



SOUTH WAIRARAPA DISTRICT COUNCIL

LONG TERM PLAN
2018-2028
Kāinga Ora

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MESSAGE FROM THE MAYOR

Welcome to the 2018/2028 Long Term Plan (LTP). This plan covers the period 1 July 2018 to 30 June 2028.

The theme of this Long term plan is Kāinga Ora – Making South Wairarapa a great place to live.

While the statutory timeframe for this LTP is ten years, we continue to look much further out, to 30+ years. Our Infrastructure Strategy is required to cover this timeframe, however we have taken a more detailed analysis of our three waters and roading to ensure we have a stable asset base into the very long term.

Councillors, Community Board members and Council staff have put considerable time into deciding what new proposals to put into this LTP and the Consultation Document. They started meeting back in July 2017 to discuss what the future should look like for South Wairarapa. Councillors and Community Board members also met with a number of groups from the community to get their ideas and input into the LTP. The time spent discussing the future internally and with members of the community has been very valuable and important to ensure we included the right initiatives for the District for the years ahead.

We have recently completed population and growth forecasts, and the results of these have been included in our thinking.

Our population forecasts indicate steady growth over the next 30 years. Our current population is estimated to be 10,406, this is expected to increase by 1,015 during the term of this LTP to 11,421, and increase by 2,237 by 2043 to 12,733.

Our forecasts indicate our aging population demographic is not changing, with the average age at 2043 forecast to be 49, up from 45.2 currently.

The percentage increase in rates is 5.65% in the year one, and 4.76% in year two. Business and Economics Research Limited (BERL) economists have predicted an average cost increase for local authorities at 2.3%. This only covers base cost increases, and doesn't take into account one off projects like our wastewater programme, or changes in focus, like moving towards being more amenity and community focused.

The one-off increase will enable the district to change focus and make our district a better place to live, work, and play. Once we have this in place, rates increases are much lower, and less than the average cost increase levels predicted by BERL.

Infrastructure is in a strong, predictable state

It is important to take a long term view of our infrastructural assets, i.e. our roading, water and wastewater networks.

We continue to assess these asset classes over the very long term, and the pleasing result of this is our analysis for water and wastewater indicates our current level of expenditure is sufficient to ensure good serviceability out to 2092. This assessment is based on modelling of asset type, CCTV review, and knowledge gained during repairs and other direct interventions.

Our assets are also required to meet future population changes, and legislative requirements. Our budgets have been prepared to ensure we have the infrastructural and financial capacity to meet these changes over the LTP period and beyond.

In terms of water quality, we anticipate legislative changes in the future as a result of the Havelock North enquiry. We have analysed the findings and have made provision for expenditure. This includes installation of plant to remove manganese from the Martinborough supply. This will have two benefits; firstly this plant will reduce or eliminate the manganese build ups in pipes and hot water elements. Secondly and more importantly the plant will allow chlorine dosing (which the Havelock North plant did not have).

In terms of wastewater, we have commenced the implementation of irrigation to land at Martinborough and Greytown in line with the resource consents we have. While we do not have a resource consent for Featherston yet, the consent has been notified and the hearing is expected to take place in late 2018.

The land we purchased for the Featherston wastewater project included 70 hectares of land with irrigation equipment which we will be able to utilise. This will result in Featherston having more land irrigated than both Martinborough and Greytown at an earlier stage.

The biggest risk in irrigation to land is not having sufficient land to irrigate to. Land is the most expensive single element, and often the hardest to secure. We are confident we have sufficient land to complete Councils goal of 100% irrigation to land, except in exceptional circumstances.

As a result of our fundamentals being strong, we are predicting low rates increases from year four onwards.

Depreciation Funding vs Maintenance Funding

By having a clear understanding of our assets' condition, and being future proofed in terms of any anticipated legislative changes (e.g. drinking water standards as a result of the Havelock North enquiry) has allowed us to move away from simply funding asset replacement based on depreciation calculations, to a model where we calculate our rate requirements on our actual maintenance needs.

We have taken this approach over the last two years and the approach has worked well. It has allowed us to accelerate our wastewater to land programme without compromising the asset base.

We are very conscious of the need to make sure any revenue that becomes available from the move to renewals funding is applied to that asset type, or applied to assets that are paid for by the same ratepayers.

A better place to live, work, and play

Our sound financial position and understanding of the condition of our assets, and future legislative requirements in relation to our assets allows us to think about making South Wairarapa a better place for our residents to live work and play.

Our local economy is strong, this was confirmed in the Sunday Star Times article during 2017:

"Outstripping the likes of economic tigers such as Queenstown and Auckland, an unassuming little corner of the North Island is posting economic statistics the envy of the rest of the country.

A dynamic mix of tourism, housing, and good old fashioned farming in South Wairarapa is lifting a district that has long been known as Wellington's playground."

Making places better to live in is about amenities and ensuring communities are in good heart.

We received a record number of submissions to our LTP this year. There were 181 submissions with approximately 760 individual requests or comments. It was great to see the community engaging in the long term planning process in this way.

All submissions were reviewed by Council. Much of the feedback supported the proposed initiatives included in the Consultation Document, For example, feedback clearly showed that our communities desire a structured approach to the future, to achieve this we have set aside funds to carry out a spatial planning process. Spatial planning identifies what communities should look like, where growth should occur, and how much growth is desired.

There was also considerable support to set aside funds to promote and enhance our district. To continue to achieve accolades like that quoted by the Sunday Star Times, we need to ensure contemporary approaches to ensuring our district continues to grow in the way we want it to.

We also received feedback that we needed to support our youth, we have budgeted funds for some training and development for youth in our district.

Submitters also supported introducing e-waste collections and wheelie bins for collection of recycling so we will be proceeding with these two initiatives.

The idea of SWDC having a role in coordinating sport in the district was not supported by submitters, nor was the idea to spend money on water conservation feasibility study. Submitters did support Council continuing to encourage resident to conserve water and we will do more work on this in the coming year.

We appreciated hearing your feedback during the consultation process, we have an opportunity to grow and enhance our district which will require an initial investment. We cannot do this alone, and need your thoughts on how to make our district prosper.



Viv Napier
Mayor

Independent auditor's report

To the readers of South Wairarapa District Council's 2018-28 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). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 27 June 2018.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination 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 115 to 116 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

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 the accuracy of the information in the plan.

Basis of opinion

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

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 procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our 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 during the next 30 years;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in 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 in 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 the plan and the disclosures required by the Regulations, 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

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

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

Other than our work in carrying out all legally required external audits, we have provided an assurance report on certain matters in respect of the Council's Debenture Trust Deed. These engagements are compatible with those independence requirements. Other than these engagements, we have no relationship with or interests in the Council.



Mari-Anne Williamson
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 2018/2028 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 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 included 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.

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
- Mauri of water

Recognition, promotion and protection of Maori heritage and cultural assets

- Telling 'our story'
- Heritage Park – accessibility of some sites
- Protection of significant sites
- Kaitiakitanga
- 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 Settlements

The Crown and Rangitāne o Wairarapa Tamaki nui-ā-Rua signed a Deed of Settlement in August 2016 and settlement legislation was enacted in October 2017.

The Crown and Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua signed an Agreement in Principle in May 2016 and are working to initial a deed of settlement in the first quarter of 2018.

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.



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, wastewater disposal, water, storm water, 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) Central emergency services management.
- d) Property valuations for the Carterton district and South Wairarapa district are calculated by QV at the same time
- e) Economic Development Initiatives
- f) Library Service Joint Working Group
- g) Policies working group

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 wellbeing.
- 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).

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.

Council keep abreast of developments in this area by being part of the Wairarapa Moana working group led by GWRC. Other members of the group are representatives from Department of Conservation, Fish and Game, Rangitāne o Wairarapa Tamaki nui-ā-Rua and Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua.

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. The coastal strategy covers the potential effects of climate change on our coastlines. 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. The projections through to 2043 are compiled by ".id Consultants' (ID), an Australian, Melbourne based company with a New Zealand presence since 2010. The forecasts from ID have allowed us to explore what is driving population change in the South Wairarapa communities.

- Forecast information predicts how the population, age structure and household types will change between now and 2043. The resident population in the district is currently around 10,406 people and is expected to increase to 11,421 by 2028 and approximately 12,733 by 2043.
- Projections used for our last LTP indicated a population of 10,250 by 2043 so the latest projections reflect the increased growth in the District over the last three years, which is expected to continue.
- The median age is currently 45.2 (compared with 38 nationally) and is projected to increase to 49 by 2043.

ID Consultants' report revealed the following information about our district:

- Maori residents make up 15% of the population which is slightly lower than the national average of 16%.
- 5.2% of residents are unemployed compared with a national average of 7.1%.
- Our average household size is 2.36 compared to the national average of 2.66.
- Low income households make up 21% of households which is only slightly higher than the national average of 19%.
- 14% of our residents were born overseas compared with a national average of 24%.

The last census in 2013 revealed the following information about the makeup of our community:

- 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	SOUTH WAIRARAPA DISTRICT	NEW ZEALAND
No formal qualification	22.2%	20.9%
School qualifications	58.3%	59.1%
Tertiary qualifications	18.8%	20.0%

ID Consultants' projections for the future reveal the following trends:

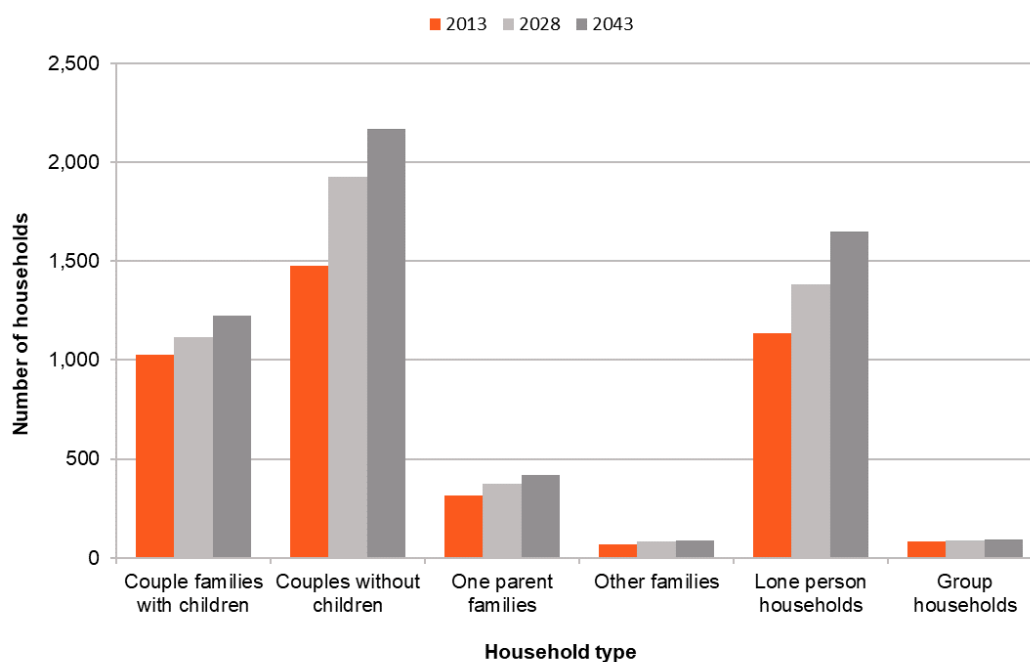
- Populations in all three towns are predicted to grow at around 1% per annum for the next 25 years. Rural growth is about a third of this at 0.3% pa, with overall growth for the district at 0.9% p.a. for the next 25 years.

POPULATION

AREA	2013	2043	CHANGE	AVERAGE ANNUAL CHANGE (%)
Featherston	2,434	3,127	694	0.80%
Greytown	2,438	3,581	1,142	1.30%
Martinborough	1,569	2,325	757	1.30%
Rural	3,360	3,700	340	0.30%
Total Population	9,800	12,733	2,933	0.90%

- When looking at where this growth would come from, the dominant household type in the South Wairarapa district are couples without children and lone person households as second. Couples without children make up 36% of all households in 2013 and 39% in 2043. Lone person households make up 28% of all households in 2013 and 29% in 2043. Although there are more families in 2043 than 2013, they decrease in terms of share of all households.

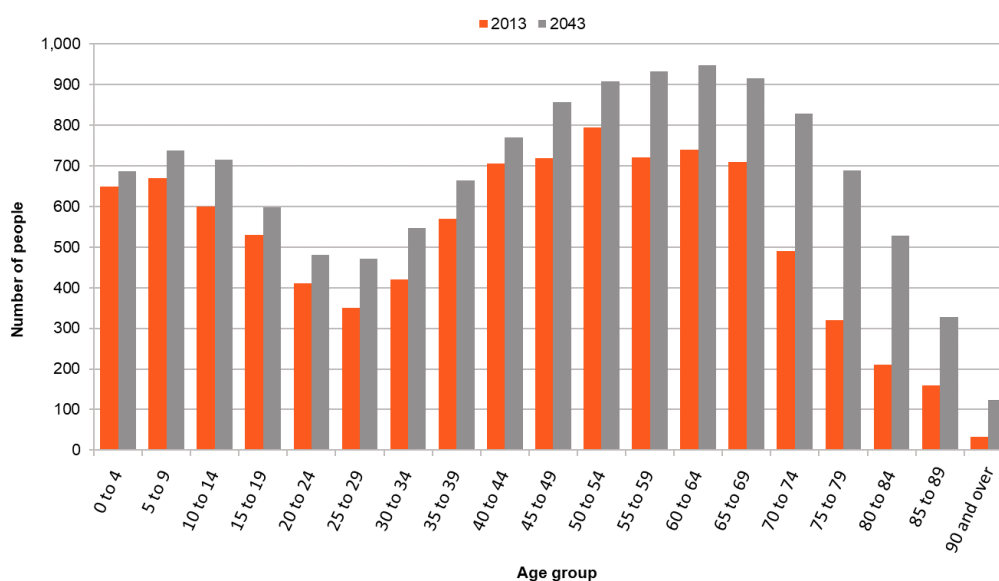
Households by type, South Wairarapa District Council – 2013, 2028 and 2043



Overall there will be population gains in all age groups. The most evident gains are of persons aged over 60 years of age. In terms of shares of total population, residents aged over 70 comprised 13% of the total population in 2013 and 20% by 2043. Persons aged under 20 years in South Wairarapa make up 25% of the 2013 population and 21% of the 2043 total population.

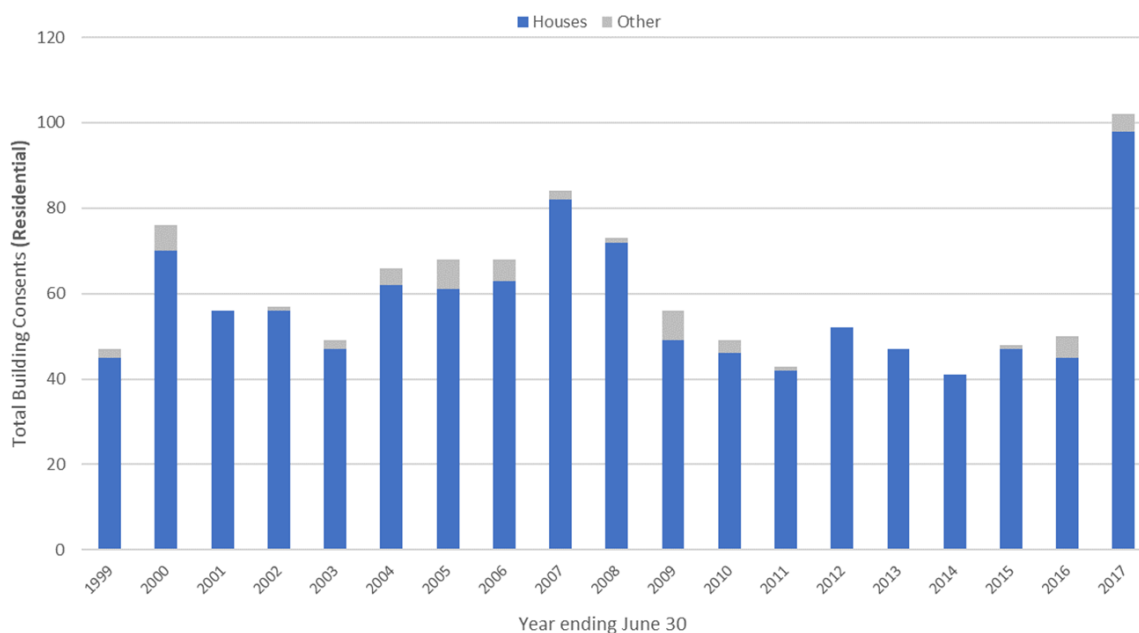
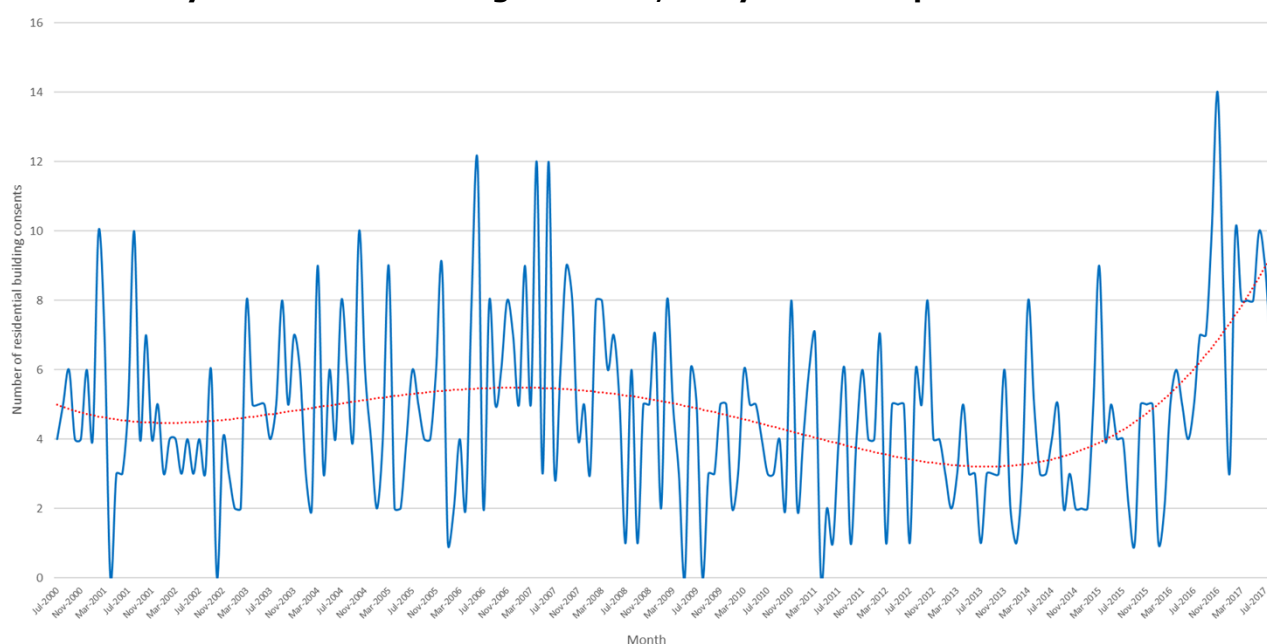
The movement in the percentage of the population of “working age” (up to age 65) is not as dramatic as might have been expected. In 2013 61% of the population was in the working age group, by 2043 this will be 56%. This 5% drop is not as significant as might be expected in terms of the issues created by a rapidly aging population.

Age structure, South Wairarapa District Council – 2013 and 2043



The following two graphs show the trends over recent years in the number of building consents in

the South Wairarapa District. The trends clearly back up the known growth in the district over recent years.

Annual Residential Building Consents, by type 1999 – 2017**Monthly Residential Building Consents, July 2000 – September 2017**

Finally, ID have given the following predictions of ongoing new build activity in the district in five year groups through to 2043. This shows a spike in the period 2019 to 2023 to 68 new dwellings pa and then a steady number of dwellings in each of the next five year groups ranging from 58 to 66 new dwellings pa.

This confirms our assumptions that our communities will continue to grow steadily over the period of this LTP and for the following 15 years as well.

This is helpful to inform our decisions regarding future infrastructure requirements for each of our towns.

SWDC ASSUMED DEVELOPMENT RATES (FIVE YEARLY)

YEARS	TOTAL ADDITIONAL DWELLINGS	ADDITIONAL DWELLINGS PER ANNUM
2014-2018	285	57
2019-2023	341	68
2024-2028	332	66
2029-2033	310	62
2034-2038	309	62
2039-2043	292	58
Total	1,869	62

COMMUNITY OUTCOMES

Council resolved to update the community outcomes and mission and vision for this LTP.

The new Vision, Mission and Values for SWDC are as follows:

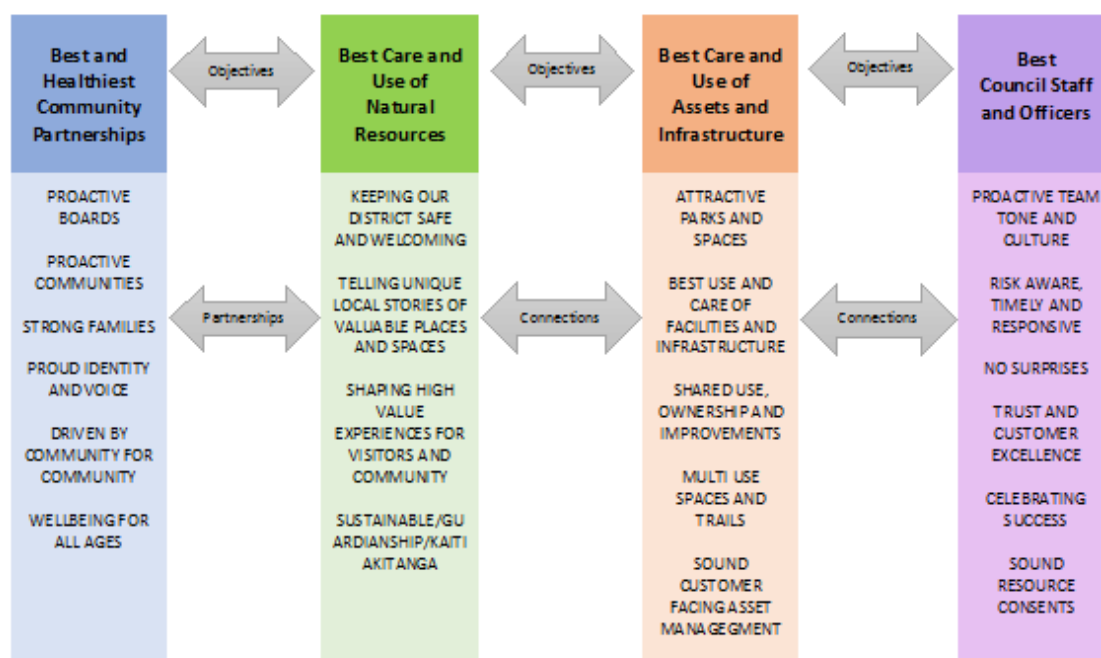
Our Vision is 'for the South Wairarapa to be an open energetic and unified community'

Our Mission is to be "future focused, growth oriented and exercise sound judgement"

Our Internal Values are:

Rigorous
Listening
Learning & Respecting Teamwork
Community Focussed
Valuing Mana
Uara of People and Land
Manaakitanga /Caring Society
Freedom & Liberty

The new Council developed the following outline of the strategic plan for the three years ahead. These four pillars have formed the basis for decisions on what to include and what to exclude from this LTP.



This strategic plan is supported by the five community outcomes identified in previous LTPs.

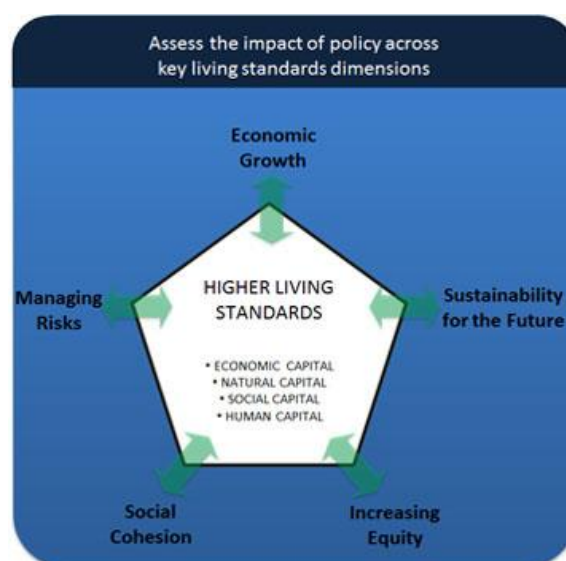
Together they will enable Council to achieve this vision. Council has a role in achieving the community outcomes via significant activities.



Along with the vision, mission, values and community outcomes above, Council recognises the importance of balancing the five living standard dimensions identified by Treasury in the table below, and the importance of maintaining the economic, natural, social and human capital in our communities.

Council will ensure that the four pillars of the strategic plan, the community outcome and the living standard dimensions are part of their decision making and prioritisation going forward.

For example, the plan to enhance and promote the district in this LTP will lead to economic growth, the continued work on understanding the condition of our infrastructure assets will enable us to manage risks and our water conservation and wastewater projects will contribute to sustainability in the future.



SIGNIFICANT ACTIVITIES

The strategic plan and community outcomes define the future shape and form of social, cultural, economic and environmental wellbeing for the district. Council, along with other key-stakeholders, has a role in promoting the sustainable wellbeing of its district communities. 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
- Wastewater
- 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.

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 2028 and at least maintain the current levels of service.

MEASURING PERFORMANCE

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

SIGNIFICANT ACTIVITIES INTRODUCTION

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

Council, along with other key stakeholders, has a role in promoting the sustainable wellbeing of its district and communities. Wellbeing 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
- Wastewater
- Stormwater Drainage

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

The following section defines the services, costs and performance indicators for each significant activity. Council is satisfied that the level of funding provided in this Long Term Plan will at least maintain the levels of service established in the 2015/2025 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 wellbeing. Although the model is one of representative democracy there are strong elements of citizen participation.

There are three 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 two publicly notified committees as follows:

- The Hearings Committee.
- The Maori Standing Committee.

Council and community board meetings are held six weekly and the 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 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 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 2018/19

- Continue to lobby for public transport to meet the community's needs.
- Commence review of the combined Wairarapa District Plan to enable public notification of new plan by due date of May 2021.
- Continue to work with other interested parties to lobby NZTA for improvements to the Remutaka hill road.

- Review community boards terms of reference and delegations.
- Commence installing bilingual signage for all SWDC signs in the district.
- Complete a governance review.
- Complete a representation review.

6. PROJECTS FOR 2019/20 AND BEYOND

- Complete a rating review, including considering changes suggested in submissions to the 2018/28 Long Term Plan.
- The Crown and Rangitāne o Wairarapa Tamaki nui-ā-Rua signed a Deed of Settlement in August 2016 and settlement legislation was enacted in October 2017.

The Crown and Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua signed an Agreement in Principle

in May 2016 and initialled a deed of settlement in March of 2018.

SWDC will work with both iwi groups directly and through the Maori Standing Committee to gain a good understanding of the implications of these Treaty settlements and establish effective working relationships for the future where iwi ownership of land impacts on Council activities.

SWDC recognises the tangata whenua kaitiaki of the land of the district,

7. SIGNIFICANT NEGATIVE EFFECTS

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

8. STATEMENT OF SERVICE PERFORMANCE

GOVERNANCE/LEADERSHIP/ADVOCACY: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULTS 2016/17	2018/19	2019/20	2020/21	2021/22 - 2027/28	
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% 2005	79%	80%	80%	80%	80%	NRB Survey
	Ratepayers and residents feel that the Mayor and councillors give a fair hearing to their views	63% 2005	63%	70%	75%	80%	80%	NRB Survey
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% 2005	70%	75%	80%	80%	80%	NRB Survey
	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% 2005	65%	70%	75%	80%	80%	NRB Survey
Community Boards make decisions that consider local issues	Community Board decision - making reports on local issues	Greytown 92% Featherston 95% Martinborough 95% 2015	Greytown 96% Featherston 95% Martinborough 92%	90%	90%	90%	90%	Community board reports and minutes
	% of ratepayers and residents who know how to contact a community board member	65% 2015	69%	70%	75%	75%	75%	NRB Survey
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	49% 2015	47%	55%	65%	75%	75%	NRB Survey
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. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR GOVERNANCE, LEADERSHIP AND ADVOCACY

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR GOVERNANCE, LEADERSHIP & ADVOCACY											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	914	998	1,010	988	1,003	1,015	1,032	1,047	1,064	1,077	1,090
Targeted rates											
Subsidies and grants for operating purposes											
Fees and charges											
Local authorities fuel tax, fines, infringement fees, and other receipts	33	26	26	28	32	39	44	50	56	63	70
Total operating funding (A)	947	1,024	1,035	1,016	1,035	1,054	1,076	1,097	1,121	1,140	1,160
Applications of operating funding											
Payments to staff and suppliers	467	540	544	512	522	532	543	554	565	577	590
Finance costs	2	2	2	2	2	2	2	2	2	2	2
Internal charges and overheads applied	475	477	482	493	501	510	523	531	541	554	562
Other operating funding applications											
Total applications of operating funding (B)	944	1,019	1,027	1,007	1,025	1,043	1,067	1,087	1,108	1,133	1,154
Surplus (deficit) of operating funding (A-B)	3	5	8	8	10	11	9	11	13	7	6
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	3	5	(32)	8	10	11	9	(29)	13	7	6
Increase (decrease) of investments											
Total applications of capital funding (D)	3	5	8	8	10	11	9	11	13	7	6
Surplus (deficit) of capital funding	(3)	(5)	(8)	(8)	(10)	(11)	(9)	(11)	(13)	(7)	(6)
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
- 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 Nuisances

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 ensures that all new building works and building activities in the district comply with legislative requirements for durability, safety and sanitary conditions. Council ensures all:

- Building works subject to consent meet the appropriate design and construction standards.
- Non-compliance with the Building Act is remedied.

Regular adjustments are made to the building fees and charges schedule to recognise increased costs in processing building consent applications and for inspections.

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 Bylaw 2013.
- Control of Dogs Policy 2013
- The Dog Control Act 1996.
- The Council's other policies and bylaws.

Alcohol

Council administers and enforces the Sale and Supply of Alcohol Act 2012 with the aim of encouraging and ensuring responsible and safe consumption of alcohol in the South Wairarapa. Council does this through the development and implementation of its Local Alcohol Policy (LAP), use of inspection services, enforcement actions and educational processes for licencees and staff. Council also supports the operation of the District Licensing Committee (DLC) in carrying out its decision making responsibilities under the Act and is a member of the Combined Local Enforcement Group (CLEG) for alcohol with the other Wairarapa Councils, the Police and Medical Officer of Health.

Safe food

The Food Act replaced the Food Hygiene Regulations and introduced a system based on risk based Food Control Plans (FCP) and National Programmes.

Council has a primary role as a registration authority, as a verification agency for Template Food Control Plans and is the first point of contact (for advice and education) for a significant proportion of businesses generally. Council undertakes compliance tasks. These processes are more extensive than the previous system and has required 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. This group is called Wellington Regional Emergency Management Office (WREMO). 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 Civil Defence and Emergency Management (CDEM) Group Plan and associated plans.
- Lead 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 Greater Wellington to be the administering authority for the Wellington region CDEM Group. While all staff of the team are Greater Wellington employees, the work of the team is overseen by the CDEM Group (a joint committee of all the mayors in the region along with the Chair of Greater Wellington Regional Council) and the Co-ordinating Executive Group¹.

Wairarapa has 1.75 staff dedicated to the area.

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

Rural Fire

From 1 July 2017 responsibility and funding for rural fire transferred to Fire and Emergency New Zealand (FENZ).

¹ The Co-ordinating Executive Group is a requirement of the Civil Defence and Emergency Management Act 2002 and is made up of the chief executives of greater Wellington, the district and city councils and district health boards in the region, along with senior representatives from NZ Policy, Fire and Emergency New Zealand (FENZ), Wellington Lifelines Group and the Regional Commissioner for the Ministry of Social Development.

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 THE PUBLIC PROTECTION CONTRIBUTES
Healthy & economically secure people	By providing services which help to protect the health of the community
Educated & knowledgeable people	By contributing to Council's data base of public information
Vibrant and strong communities	By providing services which help to protect the safety and welfare of the community
Sustainable South Wairarapa	By providing services in a sustainably managed way

3. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The public protection activity goal is:

- 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 (two), and a noise measurement device.

5. PROJECTS FOR 2018/19

The projects for 2018/19 include:

- Complete project to scan existing building consent files along with all new building consents.
- Set up and commence project to scan existing environmental services application and consent/permit records and all new applications.
- Commence development and establishment of electronic licence, permit and consent processing within Environmental Services.

- Construct an updated pound facility in Featherston.
- Implement the Local Alcohol Policy in a manner that is consistent with MDC and CDC and monitor the performance of the DLC and Council processes in implementation of the Act and LAP.

6. KEY PROJECTS FOR 2019/20 AND BEYOND

- Maintain accreditation as a Building Control Authority. Next bi-annual review is due in 2020.
- Continue scanning existing building consent files.

- Continue process to scan environmental services files (applications, consents, permits).

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

PUBLIC PROTECTION: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULTS 2016/17	2018/19	2019/20	2020/21	2021/22 – 2027/28	
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% 2005	100%	100%	100%	100%	100%	Council inspection records
	Premises are inspected in accord with regulatory requirements.	100% 2005	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 in accordance with legislation.	100% 2016	100%	100%	100%	100%	100%	Council inspection records
The Council will respond when I need some help with noise control	Premises that are high risk are inspected annually, while low or medium risk premises are audited no less than once every three years.	75% 2016	42.6%	100%	100%	100%	100%	Council inspection records
	Compliance activities are undertaken generally in accord with the Combined Licencing Enforcement Agencies agreement (CLEG).	100% 2016	100%	100%	100%	100%	100%	CLEG agreement and Council records
	% of calls received by Council that have been actioned within 1.5 hours.	90% 2005	96%	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, to promote safe behaviour around dogs and responsible dog ownership.	0 2005	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.	91% 2016	93.1%	100%	100%	100%	100%	Council records
	Complaints about dog attacks on persons are responded to within 1 hour.	62% 2016	77.3%	100%	100%	100%	100%	Council records
Stock don't wander on roads, farmers are aware of their responsibilities	Complaints about stock causing a traffic hazard are responded to within 1 hour.	100% 2005	96.4%	100%	100%	100%	100%	Council records
People are prepared for a civil defence emergency	Ratepayers and residents prepared for an emergency	74% 2016	81%	80%	80%	80%	80%	NRB Survey
	Regional Civil Defence Emergency Annual Plan achieved.	Yes 2016	Yes	Yes	Yes	Yes	Yes	WREMO Records
Council's BCA certifies all new consented work complies with the building code – ensuring our communities are safe.	Code Compliance Certificate applications are processed within 20 working days.	95% 2005	99.48%	100%	100%	100%	100%	Building Consent Authority records
	Building consent applications are processed within 20 working days.	85% 2005	98.53%	100%	100%	100%	100%	Building Consent Authority records
Council's BCA processes, inspects and certifies building work in my district	Council maintains processes and systems so that it meets BCA accreditation requirements every 2 years.	Yes 2005	Yes	Yes	Yes	Yes	Yes	Building Consent Authority records
	BCA inspects new building works to ensure compliance with the building consent issues for the work.	Yes 2005	Yes	Yes	Yes	Yes	Yes	Building Consent Authority records
	Earthquake prone building (EQP) reports received are actioned.	New	63.44%	100%	100%	100%	100%	Council records

9. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR PUBLIC PROTECTION

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR PUBLIC PROTECTION											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	476	530	562	576	590	598	608	620	635	623	606
Targeted rates											
Subsidies and grants for operating purposes											
Fees and charges	912	1,053	1,075	1,097	1,120	1,145	1,171	1,198	1,227	1,256	1,288
Local authorities fuel tax, fines, infringement fees, and other receipts	41	29	28	31	34	39	43	47	52	56	58
Total operating funding (A)	1,429	1,612	1,664	1,704	1,745	1,782	1,822	1,865	1,914	1,935	1,952
Applications of operating funding											
Payments to staff and suppliers	1,164	1,314	1,337	1,360	1,386	1,412	1,440	1,469	1,501	1,532	1,566
Finance costs	12	12	12	12	13	13	13	13	13	13	14
Internal charges and overheads applied	230	250	250	260	263	266	277	280	283	293	293
Other operating funding applications											
Total applications of operating funding (B)	1,406	1,576	1,599	1,632	1,661	1,691	1,730	1,762	1,797	1,839	1,872
Surplus (deficit) of operating funding (A-B)	24	35	65	72	84	91	92	103	117	96	80
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt	-	114	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)	-	114	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	42										
- to improve the level of service		130	-	-	-	-	-	-	-	-	-
- to replace existing assets	31	31	1	1	31	1	31	1	31	1	31
Increase (decrease) in reserves	(50)	(12)	52	59	41	78	49	90	74	83	37
Increase (decrease) of investments											
Total applications of capital funding (D)	24	149	53	60	72	79	80	91	105	84	68
Surplus (deficit) of capital funding	(24)	(35)	(65)	(72)	(84)	(91)	(92)	(103)	(117)	(96)	(80)
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 wellbeing 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.

South Wairarapa District Council supports the arts and culture through various grants and initiatives which are budgeted for in the LTP.

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 wellbeing of the district

3. THE ACTIVITY GOAL & PRINCIPAL OBJECTIVES

The economic, cultural and community development activity goals are:

- a) To assist in the stimulation of appropriate and sustainable economic, tourism and cultural

growth and the development of employment opportunities throughout the district.

- b) To actively develop a safe, inclusive and cohesive community.

The Council's principal objectives are:

- a) To create a climate for and give encouragement to organisations and individuals to take initiatives in the stimulation of economic growth, tourism and employment opportunities in the district.
- b) To encourage interest in the social development of the district with the aim of assisting individuals and community groups to help themselves.
- c) To encourage cultural development for the benefit of the district and Wairarapa as a whole.
- d) To actively develop a safe, inclusive and cohesive community by:
 1. Making South Wairarapa a safe place for its residents.
 2. Promoting South Wairarapa as a good place in which to live.
 3. Fostering a sense of community pride.
 4. Consulting widely to ensure representative and inclusive policies.
 5. Respecting obligations under the Treaty of Waitangi.
- e) To provide community leadership, facilitation, advocacy and contribute to funding where it can by way of grants.

4. ASSETS WE LOOK AFTER

There are no assets that this activity manages.

5. PROJECTS FOR 2018/19

Projects for 2018/19 include:

- Start project to promote and enhance the District.
- 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 the Wairarapa water project.
- Develop an Economic Development Strategy.

- Promote cycle tourism by agreeing to maintain the portion of the proposed cycle trail from Featherston to Masterton that passes through our district.
- Commence additional grant funding specifically targeted at the district's youth.

6. PROJECTS FOR 2019/20 AND BEYOND

- Continue work on promoting and enhancing the district.
- Continue grant funding specifically targeted at the district's youth.

7. SIGNIFICANT NEGATIVE EFFECTS

There are no identified significant negative effects this activity will have on social, economic, environmental, or cultural wellbeing 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

ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULTS 2016/17	2018/19	2019/20	2020/21	2021/22 - 2027/28	
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	12 grants made	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	10 grants made	Yes	Yes	Yes	Yes	Council records

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR ECONOMIC, CULTURAL AND COMMUNITY DEVELOPMENT

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR ECONOMIC, CULTURAL & COMMUNITY DEVELOPMENT											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	364	448	477	486	493	502	512	520	530	540	549
Targeted rates											
Subsidies and grants for operating purposes											
Fees and charges											
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	364	448	477	486	493	502	512	520	530	540	549
Applications of operating funding											
Payments to staff and suppliers	2	1	1	1	1	2	2	2	2	2	2
Finance costs	6	5	6	6	6	6	6	6	7	7	7
Internal charges and overheads applied	68	59	59	62	62	63	66	66	67	69	69
Other operating funding applications	288	458	411	417	424	431	438	446	454	463	472
Total applications of operating funding (B)	364	523	477	486	493	502	512	520	530	540	549
Surplus (deficit) of operating funding (A-B)	-	(75)	-	-	-	-	-	-	-	-	-
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		(75)	-	-	-	-	-	-	-	-	-
Increase (decrease) of investments											
Total applications of capital funding (D)	-	(75)	-	-	-	-	-	-	-	-	-
Surplus (deficit) of capital funding	-	75	-	-	-	-	-	-	-	-	-
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 (RMA).

Under the Act, Council's district plan should be monitored and reviewed to ensure the plan's 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 there is sufficient land capacity for future growth needs for residential, industrial and commercial activities, that the effects of climate change are recognised and planned for such as sea level rise and storm intensity and effects, 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 here 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:

- To assess all land use and subdivision applications in accord with the requirements of the Resource Management Act, Regional Policy Statement and District Plan.
- To seek compliance with and if required enforce the rules of the District Plan, and take appropriate action where breaches have been identified.
- To prepare and implement changes to the District Plan where a change of policy is promoted by Council or deficiencies in the plan's provisions have become apparent through practice or monitoring.
- To 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 2018/19

Projects for 2018/19 include:

- 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.
- Review residential water race maintenance.
- Undertake State of Environment (SoE) and Plan Effectiveness Monitoring (PEM) to inform the review of the Combined Wairarapa District Plan.
- Commence spatial plan for South Wairarapa district.
- Review current financial contributions system and prepare to implement development contributions.

6. PROJECTS FOR 2019/20 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.

- In addition SoE and PEM will require establishment funding to enable necessary data to be acquired and reported. The review of the WCDP will also involve substantial commitments of time and resources to carry out.

- Continue work on spatial plan.
- Implement development contributions to replace existing financial contributions.

7. STATEMENT OF SERVICE PERFORMANCE

RESOURCE MANAGEMENT: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULTS 2016/17	2018/19	2019/20	2020/21	2021/22 – 2027/28	
All resource consents will be processed efficiently	Consent applications required to be processed within statutory timeframes	100% 2008	96.1%	100%	100%	100%	100%	Council records
	s.223* certificates required to be processed within 10 working days	100% 2008	94.8%	100%	100%	100%	100%	Council records
	s.224* certificates processed within 15 working days of receiving all required information. (Note – no statutory requirement)	97% 2015	97.6%	95%	95%	95%	95%	Council records
	Ratepayers and residents satisfied with the image of the closest town centre shown as "satisfied"	70% 2008	87%	80%	80%	80%	80%	NRB Survey
	The District Plan has a monitoring programme that provides information on the achievement of its outcomes Anticipated Environmental Results (AERs)	Yes 2016	Yes	Yes	Yes	Yes	Yes	Council records
Land Information Memoranda (LIMs)	LIMs contain all relevant accurate information (no proven complaints)	100% 2008	99.7%	100%	100%	100%	100%	Council records
It is easy to purchase information on any property in the district	Non-urgent LIM is processed within 10 working 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 Resource Management Act.

8. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR RESOURCE MANAGEMENT

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR RESOURCE MANAGEMENT											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	393	478	471	475	478	488	499	506	512	523	529
Targeted rates											
Subsidies and grants for operating purposes											
Fees and charges	193	173	177	181	184	188	193	197	202	207	212
Local authorities fuel tax, fines, infringement fees, and other receipts	12	11	2	2	3	2	2	4	8	9	11
Total operating funding (A)	598	662	650	658	665	678	694	708	723	739	751
Applications of operating funding											
Payments to staff and suppliers	489	525	540	549	554	565	577	589	601	614	628
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	77	102	103	106	107	109	113	114	116	119	120
Other operating funding applications											
Total applications of operating funding (B)	566	627	642	655	662	674	690	703	717	734	748
Surplus (deficit) of operating funding (A-B)	32	34	8	3	3	4	4	5	5	5	4
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions	142	362	380	389	395	430	441	417	366	373	373
Increase (decrease) in debt											
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)	142	362	380	389	395	430	441	417	366	373	373
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service											
- to replace existing assets		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	174	397	388	392	399	434	445	422	371	378	377
Increase (decrease) of investments											
Total applications of capital funding (D)	174	397	388	392	399	434	445	422	371	378	377
Surplus (deficit) of capital funding	(32)	(34)	(8)	(3)	(3)	(4)	(4)	(5)	(5)	(5)	(4)
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 for the administration of Council's policies relating to amenities.

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 encourage 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 achieve defined technical standards.
- To achieve defined environmental standards.
- To achieve defined management standards.
- To comply with legal requirements.

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 (currently under construction to become the Waihinga Centre), Martinborough Playground, Martinborough Public Toilet, Martinborough Museum, Pensioner Flats on Naples Street, and the 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 campsite 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, Ngawi camping area and toilets, Ngawi Surf break toilet, coastal camping areas with pit toilets at Te Awaiti and Tora Farm Road (2), 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, old council chambers in Cork Street (Martinborough Menz Shed), and Pain Farm.
- *Greytown:* Greytown cycle trail, and the walkway between Udy and Kuratawhiti Streets.

5. PROJECTS FOR 2018/19

Projects for 2018/19 include:

- Continue the new cemetery development at Featherston.
- Complete development of Waihinga Centre.
- Complete pool upgrades.
- Development plan for Card Reserve.
- Connect libraries to ultra-fast broadband.
- Provide additional infrastructure for visitors to the district.
- Complete feasibility study for extension of the Featherston library.
- Work with ANZAC Club to establish a development plan for the ANZAC hall.
- Contribute to the feasibility study for a sports hub proposed by Kuranui College Board of Trustees, Greytown Trustlands Trust and Greytown Sport and Leisure.
- Contribute to the renovation of the cricket wicket block at Soldiers Memorial Park.

PROJECTS FOR 2019/20 AND BEYOND

Projects for 2019/20 and beyond include:

- Upgrade electrical system at Anzac Hall.
- Improvements at Featherston and Greytown playgrounds.
- Continue to provide additional infrastructure for visitors to the district.
- Work with the ANZAC Club and other funders to implement the development plan for the ANZAC hall.
- Investigate options to provide recycling bins alongside rubbish bins.

6. SIGNIFICANT NEGATIVE EFFECTS

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

7. STATEMENT OF SERVICE PERFORMANCE

AMENITIES: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULTS 2016/17	2018/19	2019/20	2020/21	2021/22 – 2027/28	
Parks and reserves enhance the quality of life in our communities	Users satisfied with parks and reserves	86% 2005	94%	90%	90%	90%	90%	NRB survey
Our playgrounds in parks and reserves are safe and enjoyed by the community	Ratepayers and residents are satisfied with Council playgrounds	80% 2015	82%	85%	85%	85%	85%	NRB survey
	Council playground equipment that meets national standards	93.4% 2015	95%	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	92%	100%	100%	100%	100%	Council records
	Ratepayers and residents satisfaction with Council swimming pools	59% 2008	61%	65%	68%	70%	72%	NRB survey
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	72% 2015	74%	80%	80%	80%	80%	Council records
Public toilets are convenient, clean and safe	Ratepayers and residents satisfied with public toilet facilities	60% 2005	85%	85%	87%	90%	90%	NRB Survey
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	20 2015	25	>3 per library	>3 per library	>3 per library	>3 per library	Council records
	% of ratepayers and residents satisfied with libraries	83% 2005	91%	90%	90%	90%	90%	NRB Survey
Council has a reserve management programme	Council maintains and updates Reserve Management Plans as required	No 2015	Yes	Yes	Yes	Yes	Yes	Council records

8. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR AMENITIES

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR AMENITIES											
	30 JUNE 2018 Annual Plan \$'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	30 JUNE 2026 \$'000	30 JUNE 2027 \$'000	30 JUNE 2028 \$'000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	2,472	2,678	2,722	2,765	2,892	2,898	2,951	2,979	3,011	3,070	3,092
Targeted rates											
Subsidies and grants for operating purposes											
Fees and charges											
Local authorities fuel tax, fines, infringement fees, and other receipts	530	494	510	534	558	584	606	636	666	703	735
Total operating funding (A)	3,002	3,172	3,232	3,299	3,449	3,482	3,558	3,615	3,677	3,773	3,826
Applications of operating funding											
Payments to staff and suppliers	1975	2,119	2,114	2,141	2,185	2,232	2,282	2,333	2,388	2,446	2,506
Finance costs	116	186	198	203	206	210	204	208	211	215	219
Internal charges and overheads applied	572	645	652	674	681	693	716	724	736	757	761
Other operating funding applications											
Total applications of operating funding (B)	2,662	2,950	2,965	3,019	3,073	3,135	3,203	3,265	3,336	3,419	3,486
Surplus (deficit) of operating funding (A-B)	340	222	267	280	376	347	355	350	342	354	340
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt	(52)	(51)	(51)	(51)	(51)	(51)	(51)	(51)	(51)	(51)	(51)
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)	(52)	(51)	(51)	(51)	(51)	(51)	(51)	(51)	(51)	(51)	(51)
Applications of capital funding											
Capital Expenditure											
- to meet additional demand		-	50	51	51	51	51	51	51	51	51
- to improve the level of service											
- to replace existing assets	496	617	605	695	266	522	277	283	289	295	301
Increase (decrease) in reserves	(209)	(447)	(439)	(517)	8	(277)	(24)	(36)	(50)	(43)	(63)
Increase (decrease) of investments											
Total applications of capital funding (D)	288	171	215	229	325	296	304	298	290	303	289
Surplus (deficit) of capital	(340)	(222)	(267)	(280)	(376)	(347)	(355)	(350)	(342)	(354)	(340)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

LAND TRANSPORT (ROADING AND FOOTPATHS)

1. DESCRIPTION

This activity 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 Local Government Act 1974 and Land Transport Management Act 2003. These Acts stipulate that South Wairarapa District Council is the owner and road controlling authority of all roads other than state highways in the district.

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

The operation and maintenance of the roading components of the network are eligible for financial assistance from NZTA at the subsidy rate of 52%. For the Special Purpose Road (Cape Palliser Road) subsidy rates are 100% transitioning to 52% by 2024.

The Special Purpose Road (SPR) includes bridges would be included in the reduction of the FAR rate for the SPR. SWDC's current understanding based on engagement with NZTA to date, is that NZTA will fully fund the replacement of these bridges when the time comes. The replacements will not occur within the LTP period. We estimate they will need to be replaced in approximately 20 years' time. Ongoing maintenance of these bridges will be covered by approved NZTA budgets.

There may be funding available from NZTA in future to assist with footpath maintenance. Council will be making an application to access some of this funding. It is unknown at this stage if that application will be successful.

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 LAND TRANSPORT 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
Sustainable South Wairarapa.	By ensuring all transport options 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.

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

4. ASSETS WE LOOK AFTER

This activity maintains the following assets:

ASSET DESCRIPTION			
PAVEMENT LENGTH (KM)	RURAL	URBAN	TOTAL
Sealed	333.3	67.4	400.7
Unsealed	267.2	0.6	267.8
TOTAL	600.5	68.0	668.5
Guard Rails (m)	2,319	38	2,357
BRIDGES & MAJOR CULVERTS (No.)	RURAL	URBAN	TOTAL
Timber Bridges	9	-	9
Concrete Bridges	76	-	76
Armes/Twin pipes/concrete pipes	15	-	15
Box Culverts (span 2.5m)	37	-	37
TOTAL	137		137
STREET LIGHTS (No.)	RURAL	URBAN	TOTAL
Featherston	-	332	332
Greytown	-	282	282
Martinborough	-	283	283
Rural	34	-	34
TOTAL	34	897	931
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/seal			
- Concrete		9,184	9,184
- Metal		11,195	11,195
		106	106
<i>Greytown</i>			
- Asphalt/seal		8,737	8,737
- Concrete		7,962	7,962
- Metal		398	398
<i>Martinborough</i>			
- Asphalt/seal			
- Concrete		13,758	13,758
- Metal		7,412	7,412
		168	168
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 2017.

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).
- Aesthetics
- 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 the street cleaning contract to prevent flooding.

Structures

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

Retaining walls and seawalls are 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 provided 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 2018/19

Projects for 2018/19 include:

- Complete an annual reseals programme and re-metaling programme.
- Complete the bridge inspection programme including review for new maximum allowable weight and dimension limits for heavy vehicles (effective December 2017).

- Develop bridges works programme for 2018/19.
- Renew and extend footpaths as per community board programme.
- Work with NZTA regarding the proposed change in funding for the Special Purpose Road (proposed transition from 100% to 52% subsidy).
- Complete approximately 1 km seal extensions.
- Develop a cycle strategy.
- Apply to NZTA for footpath maintenance funding.

6. PROJECTS FOR 2019/20 AND BEYOND

- Complete annual seal extension, reseal and re-metaling programmes.
- Develop works programme for 2019/20 from the bridge inspection programme results.
- Renew and extend footpaths as per community board programme.
- 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

LAND TRANSPORT: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULTS 2016/17	2018/19	2019/20	2020/21	2021/22 – 2027/28	
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% 2005	96% Urban 99% Rural	95%	95%	95%	95%	Council records
	Ratepayers and residents fairly/very satisfied with the roads	81% 2005	73%	75%	80%	85%	85%	NRB Survey
	5% of sealed roads are resealed each year subject to availability of NZTA subsidy	100% 2005	100%	100%	100%	100%	100%	Council Records
	The pavement condition index as measured by the NZTA pavement integrity index	98% 2015	93%	95%	95%	95%	95%	NZTA
	The number of crashes causing injuries is reduced	27 2016	Yes	Yes	Yes	Yes	Yes	NZTA
	The change in the number of fatalities and serious injury crashes on the local road network	New	9	<7	<7	<7	<7	NZTA
Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	60% 2015	63%	65%	70%	75%	75%	NRB Survey
	Availability of footpaths on at least one side of the road down the whole street	84.8% 2005	86%	90%	90%	90%	90%	Council Records
	Footpath Condition rating 95% compliant with SWDC AMP Standard	Completed every 4 years. Due 17/18	-	95%	95%	95%	95%	Council Records
	The % of customer service requests relating to roads and footpaths responded to within 48 hours	86% 2016	79%	80%	85%	90%	95%	Council Records
	Meet annual plan footpath targets as set by Community Boards	Yes 2016	Yes	Yes	Yes	Yes	Yes	Council Records

NOTE:

1. Baseline length of footpaths is worked out on the basis that 49,740m length is completed out of total length of 58,015m.
2. Smooth travel exposure (STE) is percentage of travel undertaken on roads with a roughness less than 150 NAAASRA (National Association of Stats Roadway Authorities) counts. NAAASRA 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.
3. \pm 10% variation for seal extensions and reseals is to take into consideration location and site conditions of work.
4. Levels of service from reseal and rehabilitation programmes (other roads) can be achieved from expenditure levels similar to 2017/18 budgets.
- 5.

9. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 – 2028 FOR LAND TRANSPORT

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR LAND TRANSPORT											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	3,052	3,400	3,526	3,627	3,628	3,710	3,768	3,795	3,869	3,812	3,837
Targeted rates											
Subsidies and grants for operating purposes	3,302	2,454	2,273	2,257	2,220	2,251	2,286	2,363	2,419	2,477	2,537
Fees and charges											
Local authorities fuel tax, fines, infringement fees, and other receipts	418	196	211	232	247	273	273	297	329	337	360
Total operating funding (A)	6,772	6,051	6,011	6,117	6,095	6,234	6,327	6,456	6,617	6,626	6,733
Applications of operating funding											
Payments to staff and suppliers	2,431	2,447	2,504	2,552	2,416	2,474	2,537	2,600	2,665	2,733	2,803
Finance costs	42	45	45	45	37	37	14	11	7	-	-
Internal charges and overheads applied	530	670	681	712	714	728	760	762	774	802	794
Other operating funding applications											
Total applications of operating funding (B)	3,002	3,162	3,230	3,309	3,167	3,239	3,311	3,373	3,447	3,536	3,597
Surplus (deficit) of operating funding (A-B)	3,769	2,889	2,781	2,807	2,927	2,995	3,016	3,083	3,170	3,090	3,136
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt	(109)	(119)	(119)	(119)	(119)	(114)	(114)	(114)	(114)	(4)	(4)
Gross proceeds from sale of assets											
Lump sum contributions	170	242	254	259	263	287	294	278	244	249	249
Other dedicated capital funding											
Total sources of capital funding (C)	61	122	134	140	144	173	180	164	130	245	245
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service	469	237	216	216	235	240	246	250	256	262	268
- to replace existing assets	2,533	1,918	1,761	1,783	1,982	2,071	2,169	2,261	2,311	2,364	2,419
Increase (decrease) in reserves	829	856	938	949	855	856	781	735	732	709	695
Increase (decrease) of investments											
Total applications of capital funding (D)	3,830	3,011	2,915	2,948	3,071	3,167	3,196	3,246	3,300	3,335	3,381
Surplus (deficit) of capital funding	(3,769)	(2,889)	(2,781)	(2,807)	(2,927)	(2,995)	(3,016)	(3,083)	(3,170)	(3,090)	(3,136)
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 3,985 serviced and 279 serviceable connections.

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

Greytown & Featherston – Waiohine River

Water can be abstracted from three bores sited next to the Waiohine River. The bore water is pumped up to the Featherston/Greytown water treatment plant (WTP) for treatment.

Water then passes through the upgraded ultra-violet plant and supplies both Greytown and Featherston. A 3.9km 300mm PVC pipe supplies water from the ultra-filtration (UF) plant to the existing pipeline crossing the Tauherenikau River. The pipe joins the 300mm gravity trunk main from Tait's Creek which supplies water to the Boar Bush holding tanks which have a capacity of 450,000 litres.

The old supply from the Waiohine diversion channel was decommissioned in May 2017 due to the improved water quality and reliability from the bores.

Water from the WTP also feeds the Greytown reservoir which holds 450,000 litres before it flows via the 7km gravity trunk main to Greytown. This

trunk main has been replaced with PVC with the remaining 2.7km replaced in the 2017/18 financial year.

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. 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 Well

This is an alternative source of water for Greytown.

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 have reduced usage of this bore and planned work means this will become an emergency supply only.

Martinborough – Ruamahanga Wells

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

The groundwater is abstracted from four bores approximately 2.5km south east of Martinborough

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

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.

Pirinoa

Pirinoa is a small community scheme serving equivalent of 10 properties, about 25 people including the School, store and Community Hall.

The water is from a shallow bore with filtration and ozone disinfection and pumped about 900m to network.

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

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 there is approximately 225km of open race delivering water.

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 which has recently been upgraded by the Council and will be managed as part of the Council town supplies.

RUAMAHANGA WHAITUA COMMITTEE

South Wairarapa District Council has been represented on the Ruamahanga Whaitua committee since 2013. This committee was set up to understand the characteristics of the Ruamahanga River, the cultural, economic, and environmental values residents associate with waterbodies, and management options appropriate to the Ruamahanga River's waterways and

communities. This has been a considerable piece of work and has resulted in an implementation plan being published on the Greater Wellington Regional Council's website in June 2018. GWRC are seeking feedback including holding public hearings following this publication. The outcomes of this work will have considerable impact on the water quality and water allocation and availability in coming years. Council will continue to be a key party in these discussions and developments. The impact of the Whaitua proposals on Council over the period of this LTP is unknown at this stage, but will be clearer once the proposed Natural Resources Plan change has been completed.

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 water supplies are provided, at an affordable cost, and that private water supplies are properly monitored
Vibrant & strong communities	By ensuring that adequately located and pressured connections for firefighting 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 the 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

Six 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 and Featherston - Waiohine River.
- Greytown - supplementary Well.
- Martinborough - Ruamahanga Wells. This is the preferred source of water for Martinborough.
- Martinborough - Huangarua - This source is currently 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 (Morua Water Race)

5. PROJECTS FOR 2018/19

Projects for 2018/19 include:

- Refurbish storage tank for Featherston-Greytown water supply.
- Implement additional bore to supply Featherston and Greytown.

- Implement leak detection and pipe replacements and renewals to reduce water loss from our water supply system.
- Implement programme to promote water conservation.

6. PROJECTS FOR 2019/20 AND BEYOND

Projects for 2019/20 and beyond include:

- Increase storage at Featherston-Greytown WTP to enable 2 days water supply in case of break.
- Removal of manganese from Martinborough water supply.
- Implement any changes required by new drinking water legislation.

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 firefighting purposes. Council ensures reliability by regularly maintaining the system.

8. STATEMENT OF SERVICE PERFORMANCE

WATER SUPPLY: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULTS 2016/17	2018/19	2019/20	2020/21	2021/22 – 2027/28	
Potable water demand	The average consumption of drinking water per day per resident within the territorial authority.	728 2016	605 Lt	<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	100%	100%	100%	100%	100%	Council Records
The water provided is safe to drink	Water supply systems comply with Ministry of Health Bacteriological Drinking Water Standards guidelines 2008*	95% 2008	MBA: No GTN: No FTN: No	MBA: Yes GTN: Yes FTN: Yes	MBA: Yes GTN: Yes FTN: Yes	MBA: Yes GTN: Yes FTN: Yes	MBA: Yes GTN: Yes FTN: Yes	Council Records
	Water supply systems comply with Ministry of Health Protozoal Drinking Water Standards guidelines 2008	MBA: No GTN: No FTN: No 2016	MBA: No GTN: No FTN: No	MBA: Yes GTN: Yes FTN: Yes	MBA: Yes GTN: Yes FTN: Yes	MBA: Yes GTN: Yes FTN: Yes	MBA: Yes GTN: Yes FTN: Yes	Council Records
Customer satisfaction	The total number of complaints received by the local authority about drinking water taste per 1000 connections	1.73 2016	0	< 15	< 14	<13	<12	Council Records
	The total number of complaints received by the local authority about drinking water odour per 1000 connections	2.01 2016	0.29	<15	<14	<13	<12	Council Records
	The total number of complaints received by the local authority about drinking water pressure or flow per 1000 connections	4.03 2016	2.87	<15	<14	<13	<12	Council Records
	The total number of complaints received by the local authority about continuity of supply per 1000 connections	5.75 2016	12.1	<15	<14	<13	<12	Council Records
	The total number of complaints received by the local authority about drinking water clarity per 1000 connections	3.16 2016	2.01	<15	<14	<13	<12	Council Records
	Total number of water complaints per 1000 connections	16.68 2016	17.27	<75	<70	<65	<60	Council Records
	Ratepayers and residents satisfied with level of service for water	46% 2008	59%	65%	75%	80%	80%	NRB Survey
	Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site in < 1 hour	66% 2016	72%	75%	80%	85%	90%	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 in < 8 hours	82% 2016	89%	90%	90%	90%	90%	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	Attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site in < 2 working days	76% 2016	73%	75%	80%	85%	90%	Council Records
	Resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm in < 5 working days	88% 2016	84%	85%	90%	90%	90%	Council Records
There is adequate water for urban fire fighting	Fire hydrants tested annually that meet NZ Fire Service Code of Practice	0% 2015	21%	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.	45.5% 2016	MBA:31% GTN:37% FTN:48%	<30%	<30%	<30%	<25%	Council Records

NOTE:

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

9. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 – 2028 FOR WATER SUPPLY

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR WATER SUPPLY											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties											
Targeted rates	2,116	2,333	2,419	2,513	2,580	2,611	2,616	2,564	2,569	2,616	2,688
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	174	9	9	9	10	10	10	11	11	11	12
Local authorities fuel tax, fines, infringement fees, and other receipts	70	74	79	93	109	126	124	135	153	173	188
Total operating funding (A)	2,360	2,416	2,507	2,615	2,699	2,747	2,751	2,709	2,733	2,800	2,887
Applications of operating funding											
Payments to staff and suppliers	1,231	1,253	1,288	1,253	1,302	1,351	1,367	1,405	1,507	1,552	1,548
Finance costs	95	126	130	150	159	162	142	142	144	147	149
Internal charges and overheads applied	322	345	350	365	367	373	389	391	397	410	408
Other operating funding applications											
Total applications of operating funding (B)	1,647	1,724	1,768	1,768	1,828	1,887	1,897	1,938	2,048	2,109	2,105
Surplus (deficit) of operating funding (A-B)	713	692	739	848	871	860	854	771	685	692	783
Sources of Capital funding											
Subsidies and grants for capital expenditure	420										
Development and financial contributions	63	169	188	195	198	214	214	195	169	172	172
Increase (decrease) in debt	(49)	56	(108)	316	54	(125)	(125)	(38)	(38)	(38)	(38)
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)	435	225	81	511	252	90	90	157	131	134	134
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service		161	126	430	176	-	-	-	-	-	-
- to replace existing assets	549	640	342	350	358	366	374	381	389	397	405
Increase (decrease) in reserves	599	116	352	579	590	585	570	547	427	429	512
Increase (decrease) of investments											
Total applications of capital funding (D)	1,148	917	820	1,358	1,123	950	944	929	816	826	917
Surplus (deficit) of capital funding	(713)	(692)	(739)	(848)	(871)	(860)	(854)	(771)	(685)	(692)	(783)
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 to 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 manned transfer and recycling station at Martinborough and manned recycling stations at Featherston, Greytown, Martinborough, and Pirinoa. There are unmanned recycling depots at Hinakura, Pirinoa 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.

4,357 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.

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 of 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, Hinakura, Ngawi and Pirinoa recycling centres.

4. PROJECTS FOR 2018/19

Projects for 2018/19 include:

- 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.
- Carry out all actions listed for SWDC under the Regional Waste Management Plan.
- Improve layout of transfer station.
- Implement e-waste collections.
- Implement use of 240 litre recycling bins to supplement current recycling bins.
- Investigate ways to promote composting of food waste to reduce waste going to landfill.

5. PROJECTS FOR 2019/20 AND BEYOND

Projects for 2019/20 and beyond include:

- Upgrade transfer station in accordance with resource consent.

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

SOLID WASTE: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULTS 2016/17	2018/19	2019/20	2020/21	2021/22 – 2027/28	
Recycling stations are accessible and maintained	Number of communities with recycling centres	6 2005	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 15.1% from prior year	Decreasing by 2.5% from prior year	Decreasing by 2.5% from prior year	Decreasing by 2.5% from prior year	Decreasing by 2.5% from prior year	Council records
	% of ratepayers and residents satisfied with the level of service	83% 2005	66.5% (2013/14: 75%) Recycling 66% Refuse 67%	70%	75%	80%	85%	NRB Survey

8. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR SOLID WASTE MANAGEMENT

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR SOLID WASTE MANAGEMENT											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,146	1,171	1,183	1,204	1,220	1,239	1,265	1,283	1,305	1,327	1,342
Targeted rates											
Subsidies and grants for operating purposes											
Fees and charges	233	233	238	242	248	253	259	265	271	278	285
Local authorities fuel tax, fines, infringement fees, and other receipts	170	154	161	169	177	188	199	210	221	234	247
Total operating funding (A)	1,548	1,558	1,582	1,615	1,645	1,680	1,722	1,757	1,797	1,840	1,873
Applications of operating funding											
Payments to staff and suppliers	1,407	1,406	1,412	1,432	1,462	1,494	1,528	1,563	1,601	1,641	1,682
Finance costs			6	6	6	6	6	6	6	6	6
Internal charges and overheads applied	126	144	147	154	154	157	165	165	167	174	171
Other operating funding applications											
Total applications of operating funding (B)	1,533	1,551	1,565	1,592	1,622	1,657	1,699	1,734	1,774	1,821	1,859
Surplus (deficit) of operating funding (A-B)	16	7	17	23	23	23	23	23	23	19	15
Sources of Capital funding											
Subsidies and grants for capital expenditure											
Development and financial contributions											
Increase (decrease) in debt		-	119	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)	-	-	119	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)
Applications of capital funding											
Capital Expenditure											
- to meet additional demand											
- to improve the level of service		261	125	-	-	-	-	-	-	-	-
- to replace existing assets	20	75	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	(4)	(329)	11	11	11	11	11	11	11	7	4
Increase (decrease) of investments											
Total applications of capital funding (D)	16	7	136	11	11	11	11	11	11	7	4
Surplus (deficit) of capital funding	(16)	(7)	(17)	(23)	(23)	(23)	(23)	(23)	(23)	(19)	(15)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

WASTEWATER (SEWERAGE)

1. DESCRIPTION

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

This plan covers the disposal of:

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

Territorial authorities have numerous responsibilities relating to wastewater 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 wastewater 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 wastewater systems, to which 4,120 pans are serviced and 269 properties serviceable.

The wastewater schemes are:

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

Featherston - Urban

A gravity system (95%) with minor pumping (5%).

Wastewater 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 of farmland adjacent to the current oxidation ponds as part of the consent process to irrigate wastewater to land.

Council's goal is to discharge 100% of wastewater to land by 2039.

Greytown - Urban

A gravity system (95%) with minor pumping (5%).

At present 90% of the Greytown urban area is connected to the wastewater system. Some properties are still on septic tanks.

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

The Greytown sewerage 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 of farmland adjacent to the current Papawai site as part of the consent process to irrigate wastewater to land. The council is currently constructing a plant to irrigate to 35ha of this land to eliminate discharges to water during low flow conditions and discharge 100% of wastewater to land by 2041.

Martinborough - Urban

Martinborough operates entirely as a gravity system.

Wastewater 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 except in low flow conditions when the treated effluent is irrigated to 6ha of land adjacent to the plant. Council's goal

is to discharge 100% of wastewater to land by 2041.

Lake Ferry

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.

2. SUMMARY OF INFRASTRUCTURE

The Council owns a number of structures and components for the disposal of wastewater as shown in the table below:

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. Greytown is predominantly concrete and asbestos-cement. 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.

Currently for normal renewal applications, uPVC pipeline is the material of choice. Council is gradually replacing pipes with new uPVC pipes based on condition and criticality.

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 wastewater to meet the needs of urban residents and industrial, commercial, institutional, recreational, horticultural and rural users (near the urban areas) in accordance with the Wastewater Drainage Policy.

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

3. COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES

The community outcomes to which wastewater activity primarily contributes are described in the table below:

COMMUNITY OUTCOMES TO WHICH THE ACTIVITY CONTRIBUTES	
COMMUNITY OUTCOMES	HOW THE WASTEWATER 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

4. THE ACTIVITY GOAL AND PRINCIPAL OBJECTIVES

The wastewater activity goal is:

- To collect, treat and dispose of wastewater 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 the policies of South Wairarapa District Council.
- To promote development throughout the district.
- To achieve defined standards of system management.

5. ASSETS WE LOOK AFTER

In the South Wairarapa district, there are four wastewater community systems.

The wastewater 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 wastewater.

6. PROJECTS FOR 2018/19

Projects for 2018/19 include:

- Continued programme of wastewater reticulation repairs and renewals.
- Progress consent application lodged March 2017 for Featherston, including notifying the consent and public consultation followed by the consent hearing.
- Install ultra-violet disinfection for the Greytown effluent discharge and apply to land irrigation consents by September 2018.

- Increase the capacity of the main to Greytown WWTP.
- Install new gravity main in Featherston.

7. PROJECTS FOR 2019/20 AND BEYOND

Projects for 2019/20 and beyond include:

- Continue to develop wastewater treatment systems to meet the requirements of the new resource consents including irrigation to land in all three towns.
- Upgrade the wastewater network as needed to facilitate future development.

8. SIGNIFICANT NEGATIVE EFFECTS

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

9. STATEMENT OF SERVICE PERFORMANCE

WASTEWATER: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULTS 2016/17	2018/19	2019/20	2020/21	2021/22 – 2027/28	
Council provides wastewater services that effectively collect and dispose of wastewater	Number of blockages per 1000 connections	4.97 2015	12.44	<10	<10	<10	<10	Council records
	Ratepayers and residents satisfaction with wastewater services	67% 2005	49%	53%	57%	60%	70%	NRB survey
	Number of dry weather wastewater overflows per 1000 connections	1.73 2016	1.49	<10	<10	<10	<10	Breach of Consent
	Attendance time: from notification to arrival on site < 1 hour	54% 2016	68%	70%	75%	80%	85%	Council Records
	Resolution time: from notification to resolution of fault < 4 hours	72% 2016	73%	75%	80%	85%	90%	Council Records
Wastewater 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	96%	90%	90%	90%	90%	Council records
	No. of abatement notices	0 2016	0	<2	<2	<2	<2	Council Records
	No. of infringement notices	0 2016	0	0	0	0	0	Council Records
	No. of enforcement notices	0 2016	0	0	0	0	0	Council Records
	No. of convictions	0 2016	0	0	0	0	0	Council Records
	No. of complaints per 1000 connections received about sewage odour	1 2016	0.9 (4)	< 15	< 15	< 15	< 15	Council Records
	No. of complaints per 1000 connections received about sewage system faults	2.24 2016	1.5 (7)	< 15	< 15	< 15	< 15	Council Records
	No. of complaints per 1000 connections received about sewage system blockages	10.45 2016	12.62 (51)	< 15	< 15	< 15	< 15	Council Records
	No. of complaints per 1000 connections received about the response to issues with wastewater	0.2 2016	0 (0)	< 15	< 15	< 15	< 15	Council Records
	Proportion of urgent wastewater service requests responded to within 6 hours of notification	100% 2015	84% (52/62)	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.

10. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR WASTEWATER

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR WASTEWATER											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties											
Targeted rates	1996	2,054	2,333	2,711	2,786	2,787	2,801	2,873	2,893	2,907	2,964
Subsidies and grants for operating purposes											
Fees and charges											
Local authorities fuel tax, fines, infringement fees, and other receipts	295	331	356	374	386	423	473	522	538	516	598
Total operating funding (A)	2,291	2,384	2,689	3,085	3,172	3,210	3,274	3,395	3,431	3,422	3,562
Applications of operating funding											
Payments to staff and suppliers	658	730	751	659	682	699	825	848	759	782	807
Finance costs	532	558	610	618	625	630	630	627	604	577	602
Internal charges and overheads applied	276	294	298	309	311	317	329	332	337	348	347
Other operating funding applications											
Total applications of operating funding (B)	1,466	1,582	1,658	1,586	1,619	1,646	1,784	1,806	1,700	1,707	1,756
Surplus (deficit) of operating funding (A-B)	825	802	1,031	1,498	1,554	1,564	1,490	1,588	1,731	1,716	1,806
Sources of Capital funding											
Subsidies and grants for capital expenditure	-										
Development and financial contributions	78	264	292	304	306	349	384	373	333	344	344
Increase (decrease) in debt	575	438	(257)	(260)	(780)	(772)	(772)	(772)	(666)	(547)	12
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)	652	702	34	44	(474)	(423)	(388)	(399)	(333)	(203)	356
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	1,150	588	-	-	-	-	-	-	-	-	-
- to improve the level of service	1,514	1,175	504	516	-	-	-	-	-	-	559
- to replace existing assets	314	511	315	322	329	337	344	351	358	365	373
Increase (decrease) in reserves	(1,502)	(769)	247	704	750	805	758	839	1,041	1,147	1,231
Increase (decrease) of investments											
Total applications of capital funding (D)	1,477	1,505	1,065	1,542	1,079	1,141	1,102	1,190	1,399	1,513	2,162
Surplus (deficit) of capital funding	(825)	(802)	(1,031)	(1,498)	(1,554)	(1,564)	(1,490)	(1,588)	(1,731)	(1,716)	(1,806)
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 wastewater. For those services, the peak loading on the system can be estimated and designed for. The stormwater system cannot provide protection against all foreseeable storm events and aims only to provide a level of protection accepted by the community as being reasonable.

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

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

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

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

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

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

Council aims over the long-term to provide protection of properties in all urban areas and to

ensure stormwater is contained in channels, pipes and structures to direct the flow in a controlled manner across Council owned/vested land to a waterway or other suitable discharge points. Council's policy is that unused stormwater from the roof 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 here.
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 stormwater in the district.

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

5. PROJECTS FOR 2018/19

Projects for 2018/19 include:

- Continue renewal and upgrading of stormwater drains.

6. PROJECTS FOR 2019/20 AND BEYOND

- Continue renewal and upgrading of stormwater drains.

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

STORMWATER: MEASURING SERVICE DELIVERY PERFORMANCE								
SERVICE LEVEL	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGETS (FOR THE FINANCIAL YEAR)						HOW IT WILL BE MEASURED
		BASELINE	RESULT	2018/19	2019/20	2020/21	2021/22 – 2027/28	
Stormwater drains are well operated and maintained by the Council	% of ratepayers and residents satisfied with stormwater drains	50% 2005	57%	58%	59%	60%	60%	NRB survey
	% of urgent (any blockage causing extensive flooding of buildings or other serious flooding) requests for service responded to within 5 hours	90% 2005	100%	95%	95%	95%	95%	Council Records
	No. of flooding events	0 2016	0	0	0	0	0	Council Records
	No. of habitable floors affected per flooding event per 1000 properties connected	0 2016	0	0	0	0	0	Council Records
Consent Compliance	No. of abatements notices	0 2016	0	0	0	0	0	Council Records
	No. of infringement notices	0 2016	0	0	0	0	0	Council Records
	No. of enforcement notices	0 2016	0	0	0	0	0	Council Records
	No. of convictions	0 2016	0	0	0	0	0	Council Records
	Median Response time to flooding events (Notification to personnel reaching site in hrs)	0 2016	0	3	3	3	3	Council Records
	No. of complaints about stormwater per 1000 properties connected	0 2016	0	0	0	0	0	Council Records

NOTE:

We have no properties connected to the stormwater system.

9. SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR STORMWATER DRAINAGE

SOUTH WAIRARAPA DISTRICT COUNCIL FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 - 2028 FOR STORMWATER DRAINAGE											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	225	198	249	253	275	273	278	282	281	286	290
Targeted rates											
Subsidies and grants for operating purposes											
Fees and charges											
Local authorities fuel tax, fines, infringement fees, and other receipts	8	6	7	8	10	11	13	14	16	18	19
Total operating funding (A)	233	205	255	261	285	285	291	297	296	304	309
Applications of operating funding											
Payments to staff and suppliers	50	51	52	53	74	76	78	80	82	85	87
Finance costs	6	5	5	5	5	5	6	6	6	6	6
Internal charges and overheads applied	69	65	66	68	69	70	72	73	75	76	77
Other operating funding applications											
Total applications of operating funding (B)	126	121	123	127	148	152	156	159	163	167	171
Surplus (deficit) of operating funding (A-B)	108	84	132	134	137	133	136	138	134	136	138
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	54	55	56	58	59	60	61	63	64	65	67
Increase (decrease) in reserves	54	29	76	77	78	73	74	75	70	71	72
Increase (decrease) of investments											
Total applications of capital funding (D)	108	84	132	134	137	133	136	138	134	136	138
Surplus (deficit) of capital funding	(108)	(84)	(132)	(134)	(137)	(133)	(136)	(138)	(134)	(136)	(138)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

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

Any changes in level of service are stated in the individual activity sections. Services are generally expected to remain the same but in some cases we have adjusted the key performance indicator to a more achievable level.

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

We are expecting some change to legislation regarding drinking water standards as a result of the Havelock North enquiry. We have provided for some capital expenditure within this LTP in anticipation of this.

We have also assumed that we will obtain the resource consent to dispose of Featherston wastewater to land by late-2018.

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, some are hesitant at paying for this increase.

Population Growth

The latest census was held during 2013, which identified a population of 9,582. We have obtained population projections through to 2043 compiled by ".id Consultants' (ID), a Melbourne based company with a New Zealand presence since 2010. The forecasts from ID have allowed us to explore what is driving population change in the South Wairarapa communities.

Forecast information predicts how the population, age structure and household types will change between now and 2043.

The resident population in the district is currently around 10,406 people and is expected to increase to 11,421 by 2028 and approximately 12,733 by 2043.

Projections used for our last LTP indicated a population of 10,250 by 2043 so the latest projections reflect the increased growth in the District over the last three years, which is expected to continue.

The median age is currently 45.2 (compared with 38 nationally) and is projected to increase to 49 by 2043.

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 7,166 by 2028, this is a growth of 8.5% from the 2018 year (6,606).

FORECAST RATING UNITS BY YEAR									
2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
6,660	6,715	6,772	6,829	6,889	6,949	7,007	7,061	7,113	7,166

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

New Zealand Transport Agency

Subsidies from New Zealand Transport Agency have been included at the approved rate for the 2017/18 year. NZTA has confirmed that the new rate for other roads will be 52% from 2016 and 100% for the Special Purpose road until 2018. NZTA funding for the special purpose will drop 8% pa from the 2018/19 financial year and every year after until it reaches the normal funding assistance rate of 52% in 2023/24. Council is in discussions with NZTA regarding the financial impact of this proposed change. The proposed change in NZTA funding is included in the LTP budgets to be conservative.

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

Water Metering

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

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

water enquiry and have included capital expenditure in future years for potential changes required by legislation.

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

2. FINANCIAL FORECASTING ASSUMPTIONS

Revaluation of Non-Current Assets

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

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

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

Interest Rates

The range of interest rates on term debt is calculated at 3.04% to 4.26%. 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 interest rate on investments is calculated at 3.17%. This is based on the average rate of return on investments for the 2017/18 financial year which is consistent with current interest rates being received on investments.

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 \$10,000 p.a. On the total forecast portfolio of \$19M, this would result in an increase / decrease of \$190,000 p.a. 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 most 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.

For water and wastewater assets, we currently fund 72% of depreciation. For the new LTP we propose altering the funding of depreciation for these assets and stormwater to be maintenance funded for a portion of the depreciation amount. This is due to the Wellington Water report completed during 2017 indicating that our assets will be able to be maintained at their current levels without increasing the spend on renewals for the period of the LTP.

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 the value 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
<p>That more detailed analysis of planned capital works once complete may alter the depreciation expense.</p> <p>That asset lives may alter due to new technology improving asset lives.</p>	Low	<p>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.</p>

Lifecycles of Significant Assets

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	<p>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).</p>

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 incorrect.	Low to Moderate	Asset management plans are updated annually following 'best practice' as prescribed by the New Zealand Infrastructure Asset Management Manual. Roading Asset inventories and condition ratings are stored and maintained in the RAMM database and in the AMP. Water and wastewater infrastructure asset conditions are updated in the AssetFinda database.

Sources of Funds for Future Replacement of Assets

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

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

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

The funding for the replacement of any individual asset will be 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

2018/19 revenues and expenses have been predicted. Beyond this, inflation has been included in the Plan. Inflation has been predicted using the BERL (Business and Economic Research Limited) forecasts of price level change adjusters and is as follows.

INFLATION					
YEAR	LOCAL GOVT ADMINISTRATION	SALARIES AND WAGE RATES LOCAL GOVT SECTOR	ROADING	WATER SUPPLY / WASTEWATER / STORM WATER	PLANNING AND REGULATION
2018/19	2.1%	1.6%	2.0%	3.0%	2.0%
2019/20	2.0%	1.6%	2.2%	2.8%	2.1%
2020/21	2.0%	1.7%	2.2%	2.4%	2.1%
2021/22	2.1%	1.8%	2.3%	2.5%	2.1%
2022/23	2.2%	1.8%	2.4%	2.6%	2.2%
2023/24	2.3%	1.9%	2.4%	2.7%	2.3%
2024/25	2.3%	1.9%	2.5%	2.8%	2.3%
2025/26	2.4%	2.0%	2.6%	2.9%	2.4%
2026/27	2.5%	2.0%	2.7%	3.0%	2.4%
2027/28	2.5%	2.1%	2.8%	3.2%	2.5%

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. An interest rate 3.17% 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.

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.

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.

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.

Waihinga Centre

The Council assumes that the all of the external funding for the Waihinga Centre will be received.

Maintenance, Renewal and Capital Programme

The maintenance, renewal and capital expenditure programme for Councils core assets is based on the information in Council's asset 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.

Authorisation for Issue

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

This document was adopted by Council on Wednesday 27 June 2018.

STATEMENT OF ACCOUNTING POLICIES FOR THE YEARS ENDING 30 JUNE 2019 – 30 JUNE 2028

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 2018 to 30 June 2028. The financial forecasts were authorised for issue by Council of 27 June 2018.

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 PBE 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.

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 21 March 2018 and the Consultation Document issued on 22 March 2018. Following hearings and Council's consideration of the views and requests received during consultation, Council adopted the Long Term Plan on 27 June 2018.

Statement of Compliance

The Annual Plan and Long Term Plan is in full compliance with Financial Reporting Standard 42 (PBE 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).

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). This could result in

rounding differences. The functional currency of the SWDC is New Zealand dollars.

Changes in Accounting Policies

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

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

Significant Accounting Policies

Revenue

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

Rates Revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges 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. General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised when invoices are created.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Rates collected on behalf of the Greater Wellington Regional Council (GWRC) are not recognised in the financial statements, apart from the Statement of Cash flows, as SWDC is acting as an agent for the GWRC.

Other Revenue

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.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual

service provided as a percentage of the total services to be provided.

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

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

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 revenue is recognised using the effective interest method.

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

Leases

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

At the commencement of the lease term, the SWDC recognises finance leases as assets and liabilities in the statement of financial position at the lower of the

fair value of the leased item or the present value of the minimum lease payments.

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

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

Operating Leases

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

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.

Financial Assets

SWDC classifies its financial assets into the following categories: held-to-maturity investments and loans and receivables.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs.

Purchases and sales of investments are recognised on trade-date, the date on which the SWDC 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 SWDC has transferred substantially all the risks and rewards of ownership.

The categories of financial assets are:

a) 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. SWDC's loans and receivables comprise terms deposits.

b) Held to maturity investments

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

c) Fair value through other comprehensive revenue and expense.

- Financial assets at fair value through other comprehensive revenue and expense 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, or realise, the investment within 12 months of balance date. The Council includes in this category:
 - Investments that it intends to hold long-term but which may be realised before maturity; and
 - Shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, 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 revenue and expense is reclassified from equity to the surplus or deficit.

Fair Value

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

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. SWDC uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as discounted expected cash flows, are used to determine fair value for the remaining financial instruments.

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, and held to maturity investments.

Impairment is established when there is objective evidence that the SWDC 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 revenue and expense.

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) recognised 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.

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.

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.

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	88 years	1.47%
Heritage assets	88 years	1.47%
Furniture and equipment	5 to 22 years	20% to 4.5%
Motor vehicles	5 years	20%
Library collections	6 years	15%
Roadings*	1 to 100 years	100% to 1%
Bridges*	30 to 90 years	3.3% to 1.1%
Water infrastructure*	8 to 104 years	12% to .096%
Sewer infrastructure*	11 to 102 years	0.98% to 9%
Stormwater infrastructure*	49 to 95 years	1.05% to 2.4%
Parks and reserves	5 to 50 years	20% to 2%

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

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

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

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

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

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

An independent valuation is carried out to ascertain fair value as determined from market-based evidence by. The most recent valuation was performed by Angela Scott (BBS (VPM), MPINZ), Rupert Yortt BBS (VPM), David Cornford BBS (VMP), MPINZ of QV Asset & Advisory, and the valuation is effective as at 30 June 2016.

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

Infrastructure Assets

Infrastructure asset classes are roads, bridges & footpaths, water systems, wastewater (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 2018. 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, MIPENZ) of AECOM New Zealand Limited, and the valuation is effective as at 30 June 2017.

Assets Held for Sale

Assets held for sale are valued annually at the lower of carrying value and fair value less costs to sell and the valuation is effective as at 30 June 2017. Assets held for sale are valued at the agreed sale price less costs to sell.

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.

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

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 is the present value of expected future cash flows.

Cash generating assets are those assets that are held with the primary objective of generating commercial return.

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 statement of financial performance..

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

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 statement of financial performance.

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.

Creditors and Other Payables

Creditors and other payables are recorded at their face value.

Employee Entitlements

Short-term Employee Entitlements

Employee benefits that the SWDC expects to be settled within twelve months of balance date are

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

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

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

The SWDC recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Presentation of Employee Entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Long-term Employee Entitlements

Superannuation Schemes

Obligations for contributions to Kiwi Saver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the statement of financial performance as incurred.

Provisions

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

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

Borrowings

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

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

Equity

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

The components of equity are:

- Public equity – accumulated funds.
- Special reserves and trust funds.
- Asset revaluation reserves.
- Loan redemption 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 asset revaluation reserve relates to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive revenue and expense reserves comprises the net cumulative change in the fair value through other comprehensive revenue and expense 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 Regional Council rates) are recognised as receipts and payments in the statement of cash flows because they flow through the Council's main bank account.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

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

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 SWDC could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by the SWDC 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 prospective 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 2019 to 30 June 2028. 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 2018 – 2028

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDING 30 JUNE 2018-2028											
	30 JUNE 2018 Annual Plan \$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	30 JUNE 2026 \$000	30 JUNE 2027 \$000	30 JUNE 2028 \$000
OPERATING INCOME											
Rates	13,153	13,993	14,660	15,298	15,639	15,806	16,008	16,136	16,327	16,430	16,624
Rates penalty	140	140	143	146	149	152	155	159	163	167	171
Interest	285	470	512	588	657	767	840	959	1,059	1,140	1,257
Fees & licences	1,030	1,154	1,179	1,203	1,229	1,256	1,285	1,314	1,346	1,378	1,412
User levies	713	700	716	731	747	764	783	802	822	844	867
Commissions	69	70	71	72	74	76	77	79	81	83	85
NZ Transport Agency Subsidy	3,302	2,454	2,273	2,257	2,220	2,251	2,286	2,363	2,419	2,477	2,537
Petrol tax	83	83	85	87	89	91	93	95	98	100	103
Grants, subsidies & donations	435	15	16	16	16	16	17	17	18	18	19
Rentals	525	504	515	527	538	551	564	579	593	609	626
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Contributions	453	1,037	1,114	1,148	1,162	1,281	1,333	1,263	1,112	1,138	1,138
Gain on share revaluation	-	-	-	-	-	-	-	-	-	-	-
Profit on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Gain on asset revaluations	35	39	39	39	40	40	40	41	41	41	41
Miscellaneous income	333	138	141	143	146	150	153	157	161	165	169
Total operating income	20,557	20,796	21,462	22,254	22,705	23,200	23,633	23,963	24,238	24,589	25,048
OPERATING COSTS											
Governance, leadership & advocacy	947	1,024	1,035	1,016	1,035	1,054	1,076	1,097	1,121	1,140	1,160
Public protection	1,430	1,606	1,652	1,691	1,732	1,768	1,808	1,851	1,899	1,919	1,936
Resource management	567	628	645	658	665	678	694	708	723	739	751
Economic, cultural & community development	364	523	477	486	493	502	512	520	530	540	549
Amenities	3,045	3,381	3,468	3,572	3,635	3,635	3,731	3,776	3,823	3,927	3,958
Land transport	5,578	5,780	5,870	5,963	5,839	5,998	6,087	6,172	6,357	6,463	6,552
Water supply	2,502	2,734	2,813	2,845	2,927	2,954	2,979	3,031	3,107	3,183	3,188
Solid waste management	1,548	1,558	1,576	1,603	1,633	1,668	1,711	1,746	1,786	1,828	1,862
Wastewater	1,884	2,180	2,313	2,265	2,309	2,341	2,489	2,520	2,417	2,434	2,510
Stormwater drainage	233	250	255	261	285	285	291	297	296	304	309
Rate debtors written off	40	40	41	42	42	43	44	45	47	48	49
Bad debts	-	-	-	-	-	-	-	-	-	-	-
Loss on asset revaluations	-	-	-	-	-	-	-	-	-	-	-
Loss on share revaluations	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-
Total operating costs	18,139	19,704	20,146	20,402	20,597	20,926	21,423	21,762	22,103	22,526	22,826
Total surplus/(deficit) before tax	2,418	1,093	1,316	1,853	2,109	2,275	2,211	2,202	2,136	2,064	2,224
Income tax expense	-	-	-	-	-	-	-	-	-	-	-
Total surplus/(deficit) after tax	2,418	1,093	1,316	1,853	2,109	2,275	2,211	2,202	2,136	2,064	2,224
<i>Note: Total operating costs include;</i>											
Depreciation	4,435	4,892	5,144	5,285	5,377	5,389	5,472	5,522	5,593	5,621	5,596
Interest	626	719	775	801	828	834	780	771	743	708	732

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEARS ENDING 30 JUNE 2018 – 2028

PROSPECTIVE STATEMENT OF OTHER COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEARS ENDING 30 JUNE 2018-2028											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Total surplus/(deficit)	2,418	1,093	1318	1853	2,109	2,275	2,211	2,202	2,136	2,064	2,224
Vested assets	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in share revaluation reserve	1	1	1	1	1	1	1	1	1	1	1
Increase/(decrease) in asset revaluation reserve	-	2,391	-	24,094	2,770	-	27,485	3,267	-	32,072	3,766
Increase/(decrease) in loan redemption reserve	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive revenue and expense	1	2,392	1	24,096	2,771	1	27,486	3,268	1	32,073	3,767
Total Other Comprehensive Revenue and expense	2,419	3,485	1,319	25,948	4,880	2,276	29,697	5,469	2,137	34,137	5,991

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEARS ENDING 30 JUNE 2018 – 2028

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDING 30 JUNE 2018-2028											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Equity at start of the Year	387,245	403,580	407,065	408,384	434,332	439,212	441,488	471,186	476,655	478,792	512,930
Total comprehensive revenue and expenses reserve	-	3,485	1,319	25,948	4,880	2,276	29,697	5,469	2,137	34,137	5,991
Equity at end of year	387,245	407,065	408,384	434,332	439,212	441,488	471,186	476,655	478,792	512,930	518,920

* 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 FOR YEARS 2018 - 2028

PROSPECTIVE STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDING 30 JUNE 2018-2028											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
ASSETS											
Current assets											
Cash and cash equivalents	444	222	222	222	222	222	222	222	222	222	222
Short term deposits	3,115	7,354	8,774	10,849	13,709	16,138	18,687	21,212	23,738	26,422	29,064
Loan redemption deposits	151	2,570	3,053	3,377	3,998	3,665	4,836	5,445	5,476	6,355	7,262
Investments	3,905	3,798	3,918	4,042	4,170	4,302	4,439	4,580	4,725	4,874	5,029
Debtors and other receivables	2,478	2,507	2,587	2,683	2,737	2,797	2,849	2,889	2,922	2,964	3,020
Inventories	21	33	33	33	33	33	33	33	33	33	33
Assets held for sale	-	-	-	-	-	-	-	-	-	-	-
Total current assets	10,115	16,484	18,587	21,206	24,869	27,157	31,066	34,381	37,117	40,871	44,630
Non-current assets											
Investments	94	354	355	356	357	358	359	360	361	363	364
Intangible assets	193	162	143	123	101	78	53	33	32	29	25
Investment properties	7,068	7,813	7,888	7,938	7,989	8,040	8,091	8,143	8,196	8,249	8,303
Property, plant and equipment	390,564	407,855	406,983	430,346	431,386	429,784	455,517	457,083	455,389	485,770	488,546
Total non-current assets	397,920	416,183	415,370	438,763	439,833	438,259	464,021	465,620	463,978	494,411	497,237
Total assets	408,035	432,667	433,957	459,969	464,702	465,416	495,087	500,001	501,095	535,282	541,867
LIABILITIES											
Current liabilities											
Creditors and other payables	2,187	2,375	2,429	2,459	2,483	2,523	2,582	2,623	2,664	2,715	2,752
Employee entitlements	349	236	236	236	236	236	236	236	236	236	236
Public debt - current portion	899	710	911	344	1601	85	596	1083	-	-	-
Total current liabilities	3,434	3,321	3,576	3,040	4,320	2,844	3,415	3,943	2,901	2,952	2,988
Non-current liabilities											
Public debt - non current portion	16,917	19,820	19,537	20,137	19,712	19,627	19,032	19,949	19,949	19,949	17,508
Landfill aftercare provision	439	446	445	444	442	441	440	439	438	437	436
Total non-current liabilities	17,356	20,265	19,982	20,581	19,155	19,069	18,472	17,388	17,387	17,386	17,943
Equity											
Public equity	149,129	145,466	143,680	141,617	138,246	136,150	132,512	129,415	127,151	124,015	121,629
Special reserves and trust funds	3,158	4,713	5,288	6,490	8,267	9,855	11,564	13,336	14,646	15,899	17,246
Depreciation reserves	16,685	19,116	21,162	23,551	26,633	29,750	32,719	35,636	38,695	41,763	44,119
Share revaluation reserve	4	4	5	6	7	8	9	11	12	13	14
Asset revaluation reserve	219,269	237,211	237,211	261,306	264,076	264,076	291,561	294,828	294,828	326,900	330,666
Loan redemption reserve	-	2,570	3,053	3,377	3,998	3,665	4,836	5,445	5,476	6,355	7,262
Total equity	387,245	409,080	410,399	436,347	441,227	443,503	473,201	478,670	480,807	514,945	520,935
Total liabilities and equity	408,035	432,667	433,957	459,969	464,702	465,416	495,087	500,001	501,095	535,282	541,867

* 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 2018 financial year. Other changes are not considered significant by Council.

PROSPECTIVE CASH FLOW STATEMENT FOR THE YEARS ENDING 30 JUNE 2018 – 2028

PROSPECTIVE STATEMENT OF CASH FLOWS FOR THE YEARS ENDING 30 JUNE 2018-2028											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
CASH FLOWS FROM OPERATING ACTIVITIES											
Cash was received from:											
Rates	13,293	14,133	14,802	15,444	15,788	15,958	16,163	16,295	16,490	16,597	16,795
Government grants & subsidies	3,737	2,469	2,289	2,273	2,236	2,267	2,303	2,380	2,437	2,495	2,555
Petrol tax	83	83	85	87	89	91	93	95	98	100	103
Other income	1,961	2,369	3,615	3,688	3,800	3,974	4,099	4,108	4,035	4,127	4,183
Regional council rates	2,757	2,757	2,922	3,098	3,284	3,481	3,689	3,911	4,146	4,394	4,658
Interest on investments	214	449	492	567	657	767	840	959	1,059	1,140	1,257
	22,044	22,260	24,204	25,155	25,853	26,538	27,187	27,749	28,264	28,853	29,562
Cash was applied to:											
Payments to suppliers & employees	13,260	13,492	13,928	14,032	13,845	15,116	14,047	14,960	15,851	15,416	15,731
Regional council rates	2,757	2,757	2,922	3,098	3,284	3,481	3,689	3,911	4,146	4,394	4,658
Interest paid	568	719	775	801	828	834	780	771	743	708	732
	16,584	16,968	17,625	17,931	17,957	19,431	18,516	19,642	20,739	20,519	21,121
Net cash flow from operating activities	5,460	5,292	6,579	7,224	7,896	7,108	8,670	8,107	7,525	8,335	8,441
CASH FLOWS FROM INVESTING ACTIVITIES											
Cash was received from:											
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-
Term investments & advances	2,360	255	303	124	128	132	136	141	315	150	155
Investments in loan redemption deposits	-	445	710	911	634	1,601	85	596	1,083	-	-
	2,360	700	1,013	1,035	763	1,733	221	736	1,398	150	155
Cash was applied to:											
Purchase of fixed assets	9,524	7,128	4,290	4,543	3,636	3,774	3,707	3,813	3,910	3,938	4,613
Term investments, shares & advances	2,360	255	120	124	128	132	136	141	315	150	155
Investments in loan redemption deposits	-	1,029	1,077	1,103	1,116	1,106	1,106	1,019	913	683	683
	11,884	8,412	5,487	5,770	4,881	5,012	4,949	4,973	5,138	4,772	5,451
Net cash flow from investing activities	(9,524)	(7,712)	(4,474)	(4,735)	(4,118)	(3,279)	(4,728)	(4,237)	(3,739)	(4,622)	(5,297)
CASH FLOWS FROM FINANCING ACTIVITIES											
Cash was received from:											
Drawdown of public debt	1,214	2,036	628	945	176	-	-	-	-	-	559
	1,214	2,036	628	945	176	-	-	-	-	-	559
Cash was applied to:											
Repayment of public debt	899	445	710	911	344	1,601	85	596	1,083	-	-
	899	445	710	911	344	1,601	85	596	1,083	-	-
Net cash flow from financing activities	316	1,591	(81)	34	(169)	(1,601)	(85)	(596)	(1,083)	-	559
Net increase/(decrease) in cash held	(3,749)	506	2,023	2,523	3,609	2,228	3,857	3,274	2,703	3,713	3,703
Add cash at start of year (1 July)	11,365	13,438	13,944	15,967	18,490	22,099	24,327	28,184	31,459	34,162	37,874
BALANCE AT END OF YEAR (30 June)	7,616	13,944	15,967	18,490	22,099	24,327	28,184	31,459	34,162	37,874	41,577
REPRESENTED BY:											
Cash and cash equivalents	444	222	222	222	222	222	222	222	222	222	222
Short term deposits and investments	3,116	7,354	8,774	10,849	13,709	16,138	18,687	21,212	23,738	26,422	29,064
Investments in loan redemption deposits	4,056	6,367	6,971	7,419	8,168	7,967	9,275	10,025	10,201	11,230	12,291
	7,616	13,944	15,967	18,490	22,099	24,327	28,184	31,459	34,162	37,874	41,577

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDING 30 JUNE 2018 - 2021

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2018-2021						
TOTAL CAPITAL ANNUAL PLAN 30 JUNE 2018 \$ 000		CARRIED FORWARD CAPITAL EXPENDITURE 30 JUNE 2019 \$ 000	NEW CAPITAL EXPENDITURE 30 JUNE 2019 \$ 000	TOTAL CAPITAL EXPENDITURE 30 JUNE 2019 \$ 000	TOTAL ESTIMATED EXPENDITURE 2019/20 \$ 000	TOTAL ESTIMATED EXPENDITURE 2020/21 \$ 000
	GOVERNANCE, LEADERSHIP & ADVOCACY					
	Motor vehicles	-	-	-	40	-
-		-	-	-	40	-
	PUBLIC PROTECTION					
60	Motor vehicles		30	30		
	IT software		10	10		
13	Equipment/Furniture		1	1		1
	Dog pound		120	120		
73			161	161	-	1
	AMENITIES					
232	Playgrounds	200	26	226	62	90
95	Parks & reserves	95	149	244	99	266
15	Campgrounds		10	10	10	11
	Swimming pools		154	154	31	133
30	Toilets			-	50	51
-	Cemeteries		31	31	47	35
54	Property improvements	92		92		
37	Community housing		46	46	31	32
11	Community buildings	-	66	66	132	11
39	Investment buildings		33	33	36	11
	Featherston stadium			-		
281	Greytown town centre	214	5	219	5	5
3,600	Waihinga centre	500		500		
96	Library books		98	98	100	102
	Town centres			-		
11	Libraries		-	-		
10	Featherston town square development			-		
4,511		1,101	617	1,719	655	746
	LAND TRANSPORT					
44	Signs & guardrails (Other Roads)		29	29	30	31
126	Seal extensions (Other Roads)		126	126	126	126
444	Reseals (Other Roads)		435	435	446	457
99	Reseals (SPRs)		49	49	50	51
116	Rehabilitation (Other Roads)		205	205	210	215
79	Rehabilitation (SPRs)		44	44	45	46
169	New footpath		111	111	90	90
121	Renewal footpaths		45	45	45	45
80	Drainage		103	103	106	108
12	Drainage (SPR)		9	9	9	9
151	Minor safety works (Other Roads)		337	337	337	337
18	Minor safety works (SPRs)		221	221	131	122
7	Traffic services (SPRs)		5	5	5	5
27	Structures		20	20	20	21
248	Road metalling		303	303	311	319
23	Road metalling (SPRs)		16	16	16	17
800	Resilience Improvements			-		
80	New bridges		98	98		
357	LED conversion program			-		
3,002		-	2,155	2,155	1,977	1,999

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDING 30 JUNE 2018 - 2021 CONTINUED

SCHEDULE OF PROSPECTIVE CAPITAL EXPENDITURE FOR THE YEARS ENDED 30 JUNE 2018-2021						
TOTAL CAPITAL ANNUAL PLAN 30 JUNE 2018 \$		CARRIED FORWARD CAPITAL EXPENDITURE 30 JUNE 2019 \$	NEW CAPITAL EXPENDITURE 30 JUNE 2019 \$	TOTAL CAPITAL EXPENDITURE 30 JUNE 2019 \$	TOTAL ESTIMATED EXPENDITURE 2019/20	TOTAL ESTIMATED EXPENDITURE 2020/21
	WATER SUPPLY					
322	Investigation underground assets		-	-	-	-
678	Cyclical renewal		333	333	342	350
	Featherston supply supplementation			-		
49	Water race up grade			-		
	Storage tank Greytown/Featherston supply		307	307		
	Greytown/Featherston supply		161	161	126	
	Martinborough supply					430
1,049		-	801	801	468	780
	SOLID WASTE MANAGEMENT					
15	Development work			-	125	
5	Resource consents			-		
	Transfer station upgrade		75	75		
	Recycle bins		261	261		
20		-	336	336	125	-
	WASTE WATER					
214	Reticulation renewals		307	307	315	322
600	Irrigation	300		300		
100	Investigation underground assets			-		
1,066	Alternative disposal systems (Greytown)		767	767		
467	Alternative disposal systems (Martinborough)			-		
331	Alternative disposal systems (Featherston)		409	409	504	516
50	Papawai farm - tilson creek culvert			-		
1,150	New pipeline	1,150		1,150		
	New gravity main Greytown		588	588		
	New gravity main Featherston		204	204		
3,979		1,450	2,274	3,724	818	838
	STORMWATER DRAINAGE					
54	Reticulation upgrade		55	55	56	58
54			55	55	56	58
	CORPORATE SERVICES					
11	Council offices		511	511	10	11
12	Furniture		21	21	11	12
47	IT hardware		105	105	46	47
34	IT software		33	33	33	34
9	Office equipment		18	18	8	8
	GIS		10	10	10	11
113		-	698	698	120	122
	PROFESSIONAL SERVICES					
25	Motor vehicles		30	30	30	
15	GIS			-		
	Miscellaneous			-		
40		-	30	30	30	-
12,840	Total Capital Expenditure	2,551	7,128	9,679	4,289	4,543

PROSPECTIVE STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR THE YEARS ENDING 30 JUNE 2019 - 2028

PROSPECTIVE STATEMENT OF SPECIAL AND SEPARATE FUNDS FOR THE YEARS ENDING JUNE 2019-2028				
	OPENING BALANCE 18/19 \$ 000	TRANSFERS IN \$ 000	TRANSFERS OUT \$ 000	CLOSING BALANCE 27/28 \$ 000
District Property	601	(147)	-	454
To be used for Town Centre Development				
Asset Realisation	128	47	-	174
Capital gains from the sale of Council Assets that have been realised overtime.				
Plantation Reserve	65	3	(68)	-
For road protection schemes and seal extensions in the future.				
Community Board Reserves				
<i>Community Board funds Carried over:</i>				
Featherston	8	861	(858)	11
Greytown	12	861	(858)	16
Martinborough	8	861	(858)	11
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	452	4,557	(884)	4,125
Water Race Reserves				
Featherston/Longwood Water race	(25)	798	(762)	11
Moroa	219	798	(762)	254
Trusts				
Campground Memorial:	7	-	-	7
Pain Farm	95	493	7	595
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	1,881	10,918	(3,503)	9,296
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	(38)	38	-	-
To Spread the costs of the District plan over the life of the plan				
Maintenance Reserve	(75)	314	(195)	44
To Spread the initial costs of building maintenance				
Roading Reserve	600	3,430	(2,228)	1,802
To fund shortfall in SPR NZTA funding				
Housing Reserve	(41)	(26)	(351)	(418)
To fund shortfall and capital works				
Water race Reserve	-	95	(329)	(234)
To spread the costs of the water race consents over the life of the consent				
Three waters reserve	333	2,000	(1,233)	1,100
To spread the costs of three waters projects.				
Loan Redemption Reserve - internal loans	290	-	(290)	-
Loan Redemption Reserve	1,893	11,433	(6,064)	7,262
Depreciation Reserves	19,205	68,267	(43,353)	44,119
To fund new capital projects				
	25,616	105,550	(62,591)	68,627

FUNDING IMPACT STATEMENT (RATING) FOR THE YEARS ENDING 30 JUNE 2018-2028

The revenue and financing mechanisms to be used to cover the estimated expenses of the Council for the Year ended 30 June 2019 are described in the Revenue and Financing Policy.

The method and impact of both general and targeted rates is covered in "The Rating System" section which follows. The specific rating details given in the following pages have been drawn from and are consistent with Council's LTP.

1. RATING SYSTEM

Introduction

Schedule 101(3) of the Local Government Act 2002 requires Council to include a funding impact statement in its Annual Plan. The following matters cover the specific statements to be provided as set out in Schedule 101(3).

This Funding Impact Statement should be read in conjunction with Council's Revenue and Financing Policy.

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 0.0039115 per dollar of rateable land value. The total we anticipate to raise from this rate is \$242,728.
- **Group 2 Urban.** A rate of 0.0019558 per dollar of rateable land value. The total we anticipate to raise from this rate is \$1,203,861.
- **Group 3 Rural.** A rate of 0.0019052 per dollar of rateable land value. The total we anticipate to raise from this rate is \$3,835,376.

In addition, the Council has set a Uniform Annual General Charge on each rating unit of \$529. The total we anticipate to raise from this rate is \$3,209,652. The total of Council's UAGC and Refuse Collection rate have 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 and wastewater 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 0.0015243 per dollar of land value. The total we anticipate to raise from this rate is \$72,188

The Moroa rate will be 0.0003617 per dollar of land value. The total we anticipate to raise from this rate is \$77,741.

No lump sum contributions will be invited in respect of this targeted rate.

Wastewater 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 \$545 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 or \$272 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 \$2,333,307.

Water Supply

Council proposes to set a uniform targeted rate for water supply based on each separately used or inhabitable part of a rating unit for all urban, rural or commercial rating units which are serviced by a connection to the system of \$560 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 or \$280 per serviceable connection.

The uniform targeted rate will apply to each connection. The total we anticipate to raise from this rate is \$2,318,375.

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 2018/19 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 \$416 per urban rating unit. The total we anticipate to raise from this rate is \$1,387,361.

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 \$219 per rural rating unit. The total we anticipate to raise from this rate is \$594,583.

The amenity facilities include parks and reserves, swimming baths, community buildings (including public halls) and other civic amenities.

No lump sum contributions will be invited in respect of this targeted rate.

Refuse Collection

The Council proposes to set a uniform, targeted rate for rubbish collection and disposal, of \$187 this will apply to rating units and separately inhabitable 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 \$816,789.

No lump sum contributions will be invited in respect of this targeted rate.

Overall Rating Levels

The combined effect on individual rating units of 5.65% increase in total rates will vary considerably from rating unit to rating unit depending on the different types of rates and valuations applicable.

2. RATES EXAMPLES

The following tables show the typical rates increase for commercial, urban and rural properties.

The three yearly revaluation of the district's properties can have a significant impact on how the general rate is paid for. During the valuation, properties have their current land value reviewed by Quotable Value NZ (QV) based on a number of factors. The revaluation also determines the total district wide land value.

The table below shows the average land value change in our district for the 2017 revaluation for different types of properties.

REVALUATION 2017 – CHANGE IN AVERAGE LAND VALUES			
	AVERAGE LV 2015	AVERAGE LV 2017	% CHANGE
Featherston average residential	\$61,353	\$127,000	107.0%
Greytown average residential	\$178,571	\$250,000	40.0%
Martinborough average residential	\$138,806	\$197,000	44.0%
Commercial average	\$150,815	\$222,000	47.2%
Lifestyle average	\$262,467	\$300,000	14.3%
Rural dairy average	\$2,139,918	\$2,600,000	21.5%
Rural pastoral average	\$1,623,213	\$1,930,000	18.9%

Rates Examples (Including GST)			
	Old value/Old rates 2017/18	New LV/New rates 2018/19	% Increase
Featherston Average Residential			
Land Value	\$ 61,353	\$ 127,000	107.0%
General rate	\$ 145	\$ 248	70.9%
Targeted rates	\$ 2,187	\$ 2,237	2.3%
	\$ 2,332	\$ 2,485	6.6%
<i>Estimated increase per week:</i>			
		\$ 2.94	
Greytown Average Residential			
Land Value	\$ 178,571	\$ 250,000	40.0%
General rate	\$ 423	\$ 489	15.6%
Targeted rates	\$ 2,187	\$ 2,237	2.3%
	\$ 2,610	\$ 2,726	4.4%
<i>Estimated increase per week:</i>			
		\$ 2.23	
Martinborough Average Residential			
Land Value	\$ 138,806	\$ 197,000	44.0%
General rate	\$ 324	\$ 385	18.9%
Targeted rates	\$ 2,187	\$ 2,237	2.3%
	\$ 2,511	\$ 2,622	4.4%
<i>Estimated increase per week:</i>			
		\$ 2.14	
Commercial Average			
Land Value	\$ 150,815	\$ 222,000	47.2%
General rate	\$ 714	\$ 868	21.5%
Targeted rates	\$ 2,187	\$ 2,237	2.3%
	\$ 2,901	\$ 3,105	7.0%
<i>Estimated increase per week:</i>			
		\$ 3.92	
Lifestyle Average			
Land Value	\$ 262,467	\$ 300,000	14.3%
General rate	\$ 558	\$ 572	2.4%
Targeted rates	\$ 705	\$ 748	6.1%
	\$ 1,263	\$ 1,320	4.5%
<i>Estimated increase per week:</i>			
		\$ 1.09	
Rural Average Dairy Farm			
Land Value	\$ 2,139,918	\$ 2,600,000	21.5%
General rate	\$ 4,549	\$ 4,953	8.9%
Targeted rates	\$ 705	\$ 748	6.1%
	\$ 5,254	\$ 5,701	8.5%
<i>Estimated increase per week:</i>			
		\$ 8.59	
Rural Average Pastoral Farm			
Land Value	\$ 1,623,213	\$ 1,930,000	18.9%
General rate	\$ 3,451	\$ 3,677	6.5%
Targeted rates	\$ 705	\$ 748	6.1%
	\$ 4,156	\$ 4,425	6.5%
<i>Estimated increase per week:</i>			
		\$ 5.17	

3. RATES AND CHARGES

The following table shows the changes in targeted rates from the 2017/18 year to the 2018/19 year.

Targeted Rates (including GST)						
	2017/18	\$	2018/19	\$	CHANGE %	CHANGE \$
Targeted Rates - Urban:						
Uniform Annual General Charge (UAGC)	\$	495	\$	529	6.9%	\$ 34
Reserves & Civic Amenities – Urban	\$	402	\$	416	3.5%	\$ 14
Water Charge	\$	562	\$	560	-0.4%	-\$ 2
Wastewater Charge	\$	546	\$	545	-0.2%	-\$ 1
Refuse Collection Levy	\$	182	\$	187	2.7%	\$ 5
Total Urban Targeted Rates:	\$	2,187	\$	2,237	2.3%	\$ 50
Targeted Rates - Rural:						
Uniform Annual General Charge (UAGC)	\$	495	\$	529	6.9%	\$ 34
Reserves & Civic Amenities – Rural	\$	210	\$	219	4.3%	\$ 9
Total Rural Targeted Rates:	\$	705	\$	748	6.1%	\$ 43

4. 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 ENDING 30 JUNE 2018 - 2028

FUNDING IMPACT STATEMENT FOR THE YEARS ENDING 30 JUNE 2018-2028											
	30 JUNE 2018 Annual Plan \$ 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	30 JUNE 2026 \$ 000	30 JUNE 2027 \$ 000	30 JUNE 2028 \$ 000
Sources of operating funding											
General rates, Uniform Annual General charges, Rates penalties	9,041	9,911	10,220	10,394	10,600	10,743	10,933	11,052	11,227	11,278	11,354
Targeted rates	4,112	4,387	4,752	5,224	5,366	5,399	5,418	5,437	5,462	5,523	5,652
Subsidies and grants for operating purposes	3,302	2,454	2,273	2,257	2,220	2,251	2,286	2,363	2,419	2,477	2,537
Fees and charges	1512	1,468	1,498	1,530	1,562	1,596	1,633	1,671	1,711	1,752	1,796
Interest and Dividends from investments	287	449	492	567	657	767	840	959	1,059	1,140	1,257
Local authorities fuel tax, fines, infringement fees, and	1,290	989	1,010	1,030	1,031	1,054	1,078	1,104	1,131	1,125	1,191
Total operating funding (A)	19,544	19,658	20,245	21,001	21,435	21,809	22,188	22,584	23,009	23,295	23,787
Applications of operating funding											
Payments to staff and suppliers	12,351	13,197	13,350	13,372	13,504	13,800	14,200	14,531	14,811	15,172	15,503
Finance costs	1,025	1,116	1,200	1,286	1,250	1,263	1,267	1,217	1,198	1,223	1,207
Other operating funding applications	288	458	411	417	424	431	438	446	454	463	472
Total applications of operating funding (B)	13,664	14,771	14,961	15,076	15,178	15,494	15,906	16,194	16,463	16,858	17,181
Surplus (deficit) of operating funding (A-B)	5,881	4,887	5,284	5,925	6,257	6,315	6,282	6,390	6,545	6,437	6,606
Sources of Capital funding											
Subsidies and grants for capital expenditure	420	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	283	795	861	888	899	994	1,039	985	868	889	889
Increase (decrease) in debt	365	1,007	(449)	(158)	(941)	(1,106)	(1,106)	(1,109)	(913)	(683)	(125)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	170	242	254	259	263	287	294	278	244	249	249
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1,238	2,043	666	989	222	175	227	244	199	454	1,013
Applications of capital funding											
Capital Expenditure											
- to meet additional demand	1,192	1,120	72	73	74	74	75	75	76	76	77
- to improve the level of service	1,983	2,023	970	1,161	410	240	246	250	256	262	827
- to replace existing assets	4,150	3,985	3,248	3,308	3,152	3,460	3,387	3,488	3,578	3,600	3,710
Increase (decrease) in reserves	(207)	(198)	1,660	2,371	2,842	2,716	2,801	2,821	2,835	2,953	3,006
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	7,119	6,930	5,950	6,914	6,478	6,490	6,509	6,634	6,744	6,892	7,619
Surplus (deficit) of capital	(5,881)	(4,887)	(5,284)	(5,925)	(6,257)	(6,315)	(6,282)	(6,390)	(6,545)	(6,437)	(6,606)
Funding Balance	0	0	0	0	0	0	0	0	0	0	0

INTRODUCTION TO THE STRATEGIES AND POLICIES

The funding and financial strategy and policies have been reviewed and updated as part of the LTP 2018/2028 process along with the infrastructure strategy. 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 2018/28 and the Infrastructure Strategy to 2048.

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.

Issues

The length of time Council may repay its loans over was extended to 35 years to mirror the length of the recently obtained resource consents to dispose of wastewater to land. Wording was also added to make it Council policy to build up cash reserves in order to meet future repayments on interest only loans.

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 information on LGFA borrower notes. The amendments also included the update of the name of Civic Financial Services (formerly NZ Local Government Insurance Corporation Limited) and removing references to sinking funds as these are no longer used by SWDC.

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 and development 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. Changes made to the policy were minor wording changes only.

Financial Impact

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

Remission of Rates Policy

The policy provides a means for allowing rates relief where it is considered fair and reasonable to do so. Changes made to the policy were minor wording changes.

Issues

Record Council policy that if rates are paid via direct debit either weekly, fortnightly or monthly, late payment penalties will not be charged if the rates for the financial year have been paid in full prior to 30 June in the rating year.

The wording for contiguous properties was updated to reflect the wording in the Local Government (Rating) Act 2002 Section 20.

Financial Impact

Reduction in administrative overhead through improved collection of rates, reducing outstanding rates debt and collection costs.

Postponement of Rates Policy

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

Issues

Changes made to the policy were minor wording changes only.

Financial Impact

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

SIGNIFICANCE AND ENGAGEMENT POLICY

Purpose

Council strives to enable democratic local decision making and action by and on behalf of communities. As part of this good communication is required.

Background

Council communication needs to be professional, genuine, effective and enabling with all stakeholders at all times. To further guide this the Local Government Act 2002 (LGA) requires local authorities to have a Significance and Engagement policy.

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" (s76AA(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 "criteria, and procedures" that the Council uses for assessing significance (section 76AA(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. This format has been revised so that it specifically considers the impact of decisions as set out in the "general approach" above.

Strategic Assets^{1,2}

This policy must also list those Council owned assets, considered by the Council to be "strategic assets" (section 76AA(3)).

¹ Pensioner housing is a strategic asset by law.

² The Council considers all asset classes listed in this section 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.

"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 76AA(3) 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.

Engagement and Consultation

Rationale

To ensure a consistent approach is taken to engagement and 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 subsequent Amendment Acts.

Introduction and Background

As an organisation responsible to the community it serves, South Wairarapa District Council is committed to ongoing 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 Engagement and 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

- 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, individual interviews and online surveys.

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.

Concern

At any time someone is concerned with significance or engagement, the following channels are available to elevate their concerns to a point of resolution:

- Council officers deal with matters from the public in the first instance.
- The public are encouraged to direct any unresolved concerns or complaints to the respective departmental manager.
- Should a person believe that their concern has still not been dealt with satisfactorily they are encouraged to bring the matter to the attention of the Chief Executive Officer.
- If a person remains unsatisfied with the decision of the Chief Executive Officer they may place their concern in writing for consideration by the Council.
- A register of complaints received from officers and elected members shall be kept and acted upon. A report to Council shall be supplied 6 monthly on complaints received and their resolution.

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) sets out the requirements Council must consider as part of the development of the policy. Section 103 of the 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 Council's 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 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.

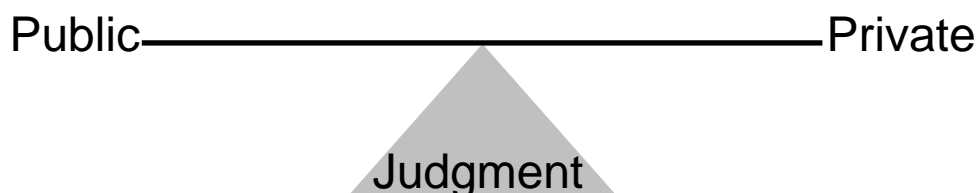
The characteristics of a good or service determine what type of funding mechanism might be used to fund a particular service. Council has already made judgements about what it considers are public goods when deciding whether or not to undertake a particular activity.

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 have 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 or smooth funding over a limited period to avoid rates 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. In many cases, it is not possible to pass

this cost on to the exacerbator, therefore, Council needs to identify the quantum of the issue and decide who 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 loans 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. 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) (UAGC).

The Council differentiates the General Rate based on land valuation (Schedule 2 Local Government (Rating) Act 2002).

The differential categories are:

- a) *Group 1 Commercial* – all rating units that are used (or available) primarily for any commercial or industrial purpose.
- b) *Group 2 Urban* – all rating units used for residential and related purposes within the urban areas of the District Plan.
- c) *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 value allocates the costs fairly between the rural and urban communities.

When Council considered the advantages and disadvantages of rating based on land values versus capital values it identified that:

- The ratio of land value to capital value was inconsistent across the district and changing the rating basis to land values would have led to more ratepayers having a rates increase than those having a decrease in rates payable.
- The table below indicates the likely spread of increases and decreases in rates from a move to using capital values to charge for rates.

RATING USING LAND VALUES VS 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 moving to capital values and additional costs in maintaining the rating database without out any significant increase in benefit to Council or ratepayers.

Targeted Rates

Targeted rates, are rates set on a differential on value, rates set over an area of benefit and rates for a service or for an activity.

Targeted rates can be used to rate for both private good and public good services.

Current targeted rates include the Uniform Annual Charge (UAC) – Reserves and Civic Amenity rate.

Lump Sum Contributions

Lump sum contributions are used for the recovery of specific capital expenditure.

There must have a high component of private good to use lump sum contributions.

Fees and Charges

Any fee, recovery fine or charge made Council for service or activity.

This 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

These are used to recover costs to upgrade services to provide for and mitigate the effects of development. Council currently has a Development Contributions and Financial Contributions Policy. Financial Contributions are levied under the provisions of the Resource Management Act through the Wairarapa Combined District Plan. Development contributions are levied under the Local Government Act. As part of the LTP process, Council has reviewed the Development Contributions Policy to better reflect recent changes in legislative requirements for such contributions.

This must have a high component of private good.

Grants and Subsidies

Income from external funding entities. 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 recognised where an asset was being sold and not replaced with a similar asset. For the example where the proceeds from

the sale of corporate property where used to fund another activity.

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).

Rates Payments Applied to Oldest Debt

Payments received for rates will be applied to the oldest debt first, regardless of whether the payer requests the payment be applied to the current debt. Rates debt becomes unenforceable after a period of time; this policy assists in avoiding debt falling into this category.

Expenditure Funding Mechanism

The following table summarises Council's view with regard to the appropriate funding mechanism for different types of Council expenditure. This table summarises the distribution of private and public benefits and indicates the funding sources SWDC uses for each category of activity.

Activity	Community Outcomes	User/Beneficiary pays principle	Intergenerational equity principle	Exacerbator pays *	Costs and benefits	Distribution of benefits Private	Public	Rationale	Operational	Funding Sources Capital
Governance/Leadership/Advocacy										
Representing the community	Vibrant and strong communities, Sustainable South Wairarapa	NIL	NIL	L	L	0%	100%	The democracy process is available to all residents and ratepayers, therefore all ratepayers benefit from this activity	General rate & Reserve Funding	
Public Protection										
Protection of public health	Healthy & economically secure people	M	NIL	M	M	70-80%	30-20%	Council has a statutory obligation to enforce public health legislation	Fees & Charges General Rate	
Noise control and enforcement		NIL	NIL	H	L	10%	90%	Ability to charge for monitoring and recover other costs	Fees & Charges General Rate	
Building consents and enforcement including swimming pool inspections		H	NIL	L	M	80-90%	20-10%	Council has a statutory obligation to enforce the Building Act	Fees & Charges General Rate	
Dog and animal control		L-M	NIL	H	L	60-70%	40-30%	For dog control the urban community receive a higher benefit than the rural community, while for animal control the rural community receives a higher benefit than urban	Fees & Charges General Rate	
Liquor licensing		H	NIL	L	L	100%	0%	Council has a legal obligation to enforce Liquor Act	Fees & Charges General Rate	
Emergency management and civil defence		NIL	NIL	L	H	0%	100%	Emergency Management is for the protection of life and restoration of essential services	General rate	
Community Development										
Cultural and community development	Vibrant and strong communities, Sustainable South Wairarapa	L	NIL	NIL	H	0%	100%	Supporting community activities for which council believes there is a high public benefit	General rate Targeted rate	
Economic Development		NIL	NIL	NIL	L	0%	100%	Economic Development is there for the benefit of the district, but there are occasions where parts of the district benefit to a different degree	General rate Targeted rate	
Economic Development - Tourism		M	NIL	NIL	M	60-70%	40-30%	Tourism is a very important part of economic activity within SW therefore has a high public good. However the benefit received from tourism also directly benefits the tourist related businesses	General rate Targeted rate	
Resource Management										
District Plan (reviews and development)	Vibrant and strong communities, Sustainable South Wairarapa	L	NIL	M	L	5%	95%	DP is a strategic and statutory planning document for the benefit of the district however members of the community can apply and fund a private plan change	General rate, fees and charges, reserves short term loans (1-3 yrs)	
Resource consent applications		H	NIL	H	H	95%	5%	Element of public good for enquiries, and consents that have a high public interest	General rates, Fees & Charges, surpluses	
Resource consent appeals		H	NIL	H	L	50%	50%	Appeals potentially cover a wide range of effects and have a wide range of benefits	General rates / surpluses	
Amenities										
Parks and Reserves including playgrounds	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	L	H	M	M-L	20%	80%	Reserves are there for recreational purposes and are open to all without restriction except for specific areas and times	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans
Swimming Pools in Featherston, Greytown & Martinborough.		L	M-H	L	L	30-40%	70-60%	While pools provide rec value council can restrict access	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans

Ownership of Camping Grounds in Martinborough, Greytown & Lake Ferry.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	H	M	L	L	L	70-85%	30-15%	Mba is a restricted area and Gtn is unrestricted however council may in the future may look at options for Gtn	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans
Civic Amenities											
Libraries in Featherston, Greytown and Martinborough.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	H	L-H	L	L	M	30-40%	60-70%	This activity provides public benefit by increasing people's knowledge, but also provides a private benefit that as has a private benefit	General rate, fees & charges	General rate, surplus funds & loans
Pensioner housing units in Featherston, Greytown and Martinborough.	Healthy & economically secure people. Educated and knowledgeable people. Vibrant & strong communities.	H	M	H	L	L	95%	5%	There is high private benefit by the tenants and council provides this facility for the wellbeing of a select number of the community.	Fees & charges	Surplus funds & loans
Public toilets in Featherston, Greytown and Martinborough and at various rural and coastal sites.		H	M	L	L	L	80-90%	20-10%	Providing essential service to ensure clean environment	Targeted rate	Targeted rate, surplus funds & loans
Public halls in Featherston, Greytown and Martinborough.		M-H	M	M	L	L	40-60%	60-40%	While used for private benefit there are wider community benefits of having halls available, Halls are the focal point of the community	Targeted rate, fees & charges	Targeted rate, contributions, surplus funds & loans
Cemeteries in Featherston, Greytown and Martinborough.		H	H	L	L	L	90%	10%	Can restrict access and there are alternatives, providing service to public there are benefits from memorial status	Targeted rate, fees & charges	Targeted rate, surplus funds & loans
Roading / Land Transport	A place that's accessible and easy to get around.	H	H	H	H	H	70-80%	30-20%	Road corridor provides high public good however the use of the road is predominantly for private benefit purposes	Fees & charges, NZTA subsidy, tolls, contributions, general rate	Fees & charges, NZTA subsidy, tolls, contributions, general rate
SOLID WASTE MANAGEMENT											
Waste collection	Healthy & economically secure people	H	L	H	H	M	70-80%	30-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rate	Surplus funds, fees & charges, targeted rate & loans
Closed Landfill		NIL	M	L	L	L	0%	100%	Protect environment from impacts of previous events	General rates	General rate, surplus funds, & loans
Transfer stations		H	L	H	H	M	70-80%	30-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rate	Surplus funds, fees & charges, targeted rate & loans

	Recycling	Healthy & economically secure people	H	L	H	M	70-80%	30-20%	Service provision public benefit by keeping the district clean	Fees & Charges, targeted rate	Surplus funds, fees & charges, targeted rate & loans
STORMWATER											
	Storm water Collection	Sustainable South Wairarapa	H	H	H	L-M	20%	80%	Collection predominantly to prevent flooding of private and public property	Fees & Charges, targeted rate, general rate	Fees & charges, contributions, targeted rate, general rate, surplus funds & loans
	Storm water Treatment		L	H	H	L-M	5%	95%	To protect the environment	Fees & Charges, targeted rates, general rates	Fees & charges, targeted rate, general rate, surplus funds & loans
Water Supply											
		Healthy & economically secure people	H	H	H	M	90%	10%	Provides safe potable drinking water	Fees & Charges, targeted rate, contributions	Fees & charges, contributions, targeted rate, subsidies & grants, surplus funds & loans
Wastewater											
		Healthy & economically secure people, Sustainable South Wairarapa	H	H	H	M	75%	25%	Provide safe/sanitary treatment & disposal environment for waste	Fees & Charges, targeted rate, contributions	Fees & charges, contributions, targeted rate, subsidies & grants, surplus funds & loans

LIABILITY 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 and Long Term Planning processes.

Council may borrow from itself, any registered bank or wholesale investor by the issue of local authority stock, or the Local Government Funding Agency 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, however in certain circumstances it may be prudent to consider a more even balance between floating and fixed rate instruments. 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.

Debt Repayment

Council has traditionally entered into 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 forecast to make repayments of principal on interest only loans. The loans are intended to be for the same length of time as the asset life. Most of the loans are for assets that have a life of between 7 years and 35 years and as a result some of these mature within the period of the current Long Term Plan (LTP).

Council's goal is to spread the principal and interest costs related to asset purchases evenly over the period of the assets life, and therefore achieve inter-generational equity for ratepayers. While the loan principal is not paid off progressively, Council sets aside deposits to accumulate progressively to prepare for repayment of the loans.

Council has introduced a policy of building up its cash reserves in order to meet future renewals of its assets and repayment of its interest only loans.

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 35 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, 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 requirements 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 providing 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 (including itself) 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%.
- Occasional and short term exceedances of the 30% rule are allowed, such exceedances are to be reported to the Audit and Risk Working Party.

Equity Investments

Council has small shareholdings in the following organisations:

- Civic Financial Services Limited.
- AIRTEL Limited.

- Farmlands Trading Society 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 Agency

Council may borrow funds from the Local Government Funding Agency (LGFA).

Council holds borrower notes with the LGFA. Borrower notes are subordinated debt instruments which are required to be held by each local authority that borrows from LGFA in an amount equal to 1.6% of the aggregate borrowings by that local authority.

Under certain very limited circumstances, the borrower notes can convert to shares.

If this were to occur, a Council resolution will be required to manage these shares.

Property

Council holds a limited amount of 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.²

It is unlikely that Council will invest in shares in the foreseeable future. Any such acquisitions would require a resolution by Council.

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.

Disposition of Proceeds of Sale of Investments

Equity and property investments may be disposed of by resolution of Council. In general terms, these proceeds will not be available for operational purposes unless Council resolves otherwise. These proceeds will normally 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 each year.

Treasury investments will be managed under delegated authority by the Chief Executive. All realisations, transfers and reinvestments will comply with this policy. The Audit and Risk Working Party will receive a schedule of all treasury investments for each month. A schedule of investments will be provided to Council on a regular basis as part of the financial statements included in the Chief Executive Officer's report.

² The Chief Executive and/or other officers to whom the Chief Executive may delegate from time to time.
PART 4: STRATEGIES AND POLICIES

Investment Risk Assessment and Management

Council has a number of investment properties and only one equity investment.³ [Council does hold shares in Airtel Ltd and Farmlands Trading Society Limited, however these are not held for investment purposes]. 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 cash flow to meet current and future needs.
- To ensure sufficient funding is available to meet future loan repayments as they fall due.

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.

³ Civic Financial Services Ltd 53,390 shares.

DEVELOPMENT CONTRIBUTIONS AND FINANCIAL CONTRIBUTIONS POLICY

Introduction

As further subdivision occurs and new activities are established within the Wairarapa, the existing infrastructure and amenities come under pressure. Financial contributions and Development contributions are ways 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.

Council does not take Development Contributions, instead Council utilises the Financial Contributions policies and rules contained in the Wairarapa Combined District Plan (WCDP). Council will continue with that practice until such time as it develops a new legally compliant Development Contributions Policy in accord with the provisions of the Local Government Act 2002. It is Council's intention to introduce a new and compliant development contributions policy in advance of the Resource Management Amendment Act 2017 repeal on 18 April 2022 of S108 (2) (a) of the Resource Management Act 1991, which currently enables Council to take Financial Contributions through the WCDP.

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 wastewater 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 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 a 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 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 as part of the development.

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 (RMA).

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 the WCDP section 23.3.2 (a) to (f) and a contribution under section 23.3.2 (g) or (h), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2 (g) or (h) have not already been made at the time of the subdivision creating that lot or under the 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 23.3.2 (a) to (f) and a contribution under section 23.3.2 (g), provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2 (g), have not already been made under the 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 23.3.2 (a) to (f) and a contribution under section 23.3 (g) or (h), with the payment of the contribution(s) to be made prior to the issuance of a code of compliance certificate for the building consent, provided that an infrastructure contribution towards those particular works and a contribution under section 23.3.2 (g) or (h), have not already been made at the time of the subdivision creating that lot of under the 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 \$5,000 (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 \$5,000 (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 Contributions

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 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 24.4.2 (a) to (f) and a contribution under section 24.4 (g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 24.4 (g) have not already been made at the time of the subdivision creating that lot or under the 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 24.4 (a) to (f) and a contribution under section 24.4 (g) provided that a roads, access, parking and loading contribution towards those particular works and a contribution under section 24.4 (g) have not already been made under the 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 24.4 (a) to (f) and a contribution under section 24.4 (g) with the payment of the contribution(s) to be made prior to the issuance of a 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 24.4 (g) have not already been made at the time of the subdivision creating that lot or under the 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 24.4.2 (g) 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.
- 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 (e.g. a copy of the Certificate of Title) 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 and subsequent years unless the status of the land changes 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) Council may review the status of Maori freehold land from time to time and advise ratepayers of a change in status if it is considered the land no longer meets the criteria for remission of rates.
- g) 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.
- To encourage an efficient payment regime, recognising the significant benefits accruing by ratepayers using the direct debit payment system.

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.

- a) Council will remit penalty rates where it is demonstrated that penalty rates have been levied due to an error by Council.
- b) Remission of one penalty will be considered in any one rating year where payment had been late due to significant family disruption. Significant family disruption is likely to be the ratepayer, or a member of the household being affected by serious illness, serious accident, hospitalisation or death.
- c) Remission of penalty may be granted if the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control. Applications under these criteria will only be accepted if the ratepayer has a history of regular payments of rates and has not incurred penalty rates in the previous two years.

- d) Remission of penalty rates will be considered for those ratepayers who due to financial hardship, are in arrears and who have entered into an agreement with Council to repay all outstanding and current rates. This repayment scheme will generally be up to a period of 12 months. Penalty rates remission will not be considered if the agreement plan is not being adhered to, or a prior repayment scheme has not been adhered to.
- e) Remission will be considered if a new owner receives penalty rates through the late issuing of a sale notice, a wrong address on the sale notice or late clearance of payment by the Solicitor on a property settlement. This only applies to penalty rates incurred on one instalment. Future instalments do not qualify under these criteria.
- f) Application for remission of penalty rates must be in writing using the prescribed form.
- g) 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.
- h) Where a ratepayer agrees to pay rates by direct debit on a weekly, fortnightly, monthly or quarterly basis, no penalties will be charged if the rates for the financial year have been paid in full prior to 30 June in the rating year.

Delegation

Council delegates the authority to remit penalty rates to the Chief Executive Officer or the Group Manager Corporate Support.

Remission of Rates for Land used by Sporting, Recreational and Community Organisations

Objectives

- To facilitate the ongoing provision of non-commercial sporting, recreational and community services that meet the needs of the residents of the district.
- To provide indirect financial assistance to community organisations.
- To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These may include children, youth, young families, aged people and economically disadvantaged people.

Conditions and Criteria

- a) This policy will apply to land owned by the Council or owned or occupied by a not for profit organisation, which is used exclusively or principally for sporting, recreation or community purposes.
- b) Council will remit 50% of rates, with the exception of targeted rates, for organisations that qualify under this policy, and with the exception of Rural Halls which will receive 100% remission. Sporting organisations will qualify for 50% remission regardless of whether they hold a current license under the Sale and Supply of Alcohol Act 2012.
- c) The policy does not apply to organisations operated for pecuniary profit or which charge tuition fees.
- d) The policy does not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting or community services as a secondary purpose only.
- e) Applications for remission must be made to the Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated. All rating units that have remissions in place at 1 July 2002 are not required to make application.
- f) Organisations making application should include the following documents in support of their application: information on activities and programmes, details of membership and statement of objectives.
- g) Remissions will apply to the following rating year and will not be retrospective.
- h) Remissions will remain in force until the purposes of the organisation change such that the criteria is no longer met. No annual applications are required following the granting of a remission.

Delegation

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

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 or occupy 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, wastewater 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. Receipt of evidence of protection without a written application will not be considered.
- 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. Remissions will apply to the following rating year and will not be retrospective.

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 Uniform Annual General Charges (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. Owned by the same person or persons; and
2. used jointly as a single unit (including being used as part of the same farming operation); and
3. contiguous or separated only by a road, railway, drain, water race, river, or stream.

Remission will be the UAGC for each unit except the main farm residence unit. Remissions will apply to the following rating year and will not be retrospective.

Delegation

Council delegates the authority to remit UAGCs to the Chief Executive officer or the Group Manager Corporate Support.

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 Reserves and Civic Amenities Charges (UACs).

- 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. Owned by the same person or persons; and
2. used jointly as a single unit (including being used as part of the same farming operation); and
3. contiguous or separated only by a road, railway, drain, water race, river, or stream.

For a run-off unit the policy will apply to one unit used as a run-off for a farming operation. A separate application in writing must be made for consideration of this remission. Remissions will apply to the following rating year and will not be retrospective.

Delegation

Council delegates the authority to remit Reserves and Civic Amenities Charge to the Chief Executive Officer or the Group Manager Corporate Support.

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 POLICY

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.
- 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.

- e) The financial cost will be the interest Council 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 and a contribution to cover the cost of independent advice).
- f) Any postponed rates will be postponed until;
 1. The death of the ratepayer(s); or
 2. The ratepayer(s) ceases to be the owner or occupier of the rating unit; or
 3. The ratepayer(s) ceases to use the property as their residence; or
 4. A date specified by the Council as determined by Council in any particular case.
- g) 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.
- h) 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. This means that Council will have first call on the proceeds of any revenue from the sale of the rating unit.
- i) *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%.
- j) *Insurance*
The property must be insured for its full value and evidence of this produced annually.
- k) If insurance cannot be arranged because the property is uninsurable, only the land value can be used when calculating maximum postponement allowable.

l) Rates Able to be Postponed

All rates are eligible for postponement except targeted rates for water supplied by volume (water by meter rates)

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.

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%.

Council will 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.

If insurance cannot be arranged because the property is uninsurable, only the land value can be used when calculating maximum postponement allowable under 'Review of Suspension of Policy'.

d) Rates Able to be Postponed

All rates are eligible for postponement except for targeted rates for water supplied by volume (water by meter rates).

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. A date specified by Council.

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;

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 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 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.

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.

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.

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.

LONG-TERM PLAN DISCLOSURE STATEMENT

Long-term plan disclosure statement for the period commencing 1 July 2018

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.

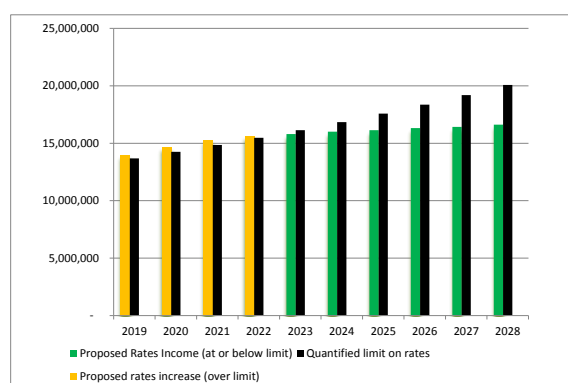
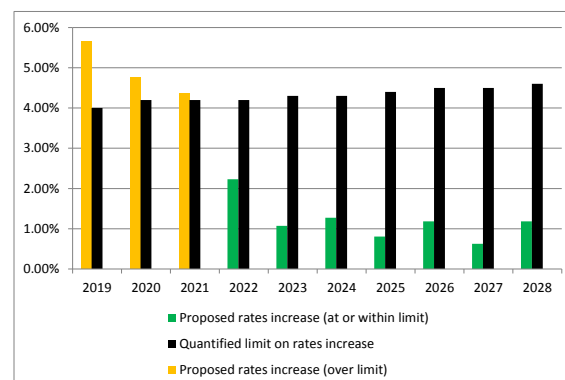


Figure - Rates (Increases) Affordability

The following graph compares the Council's planned rates increases with a quantified limit on rates

PART 4: STRATEGIES AND POLICIES

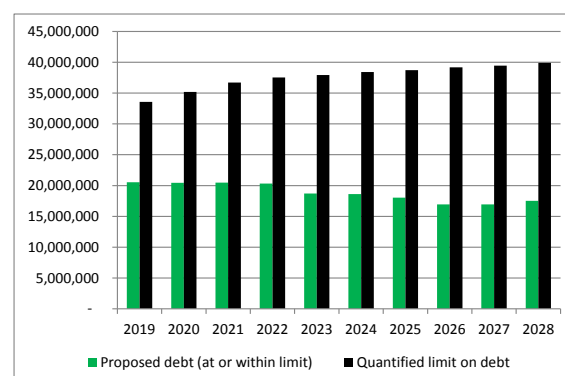
increases contained in the financial strategy included in this long-term plan. The quantified limit is 2% above the BERL "overall Local Government Cost Index".



Debt Affordability Benchmark

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

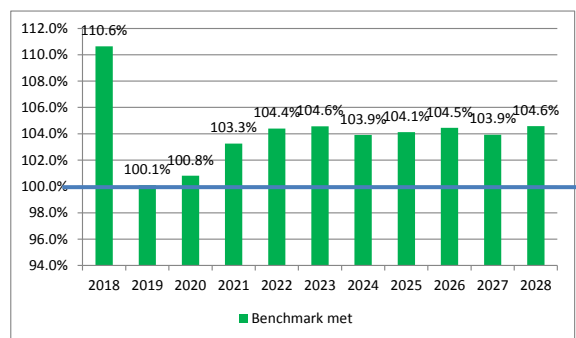
The following graph compares the Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this long-term plan. The quantified limit is based on the covenant that interest cost, using a default rate of 5%, will be no more than 12% of rates revenue.



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).

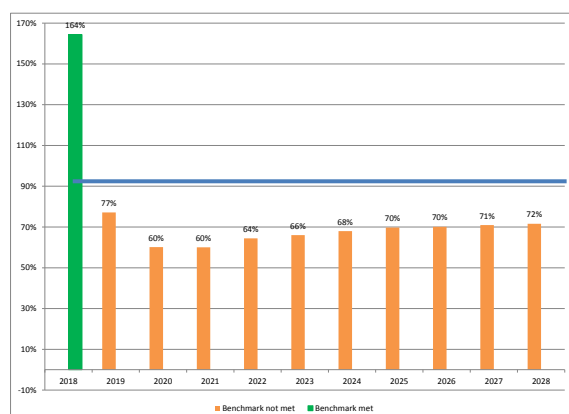
The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



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.

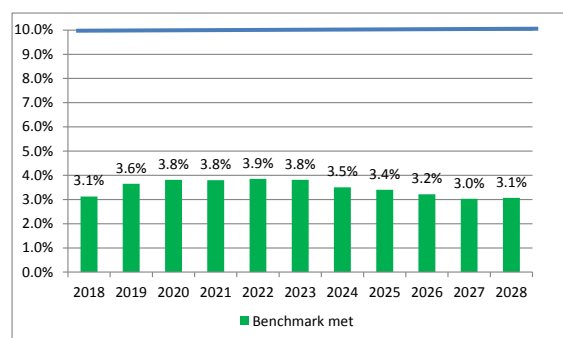
The Council meets the essential services benchmark if its planned capital expenditure on infrastructure services equals or is greater than expected depreciation on network services.



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 ID Consultants project the District's population will grow over the period of this LTP, 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 2018/28

South Wairarapa District Council is a small rural local authority, with a relatively high infrastructural asset base per capita, and a relatively small ratepayer 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 2018/28 LTP reflects this focus, and we are confident the plan will ensure the longevity of the asset base and maintenance of service levels while retaining financial health.

At the same time, Council is cognisant that raising debt locks ratepayers into repayments for 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.

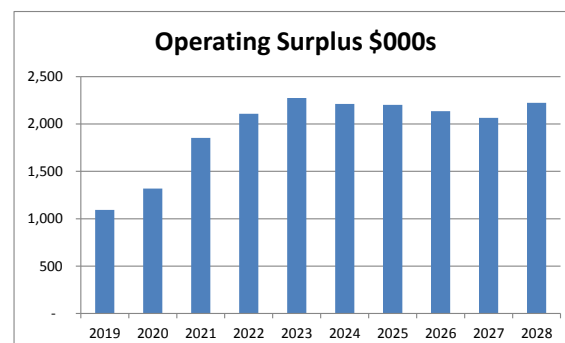
The forecasts have been prepared on the basis that, as a minimum, existing levels of service will be maintained. The rates and other revenue requirements set out in this LTP are set at levels that will achieve this goal.

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 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 2018/28 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 policies 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 and depreciation 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
 - No changes to the governance model have been factored in to this LTP.

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 2.46% each year for the term of this LTP.
- NZTA have indicated that they plan to reduce the level of subsidy on the Cape Palliser special purpose road (SPR) from 100% to 52%. Council are in discussion with NZTA regarding this change in funding and the financial impact on SWDC which is significant.

c) Water Supply

- There is significant pressure to provide a higher standard of water supply, ultra violet treatment plants have been installed. It is expected there will be further regulation as a result of the investigation into the Havelock North water supply issues and some provision has been made in the LTP to cover potential new legislation.
- The Featherston and Greytown emergency supplies require additional investment, and this has been factored into this LTP.

d) Wastewater

- Council continues to work towards increasing the quality of discharge well above the levels that have been included in the previous resource consent.
- The government National Policy Statement (Freshwater) signalled that discharges to freshwater systems need to be reduced and eliminated over time. SWDC are working to complete projects to discharge wastewater to land for all three towns during this LTP period.

- At the end of these projects, 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 Featherston resource consents is uncertain at present. There is more certainty around the Greytown and Martinborough projects where 35 year consents have been obtained to discharge treated water to land.
- 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 increases in debt levels for the first three years of this LTP, followed by reducing debt levels over the remaining years of the LTP. Debt levels are 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.

SWDC has obtained population projections through to 2043 compiled by ".id Consultants' (ID), a Melbourne based company with a New Zealand presence since 2010. The forecasts from ID have allowed us to explore what is driving population change in the South Wairarapa communities.

The ID forecast predicts how the population, age structure and household types will change between now and 2043. The resident population in the district is currently around 10,406 people and is expected to increase to approximately 11,421 by 2028.

Capital Costs of Providing for Those Changes

SWDC anticipates the population growth will exceed existing wastewater infrastructure capacity in Greytown, and allowance has been made for capital to build additional capacity.

Operating Costs of Providing for Those changes

As SWDC anticipates population growth will exceed existing wastewater infrastructure capacity, 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		
	2014	2017
Commercial	198	213
Dairy	240	173
Forestry	24	21
Horticulture	137	116
Industrial	131	126
Lifestyle	1,065	1,181
Mining	2	4
Other/Utilities	431	450
Pastoral	604	541
Residential	4,038	4,246
Specialist Livestock	7	6

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 value of SWDC land transport assets as at 30 June 2018 is \$315 million (Optimum Depreciated Replacement Cost per Opus valuation).

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

These costs are the gross cost to SWDC, a minimum of 52% of these costs are reimbursed to SWDC by NZTA as part of our funding agreement with them.

Capital requirements to maintain Roading service										
	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000	2025/ 2026 \$000	2026/ 2027 \$000	2027/ 2028 \$000
Roading (all aspects)	2,029	1,851	1,873	2,080	2,171	2,272	2,365	2,418	2,473	2,530

Water

The value of SWDC water assets at 30 June 2018 is \$24 million (Optimum Depreciated Replacement Cost per Opus valuation).

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

Capital requirements to maintain Water Supply service										
	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000	2025/ 2026 \$000	2026/ 2027 \$000	2027/ 2028 \$000
Reticulation Renewals	333	342	350	358	366	374	381	389	397	405
Storage tank refurbishment GTN	307	-	-	-	-	-	-	-	-	-

Wastewater

The capital value of SWDC wastewater assets at 30 June 2018 is valued at \$14.9 million (Optimum Depreciated Replacement Cost per Opus valuation).

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

Capital requirements to maintain Wastewater service										
	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000	2025/ 2026 \$000	2026/ 2027 \$000	2027/ 2028 \$000
Reticulation Renewals	307	315	322	329	337	344	351	358	365	373
Gravity Main FTN	204	-	-	-	-	-	-	-	-	-

Flood protection

The majority of flood protection services are carried out by Greater Wellington Regional Council; however SWDC does provide urban drainage services.

The value of SWDC stormwater assets at 30 June 2018 is \$3.2 million (Optimum Depreciated Replacement Cost per Opus valuation).

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 stormwater assets will be maintained in accordance with the Asset Management Plan.

Capital requirements to maintain Stormwater service										
	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000	2025/ 2026 \$000	2026/ 2027 \$000	2027/ 2028 \$000
Reticulation Renewals	55	56	58	59	60	61	63	64	65	67

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

Quantified Limits on Rates										
	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000	2025/ 2026 \$000	2026/ 2027 \$000	2027/ 2028 \$000
BERL Local Authority Index	2.00%	2.20%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%
Maximum Rates Increase	4.00%	4.20%	4.20%	4.20%	4.30%	4.30%	4.40%	4.50%	4.50%	4.60%

Future Rates Requirements										
	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000	2025/ 2026 \$000	2026/ 2027 \$000	2027/ 2028 \$000
Rates Increase	5.65%	4.76%	4.36%	2.23%	1.07%	1.27%	0.80%	1.18%	0.63%	1.19%
Rates Revenue	\$ 13,993	\$ 14,660	\$ 15,298	\$ 15,639	\$ 15,806	\$ 16,008	\$ 16,136	\$ 16,327	\$ 16,430	\$ 16,624

Note: These limits anticipate some additional costs that may result from changes in legislation regarding drinking water standards, other unexpected requirements to increase service levels have not been factored into the rates calculations.

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 67% from rates because it does not have alternative revenue streams; for example, significant financial investment funds or investments in corporate enterprises, and has taken a fairly low risk approach to borrowing.

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 policies.

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										
	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000	2025/ 2026 \$000	2026/ 2027 \$000	2027/ 2028 \$000
Rate Revenue	\$ 13,993	\$ 14,660	\$ 15,298	\$ 15,639	\$ 15,806	\$ 16,008	\$ 16,136	\$ 16,327	\$ 16,430	\$ 16,624
12% of Rates Revenue	\$ 1,679	\$ 1,759	\$ 1,836	\$ 1,877	\$ 1,897	\$ 1,921	\$ 1,936	\$ 1,959	\$ 1,972	\$ 1,995
Forecast Interest Expense	\$ 719	\$ 775	\$ 801	\$ 828	\$ 834	\$ 780	\$ 771	\$ 743	\$ 708	\$ 732
Maximum Debt at 5% interest rate	\$ 33,583	\$ 35,183	\$ 36,716	\$ 37,534	\$ 37,936	\$ 38,418	\$ 38,727	\$ 39,186	\$ 39,431	\$ 39,898
Forecast LTP Debt	\$ 20,529	\$ 20,448	\$ 20,482	\$ 20,313	\$ 18,712	\$ 18,627	\$ 18,032	\$ 16,949	\$ 16,949	\$ 17,508

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 all residents which meet the drinking water standards.

- Treatment and disposal of wastewater effluent to a much higher level than was agreed in previous consents.
- Potential additional expenditure to maintain the Cape Palliser Road if NZTA proposals to significantly reduce their subsidy proceed.

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 anticipated there will be a need to increase the level of service during the course of this LTP. There is some carried forward work that will be finalised during 2018/19 from prior periods.

Increased Cost of Water Supply										
	2018/ 2019 2019	2019/ 2020 2020	2020/ 2021 2021	2021/ 2022 2022	2022/ 2023 2023	2023/ 2024 2024	2024/ 2025 2025	2025/ 2026 2026	2026/ 2027 2027	2027/ 2028 2028
Meet additional demand	-	-	-	-	-	-	-	-	-	-
Increased levels of service	161	126	430	176	-	-	-	-	-	-

Wastewater

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 Wastewater Service - disposal to land										
	2018/ 2019 \$000	2019/ 2020 \$000	2020/ 2021 \$000	2021/ 2022 \$000	2022/ 2023 \$000	2023/ 2024 \$000	2024/ 2025 \$000	2025/ 2026 \$000	2026/ 2027 \$000	2027/ 2028 \$000
Alternative disposal systems (Greytown)	767	-	-	-	-	-	-	-	-	-
Alternative disposal systems (Martinborough)	-	-	-	-	-	-	-	-	-	559
Alternative disposal systems (Featherston)	409	504	516	-	-	-	-	-	-	-

The above table refers to the programme for the current 2018/28 LTP. For the years after this

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

Increased Cost of Wastewater Service - disposal to land											
	2029 \$000	2030 \$000	2031 \$000	2032 \$000	2033 \$000	2034 \$000	2035 \$000	2036 \$000	2037 \$000	2038 \$000	
All sites	-	633	633	633	633	645	645	-	1,233	1,233	
	2039 \$000	2040 \$000	2041 \$000	2042 \$000	2043 \$000	2044 \$000	2045 \$000	2046 \$000	2047 \$000	2048 \$000	
All Sites	1,233	-	1,053	1,053	-	-	829	829	259	-	
	2049 \$000	2050 \$000	2051 \$000	2052 \$000	2053 \$000	2054 \$000	2055 \$000	2056 \$000	2057 \$000	2058 \$000	
All sites	653	653	-	-	-	-	-	-	-	-	

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 and construct 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. An interest rate of 3.17% 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 2018/2048

Purpose

Infrastructure accounts for 56% of the Council's operating expenditure and 74% 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's 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 the district.

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:

- Maintaining current levels of service across all assets
- Meeting statutory requirements and
- Keeping 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 asset management scenario for South Wairarapa District Council over the next 30 years including:

- 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 2018-2048 Infrastructure Strategy (IS) is an outline for Council, developers and the community. The strategy should be read in conjunction with the relevant Asset Management Plans (AMPs) and the Long Term Plan (LTP). 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 the 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.

The general strategy overall is based on prudent renewal to decrease maintenance and ensure serviceability to maintain the levels of service (LOS) except in areas where LOS are expected to increase e.g. new consents for wastewater disposal to land. Retaining LOS whilst preventing increased costs where possible, and developing a prepared response to adverse events to aid recovery.

Expenditure for growth, renewal and changes in levels of service

In line with Council's Financial Strategy, growth is anticipated, particularly in Greytown and Martinborough over the period of the current LTP and this IS. Council collects capital contributions from developers subdividing property to upgrade the existing assets and for extension of infrastructure if required. The capital contributions are allocated to reserves to cover future infrastructure needs as a result of the growth. The capital budgets make provision for: additional capacity where this is anticipated; renewals; increases in service levels for wastewater consents; and anticipated additional legislation regarding drinking water standards.

Service levels are anticipated to be unchanged (except in new consents and potentially drinking water standards) and therefore cost increases are expected to be in line with the relevant price index. Renewals are delivered through provision for depreciation in line with Council's financial strategy.

Operating expenditure plans do not differentiate between expenditure for growth, renewal and changes in levels of service. As stated above, in most cases the service levels retain the status quo. There

is some anticipated growth and therefore a requirement to fund infrastructure for growth in addition to the capital expenditure targeted at renewal.

A major focus of this strategy is the accumulation and use of data that has a good confidence level for accurately targeted renewals, maximising the effect of the capital spent. The significant decisions required in renewal projects are reviewed annually as part of the annual plan process and targeted renewals developed based on areas requiring replacement. This is a prioritisation process where as an example renewals for amenities can be ranked against the submissions received and the need for 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 on renewals is determined through the asset condition and level of service with the expenditure required laid out in the AMPs and LTP 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 the wastewater consent in Featherston and the associated upgrades.
- Greytown and Martinborough wastewater upgrades for new consents.
- The proposed reduction in New Zealand Transport Agency's (NZTA) funding assistance rate (FAR) funding for part of the "special purpose" road (Cape Palliser Road) from 100% to 52%. We are currently discussing the financial impact of this change with NZTA.
- The upgrade of the water supplies for Featherston, Greytown and Martinborough to fully comply with New Zealand Drinking Water Standards (NZDWS). Consideration of improvements needed as a result of the Havelock North water enquiry.
- Expansion of Greytown and Martinborough infrastructure to cater for growth in subdivisions, including the Greytown future development area. We have assessed the Featherston infrastructure and concluded there is infrastructure capacity to cater for growth in the town without any further investment from Council.
- Proposed Natural Resources Plan (NRP) impacts.
- Compliance with NZTA's One Network Road Classification (ONRC) performance measures.

INTRODUCTION

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

Consultation from previous annual plans 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. In most cases, our current infrastructure has sufficient capacity to meet demand, except at peak times e.g. Toast Martinborough and Martinborough Fair. Council uses workarounds and innovation to manage this peak demand, rather than investing in new or additional infrastructure.

Due to the number of subdivisions underway in Greytown, we are planning for additional infrastructure for the town to cater for the projected increase in population. We are also expecting growth in Martinborough over the period covered by this Infrastructure Strategy.

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.

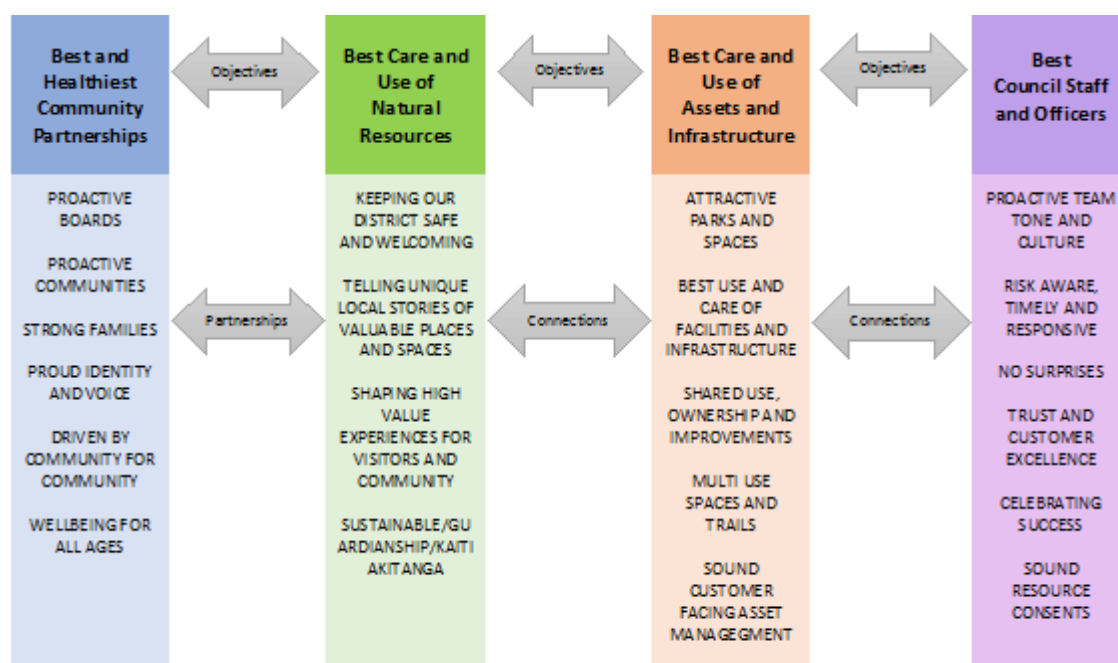
The new Council developed the following outline of the strategic plan for the three years ahead. These four pillars have formed the basis for decisions on what to

include and what to exclude from the current LTP and this Infrastructure Strategy.

Our Vision: Open, Energetic, Unified Community

Our Mission: Future Focused, Growth Oriented, Exercising Sound Judgement

Our Internal Values: Rigorous, Listening, Learning and Respecting Teamwork, Community Focused, Valuing Mana, Uara of People and Land, Manaakitanga Caring Society, Freedom and Liberty



SWDC's infrastructure assets were valued at \$358 million at 30 June 2017. The table below shows the asset values for all categories of assets as at that date:

ASSET VALUES AT 30 JUNE 2017	
ASSET	\$'000s
Roads	288,027
Bridges	21,622
Water Systems	21,622
Wastewater Systems	14,332
Stormwater Systems	2,822
Land	26,122
Buildings	6,695
Heritage Assets	4,378
Other	4,066
Total Assets	382,777

Over the next 10 years the Council plans to invest \$36 million on capital works for transport and the three waters (water supply, wastewater and stormwater), comprising upgrades, renewals and construction of new assets. This is made up as follows:

CAPITAL EXPENDITURE 2018-2028

ASSET	\$'000s
Land Transport	23,464
Water	4,894
Wastewater	6,946
Stormwater	608
Total Expenditure	35,912

The land transport capital expenditure is the gross amount paid by SWDC before deducting the NZTA subsidy.

Objectives

Council exists to deliver and maintain assets in a responsible manner that meet the needs of the wider community both living within and visiting the district.

This is achieved through long term strategic planning, financial responsibility and the creation, operation, maintenance and rehabilitation of the district's assets.

Roading and transport is a vital element to enable social and economic development. The Council is in the best position to manage the roading network on behalf of the community.

Key maintenance objectives have been set for the land transport assets to ensure compliance with NZTA requirements including ONRC and the safety of those who travel in our district.

Water supply, wastewater and stormwater are also essential services for our communities. Our objective is to maintain these assets to provide a continuous service to our customers with minimal disruption. To achieve this we complete planned renewals of underground infrastructure to ensure minimal disruption that could result from aging assets. We also use demographic forecasts to predict requirements for increased infrastructure and include budgets for these in future years.

This helps us achieve the community outcomes of healthy and economically secure people and sustainable South Wairarapa as well as the 'Best and healthiest community' and 'Best care and use of assets and infrastructure' from our strategic plan.

Continuous Improvement

SWDC strives to achieve continuous improvement. This includes internal staffing resources and contracted external professional services to undertake specialist tasks and tasks not continuous throughout the year. LOS actual performance against 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 and record condition information gathered

During the 2016/17 financial year, SWDC commissioned a report from Wellington Water Limited (WWL) to better understand the existing asset data to inform preparation for the asset management integration in preparation of forecasts of future renewals of its underground infrastructure assets. This report gave us more confidence in the asset information and gave us a clear picture of the future replacement needs for our underground infrastructure assets. It confirmed that there were peaks but the current rates more than adequately covered these, with no significant large capital expenditure required.

In addition, SWDC has installed new software, AssetFinda, to assist with the management of data regarding infrastructure assets and renewals planning. AssetFinda will provide increased integration and better information to enable the infrastructure team to manage the three waters assets more effectively.

SWDC uses Rooding Assessment and Maintenance Management System (RAMM) for roading asset management. The RAMM database is the electronic storage system for much of the static and dynamic knowledge about the roading network. Output from the RAMM system includes maintenance costs, roughness information and Treatment Selection Reports that determine the optimum maintenance intervention levels, defective locations, and rectification costs for "good practice" rectification works.

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 districts 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 future 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 they will 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 projections through to 2043 were compiled by 'Id Consultants' (ID), a Melbourne based company with a New Zealand presence since 2010. The forecasts from ID have allowed us to explore what is driving population change in the South Wairarapa communities.

Forecast information predicts how the population, age structure and household types will change between now and 2043. The resident population in the district is currently around 10,406 people and is expected to increase to 11,421 by 2028 and approximately 12,733 by 2043.

Projections used for our last LTP indicated a population of 10,250 by 2043 so the latest projections reflect the increased growth in the district over the last three years, which is expected to continue.

The median age is currently 45.2 (compared with 38 nationally) and is projected to increase to 49 by 2043.

ID Consultants' report revealed the following information about our district:

- Māori residents make up 15% of the population which is slightly lower than the national average of 16%.
- 5.2% of residents are unemployed compared with a national average of 7.1%.
- Our average household size is 2.36 compared to the national average of 2.66.

- Low income households make up 21% of households which is only slightly higher than the national average of 19%.
- 14% of our residents were born overseas compared with a national average of 24%.

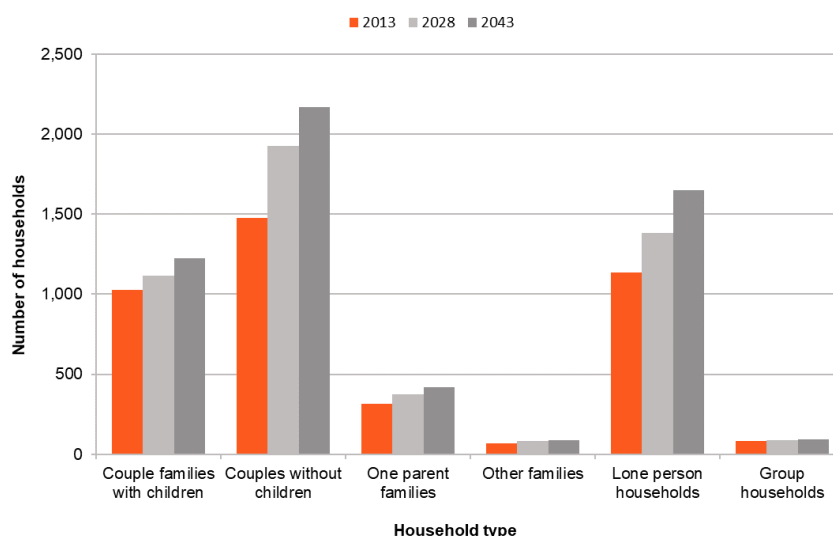
ID Consultants' projections for the future reveal the following trends:

- Populations in all three towns are predicted to grow at around 1% per annum for the next 25 years. Rural growth is about a third of this at 0.3% pa, with overall growth for the district at 0.9% p.a. for the next 25 years.

Area	Population 2013	Population 2043	Change in population	Average annual pop change (%)
Featherston	2,434	3,127	694	0.80%
Greytown	2,438	3,581	1,142	1.30%
Martinborough	1,569	2,325	757	1.30%
Rural	3,360	3,700	340	0.30%
Total Population	9,800	12,733	2,933	0.90%

- When looking at where this growth would come from, the dominant household type in the South Wairarapa district are couples without children and lone person households as second. Couples without children make up 36% of all households in 2013 and 39% in 2043. Lone person households make up 28% of all households in 2013 and 29% in 2043. Although there are more families in 2043 than 2013, they decrease in terms of share of all households.

Households by type, South Wairarapa District Council – 2013, 2028 and 2043



Overall there will be population gains in all age groups. The most evident gains are of persons aged

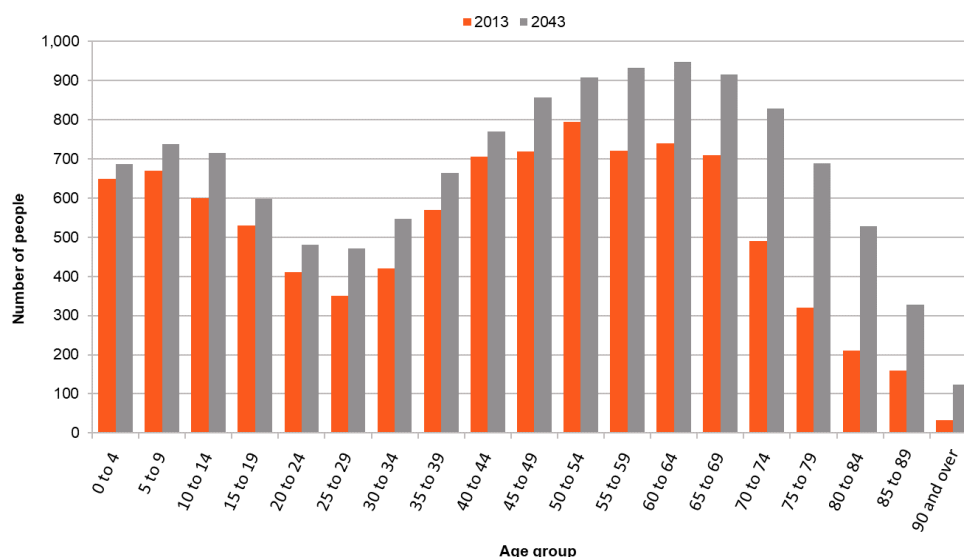
over 60 years of age. In terms of shares of total population, residents aged over 70 comprised 13%

of the total population in 2013 and 20% by 2043. Persons aged under 20 years in South Wairarapa make up 25% of the 2013 population and 21% of the 2043 total population.

The movement in the percentage of the population of "working age" (up to age 65) is not as dramatic as

might have been expected. In 2013 61% of the population was in the working age group, by 2043 this will be 56%. This 5% drop is not as significant as might be expected in terms of the issues created by a rapidly aging population.

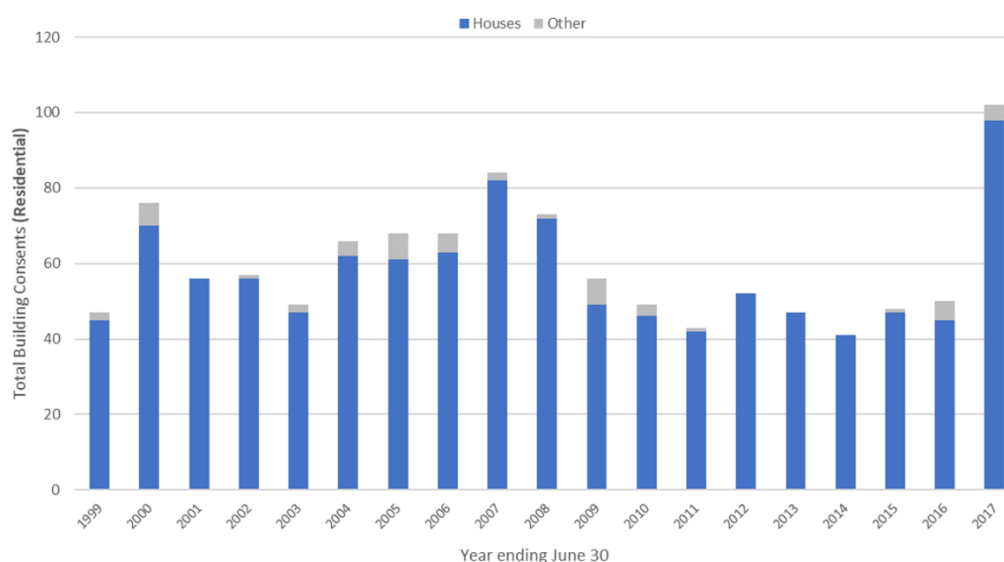
Age structure, South Wairarapa District Council – 2013 and 2043



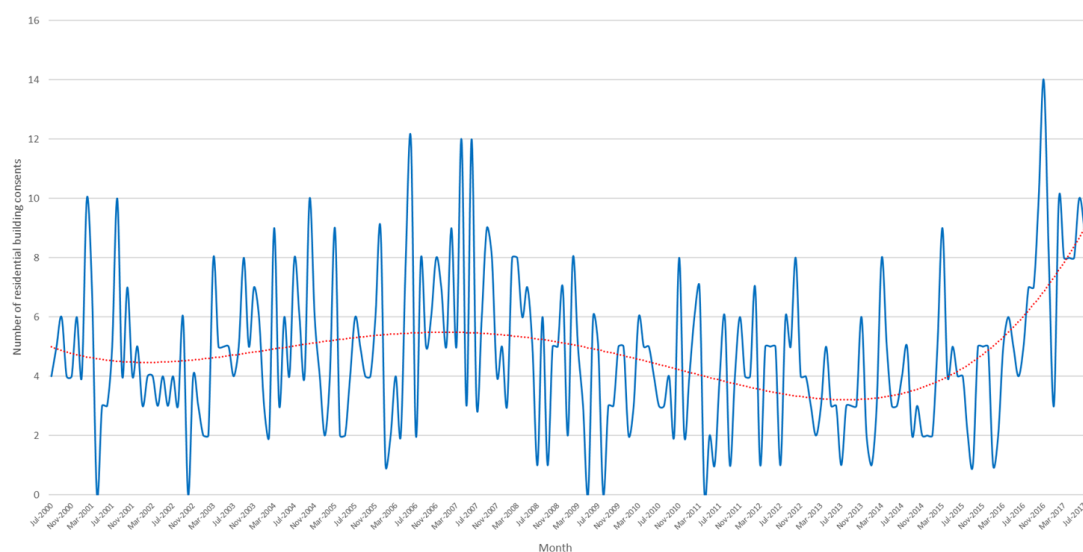
The following two graphs show the trends over recent years in the number of building consents in

the South Wairarapa District. The trends clearly back up the known growth in the district over recent years.

Annual Residential Building Consents, by type 1999 – 2017



Monthly Residential Building Consents, July 2000 – September 2017



Finally, ID have given the following predictions of ongoing new build activity in the district in five year groups through to 2043. This shows a spike in the period 2019 to 2023 to 68 new dwellings pa and then a steady number of dwellings in each of the next five year groups ranging from 58 to 66 new dwellings pa.

This confirms our assumptions that our communities will continue to grow steadily over the period of this LTP and for the following 15 years as well.

This is helpful to inform our decisions regarding future infrastructure requirements for each of our towns.

SWDC Assumed Development Rates (five yearly)

YEARS	TOTAL ADDITIONAL DWELLINGS	ADDITIONAL DWELLINGS PER ANNUM
2014-2018	285	57
2019-2023	341	68
2024-2028	332	66
2029-2033	310	62
2034-2038	309	62
2039-2043	292	58
Total	1,869	62

Funding Strategy

South Wairarapa District Council is a small rural local authority, with a relatively high infrastructural asset base per capita, and a relatively small ratepayer base. Small local authorities generally have very little discretionary expenditure and are therefore required to focus heavily on maintaining current service levels and their infrastructural asset base.

This strategy reflects this focus, and we are confident the AMPs, LTP and infrastructure strategy will ensure

the longevity of the asset base and maintenance of service levels while retaining financial health.

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. The forecasts have been prepared on the basis that, as a minimum, existing levels of service will be maintained.

The demographics information was used to assess if the existing assets would accommodate future demand or require upgrade. For our water and wastewater assets, this also involves comparing the theoretical demand on the network and the treatment plants against the measured historical demand. The daily, weekly and seasonal variations are also assessed to check if the theoretical (typical NZ household) demand reflects the local trends, i.e. weekend use when more people are home doing washing, or dry summer condition for water use.

This demand is assessed against the existing capacity of the network and treatment plants and also compared to the population change to assess when or if increased capacity is required.

Ageing 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 ageing population. South Wairarapa district population projections follow this general trend with a decreasing birth rate and increasing death rate over time. The demographics of our resident population is moving to a median age of 49 years by 2043. The aging population is likely to

result in an increase in the number of residents with fixed incomes who may not be able to easily absorb the cost of increased Council charges.

Other key points of interest:

- Approximately 27% of our properties have absentee owners resulting in increased resident population in weekends and holidays.
- Household size is decreasing in line with national trends.
- Whilst we predict growth in Greytown and Martinborough, it is difficult to estimate the speed at which this growth will occur.

Rural Land Use

There has been a reduction in the number of farming and horticultural units over recent years 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 and ongoing water demand management. There are also the SWDC Water Conservation Strategy 2015 and Water Demand Management Plan 2015 which were developed to ensure the long term security for the water supplies.

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

OVERARCHING MANAGEMENT

1. 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 and Safety at Work Act 2015
- New Zealand Drinking Water Standards (2005) revised 2008
- Civil Defence Emergency Management Act 2002
- Public Works Act 1981
- Greater Wellington Region Council's Proposed Natural Resources Plan
- Wairarapa Combined District Plan
- Outcomes from the Havelock North enquiry
- Water Fluoridation Bill
- Land Transport Act 1998

2. 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. The exception is the increased LOS for wastewater as a result of the new resource consents

to dispose of wastewater to land. We also anticipate some increased LOS for drinking water standards as a result of the Havelock North enquiry.

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.

3. FINANCIAL STRATEGY

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.

Within the financial strategy, Council is cognisant of the pressure to increase the quality of wastewater discharges, reduce the discharge of wastewater to waterways and the consenting processes. The infrastructure strategy mirrors the need to mindful of the targeted debt levels and the need for interest to not exceed 12% of rates revenue. The infrastructure strategy in general meets the requirements laid out in the financial strategy for Council.

4. FUNDING STRATEGY

SWDC is aware 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 we have 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 shows some growth ahead for the district. Council has experienced growth in financial contributions revenue due to increased development in recent years and anticipates this income will continue. Income from capital contributions is used to fund increased infrastructure capacity as required. This infrastructure strategy and the LTP for 2018/2028 includes capital expenditure budgets to cover this increased capacity and increased LOS around wastewater and water.

5. 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. Council has implemented an asset management system, AssetFinda to carry out the same functions as RAMM for below ground assets and condition assessments by incorporating the information from CAM and inspections.

Renewal programmes can be generated electronically via RAMM condition data for roading. Also through the use of CAM as described above, previous breakages and works can be viewed on the new AssetFinda. Once an indicative programme is produced for renewals the sites can then be validated via site inspections.

Council plans to:

- Bring in external resources to perform targeted investigations, e.g. the Wellington Water report completed in the 2016/17 year.
- Maintain an ongoing relationship with Wellington Water for evaluation of data and more specialised modelling.
- Review and cleanse historical data from the CEM/CAM system for incorporation in AssetFinda.

Council staff and contractors review of assets on site to ensure renewal programmes are accurate and correct, allowing assets to be replaced following inspection not on a cyclical basis. This ensures assets are renewed as required and not ahead of time to ensure no unnecessary work is carried out and keep costs down for ratepayers.

6. NEW INVESTMENT

New infrastructure assets may be commissioned due to:

- Rising environmental expectation
- Climate change
- Earthquake resilience
- Raised level of service
- At or in avoidance of failure
- Population growth /increased development

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. SWDC anticipates further changes in requirements in this area as a result of the Havelock North water enquiry.

7. DEPRECIATION RATES

Below is a summary of the current depreciation rates and estimated lives of different asset categories for SWDC.

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%
Wastewater 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%

* Indicates infrastructure assets covered by this strategy

8. 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 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 strategy, Council will strive to act sustainably in all decisions, actions and practices throughout the lifecycle of assets.

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

Road infrastructure is developed through the use of resilience projects and funding based on net present value (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 for ratepayers and visitors to the district. 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 in several ways with the primary worst case scenario through the Civil defence and emergency management (CDEM) planning where households are encouraged to have at least 3 days' water 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.

9. 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 with an ageing population resulting in a greater percentage of ratepayers being on fixed incomes.
- The adoption of higher levels of service and the associated cost implications.
- Insurance not being sufficient to cover a significant loss.
- 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 and is planned to be updated in the 2018/19 year.
- 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.
- If population predictions are not accurate this will impact the timing of new infrastructure needs. This risk has been minimised by using a specialist company (ID consultants) which provides forecasts to 145 local authorities and uses a robust forecasting model. IDs assumptions and methodology was discussed with and understood by Council staff to minimise the risk in this area.

10. PUBLIC HEALTH

Public health is very important to South Wairarapa District Council in particular with regard to potable water, disposal of wastewater and stormwater. 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 water quality standards and cover a broad range of issues. SWDC can provide facilitation, negotiation as well as physical works and services to assist in the health of its residents. Council will monitor the government's response to the Havelock North inquiry, and is anticipating the need to make improvements in this area. For example SWDC is planning to upgrade the Martinborough water supply to provide residual disinfection.

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 cause reduced physical activity and the introduction of a cycle strategy and increased active recreational activities are being considered by Council. For the 2017/18 summer season, SWDC provided free swimming at its three swimming pools which resulted in much higher swimming numbers. It is pleasing to see more residents using Council's facilities and being more active than in previous years. 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 programmes and policies associated with public health promotion and prevention can be controversial and Council works to avoid this. Social programmes assisting public health (for example free swimming, and reading programmes in our libraries) target areas of the community where assistance can be given as health problems can be as a result of personal behaviours.

Through the Community Safety and Resilience working party health resilience is a key focus beyond the empirical measurement of health indicators.

11. MĀORI CONTRIBUTION

The Local Government Act 2002 requires territorial authorities to maintain and improve the ability of Māori to contribute to local government decision-making. Council is required to have regard to the relationship between Māori 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 Māori on the provision of infrastructure, relating to the likes of discharge of wastewater to land, or extraction of water.

The Council has a strong link with Iwi through the Māori Standing Committee and through the Tangata Whenua Values Monitoring Plan prepared for the wastewater consents. Council is also monitoring any potential impact of the Treaty settlements currently in progress in the District to ensure ongoing positive working relationship with local iwi.

12. CLIMATE CHANGE

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

Compared to 1995, temperatures are likely to be 0.7°C to 1.1°C warmer by 2040 and 0.7°C to 3.0°C warmer by 2090. As a result, evaporation will increase, and enhanced westerly winds will occur. Heavy rain/storms may become more frequent requiring council to consider the level of flood protection and the capacity of the three towns' stormwater drainage system. According to the most recent projections, Wellington and Wairarapa are not expected to experience a significant change in the frequency of extreme rainy days as a result of climate change.

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

The Ministry for the Environment indicates that New Zealand tide records show an average rise in relative mean sea level of 1.7 mm per year over the 20th century. 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 risks presented in this strategy. However Council will keep abreast of reports on these issues.

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

13. NATURAL DISASTERS

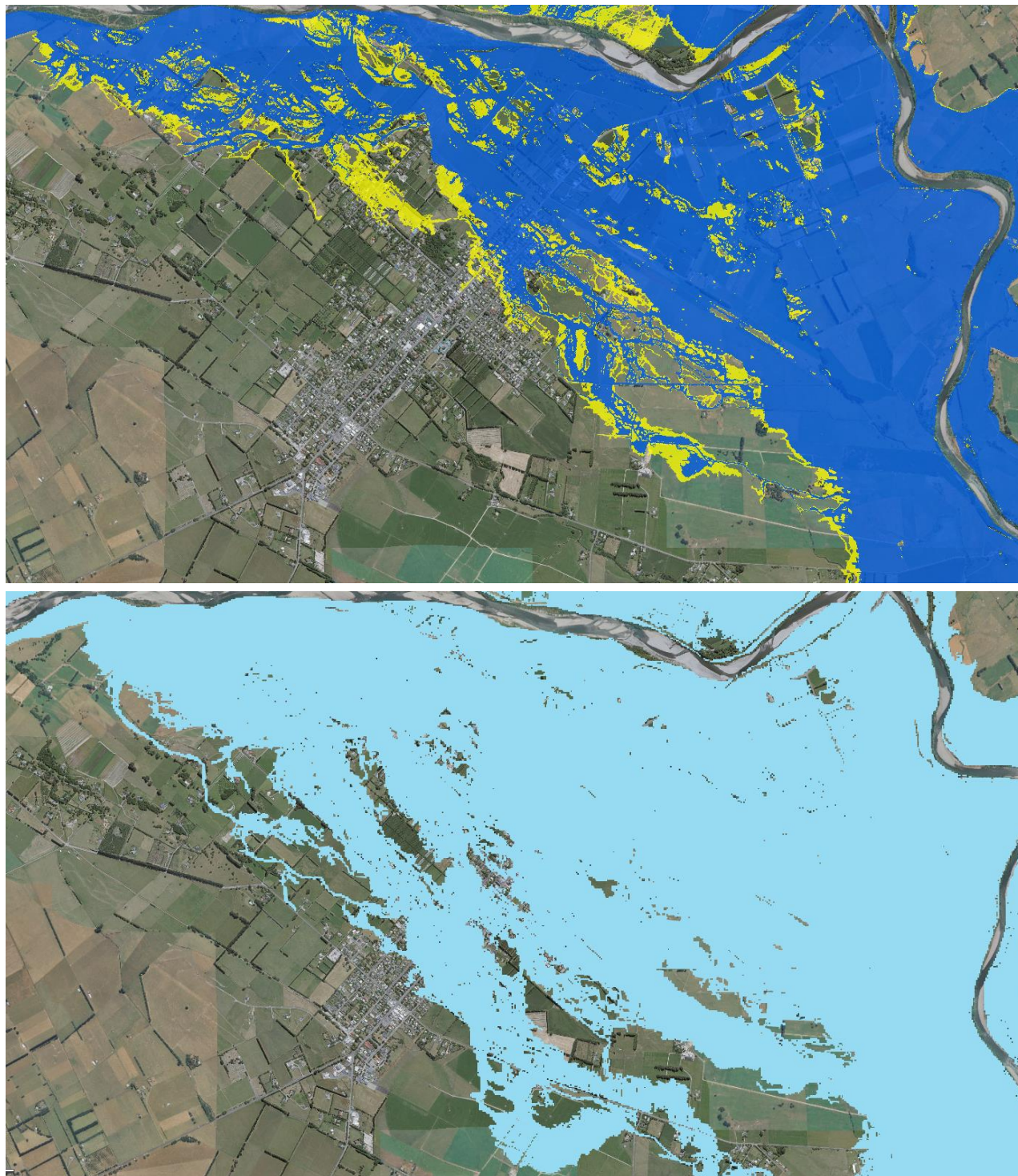
South Wairarapa District Council recognises natural disasters will occur but has not set aside funds to cover this eventuality. Should a natural disaster occur in the period covered by this strategy, it is envisaged damage will be fixed through the maintenance budget, insurance, reserves, government grants and loans. The council currently has no redundancy in the form of back-up systems, but has limited facilities to connect temporary generators for water supplies in an emergency.

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.

Greater Wellington Regional Council released flood maps in December 2014 indicating the flood zones for the South Wairarapa. These flood zones have

recently been reviewed by GWRC and the "Interim" flood maps were released GWRC in March 2018 after GWRC resolution (14th March 2018) to replace the previous version. The flood zone extent has reduced considerably and the freeboard component is shown separately.



While Greater Wellington Regional Council is responsible for flood control, large scale flood events have a significant impact on the ability of Council to continue to deliver the 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 in the diagram below.



Other potential impacts from a large earthquake in the South Wairarapa district include:

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

Land Slips: due to regular slips and dropouts Council inspects all roads post heavy rain and storms to mitigate the risk of accidents and minimise cost.

Council has a continued monitoring programme at the Whatarangi 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 project report

"Risk to Lifelines from Natural Hazards" completed in 2004 identified 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" report.

Work has been done looking at critical infrastructure outside of Council's control, being primarily telecommunications and power but also the state highway network managed by NZTA. There are several bridges managed by NZTA that are critical to South Wairarapa residents for access to key areas in the district.

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

14. RESILIENCE FRAMEWORK

SWDC has developed a resilience response framework. The framework applies a systematic approach focusing on a broad range of structural and non-structural responses to identified risk before, during and after adverse events.

The framework is based on:

- a) Prevention, mitigation and preparedness ahead of an event to:
 1. avoid exposure to risk where possible;
 2. reduce the impact of risks where they cannot be prevented; and
 3. be well prepared and practised ahead of an event.
- b) Emergency response during an event, activating the preparedness initiatives and planning already in place.
- c) Restoration and rehabilitation after an event, activating preparedness activities already in place and returning to desired customer levels of service.

The framework enables resilience risks to be identified, assessed and monitored over the assets and networks rather than treated where they may not occur. It also builds on the councils existing risk management and business continuity planning process.

15. NON-ASSET BASED DEMAND MANAGEMENT

Council utilises non-asset based demand management including:

- Bylaws and policies within the district.
- Education and communication programmes e.g. conservation and recycling.
- The District Plan e.g. for preventing or restricting development with substandard infrastructure.

16. ASSET CONDITION & MONITORING

The Council uses ArcMap Geographic Information System (GIS). The three Wairarapa councils have a shared service agreement for a range of spatial information on a shared platform, powered by ESRI GIS application providing a public, viewable, web-based mapping application. The new website (launched in 2017) provides 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 also includes recent aerial photography.

Condition surveys are not completed for all assets. 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 for renewals. Condition information is recorded in AssetFinda (for three waters assets) or RAMM (for roading assets) and used to plan the renewal programme for the district.

During 2017, Council commissioned a report from Wellington Water using historic data and condition assessments gathered by Council contractors. This report has given us an improved understanding of the asset condition of existing assets which has been incorporated into AssetFinda.

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

The Wellington Water report (2017) gave us confidence that the overall condition of our underground assets was reasonably robust with no anticipated large amounts of capital expenditure ahead in the near future. This report gave us a picture of our likely

renewals costs through to 2105 for our water and wastewater assets.

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.

17.ASSET VALUATION

The Council engages Opus International Consultants Ltd to undertake a valuation of the roading network and three waters every three years.

The most recent valuation report values the assets as at 30 June 2018.

Now that AssetFinda has been set up, in between Opus valuations, Council will review the asset valuation on an annual basis using the unit rates in AssetFinda, which will be based on actual council or regional pipe renewal costs.

18.VALUATION METHODOLOGY

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

The Opus 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.

19.INSURANCE

Local Authority Public Protection Scheme (LAPP) insure 40% of the value of underground assets with the government underwriting the remaining 60%. Above ground utilities are insured through brokers Jardine Lloyd Thompson Limited.

The previous Government indicated they may change the 40/60 split of underwriting underground assets to put more of the burden of cost on to local authorities. The new Government's stance is not yet known. Council continue to communicate with our insurers and LGNZ to ensure we have early warning and can be prepared for the financial impacts of this change if it happens.

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.

20.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 inflation adjuster for the 2028 year from the relevant BERL cost index.

The financial forecasts for years 11 to 30 for water and wastewater reticulation renewals are based on the Wellington Water predicted renewals programme spread evenly over the twenty year period so as not to create spikes in expenditure or rates. Wellington Water modelled network maintenance out to 2106, the conclusion being that funding at the levels indicated are sufficient to ensure the water and wastewater assets are maintained for the very long term.

INFRASTRUCTURE

Infrastructure is the fundamental facilities and systems that serve the ratepayers of South Wairarapa District Council. The systems and data employed and produced ensure sustainability.

Water and wastewater expenditure is viewed together. The impact of this spend is borne by the urban ratepayer and council views it as a complete system with the water coming to the household and being disposed of from the household. All capital expenditure is closely viewed with the long term goal of environmental compliance and affordability.

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

WATER SUPPLY

1. OVERVIEW

In the South Wairarapa district, there are two community water supply systems with 3,954 properties connected.

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. Operational expenses such as power and filter replacement have been incorporated to ensure financial prudence.

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 five year contract to CityCare in 2012 with an option to extend it by two years. The contract was renewed and now expires in October 2019.

Figure 1: Featherston and Greytown Water Supply Schematic

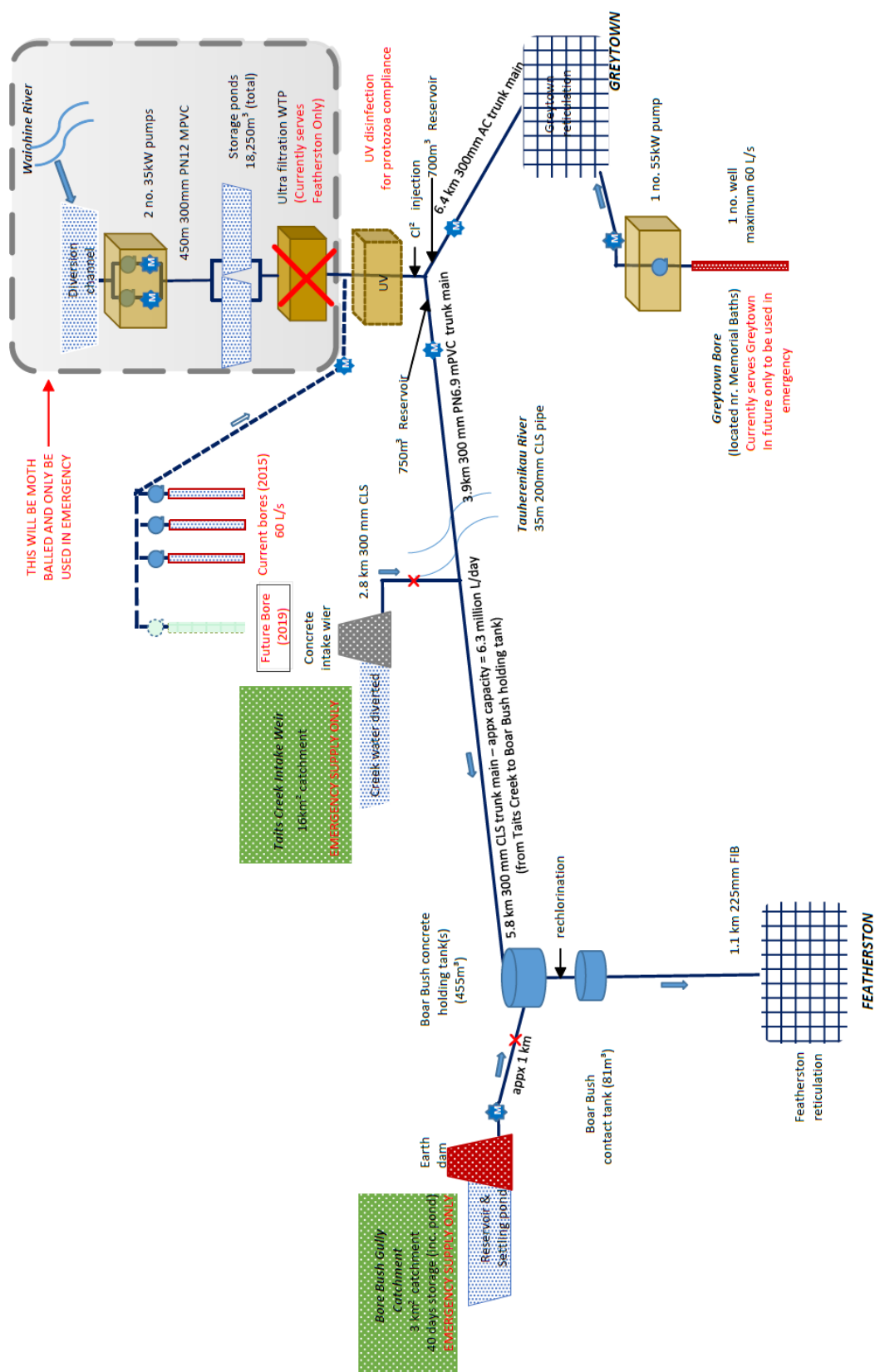
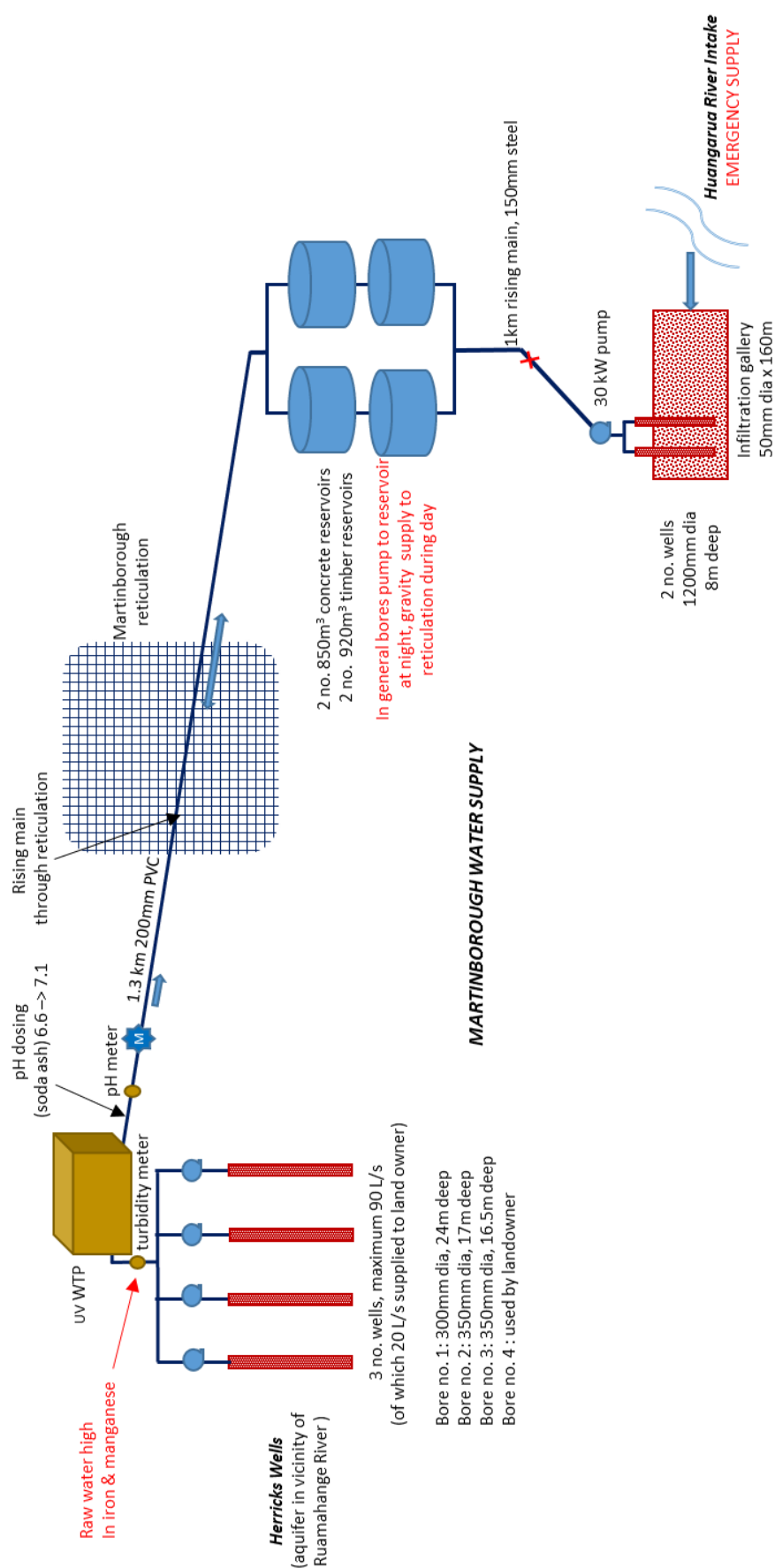


Figure 2: Martinborough Water Supply Schematic



2. CURRENT CONDITION

Below is 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 is presented below (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	
Taits 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	
Bores (3)	1
Pumps (3)	1
Controller room	1
Pump VSDs and equipment	1
Electric control systems	1
Control system - alarms, telemetry	1
UV Plant (Mar 17)	1
Building	1
Magmeter, datalogger & turbidimeter, UVT, pH probe	1
Miscellaneous Pipework (pumphouse, pumphouse to reservoir)	1 - 3
Valves (reservoir site)	1 - 3
Chlorination and Monitoring equipment - complete	1
Residual chlorine monitor	3
Building (reservoir site)	1
700 m ³ concrete tank	1
750 m ³ timber tank	1 - 2
Sampling manhole, magmeter and flow recorder	1 - 2
Valves (reticulation)	3
Fire hydrants	1 - 2
Surface boxes (valves, hydrants)	2 (mothballed)

DESCRIPTION	CONDITION GRADING
Water Connections	2
Filtration Plant – mothballed – TBC final solution	2
Well, 1.2 dia x 4m deep	2
Pumps (2)	1
Valves (pumphouse)	1
Switchboard (pumphouse)	2
Building (pumphouse)	3
No. 1 Pond (plastic lined)	3
No. 2 Pond (plastic/concrete)	3
Miscellaneous Pipework (reservoir site)	3
Control system - alarms, telemetry, landline (pumphouse & reservoir)	
Feed Pumps (2) and building	
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
Huangaarua	
Wells	3
Infiltration gallery	3
Pump	3
Control system and alarms, telemetry	2
Building	2
Reservoir Site	
850 m ³ concrete tank	3
850 m ³ concrete tank	3
920 m ³ timber tank	2
920 m ³ Timber Tank	1
	1
	-
Chlorinating equipment	1 - 2
Control system - alarms, telemetry	1 - 2
Building	1 - 2
Valves	1 - 2
Magflometer and data logger	
E - Council Office	
Datran computer and telemetry system	3
New Abbey System to replace Datran as system need replacement	1

Daily Pumping (based on typical usage patterns)

PUMP SITES	AVERAGE DAILY OPERATION (HOURS)
Waiohine River – Featherston & Greytown	5 – 7 (seasonal)
Greytown Bore – Greytown	15- 20 (all year round)
Ruamahunga Wells – 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	82,000 gross	3 hours to 20 days, depending upon source
Boar Bush Dam(emergency only)	455	
Holding tank	81	
Mixing tank		
Featherston/ Greytown Urban	750	0.5 days Featherston & Greytown at 3000m3/d
Timber tank	700	
Mixing tank		
Martinborough Urban		2 days based on full development and fire requirements
No. 1 Tank	850	
No. 2 Tank	850	
Timber Tank	920	
Timber Tank	920	

NB: Availability of supply at peak usage above, assumes no pumping/replenishment and is based on storage only

Funding continues to be set aside for 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 was increased with Capital Assistance Programme (CAP) funding obtained in 2011. The upgrade mitigated the risks of raw water turbidity from the river source, meeting the Drinking Water standards New Zealand (2008) by removing the risk of abstracting contaminated water, removing the risk of production of disinfection by-products, resolving the problem of limited supply storage and reducing operating costs. This work was completed in 2016 and has operated successfully but will require an extra bore to supply both towns during the peak summer season. This additional bore is planned to be installed in the 2018/19 year.

The rural water race systems provide an important service in supply of livestock drinking water and run-off control and management of stormwater. 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 best option for the community as a whole, is to keep the

water races, and the water races continue to function within their consented conditions.

Council maintain a short section of the rural water races (Moroa and Longwood) below the intakes and through council properties. The water race road culverts are presently maintained and where necessary, replaced by the Council's roading group.

3. MANAGEMENT OF WATER SUPPLY

Since 2000 Council has been collecting new asset information via the GIS nominee (Council staff or contractor) in hard copy and video footage. Information regarding new assets is logged in the GIS and assigned a new asset ID. This information includes: type, size, length, installed by, material, address, condition, data modification date, date installed, verified with, x and y mapping 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 infrastructure asset register spreadsheet 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 infrastructure asset register spreadsheet. The spreadsheet is then able to provide information on financial life expectancy for assets. AssetFinda will provide better information to enable the infrastructure team to manage the three waters assets more effectively.

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

4. WATER SUPPLY CAPITAL EXPENDITURE

The renewal programme for water main reticulation and facilities has been identified over the period 2018 to 2048 and more investigative work continues to increase the level of confidence in the long term renewals plan. Council's preliminary funding programme for reticulation renewal is \$333,000 per year for the period 2018/19 to 2027/28.

Cyclical componentry renewal is presently undertaken with replacement of UV lamps annually.

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

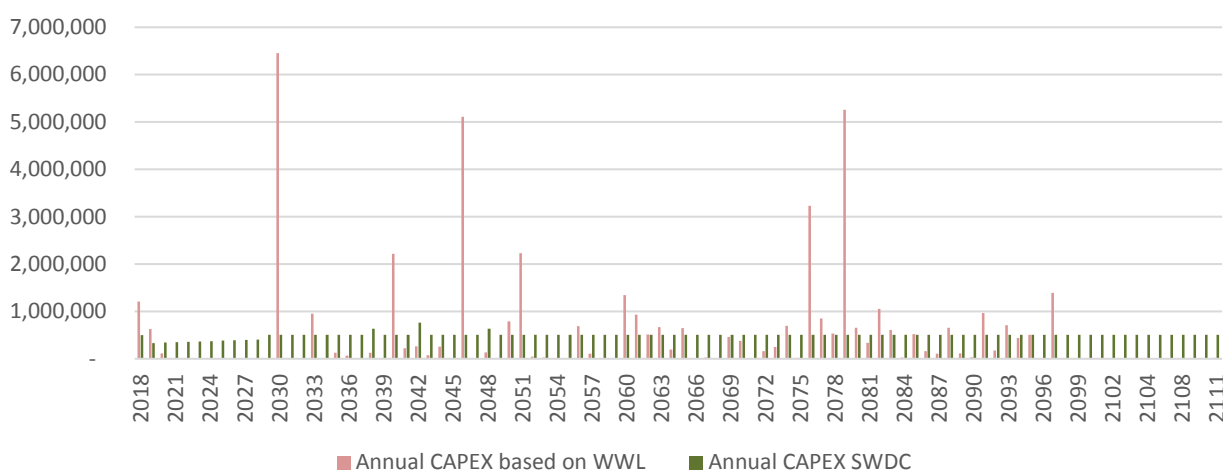
Council's water supply capital expenditure forecast is presented below. This graph is based on the projected renewals from the Wellington Water (WWL) report.

The financial forecasts for years 11 to 30 are based on the Wellington Water predicted renewals programme spread evenly over the twenty year period so as not to create spikes in expenditure or rates.

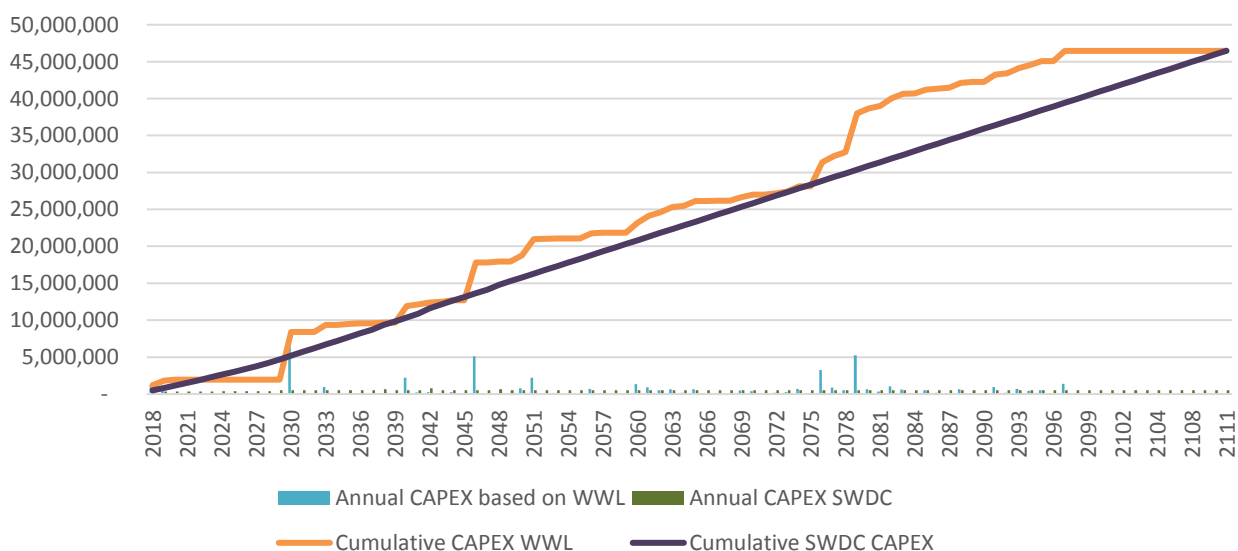
The first graph compares the annual spend proposed by WWL to the SWDC approach of spreading the cost

evenly over the period through to 2111. The second graph compares the cumulative spend based on WWL projections versus the SWDC cumulative spend over the period from 2018 to 2111.

Water Annual CAPEX - Wellington Water and SWDC forecasts



Water Cumulative CAPEX - Wellington Water and SWDC forecasts



5. RISKS

RISKS – WATER SUPPLY	RATING	PROPOSED ACTION
Accuracy of Asset Condition leading to under investment	High	New asset management system implemented to provide quality to decisions.
Service failure through ageing assets	High	Continuous renewal programme focused on highest risk.
Health	High	UV plant in Greytown New bore for GTN/FTN
Poor Contract Management	Significant	On-going review of contractors KPI's
New legislation re drinking water standards	High	Increased investment in water treatment to reach required LOS.

6. LEVEL OF SERVICE

Below is a sample of the level of service key performance indicators for the water supply activity. A full list with future year targets can be found in the water supply activity section of the LTP document. Note: the NRB survey was last carried out in November 2017 and will be completed again in late 2020.

SERVICE LEVEL – WATER SUPPLY	KEY PERFORMANCE INDICATORS	RESULTS 2016/17	PERFORMANCE TARGET 2018/19	HOW IT WILL BE MEASURED
Potable water demand	The average consumption of drinking water per day per resident within the territorial authority.	605 Lt	<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	100 %	100%	Council Records
The water provided is safe to drink	Water supply systems comply with Ministry of Health Bacteriological Drinking Water Standards guidelines 2008*	MBA: No GTN: No FTN: No	MBA: Yes GTN: Yes FTN: Yes	Council Records
	Water supply systems comply with Ministry of Health Protozoal Drinking Water Standards guidelines 2008	MBA: No GTN: No FTN: No	MBA: Yes GTN: Yes FTN: Yes	Council Records
Customer satisfaction	The total number of complaints received by the local authority about drinking water taste per 1000 connections	0	< 15	Council Records
	The total number of complaints received by the local authority about drinking water odour per 1000 connections	0.29	<15	Council Records
	Ratepayers and residents satisfied with level of service for water	59%	65%	NRB Survey – 2021 target: 80%
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	Attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site in < 1 hour	72%	75%	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 in < 8 hours	89%	90%	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.	MBA: 31% GTN: 37% FTN: 48%	<30%	Council Records

7. OPTIONS

ISSUE	PRINCIPLE OPTIONS	COST \$000	IMPACT, BENEFITS & DISADVANTAGES	TIMING
Compliance with drinking water standards	Increased storage and additional bore (GTN) (Preferred option)	\$161k	Benefit: Compliance with NZ drinking water standards Disadvantage: cost to ratepayers in short term (but long term cost savings)	2018-2019
	Alternate – lower levels of service, accept risk of resource consent being breached	\$0	Disadvantage: Levels of Service reduction and risk of public health issues and fines from regulator	
Compliance with Greater Wellington and other legislation	Implement work programmes to ensure rules can be measured and complied with. (Preferred Option)	Additional monitoring costs \$15k pa	Benefit: Comply with new Regional Policy Disadvantage: cost to ratepayers in short term (but long term cost savings)	Annual
	Alternate – non-compliant water scheme	\$0	Disadvantage: Non-compliant, fines from regulator, health risks to ratepayers	
Ageing Asset	Renewals and Rehabilitation Programme (Preferred option)	\$333k pa	Benefit: Avoid Regulatory Infringements and additional maintenance costs due to deteriorating assets, reduce water loss from leaks Disadvantage: cost to ratepayers in short term (but long term cost savings)	Annual
	Alternate – reduce levels of service	\$0	Disadvantage: More outages and dissatisfied ratepayers, water loss from leaks	Annual
Impact of growth in population	Based on ID projections we have assessed the need for extra capacity in each town. Current predictions do not indicate the need for increased capacity in the period of this strategy (Preferred Option)	\$0	Benefits: Current capacity sufficient to handle population growth until 2048	Review annually
Impact of further economic development	Monitor water usage and assess land use applications that indicate high water demand that may impact capacity (Preferred Option)	Unknown (depends on type of development)	Benefits: Monitoring prior to development enables SWDC to control water connections	As needed

8. WATER SUPPLY FINANCIAL BUDGETS

Following is a summary of the financial budgets for both operating and capital expenditure on water systems for SWDC for the period of this infrastructure strategy.

YEAR	OPERATING \$000	CAPITAL \$000	TOTAL \$000
2018/19	2,734	801	3,535
2019/20	2,813	468	3,281
2020/21	2,845	780	3,624
2021/22	2,927	534	3,461
2022/23	2,954	366	3,319
2023/24	2,979	374	3,353
2024/25	3,031	381	3,412
2025/26	3,107	389	3,496
2026/27	3,183	397	3,580
2027/28	3,188	405	3,593
2028-2033	16,707	2,515	19,222
2033-2038	17,509	2,644	20,153
2038-2043	18,770	2,778	21,548
2043-2048	20,572	2,649	23,221

WASTEWATER TREATMENT AND DISPOSAL

In the South Wairarapa district, there are four wastewater community systems with 4,086 properties connected. Lake Ferry was the first area to irrigate wastewater to land as council plans to move to 100% disposal of wastewater to land within 35 years.

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

The performance of Council's wastewater is continually reviewed. Levels of service and measures are outlined in the annual plan and form part of the annual review.

1. OVERVIEW

SWDC has four wastewater systems, servicing the Featherston, Greytown, Martinborough and Lake Ferry communities.

Council obtained 35 year consents to dispose of wastewater to land for Greytown and Martinborough during 2016. A further consent for Featherston is currently being applied for.

The first disposal of wastewater to land in Martinborough took place in November 2017. Work will be completed in Greytown to dispose to land in 2018. We continue to work with GWRC to obtain the resource consent for disposal to land for Featherston and hope to have this completed by the end of 2018.

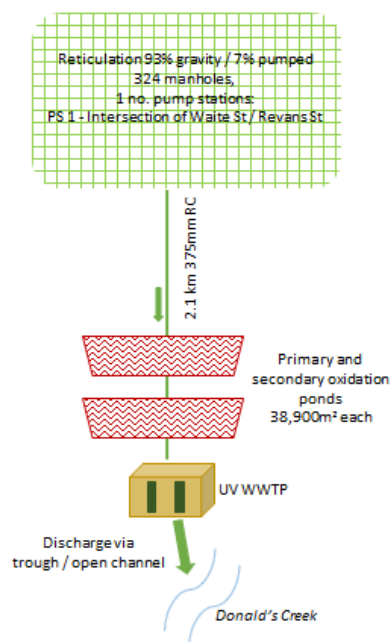
Maintenance and renewal work on Council's wastewater assets is covered by a contract with Citycare which commenced in 2012 for 5 years with an option to extend it 2 years. This contract was extended and now expires in October 2019.

Sections of underground wastewater reticulation not considered to be satisfactory are confirmed through CCTV investigation. A number of areas within the reticulation system are overloaded due to stormwater infiltration. Ongoing investigation and identification of these sections will continue over the next 10 years as detailed in the 3 new wastewater consents.

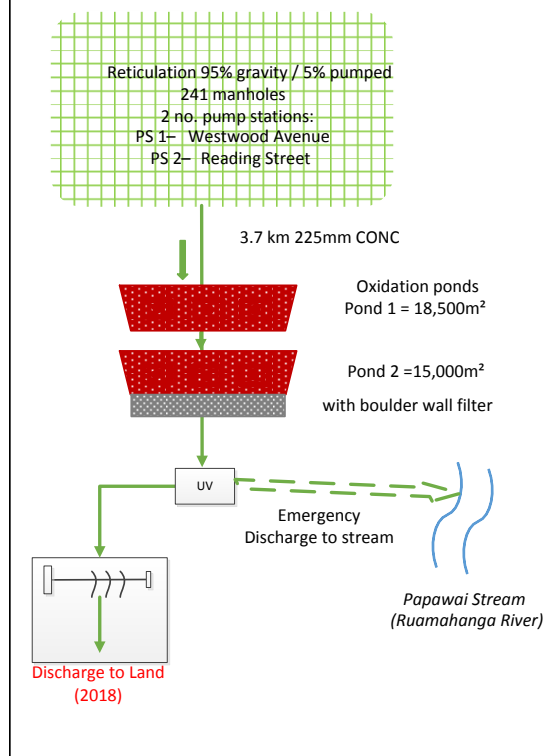
The progressive move to land disposal over time will allow for the increased flows in a worst case scenario however the reticulation renewals are planned to decrease these flows over time with work already complete on the identification of priority areas for replacement.

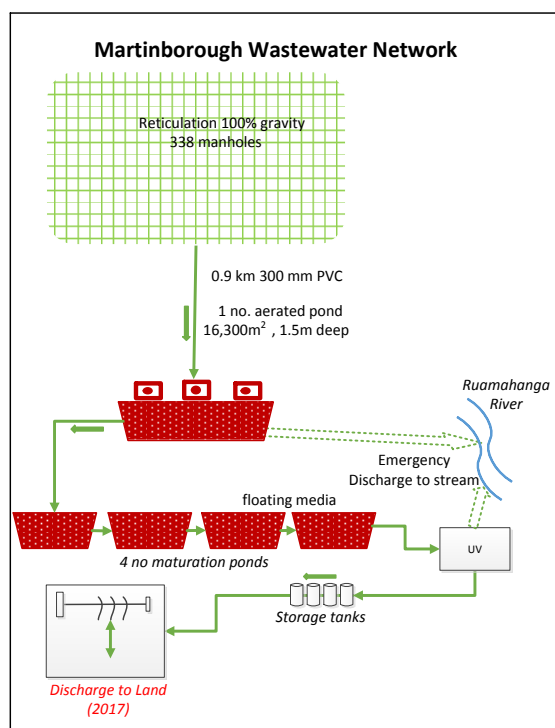
The figures below explain the current set up of each of the four wastewater networks.

Featherston Wastewater Network

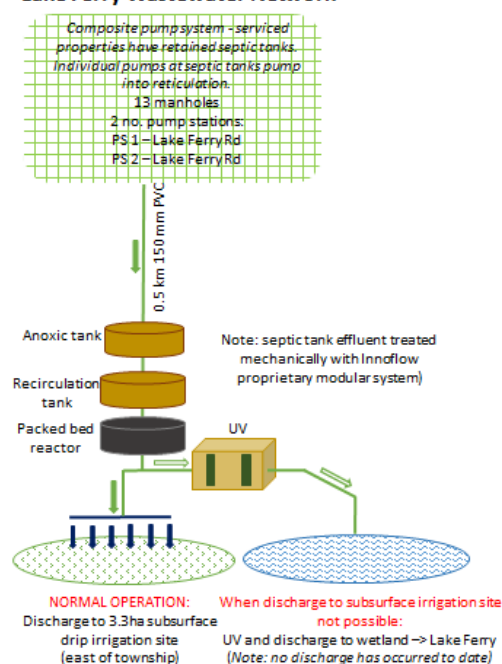


Greytown Wastewater Network





Lake Ferry Wastewater Network



Current Condition

- There is 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 underground reticulation system are overloaded due to stormwater 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 limited commercial activity. Domestic sources generate the majority of the wastewater.
- Based on typical figures for the generation of wastewater it is estimated that 2,482m³/day of wastewater is produced in terms of an ADF.

Below is a summary of the condition rating of the various components of the Featherston wastewater scheme:

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

Note: 1 - Very Good 2 - Good 3 - Fair

2. FEATHERSTON URBAN WASTEWATER SCHEME

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.

3. GREYTOWN URBAN WASTEWATER SCHEME

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.

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. Council plans to upgrade the single sewer to accommodate the population growth due to new subdivisions.
- 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 2016/17 was 685m³/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 IS.

Below is a summary of the condition rating of the various components of the Greytown wastewater scheme:

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)

4. MARTINBOROUGH URBAN WASTEWATER SCHEME

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, located beside the Ruamahanga River.
- The majority of sewers are either 150mm or 200mm diameter asbestos cement (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 2016/17 was 262m³/day.
- Reticulation condition within Martinborough is considered to be adequate.

Below is a summary of the condition rating of the various components of the Martinborough wastewater scheme:

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

(1 – Very Good 2 – Good 3 – Fair)

5. LAKE FERRY-RURAL/COASTAL WASTEWATER

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.
- Two pump stations lift the collected wastewater to a modular package treatment plant on elevated land behind the community.
- ADF is estimated to be 20 - 30 m³ increasing to 100m³ at peak loading periods over the Christmas holiday period.

6. MANAGEMENT

SWDC will be reducing inflow and infiltration into the wastewater systems, which puts a high load on the treatment plants and increases the environmental effects. This will be achieved 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.

7. RENEWAL

The wastewater consent renewals for Greytown, Featherston and Martinborough are council's largest single expenditure for this LTP which commenced with purchases of farmland in Greytown and Featherston totalling \$7.4M in 2015.

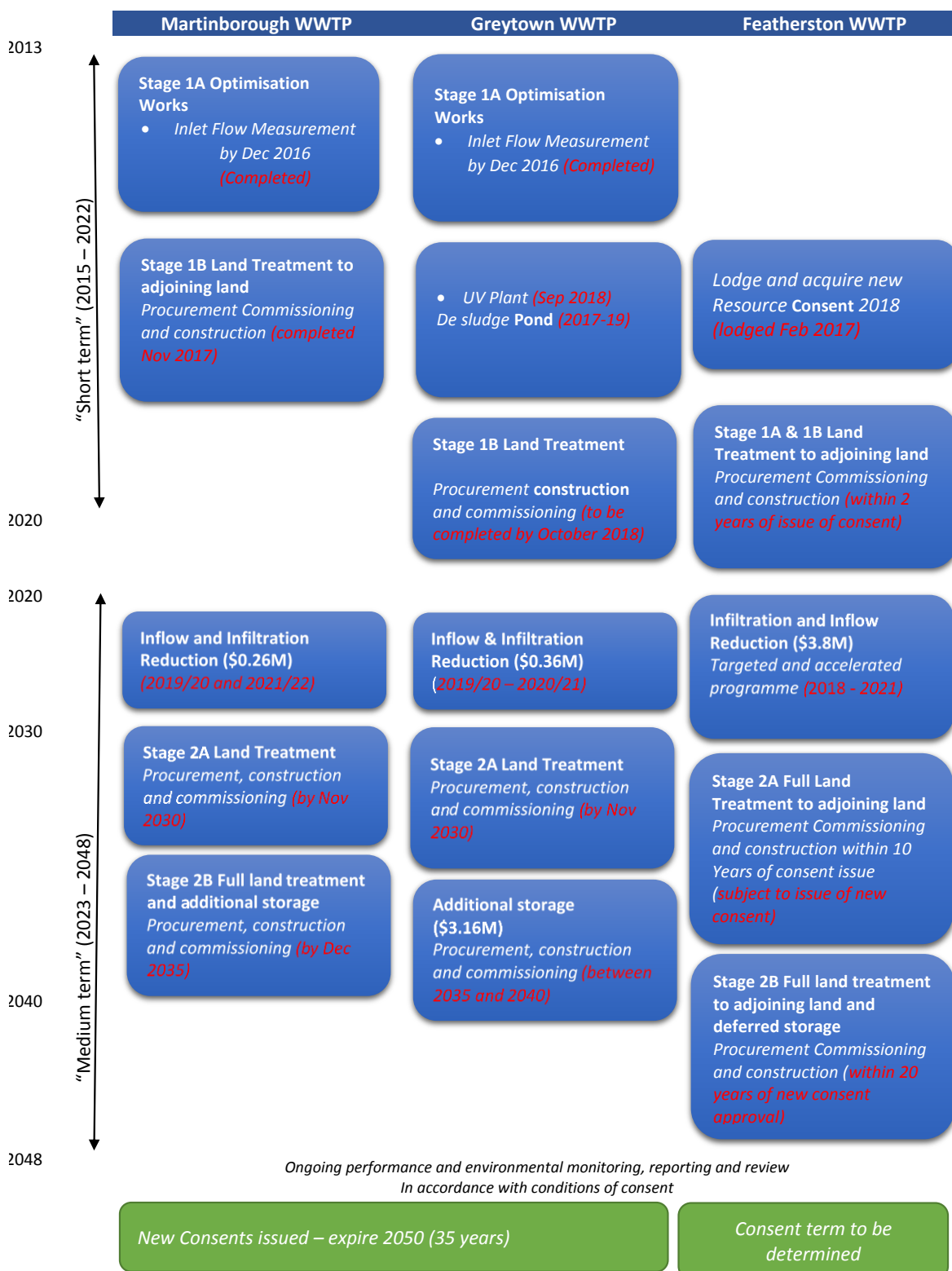
Council's target of 100% disposal of wastewater to land has required a balance between economic and environment impacts of treatment and disposal. There is a commitment to making sure that our operation and consents are pragmatic; meet the needs of residents; and allow for adoption of more efficient and effective technology as this becomes available.

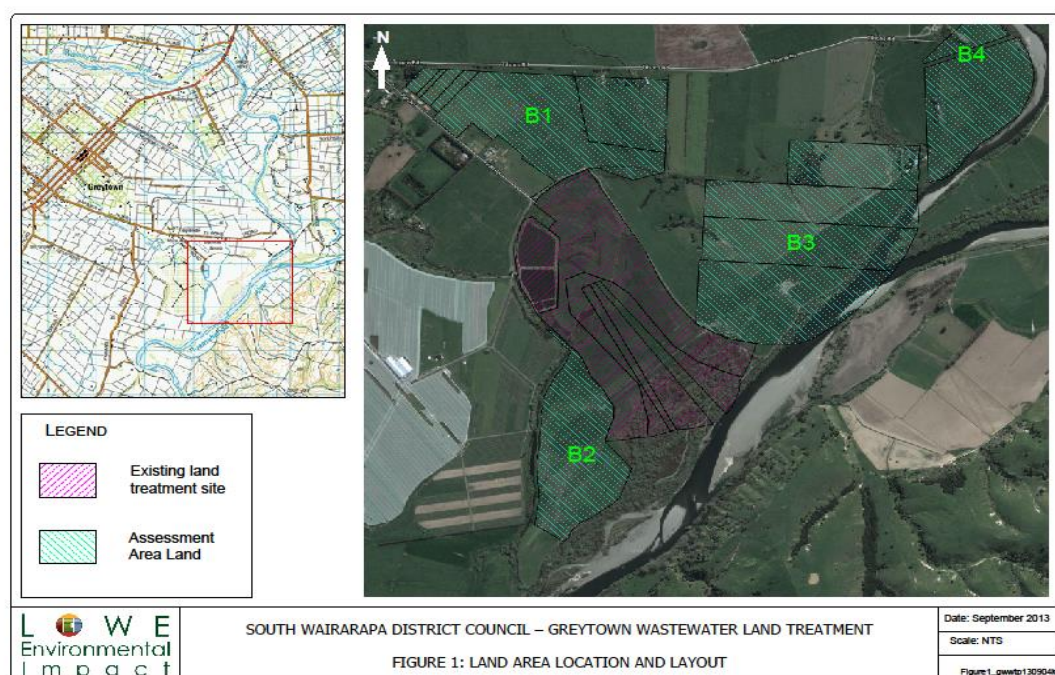
The strategic move to land disposal limits the burden of depreciation, manages the costs of obsolescence, produces a revenue stream and is an environmental improvement. The strategic staging of the projects ensure good cash-flow management and brings on line staged revenue in part before complete disposal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

Below are aerial views of the oxidation ponds for Martinborough, Greytown and Featherston.



The diagrams below show the planned timing of the wastewater projects for Martinborough, Greytown and Featherston:



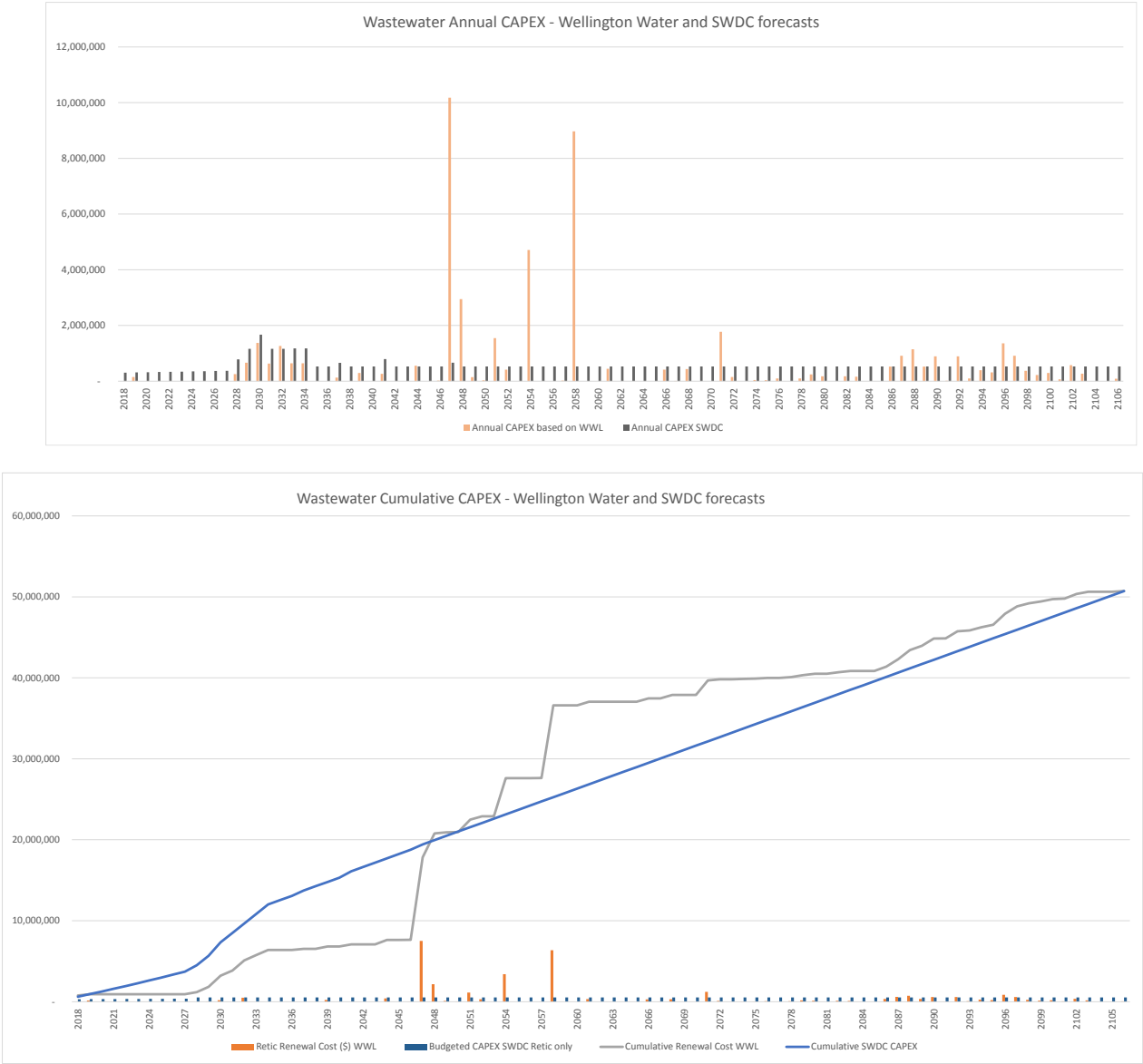


Greytown Irrigation Plan

The figure above shows the location of the Greytown wastewater to land treatment project.

8. CAPITAL EXPENDITURE

The following graphs show the indicative wastewater capital expenditure (CAPEX) from the Wellington Water report and the SWDC planned capital expenditure. Apart from the wastewater to land projects, the majority of the CAPEX is for underground reticulation renewals which SWDC plan to complete gradually over the period to avoid the large spikes in expenditure indicated by the WWL report. The second graph shows the cumulative spend which shows that SWDC forecasts will enable all predicted work to be completed by the end of the period covered by the WWL report using the approach of spreading the renewal costs more or less evenly over the period.



9. RISKS

RISKS - WASTEWATER	RATING	PROPOSED ACTION
Service Failure through ageing assets	Medium	Appropriate renewal programmes
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)

10. LEVEL OF SERVICE

Below is a sample of the level of service key performance indicators for the wastewater activity. A full list with future year targets can be found in the wastewater activity section of the LTP document. Note: the NRB survey was last carried out in November 2017 and will be completed again in late 2020.

SERVICE LEVEL - WASTEWATER	KEY PERFORMANCE INDICATORS	RESULTS 2016/17	PERFORMANCE TARGET 2018/19	HOW IT WILL BE MEASURED
Council provides wastewater services that effectively collect and dispose of wastewater	Number of blockages per 1000 connections	12.44	<10	Council records
	Ratepayers and residents satisfaction with wastewater services	49%	53%	NRB survey - 2021 target: 60%
	Attendance time: from notification to arrival on site < 1 hour	68%	70%	Council Records
	Resolution time: from notification to resolution of fault < 4 hours	73%	75%	Council Records
Wastewater 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	96%	90%	Council records
	No. of abatement notices	0	<2	Council Records
	No. of infringement notices	0	0	Council Records
	No. of complaints per 1000 connections received about sewage odour	0.9 (4)	< 15	Council Records
	No. of complaints per 1000 connections received about sewage system faults	1.5 (7)	< 15	Council Records
	No. of complaints per 1000 connections received about sewage system blockages	12.62 (51)	< 15	Council Records
	No. of complaints per 1000 connections received about the response to issues with wastewater	0 (0)	< 15	Council Records
	Proportion of urgent wastewater service requests responded to within 6 hours of notification	84% (52/62)	95%	Council records

11.OPTIONS

LEVEL OF SERVICE ISSUES	PRINCIPAL OPTIONS	COST	IMPACT	TIMING
Compliance with Greater Wellington Regional Council and consent conditions	Implement appropriate technologies and programmes to achieve compliance. (Preferred Option)	\$29 M over 35 years	Benefits: Achieve compliance, less negative impact on waterways, cleaner rivers, income from crops from irrigated land Disadvantage: Cost to ratepayers	35 years
	Alternate – lower levels of service, accept risk of breaching resource consent conditions	\$0 Plus fines and fees	Disadvantage: Level of service reduced and consent breach costs incurred, negative impact on the environment	
Effect of wastewater on rivers	Alternate – Continue to discharge into rivers/streams	\$0 Plus fines and fees	Disadvantage: Level of service reduced and consent breach costs incurred, negative impact on the environment	Annually
Ageing Assets	On-going renewal and rehabilitation plan (Preferred Option)	\$ 307k	Benefits: Less Network failures, reduced cost over time due to fewer urgent repairs needed Disadvantage: cost to ratepayers in the short term but reduced costs long term	Annually
	Do nothing	\$0	Disadvantage: Network failure, increased lifetime cost of assets	
Inflow and Infiltration	Reduce Inflow and Infiltration via renewal and Rehabilitation programme (Preferred Option)	\$150K pa	Benefits: increased capacity Disadvantage: cost to ratepayers	Annually
	Do nothing	\$0	Disadvantage: Incur additional process cost	
Impact of growth in population	Based on ID projections we have reviewed the need for extra capacity in each town. Current predictions indicate the need for increased capacity in Greytown in 2019 and 2029 and Martinborough in 2031 (Preferred Option)	\$588K 2018/19 GTN \$200K 2028/29 GTN \$400K 2030/31 MBA	Benefits: increased capacity Disadvantage: cost to ratepayers but alternative not acceptable	2018/19, 2028/29 and 2030/31
Impact of further economic development	Manage using trade waste onsite treatment (Preferred Option)	\$1K pa per site monitoring costs	Benefits: increased capacity not funded by other ratepayers Disadvantage: may be a disincentive to development but similar regimes exist in all other areas	As required

12.WASTEWATER FINANCIAL BUDGETS

Below is a summary of the financial budgets for both operating and capital expenditure on wastewater systems for SWDC for the period of this infrastructure strategy.

YEAR	OPERATING \$000	CAPITAL \$000	TOTAL \$000
2018/19	2,180	2,274	4,454
2019/20	2,313	818	3,132
2020/21	2,265	838	3,103
2021/22	2,309	329	2,639
2022/23	2,341	337	2,678
2023/24	2,489	344	2,833
2024/25	2,520	351	2,871
2025/26	2,417	358	2,775
2026/27	2,434	365	2,799
2027/28	2,510	932	3,441
2028-2033	13,150	5,943	19,094
2033-2038	13,782	6,536	20,318
2038-2043	14,774	6,253	21,027
2043-2048	16,192	4,702	20,895

STORMWATER DRAINAGE

It is Council policy that all stormwater from buildings is disposed of onsite through soak pits. The low density of development and the soil type generally means there are few stormwater 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. Street cleaning works are included in the joint council roading contract to ensure an economy of scale and allow for efficiency in using mechanical sweeping to reduce build-up of debris in stormwater drains.

1. OVERVIEW

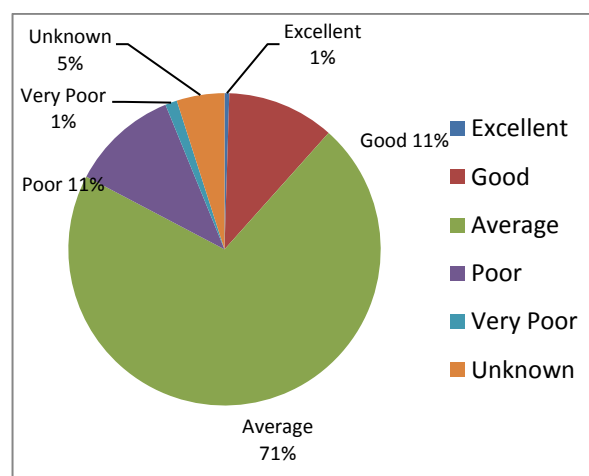
Below is a summary of the stormwater drainage assets owned by SWDC:

SURFACE WATER CHANNELS BY TYPE	LENGTH (M)
SWC (Shallow, <200 Below Seal Edge)	273,420
SWC (Deep, >200 Below Seal Edge)	343,722
Kerb & Channel (Concrete)	70,665
Mountable Kerb & Channel (Concrete)	8,964
Kerb Only (Concrete)	2,261
Dished Channel (Sealed)	2,296
Dished Channel (Concrete)	3,323
Dished Channel (Asphalt)	43
Slot Channel (Concrete)	372
Other Type	112
Total	705,178

ASSET COMPONENT	TOTAL	UNITS
Catchpit type 1	82	(ea)
Catchpit type 2	32	(ea)
Culvert	29,170	(m)
Debris catching grid	3	(ea)
Manhole/Drop chamber	150	(ea)
Side Culvert	314	(m)
Soak pit	23	(ea)
Subsoil drain	380	(m)
Sump	457	(m)
CULVERT PIPES (M)		
Up to 375 diameter	20,436	(m)

ASSET COMPONENT	TOTAL	UNITS
375 – 525 diameter	3,421	(m)
550 – 750 diameter	4,082	(m)
800 – 1200 diameter	2,442	(m)
1200 – 1500 diameter	544	(m)
1600 – 2100 diameter	130	(m)
> than 2100 diameter	198	(m)

2. CURRENT CONDITION



As shown in the figure above the RAMM data indicates 83% of culverts are of an average condition or better. Condition ratings are updated annually as part of the inspection process.

The kerb and channel on our roads are an important part of our stormwater system and are used as a conduit to allow water to flow through the townships to outfalls in creeks, rivers and drains. In times of heavy rainfall the use of 'bubble up pits' and connected pipes equalises the water height from one side of the road to the other, preventing individual properties from flooding.

3. 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, maintenance and works programming tasks throughout the year.

4. 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, 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.

5. RISKS

RISKS	RATING	PROPOSED ACTION
Consenting Stormwater	Medium	Currently submitting for Proposed Natural Resource Plan for continued permitted discharge
Discharge	Medium	Acquire exemptions

ISSUE	OPTIONS	COST \$000	IMPACT, BENEFITS & DISADVANTAGES	TIMING
Limited existing stormwater network	Build a stormwater network and pipe water	Capital expenditure \$2.5 M minimum Monitoring costs \$250k pa	Benefit: would cater for increased flooding if this occurs, compliance with Natural Resources Plan (NRP) Disadvantage: cost to ratepayers to install and maintain	
	Status Quo (Preferred Option)	As per NZTA Funding	Benefit: no additional cost to ratepayers Disadvantage: non-compliance with NRP	

6. STORMWATER FINANCIAL BUDGETS

Below is a summary of the financial budgets for both operating and capital expenditure on stormwater systems for SWDC for the period of this infrastructure strategy.

YEAR	OPERATING \$000	CAPITAL \$000	TOTAL \$000
2018/19	250	55	305
2019/20	255	56	312
2020/21	261	58	319
2021/22	285	59	344
2022/23	285	60	345
2023/24	291	61	353
2024/25	297	63	359
2025/26	296	64	360
2026/27	304	65	369
2027/28	309	67	376
2028-2033	1,620	349	1,969
2033-2038	1,698	366	2,063
2038-2043	1,820	392	2,212
2043-2048	1,995	430	2,424

LAND TRANSPORT

Roading is a vital element to enable social and economic development. With 401km sealed and 268km unsealed roading 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 NZTA subsidies in the areas of drainage, bridging, road safety and maintenance.

Land transport has the highest projected capital spend of all the activities Council undertakes. The robust processes around the development of projects and the whole of life costs involved in attracting funding ensures that expenditure balances sustainability and affordability.

The greater reliance on "Better Business Case" development for NZTA funding ensures SWDC is looking at the whole of life implications for maintenance, renewal and capital expenditure. The auditing by NZTA on expenditure, quality and standards as well as reviews of the Land Transport AMP ensures an independent third party review of Council's largest asset spend.

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

1. OVERVIEW

South Wairarapa District has 401 km of sealed roads and 268 km of unsealed roads. In addition there are 57.9 km of footpaths across the 3 main towns. Footpaths 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 Council. 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 has been drafted will be incorporated over the 2018/2028 LTP period into the regional trails framework. 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 becomes a more pedestrian and cycle friendly district. The framework is 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 association with private and public groups. Local trails are important for everyday health, wellbeing, connectivity and amenity.

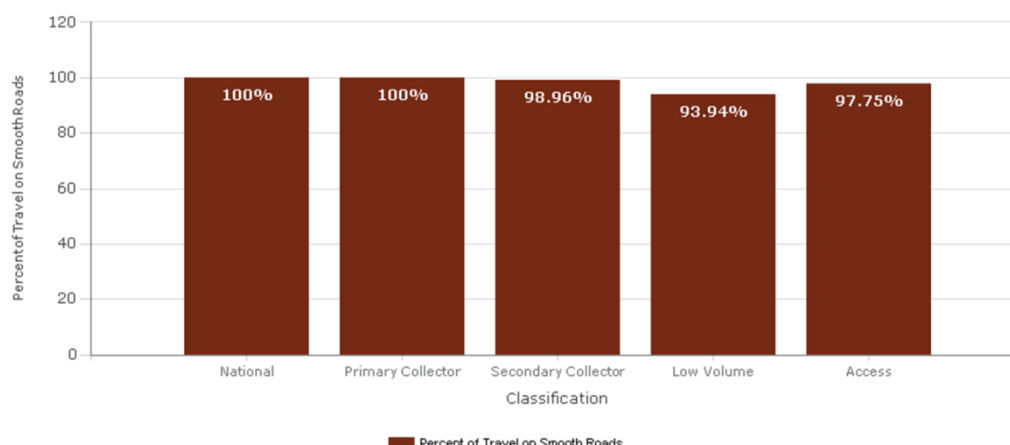
2. CURRENT CONDITION

At present the roading network is generally in good condition. The RAMM database provides up to date knowledge about the roading network. Information held in RAMM includes maintenance costs, roughness and suggested treatment selection locations. These help determine the optimum maintenance intervention levels, defective locations, and rectification costs.

We are currently working on improving our knowledge of the 138 bridge assets taking into account the new weight and dimension limits for heavy vehicles introduced in December 2017. The Special Purpose Road (SPR) includes bridges which would be included in the reduction of the FAR rate for the SPR. SWDC's current understanding based on engagement with NZTA to date, is that NZTA will fully fund the replacement of these bridges when the time comes. The replacements will not occur within the LTP period. We estimate they will need to be replaced in approximately 20 years' time. Ongoing maintenance of these bridges will be covered by approved NZTA budgets.

NZTA have introduced the One Network Road Classification (ONRC) system, which involves categorising roads based on the functions they perform as part of an integrated national network. The classification is designed to help local government and the NZTA to plan, invest in, maintain and operate the road network in a more strategic, consistent and affordable way throughout the country. This will be achieved through improved investment prioritisation across the country.

There are a number of requirements that are being incorporated into or internal LOS targets and monitoring for the ONRC.



Graph of Smooth Travel Exposure Rural & Urban Roads South Wairarapa District Council Network

The graph above indicates the percentage of travel on smooth roads in our district. This shows SWDC is achieving its target for Smooth Travel Exposure (STE) of 95 % in all but one category of roads being low volume roads.

3. MANAGEMENT

The current RAMM data has sufficient information to complete asset valuation, 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 (LOS) 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 Council's intention to fully implement this over the 2018/19 year.

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. This information is continually updated as roads are maintained, resealed or rehabilitated, vested to Council, structures built and new traffic signs installed.

4. RENEWAL

Council operates a programme of work that provides the best value for ratepayers and NZTA, obtaining the longest possible life from our roading assets without compromising safety and smooth travel experiences for drivers. The overall objective of the Lifecycle Management Plan is to maintain the assets to ensure that the current management strategies do not consume the assets, leading to an unexpected increase in maintenance or renewal expenditure in the future. The relative cost of road maintenance versus renewal for both sealed and unsealed roads needs to be weighed up as part of the budget prioritisation process.

Footpath maintenance and renewals also need careful management and are an area our ratepayers often give us feedback about. Careful management of the maintenance budget versus renewals and extensions of footpaths in the district are a key part of the budget process. Council's goal is to have a footpath on at least one side of every

urban street. We put funds aside each year to work towards this goal.

New LED lighting was installed recently across the 754 urban street lights to take advantage of a one off subsidy from NZTA. LED bulbs have longer lives and lower ongoing maintenance costs. These were installed at a lower lumin to meet the requirements for the dark sky reserve but still meet NZTA criteria for safety on roads and footpaths.

5. RISKS

RISK	RATING	PROPOSED ACTION
Crashes where road condition is a contributing factor	Medium	Monitor crashes Maintain known crash sites
Financial Impact of NZTA managing Special Purpose road with lower subsidy	Medium	Advocate for funding with NZTA, if not successful, use the rural roading reserve to cover the reduction in funding Greater preventative works
Changes to ONRC	Low	Adjust to ONRC Standards
Roads being cut off due to storm events	Medium	Good communication with contractors to ensure roads are cleared as quickly as possible after an event
Waihenga Bridge closing due to flooding, (Key access route to Martinborough). This	Medium	Continue to lobby NZTA for an improved solution

bridge is controlled by NZTA as it is on a State highway.		
Damage to coastal roads due to climate change	Medium	Continue to monitor closely and put in flood protection where possible
Key assumptions for LTP are incorrect	Medium	Continue to monitor actual versus budget costs closely. NZTA review ensures consistency with other local authorities and a reasonableness check over land transport plans, considerably reducing the risk in this area.

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

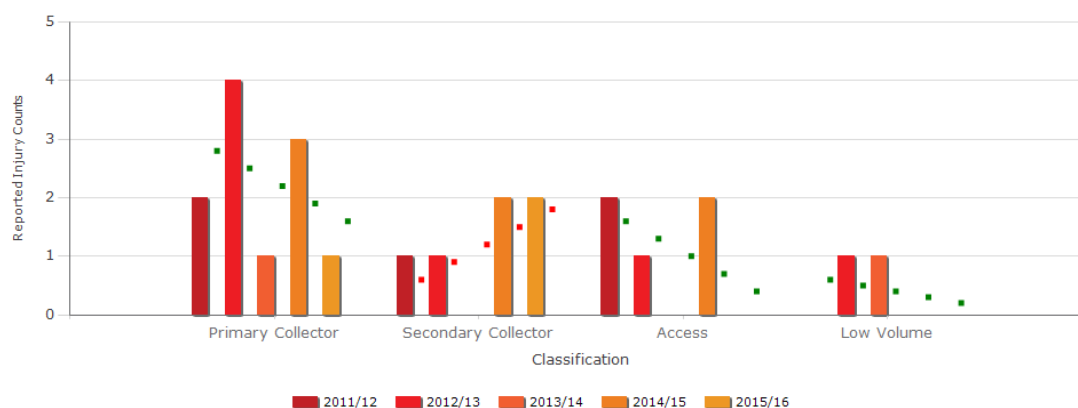
The table below shows the number and type of crashes that have occurred on the SWDC network over the 10 year period 2006-2017. Over 50% of fatal and serious injury crashes occurring on the SWDC rural roading network take place where there have not been other fatal or serious crashes within a 250m radius 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.

Safety Customer Outcome 1 - Serious Injuries and Fatalities

Financial Year: 2017/18
RCA: South Wairarapa



The total number of reported serious injuries and fatalities (DSI) each year on the network



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.

The proposed removal of NZTA funding for the SPR (Cape Palliser Road) poses a financial risk due to the instability of the road. The proposal from NZTA is to move from 100% funding of the SPR to the 52% FAR is set to occur gradually from the 2018/19 financial year to 2023/24. Council is working with NZTA regarding this proposed change of funding.

Financial risk is also possible due to changes to the Funding Assistance Rates (FAR) along with

additional work resulting from the ONRC implementation.

Other risks to our roading network are that parts of our community can get cut off as a result of storm events/heavy rainfall. The Waihenga Bridge can be shut during one of these events which makes access to Martinborough more difficult. There are alternative routes but they are much longer. This bridge is on a state highway and therefore controlled by NZTA.

Climate change presents a particular risk to our coastal roads due to potential erosion. We monitor these routes regularly and put in retaining walls and other storm protection as required.

6. LEVELS OF SERVICE

Below is a sample of the level of service key performance indicators for Land Transport. A full list with future year targets can be found in the Land Transport activity section of the LTP document.

Note: the NRB survey was last carried out in November 2017 and will be completed again in late 2020.

SERVICE LEVEL – LAND TRANSPORT	KEY PERFORMANCE INDICATORS	PERFORMANCE TARGET 2018/19	PERFORMANCE TARGET 2019/20	HOW IT WILL BE MEASURED
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%	95%	95%	Council records
	Ratepayers and residents fairly/very satisfied with the roads	75%	50%	NRB Survey – 2021 target: 85%
Footpaths can be safely used to get around town	Ratepayers and residents are satisfied with footpaths in the district	65%	70%	NRB Survey – 2021 target: 75%
	Footpath Condition rating 95% compliant with SWDC AMP Standard	95%	95%	Council Records
	The % of customer service requests relating to roads and footpaths responded to within 48 hours	80%	85%	Council Records

7. PREFERRED OPTIONS

LEVEL OF SERVICE ISSUE	PREFERRED OPTIONS	COST \$000	IMPACT/BENEFITS/DISADVANTAGES	TIME
ONRC changing standards	Improving the Classification of roads with regard to ONRC	Increased unsubsidised Roads costs	Initial classification complete and being moderated by NZTA. Benefits: Comply with national standards	2019 Onwards
ONRC changing standards	Understanding implications of the ONRC on the District Plan	\$0	Work to be completed to update terminology in District Plan to ONRC terminology alongside neighbouring councils Benefits: Comply with national standards	2018-2019
ONRC changing standards	Identifying gaps in performance (measures) or network outcomes between current practice and the ONRC and getting Council agreement to remedy any gaps	Unknown	Programme to be established in conjunction with elected members Benefits: Comply with national standards	2019-2021
NZTA Monitoring requirements for ONRC	Designing and implementing performance monitoring programmes	\$0	Better use of existing systems Benefits: Comply with national standards	2019-2021
ONRC Measures	Implementing the measures and building them into service contracts	\$0	Service contracts due for renewal 2019/20 financial year Benefits: Comply with national standards, hopefully better conditions in new contracts	2019-2020
NZTA National LTP 2018-2028	Planning investment (and dis-investment) programmes to address gaps in time for the development of the 2018/28 NLTP	\$15k	Programme to be established in conjunction with NZTA and elected members. Benefits: Alliance between SWDC and NZTA planning	June 2018
ONRC changing standards	Aligning levels of service with ONRC through negotiation between the Council and NZTA	\$10k	Programme to be established in conjunction with NZTA and Calibre consultants Benefits: Comply with national standards	2018-2019
Seal Extensions	Seal Extensions – Fully funded by SWDC	\$125k	Benefits: Removal of dust nuisance, creation of alternative routes and protection of sensitive crops and increased usage Disadvantages: Fully funded by SWDC, Increases future maintenance costs	Annually
Footpath extensions	Footpath extensions– Fully funded by SWDC	Maximum \$95k	Benefits: Increased amenity of urban areas, maintain safety of pedestrians Disadvantages: Fully funded by SWDC, ongoing maintenance costs of additional footpaths	Annually

There are no growth issues identified for Land Transport as current roading and footpath assets are considered sufficient to cover future needs. Any new roading and footpaths as a result of new subdivisions will be funded by developers.

Similarly there are no projected impacts on roading as a result of expected economic development over the period of this strategy.

8. LAND TRANSPORT FINANCIAL BUDGETS

Below is a summary of the financial budgets for both operating and capital expenditure on land transport for SWDC for the period of this infrastructure strategy. These figures are gross (before deducting the NZTA subsidy).

YEAR	OPERATING \$000	CAPITAL \$000	TOTAL \$000
2018/19	5,780	2,155	7,935
2019/20	5,870	1,977	7,847
2020/21	5,963	1,999	7,962
2021/22	5,839	2,216	8,055
2022/23	5,998	2,311	8,309
2023/24	6,087	2,415	8,502
2024/25	6,172	2,511	8,683
2025/26	6,357	2,567	8,924
2026/27	6,463	2,626	9,089
2027/28	6,552	2,686	9,239
2028-2033	34,596	14,077	48,673
2033-2038	36,533	21,081	57,614
2038-2043	39,602	15,815	55,417
2043-2048	44,037	17,333	61,370

INFRASTRUCTURE STRATEGY - SOUTH WAIRARAPA DISTRICT IN 2048

Looking ahead to 2048, sustainable practices, adapting to the changing environment, and societal needs will still be the focus.

From where we are now it is envisaged:

- a) 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 cycleways is likely to continue and could be supplemented by further facilities in available space.
- b) 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.
- c) There is likely to be an increase in the use of electric motor vehicles (EVs) and therefore a requirement for more EV charging points in the district.

The district will be more environmentally and economically 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 stormwater management practices.

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 stormwater drainage, water supply and roads.

The population will have increased by over 22% from 10,406 in 2018 to 12,733 in 2043. Council facilities will be used by a larger number of people.

INFRASTRUCTURE STRATEGY - 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 Plans
- SWDC Policies
- SWDC Finance Strategy
- Significance and Engagement Policy
- 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)
- Regional Freshwater Plan, GWRC
- National Resources Plan, GWRC
- Ministry for the Environment wastewater guidelines
- National Policy statement for Freshwater management 2014
- Other affected party protocols and policy documents e.g. Fish and Game

INFRASTRUCTURE STRATEGY - SUPPORTING ASSUMPTIONS

Population

- With population growth projections showing continued growth in our region, we will plan for and build major asset renewals or new infrastructure with some redundant capacity for future growth. The population is likely to grow from 10,000 to 12,000.
- The median age is currently 45.2 and will rise to approximately 49 by 2043. The previous predicted median age was 50.

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 is likely to require further investment by SWDC over the next five to ten years, particularly regarding drinking water as a result of the Havelock North water enquiry.
- Council and its 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 apart from the SPR where NZTA are proposing reducing funding gradually from 100% in 2017/18 to 52% by 2023/24. Council is working with NZTA regarding this proposed decrease in the subsidy and its impact on SWDC.

- 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 apart from in the area of drinking water standards where we expect there will be further regulation as a result of the Havelock North enquiry.
- Where Level of Service capital expenditure is proposed (largely in the water and wastewater activities), this is to meet mandatory Levels of Service. Planned capital expenditure will result in 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 and Long Term Plan.

Ownership

Council currently owns and operates the infrastructure assets outlined in this strategy. Central government have been discussing a proposal to centralise three waters (water, wastewater and stormwater) responsibility to five agencies around the country and remove management of these activities from Local Authorities. This proposal will require considerable discussion and planning to implement and is only a proposal at this stage so

this strategy assumes that the current ownership/operating model in use by Council will continue through the next 30 years.

Most of the field works are undertaken by private contractors, the overall responsibility for service delivery rests with Council.

Demand

- Overall demand will increase due to predicted population growth. 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

SWDC will meet all current and new statutory obligations, assuming cost of compliance will be in line with current operational and projected 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 material decommissioning of assets.
- 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, grants 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

SWDC will:

- Have a single repository for collection of asset data for each area of activity.
- Have a full process for tracking maintenance costs.
- Accurately collect, validate and record data via 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:

- Steady predicted population growth over the period.
- Long-term infrastructure investment to be maintained in perpetuity.
- No asset replacement bubbles.

Below is a summary of the level of uncertainty or risk around each of the assumptions and the potential impact from them.

Infrastructure Strategy Assumptions	Level of Risk	Potential Impact
Population	Low	Low
Finance	Low	Medium
Service Levels	Low	Low
Ownership	Low	Low
Demand	Medium	Medium
Statutory Change	Medium	High
Life Cycle	Low	Low
Design	Low	Low
Obsolescence/Disposal	Low	Low
Natural Disasters	Medium	Medium
Technology	Low	Low
Asset data and information	Low	Low

APPENDICES

2018/2019 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
Reservation of Books	.50c
Replacement Cards	
Lost	2.00
Theft/Worn out	No Charge
Inter-loan Items:	
Books	10.00
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 – Thursday 2pm – 5.30pm	
Friday 2pm – 7:30pm	
Saturday – Sunday 1pm – 5.30pm	
<i>Opening Hours During School & Public Holidays:</i>	
Saturday-Thursday 1pm – 5.30pm	
Friday 1pm-7.30pm	
Greytown	
<i>Opening Hours During School Term</i>	
Monday – Thursday 2pm – 5.30pm	
Friday 2pm – 7:30pm	
Saturday – Sunday 1pm – 5.30pm	
<i>Opening Hours During School & Public Holidays:</i>	
Saturday-Thursday 1pm – 5.30pm	
Friday 1pm-7.30pm	
Martinborough	
<i>Opening Hours During School Term</i>	
Monday – Thursday 2pm – 5.30pm	
Friday 2pm – 7:30pm	
Saturday – Sunday 1pm – 5.30pm	
<i>Opening Hours During School & Public Holidays:</i>	
Saturday-Thursday 1pm – 5.30pm	
Friday 1pm-7.30pm	
No Charges (All towns)	

COMMUNITY BUILDINGS	FEES \$
<i>Fees and Charges – All venues (in addition to hire charges)</i>	
Deposit (required to confirm booking)	venues - 50% of hire charge
Bond if alcohol to be served	300.00
Cleaning fee per hour (if required)	35.00
- Small & medium venues min 1 hr	
- Large venues min 2 hrs	
Custodian Call-out – per hour (if required)	25.00
Access to Kitchen Facilities (small and medium venues)	20.00

SMALL VENUES	FEES \$
FEATHERSTON ANZAC HALL COMMITTEE ROOM GREYTOWN UPSTAIRS ROOMS , MARTINBOROUGH BACKSTAGE MEETING ROOMS, FOYER, LIBRARY MEETING ROOM, MARTINBOROUGH COUNCIL CHAMBERS	
<i>Schools // Public Meetings /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 Commercial Use</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 SUPPER ROOM, WAIHINGA CENTRE LOBBY (AFTER HOURS ONLY), FEATHERSTON KIWI HALL AND/OR SUPPER ROOM, GREYTOWN WBS ROOM,	FEES \$
<i>Schools / /Public Meetings /Free Admission to General Public</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	150.00
<i>Private or Commercial Use</i>	
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, Saturday, Sunday, public holidays	150.00
<i>Note: Projector available in Greytown WBS Room</i>	

LARGE VENUES	
GREYTOWN TOWN CENTRE FORUM, GREYTOWN TOWN CENTRE FORUM & WBS ROOM, ANZAC HALL (INCL SUPPER ROOM), MARTINBOROUGH TOWN HALL (INCL SUPPER ROOM)	FEES \$
KITCHEN ACCESS INCLUDED IN HIRE CHARGE	
Seated Functions (seating/tables set up)	
Weekday – morning or afternoon up to 4 hours	135.00
All day or part day over 4 hours	195.00
Monday to Thursday evening	135.00
Friday evenings, Saturday, Sunday, Public Holidays	375.00
Each hour after midnight	100.00
Functions - (chairs/tables available but set up and put away by hirer)	
Weekday – morning or afternoon up to 4 hours	75.00
All day or part day over 4 hours	150.00
Monday – Thursday evening	100.00
Friday evening, Saturday, Sunday and Public holidays	300.00
Each hour after midnight	100.00
Displays / Exhibitions (clear floor)	
Local and Free Admission	0.00
Non Local or Admission Charged or Commercial	100.00
Pack in/out per day	25.00
Sport and Fitness	
Clear floor, Local Only, Activities with no audience	20.00/hr
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.	
<i>Free Admission</i>	
Pack in/out and Rehearsals – per day	25.00
Performance Day	150.00
<i>Admission Charged – Local Amateur Performers</i>	
Pack in/out and Rehearsals – per day	25.00
Performance Day	150.00
<i>Admission Charged – Professional Performers</i>	
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	
Hourly (Stadium)	
- Minimum 2 hours	10.00 /hr
Daytime	75.00
Evening	45.00
Hourly (Annex)	
- Minimum 2 hours	2.00/hr

PARKS AND RESERVES	
	FEES \$
Use of any Council park or reserve (Bookings must be made in advance on the Event Application form for events or the Application to Use form for seasonal sports use)	No charge
Additional rubbish bins	At cost
Additional toilet cleaning/stocking	At cost
Lost keys	Replacement cost
Staff call-out	50.00

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
Top Soil Charge	300.00
Burial on weekends, holidays or before noon on a Monday or the day after a Public Holiday	1022.00
Additional Fee – Non Resident	777.00
Breaking Concrete	Actual cost
Disinterment or Re interment	By Arrangement
Plot Fee	
Adult	920.00
Infant under 1	153.00
Child under 10	306.00
Cremation Plot / Columbarium Wall	250.00
RSA	
No charge for plot, or out of district fee, charge interment fee only.	

PENSIONER/COMMUNITY HOUSING	
	FEES PER 4 WEEKS \$
Greytown	
Westhaven (\$83/week)	332.00
Martinborough	
Cecily Martin (\$93/week)	372.00
Featherston	
Burling (Single) (\$83/week)	332.00
Burling (Double) (\$98/week)	392.00
Matthews (\$98/week)	392.00

DOG REGISTRATION	
	FEES \$
General Fees	
Desexed	Urban 75.00 Rural 42.00
Entire	Urban 105.00 Rural 64.00
Late Fees Desexed	Urban 112.50 Rural 63.00
Late Fees Entire	Urban 157.50 Rural 96.00

Other Fees	
Flat fee for up to 10 Rural Dogs plus \$20 per additional dog	210.00
Late flat fee for up to 10 rural dogs plus \$30 per additional dog	300.00
Surrender a dog for euthanasia	30.00
Permit application to keep more than two dogs in an urban area including breeder	140.00
Re-homing fee for impounded dogs	30.00
Costs and expenses relating to impounding and securing impounded dogs	Actual cost plus 10%
Replacement registration tag (if tag lost or damaged)	7.50
Bark Control Collars	Actual cost plus 10%
Impounding Fees	
First Impounding	80.00
Second Impounding	170.00
Third Impounding	265.00
Feeding (per day)	25.00

STOCK RANGING	FEES \$
Costs and expenses for impounding and securing impounded stock.	Actual costs plus 10%
Call out fee per hour (or part of)	148.00
Impounding Fees	
First Impounding per animal	200.00
Second Impounding per animal	400.00
Third impounding per animal	600.00
Feeding (per day per animal)	50.00

ENVIRONMENTAL SERVICES – SAFE FOOD, BYLAWS, NOISE, GAMBLING	FEES \$
Food Hygiene Regulations Registration	265.00
Food Act Registration	100.00
Food Act Verification	265.00
EHO Hourly Rate for Compliance Enforcement	148.00/hr
Camping Ground (per annum)	260.00
Hairdressers Registration (per annum)	260.00
Offensive Trade Registration (per annum)	260.00
Bylaw Permit Fee (includes hawkers, itinerant trader, advertising signs, hoardings, street stalls [large], food stalls, amusement galleries, event registration)	156.00
Bylaw Permit Fee (includes street stall [small])	21.50
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	357.00
Return of seized equipment –administration and return fee per property, PLUS	102.00
Burglar alarm disconnection (if required)	Electrician/Service Callout charges plus 10%
General	
Abandoned vehicles removal and disposal	Actual costs + 10%
Bylaws Enforcement (incl. long grass removal (fire risk) and removal of vegetation over-hanging public places.	Actual costs + 10%
Gambling	
Venue and gaming machine per consent	357.00

ENVIRONMENTAL SERVICES - LIQUOR LICENSING	FEES \$
Licence Applications	As per Act
Managers Certificates	As per Act

PLANNING - RESOURCE MANAGEMENT; LOCAL GOVERNMENT ACTS	FEES \$
Deemed Permitted/Boundary Activities	
Boundary Activity	115.00
Deemed Permitted Activity	230.00
Non-Notified Land Use	
Controlled	560.00
Restricted discretionary-minor	357.00
Restricted discretionary-other	660.00
Discretionary (Heritage – Minor)	357.00
Discretionary	825.00
Non-complying	1,590.00
Limited Notified Land Use	
Restricted discretionary	980.00
Discretionary	1,275.00
Non-complying	2,090.00
Publicly Notified Land Use	
Restricted discretionary	1,480.00
Discretionary	1,840.00
Non-complying	2,660.00
Non-Notified Subdivision	
Controlled (up to 3 lots created)	870.00
Controlled (4 to 10 lots created)	1,070.00
Controlled (11 or more lots created)	1,275.00
Restricted discretionary (up to 3 lots created)	940.00
Restricted discretionary (4 to 10 lots created)	1,140.00
Restricted discretionary (11 or more lots created)	1,345.00
Discretionary (up to 3 lots created)	1,345.00
Discretionary (4 to 10 lots created)	1,550.00
Discretionary (11 or more lots created)	1,755.00
Non-complying (up to 3 lots created)	1,550.00
Non-complying (4 to 10 lots created)	1,755.00
Non-complying (11 or more lots created)	1,960.00
Limited Notified Subdivision	
Restricted discretionary	1,550.00
Discretionary	1,960.00
Non-complying	2,160.00
Publicly Notified Subdivision	
Restricted Discretionary	1,755.00
Discretionary	2,160.00
Non-complying	2,365.00
Plan Change	
<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)	148.00
Plan change	5,700.00
Additional Charges	
Site Inspections (per inspection up to 1 hour, then hourly rate shall apply)	100.00
Pre-hearing	535.00
Hearing	1,225.00
Hourly Rate above deposit	148.00
External consultancy	Actual cost + 10%
Protected trees	No charge to applicant*
*Fees will not be charged for applications relating to modifying or removing trees listed in Appendix 1.4 (Notable trees) of the Wairarapa Combined District Plan.	
This only applies where no other aspect of the proposal requires resource consent; e.g. a yard encroachment.	

PLANNING - RESOURCE MANAGEMENT; LOCAL GOVERNMENT ACTS	FEES \$
Certification	
S223 Certificate	316.00
S224 Certificate	408.00
S226 Certificate	382.00
S243 Approval	382.00
S348 of LGA approvals	382.00
Certificate of Compliance	665.00
Planning Certificate (SSoA)	77.00
Request to vary condition of consent	408.00
Objection to condition of consent	665.00
LIMS	
LIM - Urgent (5 working days)	460.00
LIM - Standard (10 working days)	255.00
Certification of Title Searches	30.00

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		
Free standing Solid fuel heater	46.00	300.00
Inbuilt solid fuel heater	46.00	420.00
Minor plumbing, drainage work – fittings, drain alteration, solar panel	46.00	379.00
Drainage work e.g. new minor subdivision services & common drains (see commercial fees for larger subdivisions)	46.00	971.00
Drainage work e.g. new effluent disposal system	46.00	971.00
Wet area shower (vinyl floor)	46.00	481.00
Wet area shower (tiled floor)	46.00	721.00
Private marquee <i>professional assembly only</i> (no inspection)	46.00	139.00
Public marquee >100 sq m < 50 people <i>professional assembly only</i> (no inspection)	46.00	139.00
Public marquee >100 sq m > 50 people <i>private marquee</i> > 100 sq m (with inspection)	46.00	287.00
Sheds / Garages / Conservatories etc		
Spa pools, swimming pool <1200 high on ground & swimming pool fence only	N/A	83.00
All other and in-ground swimming pool	N/A	346.00
Garden sheds/retaining walls/carports/decks/proprietary aluminum conservatories/other minor works	46.00	509.00
Minor farm buildings/haysheds/covered yards 1-6 bays etc incl farm bridges < \$15,000	92.00	666.00
Larger farm buildings (covered yards, wool sheds) no P&D incl farm bridges >\$15,000	92.00	1045.00
Larger farm buildings (covered yards, wool sheds) with P&D	92.00	1,452.00
Proprietary garages std	92.00	703.00
Proprietary garages with fire wall	92.00	814.00
Proprietary garages with P&D	92.00	1,026.00

BUILDING CONSENTS	PIM FEE (IF APPLYING PRIOR OR WITH BC APPLICATION ADDITIONAL TO BC FEE) \$	BUILDING CONSENT (BC) ONLY FEE EXCLUDING BRANZ & DBH LEVIES \$
Proprietary garages including sleepout no P&D	92.00	814.00
Proprietary garages including sleepout with P&D	92.00	1,109.00
Garages, simple custom design single level/relocated small buildings with no P&D	92.00	878.00
Garages, simple custom design single level with P&D (if sleepout use dwelling fee)	92.00	1,285.00
Residential repile	46.00	573.00
Residential demolition	46.00	240.00

BUILDING CONSENTS	PIM FEE (IF APPLYING PRIOR OR WITH BC APPLICATION ADDITIONAL TO BC FEE) \$	BUILDING CONSENT (BC) ONLY FEE EXCLUDING BRANZ & DBH LEVIES \$
Residential New Dwellings		
Single storey brick veneer Urban	370.00	3,217.00
Single storey brick veneer rural	370.00	3,883.00
Single storey weatherboard urban	370.00	3,365.00
Single storey weatherboard rural	370.00	4,068.00
Single storey stucco/texture coating/ply/steel/block or multi cladding urban	370.00	3,606.00
Single storey stucco/texture coating/ply/steel/block or multi cladding rural	370.00	4,345.00
Multi storey brick veneer urban	555.00	3,587.00
Multi storey brick veneer rural	555.00	4,345.00
Multi storey weatherboard urban	555.00	3,735.00
Multi storey weatherboard rural	555.00	4,438.00
Multi storey stucco/texture coating/ply/steel/block or multi cladding urban	555.00	3,976.00
Multi storey stucco/texture coating/ply/steel/block or multi cladding rural	555.00	4,715.00
Transportable dwelling (yard built)	92.00	2,829.00
<i>Note: Double units charged at single unit rate plus 50%.</i>		
<i>Other charges may apply. Check the last section of this schedule or contact a Council officer.</i>		
<i>Dwellings with multiple cladding types are charged at Stucco/Texture coating/Ply/Steel/Block rate</i>		
Residential Dwelling Additions & Alterations (including non-proprietary conservatories)		
Internal alterations	46.00	590.00
Internal alterations with P&D	46.00	738.00
Single storey brick veneer	92.00	1,683.00
Single storey brick veneer with P&D	92.00	1,868.00

BUILDING CONSENTS	PIM FEE (IF APPLYING PRIOR OR WITH BC APPLICATION ADDITIONAL TO BC FEE) \$	BUILDING CONSENT (BC) ONLY FEE EXCLUDING BRANZ & DBH LEVIES \$
Single storey weatherboard	92.00	1,868.00
Single storey weatherboard with P&D	92.00	2,163.00
Single storey stucco/texture coating/ply/steel/block	92.00	2,200.00
Single storey stucco/texture coating/ply/steel/block with P&D	92.00	2,496.00
Multi storey brick veneer	185.00	1,979.00
Multi storey brick veneer with P&D	185.00	2,274.00
Multi storey weatherboard	185.00	2,237.00
Multi storey weatherboard with P&D	185.00	2,533.00
Multi storey stucco/texture coating/ply/steel/block	185.00	2,478.00
Multi storey stucco/texture coating/Ply/Steel/Block with P&D	185.00	2,774.00
<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		
Relocated residential dwelling urban	555.00	1,664.00
Relocated residential dwelling rural	555.00	1,960.00
<i>Note: See other charges for bonds</i>		
Commercial / Industrial		
Commercial demolition	46.00	573.00
Single storey shop fit outs	46.00	1,193.00
Multi storey shop fit outs	92.00	1,489.00
Single storey multi-unit apartments/motels	370.00	2,182.00 plus 443.00 per unit
Multi storey multi-unit apartments/motels	555.00	2,551.00 plus 740.00 per unit
Minor commercial work e.g. signs/shop fronts/minor fit outs (No P&D)	185.00	925.00
<i>Use commercial rate for large subdivision services installations</i>		
Commercial/Industrial <\$50,000	296.00	1,900.00
Commercial/Industrial \$50,001 - \$100,000	444.00	3,143.00
Commercial/Industrial \$100,001 - \$150,000	593.00	4,031.00
Commercial/Industrial \$150,001 - \$250,000	740.00	4,919.00
Commercial/Industrial \$250,001 - \$350,000	887.00	5,806.00
Commercial/Industrial \$350,001 - \$500,000	1,035.00	6,694.00
Commercial/Industrial \$500,001 - \$1,000,000	1,035.00	7,285.00
Commercial/Industrial /Agricultural >\$1,000,000	1,035.00	7,285.00 plus 740.00 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.</i>		
<i>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
Building Levy (for work of \$20,000 or more)	Per 1,000	2.01
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 engineer's assessment which may be required</i>		
Compliance schedule change – new and/or amended		185.00
Inspection hourly rate		185.00
Inspection fee (minimum) per inspection		148.00
Certificate of Acceptance - Building consent fee for the applicable building payable with lodgment plus actual charges	Per hour – payable on issue of certificate	185.00
Re-assessment fee (amended BC plans) lodgment fee includes ½ hour assessment		277.00 lodgment plus 185.00 per hr over and above first hr
Building Warrant of Fitness and Swimming Pool audit/inspection fee		185.00
Building Warrant of Fitness Renewal		100.00
Building Certificate (SSoA)		75.00
Application for Certificate of Public Use		277.00
Application for a modification or waiver to a building consent		92.00
Charge for conversion of hard-copy documents (applications etc) and conversion of documents to approved electronic format payable on every Building Consent		77.00
New Building Consent Minor Works printed		10.00
New Building Consent Residential Consent printed		30.00
New Building Consent Commercial Consent printed		50.00
Old Building Consents Minor Works printed		50.00
Old Building Consents Residential Consent printed		75.00
Old Building Consents Commercial Consent printed (additional charges will apply for larger consents as below)		100.00
Scan documents, email electronic copies, Google drive (Dropbox)		10.00 per 10 minutes
Infrastructure Deposits (refundable)		1,000.00
<i>-All relocated dwellings, work over \$100,000, commercial work in urban area greater than \$20,000 and at officer discretion where there is a risk to public infrastructure.</i>		

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)	
Per cubic metre	62.00
Trade Waste Application	150.00
Trade Waste Annual Permit Fee	20.00
For large discharges:	
Flow	0.56/m3
BOD	0.59/kg
SS	0.61/kg
Capital Contributions*	
Financial Contribution water	3,736.83
Financial Contribution sewer	2,013.17
Water Rates	
Ad hoc water reading fee	40.00
Urgent water reading (within 48hrs)	100.00
Use over 350m3	1.84 per m3
Vehicle Crossings	
Vehicle Run Up Charge	550.00
(Refunded after completed to Council specifications)	
Rapid Numbers	
Rapid Numbering (per number)	50.00

- Note there are specific charges levied under the RMA/Wairarapa Combined District Plan in relation to Greytown developments. Contact SWDC for more detail.

TRANSFER/RECYCLING STATIONS	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	
<i>Recycling</i>	
Clean and sorted recyclable items	No Charge
Replacement recycling bins	17.50
<i>General Refuse (Martinborough Only)</i>	
A minimum charge of \$10.00 per load will apply	185.00 per tonne
Car Bodies – Stripped	26.00
<i>Green Waste (Recycling Stations)</i>	
Car Boot	5.00
Van/trailer	Up to 250 kg 15.00
Large Trailer / Small Truck	Up to 2 tonne 30.00
Large Truck	Up to 6 tonne 45.00
Larger loads by the discretion of Council's Operator	
<i>Tyres (Martinborough Only)</i>	
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		
Vivien Napier – Mayor (Chairperson)	13 Homestead Lane Greytown 5712	Phone (06) 304 9473 (home) Phone (06) 306 9611 (business) Email the.mayor@swdc.govt.nz
Cr Brian Jephson Deputy Mayor	Palliser Bay Station Palliser Bay Road RD 2 Featherston 5772	Phone (06) 308 8956 Cell (027) 502 6198 Email brian.jephson@swdc.govt.nz
Cr Margaret Craig	13 Jellicoe Street Greytown 5712	Phone (06) 304 8557 Cell (021) 236 4600 Email margaret.craig@swdc.govt.nz
Cr Paora Ammunson	15 Hecklers Road R D 1 Greytown 5794	Phone (06) 304 9998 Cell (027) 730 4999 Email paora.ammunson@swdc.govt.nz
Cr Colin Wright	12 Kuratawhiti Street Greytown 5712	Phone (06) 304 8995 Cell (027) 220 8788 Email colin.wright@swdc.govt.nz
Cr Pam Colenso	30 New York Street Martinborough 5711	Phone (06) 306 9503 Cell (027) 441 4892 Email pam.colenso@swdc.govt.nz
Cr Pip Maynard	17A Cambridge Road Martinborough 5711	Phone (06) 306 8363 Cell (021) 683 638 Email pip.maynard@swdc.govt.nz
Cr Lee Carter	34 Lyon Street Featherston 5710	Phone (06) 308 9843 Cell (027) 248 1364 Email lee.carter@swdc.govt.nz
Cr Colin Olds	59 Moroa Road RD 1 Featherston 5771	Phone (06) 308 6062 Cell (027) 432 9951 Email colin.olds@swdc.govt.nz

FEATHERSTON COMMUNITY BOARD

MEMBERS CONTACT DETAILS

Robyn Ramsden (Chairperson)	3 Farrier Grove Featherston 5710	Cell (021) 303 553 Email robynjramsdn@gmail.com
Mark Shepherd	61-63 Waite Street Featherston 5710	Cell (027) 308 8035 Email mtshepherd@xtra.co.nz
Brenda West	99 Watt Street Featherston 5710	Phone (06) 308 6594 Cell (021) 273 6325 Email west.bren@gmail.com
Claire Bleakley	605 Western Lake Road Featherston 5710	Phone (06) 308 9842 Cell (027) 348 6731 Email p.bleakley@orcon.net.nz
Cr Colin Olds	59 Moroa Road RD 1 Featherston 5771	Phone (06) 308 6062 Cell (027) 432 9951 Email colin.olds@swdc.govt.nz

GREYTOWN COMMUNITY BOARD

MEMBERS CONTACT DETAILS

Leigh Hay (Chairperson)	8 Wood Street Greytown 5712	Phone (06) 304 9876 Cell (021) 710 103 Email hay4greytown@gmail.com
Christine Stevenson	143 Papawai Rd RD 1 Greytown 5792	Phone (06) 304 9175 Cell (021) 516 264 Email christine.stevenson@solwaycollege.school.nz
Mike Gray	15 Udy Street Greytown 5712	Phone (06) 304 9376 Cell (027) 857 2508 Email mike.kaygray@xtra.co.nz
Ann Rainford	6 Horton Street Greytown 5712	Phone (06) 304 9960 Cell (021) 0833 1468 rainfordann@gmail.com
Cr Margaret Craig	13 Jellicoe Street Greytown 5712	Phone (06) 304 8557 Cell (021) 236 4600 Email margaret.craig@swdc.govt.nz
Cr Paora Ammunson	15 Hecklers Road RD1 Greytown 5794	Phone (06) 304 9998 Cell (027) 730 4999 Email paora.ammunson@swdc.govt.nz

MARTINBOROUGH COMMUNITY BOARD		
MEMBERS CONTACT DETAILS		
Lisa Cornelissen (Chairperson)	10 Dublin Street West Martinborough 5711	Phone (028) 2553 4857 Email martinboroughlisa@cornelissen.co.nz
Fiona Beattie	204 Whareroto Road RD2 Featherston	Phone (06) 308 6188 Cell (027) 545 4430 Email afbeattie@xtra.co.nz
Maree Roy	60 Strasbourge Street Martinborough 5711	Phone (06) 306 9319 Email maree.greenfrog@gmail.com
Victoria Read	PO Box 173 Martinborough 5741	Phone (06) 306 8570 Cell (027) 227 1252 Email victoria@victoriaread.co.nz
Cr Pam Colenso	30 New York Street Martinborough 5711	Phone (06) 306 9503 Cell (027) 441 4892 Email pam.colenso@swdc.govt.nz
Cr Pip Maynard	17A Cambridge Road Martinborough 5711	Phone (06) 306 8363 Cell (021) 683 638 Email pip.maynard@swdc.govt.nz

NON-ELECTED MEMBER CONTACTS

MAORI STANDING COMMITTEE		
MEMBERS CONTACT DETAILS		
Reuben Tipoki (Chair) Hau Ariki Marae	25-39 Lake Ferry Road RD2 Featherston 5772	Phone (027) 304 5422 Email rrtipoki@gmail.com
Michael Roera Papawai Marae	21 Pah Road RD1 Greytown 5794	Phone (021) 150 1729 Email mroera@hotmail.co.nz
Amiria Te Whaiti Papawai Marae	23 Pah Road RD1 Greytown 5794	Phone (022) 170 3009 Email jacquiimiria@hotmail.co.nz
Teresa Aporo Kohunui Marae	305 Hinakura Road RD4 Martinborough 5784	Phone (022) 066 3088 Email teresaaporo@gmail.com
Terry Te Maari Kohunui Marae	3009 Lake Ferry Road Pirinoa RD2 Featherston 5772	Email Terryte123@gmail.com
Johnny Shaw Hau Ariki Marae	2 Naples Street Martinborough 5711	Phone (029) 411 9946 Email shirlsshaw@xtra.co.nz
Horipo Rimene Rangitane o Wairarapa	Rangitane o Wairarapa PO Box 354 Masterton 5840	Phone (06) 370 0600 Email horipo@rangitane.iwi.nz
Demetrius Potangaroa Kahungunu ki Wairarapa	Kahungunu ki Wairarapa 7 Gray Street Masterton 5810	Email dpotangaroa@yahoo.com
Cr Paora Ammunson	15 Hecklers Road RD1 Greytown 5794	Phone (06) 304 9998 Cell (027) 730 4999 Email paora.ammunson@swdc.govt.nz
Cr Pip Maynard	17A Cambridge Road Martinborough 5711	Phone (06) 306 8363 Cell (021) 683 638 Email pip.maynard@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 Princess & 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
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