on these issues.

We will look to align our approach to that currently being developed by Greater Wellington Regional Council.

Natural Disasters

South Wairarapa District Council recognise natural disasters will occur but has not set aside funds. Should a natural disaster occur in this time frame it is envisaged damage will be fixed through the maintenance budget, insurance, reserves and loans. The council currently has no redundancy in the form of back-up systems.

Flooding is the most frequently experienced natural hazard in the district, and the likelihood of a major flood occurring in any year is high. The other natural hazards occur less frequently, but have the potential to cause significant adverse effects and pose a risk to people and property.



Flood Zones North



Flood Zones South

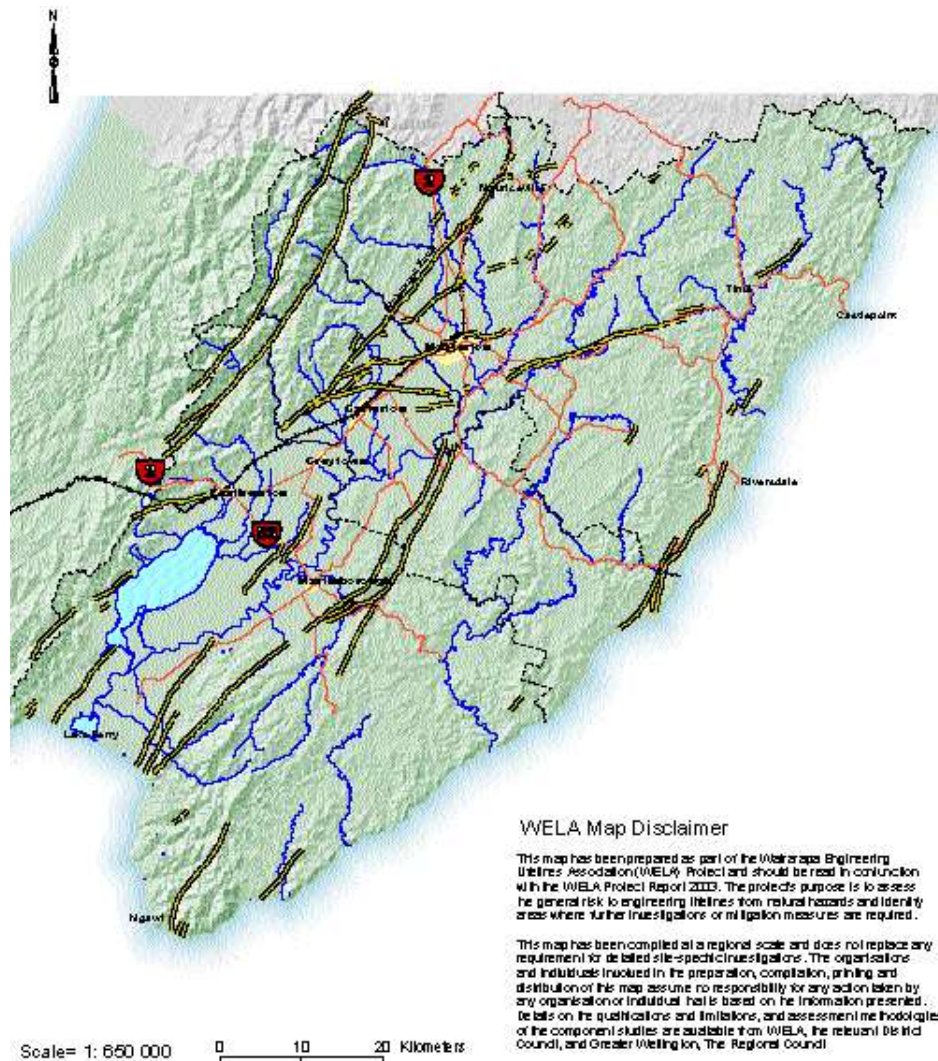


While Greater Wellington Regional Council is responsible for flood control, large scale flood events have a significant impact on the ability of the Council to continue to deliver its services addressed in this strategy.

Earthquake fault lines run through the South Wairarapa district and their existence means that the district is vulnerable to earthquakes. An earthquake could potentially cause devastation to

both above and below ground infrastructure in developed areas through ground rupture, liquefaction or ground deformation. Fault or ground rupture can occur during a very large earthquake where the movement creates discrete breaks at the ground surface, which is of particular risk to buildings, structures and infrastructure.

The known active faults are shown the following diagram.



Tsunami: Initial wave and on-going wave oscillation around the coast could lead to major flooding and significant damage to coastal infrastructure; roading.

Land Slips: due to regular slips and dropouts council inspects all roads post heavy rain and storms to mitigate risk of accident and minimise cost. Council has a continued monitoring program at the Whitirangi Cliffs to monitor the movement towards the ocean.

Council has put some mitigation measures in place by way of development controls in the District Plan which determine where development can take place, in turn determining where infrastructure is required.

SWDC is a member of the Wairarapa Engineering Lifelines Association (WELA). The WELA report project report "Risk to Lifelines from Natural Hazards" completed in 2004 identifies hazards and engineering effects on "Lifeline assets" such as waters and transportation assets. These assets are the essential assets to the community and are listed in the "Risk to Lifelines from Natural Hazards". Also work has been done looking at critical infrastructure

outside of council's control, being primarily that of telecommunications and power but also the highway network managed by NZTA of which several bridges have been viewed as critical.

Wellington Region Emergency Management Office (WREMO) is a semi-autonomous organisation that co-ordinates Civil Defence and Emergency Management services on behalf of the nine councils in the Wellington region. They manage the initial response through community resilience, operational readiness, and business and development. SWDC would liaise with WREMO and the Wairarapa Regional Civil Defence office via the Masterton Office HQ for initial information on infrastructure damage.

Non-asset Based Demand Management

Council will utilise non-asset based demand management:

- Bylaws and policy within the district.
- Education and communication programmes e.g. conservation and recycling.

- The District Plan preventing or restricting development with substandard infrastructure
- The use of development impact fees.

Asset Condition & Monitoring

The Council uses ArcView GIS system. The three Wairarapa councils have shared service agreement for a range of spatial information on a shared platform, powered by ESRI GIS application providing a new public, viewable, web-based mapping application. The new website shows **information about the region's properties**, district planning zones, streets/roads and geographic features, transport networks, civil defence centres, water and sewer pipes, water races fault lines, tsunami and flood risks. It includes recent aerial photography.

Condition surveys are not completed for all assets. The plan is to complete the review over the next 4 years at 20% per year in line with 20% completed this year. Contractors are obligated to collect and report back asset condition data as they work on the network. Critical parts of the network (service large numbers, essential services and businesses) will be prioritised.

Currently indicative condition is assessed from maintenance records and frequency of complaints. Individual asset condition surveys are carried out through renewal programs and assessed impending failure. Following this process works are prioritized and funds allocated over time or grants sought.

Council reviews complaints received on a regular basis. The use of real-time asset maintenance allows for just-in-time renewals based on real faults recorded and scrutinized against criticality.

Asset Valuation

- The Council engages Opus International Consultants Ltd to undertake a valuation of the roading network and two waters every three years.
- The most recent valuation report values the assets as at 30 June 2012.

Valuation Methodology

Every recorded component is valued in terms of its replacement and depreciated replacement value.

The valuation has been carried out in accordance with the following standards:

- The NZ equivalent to the International Financial Reporting Standard 16, Accounting for Property, Plant and Equipment (IAS 16).

- New Zealand Infrastructure Valuation and Depreciation Guidelines, issued by the National Asset Management Steering Group (NAMS) of IPWEA.

A number of assumptions are used in the valuation process. These are derived from the best available information at the time by a suitably experienced and competent person. The Valuation Report holds a detailed account of the key assumptions derived for each asset group and the basis for and use of these assumptions.

No assets have been identified as surplus.

Insurance

Local Authority Public Protection Scheme (LAPP) insure 40% of the value of underground assets with the government underwriting the remaining 60% is underwritten by government. Above ground utilities are insured through brokers Jardines.

Roads are not insured so SWDC would use the 52% NZTA funding along with some of the maintenance budget and borrowing to deal with issues that arise.

Inflation

The financial forecasts for the first 10 years of this strategy are adjusted for projected inflation based on the BERL local government cost index. The financial forecasts for years 11 to 30 use the long run average of BERL in years 11-30.

Where savings in money, time or resource can be achieved council will work with neighbouring councils.

Water Supply

Overview

The Council will continue to work to improve the water supplies in the three main towns. Subsidies have been obtained for an alternative Featherston source to ensure that the Featherston/Greytown supply is robust enough to cope with not only current and future demand but also maintenance and other outages. Consideration of operational expenses such as power and filter replacement has been incorporated to ensure financial prudence is achieved.

The **performance of Council's water supplies** is continually reviewed to ensure compliance with public health requirements. The maintenance contract was re-let on a 5 year contract to new provider in 2012.

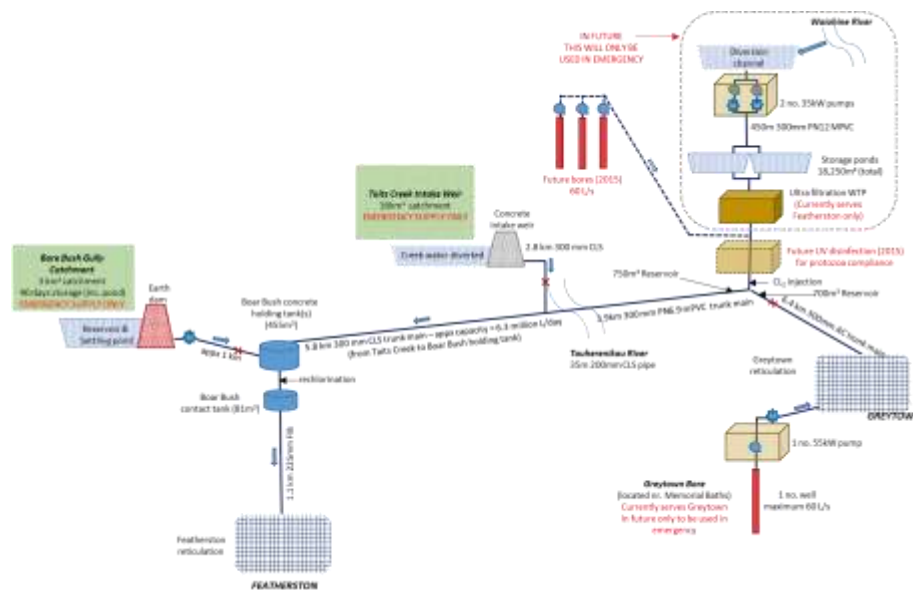


Figure 1: Featherston and Greytown Schematic

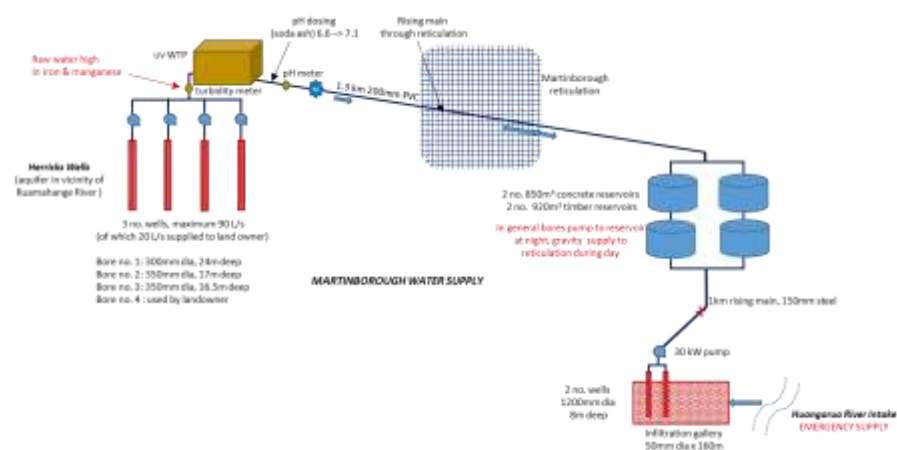


Figure 2: Martinborough Schematic

Current Condition

An estimate of the condition of each asset in terms of the asset grading system set out in the International Infrastructure Management Manual Australia/New Zealand Edition Version 3.0 – 2006. This system grades assets using six broad categories of condition.

- 0 - Non-existent
- 1 - Very Good
- 2 – Good
- 3 – Fair
- 4 – Poor
- 5 - Very Poor

The generalised condition grading as provided in the 2012 valuation is presented on the next page (for individual asset grading refer to Council valuation register).

DESCRIPTION	CONDITION GRADING
Featherston Rural Longwood Water Race (40km)	3
Greytown Rural Moroa Water Race (225km)	3
Featherston Urban	
Tait's Creek Intake	2
Boar Bush Dam	2
455 m 3 concrete tank	3
81 m 3 concrete tank	3
Chlorination equipment - complete	3
Building	1
Control System - alarms, telemetry, housing	2
Sampling manhole, magmeter and flow recorder	1
Valves (headworks)	2
Valves (reticulation)	1 - 3
Fire hydrants	1 - 2
Surface boxes (valves, hydrants)	3
Water connections	1 - 2
Greytown Urban	
Well, 1.2 dia x 4m deep	2
Pumps (2)	1
Valves (pumphouse)	1

DESCRIPTION	CONDITION GRADING
Miscellaneous Pipework (pumphouse, pumphouse to reservoir)	1
Switchboard (pumphouse)	1
Building (Pumphouse)	1
No. 1 Pond (plastic lined)	1
No. 2 Pond (plastic/concrete)	1
Miscellaneous Pipework (reservoir site)	1-3
Valves (reservoir site)	1-3
Chlorination and Monitoring equipment - complete	1
Residual chlorine monitor	3
Control system - alarms, telemetry, landline (pumphouse & reservoir)	2
Building (reservoir site)	3
Feed Pumps (2) and building	1
700 m 3 concrete tank	3
750 m 3 timber tank	1
Sampling manhole, magmeter and flow recorder	1
Valves (reticulation)	1-2
Fire hydrants	1-2
Surface boxes (valves, hydrants)	3
Water Connections	1-2
Filtration Plant	1
Martinborough Urban	
A - Ruamahanga	
Bore #1, 300 dia x 24m	3
Bore #2, 300 dia x 17m	3
Bore #3, 350 dia x 16.5m	1
Bore# 4 350 dia x 16.5m	1
Pump No. 1 & 2	3
Pump No. 3	1 - 2
Pump No. 4	1
Transformer & electric control systems	1
Chlorinating equipment	1
Control system - alarms, telemetry	1
UV Plant (Dec 11)	1
Building	-
Magmeter, datalogger & turbidimeter.	2
Huangaia	
Wells	3
Infiltration gallery	3
Pump	3
Control system and alarms, telemetry	2
Building	2
Reservoir Site	
850 m³ concrete tank	3

DESCRIPTION	CONDITION GRADING
850 m ³ concrete tank	3
920 m ³ timber tank	2
920 m ³ Timber Tank	1
Chlorinating equipment	-
Control system - alarms, telemetry	1 - 2
Building	1 - 2
Valves	1 - 2
Magflometer and data logger	
E - Council Office	
Datran computer and telemetry system	2

Daily Pumping

Based on typical usage patterns, as per table below.

PUMP SITES	AVERAGE DAILY OPERATION (HOURS)
Waiohine River – Featherston & Greytown	5 – 7 (seasonal)
Greytown Bore – Greytown	15- 20 (all year round)
Herricks Well – Martinborough	6 – 12 (seasonal)
Huangarua - Martinborough	Emergency Back up

Reservoir Storage Capacity

RESERVOIR NAME	STORAGE VOLUME (CUBIC METRES)	AVAILABLE SUPPLY AT PEAK USAGE
Featherston Urban		
Boar Bush Dam(emergency only)	82,000 gross	
Holding tank	455	3 hours to 20 days, depending upon source
Mixing tank	81	
Featherston/ Greytown Urban		
No. 1 Pond	18,250	
No. 2 Pond	18,250	4-5 days when combined for Featherston & Greytown and at 3000m ³ /d
Timber tank	750	
Mixing tank	700	
Martinborough Urban		
No. 1 Tank	850	
No. 2 Tank	850	12 hours based on full development and fire requirements
Timber Tank	920	
Timber Tank	920	

NB: Assumes no pumping/replenishment and based on storage only

Funding continues to be set aside for the targeted cyclical replacement to ensure reliable safe, cost effective, efficient, water supply infrastructure as per the water AMP

The performance of the Greytown and Featherston water supply will be increased due to the Cap (Capital Assistance Program) funding obtained in 2011. The upgrade will mitigate the risks of raw water turbidity, meet the Drinking Water standards New Zealand (2008), remove the risk of abstracting contaminated water, remove the risk of production

of disinfection by-products, resolve the problem of limited supply storage and reduce operating costs.

The water race systems also provide an important service in supply of stock drinking water and run-off control and management of storm water. For those with alternative water sources or who do not farm their land intensively, costs for upkeep of the race systems can seem a burden. However, the fact remains that the best option for the community as a whole, is to keep the water races, and the water races cannot continue to function within their consented conditions.

Council only maintain a short section of the main water race below the intakes. The water race road culverts are presently maintained and where necessary replaced by the Council's roading group.

Management

Since 2000 we have been collecting asset information via the GIS nominee (Council staff or contractor) in hard copy and video footage. Logging them GIS and assigning a new asset ID. This information includes; type, size, length, installed by, material, address, condition, data modification date, date installed, verified why, x and y coordinates, street name, town, and any additional information relative to the particular asset.

Once within the GIS the new asset is then transferred to the asset register spread sheet with the new ID, the asset information and financials from the works. This is the same process for renewals; Information is updated and transferred to the asset register. The spread sheet is then able to provide information on financial life expectancy for assets.

The NAMMS (National Asset Management Steering group) Condition Rating Model is utilised for generating a maintenance programme.

Renewal

The renewal programme for water main reticulation and facilities has been identified over the period 2015 to 2045 and more investigative work remains to increase the level of confidence in the long term renewals plan. Council's preliminary funding programme for reticulation renewal is \$345,000 per year for period 2015/16 to 2021/22.

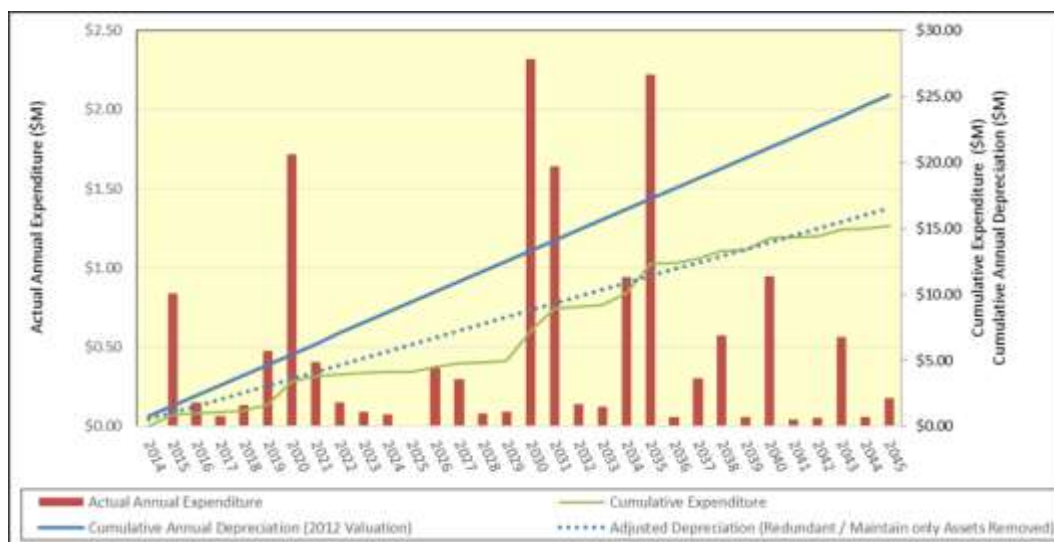
Pipe renewal is based on pipe age shown in the AMP is \$248,000 per year for the period 2015/16 to 2024/25.

Cyclical componentry renewal is presently undertaken at the UF water treatment plant in Greytown where filter cycle life is deemed to be five

years. Of 100 (one hundred filter units), 20 units are renewed each year.

Elsewhere, electrical componentry is renewed as required either driven by repetitive fault and failure or pre warned end of useful life information.

Council's water renewals summary that includes facilities and reticulation (with adjusted base life for AC Pipe) is presented below.



The above graph shows a comparison between the 2012 annual depreciation, and the reduced annual depreciation calculated mainly as a result of a significant number of assets that will only be maintained as emergency supplies once the 2015 bore upgrade and new UV plant is commissioned.

Risks

RISK	RATING	PROPOSED ACTION
Accuracy of Asset Condition leading to under investment	High	New asset management system being implemented to provide continuity to decisions.
Service failure through aging assets	High	Continuous renewal program focused on highest risk.
Health	High	UV plant in Greytown New bore
Poor Contract Management	Significant	On-going review of contractors KPI's

Options

	PRINCIPLE OPTIONS	COST	IMPACT	TIMING
Compliance with NZ drinking water standards	Implement bore and UV treatment (FST N)	\$1.1 Mill 0.66 Mill grant funded)	Compliance with NZ drinking water standards	2016
	Alternate – lower levels of service, accept risk of resource consent being breached	\$0	Levels of Service reduction and risk of public health issues	2016
Compliance with Greater Wellington and other legislation	Implement work programmes to ensure rules can be measured and complied with.	Addition al monitoring costs	New Regional Policy	Annual
	Alternate – non- compliant water scheme	\$0	New Demand Management Regime	Annual
Aging Asset	Renewals and Rehabilitation Program	\$185,000	Regulatory Infringements	Annual
	Alternate – reduce levels of service	\$0	More outages	Annual

Preferred Option

YEAR	OPERATING \$	CAPITAL \$	TOTAL \$
2015/16	2,347,963	551,340	2,899,303
2016/17	2,445,856	564,840	3,010,696
2017/18	2,509,030	371,041	2,880,070
2018/19	2,526,017	342,100	2,868,117
2019/20	2,589,574	403,188	2,992,762
2020/21	2,654,720	360,760	3,015,480
2021/22	2,712,686	370,712	3,083,398
2022/23	2,780,787	381,286	3,162,073
2023/24	2,865,288	392,171	3,257,459
2024/25	2,951,789	403,367	3,355,156
2025-2030	16,108,067	2,220,889	18,328,957
2030-2035	18,610,297	2,603,494	21,213,791
2035-2040	21,501,223	3,052,012	24,553,235
2040-2045	24,841,226	3,577,798	28,419,025

SEWERAGE TREATMENT & DISPOSAL

In the South Wairarapa district, there are four wastewater community systems with 3,274 properties connected with Lake Ferry the first to irrigate to land as council moves to 100% irrigation to land within 35 years.

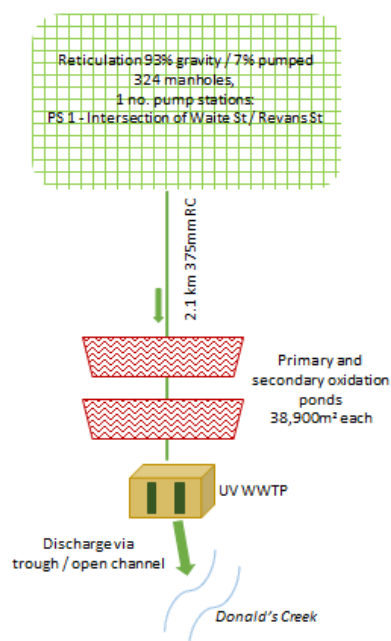
Funding continues to be set aside for the targeted cyclical replacement to ensure reliable safe, cost effective, efficient, waste water disposal as per the AMP which also outlines the risks.

The performance of Council's waste water is continually reviewed. Levels of service and measures are outlined in the annual plan and form part of the annual review. The maintenance contract was re-let on a 5 year contract to new provider in 2013. The current assets and their condition can be found in the AMP.

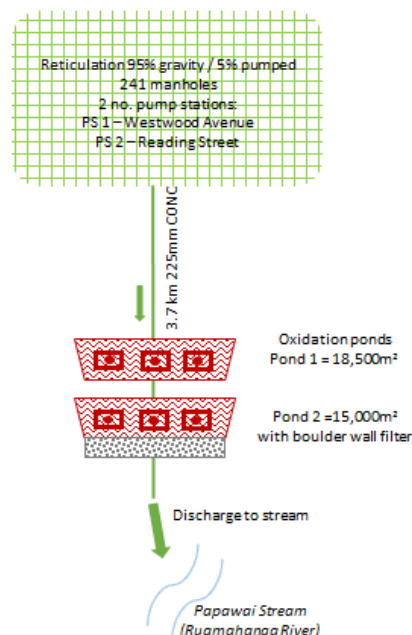
Overview

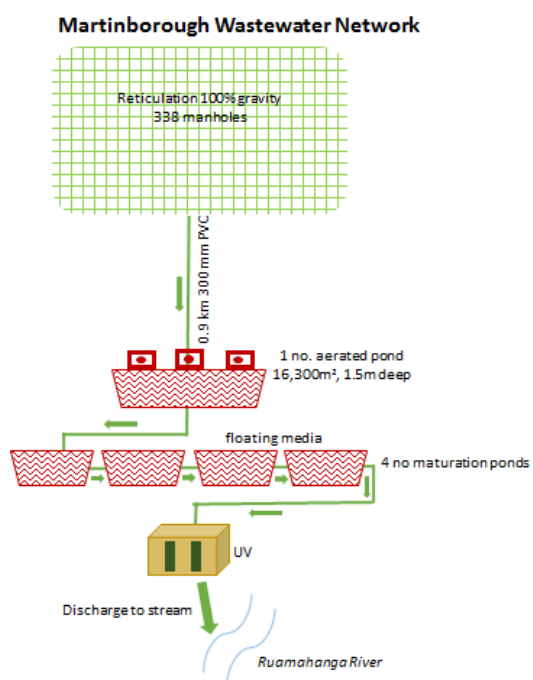
Sections of reticulation not considered to be satisfactory are confirmed through CCTV investigation. A number of areas within the reticulation system are overloaded due to storm-water infiltration. On-going investigation and identification of these sections will continue over the next 10 years as on on-going programme as detailed in the 3 new waste water consents being applied for. Each of the four systems (including lake ferry) has their own challenges however the effects are very much system effects rather than that of LoS .i.e. they effect the retention times and flows through increased loading rather than the user of the system at the front end. The progressive move to land disposal over time will also allow for the increased flows in a worst case scenario however the reticulation renewals are planned to decrease theses flows over time with work already complete on the identification of priority areas for replacement.

Featherston Wastewater Network

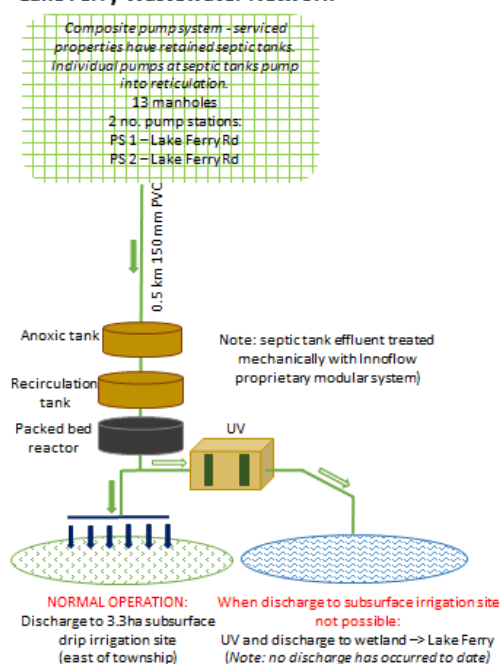


Greytown Wastewater Network





Lake Ferry Wastewater Network



Current Condition

- There is only one 375mm sewer from the reticulation system to the oxidation ponds.
- Approximately 90% of the reticulation is serviced by 150mm diameter sewers.
- A number of areas within the reticulation system are overloaded due to storm-water infiltration. The extent of this continues to be confirmed through investigation of current and new CCTV records. Excess flows at times are in the order of 4 to 5 times the estimated Average Daily Flow (ADF).
- There is little industrial activity in Featherston and only limited commercial activity.
- Domestic sources generate the majority of the wastewater.
- Based on typical figures for the generation of wastewater it is estimated that 1,045m³/day of wastewater is produced in terms of an ADF.

DESCRIPTION	CONDITION RATING
Oxidation Ponds	2
Monitoring Manholes	1
Outlet Structure	2
Disposal trough	2
Pump Station	3
Pumps (New = Spare)	1,3
Telemetry & Control Systems	1

(1 - Very Good 2 - Good 3 - Fair)

Wastewater Schemes Descriptions

Featherston - Urban

Is mainly a gravity reticulated system (93%) with minor pumping (7%). A pond based treatment facility with disposal into Donald's Creek is provided some 1.5km south of the township.

Greytown - Urban

The reticulation is a gravity system. At present 95% of the Greytown urban area is connected to the wastewater system. A small number of properties are still on septic tanks.

A pond based treatment facility is located at the end of Pah Road, 3.7km from Greytown.

DESCRIPTION	CONDITION RATING
Oxidation Ponds	2
Monitoring Manholes	1
Outlet Structure	2
Aeration System	1
Pump Station	1
Rock Baffles	1

(1 – Very Good 2 – Good 3 – Fair)

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

Current Condition

- Twin 225mm sewers convey wastewater from the reticulation joining into a single 225mm sewer just beyond the former Borough boundary from where it is conveyed 2.5km to the oxidation ponds.
- Approximately 56% of the reticulation system is serviced by 150mm diameter sewers.
- Some areas of the Greytown system accumulate gravel and debris within the sewers.
- There is limited commercial/industrial activity contributing to the sewerage system. This activity does not significantly add to the normal domestic load.
- Greytown ADF for 2013/14 was 693m³/day.
- Some sections of reticulation within Greytown are not considered to be satisfactory as confirmed through CCTV investigation. On-going investigation and identification of these sections will continue over the term of this AMP.

Martinborough - Urban

Martinborough operates entirely as a gravity system.

Wastewater flows by gravity from individual connections through the sewer to a single anaerobic pond.

Following treatment in the maturation ponds effluent is discharged via an outlet structure into the Ruamahanga River.

Current Condition

- Twin 200mm sewers convey wastewater from the southern and western side of town joining into a single 200mm sewer along Weld Street. This pipe carries wastewater to the pond 750 metres away and located beside the Ruamahanga River.
- Majority of sewer sewers are either 150mm or 200mm diameter AC pipes.
- There is little industrial activity in Martinborough and only limited commercial premises. Domestic sources generate the majority of the wastewater.
- Martinborough ADF for 2013/14 was 608m³/day and annual ADF during the period 2008-2010 were 536m³.
- Reticulation condition within Martinborough is considered to be adequate.

DESCRIPTION	CONDITION RATING
Oxidation Ponds	2
Monitoring Manholes	1
Outlet Structure	2
Disposal trough	2
Aerators	1
Telemetry & Control Systems	1

(1 – Very Good 2 – Good 3 – Fair)

Lake Ferry-Rural/Coastal

This small community system services properties at the Lake Ferry settlement and was commissioned in 2007.

Serviced properties retain on - site septic tank systems and the effluent from the septic tanks is either pumped or gravitated depending upon location to local pump stations and then to a centralised treatment plant and disposal field east of the settlement.

Current Condition:

- All serviced properties have an inspected and complying septic tank. The treated primary effluent from the septic tanks is either gravitated or pumped to the reticulated system.
- Two pump stations lift the collected wastewater to a modular package treatment plant on elevated land behind the community.
- ADF is estimated to be 60 m³ peaking to 100m³ at peak loading periods over the Christmas holiday period.

Management

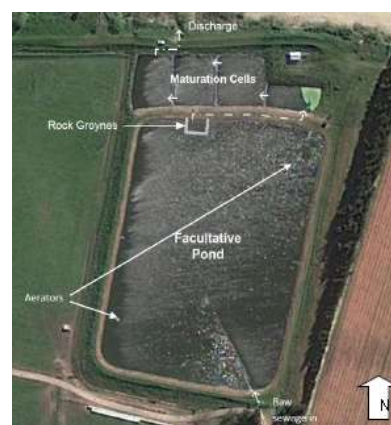
SWDC will also be reducing inflow and infiltration into the sewer systems, which puts a high load on the treatment plants and increases the environmental effects. This will be through customer education and a review of policy. Funding continues to be set aside for the targeted cyclical replacement of wastewater infrastructure as per the Wastewater AMP.

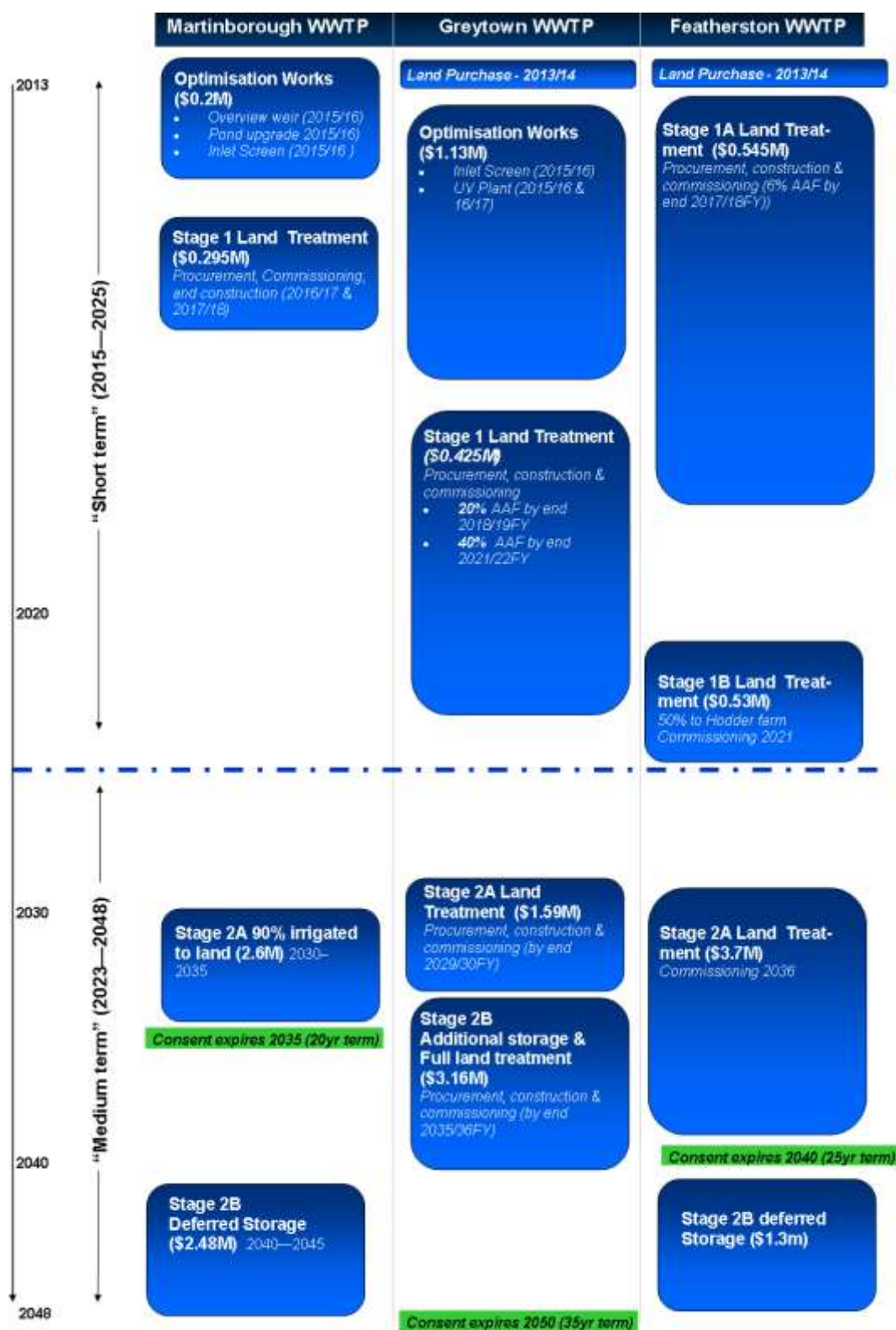
Renewal

The waste water consent renewals for Greytown, Featherston and Martinborough are council's largest single expenditure including the recent purchases of farmland in Greytown and Featherston totalling \$7.4M imposing a significant financial burden on the Council far sooner than previously anticipated. While providing an opportunity for prioritised land based treatment at Featherston and Greytown, this also necessitates a review of the timing of the other elements of the strategy and in particular the timing of the move to maximum land based disposal.

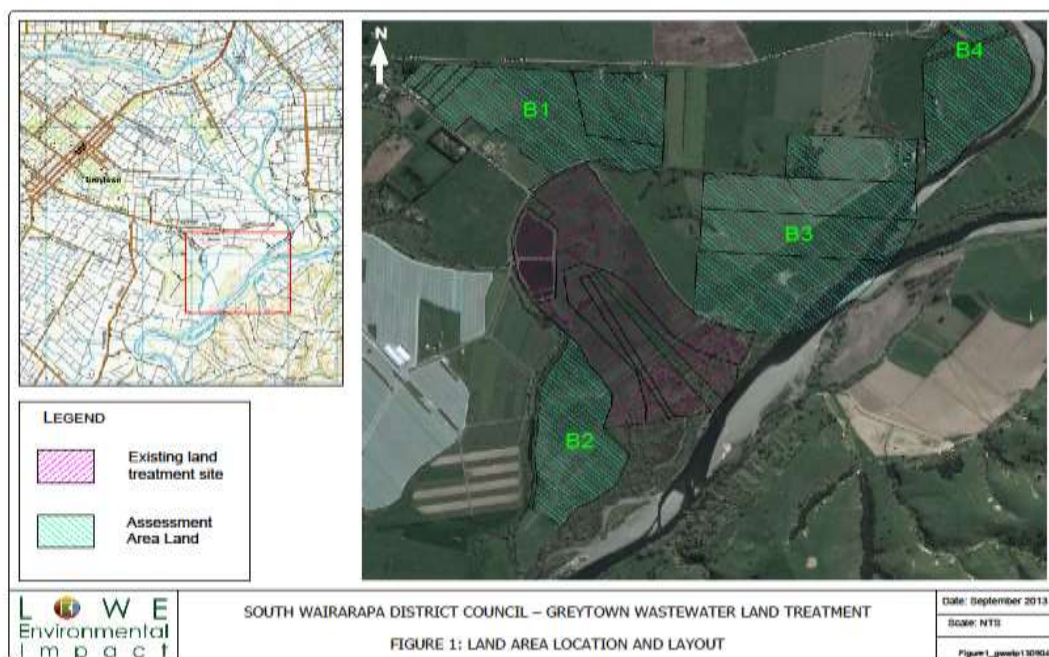
100% disposal to land needs balanced with economic and environment impacts of the treatment and disposal. There is a commitment to making sure that our operation and consents are pragmatic; meet the needs of residents; and allow for adoption of more efficient and effective technology as they become available.

The strategic move to land disposal limits the burden of depreciation, manages the costs of obsolescence, produces a revenue stream and is an environmental improvement. The strategic staging of the projects ensure good cash-flow management and brings on line staged revenue in part before complete disposal to land.





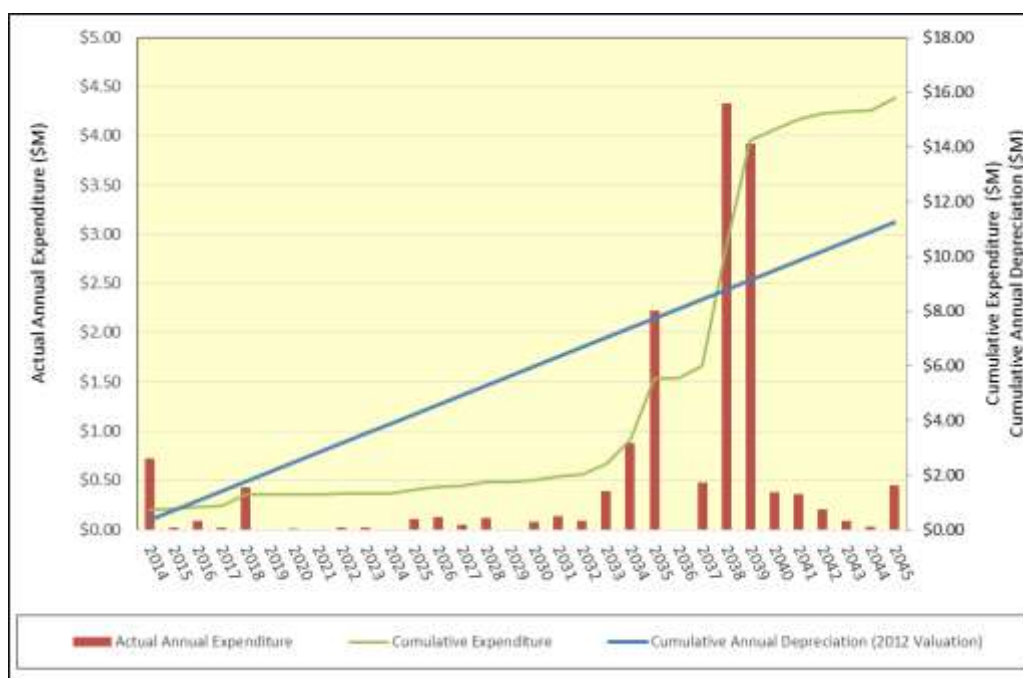
On-going performance & environmental monitoring, reporting and review
in accordance with conditions of consent



Greytown Irrigation Plan

The following provides indicative total renewal expenditure. At best Council would wish to take a more conservative approach and if able to, schedule some expenditure/funding in reverse to occur within

the timeframe of the LTP. Scheduling of work taking into account the above factors would consider the consequences of failure of critical pipeline assets.



Risks

RISK	RATING	PROPOSED ACTION
Service failure through aging assets	Medium	Appropriate renewal programs
Poor contract management	Medium	On-going review of contractors KPI's
Redundant infrastructure	Medium	Move to land disposal
Increase in compliance costs	Medium	Long term consent application (35 Years)

Options

LEVEL OF SERVICE ISSUES	PRINCIPAL OPTIONS	COST	IMPACT	TIMING
Compliance with Greater Wellington and consent conditions	Implement appropriate technologies and programmes to achieve compliance.	\$28m over 35 years	achieve compliance	35 years
	Alternate – lower levels of service, accept risk of breaching resource consent conditions	\$0 Plus fines and fees	Level of service reduced and consent breach costs incurred	Annually
Aging assets	On-going renewal and rehabilitation plan	\$2.5m	Less Network failures	2020 onwards
	Do nothing	\$0	Network failure	Annually
Inflow and infiltration	Reduce inflow and infiltration	\$150,000	Deliver renewal and Rehabilitation program	2021 on-going
	Do nothing	\$0	Incur additional process cost	Annually
Effect of waste water on rivers	Implement technology and programmes to achieve compliance.	\$28m over 35 years	Funding requirement to deliver staged improvement programme- achieve compliance	35 years
	Alternate – continue to discharge into rivers/streams	\$0 Plus fines and fees	Level of service reduced and consent breach costs incurred	Annually

Preferred Option

YEAR	OPERATING \$	CAPITAL \$	TOTAL \$
2015/16	1,850,696	843,601	2,694,297
2016/17	2,046,812	1,185,923	3,232,736
2017/18	2,103,648	789,528	2,893,176
2018/19	1,998,235	499,125	2,497,360
2019/20	2,032,795	569,581	2,602,375
2020/21	2,075,951	669,320	2,745,271
2021/22	2,098,855	429,120	2,527,975
2022/23	2,101,359	271,866	2,373,224
2023/24	2,125,408	252,200	2,377,608
2024/25	2,155,811	278,207	2,434,018
2025-2030	11,764,374	1,531,771	13,296,145
2030-2035	13,591,854	1,795,657	15,387,511
2035-2040	15,703,214	2,105,005	17,808,219
2040-2045	18,142,554	2,467,645	20,610,199

STORM WATER DRAINAGE

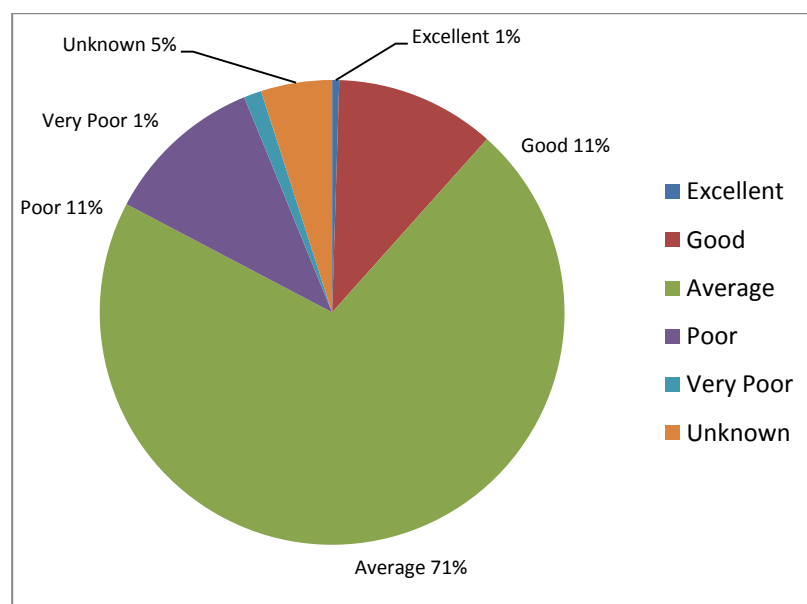
It is Council policy that all storm water from buildings is disposed of onsite through soak pits. The low density of development and the soil type generally means there are few storm water problems. The Council will maintain the status quo with no major decisions pending. We will continue to monitor the situation and service levels as part of the annual plan to ensure the approach is effective. Council will also respond to on-going or significant issues of water ponding on roads. The street cleaning works was added to the joint council roading contract to ensure an economy of scale and allow for efficiency in using mechanical sweeping.

Overview

SURFACE WATER CHANNELS BY TYPE	LENGTH (M)
SWC (Shallow, <200 Below Seal Edge)	270,447
SWC (Deep, >200 Below Seal Edge)	338,758
Kerb & Channel (Concrete)	69,580
Mountable Kerb & Channel (Concrete)	8,384
Kerb Only (Concrete)	2,261
Dished Channel (Sealed)	2,296
Dished Channel (Concrete)	2,756
Dished Channel (Asphalt)	43
Slot Channel (Concrete)	372
Other Type	112
Total	695,009

ASSET COMPONENT	TOTAL	UNITS
Catchpit type 1	87	(ea)
Catchpit type 2	29	(ea)
Culvert	30,209	(m)
Debris catching grid	3	(ea)
Manhole	31	(ea)
Side Culvert	188	(m)
Soak pit	2	(ea)
Subsoil drain	380	(m)
Sump	421	(m)
CULVERT PIPES (M)		
Up to 375 diameter	17,347	(m)
375 – 525 diameter	5,357	(m)
550 – 750 diameter	3,931	(m)
800 – 1200 diameter	1,828	(m)
1200 – 1500 diameter	404	(m)
1600 – 2100 diameter	133	(m)
> than 2100 diameter	65	(m)

Current Condition



As shown in the figure on the previous page the RAMM data is showing 83% of culverts are of an average condition or better. The RAMM data shows some condition rating was completed in 2009 and 2013.

Management

The capacity of the drain structure to cope with the catchment run-off is generally adequately designed and constructed relevant to the standards at the time of installation. However as standards for design or factors used in the original design change over time, and as the condition of the asset deteriorates, the assets ability to manage flows from the catchment can be compromised.

Typically such situations are often identified during storm events when flooding occurrences are investigated, and appropriate remedial or upgrade works are subsequently determined and scheduled for action on a priority basis to resolve the matter.

In addition to this however there are also regular routine inspections of drainage assets as part of the network management and maintenance and works programming tasks throughout the year.

Renewal

Minimal renewal is required and the functionality is retained through maintenance after periods of inundation. The overall capacity and performance of the drainage assets is assessed to be average to fair, based on the large proportion of culverts that are small diameter (300mm or less) and the average number of culverts per km of rural road

length balanced by the low level of customer complaints and/or service requests recorded for drainage issues despite some significant storm events having occurred in recent years.

Risks

RISK	RATING	PROPOSED ACTION
Consenting stormwater	Medium	Wait and see if consenting is required
Discharge	Medium	Acquire exemptions

Options

		COST	IMPACT	TIMING
Upgrade/Extension	Build a storm water network and pipe water	\$250,000	No major change to current flooding	Per Year for 35 years
Status Quo	Maintain Current	As per NZTF Funding	Current Flooding profile	Annual

Preferred Option

YEAR	OPERATING \$	CAPITAL \$	TOTAL \$
2015/16	217,797	51,050	268,847
2016/17	226,160	52,300	278,460
2017/18	231,620	53,600	285,220
2018/19	231,654	55,000	286,654
2019/20	236,935	56,450	293,385
2020/21	242,854	58,000	300,854
2021/22	248,105	59,600	307,705
2022/23	254,159	61,300	315,459
2023/24	261,465	63,050	324,515
2024/25	268,576	64,850	333,426
2025-2030	1,465,631	357,056	1,822,688
2030-2035	1,693,303	418,568	2,111,871
2035-2040	1,956,341	490,677	2,447,018
2040-2045	2,260,239	575,209	2,835,448

PROVISION OF ROADS & FOOTPATHS

Roading is a vital element to enable social and economic development. With 381.9km sealed and 271km unsealed road network and limited funds, consideration needs to be given to sustainability of maintaining roads over the long term. Council will continue to focus on applying to attract maximum subsidies in the areas of drainage, bridging, road safety and maintenance.

Transport in the highest projected capital spend and has historically been so therefore no change is expected. The robust processes around the development of projects and the whole of life costs involved in attracting funding ensures that expenditure is in line with sustainability and affordability.

The greater reliance on "Better Business Case" development for funding ensures SWDC is looking at the whole of life implications on maintenance, renewal and capital expenditure ensures there is less risk in this asset group. The Auditing by NZTA on expenditure, quality and standards as well as review of its Transport AMP ensures an independent **third party review of council's largest asset spend**

Land Transport NZ has removed the seal extension subsidy indefinitely on all road classes, including Special Purpose Roads. Future changes to the Funding Assistance Rates (FAR) and removal of funding for the SPR is outlined in Transport AMP.

Overview

Council has 49.2 km of footpaths across the 3 main towns. They are constructed predominately in concrete and when in need of repairs are overlaid **with asphalt. Council's strategic approach is to have** a footpath on one side of the street emanating concentrically from the town centre. New paths are constructed in line with the strategic approach to lead to the town centre but also to link community infrastructure such as pools or medical centres. The renewal of footpaths takes priority over the construction of new paths as there is greater risk in the use of a path with an existing hazard to that of a path not constructed. Paths can be renewed (repaired) in single points through replacing the

affected slab or in longer sections by overlaying a length.

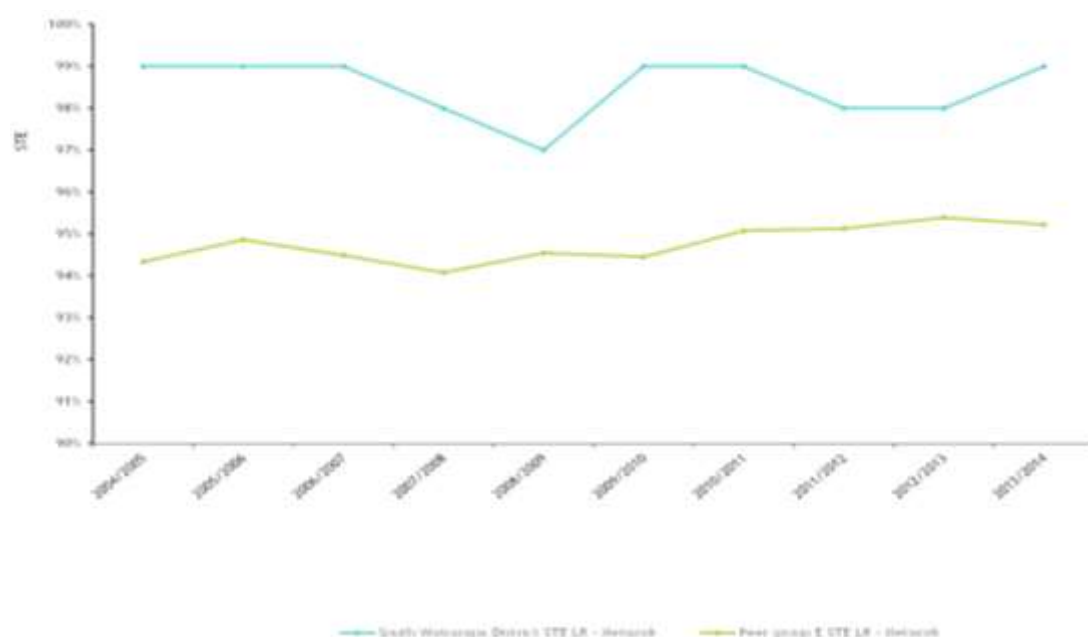
Council understands the need to improve pedestrian and cycle access across the district as walking and cycling is beneficial for individuals, easy on our environment and is supported by the SWDC. We have seen the success of the first stages of the Greytown rail trail in attracting and fostering cycling, and to a lesser extent walking, as means of transport walking and cycling also helps the wider promotion and development of the district.

A strategy will be developed over the 2015/18 LTP period. This strategy is intended to guide the people and Council as they make walking and cycling an integral part of their daily lives and the Wairarapa a more pedestrian and cycle friendly district. While it **will focus on the Council's projects, it is also** intended to help guide other organisations in their efforts to improve conditions for walking and cycling for transport and recreation. This has currently been developed in isolation with private and public trails being developed currently.

Current Condition

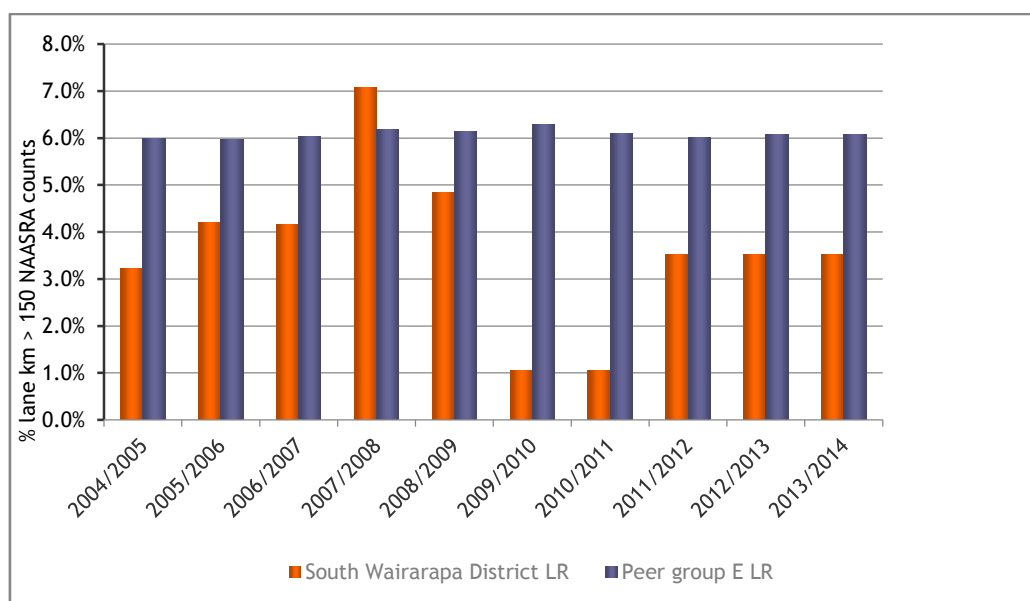
At present the roading network is in a generally good condition though knowledge of the assets could be improved significantly to improve confidence. At present no changes in LoS have been proposed. There are a large number of requirements that are imposed on the Council that need to be added to or incorporated into the existing LoS targets and monitoring for The ONRC. While some are not specifically LoS the reporting on them annually becomes a LoS target by default.

The NRB Communitrak Survey results suggest some possible areas for additional LoS including the amount of seal extension and new footpaths, maintenance response times and improved supervision of trenching etc. Most of the other issues raised by the survey respondents are covered by the existing LoS though in technical roading measures rather than something the ratepayers would readily understand.



Smooth travel exposure for sealed roads has remained steady while the Peer Group E has declined. The results for rural roads show an

improvement while urban roads now appear to have stabilised after falling since 2009.



Management

The current RAMM data has sufficient information to complete asset valuation - as for 'minimum' plus replacement cost and asset age /life. The new Asset hierarchy for ONRC has been developed and approved via NZTA and asset identification and asset attribute systems documented. A condition assessment programme is in place for major asset types, prioritised based on asset risk and the data supports asset life assessment. Within the AMP data management standards and processes are

documented and a programme for data improvement has been developed.

Through a number of sources and organisations SWDC roading staff and advisers keep abreast of new technology and techniques for reducing lifecycle costs of roads e.g. polymer stabilisers for unsealed roads to reduce maintenance costs. The Forward Work Programme (FWP) is an integral part of the Lifecycle Management Plan setting out the planned physical works required to maintain the assets and therefore meet the specified levels of

service for each category of road. SWDC is currently aligning the work programme to the levels of service specified for each category of road under the ONRC. It is the Council's intention to fully implement this over the next three years for the 2018-2021 AMP review.

The Council utilises a number of the RAMM tools including the Asset Valuation Module, Treatment Selection Algorithm, and RAMM Contractor for managing maintenance contracts.

The roading network physical condition data is contained within the RAMM database hosted by RAMM Software Ltd. This information is continually updated as roads are maintained, resealed or rehabilitated, vested to Council, structures built and new traffic signs installed.

The districts 134 bridges will continue to be reviewed and maintained against standards, functionality and usage, with no major projects planned.

Council has decided it is unlikely any further unsealed public roads will be constructed or vested by Council. The maintenance contract was re-let on a 5 year contract to new provider in 2013.

Renewal

LED lighting is now being implemented across the 762 street lights and later in replacements at the end of the current fixture lifecycle.

Risks

RISK	RATING	PROPOSED ACTION
Serious crashes	Medium	Monitor crashes
Fatal crashes	Medium	Monitor crashes
Serious crashes	Medium	Monitor crashes
Financial Impact of managing Special Purpose road	Medium	Advocate for funding Greater preventative works
Changes to ONR	Low	Adjust to ONRC Standards

The Crash Analysis Risk Matrix from NZTA's Crash Analysis System (CAS) identified two areas of concern in the most recent report (April 2014) covering both local roads and the state highways. These were speed and young drivers.

The table below shows the number and type of crashes that have occurred on the SWDC network over the 10 year period 2003-2012. Over 50% of fatal and serious injury crashes occurring on the SWDC rural roading network take place where there have not been other fatal or serious crashes within a 250m radius within the last 5 years. This makes reduction in crashes difficult to achieve by targeting

individual crash sites and therefore a programme addressing routes is more effective.

YEAR	FATAL	SERIOUS	MINOR	NON-INJURY	TOTAL
2003	2	4	6	18	30
2004		5	15	19	39
2005		2	9	15	26
2006		5	11	22	38
2007	1	2	11	22	36
2008	2	2	12	20	36
2009	3	3	9	21	36
2010		7	13	19	39
2011		3	13	19	35
2012		4	11	21	36
Total	8	37	110	196	351

Crashes on SWDC Network by Year and Severity

The crashes were grouped by road to identify which roads had the highest number of crashes. It is well known that on rural roads a large number of crashes go unreported. It is therefore expected that sites identified through CAS are also likely to have unreported crashes and therefore using the CAS data to identify the routes to be treated is considered the best approach.

Evident in the CAS output is the large proportion of crashes that occur on bends, 64% of fatal and serious crashes and 58% of all injury crashes.

Our percentage of high severity crashes occurring in the dark is below the national average figures in the NZTA High Risk Rural Road Guide and at the national average for wet.

Taking over the Special Purpose Road (Cape Palliser) poses a financial risk due to the instability of the road. Financial risk is also possible due to changes to the Funding Assistance Rates (FAR) and removal of funding for the SPR along with the unknowns of the ONR implementation.

The key areas of significance in transport are that of the transition to the ONRC over the next 3 years. The key decisions in this area are that of the levels of service and measures for Council at the next LTP (2018/28). The service levels set within the ONRC framework will either be adopted or a higher level of service applied at council cost. The next 3 years will be used to determine these levels.

The move from 100% funding of the SPR to the 52% FAR will require a transition timeframe that is currently unknown. Historically NZTA have applied an incremental change of 1% per year however this may be far longer than aspired for by NZTA. This unknown transition is a major factor for SWDC and will have active lobbying to ensure minimal effect.

Options

LEVEL OF SERVICE ISSUE	PRINCIPAL OPTIONS	COST	IMPACT	TIME
ONRC changing standards	Improving the Classification of roads vz ONRC	Increased unsubsidised Roads costs	Initial classification complete and being moderated by NZTA.	2019 onwards
	Understanding implications of the ONRC on the District Plan	\$0		2019 onwards
	Identifying gaps in performance (measures) or network outcomes between current practice and the ONRC and getting stakeholder agreement to remedy any gaps	Unknown	Programme to be established in conjunction with elected members	2016-2019
NZTA monitoring requirements for ONRC	Designing and implementing performance monitoring programmes	\$0	Belter use of existing systems	2017-18 financial year
ONRC measures	Implementing the measures and building them into service contracts	.\$0	Service contracts are not due for renewal until 2017-18 financial years	2017 onwards
	Planning investment (and dis-investment) programmes to address gaps in time for the development of the 2018/28 NLTP	\$25,000	Programme to be established in conjunction with NZTA elected members. June 2018	2018
	Addressing gaps through negotiation between the Council and NZTA	June 2018	Programme to be established in conjunction with NZTA and Calibre consultants	2017
	LED Lighting	Cost neutral over 15 years	A program of replacing only when assets are at the end of life	2016-2045
	Seal Extensions	\$120,000	tangible benefits (removal of dust nuisance, creation of alternative routes and protection of sensitive crops and increased usage) increase future maintenance costs in	Annually
		\$0	Don't do them	Annually
	Footpath extensions	Maximum \$95,000	Increased amenity of urban areas	Annual decision
		\$0	Don't do any	Annually

SWDC do not have a target measure for roughness. Comparing the SWDC roads with Peer Group E (Small provincial towns, low traffic volumes population less than 20,000 and/or rural crashes greater than 55%) there is a lower percentage with roads with NAASRA roughness greater than 150 counts.

Preferred Option

YEAR	OPERATING \$	CAPITAL \$	TOTAL \$
2015/16	5,238,952	2,298,199	7,537,151
2016/17	5,177,900	1,719,174	6,897,074
2017/18	5,254,422	2,000,081	7,254,502
2018/19	5,273,946	2,192,409	7,466,355
2019/20	5,331,996	2,243,138	7,575,134
2020/21	5,403,543	2,299,529	7,703,071
2021/22	5,606,507	2,355,892	7,962,399
2022/23	5,669,677	2,414,190	8,083,867
2023/24	5,757,351	2,474,376	8,231,728
2024/25	5,993,255	2,535,513	8,528,768
2025-2030	32,705,499	13,960,225	46,665,725
2030-2035	37,785,976	16,365,228	54,151,205
2035-2040	43,655,656	19,184,554	62,840,209
2040-2045	50,437,131	22,489,580	72,926,711

SWDC IN 2045

Sustainable practices adapting to the changing environment and societal needs will still be the focus.

From Where we are Now it is Envisaged

More people will be walking and cycling in the future, both for exercise as part of a healthy lifestyle and as an inexpensive and convenient form of transport. The popularity of the district's walkways and cycle ways is likely to continue and could be supplemented by further facilities in available space. The vast nature of our district however and lack of public transport choices means that the motor vehicle will still be the predominant method of transport in our communities for the foreseeable future.

The district will be more sustainable and economical having:

- Developed eco-friendly ways to use water and dispose of wastewater as per our long term consents, including producing crops from the wastewater.
- Water sensitive urban design.
- Better storm water management practices the district will be more sustainable and economic.
- All ratepayers will be recycling.
- E-recycling.

The Wairarapa Water Use Project may have developed greater storage and supply of agricultural grade water adding to the economic growth of the area and intensifying the production from land use.

Climate change will impact the environment globally and locally. Changes in wind and weather patterns, sea level rises, increased flood risk and frequency of extreme weather events are predicted. Climate change is not expected to create new hazards but may change the frequency and intensity of existing hazards. Council is responsible for a range of functions that may be affected by climate change. These include resource management, land use planning, civil defence and the provision of infrastructure such as storm water drainage, water supply and roads.

OTHER LINKED DOCUMENTS

This strategy is a key component of the Council planning process, linking with the following Council plans and documents:

- SWDC Long Term Plan.
- SWDC Annual Plan.
- SWDC Finance Policies.
- SWDC Finance Strategy.
- Significance and Engagement Policy.
- SWDC Risk Management Plan.
- AMPs for Council infrastructure.
- SWDC bylaws.
- Combined Wairarapa District Plan.

There are linkages to other local and national planning documents as follows:

- Government Policy Statement on Land Transport Funding.
- National Policy Statement on freshwater.
- NZTA manuals and procedures.
- National Land Transport Plan.
- Regional Land Transport Strategy.
- Regional Land Transport Programme.
- Regional Road Safety Plan.
- Wairarapa Life Lines Study.
- Regional Walking Plan.
- Regional Cycling Plan.
- Regional Plans (Freshwater, Discharges, Coastal, Policy).

APPENDIX ONE: SUPPORTING ASSUMPTIONS

Population

- With relatively flat population growth projections, we will plan for and build major asset renewals or new infrastructure with little redundant capacity.
- It will be difficult to reduce costs in future if population actually declines and an increased number of households with lower fixed incomes lead to affordability issues.
- The median age will rise to approximately 50 by 2043.

Finance

In the AMP's:

- Asset information will continue to be acquired to complete a full understanding of the community reticulation networks condition.
- The external regulatory environment will remain significantly the same for the next ten years.
- Council and its service community will maintain a similar level of expectation in relation to service levels.
- Where data is not available the knowledge of the practitioners directly providing this activity, both on a day-to-day basis and historically, has been relied upon. These practitioners include **Council's staff, consultants, and staff of the various physical works contractors.**
- There will be an on-going requirement/demand for the provision of these activities.
- Renewal and Capital costs are preliminary cost estimates not final costs and will be further researched and refined on a project by project basis as part of development.

In the financial forecasts:

- NZTA will continue to provide subsidised funding to Council for the roading network.
- Council will continue to fund the current levels of service.
- The Total Useful Life and Residual Useful Lives of the assets in relation to the asset valuation are deemed equal.
- The asset data provided is reliable and fit for the purpose of developing the long term financial forecasts.

Service Levels

- This Strategy assumes that all Levels of Service targets will be unchanged in the future.
- Where Level of Service capital expenditure is proposed (largely in the Water and Wastewater Activities), this is to meet mandatory Levels of Service that are not currently being met and will be implemented. For waste water Service levels will remain unchanged though register a positive effect on the environment.
- Where there are land use changes in the District Plan, some areas may be entitled to an altered Level of Service. It is assumed that there will be no impact from land use changes in the District Plan in terms of ability to meet these Level of Service changes.
- All Levels of Service are tabled in the Annual Plan.
- The impact of ONRC is unknown and therefore not included.

Ownership

Council currently owns and operates the infrastructure assets outlined in this Strategy. Although most of the field works are undertaken by private contractors, the overall responsibility for service delivery rests with Council. This Strategy assumes that the current ownership/operating model in use by the Council will continue through the next 30 years.

Demand

- Overall quantity and quality demand will remain constant. Evaluation of change will take place on an as required/provided basis resulting in progressive development.
- The age demographic change will result in greater demand in levels of service in one area with a corresponding decrease in another.

Statutory Change

Meet all current and new statutory obligations, assuming cost of compliance will be in line with current operational and project budgets.

Life Cycle

All assets will be utilised for their full lifecycle and maintained in perpetuity.

Design

All design will meet current industry standards and adhere to best practice.

Obsolescence/Disposal

- No components of the district's assets are obsolete or will be in the term of the strategy.
- Under this strategy there is no requirement for decommissioned Asset Disposal.
- Any forced obsolescence through consenting requirements and community expectations will be accounted for through the consenting processes.

Natural Disasters

- Commentators say **"There will be an increased frequency and severity of storm events and or flooding due to climate change."**
- Sea levels will rise.
- No funds have been attributed to this activity and will be funded from reserves, insurance and loans if it occurs.
- Earthquake strengthening will be completed.
- Flood protection and control works are the responsibility of Greater wellington Regional Council.

Technology

- Current engineering will remain unchanged and lower cost options will continue to be made available.

Asset data and information will

- Be collated into a single repository.
- Have a full process for tracking maintenance costs.
- Be accurately collect, validate and record data staff and contractors.
- Complete asset condition assessment and performance monitoring.
- Allow for complete asset capacity and utilisation assessment.
- Update and refine the required renewal expenditure based upon the improved data as it becomes available.

Due to the following we are reasonably certain of the assumptions used in the collation of this report and those feeding into it:

- Relatively static population over the period.
- Long-term infrastructure investment to be maintained in perpetuity.
- No asset replacement bubbles.



Part 5

Our Future

Introduction

Key Issues

Promoting Our District

How our District
Looks in the Future (20+ Years)



OUR FUTURE

Introduction

Workshops with various industry stakeholders have been held over the last two long term plan processes 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 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
- Youth
- Youth workers
- Martinborough Community Board
- Featherston Community Board
- Greytown Community Board
- Maori Standing Committee and Wairarapa iwi
- Senior citizens
- Service users
- Community organisations

Our Community Likes

- Weather/Climate
- Country living
- Not confined (space per person/free & open)
- Moving ahead
- Hub of events
- Proximity to Wellington
- Lots to do
- Beautiful
- Impact of the wine industry
- Well maintained roads
- Attractive tidy towns and rural areas
- Martinborough Square
- Good public toilets
- Sportsgrounds, playgrounds, libraries
- Enforcement of tree trimming
- Accessible
- Variety of sports
- Transport network
- Community values
- Easy access to banks, doctors, supermarkets etc.
- Greytown bike trail
- Dog parks
- Small vibrant towns
- Martinborough Square
- Towns with a point of difference
- Lake/Parks & reserves/rivers
- Ecology
- Coast/trees/bush/hills/rivers
- Cycle friendly
- Strong business groups
- Summer reading program
- Great events
- Passive & active recreation
- Nice/welcoming
- Active people
- Strong communities
- Great for young families
- Good people
- Mix of people
- Fabulous people

Our Community Would Like

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.

- Think district and regionally wide
- Recognisable change
- 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
- Resource consent and building consent processes easier: Streamline Council processes.
- Ease of doing business with Council
- Lack of buildings in South Wairarapa: how to facilitate growth
- Amenities in all three towns - loose spirit of community if only one
- Grow out of town owners or decrease out of town owners
- Working from home needs to be enabled – broadband, business hubs
- Look at sustainable sewerage and grey water options for new builds
- Ban 1080 poison: consider using the unemployed to kill possums
- Encourage utilisation of the district pools (some are under utilised); pools are cold and have limited opening hours
- Encourage greater sports participation
- On-line sport and recreation information for the whole district
- Card Reserve Development Plan
- Combined Sports and Leisure Society
- Accessible sports equipment
- Full sized gym

- | | |
|---|--|
| <ul style="list-style-type: none"> • Indoor pool • Make South Wairarapa sports teams competitive in Wairarapa/Wellington by providing better sporting facilities i.e. heating pools, creating turf's with lights, supporting gyms (bigger) • More cycle (inc. BMX and mountain) and walking tracks • Sailing and archery clubs • Feasibility study on current facilities • Camping growth • Provide a greater variety of recreation including passive • 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 • Continue water quality improvements • Continue waste water improvements • 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 • 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 • Review contract verse in house • Footpath extensions and maintenance • More road signs • Road edging, parking and footpath | <ul style="list-style-type: none"> • Seal extensions South Featherston School addressed • More jobs for youth • Youth after school and weekend. activities/events (music/triathlon/pool BBQ) • Enhance Featherston Main Street • Fix rubbish day • Libraries open between Christmas and new year • Digitised building files • Wairarapa wide interpretation of regulations • On-line consents (not post) • Historical trees common name included • Irrigate Martinborough Square to maintain purpose • Review Wairarapa District Plan – subdivisions, signage, heritage trees and buildings etc • Control weeds and broom • Improve access to Wairarapa Moana • Link change to community outcomes • Combined Business Association • Consider how we can assist with improved air travel • Adapt for technology |
|---|--|

Promoting Our District

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**
- Promote the distinct town
- 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
- Target cruise ship visitors

How our District Looks in the Future (30+ years)

- A more prosperous South Wairarapa
- Young people want to stay in the south
- Greytown Trust Lands Trust remains
- South Wairarapa is achieving environmental excellence
- Our district has clean rivers and high water quality
- South Wairarapa town centres are excellent
- 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 and better utilised
- 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
- 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)
- Youth are encouraged to participate in decisions of local government
- 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 retain 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 an irrigation project
- Our districts have well maintained and improved roads
- Attract private investment
- Attract superannuitants
- People want to live here
- Population growth to support development
- Retirement village/housing options in all towns
- Good schools to attract families
- Diverse business
- Advocate for support services for aging population
- Economic development long term strategy
- Better wastewater system
- Preserve best land use
- Urban design strategy to maintain space/character/manage life styles
- Accessible disability transport
- Encourage stock underpasses
- Greytown pool 25m
- Regular review of rates calculations to ensure they are still relevant
- Affordable living
- Using technology
- Ensure an adaptive plan for demographic and population change
- Big Picture (All of Wairarapa)
- Council can do attitude
- Maintain rural feel
- No rush/congestion
- Initiatives for eco-friendly living
- Solid waste and resource use
- Lobby for a NZ packaging accord (Aus/Eur)
- Have green waste compost on Council farms
- Mall Kitchener Street Ohio Street to Square
- Featherston shops full
- Featherston attractive Main Street
- Featherston welcoming gateway
- Featherston all traffic down main street
- Greytown more than one park

Risks and Challenges

- Public transport
- Rimutaka Hill Road
- Tourist towns not catering for locals
- Keeping up with technology
- Managing cost/raising revenue
- Transitioning the change
- Maximising what we do/have now
- Missed opportunities
- Impact on statutory change e.g. building and environment, health & safety
- Government move to Auckland
- Treaty settlement
- Having enough clean fresh water
- Coastal erosion
- Extreme weather events
- Global warming
- Individual dams v syndicate v one major
- Water use (consented water)
- Loss of momentum in Featherston
- SWDC delivering on 30 year initiatives
- Stakeholder engagement (taking everyone)
- Maintaining character of towns and country atmosphere
- **"We are not Wellington"**
- Managing unpaid rates
- People not prepared to pay
- Viability of rest homes
- People losing heart in Council
- Youth **leave and don't return**
- Maintaining economic & health benefits
- Adapting to meet new sports
- Car parking
- Keeping sport accessible cost & travel
- Developing successful strategic relationships
- Cost of developing more active sports grounds
- Encompassing health
- Meeting transport needs
- Meeting increasing passive recreation needs
- Keeping people active
- Supporting individual drivers to take a team approach
- Gaining private investment

- Lack of sport/recreation volunteers
- Supporting local schools esp. Kuranui
- Earthquake prone buildings
- GWRC flood mapping
- Cell phone reception
- Technology life
- Uneconomic services due to population
- Pest control
- Ensuring more efficiency
- Lack of buildings to facilitate growth
- Broadband – Hinakura/Whiterock
- Lack of employment opportunities
- **#’s not** economies get the money



Part 6

Appendices

Appendices

2015-16 Schedule of Fees and Charges

Elected Member Contacts

Non-elected Member Contacts

Council Directory

Glossary



APPENDICES

2015/2016 SCHEDULE OF FEES AND CHARGES

Fees shown are inclusive of GST.

COMMUNITY SERVICES	FEES
	\$
Council Office	
<i>Opening Hours</i>	
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
Photocopy plans etc:	10.00
Time involved to retrieve and/or photocopy plans (per 10 minutes)	
Any other services not covered elsewhere (per hr)	75.00

LIBRARY/SERVICE CENTRES	FEES
	\$
Featherston	
<i>Opening Hours</i>	
Monday to Friday 9.30am-5pm	
Saturday 10am-12pm	
Greytown	
<i>Opening Hours</i>	
Monday to Friday 9.30am-5pm	
Saturday 10am-12pm	
Martinborough	
<i>Opening Hours</i>	
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
	\$
Featherston	
<i>Opening Hours During School Term</i>	
Monday – Friday 2pm – 5:15pm	
Saturday – Sunday 1pm – 5:30pm	
Opening Hours During School & Public Holidays:	
Everyday 1pm – 5:15pm	
Greytown	
<i>Opening Hours During School Term</i>	
Monday – Friday 2pm – 5:30pm	
Saturday – Sunday 11am – 5:30pm	
Opening Hours During School & Public Holidays:	
Everyday 11am – 5:30pm	
Martinborough	
<i>Opening Hours During School Term</i>	
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
	\$
<i>Fees and Charges – All venues (in addition to hire charges)</i>	
Deposit (required to confirm booking)	204.00
Bond if alcohol to be served	300.00
Cleaning fee per hour (if required)	
- Small & medium venues min 1 hr, large venues min 2 hrs	35.00
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	FEES
	\$
ANZAC HALL COMMITTEE ROOM	
GREYTOWN UPSTAIRS ROOMS	
MARTINBOROUGH COUNCIL CHAMBERS	
<i>Schools or Free Admission to General Public</i>	
Weekday (morning or afternoon)	25.00
Monday to Friday – full day or part morning / part afternoon	50.00
Monday to Thursday evening	25.00
Friday evening, Saturday, Sunday, Public Holidays	75.00
<i>Private Use or Admission Charged</i>	
Weekday (morning or afternoon)	30.00
Monday to Friday – full day or part morning / part afternoon	60.00
Monday to Thursday evening	30.00
Friday evening, Saturday, Sunday, Public Holidays	120.00

MEDIUM VENUES	
MARTINBOROUGH GREEN ROOM, FEATHERSTON KIWI HALL AND/OR SUPPER ROOM, GREYTOWN WBS ROOM, GREYTOWN OLD LIBRARY	FEES \$
Schools or Free Admission to General Public	
Weekday (morning or afternoon)	30.00
Monday to Friday – full day or part morning / part afternoon	60.00
Monday to Thursday evening	30.00
Friday evening, weekends, public holidays	150.00
Private Use or Admission Charged	
Weekday (morning or afternoon)	40.00
Monday to Friday – full day or part morning / part afternoon	80.00
Monday to Thursday evening	40.00
Friday evening, weekends, public holidays	150.00
Note: Projector available in Greytown WBS Room	

LARGE VENUES	
GREYTOWN TOWN CENTRE FORUM, GREYTOWN TOWN CENTRE FORUM & WBS ROOM, ANZAC HALL (INCL SUPPER ROOM), MARTINBOROUGH TOWN HALL (INCL GREEN ROOM)	FEES \$
Seated Functions (seated provided)	
Weekday – morning or afternoon	135.00
All day or part morning/part afternoon	195.00
Monday to Thursday evening	135.00
Friday evenings, Saturday, Sunday, Public Holidays	375.00
Each hour after midnight	100.00
Dances, Social Functions - (chairs/tables available but set up by hirer)	
Monday to Sunday – includes kitchen facilities	350.00
Each hour after midnight	100.00
Displays, Exhibitions (clear floor)	
Local and Free Admission	0
Non Local or Admission Charged	100.00
Pack in/out per day	25.00
Sale of Goods/Auctions	
Local	150.00
Non Local per day	300.00
Pack in – Pack out day	50.00
Stage Performances/Musical Recitals etc	
Free Admission	
Pack in/out and Rehearsals – per day	25.00
Performance Day	150.00
Admission Charged – Local Amateur Performers	
Pack in/out and Rehearsals – per day	25.00
Performance Day	150.00
Admission Charged – Professional Performers	
Pack in/out and Rehearsals – per day	50.00
Performance Day	300.00

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
Ash Niche / Columbarium Wall	250.00
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 \$
General Fees	
Desexed	Urban \$66 Rural \$42
Entire	Urban \$95 Rural \$64
Late Fees Desexed	Urban \$99 Rural \$63
Late Fees Entire	Urban \$142.50 Rural \$96
Other Fees	
Flat fee for up to 10 Rural Dogs plus \$20 per additional dog	\$210
Late flat fee for up to 10 rural dogs plus \$30 per additional dog	\$300
Surrender a dog for euthanasia	\$60
Permit application to keep more than two dogs in an urban area including breeder	\$140
Re-homing fee for impounded dogs	\$90
Costs and expenses relating to impounding and securing impounded dogs	Actual costs plus 10%
Replacement registration tag (if tag lost or damaged)	\$5
Bark Control Collars	Actual cost plus 10%
Impounding Fees	
First Impounding	\$85
Second Impounding	\$170
Third Impounding	\$265
Feeding (per day)	\$20

STOCK RANGING	FEES \$
Call out fee. (Fee per hour or part of)	\$140.80
Costs and expenses relating to the impounding and securing impounded stock.	Actual plus 10%
Impounding Fee	
First Impounding per animal	\$200
Second Impounding Fee per animal	\$400
Third impounding per animal	\$600
Feeding (per day per animal)	\$50

HEALTH LICENSING	FEES \$
Note: Food premises operating under an approved Food Control Plan and will be charged according to the food hygiene registration fees until new regulations come into effect.	
New Food Premises	255.00
Annual Registration of Food Premises	250.00
Minor Food Processing (limited sale)	125.00
Inspection Fee	140.00
Camping Ground (per annum)	150.00
Hairdressers Registration (per annum)	250.00
Offensive Trade Registration (per annum)	250.00
Hawkers licence (per annum)	150.00
Mobile shop licence – involving food per annum	150.00
Transfer of registration	130.00
Itinerant trader per annum	240.00
Street stall – large	150.00
Street stall – small	20.00
Food stall (Minimum)	150.00
Registration of event	150.00
Amusement gallery (per annum)	150.00
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	350.00
Return of seized equipment –administration and return fee per property, PLUS	100.00
Burglar alarm disconnection (if required)	Electrician/ Service Callout charges plus 10%
Bylaws	
Advertising Sign permit	150.00
Hoarding permit	150.00
Abandoned vehicles removal and disposal	Actual + 10%
Long grass removal	Actual + 10%
Removal of over-hanging vegetation public places	Actual + 10%
Gambling	
Venue and gaming machine per consent	\$350

LIQUOR LICENSING	FEES \$
Licence Applications	As per Act
Managers Certificates	As per Act
Refer to the Sale and Supply of Alcohol Act 2012	

RESOURCE MANAGEMENT	FEES \$
Non-Notified Land Use	
Controlled	550.00
Restricted discretionary-minor	350.00
Restricted discretionary-other	650.00
Discretionary	750.00
Non-complying	1,530.00
Limited Notified Land Use	
Controlled	765.00
Restricted discretionary	765.00
Discretionary	1,071.00
Non-complying	1,887.00
Non-Notified Subdivision	
Controlled	800.00
Restricted discretionary	900.00
Discretionary	1,000.00
Non-complying	1,730.00
Limited Notified Subdivision	
Controlled	1,000.00

RESOURCE MANAGEMENT	FEES \$
Restricted discretionary	1,100.00
Discretionary	1,200.00
Non-complying	2,000.00
Publicly Notified	
Controlled	1,122.00
Restricted discretionary	1,122.00
Discretionary	1,428.00
Non-complying	2,244.00
Plan Change and Resource Consents	
<i>All fees are a deposit only. Where the costs for processing an application exceed the fee deposit, the additional cost will be payable.</i>	
Staff time (per hour)	96.00
Plan change	5,500.00
Additional Charges	
Site Inspection	140.80
Pre-hearing	510.00
Hearing	1,200.00
Hourly Rate above deposit	96.00
External consultancy	Actual cost + 10%
Heritage Items (including notable trees)	No charge to applicant
<i>*Fees will not be charged for applications relating to</i>	
<i>a) modifying or removing trees listed in appendix 1.4 (Notable trees) of the Wairarapa Combined district plan.</i>	
<i>b) additions and alterations to buildings listed at Appendix 1.7 (Heritage items) of the Combined District Plan</i>	
<i>c) located within a Historic Heritage Precinct Appendix 1.8 of the District Plan.</i>	
<i>This only applies where no other aspect of the proposal requires resource consent; e.g. a yard encroachment.</i>	
Certification	
223 Certificate	255.00
224 Certificate	320.00
S226 Certificate	320.00
S243 Approval	320.00
S348 of LGA approvals	320.00
Certificate of Compliance	320.00
Planning Certificate (SSOA)	320.00
Request to vary condition of consent	350.00
Objection to condition of consent	350.00
LIM – Urgent (5 working days) <i>includes GST</i>	450.00
LIM – Standard (10 working days), <i>includes GST</i>	250.00
Certification of Title Searches <i>includes GST</i>	25.00

BUILDING CONSENTS	PIM FEE (IF APPLYING PRIOR OR WITH BC APPLICATION ADDITIONAL TO BC FEE) \$	BUILDING CONSENT (BC) ONLY FEE EXCLUDING BRANZ & DBH LEVIES \$
Plumbing & Drainage (P&D)		
Minor Work		
MA Solid fuel heater	44.00	286.00
MB Minor plumbing, drainage work – fittings, drain alteration, solar panel	44.00	361.00
MC Drainage work e.g. new minor subdivision services & common drains (see commercial fees for larger subdivisions)	44.00	924.00
MD Drainage work e.g. new effluent disposal system	44.00	924.00
ME Wet area shower (vinyl floor)	44.00	458.00
MF Wet area shower (tiled floor)	44.00	686.00
MG Private marquee <i>professional assembly only</i> (no inspection)	44.00	132.00
MH Public marquee >100 sq m < 50 people <i>professional assembly</i> (no inspection)	44.00	132.00
MI Public marquee >100 sq m > 50 people private marquee > 100 sq m (with inspection)	44.00	273.00
Sheds / Garages / Conservatories etc		
MJ Spa pools, swimming pool <1200 high on ground & swimming pool fence only	N/A	79.00
SN All other and in-ground swimming pool	44.00	329.00
SA Garden sheds/retaining walls/carports/decks/proprietary aluminum conservatories/other minor works	44.00	484.00
SC Minor farm buildings/haysheds/covered yards 1-6 bays etc incl farm bridges < \$15,000	88.00	634.00
SD Larger farm buildings (covered yards, wool sheds) no P&D incl farm bridges >\$15,000	88.00	994.00
SE Larger farm buildings (covered yards, wool sheds) with P&D	88.00	1,382.00
SF Proprietary garages std	88.00	669.00
SG Proprietary garages with fire wall	88.00	774.00
SO Proprietary garages with P&D	88.00	977.00
SH Proprietary garages including sleepout no P&D	88.00	774.00
SI Proprietary garages including sleepout with P&D	88.00	1056.00
SJ Garages, simple custom design single level	88.00	836.00
SK Garages, simple custom design single level with P&D (if sleepout use dwelling fee)	88.00	1,223.00
SL Residential repile	44.00	546.00
SM Residential demolition	44.00	229.00
Residential New Dwellings		
NA Single storey brick veneer Urban	352.00	3,062.00
NB Single storey brick veneer rural	352.00	3,696.00
NC Single storey weatherboard urban	352.00	3,203.00
ND Single storey weatherboard rural	352.00	3,872.00
NE Single storey stucco/texture coating/ply/steel/block or multi cladding urban	352.00	3,432.00
NF Single storey stucco/texture coating/ply/steel/block or multi cladding rural	352.00	4,136.00

BUILDING CONSENTS	PIM FEE (IF APPLYING PRIOR OR WITH BC APPLICATION ADDITIONAL TO BC FEE) \$	BUILDING CONSENT (BC) ONLY FEE EXCLUDING BRANZ & DBH LEVIES \$
NG Multi storey brick veneer urban	528.00	3,414.00
NH Multi storey brick veneer rural	528.00	4,048.00
NI Multi storey weatherboard urban	528.00	3,555.00
NJ Multi storey weatherboard rural	528.00	4,224.00
NK Multi storey stucco/texture coating/ply/steel/block or multi cladding urban	528.00	3,784.00
NL Multi storey stucco/texture coating/ply/steel/block or multi cladding rural	528.00	4,488.00
NM Transportable dwelling (yard built)	88.00	2,693.00
<i>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.</i>		
Residential Dwelling Additions & Alterations (incl. non-proprietary conservatories)		
AA Internal alterations	44.00	561.00
AB Internal alterations with P&D	44.00	702.00
AC Single storey brick veneer	88.00	1,602.00
AD Single storey brick veneer with P&D	88.00	1,778.00
AE Single storey weatherboard	88.00	1,778.00
AF Single storey weatherboard with P&D	88.00	2,059.00
AG Single storey stucco/texture coating/ply/steel/block	88.00	2,094.00
AH Single storey stucco/texture coating/ply/steel/block with P&D	88.00	2,376.00
AI Multi storey brick veneer	176.00	1,883.00
AJ Multi storey brick veneer with P&D	176.00	2,165.00
AK Multi storey weatherboard	176.00	2,130.00
AL Multi storey weatherboard with P&D	176.00	2,411.00
AM Multi storey stucco/texture coating/ply/steel/block	176.00	2,358.00
AN Multi storey stucco/texture coating/Ply/Steel/Block with P&D	176.00	2,640.00
<i>Note: All residential additions with multiple cladding types are charged as stucco/texture coating/ply/steel/block rate</i>		
Relocated Residential Dwellings		
<i>Note: If Relocation Includes Alterations or Additions</i>		
Add Alteration & Addition rate as above		
RA Relocated residential dwelling urban	528.00	1,584.00
RB Relocated residential dwelling rural	528.00	1,866.00
<i>Note: See other charges for bonds</i>		
Commercial / Industrial		
CN Commercial demolition	44.00	546.00
CA Single storey shop fit outs	88.00	1,135.00
CB Multi storey shop fit outs	88.00	1,417.00
CC Single storey multi-unit apartments/motels	352.00	2,062.00 plus 419.00 per unit
CD Multi storey multi-unit apartments/motels	528.00	2,413.00 plus 699.00 per unit
CE Minor commercial work e.g. signs/shop fronts/minor fit outs (No P&D)	176.00	880.00
<i>Use commercial rate for large subdivision services installations</i>		
CF Commercial/Industrial <\$50,000	281.60	2,147.00

BUILDING CONSENTS	PIM FEE (IF APPLYING PRIOR OR WITH BC APPLICATION ADDITIONAL TO BC FEE) \$	BUILDING CONSENT (BC) ONLY FEE EXCLUDING BRANZ & DBH LEVIES \$
CG Commercial/Industrial \$50,001 - \$100,000	422.40	2,992.00
CH Commercial/Industrial \$100,001 - \$150,000	563.20	3,837.00
CI Commercial/Industrial \$150,001 - \$250,000	704.00	4,682.00
CJ Commercial/Industrial \$250,001 - \$350,000	844.80	5,526.00
CK Commercial/Industrial \$350,001 - \$500,000	985.60	6,371.00
CL Commercial/Industrial \$500,001 - \$1,000,000	985.60	6,934.00
CM Commercial/Industrial >\$1,000,001	985.60	6,934.00 plus 413.00 per 100,000 value
<i>Development levies may apply to commercial building consents. Check with Council.</i>		

BUILDING CONSENTS – OTHER CHARGES	UNITS	FEES \$
<i>Infrastructure connections may apply to connections or additional loads on Council services. Check with Council. Connection fees may apply to new connections to Council services. Check with Council.</i>		
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		140.80
Structural engineering or fire engineering assessment/peer review		Cost +10%
NZ Fire Service design review		Cost +10%
<i>The building consent fee does not include the cost of any structural or fire engineers assessment which may be required.</i>		
Compliance schedule change – new and/or amended		175.00
Inspection hourly rate		175.00
Inspection fee		
Building Act, Swimming Pool Act	per inspection	140.80
Certificate of Acceptance - Building consent fee for the applicable building payable with lodgment plus actual charges	Per hour – payable on issue of certificate	175.00
Re-assessment fee (amended plans) lodgment fee includes ½ hour assessment		262.00 lodgment plus 175.00 per hr over and above first hr
Building Warrant of Fitness audit inspection fee	Per hour	175.00
Building Certificate (SSoA)		320.00
Application for Certificate of Public Use		262.00
Application for a modification or waiver to a building consent		88.00
Charge for conversion of hardcopy documents (applications etc) to approved electronic format		25.00
Infrastructure Protection Deposits (refundable)		1,000.00
-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		

INFRASTRUCTURE AND SERVICES	FEES \$
Water and Sewer Connections <i>(All new dwellings on town supply)</i>	
Road Opening Bond	550.00
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 must use a contractor acceptable to Council. 3. No work may commence until the administration fee has been paid, and Council's maintenance contractor or the contractor have been notified. 4. Council's maintenance contractor must be advised of <u>all</u> work.	
Sewerage (Dumping Septic Tank Waste)	
4 cubic metre tank	480.00
8 cubic metre tank	960.00
Capital Contributions	
Financial Contribution water	3736.83
Financial Contribution sewer	2013.17
Water Rates	
Ad hoc water reading fee	40.00
Vehicle Crossings	
Vehicle Run Up Charge (Refunded after completed to Council specifications)	550.00
Rapid Numbers	
Rapid Numbering (per number)	\$50.00

PENSIONER HOUSING	FEES PER 4 WEEKS \$
Greytown	
Westhaven (\$66/week)	264.00
Martinborough	
Cecily Martin (\$76/week)	304.00
Featherston	
Burling (Single) (\$66/week)	264.00
Burling (Double) (\$81/week)	324.00
Matthews (\$81/week)	324.00

TRANSFER STATIONS/LANDFILLS	FEES
	\$
Featherston – Recycling Station (Johnston St)	
<i>Opening Hours</i>	
Thursday 11am – 3pm	
Saturday- Sunday 11am-3pm	
Greytown – Recycling Station (Cotter St)	
<i>Opening Hours</i>	
Tuesday 1pm-3:30pm	
Saturday 10am-12pm	
Sunday 10am-1pm	
Martinborough – Transfer Station and Recycling Station (Lake Ferry Rd)	
<i>Opening Hours</i>	
Wednesday 1pm-3pm	
Saturday 10am-4pm	
Sunday 10am – 1pm	
Pirinoa – Recycling Station	
<i>Opening Hours</i>	
Wednesday 1pm-3pm	
Saturday 10am-12pm	
Sunday (May – August) 3pm – 5pm	
Sunday (September – April) 4pm-6pm	
Recycling	
No charge for clean and sorted recyclable items	
Replacement recycling bins	\$17.50
General Refuse (Martinborough Only)	
Car Boot	\$16.00
Small Trailer, Ute up to 1.8m x 1.2m x .4 high	\$34.00
A minimum charge of \$10.00 per load will apply	185.00 per tonne
Car Bodies – Stripped	\$26.00
Green Waste (Recycling Stations)	
Car Boot	5.00
Van/trailer up to 250kg	10.00
Large Trailer / Small Truck	Up to 2 tonne 20.00
Large Truck	Up to 6 tonne 41.00
Larger loads by the discretion of Council's Operator	
Tyres (Martinborough Only)	
Tyres (per tonne)	\$500.00
Car & 4WD tyres – up to 4 tyres on rims	\$3.00 each
Truck, Tractor or earthmover tyres, more than 4 tyres/load (any type) or mixed load containing tyres	\$500.00 per tonne

ELECTED MEMBER CONTACTS

MAYOR AND COUNCILLORS		
MEMBERS CONTACT DETAILS		
Adrienne Staples – Mayor (Chairperson)	PO Box 6 Martinborough 5741	Phone (06) 306 9611 wk Cell 027 446 8060 themayor@swdc.govt.nz
Cr Margaret Craig	13 Jellicoe Street Greytown 5712	Phone (06) 304 8557 Cell 021 236 4600 margaret.craig@swdc.govt.nz
Cr Dean Davies	277 Somerset Road Parkvale Carterton 5792	Cell 027 636 4339 dean.davies@swdc.govt.nz
Cr David Montgomerie	162 Wards Line RD1 Greytown	Cell (021) 184 7677 david.montgomerie@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 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 Colin Olds	59 Moroa Road RD 1 Featherston 5771	Phone (06) 308 6062 Cell 027 432 9951 colin.olds@swdc.govt.nz
Cr Max Stevens	43 Cambridge Road Martinborough 5711	Phone (06) 306 9095 maxwell.stevens@swdc.govt.nz

FEATHERSTON COMMUNITY BOARD

MEMBERS CONTACT DETAILS

Lee Carter (Chairperson)	34 Lyon Street Featherston 5710	Phone (06) 308 9843 Cell 027 248 1364 jadetui@xtra.co.nz
Katie Beattie	34 Wakefield Street Featherston 5710	Phone (06) 308 6572 Cell 027 314 4887 Katie.beattie13@gmail.com
Mr Garry Thomas	1 Johnston Street Featherston 5710	Phone (06) 308 9487 Cell 027 450 0660 aandgelectrics@xtra.co.nz
Peter Jackson	62 Brandon Street Featherston 5710	Phone (06) 308 8880 Cell 022 529 6600 h50906@gmail.com
Cr Solitaire Robertson	24 Renall Street Featherston 5710	Phone (06) 308 9378 Cell 021 0228 7955 solitaire.robertson@swdc.govt.nz
Cr Dean Davies	69 Underhill Road Featherston 5710	Phone (06) 308 8469 Cell 027 636 4339 dean.davies@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
Leigh Hay	8 Wood Street Greytown 5712	Phone (06) 304 9876 Cell 021 710 103 hay4greytown@gmail.com
Ian Farley	51 Main Street Greytown 5712	Farley4greytown@hotmail.co.nz
Cr Margaret Craig	13 Jellicoe Street Greytown 5712	Phone (06) 304 8557 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**

Lisa Cornelissen (Chairperson)	10 Dublin Street West Martinborough 5711	Phone (028) 2553 4857 martinboroughlisa@cornelissen.co.nz
Fiona Beattie	204 Whareroto Road RD2 Featherston	afbeattie@xtra.co.nz
Pam Colenso	30 New York Street Martinborough 5711	Phone (06) 306 9503 Cell 027 4414 892 pmcolenso@xtra.co.nz
Victoria Read	PO Box 173 Martinborough 5741	Phone (06) 306 8570 Cell 027 227 1252 victoria@victoriaread.co.nz
Cr Julie Riddell	Lime Ridge 776 Westmere Rd RD 10 Masterton 5890	Phone (06) 372 7550 julie.riddell@swdc.govt.nz
Cr Max Stevens	43 Cambridge Road Martinborough 5711	Phone (06) 306 9095 maxwell.stevens@swdc.govt.nz

NON-ELECTED MEMBER CONTACTS

MAORI STANDING COMMITTEE		
MEMBERS CONTACT DETAILS		
Michael Roera (chair) Papawai Marae	52 Opaki Road Masterton 5810	Phone (021) 041 5910 mroera@hotmail.co.nz
Rutu Namana Papawai Marae	25 Pah Road RD1 Greytown 5794	Cell 027 209 9538 rutu@tehauora.org.nz
Vacant Kohunui Marae		
Terry Te Maari Kohunui Marae	3009 Lake Ferry Road Pirinoa RD2 Featherston 5772	Terryte123@gmail.com
Johnny Shaw Hau Ariki Marae	2 Naples Street Martinborough 5711	Phone (06) 306 8986 Cell 029 411 9946
Vacant Hau Ariki Marae		
Johni Rutene Kahungunu ki Wairarapa	170 High Street South Carterton 5713	johnithebarber@gmail.com
Vacant (Dane Rimene interim representative) Rangitaane o Wairarapa	Rangitaane o Wairarapa PO Box 354 Masterton 5840	Phone (06) 370 0600 ext 701 Cell 027 691 9105 dane@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 Martinborough Postal: PO Box 6 Martinborough 5741	Phone (06) 306 9611 Fax (06) 306 9373 web: www.swdc.govt.nz email: enquiries@swdc.govt.nz
	<u>AFTER HOURS</u> 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	
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	6 Kitchener Street Martinborough	Phone (06) 306 9758
Greytown Campground	Kuratawhiti St Greytown	Phone (06) 304 9387 www.greytowncampground.co.nz
Martinborough Campground	Cnr Princes & Dublin St Martinborough	Phone 0800 780 909 Web: www.martinboroughcamping.com

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)
MOU	-	Memorandum of Understanding
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