

# 2018/2028 Long-Term Plan Taranaki Regional Council



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## Foreword

We are pleased to present the Taranaki Regional Council's *2018/2028 Long-Term Plan*. We believe it strikes a good balance, allowing for prudent management of resources while confidently embracing bold new ambitions.

The Council continues to take a business as planned approach across all of its activities including resource management, biosecurity, hazard management, transport, recreation and culture, and regional advocacy.

But we are also looking to lift a number of our long-running and successful programmes to new levels. We do this out of a strong conviction that the region has what it takes to meet fresh challenges and secure a better future for its people, environment and economy. This conviction is based on years of working alongside the community to achieve good results.

For example, this document details how and why Taranaki is well placed to play a leading role if New Zealand is to achieve its aspiration to be predator-free by 2050. A path is laid out for this region to follow.

And from figurative paths to literal ones, you will also find details of how we will build on recent exciting developments at Pukeiti. The iconic property is a pivotal point in the Taranaki Crossing, an emerging 'Great Walk' set to boost the region's burgeoning reputation as a visitor destination.

The Council is also confident about its plans to build on recent gains in freshwater quality; to develop its education programme; and to broaden and deepen its relationship with iwi and hapū.

Financially, the impact of our proposals is relatively minor. There is an increase of 4.5 percent in the general rates take for 2018/2019. In the last three years, the average general rates increase has been 0.97%. Over the life of the *2018/2028 Long-Term Plan* the general rates increase averages out at 2.9%.

Finally, we would like to express our thanks to all those who helped us to develop this *Long-Term Plan* by taking part in the consultation process and offering thought-provoking and useful comments. We received 55 submissions on the Consultation Document for this *Plan*.

The *2018/2028 Long-Term Plan* was adopted on 15 May 2018.

David MacLeod  
Chairman



Basil Chamberlain  
Chief Executive



## Building on our Strengths

In preparing this *2018/2028 Long-Term Plan*, the Council has been mindful of the multiple, complex and often intertwined challenges the region faces in its economic, environmental and social spheres.

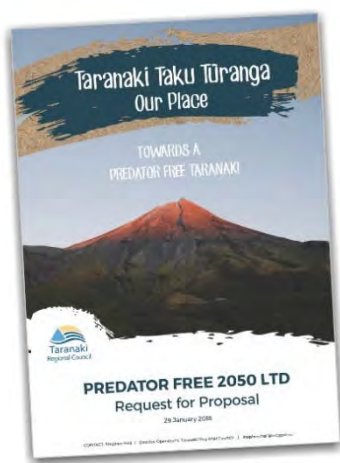
The Council believes, however, that Taranaki is well-placed to shape a future in which its people and environment thrive. We have great confidence in Taranaki's human capital and natural resources. Our confidence is born of years of work alongside the regional community supporting livelihoods, improving lifestyles and taking Taranaki forward.

We intend continuing to develop and refine our flagship programmes that are enjoying so much success. We also aim to lift a number of them to a higher level to put Taranaki at the forefront and ensure the region is well placed to meet whatever challenges the future brings. With continued community support, much can be achieved.

As well as being built on proven grassroots community support, the plans and programmes outlined here are firmly aligned with the *Tapuae Roa: Make Way for Taranaki* project. This is a collaboration between all the region's Councils, Venture Taranaki, business leaders, iwi and central Government, and aims to unlock the best opportunities for economic growth and continued regional success.

Of particular interest to the Council is the rapidly gathering momentum to bring two visions to reality: regional biodiversity protection and development of the Taranaki Crossing as a Great Walk on a par with New Zealand's existing recreational attractions of world-wide renown.

### Ramping up biodiversity protection towards a predator-free Taranaki



Biodiversity is an excellent example of the way the regional community in Taranaki works together to achieve a common aim, particularly to eradicate the pests that are recognised as today's greatest threat to native plants and wildlife. The Council's long-running self-help possum control programme is successfully keeping possum numbers to manageable levels across the entire ring plain and beyond. This success rests on the commitment of all the farmers and land occupiers involved, and a spin-off programme is also achieving good results in urban New Plymouth.

In more recent years, the Council has ramped up its work with private landowners to protect and develop many special ecosystems that support and nourish our region's indigenous flora and fauna. This voluntary key native ecosystems programme has been taken up with enthusiasm by landowners who appreciate the environmental value of their properties. They've formed productive partnerships with the Council to eradicate predators and protect and enhance wetlands and bush areas.

Meanwhile, the Council has also been actively fostering a more collaborative and cooperative culture among all the agencies involved in the region's biodiversity. A regional *Biodiversity Accord* initially brought all the parties together, leading to the establishment of the Taranaki Biodiversity Trust. Catching the public's attention with its Wild for Taranaki banner, the Trust has quickly established itself as the united collaboration for all things biodiversity in the region, while coordinating resourcing for a wide variety of individual projects. Similarly, the Taranaki Mouna Project is bringing together iwi and agencies to focus on the biodiversity needs of the mountain and its ranges, and the islands of Ngā Motu.

All this means Taranaki is very well poised to embrace a bold new vision: regional predator-free status by 2050. The Council believes Taranaki's advantages are compelling – the commitment and enthusiasm of its people, a well-established culture of cooperation among relevant groups and agencies, and relatively compact geography. Adding to this impetus are the potential support and resourcing from the central Government's *Predator Free New Zealand 2050* programme, and from a growing number of philanthropic organisations taking a strong

interest in this field. And even greater momentum comes from rapidly developing advances in ever-more-efficient trapping technology.

The Council's direction of travel was flagged a year ago when we went to the community with a proposal to test large-scale predator control and suppression across the entire Waiwhakaiho catchment as part of Wild for Taranaki's *Restore Taranaki* initiative. Developments since then have given the Council confidence to lift its ambitions, subject as always to securing external funding partnerships.

As an initial step, the Council is committing to an initial five-year spending programme. The Waiwhakaiho catchment trial would be a key element, along with a new trial aimed at completely eliminating possums in a 5,000-hectare area west of the mountain including public conservation land and private land, and covering rural and built-up zones. A separate programme is also proposed to reduce predator numbers on 70,000 hectares of land in and around Mt Taranaki.

These programmes would draw on the resources and expertise of the Council, its Wild for Taranaki partners and central Government's *Predator-Free New Zealand 2050* programme. They would also take advantage of newly developed wireless technology that allows traps to be monitored remotely, with human intervention taking place only when needed. Other technological advances, notably the use of genetic manipulation to reduce predator populations, may offer further efficiencies in future if they earn widespread scientific endorsement and community understanding and acceptance.

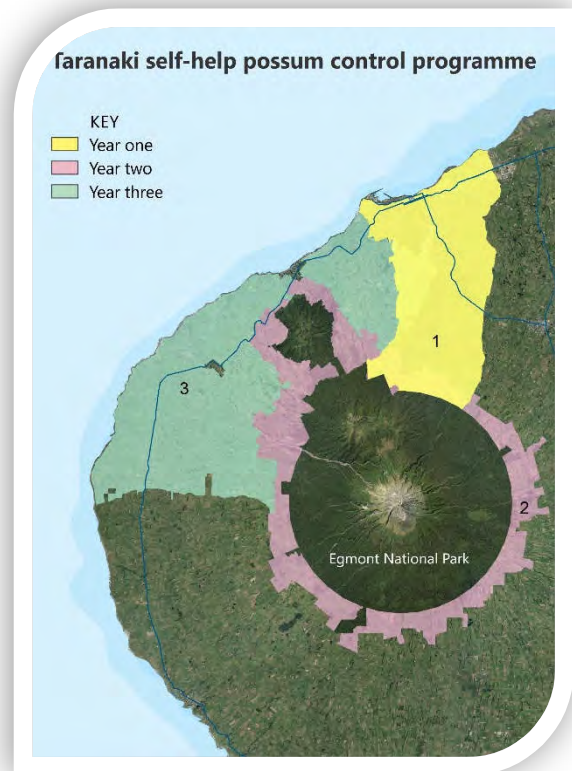
Beyond the first five years, the Council would consider extending these activities across large chunks of the ring plain, also connecting and expanding large existing predator control programmes in the eastern and northern hill country.

The Council is budgeting for an extra investment of \$580,000 a year for five years, and as this *Long-Term Plan* was being prepared, negotiations were under way to secure additional contributions from *Predator-Free New Zealand 2050* and philanthropic funders. The Council has also helped Wild for Taranaki to develop a revenue strategy to grow the size of biodiversity funding for the region.

It's important to note that these programmes in the first five years are worthwhile in their own right and will achieve valuable, sustainable outcomes even if the longer-term predator-free goal has to be modified, delayed or abandoned.

### WHAT IT MEANS FOR RATEPAYERS

Over five years, the predator control programme is budgeted to cost approximately \$14.4 million. Of this, \$10.9 million needs to come from external sources before the project can begin. The project will not proceed in the above proposed form without the \$10.9m of external funding. The Council's share is approximately \$580,000 a year over five years, or \$2.9 million over the five years. The Council's share is from general funds (sourced from general rates and investment returns).





## Pukeiti – pivotal point in new Taranaki Crossing

People have voted with their feet in support of the improved amenities and visitor experience resulting from the Council’s upgrades at Pukeiti over the past three years. Visitor numbers for the three months from September 2017, when the new Rainforest Centre was opened, were up 170% on the same period in 2016 and more than double those in 2014. These raw numbers are reinforced by unsolicited positive feedback and accolades.

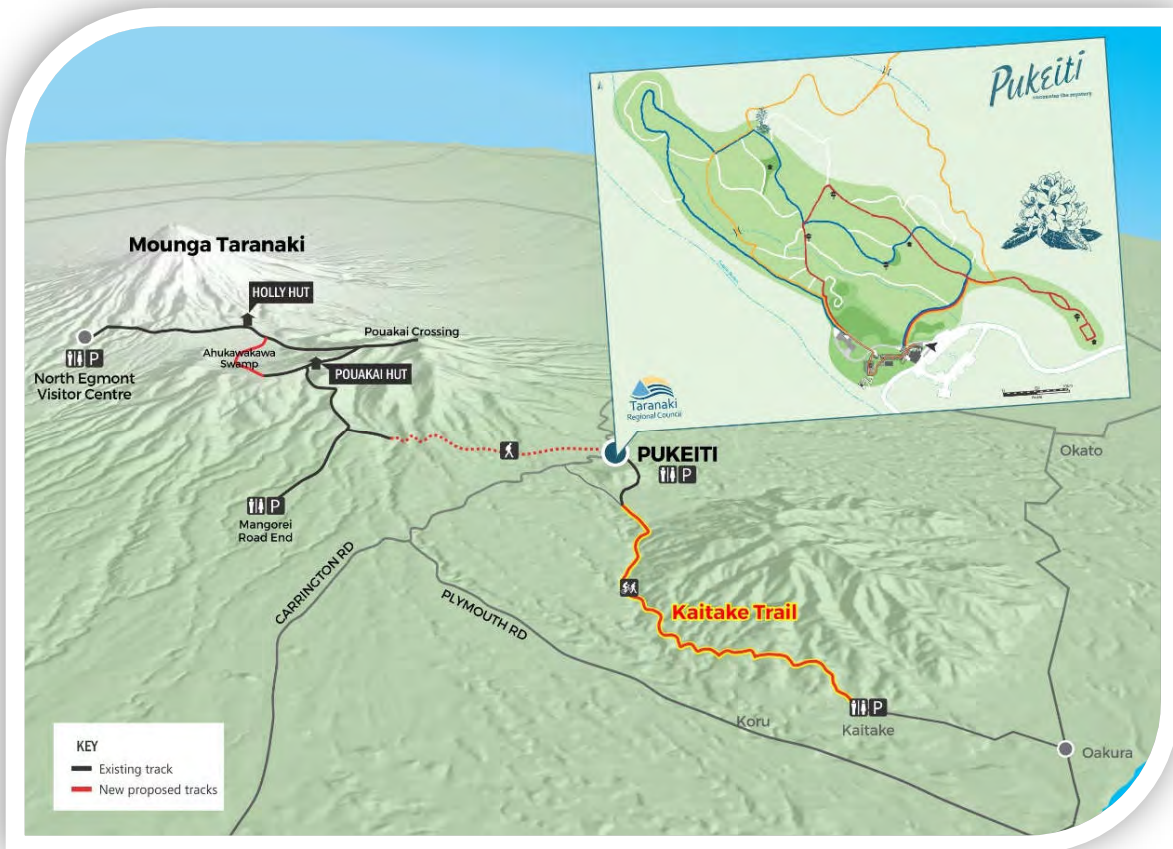
The world-class heritage garden now offers a world-class visitor experience – but the Council believes its potential is still far from fully tapped. Given Pukeiti’s location, history and high quality, it is perfectly placed to become a hub in a wider visitor experience centred on the ‘Taranaki Crossing’ from the mountain down its western flanks to the surf. Led by the New Plymouth District Council, a number of agencies are working together to develop a concept that involves both walking and biking, access to accommodation, lookouts and opportunities to learn about the rainforest.

This opportunity to expand the tourism offering comes in the wake of sharp reminders that Taranaki’s core businesses of dairying and hydrocarbons are subject to fluctuating international pressures that are beyond the region’s control. And our tourism potential was highlighted when Lonely Planet recommended Taranaki as a top visitor destination for 2017.

The Council believes it’s appropriate to make a significant investment to further the Taranaki Crossing project, as part of our work in improving lifestyles and taking Taranaki forward. Proposals over the coming six years are:

- To complete the existing upgrade programme at Pukeiti, including the replacement Lodge, carpark extension, landscaping, new features for children’s activities.
- To complete a trail within Pukeiti to link to the Kaitake Trail being developed by the New Plymouth District Council on a paper road down the coast, as an integral part of the Taranaki Crossing. This link would include a treetop canopy walk across a rain forested valley.
- To also invest directly in the Kaitake Trail proper.
- To complete outer tracks and a lookout at Pukeiti to complement the Taranaki Crossing.





- To establish a family tramping hut within Pukeiti, as well as a new link to nearby commercial accommodation.

#### WHAT IT MEANS FOR RATEPAYERS

The proposed direct contribution of \$3.5 million to the Kaitake Trail is in the form of a grant. The Council will not use rates to recover this funding, instead running a deficit and losing out on interest of about \$140,000 a year. There will be no further cost to regional ratepayers – the New Plymouth District Council will operate and maintain the Kaitake Trail.

For capital developments at Pukeiti, the Council proposes spending \$5.9 million over 10 years (\$1.439 million in 2018/2019). This equates to increased depreciation charges of less than \$50,000 a year. Operational and maintenance costs will be funded from existing budgets for Pukeiti.

### Extending our existing programmes

The Council’s experiences of dealing with the regional community over the past quarter of a century give it confidence that Taranaki can achieve the bold aims outlined above. The committed, ‘can-do’ attitude of the region’s people and organisations has earned success across a broad range of activities:

#### Freshwater quality

Monitoring of freshwater quality in recent years has produced a string of ‘best on record’ results. This has been no accident, but the result of huge investments of money, time and expertise by farmers, industries and communities (via their district councils). Of particular note is the Council’s **riparian management programme**, which is now moving into its final phase. Farmers on the ring plain and further afield have voluntarily protected thousands of kilometres of streams with fences and millions of native plants. It is only now that regulations are being developed, primarily to bring a remaining few land owners into line.

Revision of the Council’s **Fresh Water Plan** remains a work in progress, meanwhile. While ever-changing requirements generated by central Government made it prudent for us to put formal notification of a new Plan on hold, the Council and community have not been standing still. For example, practical new measures, firmly

based on existing regulations, are bringing about region-wide improvements to dairy effluent treatment to the benefit of freshwater quality.

The Council is also well-placed to meet central Government's new **freshwater monitoring requirements** as the regulations are developed and released.

## Education



The Council's long-running education programme has, over the years, reached into every school in the region at relatively modest cost. In 2016/2017, more than 8,000 students were involved in class visits or field trips under the programme. Feedback from schools, teachers and students is consistently positive.

The Council intends to continue this fruitful partnership with the region's schools, and also to broaden its educational outreach by funding a regional position for the Enviroschools organisation. This organisation takes a whole-school approach to promote long-term action on sustainability and environmental protection. It currently works with 20 schools and six kindergartens in the region. The number of schools could potentially double with Council support.

The Enviroschools programme is closely aligned with this Council's fundamental approach to education children about the environment, in the environment and for the environment. It is already supported by Taranaki's district councils, and this Council's support is consistent with the approach taken in many other regions.

## Working with iwi and hapū

In the past year the Council has deepened its connection with Maori, welcoming three iwi-chosen representatives on to each of its two key standing committees, Consents and Regulatory, and Policy and Planning.

The Council is looking to extend the relationship in operational areas, particularly relating to resource consents. This move is prompted significantly by new legislative requirements. All but one of the region's eight iwi have reached Treaty settlements with the Crown, and the final one is well into negotiation.

The Council is working with iwi and with the Taranaki Mayoral Forum to find the best way to make progress. It is most likely to involve helping iwi to extend their capacity to contribute to resource consent processes and policy processes, as well as extending the Council's own capacity to engage with iwi and hapū.

## Other changes afoot

### Civil Defence Emergency Management

Nature has dealt New Zealand some dramatic lessons in emergency preparedness and management in the past few years, prompting all the agencies involved in Civil Defence to re-examine their approach and their resourcing.



In Taranaki this included a structural review whose recommendations are being implemented by the four Councils making up the Taranaki Civil Defence Emergency Management Group.

This is resulting in more resourcing for Civil Defence in the region, as well as a change of administrative arrangements, in part to meet a need for greater involvement at a district level.

## Yarrow Stadium

The Council intends maintaining the existing partnership relationship with the New Plymouth District Council in which the district council operates and funds the operations of the Stadium and the regional council funds the long-term maintenance and development of the Stadium. This is a successful partnership that has operated for a number of years.

A detailed investigation is currently under way into the work required to bring the stands up to adequate earthquake standards. When details, options and costings are clear, the Council envisages consulting the regional community on the next steps that should be taken.

## The bottom line

The programmes and activities outlined above represent, in some cases, significant enhancements to what's occurred in previous years. For most ratepayers, however, the financial impact can be measured in tens of dollars over the course of a year.

There is 4.5 percent increase in the general rates take for 2018/2019. In percentage terms it is slightly higher than increases in recent years. But it is off a low base – this Council remains one of the lowest-rating local authorities in New Zealand.

Port Taranaki Ltd is forecasting a period of good and improving trading conditions in the short to medium term. This will result in increased dividends. The Council has taken a conservative approach to estimating dividends after consulting with Port Taranaki Ltd. The forecast dividend levels are \$8m pa over the ten years of the *2018/2028 Long-Term Plan*. The Council has accepted these estimates of dividend flows.

Dividends are a significant portion of the Council's revenue streams. Port Taranaki Ltd operates in a highly-competitive trading environment and there are no guarantees that it will be able to continue to deliver forecast dividend levels. Accordingly there is a risk that profits and dividends may fall at some future point. This is the biggest risk to the delivery of the Council's proposed programmes.

Over the ten years, there are fluctuations in the level of changes in general rates. Unchanged, these fluctuations would result in significant increases in some years and significant decreases in other years. To smooth the impact of rates changes, the Dividend Equalisation reserve is going to be utilised. In the early years of the *Plan*, the Reserve will fund the impact of changes to works programmes. In the later years, funds will be transferred back to the Reserve. The net impact of this approach is to eliminate the fluctuations in rates changes but, by the end of the life of this *Plan*, retain the overall value of the Reserve.

# Our future Taranaki and the Taranaki Regional Council



Supporting livelihoods

- Managing and protecting natural resources
- Targeting pest plants and animals
- Riparian management
- Self-help possum control



Improving lifestyles

- Environmental monitoring
- Council gardens
- Buses
- Civil Defence Emergency Management
- Restoring native habitats



Taking Taranaki forward

- Yarrow Stadium
- Port Taranaki
- Advocating for the region
- Flood protection

*Ongoing programmes*



Managing freshwater health



Educating future generations

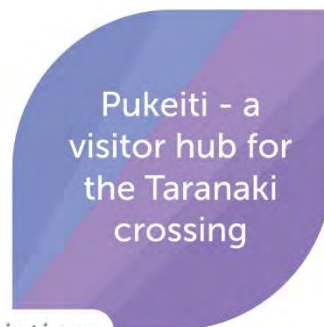


Connecting with Māori

*Extending our programmes*



Biodiversity protection - towards a predator-free Taranaki



Pukeiti - a visitor hub for the Taranaki crossing

*Major initiatives*

# Taranaki Regional Council: How, why and what

## Mission

To work for a thriving and prosperous Taranaki by:

- Promoting the sustainable use, development and protection of Taranaki's natural and physical resources;
- Promoting and providing for Taranaki's regionally significant services, amenities and infrastructure; and
- Safeguarding Taranaki's people and resources from natural and other hazards;

### GROUPS OF ACTIVITIES

Resource management



Transport



Hazard management



### DESCRIPTION

The Resource management group of activities promotes the sustainable use, development and protection of Taranaki's natural and physical resources of land and soil, water, air, and coast in accordance with the Council's statutory duties, regional planning objectives and agreed national and other standards.

The Transport group of activities promotes an affordable, integrated, safe, responsive and sustainable transport system that assists economic development and safety and personal security, improves access and mobility, protects and promotes public health and ensures environmental sustainability.

The Hazard management group of activities enhances the safety and wellbeing of the public and protects property from hazards and minimises damage by floods and river erosion.

### AIMS

- Protection of the life-supporting capacity of water in-stream uses and values
- Efficient allocation of water for consumptive use
- Maintenance and enhancement of all water quality in our rivers and lakes, groundwater and coastal waters
- Protection of riparian land in intensively farmed (predominantly dairying) catchments
- Sustainable land use in accordance with the physical capabilities of the land and soil resources
- Enhanced opportunities for sustainable development and best use of hill country
- Maintenance of a high standard of ambient air quality
- Resource management policies, plans and strategies that deliver efficient and effective management of the natural and physical resources of the region and are acceptable to the community
- Efficient and effective resource consent processing, administration, compliance monitoring and enforcement

- Land transport policies and activities that deliver efficient, effective and value for money transport solutions, land transport infrastructure and services for Taranaki.
- Provision and increasing use of community passenger transport services
- Safe navigation for all users of the waters of Port Taranaki and its approaches

- A civil defence emergency management system that delivers efficient and effective civil defence emergency management in Taranaki that is acceptable to the community
- Effective emergency readiness and response capability and capacity in the region
- Accurate and timely flood warnings
- Flood protection and drainage schemes that protect life and property

- Representing Taranaki's interests and contributions to the regional, national and international community.

### Recreation, culture and heritage



### Biosecurity and biodiversity



## GROUPS OF ACTIVITIES

### Representation, advocacy and investment management



## DESCRIPTION

The Recreation, culture and heritage group of activities supports and develops regional gardens, maintains an ongoing partnership relationship with Puke Ariki regional museum and library and ensures the continuing maintenance and development of Yarrow Stadium and the TSB Superscreen as part of a prosperous and vibrant Taranaki.

The Biosecurity and biodiversity group of activities minimises the actual or potential impact of pest plants and animals on the environment and on the Taranaki economy and community and maintains and enhances the indigenous biodiversity of the Taranaki region.

The Regional representation, advocacy and investment management group of activities maintains effective and open community representation as an important part of the democratic process; advocates on behalf of the Taranaki community on matters of regional interest; implements and further develops a programme of information transfer, advice and education on the Council's activities; and ensures that the equity, property and treasury investments owned by the Council are managed efficiently.

## AIMS

- Tupare, Holland Gardens and Pukeiti recognised as regionally or nationally significant gardens
- A role in implementation of the Taranaki Crossing linking Pukeiti to the coast
- Partnership relationship with the Puke Ariki regional museum and library
- Presentation and operation of Yarrow Stadium as one of New Zealand's premier regional sporting stadium and venue

- Pest management plans that deliver efficient and effective management of the Council's biosecurity functions
- Pest animals controlled to minimize their adverse effects on biodiversity, primary production and the regional economy and environment
- Pest plants controlled or eradicated to minimize their adverse effects on biodiversity, primary production and the regional economy and environment
- Maintenance and enhancement of indigenous biodiversity
- Continue programmes to ensure Taranaki is one of the most advanced biodiversity regions in New Zealand and place the region to contribute to New Zealand's predator-free goals

- Effective advocacy on behalf of the Taranaki community on matters that affect the statutory responsibilities of the Council or that relate to matters of regional significance which are of interest or concern to the people of Taranaki
- Port Taranaki Ltd ownership as a strategic investment
- Effective management of property and treasury investments owned by the Council

We will do this by leading with responsibility, working co-operatively, encouraging community participation, and taking into account the Treaty of Waitangi.



## At a Glance

This *Plan* consolidates the Council's strategic directions and programmes for the next ten years, and outlines programmes for 2018/2019, the year ahead. The *Plan* delivers upon the objectives and programmes agreed with the community through the development of a suite of regional plans, strategies and policies under various statutes. A regular reader will notice consistency with the programmes adopted in those plans, strategies and policies as well as with the *2015/2025 Long-Term Plan* and various annual plans.

The plans, strategies and policies include the regional policy statement, four regional plans (air, fresh water, soil and coastal), two biosecurity strategies (pest plants and pest animals), the biodiversity operational strategy, the oil spill response plan, the regional land transport plan, the regional public transport plan, the civil defence emergency management group plan and a number of asset management plans (river and flood control schemes and regional gardens).

The Council intends to keep strongly focused on its core activities, all of which are important for the social, cultural, economic and environmental well-being of the region. These activities include:

- protecting our rivers, lakes and water from pollution
- managing the wise and productive use of water and soil
- protecting the quality of our air
- managing our coastal resources wisely
- controlling animal and plant pests
- providing flood protection
- protecting biodiversity
- promoting efficient and safe transport networks
- providing public transport services, especially for transport disadvantaged people
- ensuring emergency and civil defence systems are well prepared for and respond effectively in times of need
- managing regional garden amenities and supporting the protection of heritage
- ensuring the ongoing development and maintenance of Yarrow Stadium
- owning and ensuring good governance of Port Taranaki Ltd





- advocating for and promoting the best interests of Taranaki people and the sustainable development of the region.

More specifically, over the next decade the Council's key objectives are to:

## Resource Management

Prepare, adopt and maintain a comprehensive suite of legally compliant, high quality and publicly considered **policies, plans and strategies** that will deliver to the Taranaki community, efficient and effective management of the Council's functions and Taranaki's natural and physical resources.

*In 2018/2019, progress the review of the Regional Fresh Water and Land Plan and complete the review of the Regional Coastal Plan.*

Process some 4,000 applications for **resource consents**; administer all current resource consents; undertake **compliance monitoring** of resource consents, including carrying out more than 33,000 inspections of agricultural and small business premises and completing over 1,500 tailored compliance monitoring programmes for major consents. Respond to **pollution incidents** and where necessary undertake successful **enforcement action**. These activities will be carried out in an efficient and effective manner.

*During 2018/2019, over 400 applications for resource consents are expected to be processed with not less than 100% of accepted resource consent applications being processed within statutory timeframes. There will be approximately 150 compliance monitoring programmes designed and implemented for major consents and 3,300 inspections of agricultural discharges and minor industrial operations will be completed. Further, all pollution and other complaints will be responded to, and where necessary control, clean-up and enforcement actions will be initiated.*



Monitor and investigate the **state of the environment** in Taranaki and the effects of the implementation of policies and plans according to monitoring procedures and programmes. This will be done by applying recognised and reputable methods of data collection, analysis and reporting.

*In 2018/2019, the annual state of the environment monitoring programme will be undertaken and the programme for the 2019/2020 year will be comprehensively reviewed. Live regional data on hydrology, meteorology, soil moisture and bathing beach water quality will be available on the Council's website.*

Provide relevant research information for resource management purposes through a series of **resource investigations and projects**.

*In 2018/2019, the projects include continuing to support the best practice dairying catchments study in the Waiokura Stream catchment; supporting studies into the behaviour and bioavailability of cadmium in agricultural soils and fertilizer; investigating the benefits of riparian management for ecological health; and engaging in Envirolink and other science research project development opportunities and strategies for regional councils.*

Promote **sustainable land management** and **riparian management** by providing property planning services, in conjunction with landowners, which identify actions for land use management on individual properties. The Council intends, by the end of the period of this *Plan*, to have active or completed riparian plans in place for over 99% of dairy farms and active comprehensive farm plans in place for over 69% of hill country in private ownership. Over the life of the *Plan*, approximately three million plants – mostly native species – will have been supplied to holders of these plans to support its sustainable land management programme, making it one of the largest water and soil management programmes in New Zealand. By 30 June 2020, 100% of riparian plan streams to be protected by fencing and 90% protected by vegetation, where recommended.

*During 2018/2019, prepare comprehensive, agroforestry and conservation farm plans covering not less than an additional 1,000 hectares and complete 100 riparian management plans. Monitor and report on the implementation of 2,600 riparian management plans and 100 farm plans. Approximately 450,000 plants will be supplied to plan holders for planting. Timely, high quality advice to promote sustainable land and water management throughout Taranaki will be provided.*

Promote the protection of the environment through a programme of **enhancement grants**.

*During 2018/2019, continue to use environmental enhancement grants for the protection of regionally significant or important wetlands or parts of the environment identified as regionally significant.*



## Biosecurity and Biodiversity

Prepare, adopt and maintain a comprehensive suite of legally compliant, high quality and publicly considered **policies, plans and strategies** that will deliver, to the Taranaki community, efficient and effective management of the Council's biosecurity functions.



*In 2018/2019, the Council will implement the Pest Management Plan for Taranaki.*

Control **pest animals** to minimize their adverse effects on biodiversity, primary production, and the regional economy and environment in accordance with the approved pest management plan.

*In 2018/2019, the Council will, as part of its self-help possum control programme, ensure that landholders keep possum populations below acceptable limits (residual trap catch rate below 10%) on the 235,000 hectares of land already within the programme.*



Control and/or eradicate **pest plants** to minimize their adverse effects on biodiversity, primary production, and the regional economy and environment in accordance with the approved pest management plan.

*In 2018/2019, the Council will undertake the direct control and eradication of all known infestations of Senegal tea, climbing spindleberry, Madeira Vine, moth plant and giant reed in the region; confine the spread of or reduce the extent of 'eradication' and 'containment' pest plants through a programme of inspections and where necessary enforcement on all properties; and take necessary actions on all pest plant complaints.*

Maintain and enhance the indigenous **biodiversity** of the Taranaki region, working alongside landowners and other groups and agencies according to the Council's policies and biodiversity strategy priorities.

*During 2018/2019, prepare at least 20 biodiversity plans per annum for properties containing key native ecosystems (KNE), initiate and support implementation of work programmes on all KNE's with a biodiversity plan and undertake a trial programme to test large-scale predator suppression and eradication techniques across a landscape scale. The trial will target possums, mustelids (weasels, ferrets and stoats), feral cats and rats.*



## Transport



Promote an integrated, safe, responsive and sustainable land transport system for Taranaki; promote the provision of community passenger transport in Taranaki; and assist the special transport needs of the transport disadvantaged. Promote safe navigation for all users of the waters of Port Taranaki.

*In 2018/2019, the Council will maintain the Regional Land Transport Plan for Taranaki and the Regional Public Transport Plan for Taranaki. Continue to operate extended passenger transport services in New Plymouth urban areas and regional Taranaki, and the total mobility subsidy assistance programme, subject to funding approval processes. Continue to provide harbourmaster and harbour warden services for Port Taranaki to implement relevant harbour bylaws and regulations.*



## Hazard management



Promote and enhance, within the Taranaki community, an integrated, comprehensive civil defence emergency management system.

*In 2018/2019, the Council will implement the Civil Defence Emergency Management Group Plan for Taranaki and the 2018/2019 Taranaki Civil Defence Emergency Management Annual Business Plan.*

Manage and maintain the Waitara and Waiwhakaiho flood protection schemes and manage other minor river control schemes to accepted or agreed design standards to minimize or prevent damage by floods and river erosion. The Council will continue to provide accurate and timely flood warnings and flood control advice, and undertake minor works and associated actions to minimise or prevent damage by floods and river erosion.

In 2018/2019, all flood control schemes will be maintained to the 1 in 100 year levels of protection or to the standard set in the relevant asset management plan for minor schemes. Rainfall and river levels will be monitored and timely flood warnings issued.



## Recreation, culture and heritage



Facilitate the continued development and maintenance of Yarrow Stadium and ensure that Tupare, Hollard Gardens and Pukeiti are maintained as regionally significant recreational and heritage amenities.

*In 2018/2019, continue to provide funding for the ongoing maintenance and upgrade of Yarrow Stadium through the Taranaki Stadium Trust. Continue to implement the Pukeiti asset management plan. Maintain an ongoing partnership relationship with the Puke Ariki regional museum and library, including the ongoing use of display and presentation material within an annual project.*



## Regional representation, advocacy and investment management



Ensure that the Council-owned port company, Port Taranaki Ltd is efficiently managed as a successful business and that property and treasury investments are efficiently managed. Promote community awareness and understanding of the Council's functions and activities, and make quality and timely information publicly available. This area of activity will include further development of the social media, mobile and on-line presence. Continue its environmental education programme where, over the period of this Plan, with approximately 50,000 school students in class visits, field trips and visits to educational areas.

*Specifically in 2018/2019, engage with the community across a range of channels including print and digital publications, news media, websites, mobile and social media, and implement an environmental awards programme. Provide an environmental education programme for school children and the wider community including class visits, field trips and the Pukeiti Rainforest School.*

Ensure that public representation by the Council and its Committees is carried out effectively and efficiently according to statutory requirements and advocate on behalf of the Taranaki community on matters of regional interest or concern



Over the life of this *Plan* the Council intends to retain a strong financial position with no public debt and maintain sound financial performance with minimum required rate increases.

The total rate take (general and targeted rates) is planned to increase by \$698,112. Specifically for 2018/2019, the general rate will increase by \$342,534 or 4.5%. The uniform annual general charge will be \$56. Rates for Yarrow Stadium remain unchanged from last year. River control and flood protection targeted rates will increase by \$11,252 and targeted rates for passenger transport services will increase by \$349,463.

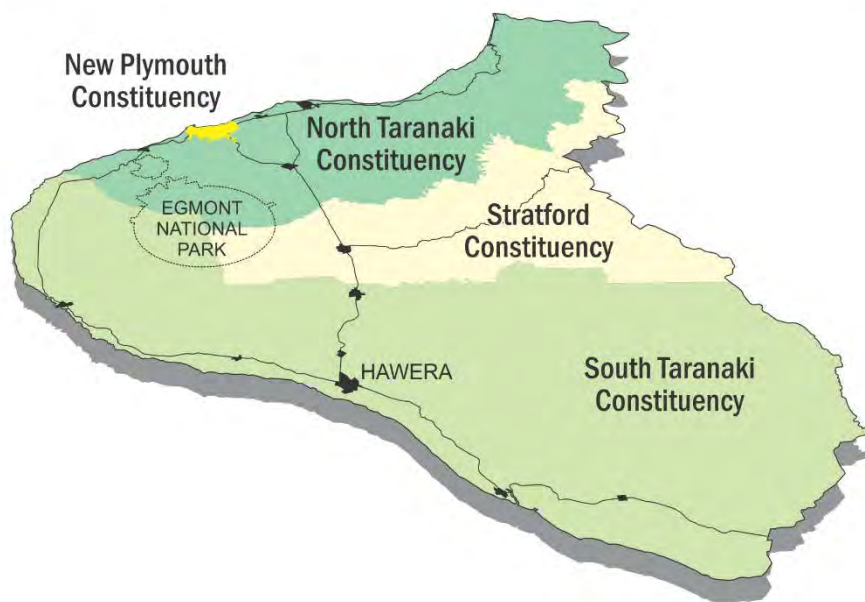


# Your Councillors

Your Councillors prepared this *Long-Term Plan* with the assistance of Council staff and many others.

The Taranaki Regional Council has eleven representatives elected by the community through local body elections every three years, elected as follows:

- New Plymouth constituency                      Five members
- North Taranaki constituency                Two members
- Stratford constituency                        One member
- South Taranaki constituency                Three members



## Governance

The publicly elected Councillors have overall responsibility and accountability for the direction and control of the Council.

### Structure of the Council

The Council is made up of eleven Councillors (refer to the *Your Councillors* section) with the following structure being used:

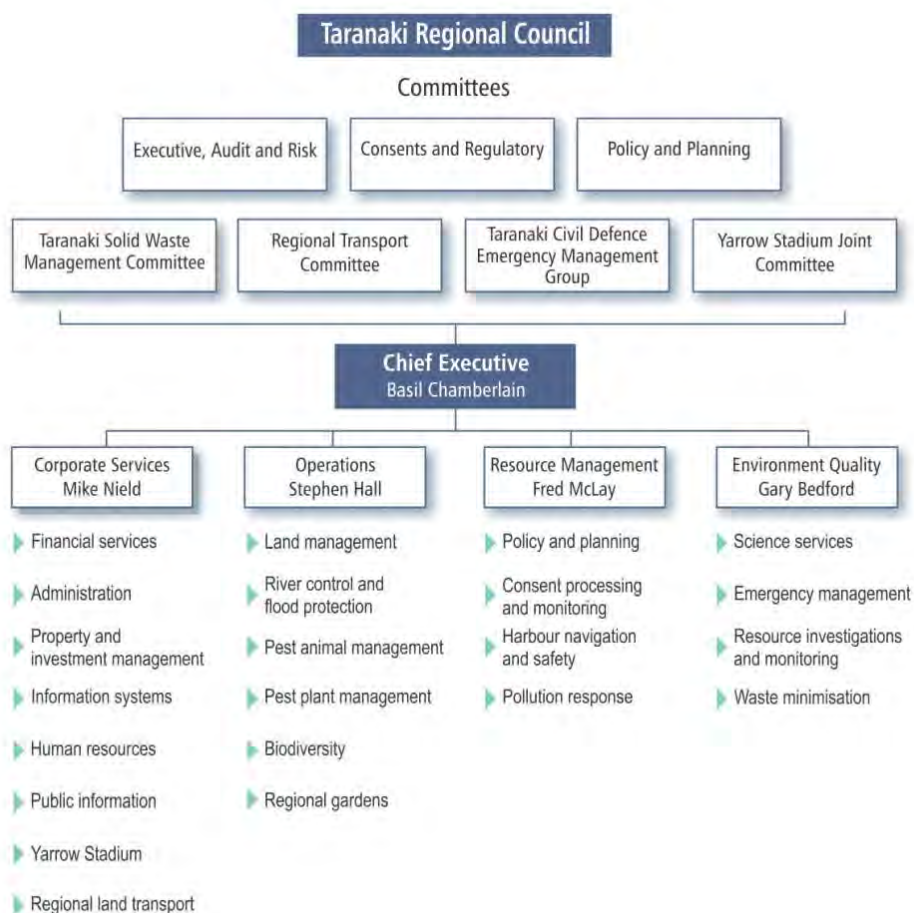


Figure 1: Council committee and staff structure

### Council committees

In formulating its committees, the Taranaki Regional Council is required to take into account the dictates of the *Local Government Act 2002*. This Act requires that a local authority should ensure that, so far as is practicable, responsibility and processes for decision-making in relation to regulatory responsibilities is separated from responsibility and processes for decision-making for non-regulatory responsibilities.

With the exception of the Executive, Audit and Risk and the Consents and Regulatory committees, the Council has decided to appoint non-Council representatives to its various committees as a means to increase the breadth of input to the decisions made by the Council.

## Governance systems

The full Council and main committees meet on a six-weekly cycle, with other meetings convened as necessary. Agendas and minutes from all meetings are publicly available for scrutiny. The adopted structure and approach provides an efficient basis for the sound consideration of issues and the making of good decisions.

## Division of responsibility

There is a clear division of responsibilities between the role of the Councillors and management as required by the *Local Government Act 2002*. The Councillors' focus is on setting strategy and policy together with monitoring its implementation. Management is responsible for the implementation of policy and strategy. While many of the functions have been delegated, the overall responsibility for maintaining effective systems of internal control rests with the Council. Internal control includes the policies, systems and procedures established to provide measurable assurance that the specific objectives are achieved.

## Legislative compliance

As a regulatory body, the Council administers various regulations and laws. As such, it is vital that it also complies with relevant legislation. Members and Councillors are cognisant of the legislative requirements. Where necessary, legal advice is obtained to ensure legislative compliance.

## Environmental compliance

Many activities are focused on promoting the sustainable use, development and protection of the environment. Both regulatory and non-regulatory methods are employed, and a range of different types of monitoring is undertaken, to test the effectiveness of these methods. However, in addition to its overall environmental management role in the region, which is substantially focused on the activities of external parties who use environmental resources, the Council itself occasionally engages in resource use activities in undertaking its functions. Where that occurs, systems and procedures are in place to ensure that its own actions comply with at least the standards expected of all other resource users. These include requirements to apply for and obtain necessary consents, the use of independent persons to make decisions on consent applications, and the implementation and public reporting of effective compliance monitoring.

## Council operations

To undertake its activities, a permanent staff with wide-ranging professional, technical and administrative skills is employed. In addition, the necessary property, equipment and facilities are owned.

Most activities are primarily the output of one section or department. However, a number of tasks, particularly those associated with the development of policy, require resources to be applied from throughout the organisation. The departmental structure has been designed in accordance with fields of activities. It is a flat, compact structure, which results in a high level of delegated authority, productivity and commitment.

## Values statement

The staff of the Council are individually and collectively committed to:

### PUBLIC SERVICE

- behaving with integrity and neutrality in the best traditions of the public sector in New Zealand
- administering our functions for the collective good of our community with consistency, fairness and sensitivity in our treatment of individual situations
- not accepting direct or indirect offers, payment, gifts or bribes in any form and avoiding conflicts of interest.

### SERVICE FIRST

- assisting people in a courteous, helpful, accurate and professional manner
- providing people with a better service than they may expect to receive, noting that many people do not have dealings with us out of choice
- recognising the social and cultural diversity that exists and take this into account in our dealings.

## IMPROVING THE QUALITY OF OUR PERFORMANCE

- ensuring our personal contributions make a real and positive difference to the Council, its mission and performance continually improving the quality of our services to customers and the quality of our working relationships with each other
- improving our time management and productivity by increasing our knowledge and experience of our duties, working in a planned and strategic way and focusing on completing assignments
- calling for assistance when required
- being thorough and professional in our work so that we make sound recommendations and decisions based on knowledge and understanding

## EFFECTIVE COMMUNICATION AND TEAMWORK

- informing each other about our tasks and seeking participation and advice
- communicating with simplicity, clarity, and certainty
- recognising that individual achievements are always underpinned by the assistance of others
- constructively assisting each other, being non-possessive and receptive to advice
- trusting, respecting and being loyal to each other and the organisation
- congratulating each other for jobs well done and helping each other through problems
- participative management systems which encourage constructive and timely expression of opinion, noting that having a say differs from having a vote.

## INITIATIVE AND THE RIGHT TO MAKE MISTAKES

- challenging the way we do things showing initiative with the aim of improving effectiveness
- being innovative in developing and using new ideas, methods and technologies
- minimising mistakes but accepting that we will make mistakes as we learn and improve
- forgiving well-intentioned errors
- being flexible and responsive to change.

## ACCOUNTABILITY AND RESULTS

- being responsible and accountable for our own actions and the quality of our own work
- being collectively responsible for and loyal to the organisation's actions
- achieving results which benefit the community
- not mistaking activity for accomplishment.

## PRESENTATION, RESPECT AND CARE

- presenting ourselves for work in a fit state and in appropriate standards of dress and appearance
- respecting and caring for Council property, plant, vehicles and our workplace as if it were our own
- recognising the need to protect the integrity and public image of the Council and our colleagues in our private lives
- remembering that many of the people who are obliged to contribute to the funding of the organisation have low incomes.

## JOB SATISFACTION

- being appropriately trained and resourced to do our work well
- being satisfactorily rewarded for our work
- enjoying our work.

## Working Together with Māori



The Council recognizes the importance of working together with Māori across the region including Māori involvement in decision making processes. This is part of the Council's Mission Statement to carry out its various responsibilities by, among other things, taking into account the Treaty of Waitangi.

Furthermore, schedule 10 of the *Local Government Act 2002* requires the Council to set out any steps that the Council intends to take to foster the development of Māori capacity to contribute to the decision making processes of the Council. There are eight recognised iwi in the region.

To achieve these objectives the Council intends to undertake the following:

### Foundations of a relationship

Act cooperatively and in good faith showing flexibility and responsiveness and a desire to engage with Māori for the good governance of the region. This will be done in a manner that is inclusive and makes the best use of the resources of both Māori and the Council.

### Policy development

Provide opportunities to involve Māori in major policy decisions including but not limited to policies, plans and strategies under the *Local Government Act 2002*, the *Resource Management Act 1991*, the *Biosecurity Act 1993*, the *Civil Defence Emergency Management Act 2002*, the *Land Transport Management Act 2003*, the *Public Transport Management Act 2008* and the *Maritime Transport Act 1994*.

Notify Māori of draft long-term plans and draft annual plans under the *Local Government Act 2002*.

In carrying out these steps the Council will:

- provide sufficient information to enable Māori to participate effectively in the decision-making processes of the Council
- provide reasonable time for consideration of the information or advice given
- give full and genuine consideration to the views of Māori in making its decisions

- take into account iwi management plans in the development of the Council’s regional plans and regional policy statements under the *Resource Management Act 1991*.

## Resource consents process

Continue and further develop best practice in resource consent processing and administration.

In carrying out these steps the Council will:

- encourage applicants to consult where Māori may be an interested party, as part of an assessment of environmental effects
- ensure that sufficient information is provided by applicants on any actual or potential effects on Māori
- consider extending resource consent processing periods to enable adequate consultation and possible resolution of issues with Māori
- have regard to the effects on Māori in assessing whether resource consent applications are to be notified or non-notified and require applicants to obtain written approval to non-notification where Māori are an affected party including with particular regard to statutory acknowledgements arising from Treaty of Waitangi settlements with iwi
- provide information and technical assistance on resource consents and resource consent processing and administration
- arrange and facilitate meetings and undertake other forms of consultation with Māori as part of resource consent processing and administration
- hold meetings and pre-hearing meetings on marae as appropriate
- arrange interpretation services for the presentation of evidence in Māori when requested
- exclude the public from a hearing and restricting the publication of evidence when necessary to avoid serious offence to tikanga Māori or to avoid the disclosure of the location of wāhi tapu
- consider the participation of Māori in resource consent monitoring, including input into the design of monitoring programmes and involvement in monitoring activities.

## Ongoing engagement

Meet with Māori to discuss any matter of mutual interest or importance at times and venues to be agreed.

Provide opportunities for Māori, within the framework of the Council’s standing orders, to appear before and address any meeting of a Council standing committee or meeting of the full Council.

Seek opportunities when appropriate for the Council to be represented before meetings of Māori governance entities.

Establish as necessary, working parties or other informal groups with representatives of Māori and the Council to progress issues of mutual interest.

Contract with Māori for services for the delivery of specific advice, expertise, information, databases, research projects or training services.

Look to develop with the appropriate Māori governance entities, an effective working relationship between the Council and the governance entities, through memoranda of understanding protocols or other means.

## Representation

Continue to support the Māori representatives on the Councils Policy and Planning and Consents and Regulatory Committees, and in other areas arising out of Treaty of Waitangi obligations.

Consider the need for and desirability of establishing a Māori constituency or constituencies under the *Local Electoral Act 2002*.

## Information management

Share information held by the Council, subject to any statutory restrictions on the release or use of that information.

Protect sensitive information provided to the Council by Māori and restrict access to it in accordance with the *Local Government Official Information and Meetings Act 1987* and other relevant legislation. Obtain agreement from Māori to protect any sensitive or confidential information supplied by the Council.

Give due respect and recognition to silent files or plans held by or given to the Council by Māori.

Explore opportunities to develop in conjunction with Māori, databases or wāhi tapu sites using information technology where possible.

Maintain a database of iwi contacts including authorized voice, member hapu, and marae and provide to Māori contact details for key Council functions, responsibilities and personnel.

Consider iwi involvement or partnerships in Council resource investigations and projects.

## Training

In conjunction with Māori and iwi provide training in tikanga Māori, to councillors and Council staff.

Provide opportunities within the Council's work programmes and activities for Māori to gain experience, training and skill development.

## Resources

Provide technical advice, information and related support in the preparation and review of Council policies, plans and strategies.

Provide staff time and costs in attending meetings, hui or workshops.

Provide technical assistance and advice in preparing iwi planning documents and consider financial or other support for preparing such documents.

Provide technical advice, information and related support in the processing of applications for resource consent.

## Review

The Council will, with iwi, review the effectiveness of its policies and processes for working with iwi at times and places or in ways agreed with iwi.

# Audit Report

Audit report – page 1 of 2.



Audit report – page 2 of 2.

## Purpose and planning processes

This *2018/2028 Long-Term Plan* is the sixth long-term plan to be prepared by the Council under the *Local Government Act 2002*. This *Plan* is important to you because it presents the strategic directions and programmes for the next decade.

As the name suggests, the long-term plan is a document put together to provide a long-term focus for the decisions and activities of the Council. In it you will find a description of the activities to be engaged in over the next ten years, the objectives of those activities and their costs, as accurately as can be forecast over this period. The *Plan* also describes how, through its various activities and programmes, it will contribute to achieving the community outcomes that have been identified in the *Plan*.

Many activities focus on ensuring that Taranaki's natural environment and physical resources are sustainably managed for the long-term benefit of the community. Others such as transport planning and passenger transport services contribute to efficient infrastructure and movement of people and goods so vital to economic development.

The in recreation, culture and heritage, particularly the involvement in the maintenance and development of Yarrow Stadium and regionally important gardens such as Tupare, Hollard and Pukeiti Gardens provide important amenities for the people of the region, protect our heritage and promote tourism. These contribute to a vibrant Taranaki.

Ongoing improvements in river control and flood protection schemes and in enhancing our civil defence and emergency management capabilities will see Taranaki become an even more safe and secure place for people and families to live, work and play.

The *Plan* also describes how, with the help of the community and other organisations, we will work together to achieve these community outcomes. The section of this *Plan* entitled, *Looking to the future*, tells you more about this.

There are a number of other more specific documents, plans and strategies that are in place. These are also prepared and reviewed in consultation with the community. This *Long-term Plan* provides a basis for integrating and coordinating the activities and resources of the Council over the long-term. It provides an opportunity for you, the community, to have a say in these long-term plans.

Under the *Local Government Act 2002*, a long-term plan is required every three years, covering the next 10-year period. An annual plan is required for each financial year a long-term plan is not prepared. The annual plans prepared in the years after the long-term plan largely contain budget, funding and financial statements for that year in support of the long-term plan. The next long-term plan is required to be prepared and adopted by 30 June 2021.

The community outcomes contained within the *Long-Term Plan* are reviewed every three years when the *Long-Term Plan* itself is reviewed. This ensures that activities and programmes set out in the *Plan* are aligned with the community outcomes that the Council aims to contribute to.

The emphasis in preparing this *Plan* has been to produce a straight-forward easy to read document. The *Plan* has been structured in the following way to help readers understand the long-term proposals:

- Building on our strengths—an outline of what's new and what the ongoing aims are.
- At a glance – the key plans and programmes included in the Long-Term Plan.
- Your Councillors/Governance
- Developing Māori capacity – the processes by which the capacity of Māori to contribute to the decision-making processes is fostered.
- Audit report – independent opinion on the extent to which this Plan complies with the *Local Government Act 2002*, the quality of the information and assumptions underlying this Plan, and the extent to which this Plan provides a meaningful assessment of the levels of service to be provided for each activity.

- Purpose and planning processes – a brief description of what the plan is about.
- Looking to the future – an explanation of community outcomes and how the Council will contribute to those outcomes.
- Taranaki region – key factors and influences concerning the environment in which the Council operates.
- Groups of activities – the background, objectives, performance measures and budgets for each of the Council’s activities.
- Financial strategy – a guide to consider proposals for funding and expenditure by making transparent the overall effects of those proposals on services, rates, debt and investments.
- Financial statements – the planned financial performance and position of the Council for the next ten years.
- Explanatory notes – additional financial information.
- Reporting and prudence regulations – statutory disclosure of financial and other benchmarks.
- Appendices – additional policies and financial information including the Infrastructure strategy, the Revenue and financing policy, the funding and financial policies and the charging policies

The information included in the *Plan* has been prepared for the sole purpose of producing a long-term plan. The information contained in the *Plan* may not be suitable for other purposes.

## Looking to the future (outcomes)

Working together to achieve community outcomes.

### Purpose

The *Local Government Act 2002* specifies the purpose of local government, which is to:

- enable democratic local decision-making and action by, and on behalf of, communities
- meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

The role of the Taranaki Regional Council is to give effect to the purpose of local government in relation to the Taranaki region and to perform the duties and exercise the rights given to the Council under the *Local Government Act 2002* or any other Act.

### Community Outcomes – strategic choices and trade-offs

The *Long-Term Plan* provides a long-term focus (over ten years) for the activities of the Council and describes how those activities will contribute to the achievement of community outcomes. Outcomes are simply a desired result or state of affairs. Community outcomes describe the type of place that Taranaki people want the region to be. They describe what we value as important for a good quality of life. It is important to identify the community outcomes that the Council aims to achieve to enable us to plan with a longer-term focus.

The *Local Government Act 2002* requires a long-term plan to describe the community outcomes for the region. Community outcomes that are to be included in the long-term plan are the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions

The broad statements of community outcomes contained in the Council's previous long-term council community plans and long-term plans were developed following a comprehensive and robust public process. The Council considers that they remain appropriate as broad outcomes that it aims to achieve in carrying out its activities. These community outcomes have, therefore, been retained in this *Plan*. The outcomes are as follows:

#### CONNECTED TARANAKI

A region that delivers accessible and integrated infrastructure, transport and communications systems, which meet the needs of residents, business and visitors.

#### PROSPEROUS TARANAKI

A region that boasts a sustainable, resilient and innovative economy that prospers within the natural and social environment.

#### SECURE AND HEALTHY TARANAKI

A region that provides a safe, healthy and friendly place to live, work or visit.

#### SUSTAINABLE TARANAKI

A region that appreciates its natural environment and its physical and human resources in planning, delivery and protection.

#### TOGETHER TARANAKI

A region that is caring and inclusive, works together, and enables people to have a strong and distinctive sense of identity.

#### VIBRANT TARANAKI

A region that provides high quality and diverse cultural and recreational experiences, and encourages independence and creativity.

### Specific community outcomes

The more specific community outcomes that the Council aims to achieve through this *Plan*, and that will contribute to the broader community outcomes, above are as follows:

- Protection of the life-supporting capacity of water, in-stream uses and values
- Efficient allocation of water for consumptive use
- Maintenance and enhancement of overall water quality in our rivers and lakes, groundwater and coastal waters
- Protection of riparian land in intensively farmed (predominantly dairying) catchments
- Sustainable land use in accordance with the physical capabilities of the land and soil resources
- Enhanced opportunities for sustainable development and best use of hill country
- Maintenance of a high standard of ambient air quality
- Resource management policies, plans and strategies that deliver efficient and effective management of the natural and physical resources of the region and are acceptable to the community
- Efficient and effective resource consent processing, administration, compliance monitoring and enforcement
- Pest management plan that delivers efficient and effective management of biosecurity functions
- Pest animals controlled to minimize their adverse effects on biodiversity, primary production and the regional economy and environment
- Pest plants controlled or eradicated to minimize their adverse effects on biodiversity, primary production and the regional economy and environment
- Maintenance and enhancement of indigenous biodiversity
- Land transport policies and activities that deliver efficient, effective and value for money transport solutions, land transport infrastructure and services for Taranaki
- Provision and increasing use of public transport services
- Safe navigation for all users of the waters of Port Taranaki and its approaches
- Effective hazard assessment and disaster risk management, community resilience, and emergency readiness and response capability and capacity in the region to levels that are acceptable to the community
- Flood protection and drainage schemes that protect life and property
- Accurate and timely flood warnings
- Tupare, Hollard Gardens and Pukeiti recognised as regionally or nationally significant gardens
- Partnership relationship with the Puke Ariki regional museum and library
- Presentation and operation of Yarrow Stadium as one of New Zealand’s premier regional sporting stadiums and venue
- Effective advocacy on behalf of the Taranaki community on matters that affect the statutory responsibilities of the Council or that relate to matters of regional significance which are of interest or concern to the people of Taranaki
- Port Taranaki Ltd ownership as a strategic investment.

The detailed measures and targets associated with each of these outcomes are set out in the *Levels of Service* under each of the *Groups of Activities* in this *Plan*.

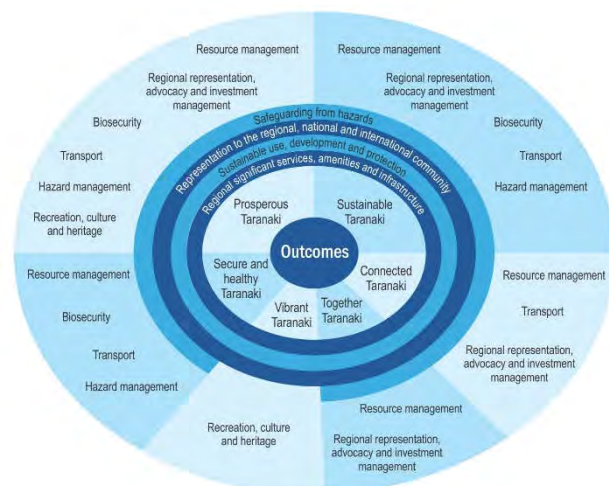


Figure 2: Relationship between the Council’s mission and activities and community outcomes

## How the Council will achieve the outcomes

The ways in which the community outcomes are achieved can take a number of forms. For example the Council could take on the roles of:

- Advocate - trying to persuade others to act
- Facilitator - bringing various parties together to carry out an activity
- Educator - providing information and advice.

The Council can also take on the more direct roles of a:

- Funder - by making a financial investment in a programme
- Service provider - carrying out a programme using the Council's own resources
- Regulator - by developing and enforcing rules
- Monitor - gathering information.

In some cases the Council will be involved in more than one way in furthering its community outcomes. The details of these activities are outlined in the following sections of this *Plan*.

The Council's role in furthering community outcomes is summarised by its mission statement. The mission is a statement of the primary role or reason for existence. The Council's mission is:

*To work for a thriving and prosperous Taranaki by:*

- *promoting the sustainable use, development and protection of Taranaki's natural and physical resources*
- *safeguarding Taranaki's people and resources from natural and other hazards*
- *promoting and providing for Taranaki's regionally significant services, amenities and infrastructure*
- *representing Taranaki's interests and contributions to the regional, national and international community.*

*We will do this by leading with responsibility, working co-operatively, encouraging community participation and taking into account the Treaty of Waitangi.*

The mission statement reflects its core statutory responsibilities and activities in resource management and environmental protection, pest management (biosecurity) and hazard and emergency management. It reflects the role in promoting and providing for Taranaki's regionally significant services, amenities and infrastructure including transport and recreation, culture and heritage activities at the regional level, as well as ownership of Port Taranaki on behalf of the community. The mission statement also reflects the role in representing Taranaki's interests and contributions to the regional community as well as to the national and international community.

The groups of activities shown in Figure x and the more specific individual activities within them, form the basis of reporting on the details of the 10-year programmes contained in later sections of this *Plan*. However, it is the contribution of these activities to the achievement of the community outcomes that lies at the heart of this *Plan*.

Figure x shows how each group of activities is linked to the relevant key community outcomes that it contributes to. It shows that most activities will contribute to furthering the community outcomes of a *Sustainable Taranaki* and a *Prosperous Taranaki*. Some activities will contribute to a *Secure and Healthy Taranaki* while others contribute to the outcomes of a *Connected, Together* and *Vibrant Taranaki*. Through this *Plan*, a significant contribution to the achievement of a *Sustainable Taranaki* is being made.

Regulatory activities, particularly in the area of resource consents processing and administration and compliance monitoring, are core activities. The level of activity in this area fluctuates from year-to-year depending on the level of economic activity and other factors, but it is anticipated that some 4,500 applications for resource consents will be processed over the next ten years. There has always been a strong commitment to monitoring the effects of activities in the region to ensure they do not have undue adverse effects on the environment. Over the next ten years, there will be approximately 33,000 inspections of agricultural and minor industrial operations and complete over 1,500 tailored compliance monitoring programmes for major consents. The policy of efficiency and timeliness while ensuring that environmental effects of resource use on our land,



water, air and coastal resources are thoroughly assessed and closely monitored and enforcement action taken when required, will continue. These activities will continue to be carried out in a way that places the Council at the forefront of national best practice.

Through this *Plan*, there is a programme of regular review and update of the main policy, plans and strategies over the next ten years. This will ensure that the policy frameworks remain relevant, up-to-date and appropriate to the region and fulfil their purpose.

The Council will also work hard to protect our rivers and streams in other ways. A major focus of the land management work over the next ten years will be to continue to promote the retirement and planting of riparian margins along all of our rivers and streams. One of the main instruments to achieve this will be through our riparian management programme and associated supply of riparian plants, delivered under our land management services. This voluntary programme, the largest of its type in New Zealand, is steadily transforming the Taranaki landscape.

By June 2017, 2,687 riparian plans with farmers had been completed. This represents over 99% of Taranaki's dairy farms. The emphasis is now very much on completing plan implementation and resources are being deployed accordingly. Fonterra has a requirement for its suppliers to fence their waterways and the Taranaki approach to the requirement is to plant as well as fence. This has highlighted the importance of the Taranaki riparian management programme and means a significant increase in the rate of implementation. It is planned to provide around 450,000 plants at cost for streamside planting in 2018/2019. The aim is to have 100% of riparian plan streams fenced and 90% protected by vegetation by 30 June 2020.

Within the life of this *Plan*, it is intended to introduce a regulatory regime for the riparian management programme, through the review of the regional fresh water and regional soil plans. This will formalise what most responsible farmers in Taranaki are now doing under the voluntary programme but it will also require the minority of landowners who have simply not bothered to come on board with the programme, to adopt the standards that most have already applied or are in the process of applying. The Council has signalled the change for some years now, so it will come as no surprise to most.

Overall, the riparian management programme with its focus on working with landowners, is having major benefits for water quality in our rivers and streams, and in our coastal waters into which our rivers ultimately

flow. It also provides a major boost to biodiversity protection and enhancement in Taranaki by providing habitat for native plants and animals and corridors of native vegetation from mountain to sea.

Through this *Plan*, there is further commitment to promoting sustainable land management on erosion-prone land, particularly in the region's hill country and other sensitive environments. It is intended to raise the coverage of comprehensive farm plans to over 69% of all hillcountry farms in private ownership over the next ten years. In this time, it is expected that over three million plants will be supplied, at cost, to holders of riparian and comprehensive farm plans.

In addition, the continued close monitoring of soil health in the region to ensure that activities do not lead to any significant deterioration in soil ecosystems and structure, nutrient status or soil contamination.

Resource investigations, monitoring and enhancement is a significant area of activity. Considerable time and resources has been invested in monitoring the overall state of the environment so that the Council is in the best possible position to anticipate trends and take action ahead of time rather than be reactive. This is set to continue over the next ten years. Where necessary research and investigations will be undertaken, at times in conjunction with outside research providers and iwi, to ensure resource management issues or potential issues facing the region are kept abreast of.

All of the activities outlined above will contribute to the outcome of a *Sustainable Taranaki*. They will also help achieve a *Prosperous Taranaki* by enhancing the qualities of Taranaki's natural environment and ensuring it remains a reality in overseas markets, as well as emphasising Taranaki as an attractive place to work, do business and visit.

Details of these activities can be found in the *Resource Management* chapter of the *Plan*.

Biosecurity and biodiversity activities are also set to make further significant contributions to a *Sustainable Taranaki* over the next ten years. Details can be found in the *Biosecurity and biodiversity* chapter of the *Plan*. Pest management is recognised in the *New Zealand Biodiversity Strategy* and the Government's recent Predator Free 2050 initiative as one of the most critical areas for halting the decline in New Zealand's biodiversity and for returning the 'dawn chorus'. The Council has a major role to play. Within the life of this *Plan*, it is intended to continue the successful self-help possum control programme across 235,464hs of rural land. This programme involves a partnership with landowners whereby the Council undertakes initial control to reduce possum numbers to very low levels. Landowners are then trained in appropriate pest management techniques to keep possum numbers at low levels. This very successful programme significantly reduces risks to animal health and pastoral production, and therefore our agricultural economy, as well as protecting our native biodiversity from the highly destructive effects of possums.

A new programme – *Towards a Predator Free Taranaki*, is also planned, building on and expanding the existing possum and other biodiversity programmes.

Practical assistance in the form of environmental enhancement grants will continue to be made available over the life of the *Plan* for regional initiatives to protect the environment. It is aimed to use this scheme to further protect and enhance the region's remaining significant wetlands and areas of native bush, and to protect our native freshwater ecosystems – all contributing to protecting and enhancing the region's biodiversity.

Over the next 10 years, the Council will expand its role further in maintaining and protecting the region's biodiversity. This is an area of enormous challenge, not only for Taranaki, but also for New Zealand as a whole. The threats to our native plants and animals are real and the costs of protection of habitats and species is potentially high.

However, with positive working relationships and the goodwill of landowners that already exists in Taranaki, significant progress can be made in this area. The broad policy to maintain and enhance our indigenous biodiversity has been developed through reviews of our *Regional Policy Statement*, our *Biodiversity Strategy* and our pest plans. The key to successful implementation of our policy is having good information and a commitment to work alongside landowners in a proactive, constructive and supportive way to maintain and protect our most valued areas.





Working closely with a number of stakeholders, our key native ecosystems, together with their values and threats, have been identified. Our *Biodiversity Strategy* has been recently reviewed with priorities and key actions confirmed, the Council has also work closely with others to establish the new regional biodiversity trust – Wild for Taranaki, with the aim of coordinating collective action and raising and distributing funds for biodiversity protection. Now that these initiatives are in place, work alongside our landowners and partners to protect our most significant natural areas and native plants and animals is proceeding. Our focus over the next ten years will be on working with landowners to protect key native ecosystems, working with others and building on existing successful programmes to protect the regions biodiversity.

Continued implementation of the regional biodiversity monitoring programme will also be important to track progress and inform future management interventions.

The recently reviewed *Regional Pest Management Plan for Taranaki* will be implemented, with a range of activities focused on managing the impacts of pests on both the economy and the environment planned.

The role in land transport planning and associated services is programmed to continue through the life of this *Plan*. A period of consolidation and refinement of services, with adjustments to meet changing community needs and demands, are anticipated over the next ten years. Details of the Council's transport activities can be found in the *Transport* chapter of this *Plan*.

A *Regional Land Transport Plan* for the region that includes information on all aspects of land transport, including state highways, local roads, public transport, walking and cycling is operational. A key part of the *Plan*, which is reviewed and prepared every three years, is regionally agreed priorities for major projects. This function is carried out by the Regional Transport Committee and relies upon a collaborative approach between central, regional and local government.

In respect of operational activities - planning and funding public transport services - further gradual enhancements in services are proposed over the next ten years.

In recent years, there has been a successful transition to a fully-contracted urban bus service in New Plymouth, once-a-week services throughout rural Taranaki, and a four-times-daily bus service between Hawera and New Plymouth. This *Plan* anticipates that these services will continue. Provision of well-designed and cost-effective public transport services that meet the needs of users, and particularly the needs of the transport disadvantaged, is important for the social wellbeing of the community.

This Council will continue to work with other funders and providers, including iwi, to ensure that the needs of the transport disadvantaged are met. This will ensure that all members of the community have reasonable access to transport for those social, health, educational, recreational or employment opportunities that are important to maintain an acceptable quality of life.

These activities will promote the community outcomes of a *Prosperous, Sustainable, Connected and Secure and Healthy Taranaki*.

Over the next ten years, the Council will continue to participate in a regional approach to further strengthen civil defence emergency management structures and processes. Details can be found in the *Hazard Management* chapter of this *Plan*. This will result in a region-wide civil defence emergency management structure, working to policies and programmes developed under each updated *Taranaki Civil Defence Emergency Management Group Plan* and delivered at a local level. This will ensure that the risks to people, property and the environment from all hazards are managed to acceptable levels.

River control and flood protection will continue over the next ten years, including ongoing maintenance of the Waitara, Waiwhakaiho, Okato, Waitotara and Opunake flood protection schemes. In the past few years, a substantial increase in the level of flood protection associated with the *Lower Waiwhakaiho Flood Control Scheme*, the *Lower Waitara River Flood Control Scheme*, and the *Opunake Flood Control Scheme* has been completed. These activities will make a significant contribution to a *Sustainable, Prosperous and a Secure and Healthy Taranaki*.

This *Plan* continues the role in the ongoing development and maintenance of Yarrow Stadium, with New Plymouth District Council undertaking the day-to-day operation of this regionally-significant facility. The partnership, and associated funding streams, is vital as Yarrow Stadium competes to attract international and national events. Details can be found in the *Recreation, culture and heritage* section of this *Plan*.

The *Plan* also provides for the maintenance and enhancement of three regionally significant and nationally recognised garden amenities. For Tupare and Hollard Gardens, this is largely maintenance of the status quo. For Pukeiti, the continued rejuvenation through implementation of the asset management plan continues to be the focus. This *Plan* provides for a upgrades of facilities at Pukeiti and investing in a new Kaitake Trail. Details of these activities can be found in the *Recreation, culture and heritage* chapter of this *Plan*.

The activities in the area of recreation, culture and heritage will contribute to the outcomes of a *Prosperous and a Vibrant Taranaki*.

When the need has arisen, or where the community has demanded it, the Council has taken on a regional representation role. This activity is expected to continue over the next ten years.

Also continuing is the programme of community engagement, information transfer, advice and education on the Council's activities. This will raise awareness and involvement within the community and will continue to stimulate positive attitudes and actions towards the environment. Use of the Puke Ariki regional museum and library complex for this purpose will add a new dimensions to efforts in this area in future years.

Investments, including the 100% shareholding in Port Taranaki Ltd, will continue to be managed to optimise returns in the long term, while balancing risk and return considerations. Port Taranaki is a critical part of the region's infrastructure.

Details of these activities can be found in the *Regional Representation Advocacy and Investment Management* chapter of this *Plan*. These activities will contribute to the outcomes of a *Sustainable, Prosperous, Connected and a Together Taranaki*.

## How the Council will work with others

The Council will work with other local and regional organisations, Māori, central government and non-government organisations, and the private sector in furthering community outcomes. The range of organisations and stakeholders worked with is shown in Figure x.

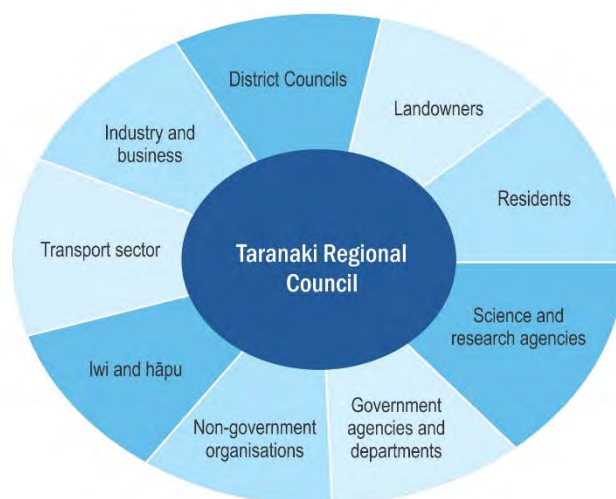


Figure 3: The stakeholders that the Council will work with.

The Council's role and how it will work with others will vary depending on the specific outcome and the activities involved. In areas where it has a primary role, it will act as the lead agency, being largely responsible for action in a particular area.

This is the case in the areas of promoting the sustainable use, development and protection of our natural and physical resources, and in safeguarding the community from natural and other hazards. In these areas the Council's involvement is wide, which requires it to work with many stakeholders in a number of different ways, for example, as a regulator, funder and educator. In other areas, such as in regional representation, its role may be one of advocating, supporting or monitoring. In appropriate cases of regional significance, the Council may take on a more direct role which may involve working jointly or in partnership with other agencies. In consulting and working with the community, the Council will apply the consultation, planning and decision-making provisions of the *Local Government Act 2002* and other statutes that it works under. Partnerships, and work through other forums, with its stakeholders to agree on approaches to furthering community outcomes will continue.

## Monitoring and reporting

Monitoring and reporting activities that will assist in measuring progress towards achieving the community outcomes set out in this *Plan* are undertaken on an on-going basis.

There is a comprehensive monitoring framework in place with many varied and wide-ranging programmes to monitor and to report on the outcomes of its activities. The main components of this framework, and their connection to the planning processes, are shown in Figure x. The monitoring framework is complex and multi-tiered. It covers a range of monitoring programmes, from overall state of the environment monitoring, monitoring of specific activity areas (such as pest management and land transport) and monitoring of individual resource consents for compliance with consent conditions and statutory policies. It also covers different time scales (from continuous, to quarter-hourly, daily, quarterly, annually, three-yearly, five-yearly or longer) according to different needs or requirements.

Monitoring is also undertaken at different geographical scales (region-wide, catchment, eco-regions, property-based or site-specific) and may involve different types of information.

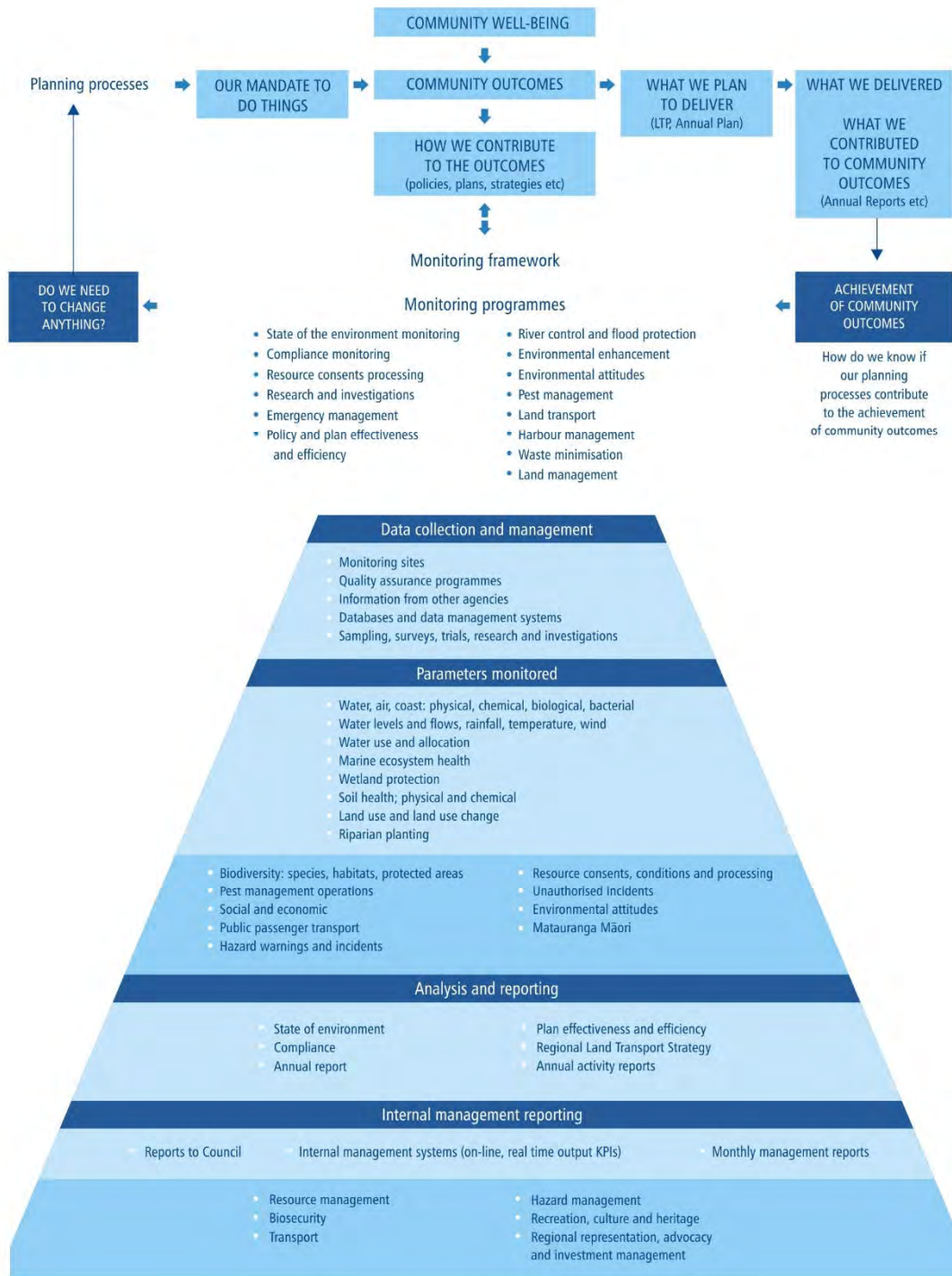
In developing its monitoring programmes, an integrated monitoring framework has been developed that recognises the need for consistency, coordination and integration of monitoring activities:

- within the Council – to generate information that is timely, relevant and useful across a number of activities
- with other agencies – to avoid duplication and to make use of other sources of information where appropriate
- across issues and media – to recognise the inter-connected nature of the biophysical, economic, social and cultural environments.

Effective data collection and management underpins all aspects of the monitoring programmes. This involves careful selection and maintenance of monitoring sites (having regard to the purpose, location, type and number of sites); proper sampling, surveying and analysis being undertaken according to recognised quality assurance programme by suitably qualified staff; and the maintenance of effective databases and data management systems. A wide range of parameters is used in monitoring and these form the foundations of the monitoring framework.

Programme performance indicators for monitoring progress on implementation of this *Plan* are set out in later stages of this *Plan*. These programme performance indicators are specifically measured, monitored and reported on monthly and annually. The full year's achievement of these programme measures is included in each year's audited annual report. It should be noted that these performance measures focus on whether the defined tasks have been performed. A wider range of performance measures are contained in other reports prepared by the Council. The results of measurement of progress on this *Plan* towards the achievement of community outcomes are published in each year's annual report.

Figure 4: Monitoring and reporting framework



# The Taranaki Region

## The region

The Taranaki region covers a land area of 723,610 hectares, reaching as far north as the Mohakatino catchment, south to include the Waitotara catchment and inland to the boundary of, but not including, the Whanganui catchment. The region extends 12 nautical miles offshore to include the waters of the territorial sea.

Taranaki consists of four distinctive landforms, each of which requires a different type of environmental management. The Taranaki ring plain, centred on Mount Taranaki, consists of fertile and free-draining volcanic soils. The ring plain supports intensive pastoral farming, particularly dairying that is most intensive on the flatter land in southern Taranaki. A large number of rivers and streams, which radiate from Mount Taranaki, are extensively used by the agricultural sector, for community water supplies and for a wide range of recreational purposes.

To the east of the ring plain lies the Taranaki hill country, comprising siltstones, sandstones and mudstones, known locally as papa. The topography of the hill country is steeply dissected and is prone to soil erosion and slipping, but can support both pastoral farming and commercial forestry when managed in accordance with the physical limitations of the land.

The coastal terraces along the north and south Taranaki coast make up the third major landform feature of the region. The soils of these areas are among the most versatile and productive in the region but the combination of light, sandy soils and strong winds in some areas can lead to localised wind erosion.

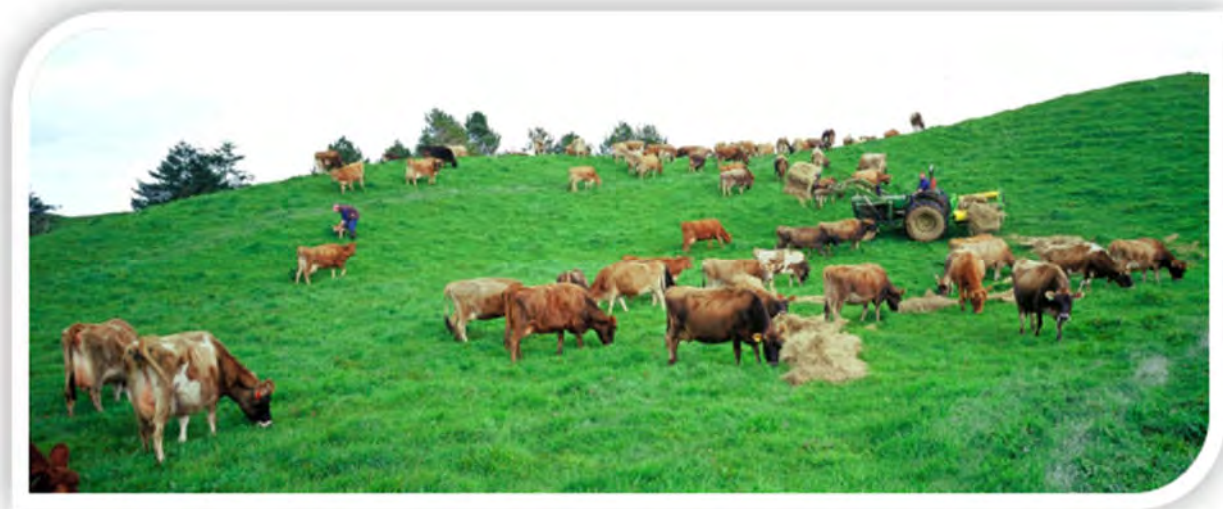
The Taranaki coastal environment is the fourth of the major landforms. The region is exposed to the west and as a consequence, high-energy wave and wind conditions dominate the coastal environment. There are few areas of sheltered water beyond the major estuaries such as the Tongaporutu, Waitara and Patea rivers, and the confines of Port Taranaki. The Taranaki region has a temperate climate with generally abundant rainfall. The incised nature of ring plain streams means that flooding is not a major problem. However, occasional intense rainfall events can lead to rapid rises in river levels and flooding in hill country valleys and elsewhere.

## The people

Figures from the 2013 census show the total population of Taranaki stands at 109,608, an increase of 5.3% over the 2006 census figure. In the previous census period (2001-2006) the population of the region increased by 1.2%. Taranaki’s population accounts for 2.6% of New Zealand’s total population.



Figure 5: The Taranaki Region



Population changes have also varied within the region. The most notable feature has been the continued growth in the proportion of the population residing in the New Plymouth district, which contains 67.7% of the region's population – up from 64.7% in 2001. Both Stratford and South Taranaki districts have experienced small population increases since 2006.

The general trend has been for a decrease in the population of smaller rural towns and an increased concentration of population in north Taranaki and the main centres.

The Taranaki population is both older and younger than the national average, with a higher proportion of children under 15 years and adults over 65 years of age. This may be in part due to lifestyle factors, as Taranaki is seen as an attractive and desirable area for family living with good facilities and affordable housing.

The percentage of Māori within the region continues to increase from 14.7% at the 2001 census to 15.2% at the 2006 census and 16.6% at the 2013 census.

## The economy

A notable feature of the Taranaki region is its reliance on the region's natural and physical resources for its social and economic wellbeing. Farming and other land-based activities continue to play a prominent role in employment.

Over 16% of the labour force is employed in agriculture and fisheries, compared with 8.3% nationally. Dairying dominates farming in Taranaki, particularly on the ring plain. There are approximately 1,675 dairy farms and about 487,000 dairy cows, producing approximately 9.7% of New Zealand's total milksolids. In addition to direct farm income from milk production, the added value by the processing of milk, whey and cheese manufacturing, is a significant contributor to employment.

Sheep and beef farming are concentrated in the hill country and also play an important part in the regional economy.

Exotic forest plantations continue to expand, with the region offering a suitable climate, good forestry sites and a well-established roading system and port facility.



The oil and gas industry is a major contributor to the regional economy. The Taranaki Basin is currently New Zealand's only hydrocarbon producing area, with the Kapuni and the offshore Maui fields making up the major part of New Zealand's natural gas resources. Extensive drilling programmes have continued in an effort to support the Kapuni and Maui fields. These have resulted in a number of significant additional fields being discovered in the last 10 to 15 years. The Mangahewa onshore gas and condensate field was discovered in 1997, the Maari offshore field in 1998 and the Rimu onshore field in South Taranaki in 1999. The nearby Kauri field was discovered in 2001. The Pohokura offshore gas field in North Taranaki, the largest gas and condensate find in 30 years, was discovered in 2000 and brought into production in 2006. The offshore Tui well was discovered in 2003 and brought on-stream in 2008. Production from the offshore Kupe field, first discovered in 1986, commenced during 2010. Despite recent downturns in the oil and gas industry, exploration interest in Taranaki remains high.

The presence of oil and gas in the region has given rise to industries involved in the processing, distribution, use and export of hydrocarbons. Production stations or gas treatment plants are found at Oaonui, Kapuni, Waihapa, Rimu, Kaimiro and the McKee oil and gas field. An ammonia urea plant is located at Kapuni, UF resin plant at Waitara and gas-fired power stations at Stratford and McKee, while methanol production occurs at Motunui and Waitara Valley.

Tourism is playing an increasingly important role in the Taranaki economy, with approximately 625,623 guest nights spent in the Taranaki region by domestic and international visitors per annum. Most visitors are from other North island regions. Some 97,342 guest nights were from international visitors – an increase of 26.5% over the previous 12 months. The region's mountain, forests, gardens and parks are attracting increasing numbers of visitors for rural-based and outdoor recreation activities. The Taranaki region is also becoming increasingly popular and recognised for a range of organised cultural, sporting and other events.

As an export-based economy, major changes in the world economy or commodity prices can significantly affect Taranaki. The regional economy is therefore more vulnerable to changes in overseas markets and price fluctuations for our land-based products than larger urban-dominated regions.



## Environmental issues

The use and quality of water is the major resource management issue in the region. Water is a vital resource for agriculture, recreation and industry and has profound cultural and spiritual importance to the community.

While overall water quality in the region is very good, particularly in the upper catchments, there is some deterioration in the lower reaches of rivers as a result of intensive agricultural land use.

Dairying will continue to play a prominent role in the regional economy and this will place ongoing pressures on our water resources from farm run-off, sediment and nutrients. Increased efforts will be needed just to maintain current water quality and to improve quality where deterioration has occurred. Attention must continue to be given to promoting good land and riparian management practices.

Management of the many industrial, municipal and agricultural waste discharges from individual point sources has improved significantly over the years. These discharges are closely monitored. It is vital for Taranaki's future that all such discharges are managed sustainably. Where there are gaps in our knowledge of the resources of the region or the environmental effects of their use, necessary investigations and research must be undertaken to improve our understanding.

Other significant environmental issues facing the Taranaki region include:

- managing clearance of bush and scrub on steep hill country, to avoid soil erosion that degrades land productivity and water quality. Parts of the inland hill country experience significant soil erosion but changes to more sustainable land use practices and conversion to forestry present opportunities to address this
- controlling threats to indigenous flora and fauna and the economic costs faced by the region as a result of pest plants and pest animals
- managing the coastline and coastal waters in a way that recognises special ecologically and culturally sensitive areas within the coastal environment, and that allows appropriate use and development of the coast
- promoting protection of the region's indigenous biodiversity
- managing discharges of contaminants to air and maintaining the high overall standard of air quality
- managing the allocation of the region's surface water resources, especially for increasing interest in pasture irrigation.

## Resource management issues and iwi

The tangata whenua, through the region's eight iwi: (Ngāti Tama, Ngāti Mutunga, Ngāti Maru, Te Atiawa, Taranaki, Ngāruahine, Ngāti Ruanui and Ngāa Rauru) have a special relationship with the regions natural and physical resources. Inherent in this relationship is kaitiakitanga which seeks to maintain the mauri of these resources, while allowing the ability to use and develop them for social, cultural and economic well-being. Iwi either individually or as a collective wish to maintain meaningful and adequate input to decision-making and to have effective and efficient structures and processes in place to enable that to occur.

## Groups of Activities

The following sections of this Plan summarise the plans and programmes for each one of the Council's groups of activities in detail for 2018/2019, in indicative terms for 2019/2020 and 2020/2021, and in general terms for the seven years after that.

### Introduction

For the purpose of this *Plan*, the Council has arranged its business into six groups of activities, namely:

- resource management
- biosecurity and biodiversity
- transport
- hazard management
- recreation culture and heritage
- regional representation, advocacy and investment management.

Information is presented to identify the activities within each of the groups and to identify the background rationale for delivery of the activities, including the community outcomes to which each group of activities primarily contributes.

The estimated levels of expenditure and how that expenditure is to be funded are also outlined. Funding proposals are consistent with the Council's *Revenue and Financing Policy*.

### Intended levels of service, performance measures and targets

Performance measures and targets by which performance may be judged in relation to intended levels of service are included for each group of activities. These essentially outline the key results or outcomes, in terms for example, standards of environmental quality, which the Council expects to achieve from each of its groups of activities. The measures and targets are not totally comprehensive, but those presented have been selected as key indicators, sufficient to allow performance to be meaningfully assessed.

In addition to the levels of service measures and targets presented for each group of activities, for each of the activities within every group, work programmes are presented which contain further performance related measures and information. The most important measures by which performance may be judged in respect of these work programmes is that of whether the defined tasks have been performed as specified.

As well as the specific output targets identified the Council also intends that performance may be measured in terms of:

- Timeliness—in all cases, unless stated otherwise, the target is to complete the tasks by 30 June of each year
- Cost—in all cases the target is to complete the tasks defined within the budget set in the Indicative costs and sources of funds
- Quantity—in all cases where a quantity measure is specified, the target is to meet that specified quantity
- Quality—in all cases the target is to meet the quality expectations of the elected Councillors. The Council has extensive quality control procedures in place to ensure a high level of quality is present in the receipt of products or undertaking of activities. These range from laboratory accreditation, professional standards and systems to legal standards and benchmarking surveys. Overarching these procedures, acceptance of performance by the Councillors on behalf of the regional community is acceptance of the overall quality of performance
- Location—in all cases where a location is specified, the target is to deliver the service in that location.

### Performance monitoring and reporting context

The Council uses a very wide range of measures and targets to monitor and report upon performance at all levels and for a variety of purposes in addition to those presented herein. These are analysed and reported on at regular intervals (refer to the section of the Plan entitled Monitoring and reporting and Figure 4).

The Council will publicly report on the performance measures in this *Plan* in each year's audited annual report.

Additional measures by which the performance of the Council can be assessed are found in the various statutory policies, plans and strategies and other documents that the Council has prepared. The measures included in these statutory strategies, policies and plans are monitored, analysed and publicly reported upon in various timeframes (live, monthly, yearly or five yearly).

## Common asset information

For each group of activities the Council is required to identify the assets or groups of assets required by the group of activities and identify, in relation to those assets or groups of assets:

- how the local authority will assess and manage the asset management implications of changes to:
  - demand for, or consumption of, relevant services
  - service provision levels and standards.
- what additional asset capacity is estimated to be required
- how the provision of additional asset capacity will be undertaken
- the estimated costs of the provision of additional asset capacity
- how the costs of the provision of additional asset capacity will be met
- how the maintenance, renewal, and replacement of assets will be undertaken
- how the costs of the maintenance, renewal, and replacement of assets will be met.

All groups of activities utilise the day to day operational assets of the Council (buildings, motor vehicles, plant and equipment, office furniture, and computer equipment). Other than for river control and flood protection, no assets of significance (as defined in the *Significance and Engagement Policy*) or infrastructure assets are used.

The Council maintains sufficient operational assets to undertake its activities. The operational assets are maintained to sufficient service levels to enable staff to complete their duties efficiently and effectively. The maintenance and replacement of these assets is undertaken on a ten-year programme. All maintenance budgets are included in the operational expenses of the Council. New capital expenditure programmes and replacement capital expenditure programmes are also on a ten-year cycle and are included in the capital expenditure budgets.

All operational assets are depreciated over their useful life. Replacement and new operational assets are funded from retained earnings, being the accumulated depreciation on existing operational assets. Any significant increase in operational assets that could not be funded from retained earnings would be funded by application of the Council's *Revenue and Financing Policy*.

Any additional asset information that is specific to each group of activities is included where relevant for each group under the heading *Specific group asset information*.

## Disclosure of significant negative effects on well-being

It is conceivable that some Council activities which are undertaken to promote specific community outcomes may have adverse effects for other outcomes. For each group of activities the Council is required to identify and disclose these, where they are considered potentially significant.

Based on historical monitoring, for all of the groups of activities and associated programmes in this *Plan*, no significant negative effects on the social, economic, cultural or environmental wellbeing of the community have been identified. The Council will continue to monitor for significant negative effects on the social, economic, cultural or environmental well-being of the community.

# Resource management

## Resource management activities

Resource management comprises the following activities:

### RESOURCE MANAGEMENT PLANNING

—preparing, adopting and maintaining comprehensive and publicly considered policies, plans and strategies that will deliver to the Taranaki community, efficient and effective management of the Council's functions and Taranaki's natural and physical resources. This activity contributes to all levels of service (1 through 9) but is directly linked to the resource management policies, plans and strategies level of service (refer to level of service 8).

### CONSENT PROCESSING AND ADMINISTRATION

—managing the Council's resource consenting responsibilities by efficiently and effectively providing advice on consenting obligations and processing applications—refer to levels of service 1, 2, 3, 5, 7 and 9.

### COMPLIANCE MONITORING PROGRAMMES

—undertaking effective and efficient monitoring of resource consents and, where necessary, undertaking successful enforcement action—refer to levels of service 1, 2, 3, 5, 7 and 9.

### POLLUTION INCIDENTS AND RESPONSE

—responding effectively to pollution incidents, reducing the occurrence and effects of pollution and other unauthorised incidents and, where necessary, undertaking successful enforcement action—refer to levels of service 1, 2, 3, 5, 7 and 9.

### STATE OF THE ENVIRONMENT MONITORING

—monitoring the state of the environment in Taranaki to enable periodic evaluation of the state of and trends in environmental quality and of the effects of the implementation of the Council's policies and plans—this activity contributes to all levels of service (1 through 9).

### RESOURCE INVESTIGATIONS AND PROJECTS

—providing relevant research information for resource management purposes—this activity contributes to all levels of service (1 through 9).

### SUSTAINABLE LAND MANAGEMENT PLANS AND PLANT SUPPLY PROGRAMME

—promoting sustainable land and riparian management by providing land management advice and information on an individual property

basis and through advocacy and facilitation—refer to levels of service 4, 5 and 6.

### ENHANCEMENT GRANTS

—promoting the protection of the environment through the provision of targeted enhancement grants refer to levels of service 5 and 6.

## Resource management and community outcomes

The Resource Management group of activities contributes to community outcomes by promoting the sustainable use, development and protection of Taranaki's natural and physical resources of land and soil, water, air, coast and biodiversity in accordance with the Council's statutory duties, regional planning objectives and national policy and other standards. Specifically this group of activities contributes to the following community outcomes:

- Secure and Healthy Taranaki
- Prosperous Taranaki
- Sustainable Taranaki
- Connected Taranaki
- Together Taranaki.

Resource management activities will contribute primarily to the outcome of a *Sustainable Taranaki*. They will also assist in the achievement of a *Prosperous Taranaki* by enhancing Taranaki's clean, green image and ensuring it remains a reality in overseas markets as well as emphasising Taranaki as an attractive place to work, do business and visit.

## Further information on policies and programmes

Further detailed information on the specific strategies, policies, plans and guides relating to this group of activities can be found from the following sources:

- Resource Management Act 1991
- Soil Conservation and Rivers Control Act 1941
- Local Government Act 2002
- Regional Policy Statement for Taranaki 2010
- Regional Coastal Plan for Taranaki 1997
- Proposed Regional Coastal Plan for Taranaki 2018
- Regional Fresh Water Plan for Taranaki 2001
- Regional Soil Plan for Taranaki 2001
- Regional Air Quality Plan for Taranaki 2011
- Taranaki Regional Council Requirements for Good Farm Management in Taranaki 2017
- Regional Waste Strategy for Taranaki 2011

- Resource Consent Procedures document
- Resource Consents Monitoring Procedures document
- Resource Management Act Enforcement Policy 2017
- Enforcement Provisions and Procedures, Resource Management Act 1991
- Delegations Manual for the Taranaki Regional Council
- Charging Policy under section 36 of the Resource Management Act 1991
- Sustainable Dairying and Water Accord 2013
- Taranaki Regional Marine Oil Spill Response Plan 2016
- State of the Environment Monitoring Procedures Document 1997.

## Rationale and background

Resource management planning is a core activity for the Council. A range of statutes require or enable engagement in policy and planning activities. Public consultation and information are fundamental elements of this activity. Policies, plans and strategies that have statutory force must be developed in accordance with procedures provided in parent statutes. In general these procedures require the detailed analysis of options and provide extensive opportunities for formal and informal public input.

Under the *Resource Management Act 1991* a regional policy statement is required. The first *Regional Policy Statement for Taranaki* became operative in 1994 and has been reviewed in accordance with statutory requirements. The reviewed *Regional Policy Statement for Taranaki* became operative in 2010. This instrument identifies the regionally significant resource management issues in Taranaki and the actions to be taken to address them. It prescribes roles in respect of a number of its activities such as land and water management.

Regional plans are subservient instruments to the *Regional Policy Statement for Taranaki*. They focus on presenting the regulatory framework to be applied to resource use activities by defining consent procedures and requirements. All four of the Council's regional plans are operative. These regional plans are the *Regional Coastal Plan for Taranaki 1997*, the *Regional Fresh Water Plan for Taranaki 2001*, the *Regional Soil Plan for Taranaki 2001* and the *Regional Air Quality Plan for Taranaki 2011*. A *Proposed Regional Coastal Plan* has been publicly notified.

Considerable resources have been applied to regional plan preparation. The Council has formed the view that in addition to preparing plans with the aim of promoting sustainable resource management, a key aim of plan preparation is to provide greater efficiency in resource management administration. The opportunity to categorise a wide range of resource use activities, with well-known and minor effects, as permitted or controlled, is being used to remove unnecessary time and cost associated with consent processing. Such rationalisation increasingly enables the resources of the Council to be more clearly focused on the more significant resource management issues. It also has significant cost benefits for a wide range of resource users.

Maintaining publicly considered policies and plans therefore provides the community with confidence that the systems and processes in place to manage the natural and physical resources of the region are effective and efficient. They not only provide the basis to protect our environment for present and future generations but also establish Taranaki as a cost effective place to do business. Public confidence in and acceptance of the strategic resource management policy and planning documents is an important outcome for the Resource Management group of activities.

There is a requirement to review existing plans, and the regional policy statement, after they have been operative for 10 years. The first *Regional Air Quality Plan* was first made operative in 1997 and has since been reviewed and replaced by the current *Regional Air Quality Plan 2011*. Reviews of its remaining regional plans: the *Regional Coastal Plan for Taranaki 1997*, *Regional Fresh Water Plan for Taranaki 2001* and *Regional Soil Plan for Taranaki 2001* have commenced.

The Council is also required to change its plans where necessary to give effect to national policy statements and national environmental standards prepared by central government. Two such instruments in particular, the *New Zealand Coastal Policy Statement 2010* and the *National Policy Statement on Freshwater Management 2014* and amendments, will have an important influence on the reviews of the Council's coastal, fresh water and soil plans programmed to be undertaken during the term of this *Plan*.

The involvement of Māori and the iwi of Taranaki is important in any statutory plan review. Of particular importance will be the review of the *Coastal Plan* and the *Fresh Water Plan*. As Tangata

Whenua, the involvement of iwi in regional plan reviews will therefore play an important part in the development and decision making process for particular plans. Meeting the requirements of the Mana Whakahono a Rohe provisions of the *Resource Management Act 1991* for iwi input to resource consents and regional plans will also be important. The Council also recognises that *Iwi Management Plans* are significant documents. These plans provide important input into the resource management planning processes.

Resource consents is a core function for the Council. The *Resource Management Act 1991* requires the processing, monitoring and ensuring compliance with water, discharge and coastal permits and certain types of land use consents. The Council also has other relatively minor miscellaneous consenting responsibilities under other statutes.

Consents must be obtained for resource use activities unless those activities are “permitted” by regional plans or directly by the *Resource Management Act 1991*. The Act provides detailed procedures to be followed in processing resource consents.

In recent years, there has typically been between 250 and 400 consent applications per year. Few have involved formal hearings. Procedures have been developed that place a strong emphasis on early and effective consultation between the parties to consent applications.

The adoption of regional plans has been a key factor in reducing the number of consent applications processed. Regional plans have provided the opportunity to permit activities that would otherwise require consents. Such activities are those with insignificant environmental effects. The decline in application numbers, however, has not translated into a significant reduction in workloads. Some unnecessary bureaucracy has been removed, but the majority of consent processing activities have always been associated with the relatively few major applications received each year. Consent processing workloads are difficult to predict and are quite dependent on economic activity within the region.

Compliance monitoring and enforcement is a critical element of resource management and one that underpins the integrity of the regional plans and consents issued under them. For major consents, individual and specific monitoring programmes are designed, implemented and

publicly reported on. Approximately 150 of these individual programmes are completed each year. That level of activity is projected to continue. For less significant consents, such as for dairymshed wastes, regional-wide inspection programmes are completed. Approximately 3,300 inspections are undertaken annually as a result of these programmes. That level of workload is projected to be ongoing.

The costs associated with consent processing and monitoring are largely recovered from consent applicants and holders in compliance with the *Revenue and Financing Policy*.

The fourth element of resource management activity is the task of responding to pollution incidents and unauthorised incidents. As environmental awareness and heightened expectations have grown in the community, there has been a steady growth in the number of pollution complaints from the public. Each of these is responded to in a timely manner and addressed as appropriate. Enforcement actions are often involved occasionally resulting in prosecutions. Workloads are anticipated to continue at around present levels.

Marine pollution responsibilities form part of pollution incidence and response activities. The *Taranaki Regional Oil Spill Response Plan* provides for an oil spill response capability within the coastal waters of the region. Maritime New Zealand financially supports this activity. Provision has been made for this activity to continue into the future.

Resource investigations and projects is a core activity. The *Resource Management Act 1991* requires policy and decisions to be based on sound knowledge and information. It further requires the monitoring of the state of the Taranaki environment and the results of policies and decisions.

Scientific knowledge is a fundamental prerequisite of effective resource management. Environmental science is complex and challenging. Precise, accurate and comprehensive understanding of cause and effect relationships and the cost effectiveness of various methods of addressing environmental issues seldom exist, to a totally satisfactory level. The Council seeks to gain and maintain defensible, comprehensive, current and strategic data and information through targeted investigations and monitoring at an appropriate level. The collection of information and data recognises the imperatives of the *Resource*



*Management Act* and the scale and nature of current or potential resource issues in the region.

Māori knowledge and research is incorporated, recognising the innovative and different “world view” that Māori can bring to resource investigations and projects.

The Government, through the administration of its substantial public good science fund, has a critical role in ensuring that competent, relevant and useable environmental science and research is provided to underpin resource management in New Zealand. It is important to assist the Government in prioritising and defining environmental research agendas and to resource supplementary, investigative projects of an applied nature, which are focused on the needs of Taranaki and the functions of the Council.

Resource investigations comprise investigations and analyses of biophysical resources to allow the development and review of policy and to promote sustainable resource management. Monitoring is conducted to provide long-term information on the state of the region’s environment. Such information is fundamental for assessing the effectiveness of resource management policies and plans within medium and long-term timeframes. There is a blend of ongoing (systematic) monitoring

across the region, together with short-term investigations focused on specific issues.

There has been an on-going state of the environment monitoring programme since 1994. This programme comprises a comprehensive approach to regularly collecting and releasing scientific and other indicative information for environmental quality and trend reporting. The programme comprises monitoring of fresh water quantities, levels and flows, surface water quality, ground water quantity and quality, coastal water quality and ecology, air quality and land use sustainability. It provides fundamental feedback for the Council’s development and review of policy and activities.

The latest state of the environment report (*Taranaki as one – Taranaki Tu Tahī*) was published in mid-2015. The next report is scheduled to be published in 2020.

The involvement of iwi in state of environment reporting is important to iwi. Opportunities will be provided for iwi to participate in state of the environment reporting.

Sustainable land management plans and the plant supply activity comprises promoting sustainable land use, soil conservation and appropriate riparian management through the provision of site and

property specific planning services. It also involves providing general advisory and extension services to land users to promote sustainable land use practices.

The promotion of sustainable land management is a core function under the *Resource Management Act 1991*. The *Soil Conservation and Rivers Control Act 1941* also requires the Council, as a catchment authority, to promote wise land use and to prevent, control and mitigate damage caused by erosion and flooding. The two statutes have complementary objectives, which are appropriately covered by programmes.

The *Regional Policy Statement for Taranaki 2010* highlights the importance of sustainable land management in the region. It also identifies a range of land use issues that need to be addressed and the methods to be deployed. In accordance with the *Regional Policy Statement*, a series of responses to promote sustainable land management, ranging from regulatory to advisory have been developed and implemented.

The *Regional Soil Plan for Taranaki 2001* provides two rules to be applied, however, the emphasis of its approach to promoting sustainable land use will, for the present, continue to be a focus on non-regulatory methods. This emphasis in part recognises that most land in Taranaki is privately owned in contrast to air and water resources where there is no private ownership.

The provision of sustainable land management planning services is a component of the land management activity. Plans are prepared at the request of and in consultation with property owners. Four types of plan may be prepared, namely, comprehensive farm plans, agro-forestry plans, conservation plans and riparian plans. Approximately 3,000 of these plans have been prepared to date. There is a strong demand for the service and most are being implemented to varying degrees. This service will continue into the future using continuously improving methods. The uptake of non-regulatory advice will be carefully monitored. Regular plan reviews will consider whether complementary regulatory initiatives are required to ensure reasonable progress, especially in water quality protection.

In addition to specific sustainable land management plans, a range of other general sustainable land management services have been provided. These range from a response capability to general information requests, to the provision,

at cost, of soil conservation and riparian plants to landowners. In respect of the latter activity, the supply of relatively low cost, high quality plants is facilitated through bulk purchase contracts with nurseries. The Council also owns a nursery to provide poplar and willow material. These types of activity provide practical supplements to property planning services and will be continued.

The riparian management programme is one of the Council's flagships. During the period of the last *Plan* the Council's riparian programme reached a significant milestone of 4.7 million plants supplied to riparian plan holders since the programme began in the mid 1990's.

The focus of the programme is now on implementation and completion of the plans to continue to expand its plant supply efforts each year to reach 700,000 plants per year by 2020/2021. The Council's riparian management programme with the active support of landowners, is transforming the Taranaki landscape.

A programme of providing environmental enhancement grants to help in addressing environmental issues exists. Wetland protection is one present focus of this programme. Grants are presently available to assist the protection of privately owned wetlands that have been identified as regionally important. The Council has made provision for an on-going grants programme which will be applied in limited and specific circumstances for resource management purposes.



## Levels of service

### 1. Protection of the life-supporting capacity of water, in-stream uses and values

**Measure:** Macroinvertebrate Community Index (MCI) values (a measure of freshwater community richness and composition) at least 50 regionally representative sites.

**Target (Years 1-10):** The proportion of sites showing a trend (whether significant or indicative) of improvement in MCI against a base year of 1995 to exceed the proportion showing decline over the same period.

**Baseline:** There is a continuing regional trend of improvement in the quality of freshwater ecology across the region. MCI values were determined for 59 regionally significant sites. Trend analysis to June 2016 (from 1995) shows 30 sites of 53 with statistically significant trends of improvement, and one with a significant decline.

**Measure:** Microbiological state of inland waters and coastal waters at bathing sites.

**Target (Years 1-10):** Maintenance or increase in number of sites compliant with the 2003 Ministry of Health contact recreational guidelines.

**Baseline:** There are 11 freshwater and 9 coastal water bathing sites monitored since 2003/2004. The following sites were compliant with the 2003 Ministry of Health contact recreational guidelines:

|           | Freshwater | Coastal water |
|-----------|------------|---------------|
| 2003/2004 | 6          | 7             |
| 2016/2017 | 6          | 7             |

In 2016/2017, 87% of freshwater samples and 99% of coastal samples at these sites were compliant.

**Measure:** Ecological flows in catchments.

**Target (Years 1-10):** Guideline ecological flows are identified for all significant catchments with no catchments allocated below ecological flows set by Council policy or by any National Policy Statement or National Environmental Standard.

**Baseline:** Guideline ecological flows had been identified for all significant catchments. Three catchments or sub-catchments (about 1%) do not meet the Council's general ecological flow guideline but all consented abstractions comply with specific Council policies regarding the taking and use of water.

### 2. Efficient allocation of water for consumptive use

**Measure:** Allocation of surface water for consumptive use in catchments.

**Target (Years 1-10):** Guidelines identifying available surface water are applied for all significant catchments and consents to take, use, dam or divert water granted in accordance with Council policy or any National Policy Statement or National Environmental Standard.

**Baseline:** Water accounting systems identifying surface water available for consumptive use have been developed, and consents to take, use, dam or divert water have been granted in accordance with Council policy. Regularly updated information on water allocation guideline information is published.

**Measure:** The number of significant water abstraction permits monitored each year, their environmental performance and the Council's response to non-compliance.

**Target (Years 1-10):** 100% of significant water abstraction consents monitored; 85% of abstractors to attain a 'good' or 'high' level of compliance and performance; Council response to every unauthorised incident to be reported publicly; the Council to respond to all non-compliance events in accordance with its documented enforcement procedures.

**Baseline:** In 2016/2017, 100% of significant water abstraction consents were monitored with 94% attaining a "good" or "high" level of compliance and performance. Every unauthorised incident was reported publicly. The Council responded to all non-compliance events in accordance with its documented enforcement procedures.

### 3. Maintenance and enhancement of overall water quality in our rivers and lakes, groundwater and coastal waters

**Measure:** Parameters that characterise the physical, bacteriological, biological and chemical quality of surface water.

**Target (Years 1-10):** Improvements in nutrient levels (ammonia, nitrate, total nitrogen, and dissolved reactive and total phosphorus), appearance (turbidity, clarity, absorbance, suspended solids), organic contamination (biochemical oxygen demand), bacterial levels (faecal coliform and enterococci bacteria), temperature, and algal cover, against a baseline of

1995 water quality, as applicable, at 11 representative sites.

**Baseline:** Overall, surface water quality in Taranaki is stable or improving and is generally better than in 1995. Trend analysis to June 2015, for both the past 19 and 7 years, has been completed and reported to Council. Trend analysis at the 11 regional representative sites demonstrates:

- MCI and periphyton indicators for ecological health: every site of the 11 representative sites shows stability or improvement since 1995
- BOD: 9 sites of 11 stable against 1995 baseline, and all sites are stable over the recent period
- Bacteriological state: 82% show improvement or stability since 1995
- Nutrients: the number of sites showing stability or improvement is increasing over time. Since 1995, 69% of nutrient measures stable (60%) or improving (9%); 84% of nutrient measures stable (82%) or improving (2%) over recent years. Total nitrogen has been stable (64%) or improving (27%) since 1995, and more recently stable for all sites.

**Measure:** Nitrate levels in groundwater.

**Target (Years 1-10):** No sites in the state of the environment monitoring programme consistently above NZ human drinking water standard (NZDWS); improvement (decrease) in nitrate levels on a regional basis.

**Baseline:** In the latest survey, one site out of 35 was consistently above the NZDWS. Since 2002, 50% of sites sampled repeatedly have remained stable and more sites have showed an improvement (28%) than deterioration (21%).

**Measure:** Physicochemical and biological parameters for quality of Lake Rotorangi.

**Target (Years 1-10):** The trophic state (an indication of the ecological condition as affected by nutrient enrichment) of Lake Rotorangi to remain as it was in 1988 (mesotrophic/mildly eutrophic, or the middle category of trophic states).

**Baseline:** The current life-supporting capacity of the lake is stable and relatively healthy (better than almost 2/3 of lakes monitored nationally). State of lake shown to continue to be mesotrophic/mildly eutrophic.

**Measure:** The proportion of significant point source discharges into water monitored annually,

associated consent compliance and the Council's response to non-compliance.

**Target (Years 1-10):** 100% of significant point sources monitored; 90% of sources to attain a 'good' or 'high' level of compliance and performance; Council response to every unauthorised incident to be reported publicly; the Council to respond to all non-compliance events in accordance with its documented enforcement procedures.

**Baseline:** In 2016/2017, 100% of significant point sources were monitored with 91% of significant industrial sources and 92.6% of significant agricultural sources attaining a 'good' or 'high' compliance and performance. The Council response to every unauthorised incident was reported publicly. The Council responded to all non-compliance events in accordance with its documented enforcement procedures.

#### 4. Protection of riparian land in intensively farmed (predominantly dairying) catchments

**Measure:** Protection of riparian land areas.

**Target (Years 1-10):** By 30 June 2020, 100% of riparian plan streams to be protected by fencing and 90% protected by vegetation where recommended.

**Baseline:** As of June 2017, 2,687 riparian management plans have been prepared recommending the planting of 5,981 km and fencing of 6,886 km of stream banks. At June 2017, 42.7% of the planting and 67.5% of the fencing had been completed resulting in 85% of riparian plan streams now protected by fencing and 70% by vegetation where recommended.

#### 5. Sustainable land use in accordance with the physical capabilities of the land and soil resources

**Measure:** Changes in land use.

**Target (Years 1-10):** Maintain a positive trend towards more sustainable land uses at monitored (representative SEM) hill country and sand country sites.

**Baseline:** As of 30 June 2017, the area of hill country covered by sustainable land management plans was 204,335ha. The percentage of hill country being managed sustainably between 2007 and 2012 decreased slightly from 87.4% to 87.1%. Overall, from 1994 to 2012, sustainability increased by 3.2% from 83.9% to 87.1%. Between 2007 and

2012, the area of bare sand increased slightly at 2 of the 4 sites, decreased at 1 site and with no significant change at the other. The Council's own state of the environment monitoring of all coastal sand country shows a net decrease in bare sand of 65.5 ha.

**Measure:** Regional soil quality.

**Target (Years 1-10):** No overall deterioration in soil quality at 20 representative sites as shown by monitored soil structure parameters (density and macroporosity) maintenance of soil fertility at optimal (i.e. sustainable and productive) levels as shown by nutrient levels (total carbon and nitrogen, and Olsen phosphorus and mineralisable nitrogen) and no net increase in regional soil levels of cadmium and zinc to the extent that land use is compromised. The next survey will take place in 2017/2018.

**Baseline:** Measurements of soil quality structure, composition and health at 20 sites were undertaken in 2007/2008 as the baseline for further trend analysis. Re-sampling was undertaken in 2012/2013. Results show increases in the number of soil quality indicators lying within target ranges and no net increase in cadmium.

#### 6. Enhanced opportunities for sustainable development and best use of hill country

**Measure:** Proportion of landowners informed of specific opportunities for sustainable land use on their properties.

**Target (Years 1-10):** 69% of hill country in private ownership (306,000 ha) with comprehensive farm plans.

**Baseline:** As at 30 June 2017, 204,335ha of private land have a farm plan.

#### 7. Maintenance of a high standard of ambient air quality

**Measure:** National Environmental Standard (NES) pollutants, namely sulphur oxide, nitrogen oxides, inhalable particulate, and carbon monoxide.

**Target (Years 1-10):** Regional air quality to be maintained (i.e. at 2008 levels) within categories as defined by the Ministry for the Environment (MfE).

**Baseline:** Between 2008 and 2015, air in the region matched the 'good' or 'excellent' categories of the MfE. Where monitoring repeated previous surveys, it was found that air quality was being maintained.

**Measure:** The proportion of significant point source discharges into air monitored annually, associated consent compliance and the Council's response to non-compliance.

**Target (Years 1-10):** 100% of significant discharge point sources monitored; 90% of sources to attain a 'good' or 'high' level of compliance and performance; the Council to respond to all non-compliance events in accordance with its documented enforcement procedures.

**Baseline:** In 2016/2017, 100% of significant point source emissions were monitored with 97% of sources attaining a 'good' or 'high' level of compliance and performance. Council responded to all non-compliance events in accordance with its documented enforcement procedures.

#### 8. Resource management policies, plans and strategies that deliver efficient and effective management of the natural and physical resources of the region and are acceptable to the community

**Measure:** Operative plans policies and strategies.

**Target (Years 1-10):** Full compliance with statutory requirements and timetables for the preparation review and implementation of policies, plans and strategies.

**Baseline:** As of June 2017, the Council has a full suite of operative *Regional Policy Statement* and regional plans (water, air, soil and coastal).

#### 9. Efficient and effective resource consent processing, compliance monitoring and enforcement

**Measure:** Compliance with Resource Management Act 1991 requirements.

**Target (Years 1-10):** 100% compliance.

**Baseline:** As of June 2017, processing, administering and compliance monitoring of resource consents was 100% compliant with Resource Management Act requirements.

## Activities—what we plan to do

Years 2018/2019 to 2027/2028 unless otherwise noted.

### 1. Resource management planning

Complete preparation/full reviews and interim reviews of resource management policies, plans and strategies:

*Regional Policy Statement:* Commence full review in 2019/2020 as part of the development of a combined natural resource management plan.

*Regional Coastal Plan:* Full review continued in 2018/2019 and will form part of the development of a combined natural resource management plan.

*Regional Air Quality Plan:* Commence full review in 2021/2022 as part of the development of a combined natural resource management plan.

*Regional Fresh Water and Land Plan:* Full review continued in 2017/2018 and will form part of the development of a combined natural resource management plan.

### 2. Consent processing and administration

Provide accurate and timely information in response to all appropriate requests for assistance in implementing Regional Plan rules.

Process and determine all accepted resource consent applications (approximately 400 consents per annum), in compliance with the *Resource Management Act 1991*, including compliance with statutory timeframes, and the Council's *Resource Consents Procedures* document.

Successfully defend 100% of consent decisions appealed to the Environment Court.

Minimise the number and duration of resource consent hearings by resolving, through the pre-hearing process, at least 50% of submissions received on resource consent applications.

### 3. Compliance monitoring programmes

100% of individual compliance monitoring programmes for all major consents designed, implemented and publicly reported upon (approximately 120 individual compliance monitoring programmes per annum) within the negotiated budgets and completed within nine months of the end of the monitoring period.

Implement and report on 100% of recommendations arising from prior year's

monitoring of resource consents subject to an individual compliance monitoring programme.

Implement annual programmes for 100% of resource consents for agricultural discharges and 90% of minor industries not otherwise subject to an individual compliance monitoring programme (approximately 3,300 inspections per annum).

### 4. Pollution incidents and response

Respond to all consent non-compliance and implement appropriate advisory and enforcement actions to require 100% compliance with resource consents, regional plans and/or national environmental standards.

Respond to 100% of pollution and other complaints (generally within four hours of receipt) and where appropriate instigate control, clean up and enforcement procedures, where reasonable and appropriate, and publicly report on all environmental incidents.

Administer and implement the *Taranaki Regional Marine Oil Spill Response Plan* as agreed with Maritime New Zealand including responding to 100% of oil spills.

### 5. State of the environment monitoring

Implement and report on 100% of the Council's state of the environment monitoring programmes comprising monitoring of surface fresh water, levels and flows, fresh water quality, groundwater quantity and quality, coastal waters, biodiversity, air quality and land use sustainability using recognized and reputable methods of data collection, analysis and reporting in accordance with the Council's *State of the Environment Monitoring Procedures* document and *State of the Environment Monitoring Programmes*.

Monitor, review and where appropriate, further develop existing programmes by 30 June of each year.

Prepare and publish the five-yearly state of the environment report. The next report is due in 2020.

Maintain all quality assurance programmes and information databases for hydrometric, air quality, physicochemical freshwater, terrestrial biodiversity, fresh water biological and marine biological data. IANZ registration for chemical analysis maintained.

Maintain public access to on-line live regional data on hydrology, meteorology, soil moisture and

bathing beach water quality. Live data reported on the Taranaki Regional Council's website.

## 6. Resource investigations and projects

Over the period of the *2018/2028 Long-Term Plan* the Council intends to undertake a range of resource investigations and applied research projects. These are normally undertaken in partnership with science providers, other councils or resource users but may also include a range of other parties, including iwi, as potential partners for Council resource investigations and projects. Such projects evolve over time. Specifically for 2018/2019, the Council intends to:

Continue to support the "best practice dairying catchments" study in the Waiokura Stream catchment, and evaluation of data arising from this project.

Support studies into the behaviour and bioavailability of cadmium and other contaminants in agricultural soils and fertilizer.

Investigate the benefits of riparian management for ecological health

Engagement in "Envirolink" and other science research opportunities, to enhance knowledge base for policy development and implementation. Projects with clear relevance and benefit to Taranaki to be adopted through "Envirolink" and other funding opportunities.

## 7. Sustainable land management plans and plant supply programme

**Planning services.** Provide property planning services to landholders. Prepare plans covering 1,000 ha of land use capability mapping in the hill country and 100 riparian plans in the intensive water management zone.

**Monitoring and reporting.** Liaise with and monitor approximately 2,600 riparian plans and 100 farm plans and report on the implementation of the recommended fencing and planting.

**Provision of advice.** When requested, provide advice on sustainable land management practices within ten working days.

Provide, on a cost-recovery basis, approximately 450,000 suitable plants for land stabilisation, soil conservation and riparian planting programmes.

Implement the South Taranaki and Regional Erosion Support Soil Conservation Programme including an estimated 4,000 poplar poles, 50ha of protection forestry and construction of 22 km of retirement fencing to retire 400 ha of marginal land.

## 8. Enhancement grants

Implement a programme using environmental enhancement grants for the protection of habitats of regional significance.

## Indicative costs and sources of funds

| 2017/2018<br>Estimate \$            | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|-------------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Expenditure</b>                  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 755,692                             | 912,073                  | 932,098                    | 966,532                    | 985,663                  | 953,882                  | 971,890                  | 992,278                  | 1,015,075                | 1,042,049                | 1,067,346                |
| 980,640                             | 1,102,371                | 1,121,169                  | 1,155,827                  | 1,181,037                | 1,194,154                | 1,215,414                | 1,240,516                | 1,268,617                | 1,302,973                | 1,334,481                |
| 2,705,280                           | 3,285,997                | 3,384,388                  | 3,467,822                  | 3,528,006                | 3,537,475                | 3,584,737                | 3,656,365                | 3,732,951                | 3,832,381                | 3,921,579                |
| 999,369                             | 937,737                  | 957,536                    | 997,150                    | 1,015,656                | 1,015,965                | 1,037,500                | 1,060,403                | 1,083,626                | 1,112,120                | 1,138,287                |
| 2,072,511                           | 2,343,326                | 2,418,395                  | 2,462,408                  | 2,501,650                | 2,509,273                | 2,528,123                | 2,574,413                | 2,627,152                | 2,696,499                | 2,759,087                |
| 410,116                             | 442,913                  | 462,105                    | 459,850                    | 465,934                  | 468,880                  | 472,421                  | 479,440                  | 486,451                  | 496,833                  | 505,406                  |
| 137,216                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 3,460,218                           | 3,765,216                | 4,304,043                  | 4,605,443                  | 4,665,667                | 3,334,602                | 3,085,165                | 2,953,099                | 2,973,552                | 2,979,485                | 3,045,947                |
| 705,733                             | 1,858,000                | 1,870,049                  | 875,669                    | 882,993                  | 889,498                  | 495,868                  | 496,759                  | 504,071                  | 511,843                  | 519,396                  |
| <b>12,226,775</b>                   | <b>14,647,633</b>        | <b>15,449,783</b>          | <b>14,990,701</b>          | <b>15,226,606</b>        | <b>13,903,729</b>        | <b>13,391,118</b>        | <b>13,453,273</b>        | <b>13,691,495</b>        | <b>13,974,183</b>        | <b>14,291,529</b>        |
| <b>Income</b>                       |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 3,255,985                           | 3,232,880                | 3,306,490                  | 3,186,831                  | 3,285,291                | 3,637,534                | 3,873,545                | 3,924,484                | 4,002,239                | 4,139,080                | 4,237,350                |
| 5,682,156                           | 5,927,698                | 6,313,313                  | 6,968,162                  | 7,068,950                | 5,616,637                | 5,416,800                | 5,497,398                | 5,567,336                | 5,605,910                | 5,745,470                |
| 302,000                             | 1,702,000                | 1,702,000                  | 702,000                    | 702,000                  | 702,000                  | 302,000                  | 302,000                  | 302,000                  | 302,000                  | 302,000                  |
| 2,986,634                           | 3,785,055                | 4,127,980                  | 4,133,708                  | 4,170,365                | 3,947,558                | 3,798,773                | 3,729,391                | 3,819,920                | 3,927,193                | 4,006,709                |
| <b>12,226,775</b>                   | <b>14,647,633</b>        | <b>15,449,783</b>          | <b>14,990,701</b>          | <b>15,226,606</b>        | <b>13,903,729</b>        | <b>13,391,118</b>        | <b>13,453,273</b>        | <b>13,691,495</b>        | <b>13,974,183</b>        | <b>14,291,529</b>        |
| <b>0</b>                            | <b>0</b>                 | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |
| <b>Operating surplus/(deficit)</b>  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Capital expenditure</b>          |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 288,000                             | 994,000                  | 441,000                    | 396,000                    | 162,000                  | 994,000                  | 409,000                  | 426,000                  | 162,000                  | 994,000                  | 409,000                  |
| 911,250                             | 298,061                  | 120,829                    | 161,969                    | 48,950                   | 56,350                   | 36,450                   | 29,350                   | 93,450                   | 27,350                   | 35,450                   |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>1,199,250</b>                    | <b>1,292,061</b>         | <b>561,829</b>             | <b>557,969</b>             | <b>210,950</b>           | <b>1,050,350</b>         | <b>445,450</b>           | <b>455,350</b>           | <b>255,450</b>           | <b>1,021,350</b>         | <b>444,450</b>           |
| <b>Total capital expenditure</b>    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Funded by:</b>                   |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 1,199,250                           | 1,292,061                | 561,829                    | 557,969                    | 210,950                  | 1,050,350                | 445,450                  | 455,350                  | 255,450                  | 1,021,350                | 444,450                  |
| <b>1,199,250</b>                    | <b>1,292,061</b>         | <b>561,829</b>             | <b>557,969</b>             | <b>210,950</b>           | <b>1,050,350</b>         | <b>445,450</b>           | <b>455,350</b>           | <b>255,450</b>           | <b>1,021,350</b>         | <b>444,450</b>           |
| <b>Total funding</b>                |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Capital expenditure to:</b>      |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 1,199,250                           | 1,292,061                | 561,829                    | 557,969                    | 210,950                  | 1,050,350                | 445,450                  | 455,350                  | 255,450                  | 1,021,350                | 444,450                  |
| <b>1,199,250</b>                    | <b>1,292,061</b>         | <b>561,829</b>             | <b>557,969</b>             | <b>210,950</b>           | <b>1,050,350</b>         | <b>445,450</b>           | <b>455,350</b>           | <b>255,450</b>           | <b>1,021,350</b>         | <b>444,450</b>           |
| <b>Total capital expenditure</b>    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>71,000</b>                       | <b>308,000</b>           | <b>159,000</b>             | <b>134,000</b>             | <b>58,000</b>            | <b>336,000</b>           | <b>159,000</b>           | <b>139,000</b>           | <b>58,000</b>            | <b>336,000</b>           | <b>159,000</b>           |
| <b>Proceeds from sale of assets</b> |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>506,334</b>                      | <b>607,532</b>           | <b>730,989</b>             | <b>802,369</b>             | <b>752,705</b>           | <b>634,265</b>           | <b>580,408</b>           | <b>562,551</b>           | <b>550,609</b>           | <b>546,529</b>           | <b>544,109</b>           |
| <b>Depreciation/amortisation</b>    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |

# Biosecurity and biodiversity

## Biosecurity and biodiversity activities

Biosecurity and biodiversity comprises the following activities:

### BIOSECURITY AND BIODIVERSITY PLANNING

—preparing, adopting and maintaining comprehensive and publicly considered policies, plans and strategies that will deliver to the Taranaki community, efficient and effective management of the Council's biosecurity and biosecurity functions—refer to level of service 1.

### BIOSECURITY/PEST MANAGEMENT

—controlling pest plants and animals to minimise their adverse effects on biodiversity, primary production and the regional economy and environment—refer to levels of service 2 and 3.

### BIODIVERSITY

— maintaining and enhancing the indigenous biodiversity of the Taranaki region and managing pests to limit the impact on production and environmental values, including working alongside landowners and other groups and agencies in accordance with the Council's policies and its biodiversity and biosecurity strategies—refer to level of service 4.

## Biosecurity and biodiversity and community outcomes

The Biosecurity group of activities contributes to community outcomes by minimising the actual or potential impact of pest plants and animals on the environment and on the Taranaki economy and community. Specifically this group of activities contributes to the following community outcomes:

- Secure and Healthy Taranaki
- Prosperous Taranaki
- Sustainable Taranaki.

## Further information on policies and programmes

Further detailed information on the specific strategies, policies and plans relating to this group of activities can be found from the following sources:

- Biosecurity Act 1993
- Local Government Act 2002
- Pest Management Plan for Taranaki 2017
- Biosecurity Strategy for the Taranaki Regional Council 2017.

## Rationale and background

Biosecurity planning is a core activity for the Council. A range of statutes require or enable engagement in policy and planning activities. Public consultation and information are fundamental elements of this activity. Policies, plans and strategies that have statutory force must be developed in accordance with procedures provided in parent statutes. In general these procedures require the detailed analysis of options and provide extensive opportunities for formal and informal public input.

Pest management is a core function as provided by the *Biosecurity Act 1993*. The *Biosecurity Act 1993* contains powers that enable, but do not require, pest management to be carried out.

Regulatory pest management activities can only be undertaken in accordance with pest management plans, which have been adopted in compliance with the procedures of the Act. The Council may adopt pest management plans that identify pests, set out obligations in relation to managing or controlling those pests and identify funding sources and levels.

A combined pest plant and animal *Pest Management Plan for Taranaki: 2017* has been prepared. The Plan imposes landowner obligations on pests including possums, giant buttercup, giant gunnera, gorse, nodding, plumless and variegated thistles, old man's beard, wild broom, kahili and yellow ginger and yellow ragwort. The approach is to monitor and, where necessary, enforce control measures, supplemented by the provision of advice and user-pays control services.

Climbing spindleberry, giant reed, madeira vine and Senegal tea are also pests in the Plan. However, due to limited distribution of these species direct control will be undertaken in an effort to eradicate these species from the region.

Possums are also a substantial focus of the Plan. A range of direct control, advisory and regulatory services facilitating the maintenance of a self-help possum control programme around the Taranaki ring plain will be provided. In brief, the self-help programme involved the Council funding and implementing initial control operations to reduce possum numbers, with land occupiers being supported to then continue with on-going

maintenance work. Maintenance must be undertaken. Monitoring, facilitated maintenance and, where necessary, enforcement actions are undertaken.

By 30 June 2017, approximately 240,200 ha was covered by the self-help possum control programme. With rare exception, there has been very strong land occupier support from the more than 4,000 properties involved in the programme. Except for urban areas, the programme now covers almost all privately owned land on the ring plain and significant parts of the coastal terraces and frontal hill country. The primary focus of the programme is now ongoing occupier maintenance of low possum populations.

The *Taranaki Regional Council Biosecurity Strategy* sets out the strategic framework across both the regulatory and non-regulatory pest programmes. It introduces new activities to better target pest pathways and undertake landscape scale predator control. There is an increasing interest within the national and regional community for landscape scale predator and browser control, or even predator free status, to protect biodiversity as well as land productivity. A pilot programme of landscape scale predator control, that may expand to cover the extent of the self-help possum control operational area, is being developed to meet this demand.

There will be a further increase in biodiversity protection and enhancement, particularly on private land, in accordance with policy and operational strategies on biodiversity. This work is supported by changes to the *Resource Management Act* which specifically identified the maintenance of indigenous biodiversity as a function of regional councils, by Government statements of national priorities for protecting rare and threatened native biodiversity on private land and by the Taranaki community which has confirmed its support for such initiatives. Working alongside land owners with practical advice and support will be a key factor in the success of the programme.

Assistance to landowners in the protection and enhancement of our valued Key Native Ecosystems on private land will continue to be extended. This work includes facilitating covenanting, provision of biodiversity management plans and advice, support towards fencing, planting, pest animal and plant control, and monitoring of biodiversity and threats to biodiversity.

The Council will continue working with others, to facilitate and support the efforts of private land owners, Wild for Taranaki, other agencies and community restoration groups whose objective is to protect and enhance Taranaki's biodiversity and natural ecosystems. There are programmes providing environmental enhancement grants to help in addressing environmental issues, including biodiversity, wetlands and catchment protection. Provision has been made for an on-going grants programme which will be applied in limited and specific circumstances for resource management purposes. The *Biodiversity Strategy for the Taranaki Regional Council* extends the role of promoting biodiversity on private land including the use of environmental enhancement grants for this purpose.

Management and development of biodiversity information systems that are based upon sound scientific information will continue, as this activity will ensure that resource allocation, public awareness and management advice will be appropriately informed.



## Levels of service

### 1. Pest management plan that delivers efficient and effective management of biosecurity functions

**Measure:** Presence of appropriate pest management plan.

**Target (Years 1-10):** Pest management plan for pest plants and pest animals is in place in accordance with statutory requirements.

**Baseline:** One adopted pest management plan is in place; reviewed in 2018.

### 2. Pest animals controlled to minimize their adverse effects on biodiversity, primary production and the regional economy and environment

**Measure:** Area of the ring plain maintained under the *self-help possum control programme* at levels to reduce risks to the environment and primary production.

**Target (Years 1-10):** Residual trap catch (RTC) of less than 10% across the rural area covered by the self-help possum control programme.

**Baseline:** In 2016/2017, the RTC was 4.98% across the *self help programme*.

### 3. Pest plants controlled or eradicated to minimize their adverse effects on biodiversity, primary production and the regional economy and environment

**Measure:** Control or eradication of “eradication” pest plants.

**Target (Years 1-10):** Control of 100% of known infestations of Senegal Tea, Climbing Spindleberry, Madeira Vine, Moth Plant and Giant Reed in the region.

**Baseline:** In 2016/2017, there were 152 properties where these plants were identified and controlled.

**Measure:** The extent of “sustained control” pest plants.

**Target (Years 1-10):** Reduce the extent of sustained control pest plants through an inspection and monitoring programme (of Category C properties) to identify infestations requiring control.

**Baseline:** 54 Category C properties in 2016/2017.

### 4. Maintenance and enhancement of indigenous biodiversity

**Measure:** Protection of Taranaki’s biodiversity on private land.

**Target (Years 1-10):** Key Native Ecosystems (KNEs) on private land, covering at least 8,000ha, have a biodiversity plan.

**Baseline:** As at 30 June 2017, 88 Key Native Ecosystems (KNEs) comprising 4,345ha of private land had biodiversity plans.

**Measure:** Inventory of sites that contain regionally significant biodiversity (KNEs) in the region.

**Target (Years 1-10):** Maintain and regularly update current inventory of Key Native Ecosystems (KNEs).

**Baseline:** As of June 2017, the inventory contained 235 sites.

**Measure:** Maintain and improve the condition of KNEs

**Target (Years 1-10):** Improvement in biodiversity index at managed KNEs compared with a base year of application of the index.

**Baseline:** Repeat five year condition assessments conducted on KNEs with biodiversity plans during 2016/2017 showed that 95% either maintained or improved in condition.

## Activities—what we plan to do

Years 2018/2019 to 2027/2028 unless otherwise noted.

### 1. Biosecurity and biodiversity planning

Undertake an interim review of the *Pest Management Plan for Taranaki* in 2012/2023 and a ten-year full review in 2027/2028.

### 2. Biosecurity/pest management

Dependent upon the review of the *Pest Management Plan for Taranaki*, undertake operational programmes through both the *Pest Management Plan for Taranaki* and the *Pest Management Strategy for Taranaki*, including: Eradication of selected pest plants.

Inspection, monitoring and where necessary, enforcement of sustained control pest programmes.

Raising public awareness of and respond to enquiries related to pest issues.

### 3. Biodiversity

Continue to assess ecosystem sites within the region on a voluntary basis, in order to identify further key native ecosystems.

Prepare at least 20 biodiversity plans per annum for properties containing key native ecosystems (KNE).

Initiate and support implementation of work programmes on all KNE's with a biodiversity plan.

Undertake a landscape scale predator eradication and management programme across the Taranaki ring plain, including urban communities. The programme will target possums (building on the successful possum self-help and urban programmes), mustelids (ferrets, stoats & weasels), rats and feral cats. Years 1-3 will focus on the Waiwhakaiho catchment, around Mt Taranaki and urban areas across the region starting in New Plymouth. Different control techniques will be trialed in both the rural and urban landscape, including the eradication of possums.

## Indicative costs and sources of funds

| 2017/2018<br>Estimate \$            | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|-------------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Expenditure</b>                  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 47,756                              | 55,921                   | 56,981                     | 59,330                     | 60,502                   | 58,203                   | 59,344                   | 60,594                   | 62,005                   | 63,639                   | 65,192                   |
| 1,485,448                           | 3,063,723                | 3,590,831                  | 3,599,044                  | 3,928,091                | 4,025,414                | 1,670,164                | 1,686,591                | 1,890,256                | 1,770,971                | 1,808,443                |
| 1,829,105                           | 3,043,020                | 3,301,248                  | 3,358,776                  | 3,525,782                | 3,591,802                | 2,607,855                | 2,645,727                | 2,768,320                | 2,759,305                | 2,814,325                |
| <b>3,362,309</b>                    | <b>6,162,664</b>         | <b>6,949,060</b>           | <b>7,017,150</b>           | <b>7,514,375</b>         | <b>7,675,419</b>         | <b>4,337,363</b>         | <b>4,392,912</b>         | <b>4,720,581</b>         | <b>4,593,915</b>         | <b>4,687,960</b>         |
| <b>Income</b>                       |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 1,750,301                           | 2,076,454                | 2,071,229                  | 2,073,606                  | 2,130,704                | 2,329,124                | 2,165,586                | 2,226,462                | 2,251,307                | 2,328,328                | 2,378,939                |
| 106,500                             | 1,755,098                | 2,125,010                  | 2,353,826                  | 2,778,945                | 2,651,663                | 147,994                  | 150,670                  | 153,524                  | 156,450                  | 159,569                  |
| 0                                   | 0                        | 167,000                    | 0                          | 0                        | 167,000                  | 0                        | 0                        | 167,000                  | 0                        | 0                        |
| (100,000)                           | (100,000)                | 0                          | (100,000)                  | (100,000)                | 0                        | (100,000)                | (100,000)                | 0                        | (100,000)                | (100,000)                |
| 1,605,508                           | 2,431,112                | 2,585,821                  | 2,689,718                  | 2,704,726                | 2,527,632                | 2,123,783                | 2,115,780                | 2,148,750                | 2,209,137                | 2,249,452                |
| <b>3,362,309</b>                    | <b>6,162,664</b>         | <b>6,949,060</b>           | <b>7,017,150</b>           | <b>7,514,375</b>         | <b>7,675,419</b>         | <b>4,337,363</b>         | <b>4,392,912</b>         | <b>4,720,581</b>         | <b>4,593,915</b>         | <b>4,687,960</b>         |
| <b>0</b>                            | <b>0</b>                 | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |
| <b>Operating surplus/(deficit)</b>  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Capital expenditure</b>          |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 32,000                              | 162,000                  | 104,000                    | 45,000                     | 241,000                  | 162,000                  | 104,000                  | 45,000                   | 241,000                  | 162,000                  | 104,000                  |
| 12,500                              | 24,000                   | 108,000                    | 12,000                     | 12,000                   | 12,000                   | 12,000                   | 12,000                   | 24,000                   | 24,000                   | 12,000                   |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>44,500</b>                       | <b>186,000</b>           | <b>212,000</b>             | <b>57,000</b>              | <b>253,000</b>           | <b>174,000</b>           | <b>116,000</b>           | <b>57,000</b>            | <b>265,000</b>           | <b>186,000</b>           | <b>116,000</b>           |
| <b>Total capital expenditure</b>    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Funded by:</b>                   |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 44,500                              | 186,000                  | 212,000                    | 57,000                     | 253,000                  | 174,000                  | 116,000                  | 57,000                   | 265,000                  | 186,000                  | 116,000                  |
| <b>44,500</b>                       | <b>186,000</b>           | <b>212,000</b>             | <b>57,000</b>              | <b>253,000</b>           | <b>174,000</b>           | <b>116,000</b>           | <b>57,000</b>            | <b>265,000</b>           | <b>186,000</b>           | <b>116,000</b>           |
| <b>Total funding</b>                |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Capital expenditure to:</b>      |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 44,500                              | 186,000                  | 212,000                    | 57,000                     | 253,000                  | 174,000                  | 116,000                  | 57,000                   | 265,000                  | 186,000                  | 116,000                  |
| <b>44,500</b>                       | <b>186,000</b>           | <b>212,000</b>             | <b>57,000</b>              | <b>253,000</b>           | <b>174,000</b>           | <b>116,000</b>           | <b>57,000</b>            | <b>265,000</b>           | <b>186,000</b>           | <b>116,000</b>           |
| <b>Total capital expenditure</b>    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>8,000</b>                        | <b>38,000</b>            | <b>26,000</b>              | <b>20,000</b>              | <b>105,000</b>           | <b>58,000</b>            | <b>26,000</b>            | <b>20,000</b>            | <b>105,000</b>           | <b>58,000</b>            | <b>26,000</b>            |
| <b>Proceeds from sale of assets</b> |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>78,914</b>                       | <b>64,479</b>            | <b>79,062</b>              | <b>86,049</b>              | <b>78,323</b>            | <b>74,359</b>            | <b>72,180</b>            | <b>72,180</b>            | <b>72,180</b>            | <b>72,180</b>            | <b>72,180</b>            |
| <b>Depreciation/amortisation</b>    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |

# Transport

## Transport activities

Transport comprises the following activities:

### REGIONAL LAND TRANSPORT PLANNING

—contributing to an effective, efficient and safe land transport system in the public interest—refer to level of service 1.

### PUBLIC TRANSPORT

—promoting the provision of community public transport in Taranaki and assist the transport needs of the transport disadvantaged—refer to level of service 2.

### HARBOUR MANAGEMENT

—promoting safe navigation for all users of the waters of Port Taranaki—refer to level of service 3.

## Transport and community outcomes

The Transport group of activities contributes to community outcomes by contributing to an effective, efficient and safe land transport system in the public interest by facilitating growth and economic development, reducing safety risk, maintaining and improving accessibility and public health, ensuring a regionally and nationally integrated transport network that is resilient and responsive and addresses these in an environment of constrained funding and affordability. Specifically this group of activities contributes to the following community outcomes:

- Secure and Healthy Taranaki
- Prosperous Taranaki
- Sustainable Taranaki
- Connected Taranaki
- Together Taranaki
- Vibrant Taranaki.

## Further information on policies and programmes

Further detailed information on the specific strategies, policies and plans relating to this group of activities can be found from the following sources:

- Local Government Act 2002
- Land Transport Management Act 2003
- Maritime Transport Act 1994
- Regional Land Transport Plan for Taranaki
- Regional Public Transport Plan for Taranaki.

## Rationale and background

Land transport is a core function of the Council. Various statutes oblige the Council to engage in a range of land transport planning, public transport, and harbour management activities.

The *Land Transport Management Act 2003* requires Regional Transport Committees to prepare and consult on a regional land transport plan. The plan identifies all land transport activities in a region that wish to receive funding assistance from the National Land Transport Fund, including proposals in the area of public transport and regional land transport planning. These six-yearly plans are submitted to the New Zealand Transport Agency for inclusion in the National Land Transport Programme.

The *Land Transport Management Act 2003* sets out the requirements relating to the form, content and process of preparing the regional land transport plans for at least 10 financial years from the start of the plan. As well as the activities listed above, each regional land transport plan is required to list activities that have been approved but are not yet complete.

The *Regional Public Transport Plan (RPTP)* sets out the public transport services proposed for the region. The *RPTP* must consider in particular, the needs of the transport disadvantaged.

During the term of the last *RPTP*, the objective was to continue to improve public transport services in the New Plymouth urban area and in rural Taranaki. Changes to the *Land Transport Management Act 2003* in 2013 and the introduction of the *Public Transport Operating Model* have resulted in changes to public transport contracts. A key focus for the delivery of services is ensuring value for money and reducing the reliance on public subsidy to fund services.

Also, in collaboration with the local Health Board, tertiary institute (WITT) and local authorities, there is a successful daily public transport service from Hawera to New Plymouth (the 'Connector').

In 2016/2017, a total of 614,815 trips were completed on all existing services, an increase of 1.5% over the previous year. Provision in the *RPTP* has been made to continue these services.

Council funding for its public transport services are supplemented by New Zealand Transport Agency grants. Contracted services now and in the future are, therefore, dependent on receiving adequate funding support from the New Zealand Transport Agency. Critical to ongoing funding from the New Zealand Transport Agency and the Council, will be patronage growth and receiving an appropriate share of the costs from users.

Funding is conditional on services delivering value for money and therefore the ongoing message to local residents is 'use it or lose it'. For its part the Council will continue to work hard to make these services a success.

A subsidised fare scheme for Total Mobility services is operated in the region. Continual improvements in the Total Mobility Scheme including increasing the maximum trip subsidy to \$20 and increasing the standard voucher book allocation to 10 books per annum, have occurred in recent years. The Total Mobility Scheme provides an important service for clients in maintaining their quality of life.

The Total Mobility Scheme has a client base of approximately 1,800 and in 2016/2017 clients completed some 38,477 passenger trips. The number of trips and expenditure on the scheme has decreased in recent years. This is likely attributable to changes in client travel patterns due to affordability, greater use of mobility scooters and growth in rest homes and retirement villages.

Safe navigation within the harbour waters associated with Port Taranaki and its approaches is promoted on an on-going basis. A contracted harbourmaster and volunteer wardens administer the Council's bylaw for this purpose. Current harbour bylaws came into effect on 1 July 2003. To comply with the *Port and Harbour Marine Safety Code*, a *Port Risk Assessment and Harbour Safety Management System* was prepared in 2005 for Port Taranaki. The Council administers only those waters within Port Taranaki and its approaches, whilst Maritime New Zealand continues to manage all other waters in the region.

## Levels of service

### 1. Land transport policies and activities that deliver efficient, effective and value for money transport solutions, land transport infrastructure and services for Taranaki

**Measure:** Presence of an appropriate *Regional Land Transport Plan for Taranaki*.

**Target (Years 1-10):** A *Regional Land Transport Plan for Taranaki* that is kept current in accordance with statutory requirements.

**Baseline:** The *Regional Land Transport Plan for Taranaki 2018/2019-2020/2021* is current and operational.

**Measure:** Presence of an appropriate *Regional Public Transport Plan for Taranaki*.

**Target (Years 1-10):** A *Regional Public Transport Plan for Taranaki* that is kept current in accordance with statutory requirements.

**Baseline:** The *Regional Public Transport Plan for Taranaki 2014-2024* is current and operational.

### 2. Provision and increasing use of public transport services

**Measure:** Annual number of passenger trips on the region's public transport services.

**Target (Years 1-10):** Annual Increase in the number of passengers carried.

**Baseline:** Between 2008/2009 and 2016/2017, passengers on community passenger transport services in the region grew from 349,607 to 614,815.

### 3. Safe navigation for all users of the waters of Port Taranaki and its approaches

**Measure:** The number of reported navigation safety incidents within Port Taranaki and its Approaches.

**Target (Years 1-10):** No significant incidents.

**Baseline:** There have been no significant incidents in the last 10 years.

## Activities—what we plan to do

Years 2018/2019 to 2027/2028 unless otherwise noted.

### 1. Regional land transport planning

Complete preparation/full reviews and interim reviews of the transport policies, plans and strategies:

Review, monitor and make adjustments to the regional land transport plan, as required, in accordance with statutory requirements.

Complete a full review of the *Regional Land Transport Plan 2021/2022-2026/2027* during 2020/2021.

Complete a mid-term review of the *Regional Land Transport Plan 2021/2022-2026/2027* during 2023/2024.

Review and make adjustments to the *Transport Activity Procurement Strategy*, as required, in accordance with statutory requirements.

### 2. Public transport

Provide Total Mobility subsidy assistance to qualifying persons through the New Zealand Transport Agency supported *Total Mobility Scheme*.

Operate public transport services in the New Plymouth district and regional Taranaki consistent with the *Regional Public Transport Plan* subject to funding approval from the New Zealand Transport Agency and the availability of local share funding.

Monitor the region's bus service contracts including patronage growth and fare box recovery. Monitor the commerciality ratio of the region's public transport services and publish the ratio annually.

Provide financial assistance to the Ironside Vehicle Society subject to funding eligibility criteria being met.

### 3. Harbour management

Provide harbourmaster and harbour warden services for Port Taranaki and implement the *Navigation Bylaw for Port Taranaki and Approaches*. No significant breaches of the requirements of the *New Zealand Port and Maritime Safety Code*, including the *Port Taranaki Harbour Safety Management System*.

## Indicative costs and sources of funds

| 2017/2018<br>Estimate \$       | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|--------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Expenditure</b>             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 145,419                        |                          | 109,952                    | 150,994                    | 104,441                  | 117,592                  | 108,669                  | 110,837                  | 124,624                  | 115,835                  | 118,974                  |
| 3,851,430                      |                          | 4,652,894                  | 4,698,522                  | 4,805,819                | 4,872,556                | 4,887,489                | 5,066,960                | 5,183,953                | 5,359,690                | 5,440,895                |
| 33,500                         |                          | 46,500                     | 47,430                     | 48,474                   | 49,540                   | 50,680                   | 51,846                   | 53,090                   | 54,417                   | 55,778                   |
| <b>4,030,349</b>               |                          | <b>4,809,346</b>           | <b>4,896,946</b>           | <b>4,958,734</b>         | <b>5,039,688</b>         | <b>5,046,838</b>         | <b>5,229,643</b>         | <b>5,361,667</b>         | <b>5,529,942</b>         | <b>5,615,647</b>         |
| <b>Income</b>                  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 146,089                        |                          | 204,879                    | 207,348                    | 200,534                  | 205,067                  | 233,301                  | 240,054                  | 251,673                  | 264,392                  | 262,353                  |
| 858,207                        |                          | 1,207,670                  | 1,260,968                  | 1,294,207                | 1,323,156                | 1,210,026                | 1,357,518                | 1,386,860                | 1,418,158                | 1,450,241                |
| 1,149,360                      |                          | 1,174,360                  | 1,197,847                  | 1,224,201                | 1,251,133                | 1,279,910                | 1,309,348                | 1,340,773                | 1,374,293                | 1,408,651                |
| 1,705,987                      |                          | 1,944,423                  | 1,963,618                  | 1,979,675                | 2,000,019                | 2,070,415                | 2,087,303                | 2,143,200                | 2,220,752                | 2,245,479                |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 390,000                  | 0                        | 0                        | 0                        |
| 40,000                         |                          | 40,000                     | 8,633                      | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| (3,297)                        |                          | (1,858)                    | (332)                      | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 134,003                        |                          | 239,872                    | 258,864                    | 260,117                  | 260,313                  | 253,186                  | 235,420                  | 239,161                  | 252,347                  | 248,923                  |
| <b>4,030,349</b>               |                          | <b>4,809,346</b>           | <b>4,896,946</b>           | <b>4,958,734</b>         | <b>5,039,688</b>         | <b>5,046,838</b>         | <b>5,619,643</b>         | <b>5,361,667</b>         | <b>5,529,942</b>         | <b>5,615,647</b>         |
| <b>0</b>                       |                          | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>390,000</b>           | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |
| <b>Capital expenditure</b>     |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 40,000                   | 0                        | 0                        | 0                        | 40,000                   | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 600,000                  | 0                        | 0                        | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>0</b>                       |                          | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>40,000</b>            | <b>0</b>                 | <b>600,000</b>           | <b>0</b>                 | <b>40,000</b>            | <b>0</b>                 |
| <b>Funded by:</b>              |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                              |                          | 0                          | 0                          | 0                        | 40,000                   | 0                        | 600,000                  | 0                        | 40,000                   | 0                        |
| <b>0</b>                       |                          | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>40,000</b>            | <b>0</b>                 | <b>600,000</b>           | <b>0</b>                 | <b>40,000</b>            | <b>0</b>                 |
| <b>Capital expenditure to:</b> |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              |                          | 0                          | 0                          | 0                        | 40,000                   | 0                        | 600,000                  | 0                        | 40,000                   | 0                        |
| <b>0</b>                       |                          | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>40,000</b>            | <b>0</b>                 | <b>600,000</b>           | <b>0</b>                 | <b>40,000</b>            | <b>0</b>                 |
| <b>0</b>                       |                          | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>10,000</b>            | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>10,000</b>            | <b>0</b>                 |
| <b>16,000</b>                  |                          | <b>144,200</b>             | <b>144,200</b>             | <b>144,200</b>           | <b>148,000</b>           | <b>8,000</b>             | <b>128,000</b>           | <b>128,000</b>           | <b>128,000</b>           | <b>128,000</b>           |

# Hazard management

## Hazard management activities

Hazard management comprises the following activities:

### CIVIL DEFENCE EMERGENCY MANAGEMENT

—supporting, within the Taranaki community and Iwi, an integrated comprehensive emergency management system including hazard awareness, reducing risk, maintaining readiness, and providing response and recovery capacity and capabilities—refer to levels of service 1, 2 and 3.

### FLOOD MANAGEMENT AND GENERAL RIVER CONTROL

—providing accurate and timely flood warnings, providing flood control advice and undertaking minor works and associated actions (audit of regional plans and consent applications to ensure activities are undertaken without an increased risk of flooding and river erosion) to minimise and prevent damage by floods and river erosion—refer to level of service 4.

### RIVER CONTROL SCHEMES

—managing and maintaining river control scheme works to accepted design standards to minimise and prevent damage by floods and river erosion—refer to level of service 4.

## Hazard management and community outcomes

The Hazard management group of activities contributes to community outcomes by enhancing the safety and wellbeing of the public and the protection of property from hazards and minimising and preventing damage by floods and river erosion. Specifically, this group of activities contributes to the following community outcomes:

- Secure and Healthy Taranaki
- Prosperous Taranaki
- Sustainable Taranaki.

## Further information on policies and programmes

Further detailed information on the specific strategies, policies and plans relating to this group of activities can be found from the following sources:

- Civil Defence Emergency Management Act 2002
- National Civil Defence Emergency Management Plan 2005

- Taranaki Civil Defence Emergency Management Group Plan 2018
- Taranaki Civil Defence Emergency Management Annual Business Plans
- Soil Conservation and Rivers Control Act 1941
- Resource Management Act 1991
- Land Drainage Act 1908
- Lower Waitara River Flood Control Protection Scheme asset management plan
- Lower Waiwhakaiho Flood Control Protection Scheme asset management plan
- Okato Scheme asset management plan.

## Rationale and background

The *Civil Defence Emergency Management Act 2002* provides the basis and accountability for emergency planning and management in New Zealand. It provides for a comprehensive all-hazards approach to civil defence emergency management, integrated across a region, and requires agencies to focus on risk reduction, readiness, response and recovery. Traditional civil defence focused on the response to an event and did not fully incorporate non-natural hazards such as civil unrest, public health or an agricultural emergency.

Civil defence emergency management:

- promotes sustainable management of hazards
- encourages and enables communities to define and achieve acceptable levels of risk
- provides for planning and preparation for emergencies, and for response and recovery
- requires local authorities to co-ordinate Civil Defence Emergency Management planning and activities as a single region-wide structure
- encourages co-ordination across a wide range of agencies, recognising that emergencies require multi-agency readiness and response
- provides a basis for the integration of national and local civil defence emergency management.

A Taranaki Civil Defence Emergency Management Group has been established to implement this approach. It was formed as a joint standing committee comprising of the chair or mayor (or alternative elected representative) from each of the region's local authorities. The Civil Defence Emergency Management Group for Taranaki incorporates the Taranaki Regional Council, New Plymouth District Council, Stratford District Council and South Taranaki District Council. The Taranaki Regional Council is the administering authority of the Civil Defence Emergency Management Group.



The functions of the Civil Defence Emergency Management Group are embodied in the *Taranaki Civil Defence Emergency Management Group Plan 2018*. They include the co-ordination of civil defence emergency management planning, programmes and activities across the region, carrying out risk management, planning for emergency management by developing, implementing, monitoring and reviewing a civil defence emergency management group plan, and delivering emergency management based on a single response arrangement. To that end the Emergency Management Office is involved in the day-to-day administration, recruiting and training of staff, as well as maintenance of procedures and systems capable of responding at short notice, across the region.

Māori and iwi have an important role in assisting and providing information for hazard planning including a critical role in civil defence response and recovery across the region. The Council is committed to involvement of Māori and iwi including actively reviewing the *Civil Defence Emergency Management Group Plan for Taranaki*.

Two reviews of the *Civil Defence Emergency Management Group Plan* will, in accordance with statutory requirements, be undertaken within the term of this *Plan*.

The Civil Defence Emergency Management Group has formed a Co-ordinating Executive Group (CEG), consisting of the chief executive or senior officer of each local authority and the District Health Board together with senior officers from emergency services, to implement decisions of the Civil Defence Emergency Management Group and oversee the *Civil Defence Emergency Management Group Plan*. For the 2018/2019 year the Council will support the implementation of the *2018/2019 Taranaki Civil Defence Emergency Management Business Plan*. Progress will continue on the implementation of the strategic *Civil Defence Emergency Management Group Plan*.

River control and flood protection comprises acting as a catchment authority in the exercise of duties and functions under the *Soil Conservation and Rivers Control Act 1941*. This Act requires the Council to minimise and prevent damage by floods and erosion. Specifically, this involves providing advice and assistance to landholders on matters relating to the control of rivers and flooding. Flood protection schemes are constructed and maintained as deemed necessary. These scheme

infrastructure assets are maintained in *as new* condition. In addition, a regional flood event operating procedure is maintained and actioned as necessary.

Taranaki does not have large flood plains, as is the case in many regions of New Zealand. Flood control activities have accordingly been of relatively modest proportions. A number of significant schemes exist. The first of these comprises flood detention and routing works on the Huatoki and Mangaotuku streams to provide protection in central New Plymouth. These scheme works are owned, administered and maintained by the New Plymouth District Council under delegation from the Council. They were substantially constructed during the last thirty years.

The other significant schemes are managed, maintained and owned by the Council.

The *Lower Waitara River Flood Control Scheme* comprises a series of channel training and stopbank structures, which provide a level of protection for the flood plain within the township of Waitara to provide protection from a 1% annual exceedence probability flood event. Allowances have been made for climate change through to 2065. Annual routine maintenance costs are relatively minor.

The *Lower Waiwhakaiho Flood Control Scheme* involves stopbanks through the Glen Avon-Valley area of New Plymouth as the main component of the flood control assets to provide protection from a 1% annual exceedence probability flood event. Allowances have been made for climate change through to 2065. Routine annual maintenance costs are relatively minor.

The *Okato Scheme* comprises a series of erosion control and channel training works on relatively small reaches of the Stony River and the Kaihihi Stream. Routine maintenance costs are also small.

The *Waitotara River Scheme* has no infrastructural assets but rather comprises a continuous programme of channel maintenance for flood management.

The *Opunake Flood Control Scheme* comprises an urban and rural component. The urban component is administered by South Taranaki District Council. The rural component of the Scheme, administered by Council, comprises a series of open channels designed to divert floodwaters from the Hihiwera Stream to the Otahi Stream and the Waiua River. The scheme is designed to protect Opunake from a

1% annual exceedance probability flooding event. Routine maintenance costs are minor.

District-based targeted rates are used to fund the maintenance requirements of the schemes.

In 2017, updated ten-year asset management plans for the Waitara, Waiwhakaiho, Opunake and Okato Schemes, scheduling the necessary works to maintain the design capacity of them, were completed. The programme herein is based on those plans.

There are a number of other small rural flood control/drainage schemes in the region. The Council does not own any flood control assets associated with these schemes. However, it does facilitate maintenance activities in association with affected landowners.

Although the majority of the region's watercourses are relatively small in size and length, frequent high flows cause channels to be quite active necessitating on-going surveillance and occasional maintenance. Storms, particularly northerly cyclonic storms, periodically cause localised flooding problems. These can result in emergency river and flood control works, such as small channel diversions, or debris clearance. The Council intends to continue to provide a reasonable capability to respond to contingency events in the future.

Flood warning systems are maintained based upon telemetered hydrometric networks. These will continue to be maintained and enhanced in the future.

River control and flood protection functions are undertaken in accordance with the sustainable management purpose and principles of the *Resource Management Act 1991*. From time to time, the Council will also facilitate specific river control projects for the environmental enhancement of the region's waterways. In addition, the sustainable land management and riparian programmes outlined in the Land Management section of this *Plan*, will promote the maintenance and restoration of the natural character of waterways and their margins throughout the region.

## Levels of service

### 1. A Civil Defence Emergency Management (CDEM) system that delivers efficient and effective civil defence emergency management in Taranaki that is acceptable to the community

**Measure:** Presence of an appropriate Civil Defence Emergency Management system.

**Target (Years 1-10):** A *Civil Defence Emergency Management Group Plan* that is kept current and resourced in accordance with statutory requirements.

**Baseline:** Statutory reviews of the *Civil Defence Emergency Management Group Plan for Taranaki* are undertaken and implemented through annual work programmes. The *Plan* will be reviewed in 2023.

**Measure:** Delivery of Administrating Authority requirements.

**Target (Years 1-10):** Administrating Authority requirements for Civil Defence Emergency Management are delivered as specified.

**Baseline:** All Administrating Authority requirements are currently delivered as specified.

### 2. Effective hazard assessment and disaster risk management, community resilience, and emergency readiness and response capability and capacity in the region to levels that are acceptable to the community

**Measure:** Level of capacity and capability within Taranaki CDEM.

**Target (Years 1-10):** Group capability and capacity to be maintained at or enhanced above the level as set out in the *Group Plan* and as assessed by the MCDEM monitoring and evaluation analysis tool.

**Baseline:** The Group's capability and capacity is set out in the operative *Group Plan* and has been assessed and recorded by the MCDEM monitoring and evaluation analysis tool in 2015.

**Measure:** The Emergency Management Office to be implementing effective multi-agency advisory group planning, hazard contingency plans, and standard operating procedures to minimise harm or damage to people and property arising from an emergency.

**Target (Years 1-10):** Response and recovery is carried out in accordance with established plans

and procedures in order to minimise harm or damage to people and property, and reviewed for corrective actions.

**Baseline:** Response and recovery plans and procedures are set out in supporting plans and Standard Operating Procedures within the Emergency Management Office as listed in the operative Group Plan.

### 3. Effective CDEM Group Office servicing the needs of the CDEM Group area stakeholders and partners

**Measure:** CDEM Group Office performance monitoring.

**Target (Years 1-10):** Support the Emergency Management office to prepare, implement, monitor and report upon the *Taranaki Civil Defence Emergency Management Annual Business Plan*.

**Baseline:** The current *Taranaki Civil Defence Emergency Management Annual Business Plan* is being implemented, monitored and reported upon.

### 4. Flood protection and drainage schemes that protect life and property

**Measure:** The number of schemes maintained to their full service potential.

**Target (Years 1-10):** 100% of schemes maintained to ensure that they provide protection to the agreed standard and the scheme assets are maintained as established in the adopted asset management plans.

**Baseline:** As of 30 June 2017, the Waitara and Waiwhakaiho flood control schemes were maintained to their full service potential. The Waitotara and Okato river control schemes were maintained to the standard set out in their scheme management plans.

## Activities—what we plan to do

Years 2018/2019 to 2027/2028 unless otherwise noted.

### 1. Civil defence emergency management

Support the Emergency Management office to prepare, implement, monitor and report upon the *Taranaki Civil Defence Emergency Management Annual Business Plan*.

Support the Emergency Management office to implement, monitor and report upon the operative *Civil Defence Emergency Management Group Plan for Taranaki*, and draft, and notify the next Plan in accordance with the statutory review period.

Support the Emergency Management office to maintain, review, and as needs be, implement effective response and recovery procedures to minimise harm or damage to people and property arising from emergency events.

### 2. Flood management and general river control

Effectively monitor rainfall and river levels and issue timely flood warnings. Maintain continuous monitoring systems (100% functional) and issue timely warnings for all cases, where necessary, in accordance with the *Flood Event Standard Operating Procedure* (approximately 35 warnings per annum).

Undertake minor emergency river and flood control works when necessary.

Respond to 100% of requests for drainage, river and flood control advice and assistance within ten working days.

Facilitate river control projects for the environmental enhancement of the region's waterways.

Resource management planners are given advice to ensure regional plan rule and consent conditions will not increase the risk of flooding or river erosion.

### 3. River control schemes

Manage all flood and river control schemes across the region in accordance with asset management plans or management plans; including Lower Waiwhakaiho, Lower Waitara, Okato and Waitotara Schemes.

Manage other minor river schemes to standards as agreed with scheme participants.

Implement the rural component of an Opunake Flood Control Scheme. The rural component of the Scheme will divert floodwaters from the Hihiwera Stream to the Otahi Stream and the Waihua River. An urban component will be designed and implemented by the South Taranaki District Council. The scheme is designed to protect Opunake from a 1% Annual Exceedance Probability (one-in-100-year) flooding event.

## Indicative costs and sources of funds

| 2017/2018<br>Estimate \$       | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|--------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Expenditure</b>             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 1,042,967                      | 399,236                  | 406,221                    | 414,058                    | 422,067                  | 430,625                  | 439,379                  | 448,724                  | 458,692                  | 468,909                  | 479,801                  |
| 247,856                        | 251,884                  | 256,012                    | 264,017                    | 269,954                  | 274,325                  | 279,759                  | 285,609                  | 292,197                  | 299,806                  | 307,061                  |
| 261,859                        | 267,430                  | 271,662                    | 279,260                    | 285,716                  | 291,498                  | 297,883                  | 304,726                  | 312,237                  | 320,447                  | 328,687                  |
| <b>1,552,682</b>               | <b>918,550</b>           | <b>933,895</b>             | <b>957,335</b>             | <b>977,737</b>           | <b>996,448</b>           | <b>1,017,021</b>         | <b>1,039,059</b>         | <b>1,063,126</b>         | <b>1,089,162</b>         | <b>1,115,549</b>         |
| <b>Income</b>                  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 136,980                        | 141,758                  | 140,069                    | 146,544                    | 157,190                  | 179,476                  | 198,291                  | 212,117                  | 222,897                  | 235,538                  | 248,596                  |
| 700,454                        | 711,706                  | 726,158                    | 734,564                    | 741,930                  | 750,592                  | 760,586                  | 770,076                  | 781,066                  | 793,142                  | 804,855                  |
| 965,858                        | 20,000                   | 20,400                     | 20,849                     | 21,308                   | 21,798                   | 22,299                   | 22,834                   | 23,405                   | 23,990                   | 24,614                   |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| (44,672)                       | (45,650)                 | (47,476)                   | (49,375)                   | (51,350)                 | (53,404)                 | (55,540)                 | (57,762)                 | (60,072)                 | (62,475)                 | (64,974)                 |
| 125,648                        | 165,971                  | 174,869                    | 190,086                    | 199,538                  | 194,773                  | 194,463                  | 201,572                  | 212,744                  | 223,480                  | 235,065                  |
| <b>1,884,268</b>               | <b>993,785</b>           | <b>1,014,020</b>           | <b>1,042,668</b>           | <b>1,068,616</b>         | <b>1,093,235</b>         | <b>1,120,099</b>         | <b>1,148,837</b>         | <b>1,180,040</b>         | <b>1,213,675</b>         | <b>1,248,156</b>         |
| <b>331,586</b>                 | <b>75,235</b>            | <b>80,125</b>              | <b>85,333</b>              | <b>90,879</b>            | <b>96,787</b>            | <b>103,078</b>           | <b>109,778</b>           | <b>116,914</b>           | <b>124,513</b>           | <b>132,607</b>           |
| <b>Capital expenditure</b>     |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 70,000                         | 0                        | 40,000                     | 0                          | 0                        | 0                        | 40,000                   | 0                        | 0                        | 0                        | 40,000                   |
| 4,000                          | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 600,000                        | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>674,000</b>                 | <b>0</b>                 | <b>40,000</b>              | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>40,000</b>            | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>40,000</b>            |
| <b>Funded by:</b>              |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 674,000                        | 0                        | 40,000                     | 0                          | 0                        | 0                        | 40,000                   | 0                        | 0                        | 0                        | 40,000                   |
| <b>674,000</b>                 | <b>0</b>                 | <b>40,000</b>              | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>40,000</b>            | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>40,000</b>            |
| <b>Capital expenditure to:</b> |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 600,000                        | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 74,000                         | 0                        | 40,000                     | 0                          | 0                        | 0                        | 40,000                   | 0                        | 0                        | 0                        | 40,000                   |
| <b>674,000</b>                 | <b>0</b>                 | <b>40,000</b>              | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>40,000</b>            | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>40,000</b>            |
| <b>0</b>                       | <b>0</b>                 | <b>10,000</b>              | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>10,000</b>            | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>10,000</b>            |
| <b>53,086</b>                  | <b>7,003</b>             | <b>8,232</b>               | <b>8,232</b>               | <b>8,173</b>             | <b>8,000</b>             | <b>8,000</b>             | <b>8,000</b>             | <b>8,000</b>             | <b>8,000</b>             | <b>8,000</b>             |

# Recreation, culture and heritage

## Recreation, culture and heritage activities

Recreation, culture and heritage comprises the following activities:

### REGIONAL GARDENS

—ensuring that Hollard Gardens, Tupare and Pukeiti are maintained and enhanced as regionally significant recreational and heritage amenities—refer to level of service 1.

### PUKE ARIKI

— maintaining an ongoing partnership with the Puke Ariki regional museum and library including the use of exhibitions, presentations and services within annual projects —refer to level of service 2.

### YARROW STADIUM

—facilitating the continued maintenance and development of Yarrow Stadium—refer to level of service 3.

## Recreation, culture and heritage and community outcomes

The Recreation, culture and heritage group of activities contributes to community outcomes by supporting and developing regional gardens, maintaining an ongoing partnership relationship with Puke Ariki regional museum and library and ensuring the continuing maintenance and development of Yarrow Stadium as part of a prosperous and vibrant Taranaki. Specifically, this group of activities contributes to the following community outcomes:

- Prosperous Taranaki
- Vibrant Taranaki
- Sustainable Taranaki.

## Further information on policies and programmes

Further detailed information on the specific strategies, policies and plans relating to this group of activities can be found from the following sources:

- Local Government Act 2002
- Taranaki Regional Council Empowering Act 2001
- Hollard Garden Asset Management Plan 2017
- Tupare Asset Management Plan 2017
- Pukeiti Asset Management Plan 2017.

## Rationale and background

The *Taranaki Regional Council Empowering Act 2001* provides specific powers to undertake, implement, encourage or maintain any services, works or facilities that are for the recreational or cultural well-being of Taranaki, or that are for preserving or encouraging the reasonable enjoyment of the physical and cultural heritage of the Taranaki region.

Many of the activities possible under the Act are, in general, allied to existing functions and mission. The Act does not alter the obligations to fully comply with the accountability requirements of the *Local Government Act 2002*, but it does provide for the opportunity to apply those provisions in ways more appropriate to community needs and expectations. It also provides the opportunity for the local authorities and residents of Taranaki to work more coherently, on a range of matters when they are regionally significant, further to that provided in the *Local Government Act*.

The Council is a Foundation Partner of the Puke Ariki regional museum and library facility. Over the next decade, the partnership is proposed to continue with support to Puke Ariki for the provision of information and education activities.

In 2001/2002 funding of \$9.6m was provided to the Taranaki Events Centre Trust for the development of Yarrow Stadium. The value of Yarrow Stadium to the regional community is well recognised and it continues to grow. In the recent past, Yarrow Stadium has hosted a range of national and international sporting events. In 2012/2013, the Trust (renamed as the Taranaki Stadium Trust) became a council-controlled organisation. A partnership funding arrangement between the Trust, the New Plymouth District Council and the Council was established for the operation, maintenance and development of Yarrow Stadium.

New Plymouth District Council operates, and funds the operations and event promotion, of Yarrow Stadium under a management agreement with the Taranaki Stadium Trust. Annual funding is provided to the Taranaki Stadium Trust for the long-term maintenance and development of Yarrow Stadium.

A joint governance committee, agree upon a programme of long-term maintenance and

development of Yarrow Stadium. Maintaining Yarrow Stadium to the highest standards ensures that it will be competitive when bidding for national and international sporting and other events. This *Plan* continues the partnership and funding to the Taranaki Stadium Trust.

The maintenance and development of the facilities is an important component of Taranaki's ongoing vibrancy and prosperity.

Taranaki has several outstanding gardens that assist in attracting a significant number of visitors to the region. They are also treasured community amenities. Three of these are Pukeiti, Tupare and Hollard Gardens. In 2002, ownership of Tupare and Hollard Gardens was assumed and 2010 ownership of Pukeiti followed.

It is intended to ensure these amenities are appropriately maintained and enhanced. Extensive processes of developing and adopting detailed asset management plans have been completed for all three properties. The plans for the maintenance and enhancement of these properties are detailed in the updated 2017 asset management plans.

In the last few years, there has been an on-going significant upgrade in the facilities at Pukeiti. This *Plan* continues the process of developing and enhancing Pukeiti whilst maintaining Tupare and Hollard Gardens to the standards achieved under previous asset management plans.

### Specific group asset information

Tupare is acknowledged as one of New Zealand's finest and most important heritage house and garden properties. The vision for the Tupare experience is:

*"Experience a beautifully restored garden and Chapman-Taylor home. Sculptured from the Taranaki hillside, this is the premier landscaped garden. Sense the prestige, lifestyle and stories of the Matthews family and the people who surrounded them. Enjoy a relaxed stroll through the garden, a picnic with friends and family, or high tea in the homestead. Or perhaps take in a tour of the house and experience a taste of 1950s Taranaki home life, Matthews family style."*

This plan seeks to focus and develop Tupare to realise the above description in a way that:

- protects the heritage and domestic qualities of the house and garden
- captures the splendour of the gardens
- is accessible and appealing to a larger audience

- increases New Plymouth's and the wider Taranaki community's pride and use
- provides a range of quality visitor services and events
- leads to the ongoing improvement and redevelopment of Tupare.

Hollard Gardens are recognised as having a plant collection of national importance. The vision for the Hollard Gardens experience is:

*"A horticultural oasis – in the very heart of dairy country. A true plantsman's garden and Taranaki Showcase. A place to experience the legacy of Bernie Hollard's passion and determination that made him legendary among gardeners and nurserymen alike. Where garden visitors catch the dramatic views of Mount Taranaki, enjoy special functions and participate in community events."*

This plan seeks to focus and develop Hollard Gardens to realise the vision in a way that:

- preserves and enhances a unique regional plant collection
- communicates the stories of Bernie and Rose Hollard and the gardens
- promotes community engagement and support - knowledge, pride and use
- provides a range of user facilities and services
- promotes recreational and education experiences through tailored events, programmes, functions and marketing
- creates an inclusive environment between Hollard Gardens, individuals and groups.

The Council is positioning Pukeiti as an international garden and rainforest experience. The vision for the Pukeiti experience is:

*"Encounter the mystery:  
Explore a wonderland of rhododendrons, rainforest and volcanoes. Take a short garden walk or a more challenging adventure and with either - sense another world and time. Feel the spiritual significance of Pukeiti to local iwi and learn some of the language, knowledge and stories which are part of the land. Find out about pioneering Europeans, passionate plant-collectors and garden-makers. Gain horticultural skills and experience biodiversity in action. Discover the property whilst doing a fun activity or make use of the facilities for a private or community event.  
Share Pukeiti - a truly unique part of Taranaki's heritage."*

This plan seeks to focus and develop Pukeiti to realise the vision in a way that:

- preserves and enhances the unique international rhododendron collection
- promotes community engagement and support - knowledge, pride and use
- communicates iwi stories, language and knowledge
- communicates the stories of the pioneers, garden founders and members
- promotes adventure and discovery through recreational and educational experiences through tailored events, programmes, functions and marketing
- creates an inclusive environment between Pukeiti, individuals and groups
- promotes biodiversity particularly of the regenerating rainforest and the vireya collection.



## Levels of service

### 1. Tupare, Hollard Gardens and Pukeiti recognised as regionally or nationally significant gardens

**Measure:** Maintenance and enhancement of three regionally significant gardens.

**Target (Years 1-10):** Pukeiti, Tupare and Hollard Gardens maintained and enhanced in accordance with the provisions of the adopted asset management plans.

**Baseline:** The three properties are maintained to the latest adopted asset management plan. Latest asset management plans were adopted in 2017.

**Measure:** Level of use of Tupare, Hollard Gardens and Pukeiti.

**Target (Years 1-10):** Increasing the number of visitors and the number of events at each property.

**Baseline:** In 2016/2017, Tupare attracted 35,810 visitors, Hollard Gardens 18,175 and Pukeiti 29,109 visitors. There were 54 events at Tupare, 79 at Hollard Gardens and 11 at Pukeiti. All three properties were part of the *Powerco Taranaki Garden Spectacular*.

**Measure:** Access to Tupare, Hollard Gardens and Pukeiti.

**Target (Years 1-10):** Tupare, Hollard Gardens and Pukeiti open to the public daily with unrestricted free general access.

**Baseline:** Tupare and Hollard Gardens have been open in this way since 2002. Free access to Pukeiti commenced from 1 July 2010.

### 2. Partnership relationship with the Puke Ariki regional museum and library

**Measure:** Annual project for the delivery of display and presentation material.

**Target (Years 1-10):** Delivery of an annual project.

**Baseline:** The ongoing partnership relationship with Puke Ariki continued during 2016/2017. The partnership contributed towards five projects.

### 3. Presentation and operation of Yarrow Stadium as one of New Zealand's premier regional sporting stadium and venue

**Measure:** Maintenance and development of Yarrow Stadium for a range of events and activities.

**Target (Years 1-10):** Provision of funding for the ongoing maintenance and development of Yarrow Stadium.

**Baseline:** The Council commenced providing funding for the ongoing maintenance and development of Yarrow Stadium in 2012/2013.

## Activities—what we plan to do

Years 2018/2019 to 2027/2028 unless otherwise noted.

### 1. Regional gardens

Provide three regional gardens (Tupare, Hollard Gardens and Pukeiti) for free general use by the regional community. Tupare, Hollard Gardens and Pukeiti open to the public daily with unrestricted free general access.

Encourage the increased use of the regional gardens by the community for recreational purposes and for specific events.

Continue implementing the Pukeiti asset management plans focusing on completing the upgrade works in the Zone 1 Garden, the rhododendron collection in Zone 2 and recreational development opportunities in Zone 3. Priority tasks to be completed include:

- completing the landscaping and visitor facilities in the Garden Zone 1
- continuing to enhance the rhododendron collection (Zone 2) through implementing the *Plant Collection Plan*
- continuing to develop and implement world class story telling and interpretation throughout Pukeiti
- developing a canopy walk linking Pukeiti with the rainforest
- developing walking and cycling trails throughout the rainforest and linking to the coast
- developing visitor facilities including a family hut, the Puke te whiti summit and enhancing various heritage and biodiversity sites.

Continue implementing the Hollard Gardens asset management plans focusing on:

- providing a new barbeque and shelter
- extending education workshops in Bernie's Home Garden by providing a new single garage workshop
- extending the culvert to create more car parking.

Continue implementing the Tupare asset management plans focusing on:

- upgrading the Cottage, including heating, lighting and access
- continuing art work based on the arts and crafts genre
- investigating an upgrade of the tennis court hospitality options.

Review and adopt asset management plans for Tupare, Hollard Gardens and Pukeiti by 31 October 2020.

### 2. Yarrow Stadium

Contract with New Plymouth District Council for the operation and management of Yarrow Stadium.

Undertake asset management planning for the future maintenance, enhancement and development of Yarrow Stadium.

Provide regional funding for the future maintenance, enhancement and development of Yarrow Stadium.

## Indicative costs and sources of funds

| 2017/2018<br>Estimate \$            | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|-------------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Expenditure</b>                  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 2,477,947                           | 2,827,345                | 3,391,842                  | 4,503,285                  | 4,575,482                | 3,151,939                | 3,179,628                | 3,221,764                | 3,278,086                | 3,337,283                | 3,409,145                |
| 150,000                             | 150,000                  | 150,000                    | 150,000                    | 150,000                  | 150,000                  | 150,000                  | 150,000                  | 150,000                  | 150,000                  | 150,000                  |
| 876,000                             | 876,000                  | 876,000                    | 876,000                    | 876,000                  | 876,000                  | 876,000                  | 876,000                  | 876,000                  | 876,000                  | 876,000                  |
| <b>3,503,947</b>                    | <b>3,853,345</b>         | <b>4,417,842</b>           | <b>5,529,285</b>           | <b>5,601,482</b>         | <b>4,177,939</b>         | <b>4,205,628</b>         | <b>4,247,764</b>         | <b>4,304,086</b>         | <b>4,363,283</b>         | <b>4,435,145</b>         |
| <b>Income</b>                       |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 1,588,231                           | 1,566,064                | 1,763,174                  | 2,207,646                  | 2,267,297                | 1,785,797                | 1,894,955                | 1,947,011                | 1,972,553                | 2,009,463                | 2,050,533                |
| 306,871                             | 301,734                  | 296,938                    | 292,131                    | 287,324                  | 282,506                  | 277,688                  | 272,870                  | 268,041                  | 263,212                  | 258,372                  |
| 152,000                             | 152,000                  | 156,500                    | 165,922                    | 168,742                  | 171,637                  | 174,610                  | 177,662                  | 180,796                  | 184,014                  | 187,319                  |
| 1,456,845                           | 1,833,547                | 2,201,230                  | 2,863,586                  | 2,878,119                | 1,937,999                | 1,858,375                | 1,850,221                | 1,882,696                | 1,906,594                | 1,938,921                |
| <b>3,503,947</b>                    | <b>3,853,345</b>         | <b>4,417,842</b>           | <b>5,529,285</b>           | <b>5,601,482</b>         | <b>4,177,939</b>         | <b>4,205,628</b>         | <b>4,247,764</b>         | <b>4,304,086</b>         | <b>4,363,283</b>         | <b>4,435,145</b>         |
| <b>0</b>                            | <b>0</b>                 | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |
| <b>Operating surplus/(deficit)</b>  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Capital expenditure</b>          |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 1,162,000                           | 1,588,000                | 1,606,000                  | 1,542,000                  | 665,000                  | 511,000                  | 120,000                  | 133,000                  | 141,000                  | 101,000                  | 107,000                  |
| 40,000                              | 77,000                   | 0                          | 45,000                     | 117,000                  | 77,000                   | 0                        | 45,000                   | 117,000                  | 77,000                   | 0                        |
| 24,000                              | 60,000                   | 60,000                     | 60,000                     | 60,000                   | 240,006                  | 75,000                   | 60,000                   | 60,000                   | 60,000                   | 60,000                   |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>1,226,000</b>                    | <b>1,725,000</b>         | <b>1,666,000</b>           | <b>1,647,000</b>           | <b>842,000</b>           | <b>828,006</b>           | <b>195,000</b>           | <b>238,000</b>           | <b>318,000</b>           | <b>238,000</b>           | <b>167,000</b>           |
| <b>Total capital expenditure</b>    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Funded by:</b>                   |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 1,226,000                           | 1,725,000                | 1,666,000                  | 1,647,000                  | 842,000                  | 828,006                  | 195,000                  | 238,000                  | 318,000                  | 238,000                  | 167,000                  |
| <b>1,226,000</b>                    | <b>1,725,000</b>         | <b>1,666,000</b>           | <b>1,647,000</b>           | <b>842,000</b>           | <b>828,006</b>           | <b>195,000</b>           | <b>238,000</b>           | <b>318,000</b>           | <b>238,000</b>           | <b>167,000</b>           |
| <b>Total funding</b>                |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Capital expenditure to:</b>      |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                   | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 1,226,000                           | 1,725,000                | 1,666,000                  | 1,647,000                  | 842,000                  | 828,006                  | 195,000                  | 238,000                  | 318,000                  | 238,000                  | 167,000                  |
| <b>1,226,000</b>                    | <b>1,725,000</b>         | <b>1,666,000</b>           | <b>1,647,000</b>           | <b>842,000</b>           | <b>828,006</b>           | <b>195,000</b>           | <b>238,000</b>           | <b>318,000</b>           | <b>238,000</b>           | <b>167,000</b>           |
| <b>Total capital expenditure</b>    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>8,000</b>                        | <b>18,000</b>            | <b>0</b>                   | <b>20,000</b>              | <b>18,000</b>            | <b>48,000</b>            | <b>0</b>                 | <b>20,000</b>            | <b>18,000</b>            | <b>48,000</b>            | <b>0</b>                 |
| <b>Proceeds from sale of assets</b> |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>445,827</b>                      | <b>475,981</b>           | <b>525,987</b>             | <b>560,226</b>             | <b>581,212</b>           | <b>613,479</b>           | <b>594,394</b>           | <b>577,719</b>           | <b>575,264</b>           | <b>559,589</b>           | <b>562,176</b>           |
| <b>Depreciation/amortisation</b>    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |

# Regional representation, advocacy and investment management

## Regional representation, advocacy and investment management activities

Regional representation, advocacy and investment management comprises the following activities:

### INVESTMENT MANAGEMENT

—ensuring that the equity, property and treasury investments owned by the Council are efficiently managed—refer to level of service 2.

### COMMUNITY ENGAGEMENT

— promoting community awareness, understanding and involvement with the Council's functions and activities, together with demonstrating the value and contribution of the work of the Council to the region.

### ADVOCACY AND RESPONSE

—advocating and responding, on behalf of the Taranaki community, to initiatives proposed by other agencies, when those initiatives affect the statutory responsibilities of the Council or relate to matters of regional significance, which are of interest or concern to the people of Taranaki—refer to level of service 1.

### GOVERNANCE

—facilitating public representation by the Council and its committees in accordance with statutory requirements.

## Regional representation, advocacy and investment management and community outcomes

The Regional representation, advocacy and investment management group of activities contributes to community outcomes by maintaining effective and open community representation as an important part of the democratic process; advocating on behalf of the Taranaki community on matters of regional interest; implementing and further developing a programme of information transfer, advice and education on the Council's activities; and ensuring that the equity, property and treasury investments owned by the Council are managed efficiently. Specifically this group of activities contributes to the following community outcomes:

- Prosperous Taranaki
- Sustainable Taranaki

- Connected Taranaki
- Together Taranaki.

## Further information on policies and programmes

Further detailed information on the specific strategies, policies and plans relating to this group of activities can be found from the following sources:

- Port Companies Act 1988
- Port Taranaki Ltd's statement of corporate intent
- Local Government Act 2002
- Resource Management Act 1991
- Investment Policy
- the Local Government Official Information and Meetings Act 1987
- Standing Orders.

## Rationale and background

Taranaki Regional Councillors are elected every three years with the next election being in October 2019. The Council conducts six-weekly meetings of the full Council and the main committees and convenes other meetings as appropriate. Councillor's remuneration is independently determined by the Remuneration Authority. Further information on governance arrangements is provided in the *Governance* section of this *Plan*.

The advocacy role involves assessing the implications of policy initiatives proposed by other agencies including discussion documents, proposed policies, strategies, plans and draft legislation and providing feedback and submissions on those initiatives. The level advocacy undertaken varies from year to year and depends on the activities of other agencies. An average year would involve commenting on approximately between 20 and 30 initiatives that have implications for Taranaki. General community engagement activities have tended to be relatively low key, focusing on responding to requests for information, distributing information and undertaking display and extension activities in schools and other forums. Increasingly, the Council is focusing on presenting its stories in a range of forums rather than relying on traditional modes of communication based around the media. In recent years the focus has been on providing a range of modest promotional and educational programmes particularly aimed at the young

people in our community. The Council website provides a range of services and generates considerable public use.

Investments comprise equities, properties and cash. The Council currently owns 100% of Port Taranaki Ltd (Port Taranaki). Shares are carried at their book value of \$26 million. Port Taranaki is a significant asset held on behalf of the regional community. The port is widely recognised as a core component of the transport infrastructure of the region.

The Council is committed to the port being a successful commercial business as required by the *Port Companies Act 1988*. In ensuring that Port Taranaki Ltd is a successful business, activities are undertaken within the constraints of the *Port Companies Act*. First is the ability to appoint Directors to the Board to ensure that the port has the appropriate governance structure and skills. The Council then works with the Board through ongoing liaison, to ensure that planning for the future of the company and the monitoring of the port's performance are appropriately undertaken, noting that this is primarily the responsibility of the Board. Formally, the annual statement of corporate intent for Port Taranaki Ltd is reviewed and commented upon. Reviews of the Company's performance against the targets established in the *Statement of Corporate Intent* are undertaken every six months.

Port Taranaki Ltd is an important strategic regional asset and, as such, the Council has been committed to continued public ownership. The port contributes significantly to the community outcome of a *Prosperous Taranaki*. From time to time, the contribution to a *Prosperous Taranaki* is formally measured and reported upon. Similarly, periodic reviews of ownership of Port Taranaki Ltd are undertaken to ensure that retained public ownership continues to contribute to the region's success.

The investment in Port Taranaki carries a degree of risk. The level of profitability that Port Taranaki generates drives returns to the shareholder. The level of revenue it can generate is the prime driver of profitability. Both the expected returns from the investment and the ultimate value of the investment are, therefore, very dependent on the ability of Port Taranaki to protect and enhance its revenue base.

The Council owns properties in New Plymouth, which were transferred at the time the role of the

previous Taranaki Harbours Board was assumed. Properties are leased on a long-term basis.

The treasury function involves managing cash surpluses and/or deficits.

The investment activity is a risk management function. The approach is to manage investments to optimise returns in the long-term while balancing risk and return considerations. The Council recognises that as a responsible public authority, any investments that it holds should be managed prudently. It also recognises that lower risk generally means lower returns. Investments are utilised to produce a revenue stream to reduce the reliance on general rate revenue.

## Levels of service

### 1. Effective advocacy on behalf of the Taranaki community on matters that affect the statutory responsibilities of the Council or that relate to matters of regional significance which are of interest or concern to the people of Taranaki

**Measure:** Level of advocacy undertaken.

**Target (Years 1-10):** Approximately 20 submissions made per year, with evidence of successful advocacy in most cases.

**Baseline:** In 2016/2017, 31 submissions were made with anecdotal evidence of successful advocacy in most cases.

### 2. Port Taranaki ownership as a strategic investment

**Measure:** The role of Port Taranaki Ltd in regional economy.

**Target (Years 1-10):** Maintain or increase the contribution from Port Taranaki Ltd to the regional economy.

**Baseline:** In 2012, the estimated Port dependent activity contributed \$465m to regional gross domestic product (GDP) and employed 1,270 full time equivalents. Industries utilizing the Port contributed \$2.5b to regional GDP and employed 11,700 FTEs.

**Measure:** The financial and operational performance of Port Taranaki Ltd.

**Target (Years 1-10):** Ensure financial and operational performance from Port Taranaki Ltd is in accordance with the levels presented in each year's statement of corporate intent.

**Baseline:** Port Taranaki Ltd's performance is reviewed, against the statement of corporate intent twice a year.  
Effective management of property and treasury investments owned by the Council

**Measure:** Investment returns from property and treasury investments on general rates.

**Target (Years 1-10):** Maintain or increase the level of investment returns used to reduce each year's general rates requirement.

**Baseline:** Total investment returns from property and treasury investments in 2016/2017 were interest \$527,175 and lease rent \$861,412. These

returns were used to reduce the general rate requirement.

## Activities—what we plan to do

Years 2018/2019 to 2027/2028 unless otherwise noted.

### 1. Investment management

Consider Port Taranaki's annual statement of corporate intent and monitor performance against established targets.

Appoint Directors at Port Taranaki Ltd's annual general meeting and at other times as required.

Undertake on-going liaison with port company directors and management.

Manage and, where appropriate, divest leasehold land in accordance with the *Investment Policy*.

Manage and maximise returns from treasury investments in accordance with the *Investment Policy*.

### 2. Community engagement

Engage with the community across a range of channels including print and digital publications, news media, websites, mobile and social media. Produce five bi-monthly editions of the Council newsletter and publish through print and digital channels.

Implement the environmental awards programme.

Provide an on-going environmental education programme for school children and the wider community including class visits, field trips, the Pukeiti Rainforest School and support for community projects.

### 3. Advocacy and response

Assess the implications of policy initiatives proposed by other agencies including discussion documents, proposed policies, strategies, plans and draft legislation, and respond within required timeframes on approximately 20 occasions per year.

### 4. Governance

Completion of statutory planning and reporting documents (Long-Term Plan, Annual Plans and Annual Reports) within statutory requirements.

Preparation of agendas and minutes and the conduct of meetings in accordance with *Standing Orders* and the *Local Government Official Information and Meetings Act 1987*.

Conduct of triennial local authority elections without any need for re-conduct of the elections as a result of judicial review.

## Indicative costs and sources of funds

| 2017/2018<br>Estimate \$           | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|------------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Expenditure</b>                 |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 6,000                              | 6,000                    | 6,120                      | 6,255                      | 6,393                    | 6,540                    | 6,690                    | 6,851                    | 7,022                    | 7,198                    | 7,385                    |
| 193,323                            | 292,713                  | 295,901                    | 305,893                    | 313,127                  | 317,892                  | 323,836                  | 330,247                  | 337,560                  | 346,220                  | 354,288                  |
| 240,144                            | 278,215                  | 283,105                    | 294,485                    | 300,481                  | 291,576                  | 297,302                  | 303,561                  | 310,636                  | 318,864                  | 326,657                  |
| 971,337                            | 1,015,872                | 1,127,580                  | 1,064,933                  | 1,090,118                | 1,210,496                | 1,126,586                | 1,150,923                | 1,288,423                | 1,210,371                | 1,240,664                |
| <b>1,410,804</b>                   | <b>1,592,800</b>         | <b>1,712,706</b>           | <b>1,671,566</b>           | <b>1,710,119</b>         | <b>1,826,504</b>         | <b>1,754,414</b>         | <b>1,791,582</b>         | <b>1,943,641</b>         | <b>1,882,653</b>         | <b>1,928,994</b>         |
| <b>Income</b>                      |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 734,273                            | 732,357                  | 760,394                    | 726,373                    | 752,232                  | 874,486                  | 884,241                  | 917,086                  | 992,937                  | 964,514                  | 989,938                  |
| 3,000                              | 3,000                    | 3,000                      | 3,000                      | 3,000                    | 3,000                    | 3,000                    | 3,000                    | 3,000                    | 3,000                    | 3,000                    |
| 673,531                            | 857,443                  | 949,312                    | 942,193                    | 954,887                  | 949,018                  | 867,173                  | 871,496                  | 947,704                  | 915,139                  | 936,056                  |
| <b>1,410,804</b>                   | <b>1,592,800</b>         | <b>1,712,706</b>           | <b>1,671,566</b>           | <b>1,710,119</b>         | <b>1,826,504</b>         | <b>1,754,414</b>         | <b>1,791,582</b>         | <b>1,943,641</b>         | <b>1,882,653</b>         | <b>1,928,994</b>         |
| <b>0</b>                           | <b>0</b>                 | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |
| <b>Operating surplus/(deficit)</b> |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Capital expenditure</b>         |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 50,000                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                  | 1,200,000                | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 130,000                            | 96,000                   | 70,000                     | 238,000                    | 82,000                   | 166,000                  | 0                        | 238,000                  | 152,000                  | 96,000                   | 0                        |
| 62,000                             | 77,000                   | 2,000                      | 2,000                      | 152,000                  | 2,000                    | 77,000                   | 2,000                    | 2,000                    | 152,000                  | 2,000                    |
| 19,000                             | 12,000                   | 12,000                     | 12,000                     | 12,000                   | 12,000                   | 12,000                   | 12,000                   | 12,000                   | 12,000                   | 12,000                   |
| 150,000                            | 160,000                  | 163,200                    | 216,790                    | 170,794                  | 174,722                  | 178,741                  | 183,031                  | 237,789                  | 192,672                  | 197,681                  |
| 0                                  | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 430,000                            | 555,000                  | 357,000                    | 364,854                    | 672,881                  | 381,457                  | 390,231                  | 399,597                  | 409,587                  | 719,827                  | 430,743                  |
| <b>841,000</b>                     | <b>2,100,000</b>         | <b>604,200</b>             | <b>833,644</b>             | <b>1,089,675</b>         | <b>736,179</b>           | <b>657,972</b>           | <b>834,628</b>           | <b>813,376</b>           | <b>1,172,499</b>         | <b>642,424</b>           |
| <b>Funded by:</b>                  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 841,000                            | 2,100,000                | 604,200                    | 833,644                    | 1,089,675                | 736,179                  | 657,972                  | 834,628                  | 813,376                  | 1,172,499                | 642,424                  |
| <b>841,000</b>                     | <b>2,100,000</b>         | <b>604,200</b>             | <b>833,644</b>             | <b>1,089,675</b>         | <b>736,179</b>           | <b>657,972</b>           | <b>834,628</b>           | <b>813,376</b>           | <b>1,172,499</b>         | <b>642,424</b>           |
| <b>Capital expenditure to:</b>     |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                  | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                  | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 841,000                            | 2,100,000                | 604,200                    | 833,644                    | 1,089,675                | 736,179                  | 657,972                  | 834,628                  | 813,376                  | 1,172,499                | 642,424                  |
| <b>841,000</b>                     | <b>2,100,000</b>         | <b>604,200</b>             | <b>833,644</b>             | <b>1,089,675</b>         | <b>736,179</b>           | <b>657,972</b>           | <b>834,628</b>           | <b>813,376</b>           | <b>1,172,499</b>         | <b>642,424</b>           |
| <b>31,000</b>                      | <b>20,000</b>            | <b>20,000</b>              | <b>63,000</b>              | <b>23,000</b>            | <b>40,000</b>            | <b>0</b>                 | <b>63,000</b>            | <b>43,000</b>            | <b>20,000</b>            | <b>0</b>                 |
| <b>557,546</b>                     | <b>833,442</b>           | <b>875,925</b>             | <b>1,009,626</b>           | <b>1,165,754</b>         | <b>1,066,315</b>         | <b>882,129</b>           | <b>870,128</b>           | <b>878,337</b>           | <b>885,843</b>           | <b>976,214</b>           |



## Financial strategy



The Council is required to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently, and in a manner that sustainably promotes the current and future interests of the community. Thus, the *Financial Strategy* is an important component of this *Long-Term Plan*.

### Purpose

The purpose of this *Strategy* is to facilitate:

- prudent financial management by providing a guide to consider proposals for funding and expenditure
- consultation on proposals for funding and expenditure by making transparent the overall effects of those proposals on services, rates, debt and investments.

This *Strategy* brings together important information that is set out in the rest of this *Plan*, integrates it with financial forecasts, and arrives at a sustainable and prudent budget.

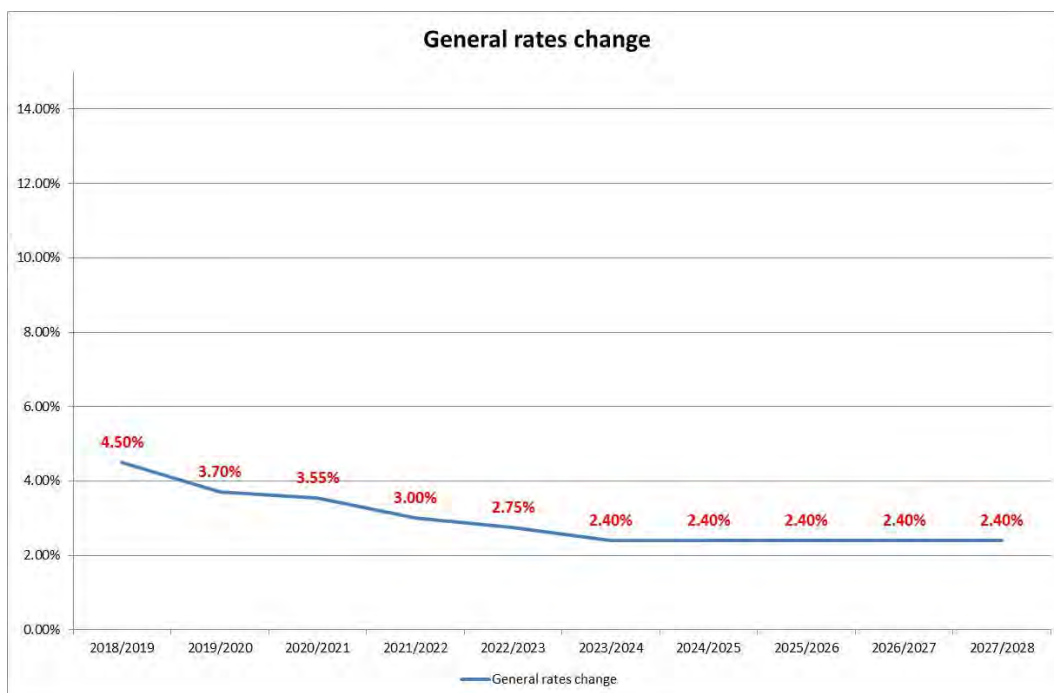
### Summary

The Council is in a strong financial position. This *Financial Strategy* and this *Long-Term Plan* deliver a full range of works programmes, including a number of new initiatives and/or extensions of existing programmes, whilst maintaining that relative financial strength. The increased works programme is funded by an increase in the level of dividends from Port Taranaki Ltd combined with some changes in general rates.

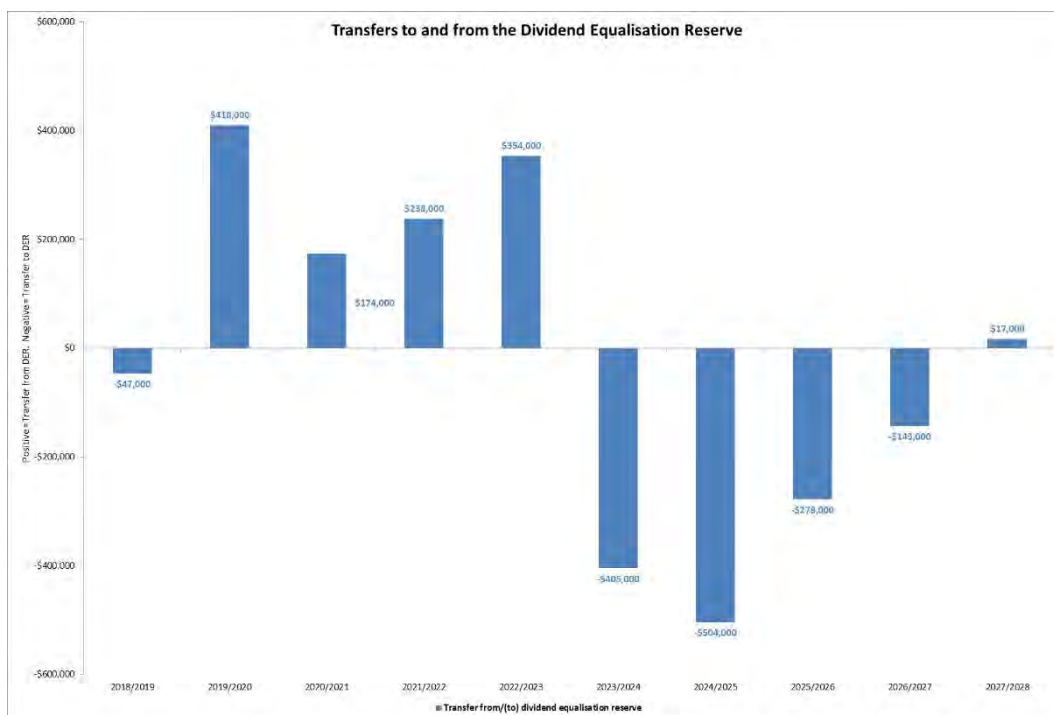
The key points in this *Strategy* are:

- the range of programmes provided for in the adopted suite of plans, strategies and policies are being delivered by the *Plan*
- the financial resources required for these programmes are included in the estimates
- the financial resources required for the delivery of the proposed new initiatives and/or extensions of existing programmes are fully provided for in this *Plan*
- the maintenance and development of the Council's flood control schemes, regional gardens and Yarrow Stadium (except as noted elsewhere) are provided for in this *Plan*
- over the life of the *Plan*, there is a balanced budget, albeit there are surpluses and deficits in individual years that are accommodated by the use of the Dividend Equalisation Reserve
- there are no current plans for external public debt over the life of this *Plan*
- the strong financial position is retained over the life of this *Plan*.

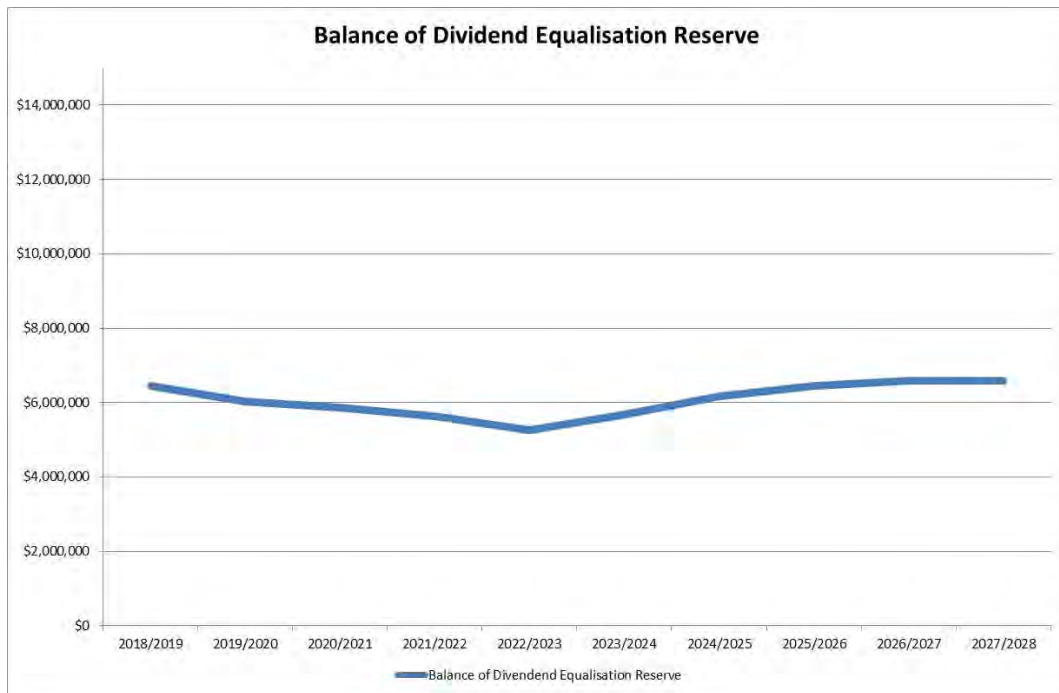
Over the ten years, there are fluctuations in the level of changes in general rates. Unchanged, these fluctuations would result in significant increases in some years and significant decreases in other years. To smooth the impact of rates changes, the Dividend Equalisation reserve (the Reserve) is going to be utilised.



In the early years of the *Plan*, the Reserve will fund the impact of changes to works programmes. In the later years, funds will be transferred back to the Reserve.



The net impact of this approach is to eliminate the fluctuations in rates changes but, by the end of the life of this *Plan*, retain the overall value of the Reserve. Specifically, this *Plan* provides for the following movements in the Reserve:



## Background

There are a number of strategies and policies that address and manage various facets of financial operations. The objective of these various strategies and policies is to prudently manage finances in such a manner as to protect the public's investment and to minimise the exposure to risk. This acknowledges that at all times finances being managed belong to the Taranaki community.

The Council looks to operate a balanced budget whereby in each year the operating expenditure is covered by sufficient operating revenue.

Levels of service and operating programmes are established in the adopted suite of policies, plans and strategies that have been prepared and adopted pursuant to a number of pieces of legislation. In preparing and adopting these documents, significant public engagement and consultation has been undertaken. These key planning documents include the *Regional Policy Statement*, regional plans for the coast, air, soil and fresh water, biosecurity strategies for plant and animal pests, land and passenger transport plans and strategies, civil defence emergency management plans and the asset management plans for the regional gardens and flood control assets.

Expenditure budgets are set to deliver upon those levels of service and operating programmes.

Taranaki's population is not expected to significantly change over the life of this *Plan*. Further, no significant changes in the use of land within the region, that would materially impact upon the policies, plans and strategies outlined above, are expected.

## Current situation

Through appropriately prudent stewardship over many years, the Council is in a strong financial position. It has sufficient budgets and resources to deliver upon all of the agreed levels of service outlined in the suite of regional plans, policies and strategies.

By any metric (such as rates per dwelling, rates per capita, etc.), rates are the bottom end of rates set by local authorities in New Zealand. The recent history is of minimal rates increases. The rates and rate increases are underpinned by returns from investments (particularly dividends from Port Taranaki Ltd). Significant rate increases have only occurred when dividends from Port Taranaki Ltd have dropped.

There is currently no external public debt. There is nothing in this *Plan* that will incur external public debt.

## Looking Forward

The suite of adopted regional plans, policies and strategies is in place, with all of these having been through some form public adoption process. These plans, policies and strategies have been transformed into the levels of service and works programmes outlined in this *Plan*. The *Plan* provides all the necessary operational and financial resources to deliver upon those agreed levels of service and works programmes.

Port Taranaki Ltd is forecasting operational and financial performance at similar levels to recent years. Following consultation with Port Taranaki Ltd, dividend levels have been set at \$8m pa for the life of the *Plan*. This is a significant increase over recent history.

Dividends are a significant portion of the Council's revenue streams. Port Taranaki Ltd operates in a highly-competitive trading environment. Accordingly, there are no guarantees that Port Taranaki Ltd will be able to continue to deliver upon forecast dividend levels. Accordingly there is a risk that profits and dividends may fall at some future point. This is the biggest risk to the delivery of the programmes outlined in this *Plan*. There are a range of tools in place to manage this risk, but ultimately a reduction in dividends would adversely impact on either the rates requirement or the works programme.

Taranaki's population has remained relatively stable in the recent past. Overall there are some small increases in population, but in some specific parts of the region there are decreases. The overall stability of the region's population is such that there is little financial impact from population change over the life of this *Plan*.

The regional economy is largely based on agriculture (particularly dairying) and the oil and gas industry. Over the recent past, activity in both of these areas has fluctuated with international commodity prices. This is expected to continue in the foreseeable future. The Council's *Revenue and Financing Policy* results in most of the costs associated with these activities being covered by user-pays direct charges. There are sufficient resources available to respond to the ups and downs in these industries. Again, the user-pays nature of the industries is budgeted to provide sufficient resources to attend to obligations in the regional suite of plans, policies and strategies, over the life of this *Plan*.

The upgrades of the *Waiwhakaiho River Flood Control Scheme* and the *Waitara River Flood Control Scheme* have been completed. Both of these upgrades have increased the level of protection provided to 1-in-100 year events. The impacts from climate change have also been provided for. Similarly, there a number of smaller flood control schemes that have either been upgraded or maintained to agreed levels of service. Therefore, over the next thirty years, there is no planned significant capital expenditure on network infrastructure, flood protection and flood control works.

So looking forward, the *Plan* retains the strong financial position.

## Implications

This *Plan* forecasts the maintenance of prudent financial planning that ensures:

- the delivery of agreed levels of service and works programmes in accordance with the suite of regional plans, policies and strategies
- modest rates changes
- no planned external public debt of the life of this *Plan*
- balanced budgets over the life of this *Plan*.

## Funding sources

The delivery of the adopted policies, plans and strategies and the application of the funding and financial policies has resulted in the following funding sources over the last two years:

|                        | 2017/2018<br>Estimate | 2016/2017<br>Estimate |
|------------------------|-----------------------|-----------------------|
| General rates revenue  | 29%                   | 29%                   |
| Targeted rates revenue | 7%                    | 7%                    |
| Direct charges revenue | 30%                   | 30%                   |
| Government grants      | 8%                    | 9%                    |
| Dividends              | 20%                   | 19%                   |
| Rent revenue           | 4%                    | 4%                    |
| Finance income         | 2%                    | 2%                    |
| <b>Total income</b>    | <b>100%</b>           | <b>100%</b>           |

Given that there are no anticipated significant changes in policies, plans and strategies, in funding and financial policies and in population and land use, the application of these funding sources does not significantly change over the life of this *Plan*:

|                        | 2018/19<br>Estimate | 2019/20<br>Indicative | 2020/21<br>Indicative | 2021/22<br>Forecast | 2022/23<br>Forecast | 2023/24<br>Forecast | 2024/25<br>Forecast | 2025/26<br>Forecast | 2026/27<br>Forecast | 2027/28<br>Forecast |
|------------------------|---------------------|-----------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General rates revenue  | 25%                 | 25%                   | 25%                   | 25%                 | 27%                 | 30%                 | 31%                 | 31%                 | 31%                 | 31%                 |
| Targeted rates revenue | 7%                  | 7%                    | 7%                    | 7%                  | 7%                  | 8%                  | 8%                  | 8%                  | 8%                  | 8%                  |
| Direct charges revenue | 28%                 | 29%                   | 32%                   | 33%                 | 29%                 | 23%                 | 23%                 | 23%                 | 23%                 | 23%                 |
| Government grants      | 11%                 | 11%                   | 8%                    | 8%                  | 8%                  | 9%                  | 8%                  | 8%                  | 8%                  | 8%                  |
| Dividends              | 25%                 | 24%                   | 24%                   | 23%                 | 24%                 | 26%                 | 26%                 | 25%                 | 25%                 | 25%                 |
| Rent revenue           | 3%                  | 3%                    | 3%                    | 3%                  | 4%                  | 4%                  | 4%                  | 4%                  | 4%                  | 4%                  |
| Finance income         | 1%                  | 1%                    | 1%                    | 1%                  | 1%                  | 1%                  | 1%                  | 1%                  | 1%                  | 1%                  |
| <b>Total income</b>    | <b>100%</b>         | <b>100%</b>           | <b>100%</b>           | <b>100%</b>         | <b>100%</b>         | <b>100%</b>         | <b>100%</b>         | <b>100%</b>         | <b>100%</b>         | <b>100%</b>         |

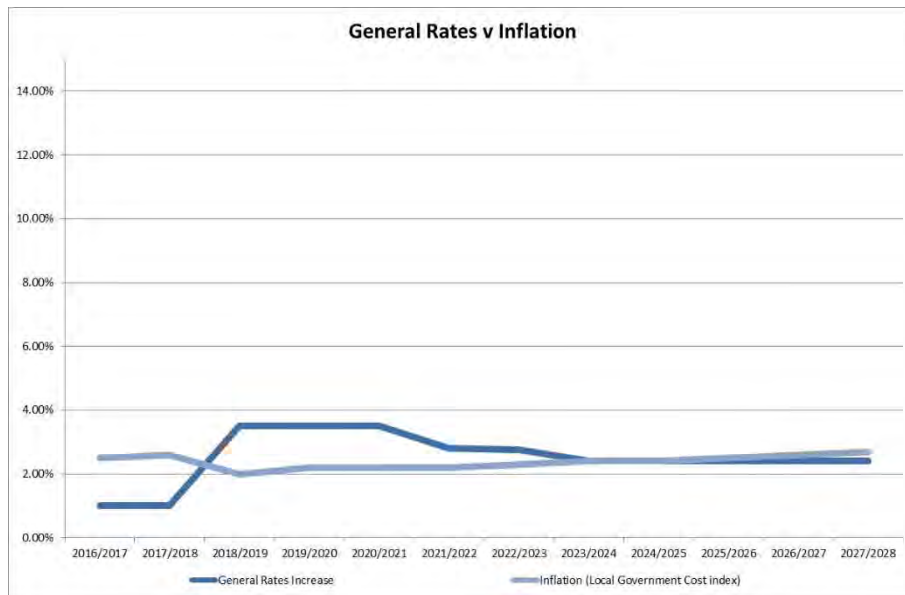
## Rates

The balance of the funding requirements will be funded by general rates. Total rates represents between 30% and 40% of total revenue.

In applying its funding and financial policies, general rates dominates the total rate take. This reflects the use of general rates to fund activities that support the wider public good and the use of direct charges to fund activities that relate to a specific beneficiary or exacerbator.

General rates are reduced by investment returns. Investment returns stem from treasury, equity and land investments. By using these investment returns to reduce the general rates the Council is effectively providing these returns back to the regional community.

Compared to inflation, rates changes are slightly higher than the inflation forecast to be faced by local government in the first few years of the *Plan*. This is aligned with the implementation of new initiatives and/or the extension of existing programmes. In the later years of this *Plan*, rates changes are more closely aligned with local government inflation indices.



Many services are used equally by all members of the regional community and have no correlation with property ownership or valuation (e.g., community representation and democracy). In these instances the Council looks to use uniform annual general charges (UAGCs) to match costs and benefits. There is a statutory limit to the level of UAGCs that can be imposed. Once this limit is reached the rest of these services need to be funded by property value general rates. The remainder of the general rates are set on the capital value system of rating.

The Council’s rates are collected by three Taranaki-based district councils. This is fiscally and operationally the most effective and efficient collection system.

Provided Port Taranaki Ltd delivers the dividend levels forecast in this *Plan* and there is no change in the key forecasting assumptions, total rates will not exceed 60% of total revenue and total rates increases will not exceed 5% of total expenditure.

If Port Taranaki Ltd is not able to deliver forecast dividend levels or the key forecasting assumptions do not hold, then the rates levels and increases will not be able to be achieved whilst holding the same levels of service and works programmes.

The highest risk in achieving the financial results forecast in this *Plan* relates to the dividends received from Port Taranaki Ltd. Port Taranaki Ltd operates in a highly competitive commercial environment. Working with Port Taranaki Ltd, appropriate estimates of dividends over the next ten years have been developed. The highly competitive commercial environment is such that it is highly likely that in some years dividends will exceed budgets and in other years dividends will be below budget. It is likely that these variances will be materially significant.

Where feasible and financially prudent, the Dividend Equalisation Reserve is used to smooth the impact of changes in general rates and the impact of dividend fluctuations on general rates. As a guide, a \$80,000 reduction in dividends equates to a 1% increase in general rates. Therefore, a reduction in dividends of \$1m would result in a general rates increase of approximately 12% to 13%.

Since 1996/1997, when the debt inherited from corporatisation of the port was fully repaid, the level of dividends received has fluctuated, sometimes significantly, over and below budgeted levels. Surpluses have been accumulated in the dividend equalisation reserve. Where the Port has been unable to return dividends at the levels budgeted for then the dividend equalization reserve is used to subsidise the need to increase general rates.

## Investments

The Council holds investments in land, treasury investments and equities. The Council's objectives in holding these investments are as follows:

- to provide an income stream to reduce the Council's dependency on general rates
- to meet statutory obligations in relation to endowment properties
- to hold assets on behalf of the regional community for strategic protection/development of the region.

Treasury, equity and land investments are held on behalf of the regional community. In real terms, the intention is to maintain the value of these investments in the long-term. These investments are held for strategic reasons on behalf of the regional community. Over the next ten years, the estimated returns from investments are as follows. These are based upon the book values of these investments as, in the case of Port Taranaki Ltd, there is no reliable market valuation.

There was \$11.5m of cash, cash equivalents and treasury investments at 30 June 2017. These investments are held to produce an income stream to reduce general rates. These investments are forecast to produce a 3% to 4% per annum return on investment. The Council invests surplus funds in treasury investments.

At 30 June 2017, there were \$14.6m of endowment properties. These properties were inherited from the former Taranaki Harbours Board. They are held to produce an income stream. There are statutory restrictions on the ability to dispose of endowment properties. They are forecast to return the following over the life of this *Plan*:

| 2018/19   | 2019/20   | 2020/21   | 2021/22   | 2022/23   | 2023/24   | 2024/25   | 2025/26     | 2026/27     | 2027/28     |
|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|-------------|
| \$870,000 | \$887,400 | \$906,923 | \$926,875 | \$948,193 | \$970,001 | \$993,281 | \$1,018,113 | \$1,043,566 | \$1,070,699 |

The Council is the 100% owner of Port Taranaki Ltd. This investment is valued at a book value of \$26m at 30 June 2017. There is no readily determinable market valuation. The investment is held for strategic purposes on behalf of the regional community and to provide an income stream. Over the next ten years, Port Taranaki Ltd is forecast to return dividends of \$8m pa.

Shares in Civic Financial Services Ltd amounted to \$1,000 at 30 June 2017. They were inherited and are not expected to return a dividend over the next ten years. It is impracticable and administratively inefficient to dispose of these shares.

The Council is a 15.5% shareholder in Regional Software Holdings Ltd. This company owns and operates software for a group of regional councils. These shares are held as a strategic investment in a critical component of its operations. The Company is not expected to generate significant profits, nor is it expected to return a dividend over the next ten years.

## Debt

The ability to use public debt to construct infrastructure assets or to finance investments where the benefit of the expenditure is spread over a number of years is retained. The use of public debt matches the costs of the expenditure with the benefits.

Total interest expense on net external public debt will not exceed 40% of total annual rates and levies. Net external public debt per capita will not exceed \$500. These limits may be exceeded if the Council is required to meet the obligations of Port Taranaki Ltd under a guarantee in respect of any proposed expansion.

At this stage, there is no, nor are there any plans to have, any external public debt. Internal borrowing has been used to fund the upgrade of flood control schemes through-out the region. Assets, other than general or targeted rates, are not offered as security for borrowing programmes. In unusual circumstances security may be offered over specific assets, with prior approval.

## Reserves and public equity

A number of reserves are held to provide cover for specific events or to address statutory or other obligations. The intention is to maintain the minimum level and number of reserves.

The net financial value is to be maintained, in real terms, in the long-term. It is not intended to significantly increase or decrease the community's net ownership.

## Summary

The Council is in a strong financial position that will continue throughout the next ten years. It has no significant adverse pressures that will impact upon its ability to deliver on the levels of service and programmes outlined in this *Plan*. By any metric, it is meeting its obligations to undertake its business in a prudent and financially sustainable manner.

The biggest uncertainty remains the ability for Port Taranaki Ltd to deliver upon its forecast dividend levels. However, the ability to manage the financial implications of dividend fluctuations has been clearly demonstrated.



## Financial statements

The following pages present the financial projections of the Council for 2018/2019 and, in addition, in indicative terms information for the following two years and in forecast terms for the subsequent seven years. In particular, the following information is presented:

- the practices and assumptions used in preparing the financial information
- the sources of income and where it is planned to be spent
- the effect of the planned income and expenditure on the overall net worth of the Council
- what the Council owes and owns
- the forecast cash payments and receipts for each year
- additional supporting information.

The *Statement of Financial Position* includes the estimated financial position as at 1 July 2018. These figures differ from the estimated financial position as at 30 June 2018 included in the *2017/2018 Annual Plan*.

The forecast prospective financial information has been prepared for the purposes of this Long-Term Plan and may not be suitable for any other purpose. The forecast prospective financial information presented is based upon best-estimate assumptions. Whilst every care has been taken in the preparation of the forecast prospective financial information, the actual results are likely to differ. These differences may be material. The forecasts are based upon assumptions and information available to the Council as at May 2018. Actual financial results have been incorporated to the extent that they affect the opening forecast prospective financial position as at 1 July 2018. There is no intention to update the forecast prospective financial information prior to the finalisation of this *Long-Term Plan*.

The forecast financial information on pages 95 to 98 has been prepared in accordance with the Council's current accounting policies as specified on pages 106 to 121. The forecast financial information presented in this Plan has been prepared in compliance with *Public Benefit Entity Financial Reporting Standard No. 42: Prospective Financial Statements*.

The summing of each *Indicative costs and sources of funds* statement with each group of activities equates to the figures included in the *Statement of comprehensive revenue and expense*.

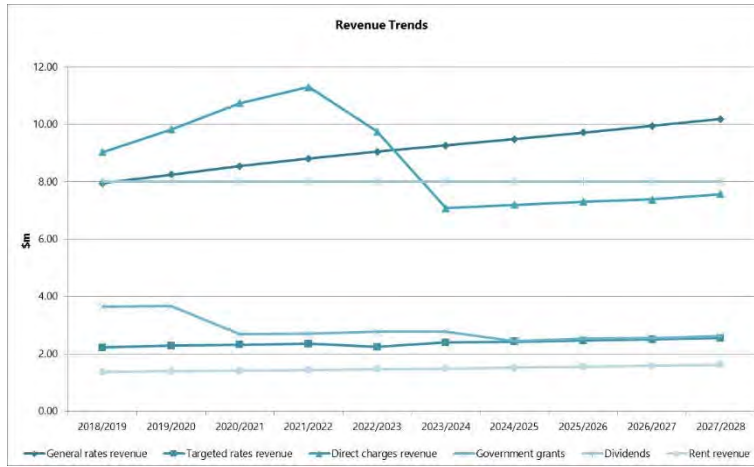
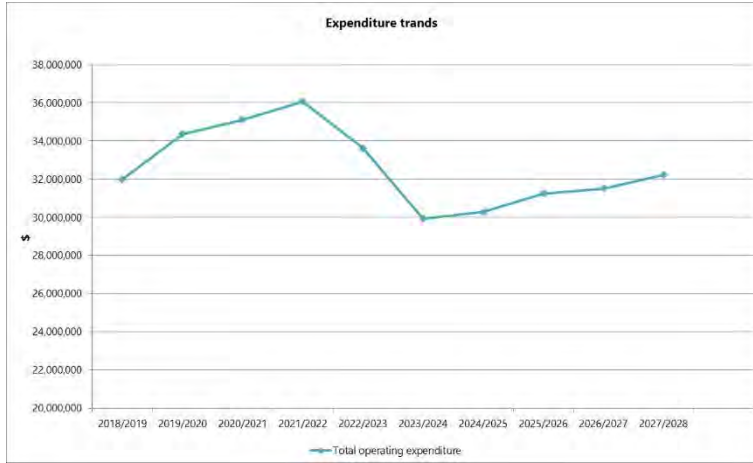
The Council is required to ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.

Prior to 1996/1997, the Council used dividends received from Port Taranaki Ltd to repay debt that the Council inherited upon the corporatisation of the new port company. Since then the Council has used the dividend returns to reduce the general rate requirement. In some years, the Council has received more dividend returns than it budgeted for. These extra dividends have accumulated in the Dividend Equalisation Reserve. In some years the Council has received less dividends than it budgeted for. In these cases the Council has used the Dividend Equalisation Reserve to smooth the impact on the general rate requirement.

The returns from Port Taranaki Ltd have the potential to fluctuate significantly. The Council uses the Dividend Equalisation Reserve to smooth fluctuations in dividend returns from Port Taranaki Ltd and, consequently, smooth the impact on general rate changes. Technically the use of the Dividend Equalisation Reserve results in unbalanced budgets where in some years the Council has surpluses and in others deficits.

The Council is required to ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. For 2018/2019 and the subsequent nine years, the Council's projected operating revenues are sufficient to cover projected operating expenses.

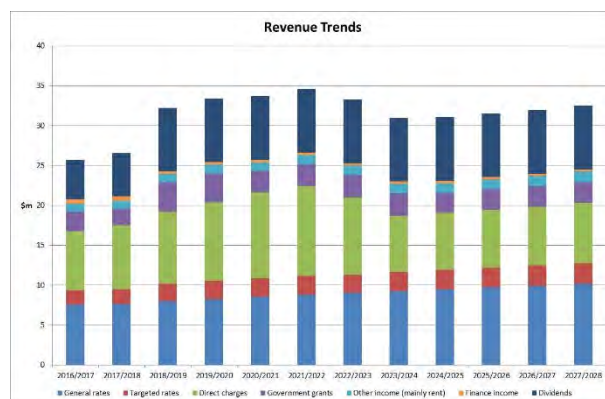
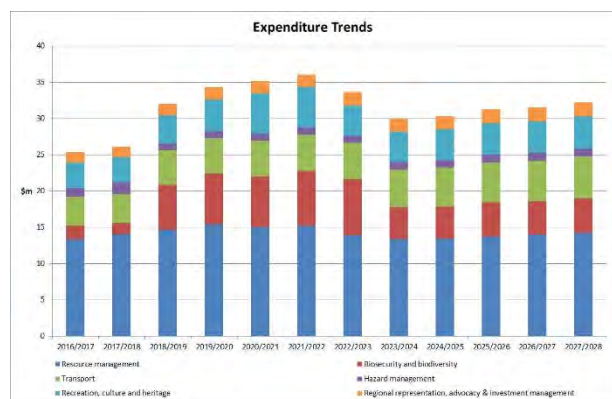
The Taranaki Regional Council adopted and authorised the issue of the *Long-Term Plan* and prospective financial information on 15 May 2018. The Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.



# Statement of comprehensive revenue and expense

| 2017/2018                                                                          | 2018/2019         | 2019/2020          | 2020/2021          | 2021/2022          | 2022/2023         | 2023/2024         | 2024/2025         | 2025/2026         | 2026/2027         | 2027/2028         |
|------------------------------------------------------------------------------------|-------------------|--------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Estimate \$                                                                        | Estimate \$       | Indicative \$      | Indicative \$      | Forecast \$        | Forecast \$       | Forecast \$       | Forecast \$       | Forecast \$       | Forecast \$       | Forecast \$       |
| <b>Cost of services</b>                                                            |                   |                    |                    |                    |                   |                   |                   |                   |                   |                   |
| 12,226,775                                                                         | 14,647,633        | 15,449,783         | 14,990,701         | 15,226,606         | 13,903,729        | 13,391,118        | 13,453,273        | 13,691,495        | 13,974,183        | 14,291,529        |
| 3,362,309                                                                          | 6,162,664         | 6,949,060          | 7,017,150          | 7,514,375          | 7,675,419         | 4,337,363         | 4,392,912         | 4,720,581         | 4,593,915         | 4,687,960         |
| 4,030,349                                                                          | 4,809,346         | 4,896,946          | 4,958,734          | 5,039,688          | 5,046,838         | 5,229,643         | 5,361,667         | 5,529,942         | 5,615,647         | 5,769,941         |
| 1,552,682                                                                          | 918,550           | 933,895            | 957,335            | 977,737            | 996,448           | 1,017,021         | 1,039,059         | 1,063,126         | 1,089,162         | 1,115,549         |
| 3,503,947                                                                          | 3,853,345         | 4,417,842          | 5,529,285          | 5,601,482          | 4,177,939         | 4,205,628         | 4,247,764         | 4,304,086         | 4,363,283         | 4,435,145         |
| 1,410,804                                                                          | 1,592,800         | 1,712,706          | 1,671,566          | 1,710,119          | 1,826,504         | 1,754,414         | 1,791,582         | 1,943,641         | 1,882,653         | 1,928,994         |
| <b>26,086,866</b>                                                                  | <b>31,984,338</b> | <b>34,360,232</b>  | <b>35,124,771</b>  | <b>36,070,007</b>  | <b>33,626,877</b> | <b>29,935,187</b> | <b>30,286,257</b> | <b>31,252,871</b> | <b>31,518,843</b> | <b>32,229,118</b> |
| <b>Revenue from exchange transactions</b>                                          |                   |                    |                    |                    |                   |                   |                   |                   |                   |                   |
| 3,736,817                                                                          | 4,004,960         | 4,090,846          | 4,296,449          | 4,387,792          | 4,485,384         | 4,585,227         | 4,691,803         | 4,805,481         | 4,922,007         | 5,046,220         |
| 1,050,000                                                                          | 1,070,000         | 1,091,400          | 1,115,411          | 1,139,949          | 1,166,167         | 1,192,989         | 1,221,621         | 1,252,161         | 1,283,466         | 1,316,837         |
| 5,417,170                                                                          | 8,000,000         | 8,000,000          | 8,000,000          | 8,000,000          | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         |
| <b>Revenue from non-exchange transaction</b>                                       |                   |                    |                    |                    |                   |                   |                   |                   |                   |                   |
| 7,611,858                                                                          | 7,954,392         | 8,248,705          | 8,541,534          | 8,797,780          | 9,039,719         | 9,256,672         | 9,478,832         | 9,706,324         | 9,939,276         | 10,177,819        |
| 1,865,532                                                                          | 2,221,110         | 2,284,064          | 2,320,902          | 2,352,410          | 2,243,124         | 2,395,792         | 2,429,806         | 2,467,265         | 2,506,595         | 2,547,671         |
| 4,322,057                                                                          | 5,027,196         | 5,731,899          | 6,439,511          | 6,904,286          | 5,259,261         | 2,488,824         | 2,500,534         | 2,496,873         | 2,460,008         | 2,519,026         |
| 2,007,987                                                                          | 3,646,423         | 3,665,618          | 2,681,675          | 2,702,019          | 2,772,415         | 2,779,303         | 2,445,200         | 2,522,752         | 2,547,479         | 2,612,127         |
| 0                                                                                  | 0                 | 0                  | 0                  | 0                  | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>26,011,421</b>                                                                  | <b>31,924,081</b> | <b>33,112,532</b>  | <b>33,395,482</b>  | <b>34,284,236</b>  | <b>32,966,070</b> | <b>30,698,807</b> | <b>30,767,796</b> | <b>31,250,856</b> | <b>31,658,831</b> | <b>32,219,700</b> |
| <b>Operating surplus/(deficit) before finance income and expenses and taxation</b> |                   |                    |                    |                    |                   |                   |                   |                   |                   |                   |
| <b>(75,445)</b>                                                                    | <b>(60,257)</b>   | <b>(1,247,700)</b> | <b>(1,729,289)</b> | <b>(1,785,771)</b> | <b>(660,807)</b>  | <b>763,620</b>    | <b>481,539</b>    | <b>(2,015)</b>    | <b>139,988</b>    | <b>(9,418)</b>    |
| 525,000                                                                            | 300,000           | 300,000            | 300,000            | 300,000            | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           |
| 0                                                                                  | 0                 | 0                  | 0                  | 0                  | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| 525,000                                                                            | 300,000           | 300,000            | 300,000            | 300,000            | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           |
| <b>449,555</b>                                                                     | <b>239,743</b>    | <b>(947,700)</b>   | <b>(1,429,289)</b> | <b>(1,485,771)</b> | <b>(360,807)</b>  | <b>1,063,620</b>  | <b>781,539</b>    | <b>297,985</b>    | <b>439,988</b>    | <b>290,582</b>    |
| <b>Other gains/losses</b>                                                          |                   |                    |                    |                    |                   |                   |                   |                   |                   |                   |
| 0                                                                                  | 0                 | 0                  | 0                  | 0                  | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>449,555</b>                                                                     | <b>239,743</b>    | <b>(947,700)</b>   | <b>(1,429,289)</b> | <b>(1,485,771)</b> | <b>(360,807)</b>  | <b>1,063,620</b>  | <b>781,539</b>    | <b>297,985</b>    | <b>439,988</b>    | <b>290,582</b>    |
| (10,000)                                                                           | (10,000)          | (10,000)           | (10,000)           | (10,000)           | (10,000)          | (10,000)          | (10,000)          | (10,000)          | (10,000)          | (10,000)          |
| <b>439,555</b>                                                                     | <b>229,743</b>    | <b>(957,700)</b>   | <b>(1,439,289)</b> | <b>(1,495,771)</b> | <b>(370,807)</b>  | <b>1,053,620</b>  | <b>771,539</b>    | <b>287,985</b>    | <b>429,988</b>    | <b>280,582</b>    |
| <b>Other comprehensive income</b>                                                  |                   |                    |                    |                    |                   |                   |                   |                   |                   |                   |
| 0                                                                                  | 0                 | 0                  | 0                  | 0                  | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| <b>0</b>                                                                           | <b>0</b>          | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          | <b>0</b>          |
| <b>439,555</b>                                                                     | <b>229,743</b>    | <b>(957,700)</b>   | <b>(1,439,289)</b> | <b>(1,495,771)</b> | <b>(370,807)</b>  | <b>1,053,620</b>  | <b>771,539</b>    | <b>287,985</b>    | <b>429,988</b>    | <b>280,582</b>    |

This statement should be read in conjunction with the *Explanatory Notes to the Financial Statements*.



## Statement of changes in net assets/equity

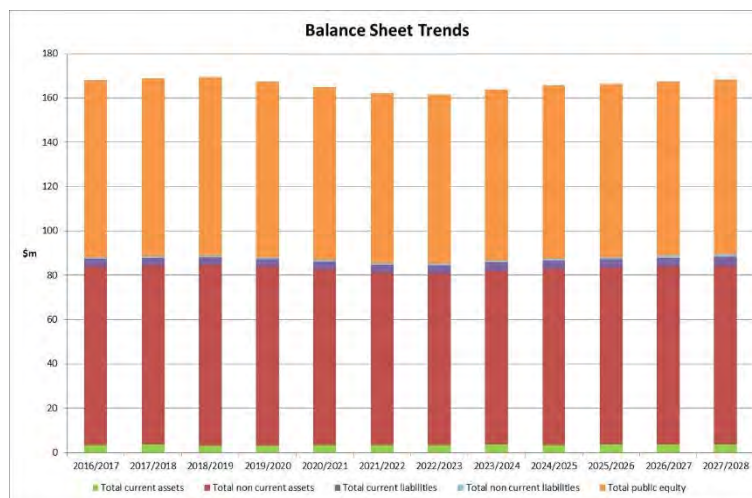
| 2017/2018<br>Estimate \$                  | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|-------------------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Retained Earnings</b>                  |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>64,781,358</b>                         | <b>65,112,944</b>        | <b>65,188,179</b>          | <b>64,768,304</b>          | <b>63,353,640</b>        | <b>61,944,519</b>        | <b>62,041,308</b>        | <b>62,534,388</b>        | <b>62,644,165</b>        | <b>62,761,078</b>        | <b>62,885,591</b>        |
| As at 1 July                              |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| Total comprehensive income for the period | 439,555                  | (957,700)                  | (1,439,289)                | (1,495,771)              | (370,807)                | 1,053,620                | 771,539                  | 287,985                  | 429,988                  | 280,582                  |
| (107,969)                                 | (154,508)                | 537,825                    | 24,625                     | 86,650                   | 467,596                  | (560,540)                | (661,762)                | (171,072)                | (305,475)                | (147,974)                |
| <b>65,112,944</b>                         | <b>65,188,179</b>        | <b>64,768,304</b>          | <b>63,353,640</b>          | <b>61,944,519</b>        | <b>62,041,308</b>        | <b>62,534,388</b>        | <b>62,644,165</b>        | <b>62,761,078</b>        | <b>62,885,591</b>        | <b>63,018,199</b>        |
| As at 30 June                             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Reserves</b>                           |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>11,232,224</b>                         | <b>11,340,193</b>        | <b>11,494,701</b>          | <b>10,956,876</b>          | <b>10,932,251</b>        | <b>10,845,601</b>        | <b>10,378,005</b>        | <b>10,938,545</b>        | <b>11,600,307</b>        | <b>11,771,379</b>        | <b>12,076,854</b>        |
| As at 1 July                              |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| Total comprehensive income for the period | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 107,969                                   | 154,508                  | (537,825)                  | (24,625)                   | (86,650)                 | (467,596)                | 560,540                  | 661,762                  | 171,072                  | 305,475                  | 147,974                  |
| <b>11,340,193</b>                         | <b>11,494,701</b>        | <b>10,956,876</b>          | <b>10,932,251</b>          | <b>10,845,601</b>        | <b>10,378,005</b>        | <b>10,938,545</b>        | <b>11,600,307</b>        | <b>11,771,379</b>        | <b>12,076,854</b>        | <b>12,224,828</b>        |
| As at 30 June                             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Asset revaluation reserves</b>         |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>3,723,232</b>                          | <b>3,723,232</b>         | <b>3,723,232</b>           | <b>3,723,232</b>           | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         |
| As at 1 July                              |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| Total comprehensive income for the period | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                         | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>3,723,232</b>                          | <b>3,723,232</b>         | <b>3,723,232</b>           | <b>3,723,232</b>           | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         | <b>3,723,232</b>         |
| As at 30 June                             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>Total equity</b>                       |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>79,736,814</b>                         | <b>80,176,369</b>        | <b>80,406,112</b>          | <b>79,448,412</b>          | <b>78,009,123</b>        | <b>76,513,352</b>        | <b>76,142,545</b>        | <b>77,196,165</b>        | <b>77,967,704</b>        | <b>78,255,689</b>        | <b>78,685,677</b>        |
| As at 1 July                              |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| Total comprehensive income for the period | 439,555                  | (957,700)                  | (1,439,289)                | (1,495,771)              | (370,807)                | 1,053,620                | 771,539                  | 287,985                  | 429,988                  | 280,582                  |
| 0                                         | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>80,176,369</b>                         | <b>80,406,112</b>        | <b>79,448,412</b>          | <b>78,009,123</b>          | <b>76,513,352</b>        | <b>76,142,545</b>        | <b>77,196,165</b>        | <b>77,967,704</b>        | <b>78,255,689</b>        | <b>78,685,677</b>        | <b>78,966,259</b>        |
| As at 30 June                             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |

This statement should be read in conjunction with the *Explanatory Notes to the Financial Statements*.

## Statement of financial position

| 2017/2018<br>Estimate \$       | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|--------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Current assets</b>          |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 1,145,388                      | 602,505                  | 709,270                    | 698,804                    | 695,565                  | 607,755                  | 850,756                  | 615,322                  | 730,791                  | 681,629                  | 617,925                  |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 960,000                        | 960,000                  | 979,200                    | 1,000,742                  | 1,022,758                | 1,046,281                | 1,070,345                | 1,096,033                | 1,123,434                | 1,151,520                | 1,181,460                |
| 1,040,000                      | 1,040,000                | 1,060,800                  | 1,084,138                  | 1,107,989                | 1,133,473                | 1,159,543                | 1,187,372                | 1,217,056                | 1,247,482                | 1,279,917                |
| 100,000                        | 100,000                  | 102,000                    | 104,244                    | 106,537                  | 108,987                  | 111,494                  | 114,170                  | 117,024                  | 119,950                  | 123,069                  |
| 400,000                        | 400,000                  | 408,000                    | 416,976                    | 426,149                  | 435,950                  | 445,977                  | 456,680                  | 468,097                  | 479,799                  | 492,274                  |
| <b>3,645,388</b>               | <b>3,102,505</b>         | <b>3,259,270</b>           | <b>3,304,904</b>           | <b>3,358,998</b>         | <b>3,332,446</b>         | <b>3,638,115</b>         | <b>3,469,577</b>         | <b>3,656,402</b>         | <b>3,680,380</b>         | <b>3,694,645</b>         |
| <b>Non current assets</b>      |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 7,407,975                      | 5,407,975                | 3,908,975                  | 2,308,975                  | 1,408,975                | 1,308,975                | 2,608,975                | 4,558,975                | 5,558,975                | 6,158,975                | 7,658,975                |
| 26,000,000                     | 26,000,000               | 26,000,000                 | 26,000,000                 | 26,000,000               | 26,000,000               | 26,000,000               | 26,000,000               | 26,000,000               | 26,000,000               | 26,000,000               |
| 1,000                          | 1,000                    | 1,000                      | 1,000                      | 1,000                    | 1,000                    | 1,000                    | 1,000                    | 1,000                    | 1,000                    | 1,000                    |
| 798,118                        | 798,118                  | 798,118                    | 798,118                    | 798,118                  | 798,118                  | 798,118                  | 798,118                  | 798,118                  | 798,118                  | 798,118                  |
| 0                              | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 14,617,000                     | 14,617,000               | 14,617,000                 | 14,617,000                 | 14,617,000               | 14,617,000               | 14,617,000               | 14,617,000               | 14,617,000               | 14,617,000               | 14,617,000               |
| 1,255,571                      | 1,699,571                | 1,874,031                  | 1,983,231                  | 2,265,736                | 2,180,376                | 2,136,514                | 2,093,404                | 2,051,240                | 2,309,744                | 2,192,594                |
| 30,686,317                     | 33,014,943               | 33,309,718                 | 33,410,628                 | 32,575,381               | 32,520,258               | 32,118,231               | 31,264,740               | 30,528,941               | 30,200,346               | 29,215,892               |
| <b>80,765,981</b>              | <b>81,538,607</b>        | <b>80,508,842</b>          | <b>79,118,952</b>          | <b>77,666,210</b>        | <b>77,425,727</b>        | <b>78,279,838</b>        | <b>79,333,237</b>        | <b>79,555,274</b>        | <b>80,085,183</b>        | <b>80,483,579</b>        |
| <b>84,411,369</b>              | <b>84,641,112</b>        | <b>83,768,112</b>          | <b>82,423,856</b>          | <b>81,025,208</b>        | <b>80,758,173</b>        | <b>81,917,953</b>        | <b>82,802,814</b>        | <b>83,211,676</b>        | <b>83,765,563</b>        | <b>84,178,224</b>        |
| <b>Current liabilities</b>     |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 2,000,000                      | 2,000,000                | 2,040,000                  | 2,084,880                  | 2,130,747                | 2,179,754                | 2,229,888                | 2,283,405                | 2,340,490                | 2,399,002                | 2,461,376                |
| 500,000                        | 500,000                  | 510,000                    | 521,220                    | 532,687                  | 544,939                  | 557,473                  | 570,852                  | 585,123                  | 599,751                  | 615,345                  |
| 935,000                        | 935,000                  | 953,700                    | 974,681                    | 996,124                  | 1,019,035                | 1,042,473                | 1,067,492                | 1,094,179                | 1,121,533                | 1,150,693                |
| <b>3,435,000</b>               | <b>3,435,000</b>         | <b>3,503,700</b>           | <b>3,580,781</b>           | <b>3,659,558</b>         | <b>3,743,728</b>         | <b>3,829,834</b>         | <b>3,921,749</b>         | <b>4,019,792</b>         | <b>4,120,286</b>         | <b>4,227,414</b>         |
| <b>Non current liabilities</b> |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 800,000                        | 800,000                  | 816,000                    | 833,952                    | 852,299                  | 871,902                  | 891,956                  | 913,363                  | 936,197                  | 959,602                  | 984,552                  |
| <b>800,000</b>                 | <b>800,000</b>           | <b>816,000</b>             | <b>833,952</b>             | <b>852,299</b>           | <b>871,902</b>           | <b>891,956</b>           | <b>913,363</b>           | <b>936,197</b>           | <b>959,602</b>           | <b>984,552</b>           |
| <b>4,235,000</b>               | <b>4,235,000</b>         | <b>4,319,700</b>           | <b>4,414,733</b>           | <b>4,511,857</b>         | <b>4,615,630</b>         | <b>4,721,790</b>         | <b>4,835,112</b>         | <b>4,955,989</b>         | <b>5,079,888</b>         | <b>5,211,966</b>         |
| <b>Public equity</b>           |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 65,112,944                     | 65,188,179               | 64,768,304                 | 63,353,640                 | 61,944,519               | 62,041,308               | 62,534,388               | 62,644,165               | 62,761,078               | 62,885,591               | 63,018,199               |
| 11,340,193                     | 11,494,701               | 10,956,876                 | 10,932,251                 | 10,845,601               | 10,378,005               | 10,938,545               | 11,600,307               | 11,771,379               | 12,076,854               | 12,224,828               |
| 3,723,232                      | 3,723,232                | 3,723,232                  | 3,723,232                  | 3,723,232                | 3,723,232                | 3,723,232                | 3,723,232                | 3,723,232                | 3,723,232                | 3,723,232                |
| <b>80,176,369</b>              | <b>80,406,112</b>        | <b>79,448,412</b>          | <b>78,009,123</b>          | <b>76,513,352</b>        | <b>76,142,545</b>        | <b>77,196,165</b>        | <b>77,967,704</b>        | <b>78,255,689</b>        | <b>78,685,677</b>        | <b>78,966,259</b>        |
| <b>84,411,369</b>              | <b>84,641,112</b>        | <b>83,768,112</b>          | <b>82,423,856</b>          | <b>81,025,209</b>        | <b>80,758,175</b>        | <b>81,917,955</b>        | <b>82,802,816</b>        | <b>83,211,678</b>        | <b>83,765,565</b>        | <b>84,178,225</b>        |

This statement should be read in conjunction with the *Explanatory Notes to the Financial Statements*.



## Statement of cash flows

| 2017/2018<br>Estimate \$                                    | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|-------------------------------------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Cash flows from operating activities</b>                 |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| Cash was provided from:                                     |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 9,477,390                                                   |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| Rates                                                       | 10,175,502               | 10,532,769                 | 10,862,436                 | 11,150,190               | 11,282,843               | 11,652,464               | 11,908,638               | 12,173,589               | 12,445,871               | 12,725,490               |
| 525,000                                                     | 300,000                  | 300,000                    | 300,000                    | 300,000                  | 300,000                  | 300,000                  | 300,000                  | 300,000                  | 300,000                  | 300,000                  |
| Interest                                                    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 5,417,170                                                   | 8,000,000                | 8,000,000                  | 8,000,000                  | 8,000,000                | 8,000,000                | 8,000,000                | 8,000,000                | 8,000,000                | 8,000,000                | 8,000,000                |
| Dividends                                                   |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                                           | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| Goods and services tax                                      |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 5,154,774                                                   | 6,096,275                | 6,071,985                  | 5,816,014                  | 5,880,675                | 6,298,283                | 7,159,970                | 7,083,793                | 7,289,649                | 7,476,315                | 7,666,943                |
| Other exchange transactions                                 |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 5,962,087                                                   | 7,652,304                | 8,507,778                  | 8,717,032                  | 9,253,371                | 7,384,944                | 3,886,373                | 3,775,365                | 3,787,618                | 3,736,645                | 3,827,267                |
| Other non-exchange transactions                             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 26,536,421                                                  | 32,224,081               | 33,412,532                 | 33,695,482                 | 34,584,236               | 33,266,070               | 30,998,807               | 31,067,796               | 31,550,856               | 31,958,831               | 32,519,700               |
| Cash was applied to:                                        |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 24,379,160                                                  | 29,787,903               | 31,875,738                 | 32,387,335                 | 33,205,850               | 31,087,345               | 27,536,384               | 27,950,252               | 28,917,561               | 29,192,144               | 29,808,530               |
| Employees and suppliers                                     |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 60,000                                                      | 60,000                   | 60,000                     | 60,000                     | 60,000                   | 60,000                   | 60,000                   | 60,000                   | 60,000                   | 60,000                   | 60,000                   |
| Taxation                                                    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 24,439,160                                                  | 29,847,903               | 31,935,738                 | 32,447,335                 | 33,265,850               | 31,147,345               | 27,596,384               | 28,010,252               | 28,977,561               | 29,252,144               | 29,868,530               |
|                                                             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>2,097,261</b>                                            | <b>2,376,178</b>         | <b>1,476,794</b>           | <b>1,248,147</b>           | <b>1,318,386</b>         | <b>2,118,725</b>         | <b>3,402,423</b>         | <b>3,057,544</b>         | <b>2,573,295</b>         | <b>2,706,687</b>         | <b>2,651,170</b>         |
| <b>Cash flows from investing activities</b>                 |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| Cash was provided from:                                     |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 2,000,000                                                   | 2,000,000                | 1,499,000                  | 1,600,000                  | 900,000                  | 100,000                  | 0                        | 0                        | 0                        | 0                        | 0                        |
| Investments                                                 |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 118,000                                                     | 384,000                  | 215,000                    | 237,000                    | 214,000                  | 482,000                  | 195,000                  | 242,000                  | 234,000                  | 462,000                  | 195,000                  |
| Property, plant and equipment                               |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 2,118,000                                                   | 2,384,000                | 1,714,000                  | 1,837,000                  | 1,114,000                | 582,000                  | 195,000                  | 242,000                  | 234,000                  | 462,000                  | 195,000                  |
| Cash was applied to:                                        |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                                           | 0                        | 0                          | 0                          | 0                        | 0                        | 1,300,000                | 1,950,000                | 1,000,000                | 600,000                  | 1,500,000                |
| Investments                                                 |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 3,984,750                                                   | 5,303,061                | 3,084,029                  | 3,095,613                  | 2,435,625                | 2,788,535                | 2,054,422                | 1,584,978                | 1,691,826                | 2,617,849                | 1,409,874                |
| Property, plant and equipment                               |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 3,984,750                                                   | 5,303,061                | 3,084,029                  | 3,095,613                  | 2,435,625                | 2,788,535                | 3,354,422                | 3,534,978                | 2,691,826                | 3,217,849                | 2,909,874                |
|                                                             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>(1,866,750)</b>                                          | <b>(2,919,061)</b>       | <b>(1,370,029)</b>         | <b>(1,258,613)</b>         | <b>(1,321,625)</b>       | <b>(2,206,535)</b>       | <b>(3,159,422)</b>       | <b>(3,292,978)</b>       | <b>(2,457,826)</b>       | <b>(2,755,849)</b>       | <b>(2,714,874)</b>       |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 230,511                                                     | (542,883)                | 106,765                    | (10,466)                   | (3,239)                  | (87,810)                 | 243,001                  | (235,434)                | 115,469                  | (49,162)                 | (63,704)                 |
| 914,877                                                     | 1,145,388                | 602,505                    | 709,270                    | 698,804                  | 695,565                  | 607,755                  | 850,756                  | 615,322                  | 730,791                  | 681,629                  |
| Opening cash balance                                        |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>1,145,388</b>                                            | <b>602,505</b>           | <b>709,270</b>             | <b>698,804</b>             | <b>695,565</b>           | <b>607,755</b>           | <b>850,756</b>           | <b>615,322</b>           | <b>730,791</b>           | <b>681,629</b>           | <b>617,925</b>           |
| <b>Closing cash and cash equivalents</b>                    |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |

This statement should be read in conjunction with the *Explanatory Notes to the Financial Statements*.

## Funding impact statement

The total estimated expenditure for the Taranaki Regional Council for 2018/2019 is \$ **31,984,338**. This expenditure will be funded from the following sources. These funding/financing sources are consistent with the Council's *Revenue and Financing Policy*.

|                                        | 2018/2019         | 2019/2020         | 2020/2021         | 2021/2022         | 2022/2023         | 2023/2024         | 2024/2025         | 2025/2026         | 2026/2027         | 2027/2028         |
|----------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                        | Estimate \$       | Indicative \$     | Indicative \$     | Forecast \$       | Forecast \$       | Forecast \$       | Forecast \$       | Forecast \$       | Forecast \$       | Forecast \$       |
| General rates                          | 4,930,728         | 5,145,454         | 5,359,422         | 5,535,965         | 5,697,359         | 5,832,925         | 5,972,856         | 6,117,277         | 6,266,316         | 6,420,104         |
| UAGC                                   | 3,023,664         | 3,103,251         | 3,182,112         | 3,261,815         | 3,342,360         | 3,423,747         | 3,505,976         | 3,589,047         | 3,672,960         | 3,757,715         |
| Targeted rates                         | 2,221,110         | 2,284,064         | 2,320,902         | 2,352,410         | 2,243,124         | 2,395,792         | 2,429,806         | 2,467,265         | 2,506,595         | 2,547,671         |
| Direct charges                         | 9,032,156         | 9,822,745         | 10,735,960        | 11,292,078        | 9,744,645         | 7,074,051         | 7,192,337         | 7,302,354         | 7,382,015         | 7,565,246         |
| Government grants                      | 3,646,423         | 3,665,618         | 2,681,675         | 2,702,019         | 2,772,415         | 2,779,303         | 2,445,200         | 2,522,752         | 2,547,479         | 2,612,127         |
| Dividends                              | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         | 8,000,000         |
| Rent revenue                           | 1,070,000         | 1,091,400         | 1,115,411         | 1,139,949         | 1,166,167         | 1,192,989         | 1,221,621         | 1,252,161         | 1,283,466         | 1,316,837         |
| Vested assets                          | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| Gains/(losses) on property revaluation | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 | 0                 |
| Finance income                         | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           | 300,000           |
| Transfer from reserves                 | 40,000            | 585,633           | 174,000           | 238,000           | 521,000           | 0                 | 0                 | 167,000           | 0                 | 17,000            |
| Transfer to reserves                   | (194,508)         | (47,808)          | (149,375)         | (151,350)         | (53,404)          | (560,540)         | (661,762)         | (338,072)         | (305,475)         | (164,974)         |
| <b>Total funding</b>                   | <b>32,069,573</b> | <b>33,950,357</b> | <b>33,720,107</b> | <b>34,670,886</b> | <b>33,733,666</b> | <b>30,438,267</b> | <b>30,406,034</b> | <b>31,379,784</b> | <b>31,653,356</b> | <b>32,371,726</b> |

### Capital value general rate

The Council proposes a general rate on the capital value on each rating unit in the region. The estimated general rate (in cents in the dollar of capital value) for 2018/2019 is 0.0163054 (GST inclusive). The Council proposes no differentials on the general rate. The general rate will be equalised between the three districts in the Taranaki region (see page 105). The rates to be collected from each district are:

- New Plymouth and North Taranaki constituencies—to produce \$ 3,412,409 at a rate of 0.0177112 cents in the dollar of capital value GST inclusive
- Stratford constituency—to produce \$ 502,392 at a rate of 0.0173238 cents in the dollar of capital value GST inclusive
- South Taranaki constituency—to produce \$ 1,755,536 at a rate of 0.0171455 cents in the dollar of capital value GST inclusive.

### Uniform annual general charge

The Council proposes a uniform annual general charge of \$64.40 (GST inclusive) on all separately used or inhabited parts of a rating unit in the region to produce \$ 3,477,214 (GST inclusive).

Separately used or inhabited part of a rating unit (SUIP): A SUIP is defined as a separately used or occupied part of a rating unit and includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use.

Separately used or inhabited for a residential rating unit includes a building or part of a building that contains, two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate habitation

Separately used or inhabited for a small holding or farmland property rating unit includes a rural property/farm with multiple dwellings (e.g., a house is used by a farm worker) each of which is separately inhabited or is capable of separate habitation

Separately used or inhabited for a commercial or industrial rating unit: means a building or part of a building that is, or intended to be, or is able to be, separately tenanted, leased or subleased for commercial purposes

An exception is made for motels/hotels as these are treated as one business even if each accommodation unit may be capable of separate habitation.

This definition of SUIP only applies to the uniform annual general charge as the Council does not set a fixed charge for any other rates.

## Targeted rates

The following table summarises the types of targeted rate, the group of activities or activity funded by that targeted rate together with the matters and factors of the targeted rates.

| Group of activities funded       | Type of rates                      | Types of land to be funded                                                                  | Different categories    |
|----------------------------------|------------------------------------|---------------------------------------------------------------------------------------------|-------------------------|
| Hazard management                | Flood and river control works rate | All properties in the New Plymouth and North Taranaki constituencies of the Taranaki region | Capital value           |
| Hazard management                | Flood and river control works rate | All properties in the South Taranaki constituency of the Taranaki region                    | Capital value           |
| Transport                        | Passenger transport services rate  | All properties in the New Plymouth and North Taranaki constituencies of the Taranaki region | Capital value           |
| Transport                        | Passenger transport services rate  | All properties in the Stratford constituency of the Taranaki region                         | Capital value           |
| Transport                        | Passenger transport services rate  | All properties in the South Taranaki constituency of the Taranaki region                    | Capital value           |
| Recreation, culture and heritage | Yarrow Stadium rate                | All properties in the New Plymouth and North Taranaki constituencies of the Taranaki region | Differential land value |

The Council proposes the following targeted rates for 2018/2019:

- A targeted rate for flood and river control works on the capital value on each rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2018/2019 is 0.003924 GST inclusive to produce \$755,940 (GST inclusive).
- A targeted rate for flood and river control works on the capital value on each rating unit in the South Taranaki constituency of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2018/2019 is 0.000611 GST inclusive to produce \$62,522 (GST inclusive).
- A targeted rate for passenger transport services on the capital value on each rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2018/2019 is 0.006786 GST inclusive to produce \$1,307,404 (GST inclusive).
- A targeted rate for passenger transport services on the capital value on each rating unit in the Stratford constituency of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2018/2019 is 0.000962 GST inclusive to produce \$27,907 (GST inclusive).
- A targeted rate for passenger transport services on the capital value on each rating unit in the South Taranaki constituency of the Taranaki region. The estimated targeted rate (in cents in the dollar of capital value) for 2018/2019 is 0.000523 GST inclusive to produce \$53,510 (GST inclusive).



- A differential targeted rate for Yarrow Stadium on the land value on each rating unit in the New Plymouth and North Taranaki constituencies of the Taranaki region. The estimated targeted rate (in cents in the dollar of land value) for 2018/2019 for each differential category is:
  - Group 1 Commercial and Industrial to produce \$168,144 at a rate of 0.017448 cents in the dollar of land value GST inclusive
  - Group 2 Residential to produce \$159,778 at a rate of 0.002840 cents in the dollar of land value GST inclusive
  - Group 3 Small holdings to produce \$9,038 at a rate of 0.001679 cents in the dollar of land value GST inclusive
  - Group 4 Farmland to produce \$15,487 at a rate of 0.000537 cents in the dollar of land value GST inclusive.

The Council differentiates the Yarrow Stadium targeted rate based on land use. The differential categories are:

- Group 1: Commercial/industrial. All rating units that are used primarily for any commercial or industrial purpose.
- Group 2: Residential. All rating units with a land area of one hectare or less, not being rating units in Group 1, used for residential and related purposes.
- Group 3: Small holdings. All rating units, not being rating units included in Groups 1 or 2, having a land area of more than one hectare but no greater than four hectares.
- Group 4: Farmland. All rating units, not being rating units included in Group 1, 2 or 3, having a land area in excess of four hectares.

The above figures are estimated cents in the dollar rates based upon the required revenue to be recovered from each type of rate and the current capital or land value of the region or sub-part of the region. The final capital or land value of the region or sub-part of the region used to set the rates (in July 2018) will be different from the values used in the above calculations. The effect on the cents in the dollar rates is not expected to be significant.

The Council does not require a lump sum contribution for any of its targeted rates.

## Due dates

All rates will be payable in four equal instalments due on:

|              | New Plymouth & North Taranaki Constituencies | Stratford Constituency | South Taranaki Constituency |
|--------------|----------------------------------------------|------------------------|-----------------------------|
| Instalment 1 | 1 August 2018                                | 29 August 2018         | 29 August 2018              |
| Instalment 2 | 1 November 2018                              | 28 November 2018       | 28 November 2018            |
| Instalment 3 | 1 February 2019                              | 27 February 2019       | 27 February 2019            |
| Instalment 4 | 1 May 2019                                   | 29 May 2019            | 29 May 2019                 |

## Penalties and discounts

Pursuant to Section 57 and 58 of the *Local Government (Rating) Act 2002* the following penalties on unpaid rates will be applied.

A charge of 10 percent on so much of any instalment that has been assessed after 1 July 2018 and which remains unpaid after the due date for that instalment.

|              | New Plymouth & North Taranaki Constituencies | Stratford Constituency | South Taranaki Constituency |
|--------------|----------------------------------------------|------------------------|-----------------------------|
| Instalment 1 | 29 August 2018                               | 5 September 2018       | 29 August 2018              |
| Instalment 2 | 28 November 2018                             | 5 December 2018        | 28 November 2018            |
| Instalment 3 | 27 February 2019                             | 6 March 2019           | 27 February 2019            |
| Instalment 4 | 29 May 2019                                  | 5 June 2019            | 29 May 2019                 |

The Council will charge a penalty of 10 per cent on any portion of rates that were assessed or levied in any previous financial years to 1 July 2018 and which remain unpaid on 2 July 2018 and a further additional penalty of 10 per cent on any rates that were assessed or levied in any previous financial years and which remain unpaid on 29 March 2019 (New Plymouth and North Taranaki constituencies).

The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2018 which remain unpaid on 10 July 2018 or such later date as required under section 58(1) (b) (ii). A continuing additional penalty of 10% on so much of any rates levied before 1 July 2017 which remain unpaid six months after the previous penalty was added (Stratford constituency).

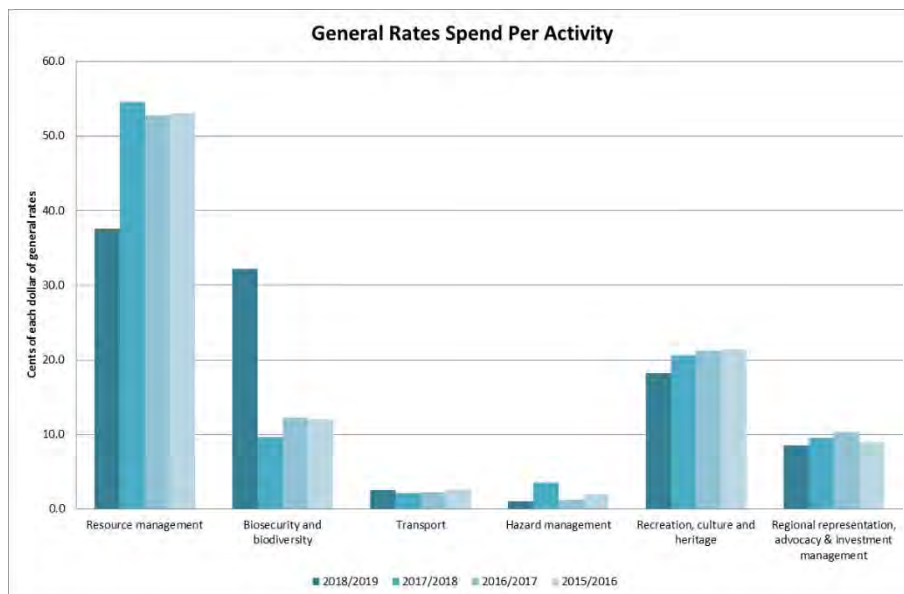
The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2018 which remain unpaid on 2 July 2018 or such later date as required under section 58(1) (b) (ii). (South Taranaki constituency).

A discount of 3% will be allowed on the total rates set for the financial year, if the rates for a financial year are paid in full on or before the due date of the first instalment for the financial year. (South Taranaki constituency only). This will be 29 August 2018.

## Payment Locations

The Council’s rates and charges will become due and payable at the principal offices and service centres of the region’s district councils. The rates and charges can also be paid at the principal office of the Taranaki Regional Council.

Each dollar of general rates collected is spent in the following manner:



## Rating impact

The following are examples of the level of total rates that different groups of ratepayers will incur in 2018/2019 under this Plan. All figures are GST exclusive. These figures are calculated on the equalised capital value of each district. The actual rates struck will be on the unequalised capital value. Accordingly, there will be some differences (expected to be minor) between the figures below and the final rates figures charged.

### Ratepayers in the New Plymouth and North Taranaki constituencies:

In these constituencies ratepayers incur a mixture of capital value general rates, uniform annual general charges, capital value targeted rates and land value targeted rates. To determine the rates for any property, refer to the table for that type of property and then look by capital value (columns) and land value (rows). For instance, a residential ratepayer with a capital value of \$300,000 and a land value of \$100,000 will pay

**\$139.54** in total regional council rates (see highlighted example below).

#### Commercial and industrial property

|                            |           |           |           |           |             |
|----------------------------|-----------|-----------|-----------|-----------|-------------|
| Capital value of property: | \$200,000 | \$300,000 | \$500,000 | \$750,000 | \$1,000,000 |
| Land value of property:    |           |           |           |           |             |
| \$50,000                   | \$117.63  | \$144.66  | \$198.70  | \$266.26  | \$333.82    |
| \$100,000                  | \$125.22  | \$152.24  | \$206.29  | \$273.85  | \$341.41    |
| \$150,000                  | \$132.81  | \$159.83  | \$213.88  | \$281.44  | \$348.99    |
| \$300,000                  | \$155.56  | \$182.59  | \$236.63  | \$304.19  | \$371.75    |
| \$500,000                  | \$185.91  | \$212.93  | \$266.98  | \$334.54  | \$402.10    |

#### Residential property

|                            |                 |                  |                 |                 |                 |
|----------------------------|-----------------|------------------|-----------------|-----------------|-----------------|
| Capital value of property: | \$200,000       | <b>\$300,000</b> | \$500,000       | \$750,000       | \$1,000,000     |
| Land value of property:    |                 |                  |                 |                 |                 |
| \$50,000                   | \$111.28        | <b>\$138.31</b>  | \$192.35        | \$259.91        | \$327.47        |
| <b>\$100,000</b>           | <b>\$112.52</b> | <b>\$139.54</b>  | <b>\$193.59</b> | <b>\$261.15</b> | <b>\$328.71</b> |
| \$150,000                  | \$113.75        | <b>\$140.77</b>  | \$194.82        | \$262.38        | \$329.94        |
| \$300,000                  | \$117.46        | <b>\$144.48</b>  | \$198.53        | \$266.08        | \$333.64        |

#### Small holdings property

|                            |           |           |           |           |             |
|----------------------------|-----------|-----------|-----------|-----------|-------------|
| Capital value of property: | \$200,000 | \$300,000 | \$500,000 | \$750,000 | \$1,000,000 |
| Land value of property:    |           |           |           |           |             |
| \$50,000                   | \$110.78  | \$137.80  | \$191.85  | \$259.41  | \$326.97    |
| \$100,000                  | \$111.51  | \$138.53  | \$192.58  | \$260.14  | \$327.70    |
| \$150,000                  | \$112.24  | \$139.26  | \$193.31  | \$260.87  | \$328.43    |
| \$300,000                  | \$114.43  | \$141.45  | \$195.50  | \$263.06  | \$330.62    |

#### Farmland property

|                            |           |             |             |             |             |
|----------------------------|-----------|-------------|-------------|-------------|-------------|
| Capital value of property: | \$500,000 | \$1,000,000 | \$2,000,000 | \$3,000,000 | \$5,000,000 |
| Land value of property:    |           |             |             |             |             |
| \$250,000                  | \$192.29  | \$327.40    | \$597.64    | \$867.88    | \$1,408.35  |
| \$500,000                  | \$193.45  | \$328.57    | \$598.81    | \$869.04    | \$1,409.52  |
| \$1,000,000                | \$195.79  | \$330.90    | \$601.14    | \$871.38    | \$1,411.85  |
| \$1,500,000                | \$198.12  | \$333.24    | \$603.47    | \$873.71    | \$1,414.18  |
| \$2,000,000                | \$200.45  | \$335.57    | \$605.81    | \$876.05    | \$1,416.52  |

### Ratepayers in the Stratford and South Taranaki constituencies:

In these constituencies, ratepayers incur a mixture of capital value general rates, uniform annual general charges and capital value targeted rates.

### Stratford constituency

|                            |           |           |             |             |             |
|----------------------------|-----------|-----------|-------------|-------------|-------------|
| Capital value of property: | \$200,000 | \$500,000 | \$1,000,000 | \$2,000,000 | \$5,000,000 |
| Total rates                | \$92.32   | \$146.80  | \$237.61    | \$419.21    | \$964.03    |

### South Taranaki constituency

|                            |           |           |             |             |             |
|----------------------------|-----------|-----------|-------------|-------------|-------------|
| Capital value of property: | \$200,000 | \$500,000 | \$1,000,000 | \$2,000,000 | \$5,000,000 |
| Total rates                | \$92.26   | \$146.65  | \$237.31    | \$418.62    | \$962.55    |

## Actual rates to be paid

To calculate the approximate rates payable for a property, obtain the rateable land value and capital value from the Rates Assessment Notice issued by your local district council and then complete the attached table. All figures include GST. For example, if you own a residential property in the North Taranaki constituency with a capital value of \$400,000 and a land value of \$120,000, then the rates calculation would be as follows:

| New Plymouth and North Taranaki Constituencies |        |                       |           |                  |                 |
|------------------------------------------------|--------|-----------------------|-----------|------------------|-----------------|
| Capital Value (CV):                            |        | \$400,000             |           | Land Value (LV): |                 |
|                                                |        |                       |           | \$120,000        |                 |
| Rate                                           | Factor | Differential          | Value     | Rate             | Amount          |
| General                                        | CV     |                       | \$400,000 | 0.000177         | \$70.80         |
| UAGC                                           |        |                       | 1         | \$64.40          | \$64.40         |
| River control                                  | CV     |                       | \$400,000 | 0.000039         | \$15.60         |
| Transport                                      | CV     |                       | \$400,000 | 0.000068         | \$27.20         |
| Yarrow Stadium                                 | LV     | Residential           | \$120,000 | 0.000028         | \$3.36          |
|                                                | LV     | Commercial/industrial |           | 0.000174         | N/A             |
|                                                | LV     | Farmland              |           | 0.000005         | N/A             |
|                                                | LV     | Small holding         |           | 0.000017         | N/A             |
| <b>Total rates</b>                             |        |                       |           |                  | <b>\$181.36</b> |

## Calculate your own rates

| New Plymouth and North Taranaki Constituencies |        |                       |       |                  |         |
|------------------------------------------------|--------|-----------------------|-------|------------------|---------|
| Capital Value (CV):                            |        |                       |       | Land Value (LV): |         |
|                                                |        |                       |       |                  |         |
| Rate                                           | Factor | Differential          | Value | Rate             | Amount  |
| General                                        | CV     |                       |       | 0.000177         |         |
| UAGC                                           |        |                       | 1     | \$64.40          | \$64.40 |
| River control                                  | CV     |                       |       | 0.000039         |         |
| Transport                                      | CV     |                       |       | 0.000068         |         |
| Yarrow Stadium                                 | LV     | Residential           |       | 0.000028         |         |
|                                                | LV     | Commercial/industrial |       | 0.000174         |         |
|                                                | LV     | Farmland              |       | 0.000005         |         |
|                                                | LV     | Small holding         |       | 0.000017         |         |
| <b>Total rates</b>                             |        |                       |       |                  |         |

| Stratford Constituency |        |              |       |                  |         |
|------------------------|--------|--------------|-------|------------------|---------|
| Capital Value (CV):    |        |              |       | Land Value (LV): |         |
|                        |        |              |       |                  |         |
| Rate                   | Factor | Differential | Value | Rate             | Amount  |
| General                | CV     |              |       | 0.000173         |         |
| UAGC                   |        |              | 1     | \$64.40          | \$64.40 |
| Transport              | CV     |              |       | 0.000010         |         |
| <b>Total rates</b>     |        |              |       |                  |         |

| South Taranaki Constituency |        |              |       |                  |         |
|-----------------------------|--------|--------------|-------|------------------|---------|
| Capital Value (CV):         |        |              |       | Land Value (LV): |         |
|                             |        |              |       |                  |         |
| Rate                        | Factor | Differential | Value | Rate             | Amount  |
| General                     | CV     |              |       | 0.000171         |         |
| UAGC                        |        |              | 1     | \$64.40          | \$64.40 |
| River control               | CV     |              |       | 0.000006         |         |
| Transport                   | CV     |              |       | 0.000005         |         |
| <b>Total rates</b>          |        |              |       |                  |         |

## Rates equalisation/apportionment

The three Taranaki based district councils collect regional general rates on behalf of the Taranaki Regional Council. The projected apportionment of general rates between districts is as follows:

| District         | Capital Value Equalised \$ | %              | Estimated Rate Revenue \$ | GST \$           | GST incl rate revenue \$ | Rate in the \$ excl GST |
|------------------|----------------------------|----------------|---------------------------|------------------|--------------------------|-------------------------|
| <b>2011/2012</b> |                            |                |                           |                  |                          |                         |
| New Plymouth     | 15,950,320,000             | 60.42%         | \$2,766,026               | \$414,904        | \$3,180,930              |                         |
| Stratford        | 2,662,041,000              | 10.08%         | \$461,638                 | \$69,246         | \$530,884                |                         |
| South Taranaki   | 7,787,200,000              | 29.50%         | \$1,350,418               | \$202,563        | \$1,552,981              |                         |
|                  | <b>26,399,561,000</b>      | <b>100.00%</b> | <b>\$4,578,083</b>        | <b>\$686,712</b> | <b>\$5,264,795</b>       | <b>0.017342</b>         |
| <b>2012/2013</b> |                            |                |                           |                  |                          |                         |
| New Plymouth     | 13,290,429,000             | 55.07%         | 2,588,117                 | 388,218          | 2,976,335                |                         |
| Stratford        | 2,593,336,050              | 10.74%         | 504,746                   | 75,712           | 580,458                  |                         |
| South Taranaki   | 8,252,154,000              | 34.19%         | 1,606,823                 | 241,023          | 1,847,846                |                         |
|                  | <b>24,135,919,050</b>      | <b>100.00%</b> | <b>4,699,686</b>          | <b>704,953</b>   | <b>5,404,639</b>         | <b>0.019471</b>         |
| <b>2013/2014</b> |                            |                |                           |                  |                          |                         |
| New Plymouth     | \$16,094,949,00            | 60.17%         | \$2,765,159               | \$414,774        | \$3,179,933              |                         |
| Stratford        | \$2,586,302,000            | 9.67%          | \$444,392                 | \$66,659         | \$511,051                |                         |
| South Taranaki   | \$8,069,489,050            | 30.16%         | \$1,386,026               | \$207,904        | \$1,593,930              |                         |
|                  | <b>\$26,750,740,00</b>     | <b>100.00%</b> | <b>\$4,595,578</b>        | <b>\$689,337</b> | <b>\$5,284,915</b>       | <b>0.017179</b>         |
| <b>2014/2015</b> |                            |                |                           |                  |                          |                         |
| New Plymouth     | 16,453,922,100             | 59.03%         | 2,734,493                 | 410,174          | 3,144,667                |                         |
| Stratford        | 2,633,724,816              | 9.45%          | 437,760                   | 65,664           | 503,424                  |                         |
| South Taranaki   | 8,786,039,704              | 31.52%         | 1,460,126                 | 219,019          | 1,679,145                |                         |
|                  | <b>27,873,686,620</b>      | <b>100.00%</b> | <b>4,632,379</b>          | <b>694,857</b>   | <b>5,327,236</b>         | <b>0.016619</b>         |
| <b>2015/2016</b> |                            |                |                           |                  |                          |                         |
| New Plymouth     | 16,961,017,823             | 59.66%         | 2,822,044                 | 423,307          | 3,245,341                |                         |
| Stratford        | 2,663,615,050              | 9.37%          | 443,221                   | 66,483           | 509,704                  |                         |
| South Taranaki   | 8,805,959,674              | 30.97%         | 1,464,946                 | 219,742          | 1,684,688                |                         |
|                  | <b>28,430,592,547</b>      | <b>100.00%</b> | <b>4,730,211</b>          | <b>709,532</b>   | <b>5,439,743</b>         | <b>0.016638</b>         |
| <b>2016/2017</b> |                            |                |                           |                  |                          |                         |
| New Plymouth     | 18,304,730,066             | 61.70%         | \$2,926,703               | \$439,005        | \$3,365,708              |                         |
| Stratford        | 2,873,743,895              | 9.69%          | \$459,639                 | \$68,946         | \$528,585                |                         |
| South Taranaki   | 8,488,451,250              | 28.61%         | \$1,357,098               | \$203,565        | \$1,560,663              |                         |
|                  | <b>29,666,925,211</b>      | <b>100.00%</b> | <b>\$4,743,441</b>        | <b>\$711,516</b> | <b>\$5,454,957</b>       | <b>0.015989</b>         |
| <b>2017/2018</b> |                            |                |                           |                  |                          |                         |
| New Plymouth     | 16,998,928,540             | 55.35%         | 2,642,834                 | 396,425          | 3,039,259                |                         |
| Stratford        | 2,946,817,514              | 9.60%          | 458,378                   | 68,757           | 527,135                  |                         |
| South Taranaki   | 10,763,892,555             | 35.05%         | 1,673,556                 | 251,033          | 1,924,589                |                         |
|                  | <b>30,709,638,609</b>      | <b>100.00%</b> | <b>4,774,768</b>          | <b>716,215</b>   | <b>5,490,983</b>         | <b>0.015548</b>         |
| <b>2018/2019</b> |                            |                |                           |                  |                          |                         |
| New Plymouth     | \$20,927,358,182           | 60.18%         | \$2,921,504               | \$438,226        | \$3,359,729              |                         |
| Stratford        | \$3,082,320,450            | 8.86%          | \$430,118                 | \$64,518         | \$494,636                |                         |
| South Taranaki   | \$10,766,181,593           | 30.96%         | \$1,502,987               | \$225,448        | \$1,728,435              |                         |
|                  | <b>\$34,775,860,225</b>    | <b>100.00%</b> | <b>\$4,854,609</b>        | <b>\$728,191</b> | <b>\$5,582,800</b>       | <b>0.013959</b>         |

# Explanatory Notes to the financial statements

## Summary of accounting policies

### Reporting Entity

Taranaki Regional Council is a regional local authority governed by the *Local Government Act 2002*.

The Taranaki Regional Council Group (TRC) consists of Taranaki Regional Council and its subsidiaries Port Taranaki Ltd (100% owned) and Taranaki Stadium Trust (100% controlled). The Council has a 15.5% investment in Regional Software Holdings Ltd. Port Taranaki Ltd is a port company governed by the *Port Companies Act 1988* and incorporated in New Zealand. Taranaki Stadium Trust is a charitable trust governed by the *Charitable Trusts Act 1957* and registered under the *Charities Act 2005*. Regional Software Holdings Ltd is a company governed by the *Companies Act 1993* and incorporated in New Zealand. Taranaki Stadium Trust and Regional Software Holdings Ltd are council-controlled organisations pursuant to the *Local Government Act 2002*.

The principal activity of the Taranaki Regional Council is the provision of local authority services, including resource management, biosecurity and biodiversity, transport services, hazard management, recreation and cultural services and regional representation to ratepayers and other residents of the Taranaki region.

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

As the primary objective of the Council and Group is to provide goods or services for community and social benefit, rather than for making a financial return, the Council and Group are public benefit entities for the purpose of financial reporting. The financial statements of the Council and Group have been prepared in accordance with and comply with Tier 1 Public Benefit Entity (PBE) standards. The financial statements are presented in New Zealand dollars. The functional currency of Taranaki Regional Council is New Zealand dollars.

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

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements that management have made regarding the estimated useful life of plant property and equipment, the fair value of property, plant and equipment, the valuation of employee entitlements and the value of receivables are disclosed in *Summary of Accounting Policies*.

### Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

#### SUBSIDIARIES

Consolidated prospective financial statements have not been prepared for the purposes of this *Plan*. The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements in this *Plan* is to provide users with information about the core services that the Council intends to provide, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council.

#### REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. To the extent that there is a condition attached that would give rise to a liability to repay revenue, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Group has satisfied these conditions.

Revenue from non-exchange transactions:

- General and targeted rates: The Group recognises revenue from rates when the Council has struck the rate and provided the rates assessment. Rates revenue is measured at the amount assessed, which is the fair value of the cash received or receivable.
- Government grants and funding: Revenues from the Government is recognised when the Group obtains control of the transferred asset (cash, goods, services, or property), and when the revenue can be measured reliably and is free from conditions.
- Fines: The Group recognises revenue from fines when the notice of infringement or breach is served by the Council or Group.
- Direct charges – goods and services: Rendering of services or the sale of goods at a price that is not approximately equal to the value of the service provided by the Council or Group is considered a non-exchange transaction. This includes rendering of services where the price does not allow the Council to fully recover the cost of providing the service and where the shortfall is subsidised by income from other activities, such as rates. Revenue from such subsidised services is recognised when the Council or Group issues the invoice or bill for the service.

Revenue from exchange transactions:

- Direct charges – goods and services: Revenue from the rendering of services or the sale of goods is recognised by reference to the stage of completion of the service. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.
- Interest revenue: For all financial instruments measured at amortised cost and interest-bearing financial assets classified as available-for-sale, interest income is recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.
- Dividends: Revenue is recognised when the Group's or Council's right to receive the payment is established, which is generally when shareholders approve the dividend.
- Rental revenue: Rental revenue arising from operating leases on investment properties is accounted for on a straight-line basis over the lease.

## EXPENDITURE

The budget figures presented in these financial statements are those included in the Council's adopted Annual Plan or Long-Term Plan. The budget figures are for the Council as a separate entity, and do not include budget information relating to subsidiaries or associates.

Indirect costs relate to the overall costs of running the organisation and include staff time, office space and information technology costs. Indirect costs are allocated as overheads across all activities. Overheads have been allocated against activity centres on the basis of staff numbers. However, in the case of Councillors (*Representation*), they have been allocated on a 0.5:1 ratio.

## INCOME TAX

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting surplus or deficit nor taxable surplus or deficit.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable surplus will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting surplus or deficit nor taxable surplus or deficit.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences

will reverse in the foreseeable future and taxable surplus will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- In the case of receivables and payables, which are stated with the amount of GST included.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash.

## INVENTORIES

Inventories are valued at the lower of weighted average cost or net realisable value.

## FINANCIAL ASSETS AND LIABILITIES

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### *Fair Value*

The Group carries out a fair value assessment of its financial assets and liabilities as at balance date in accordance with PBE IPSAS 30 Financial Instruments: Disclosures.

The Group's derivative financial instruments (interest rate swaps) are recognised at fair value in accordance with Level 2 valuation techniques (financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable). Level 2 - the fair value is derived from inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (derived from prices). Financial instruments in this level include interest rate swaps and options and valuation of land. Fair value is stated at the indicative market value obtained from the calculation agent.

The fair value of corporate bonds and notes is estimated by an independent valuer (Bank of New Zealand) with reference to market value as at balance date. The fair value of the current loans and term loans are estimated based upon the market prices available for similar debt securities obtained from the lender at balance date.

The carrying value of the Group's other financial instruments do not materially differ from their fair value.

### *Classification and Measurement*

Financial assets are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments, or as derivatives designated as hedging instruments in an effective hedge. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through surplus or deficit, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets at fair value through surplus or deficit are carried in the *Statement of Financial Position* at fair value with net changes in fair value presented as other losses (negative net changes in fair value) or other gains (positive net changes in fair value) in the *Statement of Comprehensive Revenue and Expense*. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If there is positive intention and ability to hold these to maturity, they will be classified accordingly. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method, less impairment.

Financial liabilities are classified, at initial recognition as, payables, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge. They are initially recognised at fair value and, in the case of payables and loans and borrowings, net of directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in surplus or deficit when the liabilities are derecognised. The effective interest rate amortisation is included as finance costs in the *Statement of Comprehensive Revenue and Expense*.

### *Impairment*



The Group assesses, at each reporting date, whether there is evidence that a financial asset or a group of financial assets is impaired. Financial assets are impaired when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The carrying amount of an asset is reduced through the use of a provision account, and the amount of the loss is recognised in surplus or deficit. When a receivable is uncollectible, it is written off against the provision account for receivables. Subsequent recoveries of amounts previously written off are credited against surplus or deficit.

#### Hedge Accounting

Port Taranaki Ltd uses derivative financial instruments to hedge its exposure to fluctuations in foreign exchange rates, commodity prices and interest rate risks arising from operational, financing and investment activities.

Interest rate swaps are used to hedge against changes on BKBM interest rates associated with on-going term borrowings.

Foreign currency forward exchange contracts may be used from time to time to hedge foreign currency transactions when purchasing major fixed assets in foreign currency.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in surplus or deficit. Amounts accumulated in equity are reclassified to the *Statement of Comprehensive Revenue and Expense* in the periods when the hedged transaction affects surplus or deficit. If the hedging instrument no longer meets the criteria for hedge accounting, expires, or is sold, terminated or exercised, then hedge accounting is discontinued prospectively.

#### Risk Management

The main risks arising from the Group's financial instruments are summarised below. The Group seeks to minimise the effects of these risks by adhering to a treasury policy that is reviewed by the Council and Port Taranaki's board of directors respectively.

| Risk:              | Exposure arising from:                                                                 | How the risk is managed:                                                                                                              |
|--------------------|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Currency risk      | Value of financial instruments fluctuating due to changes in foreign exchange rates    | The Groups treasury policy allows foreign exchange forward exchange contracts to be entered into as appropriate (as described above). |
| Interest rate risk | Value of a financial instruments fluctuating due to changes in market interest rates   | Reviewing banking arrangements to ensure the best return on funds while maintaining access to liquidity levels required.              |
| Credit risk        | Risk of default on cash and receivables balances by the other party to the transaction | Ensuring the Group places its cash with high credit quality financial institutions and monitoring aging of debtors.                   |
| Liquidity risk     | Risk the Group cannot pay its contractual liabilities as they fall due                 | Active capital management and flexibility in funding arrangements in accordance with the Council's long term plan.                    |

The Group manages its capital to ensure it is able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The carrying amount of financial instruments recorded in the financial statements, net of any allowances for losses, represents the maximum exposure to credit risk without taking account of any collateral obtained.

The following tables detail the Group's remaining contractual maturity for its financial assets and liabilities. As the amounts included in the table are contractual undiscounted cash flows these amounts will not reconcile to the amounts disclosed in the Statement of Financial Position.

### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of property plant and equipment is recognised only when it is probable that future economic benefit or service potential associated with the item will flow to the Group, and if the item's cost or fair value can be measured reliably. Subsequent to initial recognition, property, plant and equipment are measured using either the cost model or the revaluation model. Land and buildings are measured at fair value, less accumulated depreciation on buildings and any impairment losses recognised after the date of the revaluation. The fair value of land and buildings is their market value as determined by a registered valuer.

Revaluation is performed on a class-by-class basis. If an item of property, plant and equipment is revalued, the entire class to which the asset belongs is revalued. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. The valuation cycle for revalued asset classes is normally three years. A revaluation surplus is recorded in other comprehensive revenue and expense and credited to the asset revaluation reserve in net assets/equity. However, to the extent that it reverses a revaluation deficit of the same class of asset previously recognised in surplus or deficit, the increase is recognised in surplus or deficit. A revaluation deficit is recognised in the surplus or deficit, except to the extent that it offsets an existing surplus on the same asset class recognised in the asset revaluation reserve.

The residual value and the useful life of assets are reviewed at least annually. Depreciation calculated on a straight-line basis, which writes off the value of the assets over their expected remaining lives after allowing for residual values where applicable. The depreciation rates are as follows:

|                               |               |             |
|-------------------------------|---------------|-------------|
| Buildings                     | 5 to 50 yrs   | 2 to 20%    |
| Motor vehicles                | 5 yrs         | 20%         |
| Plant and equipment           | 2.5 to 25 yrs | 4 to 40%    |
| Office furniture and fittings | 5 to 10 yrs   | 10 to 20%   |
| Computer equipment            | 3 to 5 yrs    | 20 to 33%   |
| Port installations            | 5 to 66 yrs   | 0.67 to 20% |
| Floating plant                | 3 to 25 yrs   | 4 to 33%    |
| Resource consents             | 25 yrs        | 4%          |
| Maintenance dredging          | 2 yrs         | 50%         |
| Capital dredging              | 50 yrs        | 2%          |
| Bulk tanks                    | 5 to 25 yrs   | 4 to 20%    |

Flood scheme assets – the nature of these assets is equivalent to land improvements and, as such, they do not incur a loss of service potential over time. Land and flood scheme assets are not depreciated. Maintenance costs are expensed as they are incurred in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Comprehensive Revenue and Expense. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount.

For non-financial non-cash-generating assets, except for those assets that are valued using the revaluation model, the Group assesses at each reporting date whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the *Statement of Comprehensive Revenue and Expense*. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount.

For non-financial non-cash-generating assets, except for those assets that are valued using the revaluation model, the Group assesses at each reporting date whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use.

Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount. Impairment losses are recognised immediately in surplus or deficit.

## INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as the expense category that is consistent with the function of the intangible assets. The Group holds several computer software packages for internal use, including purchased software and software developed in-house by the Group. Purchased software is recognised and measured at the cost incurred to acquire the software. Developed software is recognised and measured during the development stage in accordance with the Research and Development paragraph below. Costs that are directly associated with the development of the software, including employee costs, are capitalised as an intangible asset. Staff training costs and costs associated with maintaining computer software are recognised as expenses in surplus or deficit when incurred. The estimated useful lives are as follows:

|                   |            |           |
|-------------------|------------|-----------|
| Computer software | 2 to 5 yrs | 20 to 50% |
|-------------------|------------|-----------|

## INVESTMENT PROPERTY

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day maintenance of an investment property. Subsequent to initial recognition, investment properties are measured at fair value, which is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specific asset at the reporting date. Gains or losses arising from changes in the fair values of investment properties are recognised in surplus or deficit in the year in which they arise.

## EMPLOYEE BENEFITS

Liabilities for wages and salaries (including non-monetary benefits), annual leave and accumulating sick leave are recognised in surplus or deficit during the period in which the employee rendered the related services, and are generally expected to be settled within 12 months of the reporting date. The liabilities for these short-term benefits are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Employees of the Group become eligible for long service leave after a certain number of years of employment, depending on their contract. The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. The Group's liability is based on an actuarial valuation. Actuarial gains and losses on the long-term incentives are accounted for in the *Statement of Comprehensive Revenue and Expense*.

## PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

## BORROWINGS

All borrowing costs are expensed in the period they occur, except to the extent the borrowing costs are directly attributable to the acquisition, construction, or production of qualifying assets. These shall be capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Council and Group have chosen not to capitalise borrowing costs directly attributable to the acquisition, construction or production of assets.

## EQUITY

Equity is the community's interest in the Council and Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves. Accumulated comprehensive revenue and expense is the Council and Group's accumulated surplus or deficit since the formation of the Council, adjusted for transfers to/from specific reserves. The asset revaluation reserve is for the revaluation of those PP&E items that are measured at fair value after initial recognition. The Cash flow hedge reserve is for the revaluation of derivatives designated as cash flow hedges. It consists of the cumulative effective portion of net changes in the fair value of these derivatives. Targeted rates reserves are a restricted equity reserve that comprises funds raised by the Council through targeted rates. The use of these funds is restricted to the specific purpose for which the targeted rates were levied. A Special purpose reserve is a restricted equity reserve created by the Council for the specific identified purpose. The use of these funds is restricted to the specific purpose.

The Council manages the Group's capital largely as a by-product of managing its revenue, expenses, assets, liabilities and general financial dealings. The *Local Government Act 2002* requires the Council to manage its revenue, expenses, assets, liabilities and general financial dealings in a manner that promotes the current and future interests of the community. In addition, The *Local Government (Financial Reporting and Prudence) Regulation 2014* sets out a number of benchmarks for assessing whether the Council is managing its revenue, expenses, assets and liabilities prudently. An additional objective of capital management is to ensure that the expenditure needs identified in the Council's Long-Term Plan and Annual Plan are met in the manner set out in these plans. The *Local Government Act 2002* requires the Council to make adequate and effective provision in its Long-Term Plan and in its Annual Plan to meet the expenditure needs identified in those plans. The factors that the Council is required to consider when determining the most appropriate sources of funding for each of its

activities are set out in the *Local Government Act 2002*. The sources and levels of funding are set out in the funding and financial policies in the Council's Long-Term Plan. The Council monitors actual expenditure incurred against the Long-term Plan and Annual Plan.

## LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. The substance of the arrangement depends on whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement. Finance leases are leases that transfer substantially all risks and benefits incidental to ownership of the leased item to the Group. Assets held under a finance lease are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Group also recognises the associated lease liability at the inception of the lease, at the same amount as the capitalised leased asset. Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term.

## STATEMENT OF CASH FLOWS

Cash flows from operating activities are presented using the direct method. Definitions of terms used in the *Statement of Cash Flows*:

- Cash means cash on deposit with banks, net of outstanding bank overdrafts.
- Investing activities comprise the purchase and sale of property, plant and equipment, investment properties and investments
- Financing activities comprise the change in equity and debt capital structure of the Council and Group.
- Operating activities include all transactions and events that are not investing or financing activities.

Cash flows are included in the *Statement of Cash Flows* on a net basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

## WORK-IN-PROGRESS

Work-in-progress relates to unbilled time and costs (current asset) or time and costs billed-in-advance (current liability) for resource consent applications, resource consent compliance monitoring and unauthorised pollution incidents.

## CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Council's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### *Judgements, estimates and assumptions*

In the process of applying the Council's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Judgements that management have made regarding the estimated useful life of plant property and equipment, the fair value of property, plant and equipment, the valuation of employee entitlements and the value of receivables are disclosed in *Summary of Accounting Policies*.

## Reserves

Reserve funds are utilised to provide a fund for expenditure on specific purposes. In some circumstances the reserves are a legal requirement. The Council holds the following reserve funds:

### NORTH TARANAKI/WAITARA RIVER CONTROL SCHEME RESERVE

The Council strikes a targeted rate based on capital values over the New Plymouth District for purposes of:

- maintenance of the Waitara River Flood Protection scheme
- the construction of flood protection works in the lower Waiwhakaiho catchment; and
- for other minor river control works which are required for flood protection in the district.

Any unspent funds must be appropriated to this reserve. Funds may only be appropriated to cover expenditure on the above purposes. This reserve fund relates to the Hazard management group of activities.

|                                 | 2018/2019   | 2019/2020     | 2020/2021     | 2021/2022   | 2022/2023   | 2023/2024   | 2024/2025   | 2025/2026   | 2026/2027   | 2027/2028   |
|---------------------------------|-------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                 | Estimate \$ | Indicative \$ | Indicative \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ |
| Opening balance 1 July          | 1,141,243   | 1,186,893     | 1,234,369     | 1,283,744   | 1,335,094   | 1,388,498   | 1,444,038   | 1,501,800   | 1,561,872   | 1,624,347   |
| Transfer from retained earnings | 45,650      | 47,476        | 49,375        | 51,350      | 53,404      | 55,540      | 57,762      | 60,072      | 62,475      | 64,974      |
| Transfer to retained earnings   | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Closing balance 30 June         | 1,186,893   | 1,234,369     | 1,283,744     | 1,335,094   | 1,388,498   | 1,444,038   | 1,501,800   | 1,561,872   | 1,624,347   | 1,689,321   |

## CONTINGENCY/DISASTER RESERVE

This reserve was created to meet the Council's share of the replacement cost of infrastructure assets affected by natural disasters. It also covers the Council's commitments under the National Civil Defence Plan in the event of emergencies. It is available for any other contingency or emergency response purposes including oil spill response and flood response. This reserve fund relates to the Resource management and the Hazard management groups of activities.

|                                 | 2018/2019   | 2019/2020     | 2020/2021     | 2021/2022   | 2022/2023   | 2023/2024   | 2024/2025   | 2025/2026   | 2026/2027   | 2027/2028   |
|---------------------------------|-------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                 | Estimate \$ | Indicative \$ | Indicative \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ |
| Opening balance 1 July          | 1,086,000   | 1,086,000     | 1,086,000     | 1,086,000   | 1,086,000   | 1,086,000   | 1,086,000   | 1,086,000   | 1,086,000   | 1,086,000   |
| Transfer from retained earnings | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Transfer to retained earnings   | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Closing balance 30 June         | 1,086,000   | 1,086,000     | 1,086,000     | 1,086,000   | 1,086,000   | 1,086,000   | 1,086,000   | 1,086,000   | 1,086,000   | 1,086,000   |

## DIVIDEND EQUALISATION RESERVE

The Council transfers dividends received in excess of budget to this reserve. The reserve is to be used to equalise dividend returns over time. Dividends in excess of budget since 1996/97 have been transferred to the reserve. Prior to 1996/97 all dividends were used to repay debt incurred during the incorporation of Port Taranaki Ltd. From 1996/97 onwards dividends have been used to reduce the general rate requirement. This reserve fund relates to all groups of activities.

|                                 | 2018/2019   | 2019/2020     | 2020/2021     | 2021/2022   | 2022/2023   | 2023/2024   | 2024/2025   | 2025/2026   | 2026/2027   | 2027/2028   |
|---------------------------------|-------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                 | Estimate \$ | Indicative \$ | Indicative \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ |
| Opening balance 1 July          | 6,395,766   | 6,442,766     | 6,032,766     | 5,858,766   | 5,620,766   | 5,266,766   | 5,671,766   | 6,175,766   | 6,453,766   | 6,596,766   |
| Transfer from retained earnings | 47,000      | 0             | 0             | 0           | 0           | 405,000     | 504,000     | 278,000     | 143,000     | 0           |
| Transfer to retained earnings   | 0           | 410,000       | 174,000       | 238,000     | 354,000     | 0           | 0           | 0           | 0           | 17,000      |
| Closing balance 30 June         | 6,442,766   | 6,032,766     | 5,858,766     | 5,620,766   | 5,266,766   | 5,671,766   | 6,175,766   | 6,453,766   | 6,596,766   | 6,579,766   |

## PASSENGER TRANSPORT TARGETED RATE RESERVE (NEW PLYMOUTH/NORTH TARANAKI)

The Council strikes a targeted rate based on capital values over the New Plymouth District for purposes of funding passenger transport services. Any unspent funds must be appropriated to this reserve. Funds may only be appropriated to cover expenditure on these purposes. This reserve fund relates to the Transport group of activities.

|                                 | 2018/2019   | 2019/2020     | 2020/2021     | 2021/2022   | 2022/2023   | 2023/2024   | 2024/2025   | 2025/2026   | 2026/2027   | 2027/2028   |
|---------------------------------|-------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                 | Estimate \$ | Indicative \$ | Indicative \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ |
| Opening balance 1 July          | 46,443      | 8,301         | 0             | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Transfer from retained earnings | 1,858       | 332           | 0             | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Transfer to retained earnings   | 40,000      | 8,633         | 0             | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Closing balance 30 June         | 8,301       | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0           | 0           |

## PEST ANIMAL MANAGEMENT: EGMONT NATIONAL PARK CONTROL RESERVE

This reserve was created to meet the Council's share of the costs associated with initial control works and maintenance works resulting from the cyclical pest control works undertaken by the Department of Conservation in the Egmont National Park. This reserve smoothes the Council's revenue and expenditure. Funds are transferred to the reserve annually. When the Council's expenditure is incurred the funding is sourced from the reserve fund. This reserve fund relates to the Biosecurity group of activities.

|                                 | 2018/2019   | 2019/2020     | 2020/2021     | 2021/2022   | 2022/2023   | 2023/2024   | 2024/2025   | 2025/2026   | 2026/2027   | 2027/2028   |
|---------------------------------|-------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                 | Estimate \$ | Indicative \$ | Indicative \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ |
| Opening balance 1 July          | 398,000     | 498,000       | 331,000       | 431,000     | 531,000     | 364,000     | 464,000     | 564,000     | 397,000     | 497,000     |
| Transfer from retained earnings | 100,000     | 0             | 100,000       | 100,000     | 0           | 100,000     | 100,000     | 0           | 100,000     | 100,000     |
| Transfer to retained earnings   | 0           | 167,000       | 0             | 0           | 167,000     | 0           | 0           | 167,000     | 0           | 0           |
| Closing balance 30 June         | 498,000     | 331,000       | 431,000       | 531,000     | 364,000     | 464,000     | 564,000     | 397,000     | 497,000     | 597,000     |

## ENDOWMENT LAND SALES RESERVE

This reserve was created to account for the proceeds from the sale of endowment land. The proceeds from the sale of endowment lands can only be used for purposes specified by the *Local Government Act 1974* and the *Local Government Act 2002*. This reserve fund relates to all groups of activities.

|                                 | 2018/2019   | 2019/2020     | 2020/2021     | 2021/2022   | 2022/2023   | 2023/2024   | 2024/2025   | 2025/2026   | 2026/2027   | 2027/2028   |
|---------------------------------|-------------|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                 | Estimate \$ | Indicative \$ | Indicative \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ | Forecast \$ |
| Opening balance 1 July          | 2,170,000   | 2,170,000     | 2,170,000     | 2,170,000   | 2,170,000   | 2,170,000   | 2,170,000   | 2,170,000   | 2,170,000   | 2,170,000   |
| Transfer from retained earnings | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Transfer to retained earnings   | 0           | 0             | 0             | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Closing balance 30 June         | 2,170,000   | 2,170,000     | 2,170,000     | 2,170,000   | 2,170,000   | 2,170,000   | 2,170,000   | 2,170,000   | 2,170,000   | 2,170,000   |

## Statement of comprehensive income

Included in the Statement of Comprehensive Revenue and Expense but not separately disclosed, are the following balances:

| <b>Year</b> | <b>Depreciation</b> | <b>Employee Benefits</b> |
|-------------|---------------------|--------------------------|
| 2018/2019   | \$2,146,435         | \$11,721,887             |
| 2019/2020   | \$2,399,794         | \$12,082,818             |
| 2020/2021   | \$2,648,503         | \$12,220,005             |
| 2021/2022   | \$2,774,367         | \$12,481,163             |
| 2022/2023   | \$2,447,018         | \$12,730,120             |
| 2023/2024   | \$2,305,311         | \$12,994,493             |
| 2024/2025   | \$2,239,579         | \$13,211,608             |
| 2025/2026   | \$2,235,789         | \$13,534,469             |
| 2026/2027   | \$2,225,940         | \$13,865,388             |
| 2027/2028   | \$2,316,478         | \$14,218,079             |

## Contingencies

Pursuant to the *Waitara Harbours Act 1940*, the Council has an interest in 180ha of New Plymouth District Council owned Waitara Harbour endowment lands. In the event of the sale of part or all of these lands by the New Plymouth District Council, the Council has a contingent asset. At this stage, the value is uncertain. The use of these funds will be established in the enacted version of the *New Plymouth District Council (Waitara Lands) Bill*.

## Rating base information

The number of rating units within the region at the end of the preceding financial year is:

|                  |        |
|------------------|--------|
| <b>2018/2019</b> | 53,894 |
| <b>2019/2020</b> | 54,336 |
| <b>2020/2021</b> | 54,748 |
| <b>2021/2022</b> | 55,160 |
| <b>2022/2023</b> | 55,572 |
| <b>2023/2024</b> | 55,984 |
| <b>2024/2025</b> | 56,396 |
| <b>2025/2026</b> | 56,808 |
| <b>2026/2027</b> | 57,220 |
| <b>2027/2028</b> | 57,632 |

## Council-controlled organisations

A council-controlled organisation can be a company, partnership, trust, arrangement for the sharing of profits, union of interest, co-operation, joint venture or other similar arrangement in which one or more local authorities, directly or indirectly, controls the organisation.

### Taranaki Stadium Trust

The Taranaki Stadium Trust is a charitable trust and a council-controlled organisation under the *Local Government Act 2002*. The Taranaki Stadium Trust was established in November 1999 to own and operate the then Yarrow. The Taranaki Stadium Trust has no subsidiaries or joint ventures.

The purpose of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of Yarrow Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki, working in particular with the Taranaki Regional Council and the New Plymouth District Council.

The Trust, the New Plymouth District Council and the Taranaki Regional Council have a partnership arrangement for the operation and development/enhancement of the Yarrow Stadium facilities. Under the Trust's Deed and the management agreement between the Trust and the New Plymouth District Council, the New Plymouth District Council operates and funds the operations of Yarrow Stadium. The Taranaki Regional Council funds, via the Trust, the long-term maintenance and development of Yarrow Stadium. This partnership for funding and operating, maintaining and developing assists in maintaining Yarrow Stadium as a premier regional sports and events venue.

The performance of Taranaki Stadium Trust can be judged against the following measures:

- The presence of a Management Agreement with the New Plymouth District Council for the operation of the Stadium
- The provision of annual funding for a programme of agreed maintenance and long-term development of the Stadium. The programme of maintenance and long-term development is to be agreed upon by the Taranaki Regional Council and the New Plymouth District Council.

### SIGNIFICANT POLICIES AND OBLIGATIONS ON OWNERSHIP AND CONTROL

The Trust will remain in the control of the Taranaki Regional Council as long as the partnership agreement between the Trust, the New Plymouth District Council and the Taranaki Regional Council continues. If the partnership dissolves, control of the Trust, and the associated obligations, revert to the New Plymouth District Council.

### Regional Software Holdings Ltd

Regional Software Holdings Ltd is a company governed by the *Companies Act 1993* and incorporated in New Zealand. Regional Software Holdings Ltd is a council-controlled organisation pursuant to *the Local Government Act 2002*. Regional Software Holdings Ltd has no subsidiaries or joint ventures.

Regional Software Holdings Ltd provides a framework for collaboration between the regional council shareholders. It supports the procurement or development of shared software resource products and services in a manner that provides a more cost effective alternative than individual councils can achieve on their own. The company operates through managed contractual arrangements, and by facilitating collaborative initiatives between shareholder councils. Some shareholder councils are both customers of Regional Software Holdings Ltd and providers of service to Regional Software Holdings Ltd.

The mission of Regional Software Holdings Ltd is to provide long term shared software resources that are relevant to regional council activities and are fit for purpose, reliable, robust, resilient and cost effective.

The purpose of Regional Software Holdings Ltd is to:

- Develop, maintain and licence the software intellectual property to the Shareholders and other customers on an ongoing basis
- Ensure the Company operates in a cost effective manner that reduces costs and risks to the shareholders
- Provide a framework for collaboration between the shareholder councils and other customers for the development and implementation of an IT platform or IT platforms over the long term
- Provide RSHL shareholders and customers with application software products and services in a manner that achieves:
  - Continuity of supply
  - Influence / control of the destiny of Regional Council sector specific software
  - Risk reduction
  - Economies of scale
  - Driving best practice through standardisation.

The current flagship is the Integrated Regional Information System (IRIS).

The performance of Regional Software Holdings Ltd can be judged against the following measures:

Non-financial

- Undertake an annual survey of users and shareholder/customer Councils in relation to product performance, Datacom support and RSHL support. Baseline to be developed following the completion of the first survey.
- Develop, approve, communicate and refine the annual roadmap for RSHL major enhancement projects. Draft annual roadmap presented to the Board by 31 December of each year for the following year. Adoption by the Board by 30 June of each year.
- Major Enhancement projects identified on the Annual Roadmap are all completed within approved budget or (for items in progress) on track against their agreed timeline and budget at 30 June of each year.
- Budgets for support and minor enhancements are approved by the Board by 30 June each year and delivery within these budgets is effectively managed by the Advisory Group.
- User Groups and business representatives are engaged in the development of the Major Enhancement Annual Roadmap.

Financial

- Annual charges for shareholders and customers to be at level approved by the Board and Shareholder Councils based upon the approved operating budget and budgets for major and minor enhancements.

### **SIGNIFICANT POLICIES AND OBLIGATIONS ON OWNERSHIP AND CONTROL**

The Council will retain its shareholding in Regional Software Holdings Ltd as long as it remains a user of the IRIS solution.



# Appendices

## Appendix 1: Assumptions

Forecasting assumptions and critical estimations in applying the Council’s accounting policies

The preparation of a long-term plan requires the adoption of a number of assumptions about events and activities that the Council believes will reasonably occur over the life of the *Plan*.

The assumptions underlying the preparation of these forecasts were adopted on 20 February 2018 and incorporate known financial results as at that date and estimates for the year to 30 June 2018. Events occurring subsequent to this date may have a significant effect on these forecasts.

In order to provide predictability and certainty about sources and levels of funding, the Council has adopted the following funding and financial policies:

- Revenue and financing policy
- Liability management policy
- Investment policy
- Policy on development contributions and financial contributions
- Policy on the remission and postponement of rates on Māori freehold land
- Rates remission policy
- Rates postponement policy.

In addition, this *Plan* includes a *Funding Impact Statement* which provides information about the revenue and financing mechanisms to be used by the Council.

The preparation of financial statements in conformity with *New Zealand International Public Sector Accounting Standards* requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

The following significant forecasting risks have been specifically identified due to the potential for them to materially impact upon the Council’s:

- Overall revenue
- Overall operating expenditure
- Ability to finance and fund future operating and capital expenditure
- Strategic assets
- Ability to deliver intended levels of service.

The level of risk is derived from consideration of the potential scale of impact and the probability of occurrence.

| Forecasting issue                                                                                     | Risk                                                                               | Level of risk | Comment and financial effect of uncertainty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Useful lives of significant assets and sources of funds for future replacement of significant assets. | Insufficient funds to replace significant assets at the end of their useful lives. | Low.          | <p>The Council fully funds depreciation on assets. The funded depreciation is used to fund capital expenditure requirements. Refer to the depreciation note in the <i>Statement of Accounting Policies</i>. All infrastructure assets (river control schemes) will be maintained in an <i>as new</i> condition in accordance with adopted asset management plans. Capital expenditure on river control works (or other infrastructure projects) will be undertaken as set out in the asset management plans and as included in this <i>Plan</i>.</p> <p>The Council fully funds the replacement of assets in accordance with the <i>Revenue and Financing Policy</i>. The Council’s fixed assets are assumed to be sufficient to carry</p> |

| Forecasting issue                                  | Risk                                                                                                              | Level of risk | Comment and financial effect of uncertainty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |            |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------|--|-------------|--|--------|------------|--------|------------|---------|---|-------|---|-------|---------|-------|-------|-------|-------|---------|-------|-------|-------|-------|---------|-------|-------|-------|-------|---------|-------|-------|-------|-------|---------|-------|-------|-------|-------|---------|-------|-------|-------|-------|---------|-------|-------|-------|-------|---------|-------|-------|-------|-------|---------|-------|-------|-------|-------|
|                                                    |                                                                                                                   |               | out its activities. Depreciation will continue to be fully funded and will be sufficient to enable the full programme of capital expenditure.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |            |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| Projected growth/demand change factors.            | Increased population and economic activity places additional pressures to increase the level of Council services. | Low.          | Population change in Taranaki has been steady and no significant increases are anticipated. Economic activity has been growing slowly for the last few years. Existing resources have generally coped with service demands without major adjustments. This is not expected to change significantly.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |            |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| Competition for supply of services.                | Limited competition for service provision for some activities.                                                    | Low.          | Passenger transport services are tendered. The market is not large and the quality and depth of the providers limited. Accordingly when services are re-tendered there could be a significant increase in costs and/or a significant decrease in the quality of the services provided. This could adversely impact on the Council's levels of service or costs to maintain existing levels of service.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |            |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| General cost changes.                              | Inflation will increase costs to Council and there will be insufficient revenue.                                  | Low.          | Cost changes have been included in the financial projections. Cost changes are as follows (Source: BERL): <table border="1" style="margin-left: 40px;"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="2">Staff Costs</th> <th colspan="2">Other Costs</th> </tr> <tr> <th>Annual</th> <th>Cumulative</th> <th>Annual</th> <th>Cumulative</th> </tr> </thead> <tbody> <tr> <td>2018/19</td> <td>-</td> <td>1.000</td> <td>-</td> <td>1.000</td> </tr> <tr> <td>2019/20</td> <td>2.00%</td> <td>1.020</td> <td>2.20%</td> <td>1.022</td> </tr> <tr> <td>2020/21</td> <td>2.20%</td> <td>1.042</td> <td>2.20%</td> <td>1.044</td> </tr> <tr> <td>2021/22</td> <td>2.20%</td> <td>1.064</td> <td>2.20%</td> <td>1.066</td> </tr> <tr> <td>2022/23</td> <td>2.30%</td> <td>1.087</td> <td>2.30%</td> <td>1.089</td> </tr> <tr> <td>2023/24</td> <td>2.30%</td> <td>1.110</td> <td>2.40%</td> <td>1.113</td> </tr> <tr> <td>2024/25</td> <td>2.40%</td> <td>1.134</td> <td>2.40%</td> <td>1.137</td> </tr> <tr> <td>2025/26</td> <td>2.50%</td> <td>1.159</td> <td>2.50%</td> <td>1.162</td> </tr> <tr> <td>2026/27</td> <td>2.50%</td> <td>1.184</td> <td>2.60%</td> <td>1.188</td> </tr> <tr> <td>2027/28</td> <td>2.60%</td> <td>1.210</td> <td>2.70%</td> <td>1.215</td> </tr> </tbody> </table> | Year       | Staff Costs |  | Other Costs |  | Annual | Cumulative | Annual | Cumulative | 2018/19 | - | 1.000 | - | 1.000 | 2019/20 | 2.00% | 1.020 | 2.20% | 1.022 | 2020/21 | 2.20% | 1.042 | 2.20% | 1.044 | 2021/22 | 2.20% | 1.064 | 2.20% | 1.066 | 2022/23 | 2.30% | 1.087 | 2.30% | 1.089 | 2023/24 | 2.30% | 1.110 | 2.40% | 1.113 | 2024/25 | 2.40% | 1.134 | 2.40% | 1.137 | 2025/26 | 2.50% | 1.159 | 2.50% | 1.162 | 2026/27 | 2.50% | 1.184 | 2.60% | 1.188 | 2027/28 | 2.60% | 1.210 | 2.70% | 1.215 |
| Year                                               | Staff Costs                                                                                                       |               | Other Costs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |            |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
|                                                    | Annual                                                                                                            | Cumulative    | Annual                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Cumulative |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2018/19                                            | -                                                                                                                 | 1.000         | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1.000      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2019/20                                            | 2.00%                                                                                                             | 1.020         | 2.20%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1.022      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2020/21                                            | 2.20%                                                                                                             | 1.042         | 2.20%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1.044      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2021/22                                            | 2.20%                                                                                                             | 1.064         | 2.20%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1.066      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2022/23                                            | 2.30%                                                                                                             | 1.087         | 2.30%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1.089      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2023/24                                            | 2.30%                                                                                                             | 1.110         | 2.40%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1.113      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2024/25                                            | 2.40%                                                                                                             | 1.134         | 2.40%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1.137      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2025/26                                            | 2.50%                                                                                                             | 1.159         | 2.50%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1.162      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2026/27                                            | 2.50%                                                                                                             | 1.184         | 2.60%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1.188      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| 2027/28                                            | 2.60%                                                                                                             | 1.210         | 2.70%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 1.215      |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| Return on investments excluding Port Taranaki Ltd. | Investments do not return sufficient funds and general rates have to increase.                                    | Low.          | Investments are planned to return 4% pa. These are relatively modest return levels and should be achievable in the current investment market. Any shortfall in these returns will increase the demand on general rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |            |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| Climate change.                                    | Changes to costs from potential climate change impacts.                                                           | Low.          | Potential climate change impacts are routinely factored into the Council's planning and design activities as prediction and adaption information becomes available. The Council expects that there will be rising costs through the government's regulatory response to climate change, but that these cost increases will not be significant in terms of the Council's areas of activities, costs and expenditure and they are not expected to be material. Recent improvements to the level of protection provided by flood control schemes have made specific allowances for climate change.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |            |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |
| Council functions.                                 | Changes to Council functions will significantly change costs.                                                     | Medium.       | The statutory functions of the Council are constantly changing. In recent years the trend has been for more functions and greater process complexity with increased costs. Allowance has been made for known changes to legislation and/or Government policy. No other allowance has been made for significant change to functions which may significantly change expenditure.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |            |             |  |             |  |        |            |        |            |         |   |       |   |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |         |       |       |       |       |

| Forecasting issue                                                    | Risk                                                                                                                                             | Level of risk | Comment and financial effect of uncertainty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Unforeseen or new environmental issues or resource management needs. | There will be new environmental or resource management issues requiring work that cannot be funded out of normal budgetary provisions.           | Low.          | The potential effect of any new environmental or resource management issues is dependent upon the scale, type, location and impact upon the environment of the issue. Each issue will be addressed on its merits and any funding requirement addressed in terms of the principles outlined in the <i>Revenue and Financing Policy</i> .                                                                                                                                                                                                                                                                                                                                                                                                                |
| Significant natural or other hazard emergencies.                     | There will be new natural or other hazard emergencies requiring work that cannot be funded out of normal budgetary provisions.                   | Low.          | The potential effect of a natural disaster on the Council's financial position is dependent upon the scale, duration and location of the event. However the Council's financial position is strong enough to fully replace all infrastructure assets in the case of an event causing total destruction. Such an event is unlikely.                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Transport subsidy rates.                                             | New Zealand Transport Agency subsidy rates for public transport, total mobility and transport planning services drop below the prevailing rates. | Low.          | New Zealand Transport Agency subsidy rates for public transport, Total Mobility and transport planning services are to continue at prevailing or slightly reduced rates. If, in future, these rates significantly reduce then the Council will need to increase general rates or targeted rates in accordance with the Council's <i>Revenue and Financing Policy</i> . In the worst case the Council would need to reassess its involvement in the provision of these services.                                                                                                                                                                                                                                                                        |
| Revaluation of noncurrent assets.                                    | The revaluation of non-current assets (infrastructure assets and investment properties) is materially different from forecast.                   | Low.          | Infrastructure assets (river and flood control scheme assets) and investment properties are revalued annually. These revaluations occur for financial reporting purposes only. No provision has been made for increases or decreases in the value of infrastructure assets. Similarly, there has been no provision for increases or decreases in the value of investment properties. If the actual revaluations are materially different there will be no cash flow implications nor will there be any impact on the levels of service provided by the Council's groups of activities. There would be a material variance in the Council's <i>Statement of Comprehensive Income</i> .                                                                  |
| Residual statutory obligation or liability for a Council activity.   | The Council becomes responsible for an act of negligence or the residual liability arising from an activity of the Council.                      | Low.          | The Council has a number of statutory obligations and responsibilities. Under these obligations the Council may become liable for an act of omission or negligence or it may become liable for the residual costs or obligations arising from the actions of a third party. The Council has risk management policies and procedures in place to mitigate the impact of these obligations and it insures against these risks and obligations. Despite these policies, procedures and insurances, the Council could still incur some significant residual liability. Whilst the risk is assessed as low, the financial impact could be significant. This could lead to the Council having to raise rates or debt finance to attend to these liabilities. |
| Return on investment in Port Taranaki Ltd.                           | Investment does not return sufficient funds and general rates have to increase.                                                                  | High.         | The general rate requirement is reduced by the level of dividend returned by Port Taranaki Limited. In 2018/2019 dividends are forecast to be 25.3% of total revenue requirements or about 101.5% of the general rate requirement. As such dividends are a significant part of the Council's funding. Port Taranaki's revenue, and consequently its dividend-paying ability, is subject to many risk factors including generally a competitive trading                                                                                                                                                                                                                                                                                                 |

| Forecasting issue                                                                                                                | Risk                                                                                                                                                                                        | Level of risk | Comment and financial effect of uncertainty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                  |                                                                                                                                                                                             |               | environment and specifically a volatile oil and gas and related petrochemical sector. Dividends have been estimated based upon Port Taranaki's strategic plans. Any circumstance that reduces the level of dividend will result in a commensurate increase in the level of general rates. This can be offset in the short-term by funding any short-falls in dividends by transfers from the Dividend Equalisation Reserve.                                                                                                                     |
| External funding from benefactors or external sources, such as the Government, is available for longer periods than planned for. | There will be additional external funds available to progress with certain projects, such as the landscape predator control programme, for longer time periods than currently provided for. | Medium        | There are a few projects that are dependent upon benefactors or external sources, such as the Government, to supplement the Council's contribution before the projects can proceed. In particular, the landscape predator control programme has been planned to be undertaken over a three-year span. If the external funders are prepared to fund this programme for a longer time-period, then the Council will need to extend its funding to match the external funders. This will be addressed in the next iteration of the Long-term Plan. |
| External funding from benefactors or external sources, such as the Government, does not eventuate.                               | There will be insufficient funds available to progress with certain projects such as the landscape predator control programme.                                                              | Medium        | There are a few projects that are dependent upon benefactors or external sources, such as the Government, to supplement the Council's contribution before the projects can proceed. If these external sources of funding do not eventuate then the projects will not proceed.                                                                                                                                                                                                                                                                   |

## Port Taranaki Ltd Dividends

The forecast dividends from Port Taranaki Ltd for the next ten years are as follows. Dividends have been estimated based upon Port Taranaki's strategic plans. These are achievable estimates noting that the port operates in a highly-competitive and volatile marketplace.

| Year      | Dividends   |
|-----------|-------------|
| 2018/2019 | \$8,000,000 |
| 2019/2020 | \$8,000,000 |
| 2020/2021 | \$8,000,000 |
| 2021/2022 | \$8,000,000 |
| 2022/2023 | \$8,000,000 |
| 2023/2024 | \$8,000,000 |
| 2024/2025 | \$8,000,000 |
| 2025/2026 | \$8,000,000 |
| 2026/2027 | \$8,000,000 |
| 2027/2028 | \$8,000,000 |

The following three scenarios demonstrate the effect of changes in dividend levels upon general rates. Scenario 1 is a worst case situation in which Port Taranaki Ltd suffers significant adverse trade results and the Council only receives 25% of the forecast dividend level. In scenario 2 Port Taranaki Ltd trades poorly but not as badly as in scenario 1. In this case the Council receives 80% of forecast dividends. Scenario 3 is a situation in which Port Taranaki Ltd is trading better than forecast and dividends are 20% ahead of forecast.

Scenario 1 – 25% of forecast dividends

|                                                      |              |
|------------------------------------------------------|--------------|
| Proposed dividends                                   | \$8,000,000  |
| Revised dividends                                    | \$2,000,000  |
| Shortfall                                            | \$6,000,000  |
| Original general rate requirement                    | \$7,954,392  |
| Revised general rate requirement                     | \$13,954,392 |
| Original general rate per \$100,000 of capital value | \$22.87      |
| Revised general rate per \$100,000 of capital value  | \$40.13      |

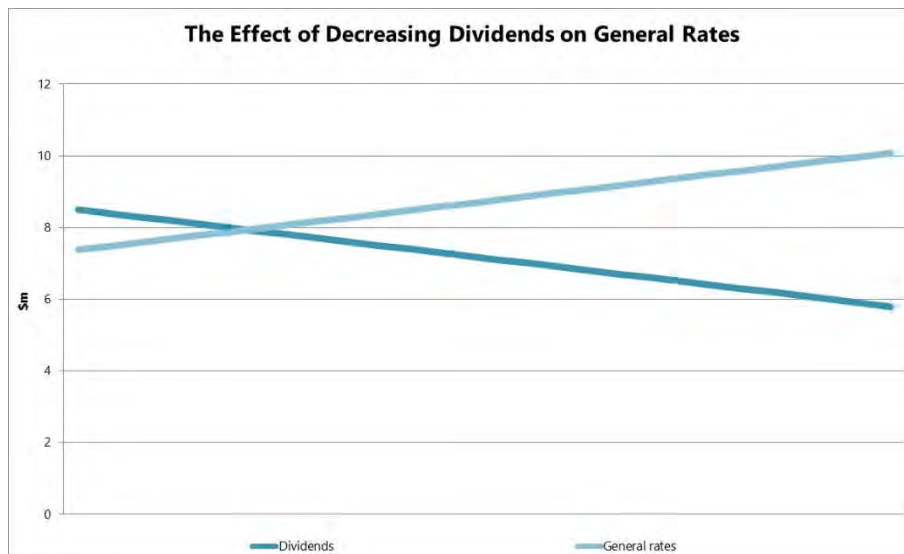
Scenario 2 – 80% of forecast dividends

|                                                      |             |
|------------------------------------------------------|-------------|
| Proposed dividends                                   | \$8,000,000 |
| Revised dividends                                    | \$6,400,000 |
| Shortfall                                            | \$1,600,000 |
| Original general rate requirement                    | \$7,954,392 |
| Revised general rate requirement                     | \$9,554,392 |
| Original general rate per \$100,000 of capital value | \$22.87     |
| Revised general rate per \$100,000 of capital value  | \$27.47     |

Scenario 3 – 120% of forecast dividends

|                                                      |             |
|------------------------------------------------------|-------------|
| Proposed dividends                                   | \$8,000,000 |
| Revised dividends                                    | \$9,600,000 |
| Surplus                                              | \$1,600,000 |
| Original general rate requirement                    | \$7,954,392 |
| Revised general rate requirement                     | \$6,354,392 |
| Original general rate per \$100,000 of capital value | \$22.87     |
| Revised general rate per \$100,000 of capital value  | \$18.27     |

The following graph shows how general rates increase as dividends decrease:



## Appendix 2: Funding and Financial Policies

### Revenue and Financing Policy

This policy presents the Council's approach to financing its planned groups of activities and individual activities.

#### Introduction

The Council is required to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the regional community. For the purposes of this *Revenue and Financing Policy*, the Council's policy is to fully fund all operational expenditure from the sources allowed under section 103(2) of the *Local Government Act 2002*. This *Plan* funds all the identified expenditure needs of the Council.

The following considerations were factors in determining the sources of revenue and finance for each of the Council's activities:

- the outcomes to which the activity primarily contributes
- the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals
- the period in or over which those benefits are expected to occur
- the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity
- the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities
- the overall impact of any allocation of liability for revenue needs on the community.

The Council is entitled to finance its activities and functions from the following sources:

- general rates
- targeted rates
- lump sum contributions
- fees and charges
- interest and dividends from investments
- borrowing
- proceeds from asset sales
- financial contributions under the *Resource Management Act 1991*
- grants and subsidies
- any other source.

User charges are used for services where there is a benefit to a party or a party that causes the Council to provide a service or incur expenditure. If it is possible to legally and efficiently impose a charge, the Council does so, on the basis of recovering the full cost of the service.

General rates is used to fund those services where the Council believes there is a public benefit even though it may not be to the whole community. It typically funds "public goods" for which there is no practical method for charging individual users as the benefit is wider than just specific users. General rates fund a range of services which are used by individual ratepayers to varying extents.

The Council uses the general rate rather than a number of targeted rates in order to achieve a simpler rating structure. That simpler structure makes it easier for ratepayers to understand how they are being rated and it is also simpler and cheaper to administer.

Rates are regarded as a tax which funds the collective community benefit rather than be any form of proxy for use of a service.

The system of rating for general rates is a combination of the capital value system equalised for the timing of valuations between districts and uniform annual general charges. The Council does not use differential rating on general rates.

Uniform annual general charges are used to fund services that are applied equally to all residents and/or ratepayers regardless of any other factor. Typically the range of services that should be funded from uniform annual general charges exceeds the legal limit imposed upon the Council. The Council will aim to optimise the use of uniform annual general charges within statutory limitations. A uniform annual general charge is set on all separately used or inhabited parts of a rating unit in the region.

Targeted rates are also used to fund community benefits and wider public goods. A targeted rate means a rate to be used exclusively to pay for that operating or capital expense. It is used in circumstances where the Council believes that the benefits from the services are such that the principles of a general rate approach are not sufficient and that they should be targeted to a particular beneficiary group.

The region's three district councils collect regional rates. The rates remission and rates discount policies of the Council are the same as those adopted by the respective district councils (refer to Appendix 2: Rates remission and postponement policy).

Grants and subsidies are accessed where they are available.

External borrowing is not generally used to fund operating expenses, but internal borrowing/financing is used as a tool to smooth out variations in the capital replacement and acquisitions programme.

Income from dividends, interest and net rental income is used to offset the general rate requirement. Accordingly, for the purposes of this *Revenue and Financing Policy*, investment funds and general rates have been combined and are referred to as *general funds*.

Enforcement fees are charged when possible. The purpose of the fee is to promote compliance rather than to raise revenue. At times enforcement fees will recover the full cost of enforcement and at other times it will not depending on the level of compliance and also the extent to which the charges are limited by statute or the courts.

The Council is entitled to fund its capital expenditure from the same sources identified above. This Council funds depreciation on all of its assets. The Council's policy is to fund capital expenditure from accumulated cash surpluses arising from the full financing of depreciation. If for any capital project those accumulated operating cash surpluses are insufficient then the considerations outlined above will be applied to the project to determine the sources of financing appropriate for that project.

The policies and sources of funding for each of the Council's activities are:

## Revenue and financing sources and mechanisms for the Council's activities

| Group of activities                                                                                                                                                                                                                                                                                                                                             | Activities                            | Funding sources and mechanisms                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Resource management</b>                                                                                                                                                                                                                                                                                                                                      |                                       |                                                                                                                                                             |
| Resource management planning has a regional focus with the benefits accruing to the wider community. Accordingly, the activity is substantially funded from general funds.                                                                                                                                                                                      | Resource management planning          | 100% general funds.                                                                                                                                         |
| The processing of specific resource consents is funded by direct charging those who specifically benefit from and/or cause the expenditure, namely, consent applicants and holders. General inquiries, administration and information requests are funded from general funds as a broad community service.                                                      | Consent processing and administration | 60% fees and charges. 40% general funds.                                                                                                                    |
| The monitoring of specific resource consents is funded by direct charging those who specifically benefit from and/or cause the expenditure, namely, consent applicants and holders. A portion of compliance monitoring is also funded from general funds, which recognises that certain compliance monitoring information is of benefit to the wider community. | Compliance monitoring programmes      | 70% fees and charges. 30% general funds.                                                                                                                    |
| Pollution control is funded by general funds provided recovery from the polluter has been pursued as far as practicable. Marine oil spill contingency response is funded by Crown contribution in compliance with the <i>Maritime Transport Act 1994</i> .                                                                                                      | Pollution incidents and response      | 100% fees and charges from the party responsible for the pollution. General funds when fees and charges are unable to be applied. Maritime Safety Authority |

| Group of activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Activities                                                   | Funding sources and mechanisms                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                              | contribution for national services (oil spills).                                                                                                                                                                                        |
| State of the environment monitoring activities provide the necessary regional scientific information for Council to be informed and make defensible decisions across its range of activities. Consequently, the activity is funded from general funds.                                                                                                                                                                                                                                                                                                                      | State of the environment monitoring                          | 100% general funds.                                                                                                                                                                                                                     |
| Resource investigations and projects activities provide the necessary regional scientific information for Council to be informed and make defensible decisions across its range of activities. Consequently, the activity is funded from general funds.                                                                                                                                                                                                                                                                                                                     | Resource investigations                                      | 100% general funds.                                                                                                                                                                                                                     |
| Land management services are funded by general funds. These services are principally of an advisory nature and are typically in the range of 10-20% of the costs of the recommended physical works which are funded by the landowners. There are sales of merchandise (e.g., riparian plants) to landholders (at full cost recovery) to support land management.                                                                                                                                                                                                            | Sustainable land management plans and plant supply programme | 100% general funds for sustainable land management plans and for the provision of advice and information. Fees and charges for the supply of poplar, willow poles and other plant materials. Crown contributions for national services. |
| Enhancement grants involve the promotion of the protection of the region's environment through the use of grant funding. The protection of the environment is a combined effort between the Council and landowners. Landowners do not forgo ownership rights to the land but they incur opportunity costs in respect of potential land development. The Council provides grants for the long-term preservation and protection (e.g., fencing) of the land. Consequently, the activity is funded from general funds.                                                         | Enhancement grants                                           | 100% general funds.                                                                                                                                                                                                                     |
| <b>Biosecurity and biodiversity</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                              |                                                                                                                                                                                                                                         |
| Biosecurity and biodiversity planning has a regional focus with the benefits accruing to the wider community. Accordingly, the activity is substantially funded from general funds.                                                                                                                                                                                                                                                                                                                                                                                         | Biosecurity and biodiversity planning                        | 100% general funds.                                                                                                                                                                                                                     |
| Council funded pest management activities are typically complimented by land owner funded activities several times greater than the Council's costs. Pest management services, with some minor exceptions that are directly charged for or funded by Crown contributions, are funded from general funds. The basis of this approach was developed in accordance with section 76 of the <i>Biosecurity Act 1993</i> and is provided in detail in Council's adopted <i>Pest Management Strategy for Taranaki: Animals and Pest Management Strategy for Taranaki: Plants</i> . | Biosecurity/pest management                                  | Crown contributions for national services. Fees and charges for bait stations and enforcement operations. General funds for other services.                                                                                             |
| Biodiversity involves the promotion of the protection of the region's indigenous biodiversity through pest and predator control and the use of grants. The protection of biodiversity is a combined effort between the Council and landowners. Landowners do not forgo                                                                                                                                                                                                                                                                                                      | Biodiversity                                                 | 100% general funds.                                                                                                                                                                                                                     |



| Group of activities                                                                                                                                                                                                                                                                                                                                                                                                  | Activities                                 | Funding sources and mechanisms                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ownership rights to the land but they incur opportunity costs in respect of potential land development. The Council provides grants for the long-term preservation and protection (e.g., fencing) of the land. Consequently, the activity is funded from general funds. The landscape predator control programme is a combination of funding from external sources, landowners and the Council (general funds).      |                                            |                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Transport</b>                                                                                                                                                                                                                                                                                                                                                                                                     |                                            |                                                                                                                                                                                                                                                                                                                                                                             |
| Regional land transport planning and disabled persons passenger transport services benefit the wider community and as such are funded from general funds.                                                                                                                                                                                                                                                            | Regional land transport planning           | Crown contributions for national services. General funds for regional services.                                                                                                                                                                                                                                                                                             |
| Passenger transport bus subsidies are provided to specific communities and accordingly are funded by that community. Ratepayer funds are generally matched by Crown contributions with service users paying user charges through fares.                                                                                                                                                                              | Passenger transport                        | Crown contributions for national services. User charges through fares. Capital value targeted rate over the New Plymouth and North Taranaki constituencies for the New Plymouth passenger transport bus subsidies. Capital value targeted rate over the Stratford and South Taranaki constituencies for the Stratford and South Taranaki passenger transport bus subsidies. |
| Harbour safety and navigational services benefit the wider community and are funded from general funds.                                                                                                                                                                                                                                                                                                              | Harbour management                         | 100% general funds.                                                                                                                                                                                                                                                                                                                                                         |
| <b>Hazard management</b>                                                                                                                                                                                                                                                                                                                                                                                             |                                            |                                                                                                                                                                                                                                                                                                                                                                             |
| Civil defence emergency management. The Council provides an administering role to the Civil Defence Emergency Management Group. The Group administers the provision of emergency management services. The region's four local authorities contribute to the provision of these services. All services benefit the wider community. Therefore, the Council's share of the Group's costs is funded from general funds. | Civil defence emergency management         | General funds for the Council's portion of these services.                                                                                                                                                                                                                                                                                                                  |
| Advice, minor river works and flood response services are provided to the whole region however, the North Taranaki community tends to benefit more from this function than the rest of the regional community because of the higher incidence of flooding events in that part of the region.                                                                                                                         | Flood management and general river control | 70% general funds. 30% capital value based targeted rate over the New Plymouth and North Taranaki constituencies.                                                                                                                                                                                                                                                           |
| River control schemes are funded by targeted rate over the community benefiting from the protection.                                                                                                                                                                                                                                                                                                                 | River control schemes                      | The Waiwhakaiho River and the Waitara River Flood Control Schemes: 100% capital value based targeted rate over the New Plymouth and North Taranaki constituencies.                                                                                                                                                                                                          |

| Group of activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Activities            | Funding sources and mechanisms                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                       | <p>For small river control schemes where it is not administratively efficient or cost-effective to establish separate targeted rating areas the services are funded by general funds.</p> <p>For the Opunake and the Waitotara River Flood Control Schemes: 100% capital value based targeted rate over the South Taranaki constituency.</p>            |
| <b>Recreation, culture and heritage</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                       |                                                                                                                                                                                                                                                                                                                                                         |
| Regional gardens provide free public-benefit services to the wider community. As such, other than for specific hire services, these amenities are provided free of charge to the regional community and are funded by general funds.                                                                                                                                                                                                                                                                                         | Regional gardens      | Direct charges for the use of regional garden amenities. 100% general funds for community use of the facilities.                                                                                                                                                                                                                                        |
| The provision of display and information services, via Puke Ariki, provides public good benefits to the wider regional community and, as such, are funded from general funds.                                                                                                                                                                                                                                                                                                                                                | Puke Ariki            | 100% general funds.                                                                                                                                                                                                                                                                                                                                     |
| For Yarrow Stadium, specific targeting of beneficiaries, as confirmed by independent expert analysis, is utilised.                                                                                                                                                                                                                                                                                                                                                                                                           | Yarrow Stadium        | A combination of uniform annual general charges and land value differential targeted rates (New Plymouth and North Taranaki constituencies) that recover approximately 78% of the costs from the New Plymouth and North Taranaki constituencies, 5% of the costs from the Stratford constituency and 17% of the costs from South Taranaki constituency. |
| <b>Regional representation, advocacy and investment management</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                       |                                                                                                                                                                                                                                                                                                                                                         |
| Managing the Council's interest in its investments is an activity conducted on behalf of the whole region. Accordingly, general funds finance this activity.                                                                                                                                                                                                                                                                                                                                                                 | Investment management | 100% general funds.                                                                                                                                                                                                                                                                                                                                     |
| The community engagement activity involves the promotion of the Council's functions and activities and in particular community awareness and understanding of sustainable resource management. This function benefits all of the ratepayers and residents of the region. The Council has a policy of charging for <i>Local Government Local Government Official Information and Meetings Act 1987</i> requests where the information requested is specific in nature and requires significant time and resources to compile. | Community engagement  | Fees and charges for specific large or complex information requests. General funds for regional services.                                                                                                                                                                                                                                               |

| Group of activities                                                                                                                                                                                                                                                                                                                                                              | Activities                   | Funding sources and mechanisms |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------------------------------|
| <p>Advocacy and response involves advocating and responding on behalf of the Taranaki community, to initiatives proposed by other agencies that impact upon either Taranaki or the Council. There are neither separately identifiable individual beneficiaries nor those who clearly cause the expenditure to be incurred. Accordingly, general funds finance this activity.</p> | <p>Advocacy and response</p> | <p>100% general funds.</p>     |
| <p>The representation and governance activity benefits all of the ratepayers and residents of the region. There are neither separately identifiable individual beneficiaries nor those who clearly cause the expenditure to be incurred. Accordingly, general funds finance this activity.</p>                                                                                   | <p>Governance</p>            | <p>100% general funds.</p>     |

# Community Project Funding Policy

## Purpose

To present the Council's policy for considering requests for funding for community projects.

## Policy

Having considered the purpose of local government and the role of the Council in achieving this purpose, the Taranaki Regional Council considers that its primary or core role is one of:

- promoting the sustainable use, development and protection of Taranaki's natural and physical resources
- safeguarding Taranaki's people and resources from natural and other hazards
- promoting and providing for Taranaki's regionally significant services, amenities and infrastructure
- representing Taranaki's interests and contributions to the regional, national and international community.

The Council will generally decline applications for funding for activities outside its core activities or where funds are available from district councils or funding trusts, or the applicant is able to secure funding from commercial or community lending institutions. In this respect, the Council is not a general funder or grant provider.

However, the Council recognises that there will be exceptions when it may wish to or may be called upon to play a broader role in promoting the well-being of the Taranaki community. This may include support for policies, programmes, activities or individual projects in areas of social, economic, environmental or cultural well-being. The Council will only consider involvement in areas outside of its primary or core roles where:

- there is strong and widespread community support for such involvement including support expressed through co-funding, investment in kind, and/or other resourcing
- there is support from the district councils in the region
- the proposal is of regional rather than local significance and "funding justice" requires regional intervention or assistance
- the proposal does not conflict with or reduce the Council's ability to carry out its primary role
- the proposal does not conflict with other policies of the Council including the *Revenue and Financing Policy*, the *Investment Policy* and the *Liability Management Policy*
- the proposal does not represent a shifting on to the Council of a duty or responsibility that is properly that of another agency. On this matter however, the Council may consider fair and equitable partnership arrangements where such arrangements promote the interests of the regional community and meet the Council's other statutory obligations
- the risk or cost to the region if the policies, programmes, activities or individual projects did not proceed would outweigh the risk or cost of supporting them
- there is confidence that the policies, programmes, activities or individual projects will achieve their stated outcomes and objectives.

# Liability Management Policy

## Purpose

To present the Council's policies for managing potential debt liabilities. The Council currently has no long-term debt. The policies in relation to borrowing are established to enable the Council to utilise borrowing facilities should the need arise.

## Introduction

The Council borrows as it considers appropriate and exercises its flexible and diversified funding powers pursuant to the *Local Government Act 2002*. The Council approves, by resolution, the borrowing requirement for each financial year during the annual planning process. The arrangement of precise terms and conditions of borrowing is delegated to the Chief Executive. The Council has no requirement or plans to raise debt during the life of this *Plan*.

## Borrowing limits

Total interest expense on net external public debt will not exceed 40% of total annual rates and levies. Net external public debt per capita will not exceed \$500. These limits may be exceeded if the Council is required to meet the obligations of Port Taranaki Ltd under a guarantee in respect of any proposed expansion.

## Borrowing mechanisms

The Council will be able to borrow through a variety of market mechanisms including issuing stock and debentures, direct bank borrowing or accessing the short and long-term capital markets directly.

## Liquidity risk management

The Council minimises its liquidity risk by:

- matching expenditure closely to its revenue streams and managing cash flow timing differences to its favour
- avoiding concentration of debt maturity dates
- maintaining a mixture of committed and uncommitted credit lines with its identified registered banks.

## Interest rate risk management

Generally, given the Council's desire to have predictable, certain interest costs, the need to avoid large adverse impacts on annual rates arising from interest rate related rises, and the long-term nature of the Council's assets and intergenerational factors, the Council tends to have a high percentage of fixed rate or hedged borrowing.

## Security

The Council does not offer assets other than targeted rates as security for general borrowing programmes. In unusual circumstances security may be offered over specific assets, only with prior Council approval.

## Repayment

Rates, surplus funds and proceeds from the sale of investments and assets may be used to repay borrowing unless the Council determines otherwise.

## Credit risk management

While the Council will only borrow from reputable financial institutions, there is no minimum credit rating requirements imposed by the Council on its lenders. Also, there is no limit on the level of borrowing to which the Council may commit from any one lender.

## Other potential liabilities

During the life of this *Plan* the Council may decide to guarantee the obligations of Port Taranaki Ltd in respect of financing any proposed expansion of the port. The Council will only do so on terms and conditions which enable it to closely monitor Port Taranaki's performance of its obligations, and otherwise protect the Council's position. In the event that such a guarantee was ever called upon, the Council would finance the liability through borrowing and rates.

# Investment policy

## Purpose

To present the Council's policies in respect of investments, including the mix of investments, the acquisition of new investments, an outline of the procedures by which investments are managed and reported on to the Council and an outline of how risks associated with investments are assessed and managed.

## Introduction

The Council has a significant portfolio of investments comprising equity investments, treasury investments and property investments.

As at 30 June 2017, these investments were valued at:

|          |              |      |
|----------|--------------|------|
| Equity   | \$26,799,118 | 49%  |
| Treasury | \$11,537,646 | 21%  |
| Property | \$16,669,500 | 30%  |
| Total    | \$55,006,264 | 100% |

The Council's investment activity is a risk management function. The Council's approach is to manage investments to optimise returns in the long-term while balancing risk and return considerations. The Council recognises that as a responsible public authority any investments that it holds should be prudently managed. It also recognises that lower risk generally means lower returns. The Council also seeks to optimise investment returns, ensure investments are liquid and manage potential losses due to interest rate movements if investments need to be liquidated before maturity.

## Objectives

The Council's objectives in relation to its investments are as follows:

- to optimise returns in the long-term
- to balance the minimisation of risk and the maximisation of returns
- to utilise investments to produce a revenue stream that reduces the Council's reliance on general rates revenue
- to maintain revenue streams rather than growing the value of investments
- to hold certain investments for the strategic rather than financial benefits of the region.

## Equity investments

### PORT TARANAKI LIMITED

The Council owns 100% of Port Taranaki Ltd (Port Taranaki). Port Taranaki is a port operator established under the *Port Companies Act 1988*. The shares are recorded in the Council's *Statement of Financial Position* at their par value of \$26 million.

The Council will continue to maintain the current risk management procedures and exercise ongoing governance through the constitution, statement of corporate intent, half-year report, annual report and the appointment of the Board of Directors. The Council will continue reviewing ownership options while maintaining control and minimising risk. During the life of this Plan, the Council may assist Port Taranaki Ltd by providing a guarantee of its obligations, on appropriate terms and conditions, in respect of any proposed expansion.

### REGIONAL SOFTWARE HOLDINGS LTD

The Council owns 15.5% of Regional Software Holdings Ltd. Regional Software Holdings Ltd is a regional council specific provider of shared software resources. It is a company established under the *Companies Act 1993*. The shares are recorded in the Council's *Statement of Financial Position* at 30 June 2017 at \$798,000.

The Council will continue to maintain the current risk management procedures and exercise ongoing governance through the constitution, statement of corporate intent, half-year report, annual report and the appointment of the Board of Directors. Whilst the Council will continue reviewing ownership options, its intention is to be a long-term investor in Regional Software Holdings Ltd.

### CIVIC FINANCIAL SERVICES LTD

The Council owns 1,000 shares in Civic Financial Services Ltd and they are recorded in the Council's *Statement of Financial Position* at their par value of \$1,000. The shares in Civic Financial Services Ltd were acquired by virtue of the Council being a local authority. The purpose of the company, in which most local authorities are shareholders, is to supply local government with a range of financial services (some forms of insurance and superannuation).

The shares in Civic Financial Services Ltd continue to be held, as the shares are not readily transferable. The amount involved is immaterial relative to the Council's total investment holdings. Annual reports are received and reviewed by the Council. The election of Directors takes place at the annual general meeting held at the time of the Local Government New Zealand annual conference. The Council votes by proxy or by delegated authority to the Chairperson.

## Treasury investments

The Council maintains daily, monthly and annual cash flow projections that form the basis of its cash management activity. The Council manages its working capital balances by matching expenditure closely to its revenue streams, and managing cash flow timing differences to its favour. The Council minimises its credit exposure by:

- ensuring all investment, cash management, interest rate risk management and any foreign exchange transactions are undertaken with entities that have a strong credit rating
- limiting total exposure to prescribed amounts and set percentages of total cash investments
- monitoring compliance against set limits.

The Council ensures that all investment, interest rate risk management as well as any foreign exchange activity is undertaken with institutions that are of high quality credit rating to ensure amounts owing to the Council are paid fully on the due date. The following table summarises credit requirements and limits:

| Institution                                                 | Total Exposure Limits \$ Value | % of Total Cash Investments |
|-------------------------------------------------------------|--------------------------------|-----------------------------|
| Government stock and treasury bills                         | Unlimited                      | Unlimited                   |
| Registered banks and local authority and corporation stocks | \$6 million                    | 40%                         |

If any of these organisation's credit rating falls below an "BBB+" rating as defined by Standard and Poors, then all practical steps will be taken to eliminate the Council's exposure to that registered bank as soon as possible. A "BBB+" rating is defined as a "strong capacity to pay".

## Property investments

The Council owns endowment properties in New Plymouth. These transferred to the Council at the time it assumed the role of the previous Taranaki Harbours Board in 1989. Properties are leased on long-term basis to external parties (perpetually renewable ground leases). As at 30 June 2017, these properties were valued at \$16,669,500.

The Council's policy to the management of these leases is:

- for residential properties, if the leaseholder wishes to purchase the property, and under the terms of the endowment the property may be sold, then it will be offered for sale at market valuation. If the leaseholder does not wish to purchase the property then the Council will retain the property unless there is a conflict of interest between the Council's role as a regulator and its role as a landlord
- for commercial and industrial properties the Council will review the ownership and management of these properties with Port Taranaki Ltd. If there is strategic value to Port Taranaki Ltd in holding and/or managing these properties then the Council will either sell the properties or transfer management of the leases to Port Taranaki Ltd at market valuation. Following this process, the Council may offer the properties for sale to the current leaseholder at market valuation, provided under the terms of the endowment the property may be sold. Other than one of these two scenarios, the Council will retain ownership of the properties unless there is a conflict of interest between the Council's role as a regulator and its role as a landlord.

There are legal obligations and restrictions on the Council in undertaking any endowment property disposal. The Council will follow these procedures. The proceeds from the disposal of any endowment property can only be used for the purposes of the original endowment. The Council does not have specific plans for the use of the proceeds of any endowment property disposal. Accordingly the proceeds from any disposal will be transferred to a separate reserve and used for the original endowment purposes. The Council will continue to maximise returns from its properties.

## Acquisition of new investments

The Council will not seek to acquire any new equity or property investments unless they are identified in its Long-Term Plan. Treasury investments are acquired and disposed of as they reach maturity or surplus funds are available for investment.

## Monitoring investments

Investments are monitored and reported on in the Monthly Financial Reports.

# Policy on Development Contributions and Financial Contributions

## Purpose

To present the Council's policy for development and financial contributions.

## Policy

The Council is required to have a policy in relation to the purposes for which development contributions or financial contributions may be required. Only territorial authorities have the statutory ability to charge development contributions. Accordingly, the Council cannot charge development contributions. However, the Council is able to charge for financial contributions pursuant to the *Resource Management Act 1991*. The following policy outlines the Council's specific policies in relation to financial contributions.

Where the Council grants a resource consent under the rules in one of its regional plans, it may impose a condition requiring that a financial contribution be made for the purposes specified in the Plan. The Council has four regional plans namely:

- Regional Coastal Plan for Taranaki 1997
- Regional Fresh Water Plan for Taranaki 2001
- Regional Soil Plan for Taranaki 2001
- Regional Air Quality Plan for Taranaki 2011.

The term "financial contribution" is defined in section 108(9) of the *Resource Management Act 1991* to mean:

*"...a contribution of:*

- a) money; or*
- b) land, including an esplanade reserve or esplanade strip (other than in relation to a subdivision consent), but excluding Māori land within the meaning of the Māori Land Act 1993 unless that Act provides otherwise; or*
- c) a combination of money and land".*

Further matters relating to financial contributions are contained in section 108(10) of the Act. Under this section of the Act, a consent authority must not include a condition in a resource consent requiring a financial contribution unless:

- a) the condition is imposed in accordance with the purpose specified in the Plan or Proposed Plan (including the purpose of ensuring positive effects on the environment to offset any adverse effect); and*
- b) the level of contribution is determined in the manner described in the Plan or Proposed Plan.*

Financial contributions may be required for various purposes, including for the purposes of ensuring positive effects on the environment to offset any adverse effects and to mitigate adverse effects on the environment of use and development (environmental compensation).

Financial contributions will only be taken where other mechanisms will not adequately address community concerns or where circumstances of an individual case point clearly to a financial contribution as being the most appropriate option. The requirement for and amount of a financial contribution are generally determined during pre-hearing consultation on an application for a resource consent. Thus the use and appropriateness of financial contributions in any given circumstance is determined through consultation involving the Council, the applicant for a resource consent and any submitters to the application.

All monies collected under the financial contributions regime of the Plan are collected by the Council for use in such a manner as the Council deems fit in order to avoid, remedy or mitigate, or offset, the adverse effects on the environment of the activity that the financial contribution is levied on. When deciding how those contributions should be levied or allocated, consideration will be given to matters contained in public submissions on a resource consent application.

The provisions, which reflect the requirements of the Act, are set out in each regional plan. The provisions include:

- the circumstances when such contributions may be imposed
- the purposes for which such contributions may be required and used
- the manner in which the amount of the contribution will be determined
- matters which the Council will have particular regard to when deciding whether to impose a financial contribution, the type or types of contribution, and the amount of any contribution.

Copies of the Regional Plans are available by contacting the Council or by reference to the Council's website [www.trc.govt.nz](http://www.trc.govt.nz).



# Significance and Engagement Policy

## Background

The Council is committed to engagement with its community based on strong underpinning principles. In addition, the Council has a legal obligation to have a *Significance and Engagement Policy* that complies with Part 6 of the *Local Government Act 2002* (the Act).

Section 10 of the Act defines the purpose of local government as:

- enabling democratic local decision-making and action by, and on behalf of, communities
- meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

Whenever the Council makes a decision on any matter it must determine the significance of the decision to be made and, where appropriate, engage with its community.

Under legislation there are clearly defined principles for making decisions, determining significance and engaging with communities. These include:

- identification and assessment of options
- quantification of benefits and costs
- the amount of detail
- evidence of compliance with the significance and engagement policy
- providing processes to encourage and engage with Māori.

The purpose of this policy is to:

- enable the Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities
- provide clarity about how and when communities can expect to be engaged in decisions made by the Council
- inform the Council from the beginning of a decision-making process about the extent, form and type of engagement required.

## Significance Policy

### Purpose

To present the Council's general approach to determining the significance of proposals and decisions in relation to issues, assets, and other matters; and any criteria or procedures that are to be used by the Council in assessing the extent to which issues, proposals, assets, decisions, or activities are significant or may have significant consequences. The Council's assessment of the significance of a decision is important for the following reasons:

- degree of compliance—the assessment of significance will determine the nature, extent and degree of compliance necessary with the decision making process set out in Part 6 of the Act. In essence, the more significant the issue the higher the standard of compliance required
- separate consultation—the degree of significance will assist in determining whether, in the Council's opinion, it is necessary to embark on the special consultative procedure with the persons likely to be affected or interested in the decision or matter, or whether to undertake some other form of consultation or whether it is sufficient to rely on information already gathered and held by the Council
- disclosure—the degree of significance will assist in determining the extent and detail of information to be disclosed by the Council when reporting to the region, or the amount of information included in consultation papers
- inclusion in long-term plan—the degree of significance may also determine whether a decision on a matter must be explicitly included in the long-term plan, and in a statement of proposal which has been considered under a special consultative procedure, before the decision can be made.

### Definitions

As set out in the Act, significance means:

*Significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:*

- (a) the district or region*
- (b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter*

*(c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.*

## General approach to determining which proposals and decisions are significant

When determining the question of the significance of proposals and decisions in relation to issues, assets or other matters the Council will determine the extent to which:

- the consequences or impacts of the issue, assets, or other matters, affect a large number of residents and ratepayers to a moderate extent
- the consequences or impacts of the issue, assets, or other matters, affect a small number of residents and ratepayers to a large extent
- the issue, asset, or other matters have a history of generating wide public interest within the Taranaki region or New Zealand generally.

## Criteria and processes for determining which proposals and decisions are significant

When undertaking a process to determine the extent to which issues, proposals, decisions or other matters are significant, the Council will use the following criteria and procedures:

- Whether the asset is a strategic asset within the meaning of the Act or listed in this policy
- The extent to which there is, or is likely to be a change in the level of service in carrying out any significant activity
- The extent to which there is, or is likely to be a change in the way in which any significant activity is carried out
- The extent to which there is, or is likely to be a change in the capacity of the Council to provide any significant service or carry out any significant activity
- Issues, assets or other matters that incur more than \$5,000,000 of budgeted and \$2,500,000 of unbudgeted expenditure
- Any transfer of ownership or control, or the construction, replacement or abandonment of a strategic asset as defined by the Act or listed in this policy
- The sale of the Council's shareholding in any council controlled trading organisation, or council controlled organisation
- A decision that will significantly affect the capacity of the Council to carry out any activity identified in the operative long-term plan.
- Decisions on significance will be made by and in a Meeting of the Council in light of the recommendation of the Chief Executive
- The Council has delegated powers to the Chairperson and Chief Executive to act in emergency situations. Nothing in this policy will affect those delegations.

## General approach to engagement

The Council is committed to engaging with its communities and to applying the assessment criteria outlined below. The Council acknowledges that "communities" may be communities of place or communities of interest and will use appropriate tools and techniques to make meaningful and timely connections that elicit feedback.

Section 14 of the Act sets out the principles relating to local authorities, including:

- conducting its business in an open, transparent and democratically accountable manner
- making itself aware of, and having regard to, the views of all of its communities
- when making a decision, taking account of: the diversity of the community and the community's interests within its district or region; the interests of future as well as current communities; and the likely impact of any decision on the interests
- providing opportunities for Māori to contribute to its decision-making processes.

Consultation must be carried out in accordance with principles set out in section 82. Persons who will be affected by, or have an interest in, the decision or matter should be:

- provided with reasonable access to relevant information in a manner and format that suits their needs
- encouraged to present their views
- given clear information concerning the purpose of the consultation and the scope of the decisions to be taken'
- given an opportunity to present their views to the local authority in a manner and format that suits them
- views presented to a council must be received with an open mind and be given due consideration before any decision is made
- persons who present views should have access to relevant decisions made by the Council.

Councils must also ensure that they have in place processes for consulting with Māori.

## Engagement assessment criteria

The level to which the Council will engage will align with the significance of the decision. The greater the significance of the decision, the greater will be the level of engagement with the community. Engagement will be at one or more of the levels shown below. The actual level of engagement will be made on a case-by-case basis having considered section 14 and 82 of the Act. In some cases the Council expects that more than one approach will be adopted.

This decision will guide the selection of appropriate engagement tools and techniques to be used. Examples of the different types of engagement tools are:

- Fact sheets
- Web sites
- News media
- Submissions on working papers, technical reports, discussion papers, issues and options documents, community flyers
- General surveys
- Public opinion surveys
- Open days
- Online tools
- Workshops
- Focus groups
- Stakeholder meetings
- Public meetings
- Joint advisory committees
- Hui
- Non-binding referenda
- Council initiated polls

| When:                                                                                                                                                                         |                                                                                                                                                               |                                                                                                                                                                                                     |                                                                                                                                                                                           |                                                                                     |
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| Inform                                                                                                                                                                        | Consult                                                                                                                                                       | Involve                                                                                                                                                                                             | Collaborate                                                                                                                                                                               | Empower                                                                             |
| To provide the public and/or stakeholders with balanced and objective information to assist them in understanding the problems, alternatives, opportunities and/or solutions. | To obtain public and/or stakeholders feedback on analysis, alternatives and/or decisions.                                                                     | To work directly with the public and/or stakeholders throughout the process to ensure that public and/or stakeholders concerns and aspirations are consistently understood and considered.          | To partner with the public and/or stakeholders in each aspect of the decision including the development of alternatives and the identification of the preferred solution.                 | To place final decision development in the hands of the public and/or stakeholders. |
| How:                                                                                                                                                                          |                                                                                                                                                               |                                                                                                                                                                                                     |                                                                                                                                                                                           |                                                                                     |
| The Council will keep you informed.                                                                                                                                           | The Council will keep you informed, listen to and acknowledge concerns and provide feed-back on how public and/or stakeholders input influenced the decision. | The Council will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feed-back on how public input influenced the decision. | The Council will look to you for direct advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible. | The Council will confirm your recommended decision and implement what you decide.   |

The Council will select the methods it considers appropriate having regard to such things as:

- the significance of the matter, both to the Council and those who are or may be interested in or affected by the issue
- the target audience i.e., who is affected by, interested in, or likely to have a view on the issue
- what information already exists on community views on the proposal or decision and the circumstances in which that information was gathered
- the circumstances in which the decision is taken, or the issue arose
- the community's preferences for engagement.

In some circumstances the Council is required to use the special consultative procedure, set out in section 83 of the Act. In other circumstances, the Council is required to adopt separate public consultative procedures pursuant to other legislative obligations. For instance, adopting regional plans under the Resource Management Act 1991 requires different consultative procedures.

## Strategic assets

The *Significance and Engagement Policy* must list those Council-owned assets, considered by the Council to be strategic assets (section 76AA).

The Act defines strategic assets 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:
- Any asset or group of assets listed in accordance with section 76AA by the local authority
- 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
- Any equity securities held by the local authority in:
  - A port company within the meaning of the *Port Companies Act 1988*
  - An airport company within the meaning of the *Airport Authorities Act 1966*.

The assets and groups of assets the Council deems to be significant are:

- Flood and river control assets on the Waitara and Waiwhakaiho Rivers
- Tupare, Pukeiti and Hollard Gardens
- Port Taranaki Ltd (100% shareholder)
- Taranaki Stadium Trust and its assets - Yarrow Stadium (the Trust is 100% controlled by the Council).

## Review of this policy

This Policy will be reviewed at least once every three years usually as part of the preparation and adoption of each Long-Term Plan. The review process may involve community engagement.

## Rates remission and postponement policy

The *Rates Postponement and Remission Policy* of the Council is that of the region’s three district councils who collect the rates on the Council’s behalf. Whilst these policies differ from district council to district council, it would be administratively inefficient to adopt uniform policies across the region, and then to require each district council to apply two sets of policies. Accordingly, the rates postponement and remission policies that will be applied are as follows for each of the Council’s constituencies.

Specific details in relation to each remission and postponement policy can be obtained by reference to the respective district council. That is, in the New Plymouth and North Taranaki constituencies by reference to the New Plymouth District Council, in the Stratford constituency by reference to the Stratford District Council and in the South Taranaki constituency by reference to the South Taranaki District Council.

|                                                                                          | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| Rate remission policy                                                                    | The Taranaki Regional Council has decided to remit all or part of the rates owed by the ratepayer in respect of rating units covered by this Rates Remission Policy provided that the conditions within this policy have been met. Rates remissions will be provided for the following categories of rating units and under the following circumstances:                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|                                                                                          | <ul style="list-style-type: none"> <li>• remission for community and sporting clubs and organisations</li> <li>• remission for penalties</li> <li>• postponement or remission of rates for financial hardship</li> <li>• rates remission on Māori freehold land</li> <li>• rates remission in miscellaneous circumstances</li> <li>• rates remission for protected natural areas</li> <li>• remission of uniform annual general charges on rating units which are used for residential purposes and which include a separately inhabited part occupied by a dependent member of the family of the owner of the rating unit</li> <li>• rates remission of uniform annual refuse charge targeted rate.</li> </ul> | <p>The Stratford District Council has decided to postpone all or part of the rates owed by the ratepayer in respect of rating units covered by this Rates Remission Policy provided that the conditions within this policy have been met. Rates remissions will be provided for the following categories of rating units and under the following circumstances:</p> <ul style="list-style-type: none"> <li>• for community, sporting and other organisations</li> <li>• on land subject to an open space covenant</li> <li>• on land with a heritage structure on it</li> <li>• for biodiversity (indigenous vegetation, significant habitats or indigenous fauna and wetlands)</li> <li>• on penalties</li> <li>• on Stratford District Council owned and occupied properties</li> <li>• on wastewater (sewerage) systems rates for educational establishments</li> <li>• on Māori freehold land</li> <li>• for promotion - business development</li> <li>• UAGC on low value properties</li> <li>• excess water consumption due to a leak</li> <li>• water targeted rate as compensation for water main Easement.</li> </ul> | <p>The South Taranaki District Council has decided to remit all or part of the rates of rating units covered by the Rates Remission Policy provided that the conditions with this policy have been met. Rates remissions will be provided for the following categories of rating units or under the following circumstances:</p> <ul style="list-style-type: none"> <li>• remission of rates for community halls.</li> <li>• remission of rates for sporting, games, branches of the arts, community care and volunteer organisations.</li> <li>• remission of rates on land protected for natural, historical or cultural conservation purposes.</li> <li>• remission of penalties.</li> <li>• Remission of Uniform Annual General Charges on non-contiguous units owned by the same owner.</li> <li>• remission of Uniform Annual General Charges on contiguous rating units in a subdivision owned by the same ratepayer.</li> <li>• remission of rates for Earthquake Prone Buildings – economic development purposes.</li> <li>• remission of water rates.</li> <li>• remission of total rates assessments under \$10.</li> </ul> |
| Decision-making, general conditions and administrative matters related to these Policies | <p>All decisions on applications for the remission or postponement of rates shall be determined by the staff provided with the delegated authority by the Council for section 85, 87, 114 and 115 (as relevant) of the <i>Local Government (Rating) Act 2002</i>.</p> <p>Any appeals against the decisions of staff shall be considered by the relevant Council committee of the day (being the Performance</p>                                                                                                                                                                                                                                                                                                 | <p>Where a rating unit for which the Stratford District Council has granted a rates remission is sold, leased, or otherwise disposed of, the rates remission shall be terminated at the time of disposal. If the new ratepayer qualifies for a rates remission under this policy, it should be up to that ratepayer to apply for a rates remission.</p> <p>The application for rates remission must be made to the Stratford</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <p>The following percentages will apply:</p> <ul style="list-style-type: none"> <li>• 100% of the total rates levied in respect of public halls.</li> <li>• 50% of targeted rates only, levied in respect of properties used for games or sports except galloping races, harness races, or greyhound races and who do not hold club licenses under the Sale of Liquor Act 1989.</li> <li>• 50% of total rates levied in respect of properties used for</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

|  | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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|  | <p>Committee at the time of adoption) for final determination.</p> <p>All applications must be received in writing on an approved application form. However, staff may accept verbal applications or applications not on an approved application form if the circumstances warrant it. No application form is required for automatic remissions provided under Rates Policies 2 or 4.</p> <p>Timing of remissions will be assessed on the following:</p> <p>a. All applications for remissions received and granted under Rates Policies 1, 4, 6 and 7 during a rating year will receive remission from the commencement of the following rating year and no remissions will be backdated.</p> <p>b. All applications for remissions received and granted under Rates Policies 3 and 5 will receive remission from the date of application. An application may be backdated to cover any outstanding balance from the current rating year, but will not be backdated to cover previous rating years.</p> <p>c. Applications for remissions received and granted under Rates Policy 2 will receive remission in relation to the penalties outstanding, and may include remitting penalties for the current rating year and can be backdated to previous rating years.</p> <p>d. Applications for postponement received and granted under Rates Policy 3 will receive postponement from the beginning of the rating year in which the application is received. An application may be backdated to previous rating years to cover any outstanding rates if the circumstances warrant it (however, for the avoidance of doubt, no refund for paid rates will be given).</p> <p>e. All applications for remissions received and granted under Rates Policy 8 will receive remission from the last day of receiving the applicable service.</p> <p>A summary of remissions approved by staff shall be supplied to the Council on an annual basis.</p> <p>No rates will be remitted or postponed for government owned properties (including the Crown, central government agencies or</p> | <p>District 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.</p> <p>No remission will be granted on targeted rates for water supply, wastewater system or waste management collection.</p> <p>Where a rates remission percentage applies, it is calculated on the rates that would be assessed before any application of non-rateable adjustments. (For example, if a property is 50% non-rateable, and receives a 50% remission, then no rates are due).</p> | <p>games or sports except galloping races, harness races, or greyhound races and who hold club licenses under the Sale of Liquor Act 1989.</p> <ul style="list-style-type: none"> <li>• 50% of targeted rates only, levied in respect of properties used by any branch of the arts.</li> <li>• 50% of total rates levied in respect of properties qualifying under the categories of community care type or volunteer organisations.</li> <li>• 100% of general rates and UAGC levied in respect of properties qualifying under the category of natural, historical or cultural conservation properties.</li> </ul> |

|                                                                    | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|                                                                    | local authorities) other than under Rates Policy 8 (Rates remission of uniform annual refuse charge targeted rate).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Remission of rates for community, sporting and other organisations | <p>Rates Policy 1</p> <p>Rating of community, sporting and similar organisations</p> <p>Section 85 of the <i>Local Government (Rating) Act 2002</i>.</p> <p>Objectives of the policy<br/>The Council reaffirms its commitment to assist, where practicable, community clubs and organisations in recognition of the valuable 'Public Good' contribution made by such organisations to the character and well-being of the district.</p> <p>Conditions and criteria<br/>The Council may remit all general rates on any rating unit that is owned or occupied by a charitable organisation, and is used exclusively or principally for sporting, recreation, or community purposes.</p> <p>The policy will not apply to organisations operated for private pecuniary profit, or which charge commercial tuition fees.</p> <p>Organisations that are not registered as charitable entities under the <i>Charities Act 2005</i> must, in making an application, include the following documents in support of their application:</p> <ol style="list-style-type: none"> <li>Statement of objectives.</li> <li>Full financial accounts.</li> <li>Information on activities and programmes.</li> <li>Details of membership or clients.</li> </ol> <p>In respect of those rates referred to in sections 16 and 19 of the <i>Local Government (Rating) Act 2002</i> (i.e. targeted rates), only one uniform annual sewer charge will apply and all other targeted rates will be charged at the applicable rate.</p> | <p>The Stratford District Council will provide rates remission of 100% to all ratepayers who meet the objectives, conditions and criteria of this policy, excluding land in respect of which a club licence under the Sale of Liquor Act 1989 is for the time being in force, which shall receive a 50% remission if the objectives, conditions and criteria are met.</p> <p>Objective<br/>To facilitate the ongoing provision of non-commercial community services, and non-commercial recreational opportunities for the residents of Stratford District.</p> <p>The purpose of granting rates remission to an organisation is to:</p> <ul style="list-style-type: none"> <li>Recognise the public good contribution made by such an organisation;</li> <li>Assist the organisation's survival; and</li> <li>Make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people, and economically disadvantaged people.</li> </ul> <p>Conditions and Criteria<br/>This part of the policy will apply to land:</p> <ul style="list-style-type: none"> <li>owned by the Stratford District Council; or</li> <li>owned or occupied by a registered charitable organisation that is responsible for the rates; or</li> <li>owned or occupied by a registered non-profit organisation that is responsible for the rates; and</li> <li>which is used exclusively or principally for sporting, recreation, or community purposes by that organisation; and</li> <li>the land is not used for galloping races, harness races or greyhound races.</li> </ul> <p>Note that Council requires documentary evidence of charitable or non-profit organisational status. This policy does not apply to organisations operated for private pecuniary profit.</p> | <p>Objective<br/>The remission of rates for community, sporting and other organisations is to facilitate the ongoing provision of non-commercial community services and non-commercial recreational opportunities for the residents of South Taranaki.</p> <p>The purpose of granting rates remissions to an organisation is to:</p> <ul style="list-style-type: none"> <li>Recognise the public good contribution made by such organisations.</li> <li>Assist the organisation's survival.</li> <li>Make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people, and economically disadvantaged people.</li> </ul> <p>Conditions and criteria<br/>The remission of rates will apply to land which is used exclusively or principally for sporting, recreation, or community purposes. The Policy does not apply to organisations operated for pecuniary profit. 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.</p> <p>Organisations making application should include the following documents in support of their application:</p> <ul style="list-style-type: none"> <li>Statement of objectives.</li> <li>Financial assets.</li> <li>Information on activities and programmes.</li> <li>Details of membership or clients.</li> </ul> |

|                                                                | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| Remission of rates on land protected for conservation purposes | <p>Rates Policy 6</p> <p>Rates remission for protected natural areas</p> <p>Section 85 of the <i>Local Government (Rating) Act 2002</i>.</p> <p>Objectives of the policy<br/>The objective of this policy is to encourage the protection of natural areas by providing rates relief for privately owned land that contains special features protected for ecological value purposes.</p> <p>Conditions and criteria<br/>The Council may remit rates for properties protected for ecological value that meet the following criteria:</p> <ol style="list-style-type: none"> <li>The land must be protected either by inclusion as a significant natural area in the fully operative District Plan, or by way of a protective covenant, or by other legal mechanism providing similar protection to a protective covenant</li> <li>The area of land containing the special features must be readily identified and able to be measured distinctly from the total area of the property</li> <li>The special features must cause significant loss of economic use or value of the property sustained in retaining the feature. Significant natural areas in the urban areas will generally not be considered as impacting the use or value of the property.</li> <li>Where the property is protected by way of a protective covenant or by other legal mechanism providing similar protection to a protective covenant, the</li> </ol> | <p>The Stratford District Council will provide rates remission of 100% to all ratepayers who meet the objectives, conditions and criteria of this policy.</p> <p>Objective<br/>To preserve and promote natural resources and to encourage the protection of land for natural purposes. This policy will support the provisions of the Stratford District Council District Plan.</p> <p>Conditions and Criteria<br/>This part of the policy will apply to ratepayers who:</p> <ul style="list-style-type: none"> <li>• own rating units subject to an open space covenant registered on the land title; or</li> <li>• own rating units subject to Clause B2.9 Esplanade Strips, Covenanted Wetlands and Access Strips of the Stratford District Plan.</li> </ul> <p>The remission will apply to the area of land included in the protected conservation area.</p> <p>Applications should be supported by documentary evidence of the protected status of the rating unit, for example, a copy of the covenant or other legal mechanism.</p> <p>In granting remissions under this policy, Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and pay any remitted rates if the conditions are violated.</p> | <p>Objective<br/>Rates remission is provided to preserve and promote natural resources and heritage by encouraging the protection of land for natural, historic or cultural purposes.</p> <p>Conditions and criteria<br/>Ratepayers who own rating units, which have some feature of cultural, natural or historic heritage, and which is voluntarily protected, may qualify for remission of rates under this Policy. Land that is non-rateable under Section 8 of the Local Government (Rating) Act 2002 and is liable only for rates for water supply, wastewater disposal and waste collection will not qualify for remission under this part of the Policy. Applications should be supported by documented evidence of the protected status of the rating unit, for example, a copy of the covenant or other legal mechanism.</p> <p>In considering any application for remission of rates under this part of the Policy, the Council will consider the following criteria:</p> <ul style="list-style-type: none"> <li>• The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.</li> <li>• The degree to which feature of natural, cultural and historic heritage are present on the land.</li> <li>• The degree to which features of natural, cultural and historic heritage inhibit the economic utilisation of the land.</li> <li>• The extent to which the preservation of natural, cultural</li> </ul> |



|                                                            | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|                                                            | <p>protective covenant or other legal mechanism must meet the requirements of the District Plan for legal protection of the special features</p> <p>The Council will remit the general rate pro-rata to the land value of the area protected to the total area of the property, with the following criteria to assess the amount of remission:</p> <p>a. The general rate of the area pro-rata will be remitted by 50 per cent where the protected area is protected by virtue of inclusion as a significant natural area in the fully operative District Plan</p> <p>b. The general rate of the area pro-rata will be remitted by 100 per cent where the protected area is protected by a protective covenant or other legal mechanism providing similar protection</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>and historic heritage will be promoted by granting remission of rates on the rating unit.</p> <ul style="list-style-type: none"> <li>• The degree to which features of natural, cultural and historic heritage will be promoted by granting remission of rates on the rating unit.</li> <li>• The degree to which features of natural, cultural and historic heritage are present on the land.</li> <li>• The degree to which features of natural, cultural and historic heritage inhibits the economic utilisation of the land.</li> </ul> |
| Remission of rates on land with a heritage structure on it | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <p>The Stratford District Council will provide rates remission of up to 100% of the rates on land with a heritage structure on it to all ratepayers who meet the objectives, conditions and criteria of this policy.</p> <p><b>Objective</b><br/>To preserve and promote heritage structures and to encourage the maintenance, enhancement and protection of heritage sites. This policy will support the provisions of the Stratford District Council District Plan.</p> <p><b>Conditions and Criteria</b><br/>This part of the policy will apply to ratepayers who:</p> <ul style="list-style-type: none"> <li>• Own rating units that have a site listed in Appendix 6: Known Heritage Resources of Significance Identified for Protection in the Stratford District Plan.</li> <li>• Protect and maintain these heritage sites and features according to conditions that applied on resource consents where applicable.</li> </ul> <p>This policy does not apply to land that is non-rateable under section 8 of the <i>Local Government (Rating) Act 2002</i> and is liable only for rates for water supply or wastewater (sewerage) system.</p> <p>The application for rates remission must be made to Council prior to the commencement of the rating year. Applications approved during</p> | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

|                                                                    | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p>a rating year will be applicable from the commencement of the following rating year.</p> <p>In granting remissions under this policy, Council may specify certain conditions before remission 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.</p> <p>In considering any application for remission of rates under this part of the policy Council will consider the following criteria:</p> <ul style="list-style-type: none"> <li>• The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.</li> <li>• The degree to which features of natural, cultural or historic heritage are present on the land.</li> <li>• The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.</li> </ul> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Remission of rates or postponement of rates for financial hardship | <p>Rates Policy 3</p> <p>Postponement or remission of rates for financial hardship</p> <p>Sections 85 and 87 of the <i>Local Government (Rating) Act 2002</i>.</p> <p>Objectives of the policy<br/>The objective of this policy is to assist ratepayers experiencing extreme financial hardship which affect their ability to pay rates.</p> <p>A. Postponement-<br/>Owner/Ratepayer<br/><i>Conditions and criteria</i><br/>Only rating units used solely for residential purposes (i.e. are in the residential rating differential and are not mixed use properties) will be eligible for consideration for rates postponement for extreme financial hardship.</p> <p>Only the person entered as the ratepayer on the rating information database, or their authorised agent, may make an application for rates postponement for extreme financial hardship on the rating unit which is the subject of the application.</p> <p>The ratepayer must not own any other rating units whether in the district or in another district).</p> <p>When considering whether extreme financial hardship exists,</p> | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p>Extreme financial circumstances</p> <p>Objective<br/>The objective of this part of the Policy is to assist ratepayers experiencing extreme financial circumstances which affect their ability to pay rates.</p> <p>Conditions and criteria<br/>Only rating units used solely for residential purposes will be eligible for consideration for rates postponement for extreme financial circumstances.</p> <p>Only the person entered as the ratepayer, or their authorised agent, may make an application for rates postponement for extreme financial circumstances. The ratepayer must be the current owner of, and have owned for not less than five years, the rating unit which is the subject of the application. The person entered on the Council's rating information database as the "ratepayer" must not own any other rating units or investment properties (whether in the District or in another district).</p> <p>The ratepayer (or authorised agent) must make an application to Council on the prescribed form (copies can be obtained from the Council Offices). The Council will consider, on a case by case basis, all applications received that meet the criteria described in the first two</p> |

|  | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Stratford constituency | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|  | <p>all of the ratepayer’s personal circumstances will be relevant including, but not limited to, the following factors: age, physical or mental disability, injury, illness and family circumstances.</p> <p>Before approving an application the Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his or her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.</p> <p>The ratepayer must make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.</p> <p>The Council may add a postponement fee to the postponed rates for the period between the due date and the date they are paid. This fee will not exceed an amount which covers the Council’s administration and financial costs.</p> <p>The postponement will continue to apply until:</p> <ul style="list-style-type: none"> <li>• The ratepayer ceases to be the owner or occupier of the rating unit; or</li> <li>• The ratepayer ceases to use the property as their residence; or</li> <li>• A date specified by the Council; whichever is the sooner.</li> </ul> <p>A rating charge will be registered on the certificate of title. The postponed rates will remain as a charge against the property and must be paid either at the end of the postponement term or when the property is sold. Postponed rates may include rate arrears owing from a previous financial year.</p> <p>B. Remission - Near Ownership Situations<br/><i>Conditions and criteria</i><br/>Property Held in Trust</p> <ul style="list-style-type: none"> <li>• The amount of the remission will be equal to the Council’s Uniform Annual General Charge.</li> <li>• The applicant may have savings up to a maximum of \$10,000 for the purpose of funeral expenses.</li> <li>• The applicant’s sole income is from a Central Government benefit (including New Zealand superannuation) and earnings on</li> </ul> |                        | <p>paragraphs under this section. The Council will delegate authority to approve applications for rates postponement to Council Officers.</p> <p>When considering whether extreme financial circumstances exist, all of the ratepayer’s personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness and family circumstances.</p> <p>Before approving an application, the Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard as well as making provision for normal day to day living expenses. Where the Council decides to postpone rates the ratepayer must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.</p> <p>Any postponed rates will be postponed until:</p> <ul style="list-style-type: none"> <li>• The death of the ratepayer(s); or</li> <li>• Until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or</li> <li>• Until the ratepayer ceases to use the property as his/her residence; or</li> <li>• Until a date specified by the Council.</li> </ul> <p>The 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 the Council’s administrative and financial costs and may vary from year to year. The fee that will be charged in the 2018/19 financial year is \$50.00.</p> <p>Even if rates are postponed, as a general rule the ratepayer will be required to pay the first \$500.00 of the rate account. The Policy will apply from the beginning of the rating year in which the application is made although the Council may consider backdating past the rating year in which the application is made depending on the circumstances. 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.</p> |

|                                                             | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | South Taranaki constituency                                                                                                                                                                                                   |
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|                                                             | <p>interest from savings for funeral expenses.</p> <ul style="list-style-type: none"> <li>• The applicant must be the ratepayer and supply proof from the Trust Deed.</li> <li>• The applicant must not be a financial beneficiary of the Trust.</li> <li>• The applicant must not be eligible for a rates rebate.</li> <li>• The applicant must provide an explanation and proof of hardship.</li> <li>• The Rating Unit must be rated as Residential.</li> <li>• The applicant must reside at the property.</li> </ul> <p>Habitat for Humanity</p> <ul style="list-style-type: none"> <li>• The amount of the remission will be equal to the Council's Uniform Annual General Charge.</li> <li>• The applicant must provide proof of the long term sale and purchase agreement for the property with Habitat for Humanity.</li> <li>• The applicant's sole income is from a Central Government benefit or their income is at or below the Central Government equivalent benefit and proof of income is supplied.</li> <li>• The property must not be eligible for a rates rebate.</li> <li>• The applicant must provide an explanation and proof of hardship.</li> <li>• The Rating Unit must be rated as Residential.</li> <li>• The applicant must reside at the property.</li> </ul> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the Council will have the first call on the proceeds of any revenue from the sale or lease of the rating unit.</p> |
| Remission of rates on Council owned and occupied properties | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>Council will provide rates remission of 100% on rating units owned and occupied by the Stratford District Council which meet the objectives, conditions and criteria of this policy.</p> <p>Objective<br/>The objective of this part of the remission policy is to enable Council to be cost-neutral in regard to other ratepayers whilst being administratively efficient.</p> <p>Conditions and Criteria<br/>This part of the policy applies to rating units owned and occupied by the Stratford District Council.</p> <p>This part of the policy does not apply to rating units that are owned by Council but are leased to a third party and the terms of the lease provide for rates to be paid by the lessee.</p> | No provision for the remission of rates.                                                                                                                                                                                      |

|                                                                              | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| Remission of penalties                                                       | <p>Rates Policy 2</p> <p>Remission of penalties</p> <p>Section 85 of the <i>Local Government (Rating) Act 2002</i>.</p> <p>Objectives of the policy<br/>The objective of this policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date due to circumstances outside the ratepayer's control; or</p> <p>In order to ensure the settlement of outstanding rates and the ratepayer has made an arrangement to pay over an extended period.</p> <p>Conditions and criteria<br/>Automatic remission of the penalties will apply to those ratepayers that have an agreed automatic payment or direct debit plan in place.</p> <p>Automatic remission of the penalties will apply to those ratepayers that pay their rates in full by the second instalment due date.</p> <p>Remission of the penalty will 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.</p> <p>Each application will be considered on its merits and remission will be granted where it is considered just and equitable to do so.</p> <p>The Council may remit small balances due to cash rounding.</p> <p>If an arrangement to pay rates and/or clear outstanding rates is not adhered to, the Council will apply penalties from when the arrangement is breached (noting that remissions cannot be reversed).</p> | <p>The Stratford District Council will provide rates remission on penalties to all ratepayers who meet the objectives, conditions and criteria of this policy.</p> <p>Objective<br/>The objective of this part of the remission policy is to enable the Stratford District Council to act fairly and reasonably in its consideration of rates which have not been received by Council by the penalty date, due to circumstances outside the ratepayer's control.</p> <p>Conditions and Criteria<br/>On application by the ratepayer, a remission of an instalment penalty imposed under Section 58(1)(a) of the Local Government (Rating) Act 2002 shall be granted if this is the first instance of late payment by the ratepayer within the previous three rating years.</p> <p>Where a ratepayer enters into a payment arrangement for the payment of the current year rates and any rate arrears, further penalties will be granted a remission. However, any default in the arrangement will cause the remission to be cancelled. It should be noted that any penalties applied up to the date of commencement of the arrangement will remain. Council will delegate decisions on arrangement remissions as follows:<br/>Full amount owed is paid by 30 June next: Rates Officer<br/>Full amount owed is paid by 30 June the following year: Director – Corporate Services<br/>Arrangements beyond 30 June the following year: Chief Executive</p> <p>The Director of Corporate Services and the Chief Executive have the power to remit up to 50% (or other figure) of the penalties charged to a property, where they believe there are circumstances which have caused the rates not to be paid, and where the rates are paid in full on an agreed date.</p> | <p>The South Taranaki District Council will provide rate remissions of penalties to all ratepayers who meet the objectives, conditions and criteria of this Policy.</p> <p>Objective<br/>The remission of penalties is to allow the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date due to circumstances outside the ratepayers' control.</p> <p>Conditions and criteria<br/>Remission of the penalty will be granted if the ratepayer, by written explanation, satisfies the Council that the late payment was due to circumstances outside the ratepayer's control. Each application will be considered on its merit and will be granted where it is considered fair and equitable to do so.</p> <p>In cases where ratepayers are in arrears with their rates, but have made acceptable arrangements for the payment of the current year's rates, together with reduction in the level of arrears, further penalties being incurred will be remitted under this Policy.</p> |
| Remission of rates on wastewater system rates for educational establishments | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Council will provide rates remission to educational establishments so that they pay the lesser of the standard wastewater system rate or an amount calculated as if the <i>Rating Powers (Special Provision for Certain Rates on Educational Establishments) Amendment Act 2001</i> was still current.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

|                                                                                                | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | South Taranaki constituency              |
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| Remission of uniform annual charges on non-contiguous rating units owned by the same ratepayer | <p>Rates Policy 7</p> <p>Remission of uniform annual general charges on rating units which are used for residential purposes and which include a separately inhabited part occupied by a dependent member of the family of the owner of the rating unit.</p> <p>Section 85 of the <i>Local Government (Rating) Act 2002</i>.</p> <p>Objectives of the policy<br/>The policy is to provide for the possibility of rates remission where more than one uniform annual general charge is assessed on a rating unit because that rating unit comprises more than one separately used or inhabited part and where the rating unit is used for residential purposes and includes a separately inhabited part occupied by a dependent member of the family of the owner of the rating unit.</p> <p>Conditions and criteria<br/>The Council may remit the specified rates where the application meets the following criteria:<br/>The rating unit must be used as the owner's residence but also contain a minor flat or other residential accommodation unit which is inhabited by a member of the owner's family who is dependent on the owner for financial support and occupies the accommodation</p> | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | No provision for the remission of rates. |

|                                                                                                                                 | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                           | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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|                                                                                                                                 | <p>on a non-paying basis (e.g. granny flat).</p> <p>The owner(s) of the rating unit must complete and provide to the Council a statutory declaration. Such a declaration will be effective for three years or until the conditions cease to be met, whichever is earlier. A fresh declaration must be completed and provided in order to qualify for consideration for remission beyond the first three year period.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Remission for low value residential properties where the UAGC is in excess of 5% annually of the capital value of the property. | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                 | <p>This remission provides for low value residential properties to not be penalised by the UAGC being in excess of 5% annually of the capital value of the property.</p> <p>Objective<br/>The objective of this remission policy is to assist residential ratepayers whereby the UAGC being imposed on properties with a capital value of \$10,000 or less represents an excessive burden in any one financial year.</p> <p>Conditions and Criteria<br/>Council will remit the UAGC on any rating unit used solely for residential purposes as defined by Council where the capital value of that rating unit does not exceed \$10,000.</p> | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Remission of UAGC's for rural land, which is non-contiguous, but farmed as a single entity and owned by the same ratepayer.     | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                 | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>The Council will provide rates remissions of Uniform Annual General Charges (UAGC's) to all rural ratepayers who meet the objectives, conditions and criteria of this Policy.</p> <p>Objective<br/>The remission of UAGC's is to provide relief for rural land, which is non-contiguous, but farmed as a single entity and owned by the same ratepayer.</p> <p>Conditions and criteria<br/>Ratepayers who occupy two or more separate rating units (and who do not qualify to be treated as one rating unit, pursuant to Section 20 of the Local Government (Rating) Act 2002), are entitled to have uniform annual general charges reduced for qualifying properties. All ratepayers will pay at least one full uniform annual general charge and then half charges for additional qualifying properties.</p> <p>Remission</p> |

|                                                                                             | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Stratford constituency                   | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                          | Any applicant must be paying at least one full UAGC on one of the rating units involved in the farming operation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Remission of UAGC's on contiguous rating units in a subdivision owned by the same ratepayer | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | No provision for the remission of rates. | <p>The Council will provide rates remission of UAGC's to all ratepayers who meet the objectives, conditions and criteria of this Policy.</p> <p>The remission of all but one UAGC is to provide relief for urban or rural residential land which is newly developed and still owned by the developer/ratepayer.</p> <p><b>Conditions and Criteria</b><br/>Ratepayers who own and occupy two or more separate rating units (and who do not qualify to be treated as one rating unit pursuant to Section 20 of the <i>Local Government (Rating) Act 2002</i>), who apply in writing, are entitled to have UAGC's reduced for qualifying properties. All ratepayers will pay at least one full UAGC.</p> <p><b>Remission</b><br/>The applicant/owner must be paying at least one full UAGC of the rating units included in the subdivision. The remainder of the uniform charges will be remitted under this Policy.</p> |
| Remission of rates in miscellaneous circumstances.                                          | <p>Rates Policy 5</p> <p>Rates remission in miscellaneous circumstances</p> <p>Section 85 of the <i>Local Government (Rating) Act 2002</i>.</p> <p><b>Objectives of the policy</b><br/>It is recognised that not all situations in which the Council may wish to remit rates will necessarily be known about in advance and provided for in the Council's specific policies.</p> <p><b>Conditions and criteria</b><br/>The Council may remit part or all rates on a rating unit where The Council considers it just and equitable to do so because:</p> <p>a. There are special circumstances in relation to the rating unit, or the incidence of the rates (or a particular rate) assessed for the rating unit, which mean that the unit's rates are disproportionate to those assessed for comparable rating units, or</p> <p>b. The circumstances of the rating unit or the ratepayer are</p> | No provision for the remission of rates. | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |



|                                             | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                     | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | South Taranaki constituency              |
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|                                             | <p>comparable to those where a remission may be granted under the council's other rates remission policies, but are not actually covered by any of those policies, or</p> <p>c. There are exceptional circumstances that mean the Council believes that it is in the public interest to remit the rates and where granting a remission would not create or set a precedent for other ratepayers to receive similar remissions.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                          |
| Remission of rates for economic development | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                           | <p>This provides for rates relief for new development or redevelopment of land by way of constructing, erecting or altering buildings, fixed plant and machinery or other works intended to be used solely or principally for industrial, commercial or administrative purposes where the cost of such development is more than \$500,000 (excluding GST) as assessed under the <i>Building Act</i>.</p> <p>Council will be prepared to consider any application for building development which can demonstrate that it will be to the economic advantage of the Stratford District. Economic advantage will be deemed to occur if the development will result in:</p> <ul style="list-style-type: none"> <li>• significant employment growth or employment retention in Stratford District; and/or</li> <li>• significant downstream new business for other Stratford District manufacturers or suppliers of goods and services.</li> </ul> <p>Developments for industrial, commercial or administrative purposes which the Council wishes to foster are in the following sectors:</p> <ul style="list-style-type: none"> <li>• Primary production and processing.</li> <li>• Tourism, including recreational, cultural and conference facilities.</li> <li>• Manufacturing, especially those which have high potential for employment related to the total cost factor.</li> <li>• Health services.</li> <li>• Retailing.</li> <li>• Hotels, motels and other transient accommodation.</li> <li>• Administrative services, including those provided by Government and private sector agencies.</li> </ul> <p>In the event of any developer, to whom rates relief has been granted, selling the property within</p> | No provision for the remission of rates. |

|                                                                                                            | New Plymouth and North Taranaki constituencies | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | South Taranaki constituency              |
|------------------------------------------------------------------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
|                                                                                                            |                                                | <p>which the eligible investment was made, rates relief ceases from the date of the sale.</p> <p>Forms of Rates Relief<br/>Council may remit or postpone (or a combination of these) part or all of the general rates otherwise payable on the subject property for the period of the development and up to three rating years thereafter.</p> <p>Council may impose conditions on the remission or postponement of rates and may cancel any remission or postponement in the event of non compliance by the applicant with those conditions. In those circumstances, Council may require payment of full rates in respect of any year in which rates have been remitted.</p> <p>Factors to be Considered<br/>Council will have regard to the following matters when considering applications for rates relief:</p> <ul style="list-style-type: none"> <li>• Whether and to what extent, the development will, when completed, be to the economic advantage of the Stratford District including the creation of significant employment opportunities. The creation of jobs will be a strong factor in favour of granting rates relief, but the retention of existing jobs and the potential for job creation will also be positive factors.</li> <li>• Whether and to what extent the granting of relief will be of material benefit to the development.</li> <li>• Whether the investment limit and economic benefits criteria are met jointly in the case of a Lessor/Lessee arrangement.</li> <li>• Whether and to what extent the development can be served by the existing basic Council services infrastructure.</li> <li>• The level of financial contributions and development levies collected under provisions of the District Plan.</li> <li>• Such other matters as Council may, from time to time, consider relevant.</li> </ul> |                                          |
| Remissions for biodiversity (indigenous vegetation, significant habitats of indigenous fauna and wetlands) | No provision for the remission of rates.       | The Stratford District Council will provide rates remission of up to 100% of the rates on land with biodiversity vegetation (indigenous vegetation, significant habitats of indigenous fauna and wetlands) on it to all ratepayers who meet the objectives, conditions and criteria of this policy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | No provision for the remission of rates. |

|                                                      | New Plymouth and North Taranaki constituencies | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | South Taranaki constituency                                                                                                                                                                                                                        |
|------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                      |                                                | <p>Objectives<br/>To preserve and promote the protection of an area of indigenous vegetation or a significant habitat of indigenous fauna. This policy will support the provisions of the Stratford District Council District Plan.</p> <p>Conditions and Criteria<br/>This part of the policy will apply to ratepayers who:</p> <ul style="list-style-type: none"> <li>• own rating units that have a site listed in Appendix 9: Wetlands, Areas of Significant Indigenous Vegetation and Significant Habitats of Indigenous Fauna in the Stratford District Plan; and</li> <li>• voluntarily protect and maintain these areas that are within the boundary of the wetlands identified in Appendix 9.</li> </ul> <p>The remission will apply to the area of land included in the protected area.</p> <p>The application for rates remission must be made to Council prior to the commencement of the rating year. Applications approved during a rating year will be applicable from the commencement of the following rating year.</p> <p>In granting remissions under this policy, Council may specify certain conditions before remission 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.</p> <p>In considering any application for remission of rates under this part of the policy Council will consider the following criteria:</p> <ul style="list-style-type: none"> <li>• the extent to which the preservation of biodiversity vegetation will be promoted by granting remission of rates on the rating unit.</li> <li>• the degree to which features of biodiversity vegetation are present on the land; and</li> <li>• the degree to which features of biodiversity vegetation inhibit the economic utilisation of the land.</li> </ul> |                                                                                                                                                                                                                                                    |
| Remission for excess water consumption due to a leak | No provision for the remission of rates.       | <p>Council may provide relief to a ratepayer that has incurred an excessive water invoice as a result of a leak where that leak has been remedied in a timely manner once the leak was detected.</p> <p>Objective</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>Objective<br/>The remission of water rates is to provide for the effective and fair management of leaks on private properties by incentivising customers to repair “private” water leaks in a timely manner.</p> <p>Conditions and criteria</p> |

|                                                                     | New Plymouth and North Taranaki constituencies | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                     |                                                | <p>The objective of this part of the remission policy is to enable Council to not penalise a water consumer for a leak that resulted in excess water consumption that was out of their control.</p> <p>Conditions and Criteria<br/>In order to provide relief to people in situations where water usage is high due to a water leak, Council may remit water consumption rates where all of the following apply:</p> <ul style="list-style-type: none"> <li>• A remission application has been received; and</li> <li>• Council is satisfied a leak on the property has caused excessive consumption and is recorded on the water meter; and</li> <li>• The leak has been repaired within one calendar month of being identified (unless evidence is provided that the services of an appropriate repairer could not be obtained within this period); and</li> <li>• Proof of the leak being repaired has been provided to Council promptly after repair of the leak.</li> </ul> <p>The amount of the remission will be the difference between the average consumption of the property and the consumption over and above that average.</p> <p>Remission for any particular property will generally be granted only once every year. However where a remission for a water leak has been granted to a property under this policy within the last year, the remission decision is to be made by the Director – Assets.</p> <p>Any remission over 2,000 cubic meters is to be referred to the Council Monitoring Committee for decision.</p> | <p>This remission addresses issues experienced with customer's payments for loss of water from metered water connections. The remission provides a financial incentive that will remit 50% of the charged cost for the estimated volume of water lost through leakage, once the following conditions and requirements are met:</p> <ul style="list-style-type: none"> <li>• Customers with a current account may apply in writing to the Council, within 2 months of the account being issued; and</li> <li>• Provide proof of repairs to internal reticulation which has been undertaken by a registered plumber.</li> </ul> <p>Any remission under this policy will be limited to one application within any 24 month period for a particular customer, per meter.</p> <p>Remission<br/>The remission is for 50% of the charged cost for the estimated volume of water lost through leakage.</p> |
| Remission of water targeted rate as compensation for water easement | No provision for the remission of rates.       | <p>Council has water mains installed on private properties with, in some cases, an associated easement for access and maintenance.</p> <p>Objective<br/>The objective of this part of the remission policy is to provide compensation for the ratepayers that have a water main across their property and associated easement agreement that provides for such remissions. This remission may be granted in future easement agreements as part of a compensation agreement if appropriate.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

|                                                                                       | New Plymouth and North Taranaki constituencies | Stratford constituency                                                                                                                                                                                                                                                                                                                                                                                                                             | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                       |                                                | <p>The remission is for the targeted water rate only and the water-by-meter charges remain subject to the <i>Revenue and Financing Policy</i>.</p> <p>Conditions and Criteria<br/>In order to provide a water targeted rate remission the following must apply:</p> <ul style="list-style-type: none"> <li>• Compensation agreements must be in writing and formal easements recording them registered against the relevant land title.</li> </ul> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Remission of rates for Earthquake Prone Buildings – Council Assistance Package Policy | No provision for the remission of rates.       | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                           | <p>Objective<br/>The remission of rates for earthquake prone commercial or heritage building owners is to provide relief to the owners in the replacement or redevelopment of their buildings.</p> <p>Conditions and criteria<br/>This remission could be made available to Commercial and/or Heritage building owners for buildings located in the town centres of the District. The criteria and qualification for the remission is contained in the Council Assistance Package Policy – Earthquake Prone Buildings.</p> <p>Remission<br/>The remission is for a maximum of \$3,000 over 3 years.</p> |
| Remission of Total Rates Assessments under \$10                                       | No provision for the remission of rates.       | No provision for the remission of rates.                                                                                                                                                                                                                                                                                                                                                                                                           | <p>Objective<br/>The remission of Total Rates Assessments under \$10 is to save the Council unnecessary costs of collecting a small amount of rates.</p> <p>Conditions and criteria<br/>The total of the Rates Assessments must be \$10 or less.</p> <p>Remission<br/>The remission for 100% of the total rates charged under \$10.</p>                                                                                                                                                                                                                                                                 |
| Discount of rates                                                                     | No provision for the discount of rates.        | No provision for the discount of rates.                                                                                                                                                                                                                                                                                                                                                                                                            | <p>Purpose<br/>To specify the Policy for early payment of rates in the current financial year in terms of Section 55 of the <i>Local Government (Rating) Act 2002</i>.</p> <p>Background<br/>Rates are set on properties in accordance with the statutory provisions of the <i>Local Government (Rating) Act 2002</i>. A local authority may adopt a policy for the discount of some or all rates that are identified in the rates assessment before the due date or dates for</p>                                                                                                                      |

|                                           | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Stratford constituency | South Taranaki constituency                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                        | <p>those rates in the current financial year.</p> <p>Definitions<br/>Financial Year – a period of 12 months beginning on 1 July.</p> <p>Total Rates – include UAGC, General Rates, Roading Rate, Water Targeted Rate (excluding water by metre rate and water meter charges), Wastewater Targeted Rate, Hawera Business Rate, Warmer Homes Scheme Rate and Kerbside Collection Rate.</p> <p>Policy<br/>A discount of 3% will be allowed on the total rates set for the financial year, if the rates for a financial year are paid in full on or before the due date of the first instalment for the financial year.</p> |
| Remission of rates on Māori freehold land | <p>The Council has a policy in place to remit the rates assessed on rating units, which are Māori freehold land in multiple ownership, subject to certain conditions. This policy aims to ensure the fair and equitable collection of rates from all sectors of the community recognising that certain Māori owned lands have particular conditions, features, ownership structures, or other circumstances which make it appropriate to provide relief from rates.</p> <p>Māori freehold land is defined in the <i>Local Government (Rating) Act 2002</i> as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court. Only land that is subject of such an order may qualify for remission under this policy.</p> <p>Objectives. The objectives of this policy are:</p> <ul style="list-style-type: none"> <li>• to recognise situations where there is no owner, occupier or person gaining an economic or financial benefit from the land.</li> <li>• to set aside land that is better set aside for non-use because of its natural features (whenua rahui).</li> <li>• to recognise matters related to the physical accessibility of the land.</li> <li>• to recognise and take account of the presence of wāhi tapu that may affect the use of the land for other purposes.</li> <li>• where part only of a block is occupied, to grant remission for the portion of land not occupied.</li> <li>• to facilitate development or use of the land where the Council considers rates based on actual rateable value makes the actual use of the land uneconomic.</li> <li>• to recognise and take account of the importance of land in providing economic and infrastructure support for marae and associated papakainga housing.</li> <li>• to recognise use of the land by the owners for traditional purposes.</li> <li>• to recognise occasions where granting remission will avoid further alienation of Māori freehold land.</li> <li>• to recognise occasions where the Taranaki Regional 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 collectible.</li> </ul> <p>Conditions and Criteria. The Council will maintain a register titled the <i>Māori Land Rates Relief Register</i> (the register) for the purpose of recording properties on which it has agreed to remit rates pursuant to this policy. The register will comprise two category lists, these being:</p> <ul style="list-style-type: none"> <li>• the Māori Land General Remissions List.</li> <li>• the Māori Land Economic Adjustment Remissions List.</li> </ul> <p>Owners or trustees making application should include the following information in their applications:</p> <ul style="list-style-type: none"> <li>• details of the property.</li> <li>• the objectives that will be achieved by providing a remission.</li> <li>• documentation that proves the land, which is the subject of the application, is Māori freehold land.</li> </ul> <p>The Council may, at its own discretion, add properties to the lists. Relief and the extent thereof, are at the sole discretion of the Council and may be cancelled and reduced at any time.</p> <p>The Council will review the register annually and may:</p> <ul style="list-style-type: none"> <li>• add properties that comply.</li> <li>• remove properties where the circumstances have changed and they no longer comply.</li> </ul> |                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

|                                                              | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Stratford constituency                                                                                                                                                                                                                                                                                                                                    | South Taranaki constituency                                                                                                                                                                                                               |
|--------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                              | No remission will be granted on targeted rates for water supply, sewage disposal or refuse collection.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                           |
| Postponement of rates on Māori freehold land                 | <p>The Council has a policy in place to remit the rates assessed on rating units, which are Māori freehold land in multiple ownership, subject to certain conditions. The objective of this policy is to recognise situations where there is no occupier or person gaining an economic or financial benefit from the land and no practical means of enforcing the rates assessed.</p> <p>Māori freehold land is defined in the <i>Local Government (Rating) Act 2002</i> as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court. Only land that is subject of such an order may qualify for remission under this policy.</p> <p>Objective. The postponement on rates on Māori freehold land is to facilitate the development and use of the land for economic use where the Council considers utilisation would be uneconomic if full rates were required during the years of development and establishment.</p> <p>Conditions and Criteria. The Council will consider postponement of rates where previously unoccupied land is subject to clearing, development and commercial use where the Council considers utilisation would be uneconomic if full rates were required during the years of development and establishment.</p> <p>Application should be made prior to commencement of the development. Applications made after the commencement of the development may be accepted at the discretion of the Council.</p> <p>Owners or trustees making application should include the following information in their applications:</p> <ul style="list-style-type: none"> <li>• details of the property.</li> <li>• the objectives that will be achieved by providing postponement.</li> <li>• details of the proposed development.</li> </ul> <p>The Council may also, at its discretion, partially remit rates that are otherwise subject to postponement. No postponement will be granted on targeted rates for water supply, sewage disposal or refuse collection.</p> |                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                           |
|                                                              | New Plymouth and North Taranaki constituencies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Stratford constituency                                                                                                                                                                                                                                                                                                                                    | South Taranaki constituency                                                                                                                                                                                                               |
| Payment due dates penalties                                  | All rates will be payable in four instalments due on:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | All rates will be payable in four instalments due on:                                                                                                                                                                                                                                                                                                     | All rates will be payable in four instalments due on:                                                                                                                                                                                     |
| Instalment 1<br>Instalment 2<br>Instalment 3<br>Instalment 4 | 1 August 2018<br>1 November 2018<br>1 February 2019<br>1 May 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 29 August 2018<br>28 November 2018<br>27 February 2019<br>29 May 2019                                                                                                                                                                                                                                                                                     | 29 August 2018<br>28 November 2018<br>27 February 2019<br>29 May 2019                                                                                                                                                                     |
| Penalties                                                    | The Council will charge a penalty of 10 per cent on any portion of rates that were assessed or levied in any previous financial years to 1 July 2018 and which remain unpaid on 2 July 2018 and a further additional penalty of 10 per cent on any rates that were assessed or levied in any previous financial years and which remain unpaid on 29 March 2019.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2018 which remain unpaid on 10 July 2018 or such later date as required under section 58(1) (b) (ii). A continuing additional penalty of 10% on so much of any rates levied before 1 July 2017 which remain unpaid six months after the previous penalty was added. | The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2018 which remain unpaid on 2 July 2018 or such later date as required under section 58(1) (b) (ii).                                                |
| Discount for early payment                                   | No provision for discount for early payment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | No provision for discount for early payment.                                                                                                                                                                                                                                                                                                              | A discount of 3% will be allowed on the total rates set for the financial year, if the rates for a financial year are paid in full on or before the due date of the first instalment for the financial year. This will be 29 August 2018. |
| Payment locations                                            | The Council's rates and charges will become due and payable at the principal offices and service centres of the region's district councils. The rates and charges can also be paid at the principal office of the Taranaki Regional Council.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                           |

## Appendix 3: Funding impact statements (regulations)

The following information is presented for compliance with *Local Government (Financial Reporting and Prudence) Regulations 2014*. In accordance with the Regulations, the information presented is incomplete (in particular, the information presented does not include depreciation and internal transactions such as overheads) and it is not prepared in compliance with generally accepted accounting practice. It should not be relied upon for any other purpose than compliance with the *Local Government (Financial Reporting and Prudence) Regulations 2014*.

### Whole of council funding impact statement

| 2017/2018<br>Estimate \$<br>Annual Plan  | 2018/2019<br>Estimate \$<br>Annual Plan | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|------------------------------------------|-----------------------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Sources of operating funding</b>      |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 7,611,859                                | 7,954,392                               | 8,248,704                  | 8,541,534                  | 8,797,781                | 9,039,718                | 9,256,672                | 9,478,833                | 9,706,325                | 9,939,276                | 10,177,819               |
| 1,865,532                                | 2,221,110                               | 2,284,064                  | 2,320,902                  | 2,352,410                | 2,243,124                | 2,395,792                | 2,429,806                | 2,467,265                | 2,506,595                | 2,547,671                |
| 2,007,987                                | 3,646,423                               | 3,665,618                  | 2,681,675                  | 2,702,019                | 2,772,415                | 1,999,303                | 2,445,200                | 2,522,752                | 2,547,479                | 2,612,127                |
| 7,801,374                                | 9,032,156                               | 9,816,070                  | 10,735,960                 | 11,292,078               | 9,744,645                | 7,074,051                | 7,192,337                | 7,302,354                | 7,382,015                | 7,565,246                |
| 6,992,170                                | 9,370,000                               | 9,391,400                  | 9,415,411                  | 9,439,949                | 9,466,167                | 9,492,989                | 9,521,621                | 9,552,161                | 9,583,466                | 9,616,837                |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>26,278,922</b>                        | <b>32,224,081</b>                       | <b>33,405,856</b>          | <b>33,695,482</b>          | <b>34,584,237</b>        | <b>33,266,069</b>        | <b>30,218,807</b>        | <b>31,067,797</b>        | <b>31,550,857</b>        | <b>31,958,831</b>        | <b>32,519,700</b>        |
| <b>Applications of operating funding</b> |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 24,429,159                               | 26,658,003                              | 28,338,124                 | 29,669,587                 | 30,067,275               | 28,082,308               | 27,622,073               | 28,038,682               | 29,008,892               | 29,284,505               | 29,904,029               |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>24,429,159</b>                        | <b>26,658,003</b>                       | <b>28,338,124</b>          | <b>29,669,587</b>          | <b>30,067,275</b>        | <b>28,082,308</b>        | <b>27,622,073</b>        | <b>28,038,682</b>        | <b>29,008,892</b>        | <b>29,284,505</b>        | <b>29,904,029</b>        |
| <b>1,849,763</b>                         | <b>5,566,078</b>                        | <b>5,067,732</b>           | <b>4,025,895</b>           | <b>4,516,962</b>         | <b>5,183,761</b>         | <b>2,596,734</b>         | <b>3,029,115</b>         | <b>2,541,965</b>         | <b>2,674,326</b>         | <b>2,615,671</b>         |
| <b>Sources of capital funding</b>        |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 257,500                                  | 0                                       | 0                          | 0                          | 0                        | 0                        | 390,000                  | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 118,000                                  | 384,000                                 | 215,000                    | 237,000                    | 214,000                  | 482,000                  | 195,000                  | 242,000                  | 234,000                  | 462,000                  | 195,000                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>375,500</b>                           | <b>384,000</b>                          | <b>215,000</b>             | <b>237,000</b>             | <b>214,000</b>           | <b>482,000</b>           | <b>585,000</b>           | <b>242,000</b>           | <b>234,000</b>           | <b>462,000</b>           | <b>195,000</b>           |
| <b>Applications of capital funding</b>   |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 600,000                                  | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 3,384,750                                | 5,303,061                               | 3,084,029                  | 3,095,613                  | 2,435,625                | 2,788,535                | 2,054,422                | 1,584,978                | 1,691,826                | 2,617,849                | 1,409,874                |
| 107,969                                  | 107,508                                 | (127,825)                  | 149,375                    | 151,350                  | (113,596)                | 155,540                  | 157,762                  | (106,928)                | 162,475                  | 164,974                  |
| (1,867,456)                              | 539,509                                 | 2,326,528                  | 1,017,907                  | 2,143,987                | 2,990,822                | 971,772                  | 1,528,375                | 1,191,067                | 356,002                  | 1,235,823                |
| <b>2,225,263</b>                         | <b>5,950,078</b>                        | <b>5,282,732</b>           | <b>4,262,895</b>           | <b>4,730,962</b>         | <b>5,665,761</b>         | <b>3,181,734</b>         | <b>3,271,115</b>         | <b>2,775,965</b>         | <b>3,136,326</b>         | <b>2,810,671</b>         |
| <b>(1,849,763)</b>                       | <b>(5,566,078)</b>                      | <b>(5,067,732)</b>         | <b>(4,025,895)</b>         | <b>(4,516,962)</b>       | <b>(5,183,761)</b>       | <b>(2,596,734)</b>       | <b>(3,029,115)</b>       | <b>(2,541,965)</b>       | <b>(2,674,326)</b>       | <b>(2,615,671)</b>       |
| <b>0</b>                                 | <b>0</b>                                | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |



## Resource management funding impact statement

| 2017/2018<br>Estimate \$<br>Annual Plan  | 2018/2019<br>Estimate \$<br>Annual Plan | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|------------------------------------------|-----------------------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Sources of operating funding</b>      |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 3,255,985                                | 3,232,880                               | 3,306,490                  | 3,186,831                  | 3,285,291                | 3,637,534                | 3,873,545                | 3,924,484                | 4,002,239                | 4,139,080                | 4,237,350                |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 302,000                                  | 1,702,000                               | 1,702,000                  | 702,000                    | 702,000                  | 702,000                  | 302,000                  | 302,000                  | 302,000                  | 302,000                  | 302,000                  |
| 5,682,156                                | 5,927,698                               | 6,313,313                  | 6,968,162                  | 7,068,950                | 5,616,637                | 5,416,800                | 5,497,398                | 5,567,336                | 5,605,910                | 5,745,470                |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>9,240,141</b>                         | <b>10,862,578</b>                       | <b>11,321,803</b>          | <b>10,856,993</b>          | <b>11,056,241</b>        | <b>9,956,171</b>         | <b>9,592,345</b>         | <b>9,723,882</b>         | <b>9,871,575</b>         | <b>10,046,990</b>        | <b>10,284,820</b>        |
| <b>Applications of operating funding</b> |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 9,160,657                                | 10,413,049                              | 11,102,441                 | 11,351,701                 | 11,526,158               | 10,384,613               | 9,797,532                | 9,890,483                | 10,132,883               | 10,223,024               | 10,452,636               |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 4,388,888                                | 4,992,990                               | 5,101,376                  | 5,322,087                  | 5,472,435                | 5,513,961                | 5,606,630                | 5,637,265                | 5,766,846                | 5,953,680                | 6,098,788                |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>13,549,545</b>                        | <b>15,406,039</b>                       | <b>16,203,817</b>          | <b>16,673,788</b>          | <b>16,998,593</b>        | <b>15,898,574</b>        | <b>15,404,162</b>        | <b>15,527,748</b>        | <b>15,899,729</b>        | <b>16,176,704</b>        | <b>16,551,424</b>        |
| <b>(4,309,404)</b>                       | <b>(4,543,461)</b>                      | <b>(4,882,014)</b>         | <b>(5,816,795)</b>         | <b>(5,942,352)</b>       | <b>(5,942,403)</b>       | <b>(5,811,817)</b>       | <b>(5,803,866)</b>       | <b>(6,028,154)</b>       | <b>(6,129,714)</b>       | <b>(6,266,604)</b>       |
| <b>Sources of capital funding</b>        |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 71,000                                   | 308,000                                 | 159,000                    | 134,000                    | 58,000                   | 336,000                  | 159,000                  | 139,000                  | 58,000                   | 336,000                  | 159,000                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>71,000</b>                            | <b>308,000</b>                          | <b>159,000</b>             | <b>134,000</b>             | <b>58,000</b>            | <b>336,000</b>           | <b>159,000</b>           | <b>139,000</b>           | <b>58,000</b>            | <b>336,000</b>           | <b>159,000</b>           |
| <b>Applications of capital funding</b>   |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 1,199,250                                | 1,292,061                               | 561,829                    | 557,969                    | 210,950                  | 1,050,350                | 445,450                  | 455,350                  | 255,450                  | 1,021,350                | 444,450                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| (5,437,654)                              | (5,527,522)                             | (5,284,843)                | (6,240,764)                | (6,095,302)              | (6,656,753)              | (6,098,267)              | (6,120,216)              | (6,225,604)              | (6,815,064)              | (6,552,054)              |
| <b>(4,238,404)</b>                       | <b>(4,235,461)</b>                      | <b>(4,723,014)</b>         | <b>(5,682,795)</b>         | <b>(5,884,352)</b>       | <b>(5,606,403)</b>       | <b>(5,652,817)</b>       | <b>(5,664,866)</b>       | <b>(5,970,154)</b>       | <b>(5,793,714)</b>       | <b>(6,107,604)</b>       |
| <b>4,309,404</b>                         | <b>4,543,461</b>                        | <b>4,882,014</b>           | <b>5,816,795</b>           | <b>5,942,352</b>         | <b>5,942,403</b>         | <b>5,811,817</b>         | <b>5,803,866</b>         | <b>6,028,154</b>         | <b>6,129,714</b>         | <b>6,266,604</b>         |
| <b>0</b>                                 | <b>0</b>                                | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |

## Biosecurity and biodiversity funding impact statement

| 2017/2018<br>Estimate \$<br>Annual Plan       | 2018/2019<br>Estimate \$<br>Annual Plan | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|-----------------------------------------------|-----------------------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Sources of operating funding</b>           |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 1,750,301                                     | 2,076,454                               | 2,071,229                  | 2,073,606                  | 2,130,704                | 2,329,124                | 2,165,586                | 2,226,462                | 2,251,307                | 2,328,328                | 2,378,939                |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 106,500                                       | 1,755,098                               | 2,125,010                  | 2,353,826                  | 2,778,945                | 2,651,663                | 147,994                  | 150,670                  | 153,524                  | 156,450                  | 159,569                  |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>1,856,801</b>                              | <b>3,831,552</b>                        | <b>4,196,239</b>           | <b>4,427,432</b>           | <b>4,909,649</b>         | <b>4,980,787</b>         | <b>2,313,580</b>         | <b>2,377,132</b>         | <b>2,404,831</b>         | <b>2,484,778</b>         | <b>2,538,508</b>         |
| <b>Applications of operating funding</b>      |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 985,745                                       | 977,411                                 | 1,168,115                  | 1,010,525                  | 1,035,529                | 1,220,039                | 1,071,655                | 1,092,591                | 1,282,925                | 1,144,821                | 1,169,225                |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 468,547                                       | 497,876                                 | 496,112                    | 524,052                    | 538,856                  | 542,945                  | 552,070                  | 562,120                  | 575,041                  | 593,671                  | 608,140                  |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>1,454,292</b>                              | <b>1,475,287</b>                        | <b>1,664,227</b>           | <b>1,534,577</b>           | <b>1,574,385</b>         | <b>1,762,984</b>         | <b>1,623,725</b>         | <b>1,654,711</b>         | <b>1,857,966</b>         | <b>1,738,492</b>         | <b>1,777,365</b>         |
| <b>Surplus/(deficit) of operating funding</b> |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>402,509</b>                                | <b>2,356,265</b>                        | <b>2,532,012</b>           | <b>2,892,855</b>           | <b>3,335,264</b>         | <b>3,217,803</b>         | <b>689,855</b>           | <b>722,421</b>           | <b>546,865</b>           | <b>746,286</b>           | <b>761,143</b>           |
| <b>Sources of capital funding</b>             |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 8,000                                         | 38,000                                  | 26,000                     | 20,000                     | 105,000                  | 58,000                   | 26,000                   | 20,000                   | 105,000                  | 58,000                   | 26,000                   |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>8,000</b>                                  | <b>38,000</b>                           | <b>26,000</b>              | <b>20,000</b>              | <b>105,000</b>           | <b>58,000</b>            | <b>26,000</b>            | <b>20,000</b>            | <b>105,000</b>           | <b>58,000</b>            | <b>26,000</b>            |
| <b>Applications of capital funding</b>        |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 44,500                                        | 186,000                                 | 212,000                    | 57,000                     | 253,000                  | 174,000                  | 116,000                  | 57,000                   | 265,000                  | 186,000                  | 116,000                  |
| 100,000                                       | 100,000                                 | (167,000)                  | 100,000                    | 100,000                  | (167,000)                | 100,000                  | 100,000                  | (167,000)                | 100,000                  | 100,000                  |
| 266,009                                       | 2,108,265                               | 2,513,012                  | 2,755,855                  | 3,087,264                | 3,268,803                | 499,855                  | 585,421                  | 553,865                  | 518,286                  | 571,143                  |
| <b>410,509</b>                                | <b>2,394,265</b>                        | <b>2,558,012</b>           | <b>2,912,855</b>           | <b>3,440,264</b>         | <b>3,275,803</b>         | <b>715,855</b>           | <b>742,421</b>           | <b>651,865</b>           | <b>804,286</b>           | <b>787,143</b>           |
| <b>Surplus/(deficit) of capital funding</b>   |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>(402,509)</b>                              | <b>(2,356,265)</b>                      | <b>(2,532,012)</b>         | <b>(2,892,855)</b>         | <b>(3,335,264)</b>       | <b>(3,217,803)</b>       | <b>(689,855)</b>         | <b>(722,421)</b>         | <b>(546,865)</b>         | <b>(746,286)</b>         | <b>(761,143)</b>         |
| <b>0</b>                                      | <b>0</b>                                | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |

## Transport funding impact statement

| 2017/2018<br>Estimate \$<br>Annual Plan  | 2018/2019<br>Estimate \$<br>Annual Plan | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|------------------------------------------|-----------------------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Sources of operating funding</b>      |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 146,089                                  | 204,879                                 | 207,348                    | 200,534                    | 205,067                  | 233,301                  | 240,054                  | 251,673                  | 264,392                  | 262,353                  | 272,463                  |
| 858,207                                  | 1,207,670                               | 1,260,968                  | 1,294,207                  | 1,323,156                | 1,210,026                | 1,357,518                | 1,386,860                | 1,418,158                | 1,450,241                | 1,484,444                |
| 1,705,987                                | 1,944,423                               | 1,963,618                  | 1,979,675                  | 2,000,019                | 2,070,415                | 1,697,303                | 2,143,200                | 2,220,752                | 2,245,479                | 2,310,127                |
| 1,149,360                                | 1,174,360                               | 1,197,847                  | 1,224,201                  | 1,251,133                | 1,279,910                | 1,309,348                | 1,340,773                | 1,374,293                | 1,408,651                | 1,445,274                |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>3,859,643</b>                         | <b>4,531,332</b>                        | <b>4,629,781</b>           | <b>4,698,617</b>           | <b>4,779,375</b>         | <b>4,793,652</b>         | <b>4,604,223</b>         | <b>5,122,506</b>         | <b>5,277,595</b>         | <b>5,366,724</b>         | <b>5,512,308</b>         |
| <b>Applications of operating funding</b> |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 3,861,184                                | 4,412,729                               | 4,501,223                  | 4,548,846                  | 4,618,494                | 4,763,571                | 4,821,750                | 4,948,679                | 5,110,404                | 5,186,662                | 5,333,621                |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 153,165                                  | 252,417                                 | 251,523                    | 265,688                    | 273,194                  | 275,267                  | 279,893                  | 284,988                  | 291,538                  | 300,985                  | 308,320                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>4,014,349</b>                         | <b>4,665,146</b>                        | <b>4,752,746</b>           | <b>4,814,534</b>           | <b>4,891,688</b>         | <b>5,038,838</b>         | <b>5,101,643</b>         | <b>5,233,667</b>         | <b>5,401,942</b>         | <b>5,487,647</b>         | <b>5,641,941</b>         |
| <b>(154,706)</b>                         | <b>(133,814)</b>                        | <b>(122,965)</b>           | <b>(115,917)</b>           | <b>(112,313)</b>         | <b>(245,186)</b>         | <b>(497,420)</b>         | <b>(111,161)</b>         | <b>(124,347)</b>         | <b>(120,923)</b>         | <b>(129,633)</b>         |
| <b>Sources of capital funding</b>        |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 390,000                  | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 10,000                   | 0                        | 0                        | 0                        | 10,000                   | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>0</b>                                 | <b>0</b>                                | <b>0</b>                   | <b>0</b>                   | <b>10,000</b>            | <b>0</b>                 | <b>390,000</b>           | <b>0</b>                 | <b>10,000</b>            | <b>0</b>                 | <b>0</b>                 |
| <b>Applications of capital funding</b>   |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 40,000                   | 0                        | 600,000                  | 0                        | 40,000                   | 0                        | 0                        |
| (36,703)                                 | (38,142)                                | (8,301)                    | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| (118,003)                                | (95,672)                                | (114,664)                  | (115,917)                  | (142,313)                | (245,186)                | (707,420)                | (111,161)                | (154,347)                | (120,923)                | (129,633)                |
| <b>(154,706)</b>                         | <b>(133,814)</b>                        | <b>(122,965)</b>           | <b>(115,917)</b>           | <b>(102,313)</b>         | <b>(245,186)</b>         | <b>(107,420)</b>         | <b>(111,161)</b>         | <b>(114,347)</b>         | <b>(120,923)</b>         | <b>(129,633)</b>         |
| <b>154,706</b>                           | <b>133,814</b>                          | <b>122,965</b>             | <b>115,917</b>             | <b>112,313</b>           | <b>245,186</b>           | <b>497,420</b>           | <b>111,161</b>           | <b>124,347</b>           | <b>120,923</b>           | <b>129,633</b>           |
| <b>0</b>                                 | <b>0</b>                                | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |

## Hazard management funding impact statement—civil defence emergency management

| 2017/2018<br>Estimate \$<br>Annual Plan  | 2018/2019<br>Estimate \$<br>Annual Plan | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|------------------------------------------|-----------------------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Sources of operating funding</b>      |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 184,955                                  | 183,912                                 | 180,667                    | 180,251                    | 185,981                  | 206,512                  | 221,831                  | 230,081                  | 234,692                  | 240,613                  | 246,612                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 688,358                                  | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>873,313</b>                           | <b>183,912</b>                          | <b>180,667</b>             | <b>180,251</b>             | <b>185,981</b>           | <b>206,512</b>           | <b>221,831</b>           | <b>230,081</b>           | <b>234,692</b>           | <b>240,613</b>           | <b>246,612</b>           |
| <b>Applications of operating funding</b> |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 668,690                                  | 399,236                                 | 406,221                    | 414,058                    | 422,067                  | 430,625                  | 439,379                  | 448,724                  | 458,692                  | 468,909                  | 479,801                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 333,191                                  | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>1,001,881</b>                         | <b>399,236</b>                          | <b>406,221</b>             | <b>414,058</b>             | <b>422,067</b>           | <b>430,625</b>           | <b>439,379</b>           | <b>448,724</b>           | <b>458,692</b>           | <b>468,909</b>           | <b>479,801</b>           |
| <b>(128,568)</b>                         | <b>(215,324)</b>                        | <b>(225,554)</b>           | <b>(233,807)</b>           | <b>(236,086)</b>         | <b>(224,113)</b>         | <b>(217,548)</b>         | <b>(218,643)</b>         | <b>(224,000)</b>         | <b>(228,296)</b>         | <b>(233,189)</b>         |
| <b>Sources of capital funding</b>        |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>0</b>                                 | <b>0</b>                                | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |
| <b>Applications of capital funding</b>   |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 74,000                                   | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| (202,568)                                | (215,324)                               | (225,554)                  | (233,807)                  | (236,086)                | (224,113)                | (217,548)                | (218,643)                | (224,000)                | (228,296)                | (233,189)                |
| <b>(128,568)</b>                         | <b>(215,324)</b>                        | <b>(225,554)</b>           | <b>(233,807)</b>           | <b>(236,086)</b>         | <b>(224,113)</b>         | <b>(217,548)</b>         | <b>(218,643)</b>         | <b>(224,000)</b>         | <b>(228,296)</b>         | <b>(233,189)</b>         |
| <b>128,568</b>                           | <b>215,324</b>                          | <b>225,554</b>             | <b>233,807</b>             | <b>236,086</b>           | <b>224,113</b>           | <b>217,548</b>           | <b>218,643</b>           | <b>224,000</b>           | <b>228,296</b>           | <b>233,189</b>           |
| <b>0</b>                                 | <b>0</b>                                | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |

## Hazard management funding impact statement—flood management, general river control and river control schemes

| 2017/2018<br>Estimate \$                      | 2018/2019<br>Estimate \$ | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|-----------------------------------------------|--------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Sources of operating funding</b>           |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| (47,975)                                      | (42,154)                 | (40,598)                   | (33,707)                   | (28,791)                 | (27,036)                 | (23,540)                 | (17,964)                 | (11,795)                 | (5,075)                  | 1,984                    |
| 700,454                                       | 711,706                  | 726,158                    | 734,564                    | 741,930                  | 750,592                  | 760,586                  | 770,076                  | 781,066                  | 793,142                  | 804,855                  |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 20,000                                        | 20,000                   | 20,400                     | 20,849                     | 21,308                   | 21,798                   | 22,299                   | 22,834                   | 23,405                   | 23,990                   | 24,614                   |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>672,479</b>                                | <b>689,552</b>           | <b>705,960</b>             | <b>721,706</b>             | <b>734,447</b>           | <b>745,354</b>           | <b>759,345</b>           | <b>774,946</b>           | <b>792,676</b>           | <b>812,057</b>           | <b>831,453</b>           |
| <b>Applications of operating funding</b>      |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 386,323                                       | 385,786                  | 393,365                    | 401,868                    | 410,499                  | 419,672                  | 429,344                  | 439,484                  | 450,299                  | 461,384                  | 473,202                  |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 111,392                                       | 126,525                  | 126,077                    | 133,177                    | 136,939                  | 137,978                  | 140,298                  | 142,851                  | 146,135                  | 150,869                  | 154,546                  |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>497,715</b>                                | <b>512,311</b>           | <b>519,442</b>             | <b>535,045</b>             | <b>547,438</b>           | <b>557,650</b>           | <b>569,642</b>           | <b>582,335</b>           | <b>596,434</b>           | <b>612,253</b>           | <b>627,748</b>           |
| <b>Surplus/(deficit) of operating funding</b> |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>174,764</b>                                | <b>177,241</b>           | <b>186,518</b>             | <b>186,661</b>             | <b>187,009</b>           | <b>187,704</b>           | <b>189,703</b>           | <b>192,611</b>           | <b>196,242</b>           | <b>199,804</b>           | <b>203,705</b>           |
| <b>Sources of capital funding</b>             |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 257,500                                       | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                        | 10,000                     | 0                          | 0                        | 0                        | 10,000                   | 0                        | 0                        | 0                        | 10,000                   |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>257,500</b>                                | <b>0</b>                 | <b>10,000</b>              | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>10,000</b>            | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>10,000</b>            |
| <b>Applications of capital funding</b>        |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| Capital expenditure to:                       |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                             | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 600,000                                       | 0                        | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                             | 0                        | 40,000                     | 0                          | 0                        | 0                        | 40,000                   | 0                        | 0                        | 0                        | 40,000                   |
| 44,672                                        | 45,650                   | 47,476                     | 49,375                     | 51,350                   | 53,404                   | 55,540                   | 57,762                   | 60,072                   | 62,475                   | 64,974                   |
| (212,408)                                     | 131,591                  | 109,042                    | 137,286                    | 135,659                  | 134,300                  | 104,163                  | 134,849                  | 136,170                  | 137,329                  | 108,731                  |
| <b>432,264</b>                                | <b>177,241</b>           | <b>196,518</b>             | <b>186,661</b>             | <b>187,009</b>           | <b>187,704</b>           | <b>199,703</b>           | <b>192,611</b>           | <b>196,242</b>           | <b>199,804</b>           | <b>213,705</b>           |
| <b>Surplus/(deficit) of capital funding</b>   |                          |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| <b>(174,764)</b>                              | <b>(177,241)</b>         | <b>(186,518)</b>           | <b>(186,661)</b>           | <b>(187,009)</b>         | <b>(187,704)</b>         | <b>(189,703)</b>         | <b>(192,611)</b>         | <b>(196,242)</b>         | <b>(199,804)</b>         | <b>(203,705)</b>         |
| <b>0</b>                                      | <b>0</b>                 | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |

## Recreation, culture and heritage funding impact statement

| 2017/2018<br>Estimate \$<br>Annual Plan  | 2018/2019<br>Estimate \$<br>Annual Plan | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|------------------------------------------|-----------------------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Sources of operating funding</b>      |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 1,588,231                                | 1,566,064                               | 1,763,174                  | 2,207,646                  | 2,267,297                | 1,785,797                | 1,894,955                | 1,947,011                | 1,972,553                | 2,009,463                | 2,050,533                |
| 306,871                                  | 301,734                                 | 296,938                    | 292,131                    | 287,324                  | 282,506                  | 277,688                  | 272,870                  | 268,041                  | 263,212                  | 258,372                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 152,000                                  | 152,000                                 | 156,500                    | 165,922                    | 168,742                  | 171,637                  | 174,610                  | 177,662                  | 180,796                  | 184,014                  | 187,319                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>2,047,102</b>                         | <b>2,019,798</b>                        | <b>2,216,612</b>           | <b>2,665,699</b>           | <b>2,723,363</b>         | <b>2,239,940</b>         | <b>2,347,253</b>         | <b>2,397,543</b>         | <b>2,421,390</b>         | <b>2,456,689</b>         | <b>2,496,224</b>         |
| <b>Applications of operating funding</b> |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 2,205,965                                | 2,403,122                               | 2,921,065                  | 3,943,597                  | 3,965,838                | 2,502,026                | 2,530,944                | 2,570,091                | 2,603,583                | 2,642,000                | 2,682,962                |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 852,155                                  | 974,242                                 | 970,790                    | 1,025,462                  | 1,054,432                | 1,062,434                | 1,080,290                | 1,099,954                | 1,125,239                | 1,161,694                | 1,190,007                |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>3,058,120</b>                         | <b>3,377,364</b>                        | <b>3,891,855</b>           | <b>4,969,059</b>           | <b>5,020,270</b>         | <b>3,564,460</b>         | <b>3,611,234</b>         | <b>3,670,045</b>         | <b>3,728,822</b>         | <b>3,803,694</b>         | <b>3,872,969</b>         |
| <b>(1,011,018)</b>                       | <b>(1,357,566)</b>                      | <b>(1,675,243)</b>         | <b>(2,303,360)</b>         | <b>(2,296,907)</b>       | <b>(1,324,520)</b>       | <b>(1,263,981)</b>       | <b>(1,272,502)</b>       | <b>(1,307,432)</b>       | <b>(1,347,005)</b>       | <b>(1,376,745)</b>       |
| <b>Sources of capital funding</b>        |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 8,000                                    | 18,000                                  | 0                          | 20,000                     | 18,000                   | 48,000                   | 0                        | 20,000                   | 18,000                   | 48,000                   | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>8,000</b>                             | <b>18,000</b>                           | <b>0</b>                   | <b>20,000</b>              | <b>18,000</b>            | <b>48,000</b>            | <b>0</b>                 | <b>20,000</b>            | <b>18,000</b>            | <b>48,000</b>            | <b>0</b>                 |
| <b>Applications of capital funding</b>   |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 1,226,000                                | 1,725,000                               | 1,666,000                  | 1,647,000                  | 842,000                  | 828,006                  | 195,000                  | 238,000                  | 318,000                  | 238,000                  | 167,000                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| (2,229,018)                              | (3,064,566)                             | (3,341,243)                | (3,930,360)                | (3,120,907)              | (2,104,526)              | (1,458,981)              | (1,490,502)              | (1,607,432)              | (1,537,005)              | (1,543,745)              |
| <b>(1,003,018)</b>                       | <b>(1,339,566)</b>                      | <b>(1,675,243)</b>         | <b>(2,283,360)</b>         | <b>(2,278,907)</b>       | <b>(1,276,520)</b>       | <b>(1,263,981)</b>       | <b>(1,252,502)</b>       | <b>(1,289,432)</b>       | <b>(1,299,005)</b>       | <b>(1,376,745)</b>       |
| <b>1,011,018</b>                         | <b>1,357,566</b>                        | <b>1,675,243</b>           | <b>2,303,360</b>           | <b>2,296,907</b>         | <b>1,324,520</b>         | <b>1,263,981</b>         | <b>1,272,502</b>         | <b>1,307,432</b>         | <b>1,347,005</b>         | <b>1,376,745</b>         |
| <b>0</b>                                 | <b>0</b>                                | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |

## Regional representation, advocacy and investment management funding impact statement

| 2017/2018<br>Estimate \$<br>Annual Plan  | 2018/2019<br>Estimate \$<br>Annual Plan | 2019/2020<br>Indicative \$ | 2020/2021<br>Indicative \$ | 2021/2022<br>Forecast \$ | 2022/2023<br>Forecast \$ | 2023/2024<br>Forecast \$ | 2024/2025<br>Forecast \$ | 2025/2026<br>Forecast \$ | 2026/2027<br>Forecast \$ | 2027/2028<br>Forecast \$ |
|------------------------------------------|-----------------------------------------|----------------------------|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Sources of operating funding</b>      |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 734,273                                  | 732,357                                 | 760,394                    | 726,373                    | 752,232                  | 874,486                  | 884,241                  | 917,086                  | 992,937                  | 964,514                  | 989,938                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 3,000                                    | 3,000                                   | 3,000                      | 3,000                      | 3,000                    | 3,000                    | 3,000                    | 3,000                    | 3,000                    | 3,000                    | 3,000                    |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>737,273</b>                           | <b>735,357</b>                          | <b>763,394</b>             | <b>729,373</b>             | <b>755,232</b>           | <b>877,486</b>           | <b>887,241</b>           | <b>920,086</b>           | <b>995,937</b>           | <b>967,514</b>           | <b>992,938</b>           |
| <b>Applications of operating funding</b> |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 925,454                                  | 1,020,229                               | 1,140,004                  | 1,061,306                  | 1,083,965                | 1,201,719                | 1,121,221                | 1,147,375                | 1,285,274                | 1,203,868                | 1,234,354                |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 452,533                                  | 545,639                                 | 543,705                    | 574,326                    | 590,550                  | 595,031                  | 605,033                  | 616,047                  | 630,207                  | 650,624                  | 666,482                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>1,377,987</b>                         | <b>1,565,868</b>                        | <b>1,683,709</b>           | <b>1,635,632</b>           | <b>1,674,515</b>         | <b>1,796,750</b>         | <b>1,726,254</b>         | <b>1,763,422</b>         | <b>1,915,481</b>         | <b>1,854,492</b>         | <b>1,900,836</b>         |
| <b>(640,714)</b>                         | <b>(830,511)</b>                        | <b>(920,315)</b>           | <b>(906,259)</b>           | <b>(919,283)</b>         | <b>(919,264)</b>         | <b>(839,013)</b>         | <b>(843,336)</b>         | <b>(919,544)</b>         | <b>(886,978)</b>         | <b>(907,898)</b>         |
| <b>Sources of capital funding</b>        |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 31,000                                   | 20,000                                  | 20,000                     | 63,000                     | 23,000                   | 40,000                   | 0                        | 63,000                   | 43,000                   | 20,000                   | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| <b>31,000</b>                            | <b>20,000</b>                           | <b>20,000</b>              | <b>63,000</b>              | <b>23,000</b>            | <b>40,000</b>            | <b>0</b>                 | <b>63,000</b>            | <b>43,000</b>            | <b>20,000</b>            | <b>0</b>                 |
| <b>Applications of capital funding</b>   |                                         |                            |                            |                          |                          |                          |                          |                          |                          |                          |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| 841,000                                  | 2,100,000                               | 604,200                    | 833,644                    | 1,089,675                | 736,179                  | 657,972                  | 834,628                  | 813,376                  | 1,172,499                | 642,424                  |
| 0                                        | 0                                       | 0                          | 0                          | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        | 0                        |
| (1,450,714)                              | (2,910,511)                             | (1,504,515)                | (1,676,903)                | (1,985,958)              | (1,615,443)              | (1,496,985)              | (1,614,964)              | (1,689,920)              | (2,039,477)              | (1,550,322)              |
| <b>(609,714)</b>                         | <b>(810,511)</b>                        | <b>(900,315)</b>           | <b>(843,259)</b>           | <b>(896,283)</b>         | <b>(879,264)</b>         | <b>(839,013)</b>         | <b>(780,336)</b>         | <b>(876,544)</b>         | <b>(866,978)</b>         | <b>(907,898)</b>         |
| <b>640,714</b>                           | <b>830,511</b>                          | <b>920,315</b>             | <b>906,259</b>             | <b>919,283</b>           | <b>919,264</b>           | <b>839,013</b>           | <b>843,336</b>           | <b>919,544</b>           | <b>886,978</b>           | <b>907,898</b>           |
| <b>0</b>                                 | <b>0</b>                                | <b>0</b>                   | <b>0</b>                   | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |

## Appendix 4: Reporting and prudence regulations

### Long-Term plan disclosure statement for period commencing 1 July 2018

#### What is the purpose of this statement?

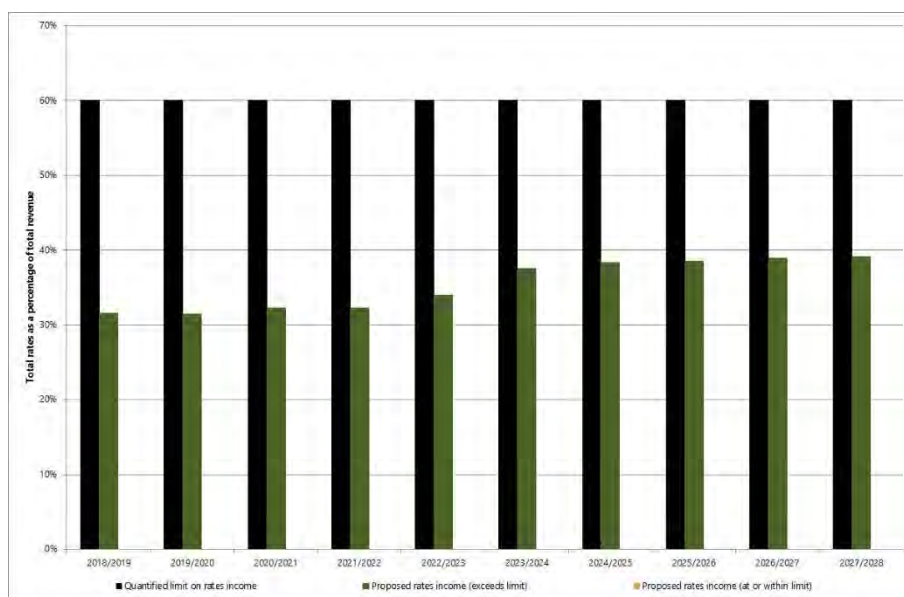
The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

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

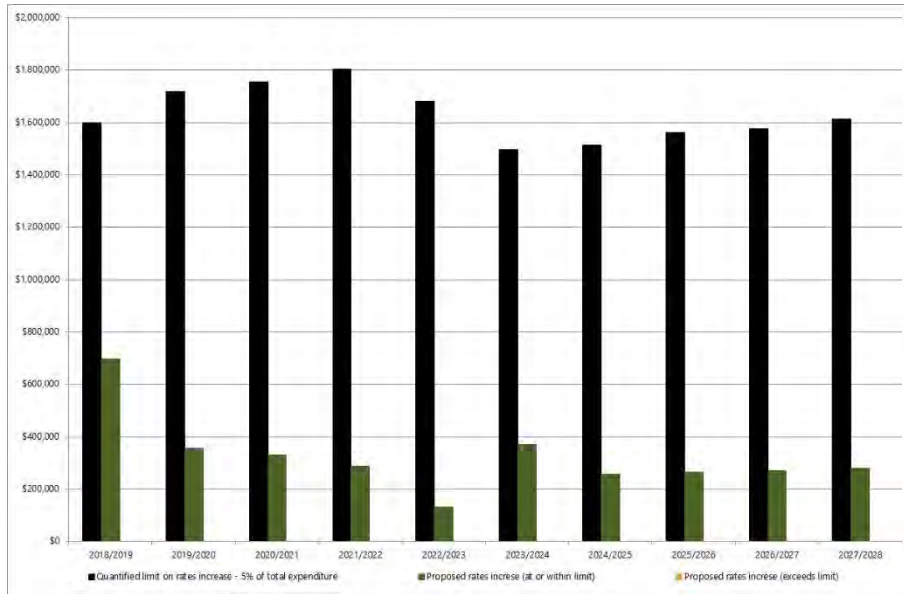
The Council meets the rates affordability benchmark if—  
its planned rates income equals or is less than each quantified limit on rates; and  
its planned rates increases equal or are less than each quantified limit on rates increases.

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 that total rates will not exceed 60% of total revenue.



Rates (increases) affordability. The following graph compares the Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this *Long-Term Plan*. The quantified limit is that total rates increase will not exceed 5% of total expenditure.



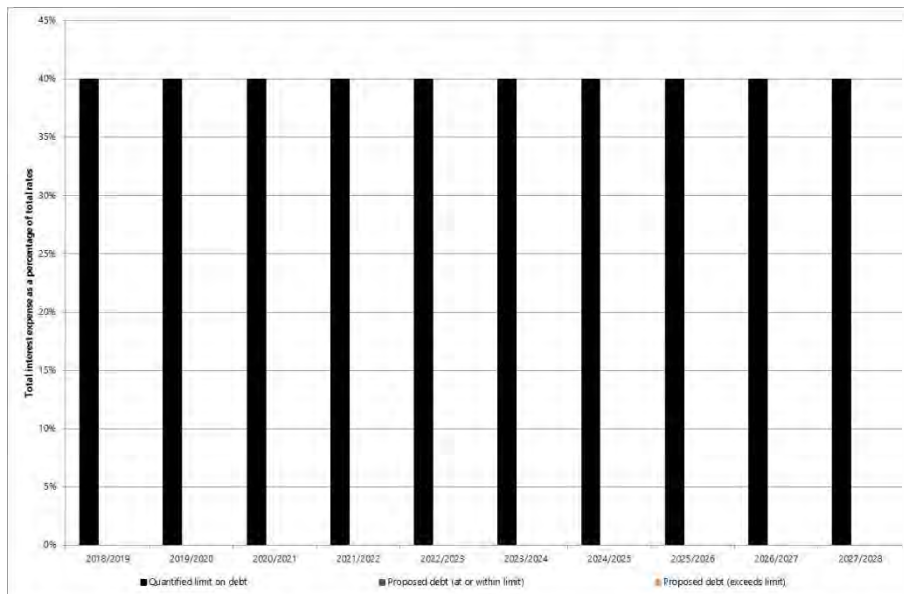


### Debt affordability benchmark

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 that total interest expense on net external public debt will not exceed 40% of total annual rates and levies.

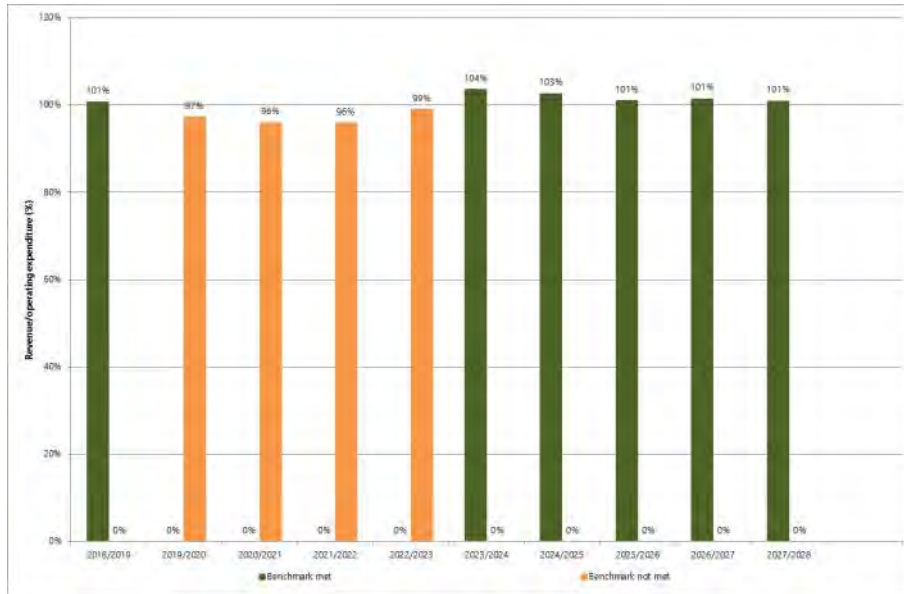
During the period 2018/2019 to 2027/2028, the Council plans to have no external public debt and, consequently no interest expense. The graph shows the total interest expense on net external public debt as 0% of total annual rates and levies.



### 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.



The years in which the Council does not meet the benchmark, the deficit will be funded from the Dividend Equalisation Reserve. Similarly in years in which the Council exceeds the benchmark, the surplus will be transferred to the Dividend Equalisation Reserve. Refer to the *Financial Strategy* in the *Plan* for further information.

### Essential services benchmark

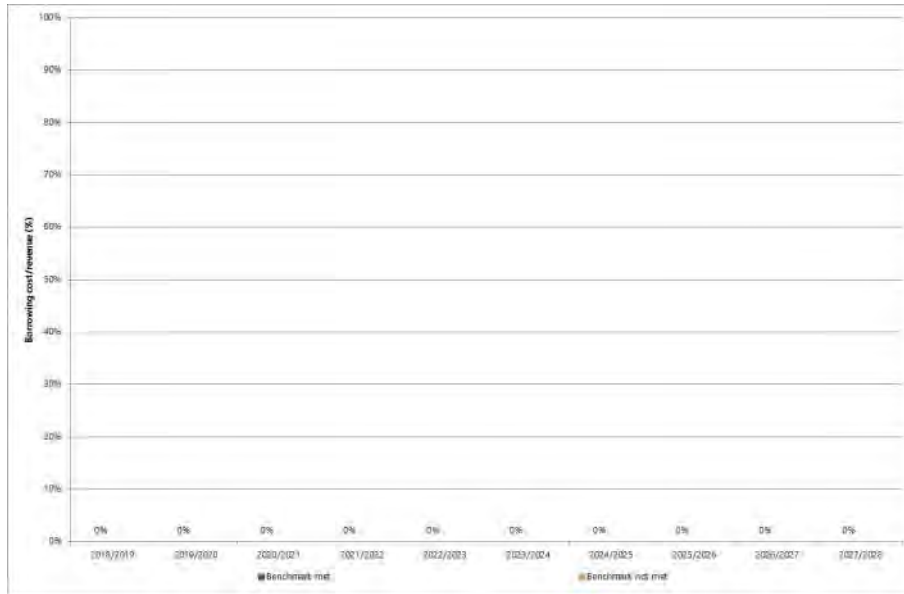
The following graph displays the Council’s capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. Network services means infrastructure related to:

- water supply
- sewerage and the treatment and disposal of sewage
- stormwater drainage
- flood protection and control works
- the provision of roads and footpaths.

The Council’s only network services are in relation to flood protection and control works. The Council does not provide any of the other network services. These network services are in the form of land assets. Accordingly, there is no depreciation on these assets. The Council’s capital expenditure will always be equal to or greater than the depreciation expense. As there is no depreciation, the graph required by Schedule 6 of the *Local Government (Financial Reporting and Prudence) Regulations 2014* cannot be produced.

### Debt servicing benchmark

The following graph displays the Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment). Because Statistics New Zealand projects the council's population will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue. During the period 2018/2019 to 2027/2028, the Council planning to have no external public debt and, consequently no borrowing costs.



## Appendix 5: Infrastructure Strategy

The Council is required to plan and manage its infrastructure needs with a thirty year time horizon. Specifically, the Council must identify significant infrastructure issues and identify the principal options for managing those issues and the implications of those options.

### Introduction

The Council is required to prepare a thirty year strategy for the following classes of infrastructure; roads, water supplies, sewage treatment and disposal, stormwater and flood protection. The Council provides flood protection services and has no infrastructure assets in the other classes. This strategy, therefore, focuses on the Council's river and flood control schemes.

Flood management and river control schemes is a relatively minor component of the Council's operations. It accounts for approximately 1.6% of total operating expenditure. At 30 June 2017, the Council's flood control schemes were valued at \$12.5m out of total Council assets of \$87.3m.

The Council has two significant flood control schemes on the Waitara and Waiwhakaiho Rivers and a number of relatively small and minor schemes to address specific issues.

In 2013/2014 the Council completed an upgrade of the *Lower Waiwhakaiho Flood Control Scheme* and in June 2016, an upgrade of the *Lower Waitara River Flood Control Scheme* was completed. The upgrades of the two significant flood control schemes provide 1% annual exceedance probability (AEP) – or 1 in 100 year protection, with allowance for climate change through to 2060.

Asset management plans have been prepared, and adopted by the Council, for the Lower Waiwhakaiho River Flood Control Scheme, the Lower Waitara River Flood Control Scheme and the Okato Scheme.

### Lower Waiwhakaiho Flood Control Scheme

The land use in the area protected by the Scheme is 98% commercial and industrial with approximately 2% residential. The 1% AEP protection standard is considered to be the accepted standard for an area largely used for commercial and industrial uses.

Changes in the industries and commercial entities are likely to occur in the area protected by the Scheme over the life of this strategy but the land use would most likely continue to be commercial and industrial. In the very unlikely event that a change in land use would result in an increase in the percentage of residential land use, the protection standard provided by the Scheme would still be appropriate and therefore a further capital upgrade would not be required.

There is no planned upgrade to the level of service provided by the Scheme before 2060 as the Scheme will provide at least 1%AEP standard until that date provided climate change predictions are reasonably accurate.

The risk to the Scheme infrastructure arising from natural disasters is low. The nature and ongoing maintenance of the assets make them resistant to significant damage in large flood events. Any damage that did occur would be funded from Scheme reserves. An annual budget of \$15,000 is provided for the repair of flood damage from the North Taranaki Schemes and if unspent, accumulates in the Scheme reserve account.

The Scheme has infrastructure assets that fall into seven types. The following table sets out how the Council will manage these asset types.

| Asset Type               | Renewal or replacement requirements                                                                                                                                                                        | Expenditure |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Earth stopbanks          | No replacement required. Stopbanks will be maintained to the design levels and standards.                                                                                                                  | Operational |
| Gabion basket structures | Gabion baskets have a design life in the order of 100 years. The first gabion baskets were constructed in the Scheme in 1997. Some minor maintenance may be required. No replacement required before 2048. | Operational |
| Concrete structures      | Concrete structures have a design life in the 50 to 100 year range. The                                                                                                                                    | Nil         |

| Asset Type                          | Renewal or replacement requirements                                                                                                                                                                                                                | Expenditure |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
|                                     | concrete structures in the Scheme were all constructed since 2011 as part of the Scheme upgrade works. No replacement required before 2048.                                                                                                        |             |
| Concrete culverts                   | Concrete culverts have a design life of at least 50 years. The earliest culverts installed as part of the Scheme were constructed in 1997 as part of the initial Scheme construction works. No replacement required before 2048.                   | Nil         |
| Aluminium and galvanised floodgates | Aluminium floodgates will not need replacing before 2048. Galvanised floodgates may need replacing prior to 2048. Current asset value of all floodgates is \$31,000 and would be replaced or repaired as required from annual maintenance funding. | Operational |
| Rock riprap                         | Rock does not need replacement. Minor topping up may be required very irregularly. The Waiwhakaiho River and Mangaone Streams have stable beds resulting in stable riprap works that require minimal attention.                                    | Operational |
| Ancillary minor structures          | Gates, fences and bollards have a life shorter than 30 years but individually have a low replacement cost and will be replaced as a maintenance activity as required.                                                                              | Operational |

## Risk Management

The following table sets out the risks faced by the Scheme assets by natural disasters and indicates the financial implications and potential size of that risk. The potential risk to the Scheme assets arises from over design flood events and from earthquakes.

| Disaster Type                     | Risk                                                                                                  | Financial Risk | Expenditure type to fund repair |
|-----------------------------------|-------------------------------------------------------------------------------------------------------|----------------|---------------------------------|
| Earth stopbanks<br>Flood          | Some minor damage possible. If a stopbank was to fail, the damage to the stopbank would be localised. | Minor          | Operational                     |
| Earthquake                        | Could suffer significant damage from cracking and slumping.                                           | Significant    | Capital                         |
| Gabion basket structures<br>Flood | Minimal                                                                                               | Minor          | Operational                     |
| Earthquake                        | Could suffer significant damage from cracking and toppling.                                           | Medium         | Capital                         |
| Concrete structures<br>Flood      | Minimal                                                                                               | Minor          | Operational                     |
| Earthquake                        | Concrete-block headwalls could suffer significant damage from cracking and toppling.                  | Medium         | Capital                         |

| Disaster Type                       | Risk                                                                 | Financial Risk | Expenditure type to fund repair |
|-------------------------------------|----------------------------------------------------------------------|----------------|---------------------------------|
| Concrete culverts                   |                                                                      |                |                                 |
| Flood                               | Minimal                                                              | Minor          | Operational                     |
| Earthquake                          | Could have fractures in culverts that would need replacing           | Minor          | Capital                         |
| Aluminium and galvanised floodgates |                                                                      |                |                                 |
| Flood                               | Minor damage to floodgates                                           | Minor          | Operational                     |
| Earthquake                          | Minimal                                                              | Minor          | Operational                     |
| Ancillary minor structures          |                                                                      |                |                                 |
| Flood                               | Moderate risk of damage                                              | Minor          | Operational                     |
| Earthquake                          | Minimal                                                              | Minor          | Operational                     |
| Rock riprap                         |                                                                      |                |                                 |
| Flood                               | Moderate risk of rock riprap needing to be repositioned or topped up | Minor          | Capital                         |
| Earthquake                          | Minimal                                                              | Minor          | Operational                     |

The indicative estimated set out below for the management of the Scheme assets is drawn from the Lower Waiwhakaiho Flood Control Scheme asset management plan. There is no planned capital expenditure over the next 30 year period.

| Year(s)                           | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Estimated operating costs \$000's | 48        | 44        | 43        | 35        | 45        | 51        | 39        |
| Year(s)                           | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2033 | 2033/2038 | 2038/2043 | 2043/2048 |
| Estimated operating costs \$000's | 35        | 35        | 55        | 225       | 225       | 225       | 225       |

## Assumptions

The assumptions made in determining the above estimates are:

- That the frequency and size/nature of the future maintenance works required are in line with that which has occurred over recent years.
- That the frequency of damaging flood events and the damage that occurs in these events does not change significantly.

## Lower Waitara River Flood Control Scheme

The land use in the area protected by the Scheme is a mixture of commercial, industrial and residential with the majority of the area being residential. The 1% AEP protection standard is considered to be the accepted standard for town the size of Waitara.

Changes in the land uses are likely to occur over time but it is unlikely that the percentages of land use type will vary significantly over the next 30 years. The value of the assets in Waitara protected by the Scheme are unlikely to change significantly over the next 30 years to warrant an upgrade to a higher standard of protection. Notwithstanding this, there is no plan to further upgrade to the level of service provided by the Scheme before 2065 as the Scheme will provide at least 1% AEP protection standard until that date.

The risk to the Scheme infrastructure arising from natural disasters is low. The nature and ongoing maintenance of the assets make them resistant to significant damage in large flood events. Any damage that did occur would be funded from Scheme reserves. An annual budget of \$15,000 is provided for the repair of flood damage from the North Taranaki Schemes and if unspent, accumulates in the Scheme reserve account.

The Scheme has infrastructure assets that fall into six types. The following table sets out how the Council will manage these asset types.

| Asset Type      | Renewal or replacement requirements                                                       | Expenditure |
|-----------------|-------------------------------------------------------------------------------------------|-------------|
| Earth stopbanks | No replacement required. Stopbanks will be maintained to the design levels and standards. | Operational |

| Asset Type                        | Renewal or replacement requirements                                                                                                                                                                                   | Expenditure |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Gabion basket structures          | Gabion baskets have a design life in the order of 100 years. The first gabion baskets were constructed in the Scheme in 2014. Some minor maintenance may be required. No replacement required before 2048.            | Operational |
| Concrete structures               | Concrete structures have a design life in the 50 to 100 year range. The concrete structures in the Scheme will all be constructed post 2014 as part of the Scheme upgrade works. No replacement required before 2048. | Nil         |
| Concrete culverts and flood gates | All culverts and floodgates are New Plymouth District Council assets.                                                                                                                                                 | Nil         |
| Rock riprap                       | Rock does not need replacement. Minor topping up may be required very irregularly.                                                                                                                                    | Operational |
| Ancillary minor structures        | Gates, fences, access tracks and bollards have a life shorter than 30 years but individually have a low replacement cost and will be replaced as a maintenance activity as required.                                  | Operational |

## Risk Management

The following table sets out the risk faced by the Scheme assets by natural disasters and indicates the financial implications and potential size of that risk. The potential risk to the Scheme assets arises from over design flood events and from earthquakes.

| Disaster Type                            | Risk                                                                                                       | Financial Risk | Expenditure type to fund repair |
|------------------------------------------|------------------------------------------------------------------------------------------------------------|----------------|---------------------------------|
| Earth stopbanks<br>Flood                 | Some minor damage possible. If a stopbank was to fail, the damage to the stopbank would be very localised. | Minor          | Operational                     |
| Earthquake                               | Could suffer significant damage from cracking and slumping.                                                | Significant    | Capital                         |
| Gabion basket structures<br>Flood        | Minimal                                                                                                    | Minor          | Operational                     |
| Earthquake                               | Could suffer significant damage from cracking and toppling.                                                | Medium         | Capital                         |
| Concrete structures<br>Flood             | Minimal                                                                                                    | Minor          | Operational                     |
| Earthquake                               | Could suffer significant damage due to foundation failure.                                                 | Significant    | Capital                         |
| Rock riprap<br>Flood                     | Moderate risk of rock riprap needing to be repositioned or topped up                                       | Moderate       | Capital                         |
| Earthquake<br>Ancillary minor structures | Minimal                                                                                                    | Minor          | Operational                     |

| Disaster Type | Risk                    | Financial Risk | Expenditure type to fund repair |
|---------------|-------------------------|----------------|---------------------------------|
| Flood         | Moderate risk of damage | Minor          | Operational                     |
| Earthquake    | Minimal                 | Minor          | Operational                     |

The indicative estimated set out below for the management of the Scheme assets is drawn from the Lower Waitara River Flood Control Scheme asset management plan. No appreciable capital expenditure is planned for the next 30 year period.

| Year(s)                           | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Estimated operating costs \$000's | 42        | 52        | 47        | 47        | 46        | 42        | 50        |

| Year(s)                           | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2033 | 2033/2038 | 2038/2043 | 2043/2048 |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Estimated operating costs \$000's | 59        | 47        | 44        | 225       | 225       | 225       | 225       |

## Assumptions

The assumptions made in determining the above estimates are:

- That the frequency and size/nature of the future maintenance works required are in line with that which has occurred over recent years.
- That the frequency of damaging flood events and the damage that occurs in these events does not change significantly.

## Okato Flood Control Scheme

The Okato Scheme comprises works in the Stony River and Kaihihi Stream primarily to protect the Okato community and to manage a short reach of the Stony River upstream and downstream of the SH45 Bridge.

The *Okato Scheme* assets include earthen stop banks, river training groynes, rock riprap and flood overflow channels. Works on the Stony and the Kaihihi involve the management of in-channel gravel build up, the maintenance of bank protection and alignment control works, the maintenance of river edge vegetation, and the maintenance of stopbanks and overflow channels.

Some relatively minor upgrade works were undertaken on the Okato Scheme in 2012/2013. The Scheme currently manages sections of the Stony River and Kaihihi Stream to control the channel alignments and limit the adverse effects of out of channel floods flows as is practicable but to no specific standard.

The land use in the area protected by the Scheme is predominantly agricultural with some small areas of urban and commercial. The protection standard provided by the Scheme is considered to be an acceptable standard considering the land use and the nature of the assets at risk. Significant changes in the land uses are unlikely to occur in the area benefiting from the scheme works.

There is no upgrade planned for the Scheme within the next 30 years.

The risk to some of the Scheme infrastructure arising from natural disasters is significant especially those associated with the Stony River. Depending on the size of the damage to the Stony River assets, their repair may involve capital expenditure but those in the Kaihihi Stream would be funded from Scheme reserves. An annual budget of \$15,000 is provided for the repair of flood damage from the North Taranaki Schemes and if unspent, accumulates in the Scheme reserve account.

The Scheme has infrastructure assets that fall into five types. The following table sets out how the Council will manage these asset types.

| Asset Type                      | Renewal or replacement requirements                                                         | Expenditure |
|---------------------------------|---------------------------------------------------------------------------------------------|-------------|
| Earth stopbanks                 | No replacement required. Stopbanks will be maintained to the as-built levels and standards. | Operational |
| Earth stopbanks and guide banks | No replacement required. Stopbanks will be maintained to the design levels and standards.   | Operational |
| Rock river training works       | Rock does not need replacement.                                                             | Operational |



| Asset Type   | Renewal or replacement requirements                                                                           | Expenditure |
|--------------|---------------------------------------------------------------------------------------------------------------|-------------|
|              | Some rock repositioning may be required from time to time. Minor topping up may be required very irregularly. |             |
| Rock groynes | Rock does not need replacement. Minor repositioning may be required.                                          | Operational |
| Rock riprap  | Rock does not need replacement. Minor topping up may be required very irregularly.                            | Operational |

## Risk Management

The following table sets out the risk faced by the Scheme assets by natural disasters and indicates the financial implications and potential size of that risk. The potential risk to the Scheme assets arises from over design flood events.

| Disaster Type                            | Risk                                                                                                  | Financial Risk | Expenditure type to fund repair |
|------------------------------------------|-------------------------------------------------------------------------------------------------------|----------------|---------------------------------|
| Earth stopbanks and guide banks<br>Flood | Some minor damage possible. If a stopbank was to fail, the damage to the stopbank would be localized. | Minor          | Operational                     |
| Rock river training works<br>Flood       | The large rock river training works could be severely damaged in a very large flood in the river.     | Significant    | Capital                         |
| Rock groynes<br>Flood                    | Moderate                                                                                              | Minor          | Operational                     |
| Rock riprap<br>Flood                     | Moderate risk of rock riprap needing to be repositioned or topped up.                                 | Minor          | Operational                     |

The indicative estimated set out below for the management of the Scheme assets is drawn from the Okato Scheme asset management plan. No capital expenditure is planned for the next 30 year period.

| Year(s)                           | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Estimated operating costs \$000's | 15        | 11        | 14        | 11        | 15        | 11        | 14        |
| Year(s)                           | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2033 | 2033/2038 | 2038/2043 | 2043/2048 |
| Estimated operating costs \$000's | 11        | 15        | 11        | 55        | 55        | 55        | 55        |

## Assumptions

The assumptions made in determining the above estimates are:

- That the frequency and size/nature of the future maintenance works required are in line with that which has occurred over recent years.
- That the frequency of damaging flood events and the damage that occurs in these events does not change significantly.

## Opunake Flood Control Scheme

The land use in the area protected by the Scheme is a mixture of commercial, industrial and residential with the majority of the area being residential. The 1% AEP protection standard is considered to be the accepted standard for town the size of Opunake.

Changes in the land uses are likely to occur over time but it is unlikely that the percentages of land use type will vary significantly over the next 30 years. The value of the assets in Opunake protected by the Scheme are unlikely to change significantly over the next 30 years to warrant an upgrade to a higher standard of protection. Notwithstanding this, there is no plan to further upgrade the level of service provided by the Scheme before 2065 as the Scheme will provide at least 1% AEP protection standard until that date.

The risk to the Scheme infrastructure arising from natural disasters is low. The nature and ongoing maintenance of the assets make them resistant to significant damage in large flood events. Any damage that did occur would likely be of limited extent and relatively low cost to repair. Damage to the flood channels, even if extensive, is unlikely to significantly effect the performance of the scheme during a flood event.

The Scheme has infrastructure assets that fall into three types. The following table sets out how the Council will manage these asset types.

| Asset Type         | Renewal or replacement requirements                                                                                       | Expenditure |
|--------------------|---------------------------------------------------------------------------------------------------------------------------|-------------|
| Open channels      | No replacement required. Channels will be maintained to the design profiles and standards.                                | Operational |
| HDPE culvert pipes | The HDPE culverts used (Euroflo) have a design life of 100 years. Installed in 2018, no replacement required before 2048. | Operational |
| Rock riprap        | Rock does not need replacement. Minor topping up may be required very irregularly.                                        | Operational |

## Risk Management

The following table sets out the risk faced by the Scheme assets by natural disasters and indicates the financial implications and potential size of that risk. The potential risk to the Scheme assets arises from over design flood events and from earthquakes.

| Disaster Type               | Risk                                                                                        | Financial Risk | Expenditure type to fund repair |
|-----------------------------|---------------------------------------------------------------------------------------------|----------------|---------------------------------|
| Open channels<br>Flood      | Some minor damage possible. Possible bank erosion or slumping that would be very localised. | Minor          | Operational                     |
| Earthquake                  | Could suffer minor damage from lateral spread and slumping.                                 | Minor          | Operational                     |
| HDPE culvert pipes<br>Flood | Minimal                                                                                     | Minor          | Operational                     |
| Earthquake                  | Minimal                                                                                     | Minor          | Operational                     |
| Rock riprap<br>Flood        | Moderate risk of rock riprap needing to be repositioned or topped up                        | Moderate       | Capital                         |
| Earthquake                  | Minimal                                                                                     | Minor          | Operational                     |

The indicative estimated set out below for the management of the Scheme assets is based on cost for similar schemes elsewhere in New Zealand. No appreciable capital expenditure is planned for the next 30 year period.

| Year(s)                           | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Estimated operating costs \$000's | 5         | 5         | 5         | 5         | 5         | 5         | 5         |
| Year(s)                           | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2033 | 2033/2038 | 2038/2043 | 2043/2048 |

|                                   |   |   |   |    |    |    |    |
|-----------------------------------|---|---|---|----|----|----|----|
| Estimated operating costs \$000's | 5 | 5 | 5 | 15 | 15 | 15 | 15 |
|-----------------------------------|---|---|---|----|----|----|----|

## Assumptions

The assumptions made in determining the above estimates are:

- That the frequency and size/nature of the future maintenance works required are in line with similar schemes elsewhere – the Opunake Flood Control Scheme has just been completed in 2018.
- That the frequency of damaging flood events and the damage that occurs in these events does not change significantly.

## Appendix 6: Charging Policies

### Resource Management Act Charging Policy

#### Schedule of charges pursuant to section 36 of the Resource Management Act 1991

##### Schedule 1: Scale of charges for staff time

|                                | Rate for processing resource consents and responding to pollution incidents. | Rate for all other Council work. |
|--------------------------------|------------------------------------------------------------------------------|----------------------------------|
| Professional staff             | \$92/hr                                                                      | \$87/hr                          |
| Professional/supervisory staff | \$116/hr                                                                     | \$108/hr                         |
| Managers                       | \$168/hr                                                                     | \$157/hr                         |
| Support staff                  | \$92/hr                                                                      | \$87/hr                          |
| Directors                      | \$280/hr                                                                     | \$260/hr                         |

##### EXPLANATION

This scale of charges is used to calculate the Council's actual and reasonable costs when carrying out functions under the *Resource Management Act 1991*, including any functions transferred to it under section 33. Where those actual and reasonable costs exceed any specified charges, the Council may recover those costs as additional charges under section 36(3) of the *Resource Management Act 1991*. Staff time is recovered at the charge appropriate to the task which they are undertaking. The charges are calculated as per the IPENZ method with a multiplier of 2.1. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2018.

##### Schedule 2: Fixed minimum charges for the preparation or change of policy statement or plans and the processing of resource consents

|                                                                                          |                  |
|------------------------------------------------------------------------------------------|------------------|
| Request for preparation or change to a plan/policy statement                             | \$50,000         |
| For non-notified farm dairy discharge consent                                            | \$720            |
| For non-notified consent other                                                           | \$1,200          |
| For notified consents (limited and public)                                               | \$7,000          |
| Renewal or change consent:                                                               |                  |
| • Non-notified                                                                           | \$1,200          |
| • Notified (limited and public)                                                          | \$7,000          |
| Non-notified review of consent                                                           | \$600            |
| Notified review of consent                                                               | \$7,000          |
| Extension of a consent lapse date                                                        | \$460            |
| Certificate of compliance                                                                | \$1,200          |
| Serve notice of a permitted activity                                                     | \$255            |
| Approvals under <i>Resource Management Act</i> :                                         |                  |
| Water Measuring Regulations                                                              | \$360            |
| Transfer of consent to another party or change of consent holder name (1 to 5 consents)  | \$92 per consent |
| Transfer of consent to another party or change of consent holder name (6 to 20 consents) | \$76 per consent |
| Transfer of consent to another party or change of consent holder name (more than 21)     | \$61 per consent |

##### EXPLANATION

Applicants, in accordance with Council policy, are required, where necessary, to pay all actual and reasonable charges for staff time, consultants, cultural and other experts, legal, hearing costs (including legal, administration, hearing commissioners (and disbursements and councillors acting as hearing commissioners costs), plant and laboratory analyses where these costs exceed the fixed minimum charges set out in Schedule 2. The above charges include those arising from any functions transferred to the Council under section 33 of the *Resource Management Act 1991*. Where independent commissioners are requested by submitters, these additional costs will be recovered from the applicant and reimbursed after collection from the submitter under Schedule 8. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2018.

## Schedule 3: Scale of charges for the use of plant

|                                           |                         |
|-------------------------------------------|-------------------------|
| Multi-parameter field meter               | \$100.00 per day        |
| Mangati environmental sensors             | \$5,000 per year        |
| In stream temperature monitor             | \$300.00 per year       |
| Portable (12v) groundwater pump           | \$120.00 per day        |
| Suspended particulate sampler             | \$30.00 per hour        |
| Vandorn sampler                           | \$50.00 per day         |
| Black disc                                | \$20.00 per deployment  |
| Bladder pump                              | \$450.00 per day        |
| Calibration test equipment                | \$100.00 per hour       |
| Disposable bailer                         | \$20.00 per sample      |
| Peristaltic pump                          | \$120.00 per day        |
| Groundwater level logger                  | \$180.00 per year       |
| Groundwater probe                         | \$100.00 per day        |
| Rain gauge calibration                    | \$300.00 per deployment |
| Automatic water quality samplers          | \$50.00 per day         |
| Hydrological gauging equipment (wading)   | \$60.00 per gauging     |
| Hydrological gauging equipment (M9)       | \$120.00 per gauging    |
| Datalogger                                | \$160.00 per year       |
| GPRS telemetry                            | \$30 per month          |
| Radio telemetry                           | \$10 per month          |
| Repair Parts (battery/fuse/cable)         | \$50 per deployment     |
| Bertrand Rd hydrology equipment           | \$750.00 per year       |
| Lake Rotorangi telemetry                  | \$1,752.00 per year     |
| Mangati hydrology equipment               | \$2,540.00 per year     |
| Mangaehu hydrology equipment              | \$620.00 per year       |
| Mangawhero-iti hydrology equipment        | \$1,510.00 per year     |
| Patea Skinner Rd hydrology equipment      | \$475.00 per year       |
| Patea McColl's bridge hydrology equipment | \$841.30 per year       |
| Standard telemetry site equipment         | \$2,500.00 per year     |
| Tawhiti River telemetry                   | \$3,500.00 per year     |
| Telemetry fee                             | \$360.00 per year       |
| Waingonoro hydrology equipment            | \$665.00 per year       |
| Waitaha telemetry/equipment               | \$1,510.00 per year     |
| Multigas monitor                          | \$100.00 per deployment |
| Passive absorption disks                  | \$170.00 per sample     |
| Portable wind logger                      | \$350.00 per month      |
| BTEX absorption disk                      | \$530.00 per sample     |
| Deposition gauge                          | \$50.00 per month       |
| Drager air sampler                        | \$40.00 per sample      |
| DusTrak desktop monitor (PM10)            | \$100.00 per day        |
| DusTrak handheld                          | \$30.00 per deployment  |
| Gastec air sampler                        | \$50.00 per sample      |
| Stack air sampling kits                   | \$250.00 per day        |
| Macroinvertebrate sample processing       | \$334.00 per sample     |
| Oxipond algal analysis                    | \$50.00 per sample      |
| Periphyton aspirator                      | \$100.00 per day        |
| Soil biomonitoring                        | \$7,658.00 per year     |
| Ballance riparian administration          | \$3,000.00 per year     |
| Riverlands riparian administration        | \$1,400.00 per year     |
| Digital video survey                      | \$100.00 per day        |
| Sound system                              | \$120.00 per day        |
| Survey equipment                          | \$50.00 per day         |
| Traffic management (TMS)                  | \$87.00 per hour        |
| Video survey equipment                    | \$50.00 per day         |
| Motorboat - Delia S                       | \$2,000.00 per day      |
| Quad bike                                 | \$350.00 per day        |
| Single axle trailer                       | \$70.00 per day         |
| Tandem trailer                            | \$95.00 per day         |
| Spill response trailer                    | \$250.00 per day        |
| Teryx ATV                                 | \$500.00 per day        |
| Electric fishing equipment                | \$250.00 per day        |
| Electrical submersible pump               | \$50.00 per day         |
| Fyke net                                  | \$50.00 per deployment  |
| G-minnow trap                             | \$10.00 per deployment  |
| Spray unit                                | \$200.00 per day        |

## EXPLANATION

This scale of charges is used to calculate the Council's actual and reasonable costs when carrying out functions under the *Resource Management Act 1991*. Where those actual and reasonable costs exceed any specified amounts, the Council may recover those costs as additional charges under section 36(3) of the *Resource Management Act 1991*. The use of materials stored in the spill response trailer and/or used in spill response will be recovered from the spiller on an actual and reasonable basis. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2018.

## Schedule 4: Fixed minimum charges for laboratory analyses

|                                                         |          |
|---------------------------------------------------------|----------|
| pH                                                      | \$17.00  |
| Alkalinity                                              | \$23.00  |
| Acidity                                                 | \$23.00  |
| Conductivity                                            | \$17.00  |
| Salinity                                                | \$17.00  |
| Turbidity                                               | \$17.00  |
| Absorbance - filtered                                   | \$17.00  |
| Hardness                                                | \$23.00  |
| Boron                                                   | \$32.00  |
| Chloride                                                | \$29.00  |
| Sulphate                                                | \$32.00  |
| Sulphide                                                | \$29.00  |
| Fluoride                                                | \$29.00  |
| Silica - reactive dissolved                             | \$29.00  |
| Chlorine (kit)                                          | \$23.00  |
| Formaldehyde (kit)                                      | \$23.00  |
| Nitrogen - Ammonia                                      | \$29.00  |
| Nitrogen - Nitrite                                      | \$29.00  |
| Nitrogen - Nitrate                                      | \$36.00  |
| Nitrogen - Urea                                         | \$36.00  |
| Nitrogen - Total                                        | \$48.00  |
| Phosphorus - Total                                      | \$36.00  |
| Phosphorus - reactive dissolved                         | \$29.00  |
| Settleable solids                                       | \$17.00  |
| Suspended solids                                        | \$36.00  |
| Total Grease                                            | \$89.50  |
| Floatable grease                                        | \$96.00  |
| Oil and Grease, or Hydrocarbons                         | \$106.00 |
| Oil and Grease, and Hydrocarbons                        | \$109.00 |
| Chlorophyll                                             | \$53.00  |
| Cyanide (total)                                         | \$81.50  |
| Phenol (total)                                          | \$81.50  |
| Methanol                                                | \$53.00  |
| Biochemical oxygen demand:- clean water                 | \$45.50  |
| Biochemical oxygen demand:- wastewater                  | \$93.00  |
| Biochemical oxygen demand:- filtered BOD - clean water  | \$59.00  |
| Biochemical oxygen demand:- filtered BOD - wastewater   | \$105.00 |
| Chemical oxygen demand - filtered                       | \$64.50  |
| Chemical oxygen demand - total                          | \$53.00  |
| DO meter - Field                                        | \$24.00  |
| Metals - direct soluble/acid soluble (includes cations) | \$24.00  |
| Metals - total                                          | \$53.00  |
| Mercury - total                                         | \$79.00  |
| Vanadium (gallic acid)                                  | \$53.00  |
| Faecal coliforms or E.coli (Membrane filtration)        | \$40.00  |
| Faecal coliforms and E.coli (Membrane filtration)       | \$42.00  |
| Enterococci - Water/Wastewater (Membrane filtration)    | \$42.00  |
| Faecal coliforms (MPN)                                  | \$95.00  |

|                           |          |
|---------------------------|----------|
| Enterococci (MPN)         | \$95.00  |
| Shellfish (MPN)           | \$113.00 |
| Soil - Sample preparation | \$40.00  |
| Air deposition filters    | \$32.00  |
| 1080                      | \$78.00  |
| Metals -mussels/shellfish | \$40.00  |

#### EXPLANATION

This schedule sets out the fixed minimum charges for laboratory analyses, and is also a scale of charges that will be used to calculate the Council's actual and reasonable costs when carrying out functions under the *Resource Management Act 1991*. Where those actual and reasonable costs exceed the fixed charges in this schedule, the Council may recover those costs as additional charges under section 36(3) of the *Resource Management Act 1991*. An explanation of the methods used for laboratory analyses is available on request. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. Charges exclude GST. Effective from 1 July 2018.

### Schedule 5: Fixed initial annual monitoring deposit charges for activities with tailored compliance monitoring programmes 2018/2019

#### CATCHMENTS - HEREKAWA STREAM

|                                        |         |
|----------------------------------------|---------|
| Methanex Motunui Limited               | \$4,222 |
| New Plymouth District Council          | \$2,219 |
| Origin Energy Resources (Kupe) Limited | \$2,629 |
| Port Taranaki Limited                  | \$2,521 |
| Shell Taranaki Limited                 | \$4,336 |

#### CATCHMENTS - HONGIHONGI STREAM

|                                               |         |
|-----------------------------------------------|---------|
| Bulk Storage Terminals Limited - New Plymouth | \$3,831 |
| Fonterra Limited                              | \$1,649 |
| Liquigas Limited - Head Office                | \$1,911 |
| Molten Metals Limited                         | \$2,878 |
| New Plymouth District Council                 | \$1,649 |
| New Zealand Oil Services Ltd - New Plymouth   | \$2,232 |
| Port Taranaki Limited                         | \$1,214 |
| Shell Taranaki Limited                        | \$2,042 |

#### CATCHMENTS - LOWER WAIWHAKAIHO AIRSHED

|                                   |         |
|-----------------------------------|---------|
| Downer NZ Limited                 | \$7,930 |
| Fitzroy Engineering Group Limited | \$8,659 |
| Intergroup Limited                | \$1,966 |
| Katere Surface Coatings Limited   | \$4,201 |
| Ravensdown Limited                | \$6,068 |

#### CATCHMENTS - LOWER WAIWHAKAIHO RIVER

|                                          |          |
|------------------------------------------|----------|
| AML Limited (Trading as Allied Concrete) | \$2,714  |
| Downer EDI Works Limited                 | \$3,069  |
| Envirowaste Services Limited             | \$3,240  |
| Firth Industries Limited                 | \$3,208  |
| Fitzroy Engineering Group Limited        | \$4,305  |
| Freight & Bulk Transport Limited         | \$3,855  |
| IBR Holdings Limited                     | \$3,099  |
| KiwiRail Holdings Limited                | \$2,261  |
| Nankervis Family Trust                   | \$2,433  |
| New Plymouth District Council            | \$9,923  |
| New Zealand Railways Corporation         | \$2,463  |
| Ravensdown Limited                       | \$13,808 |
| Taranaki Sawmills Limited                | \$10,971 |
| Technix Group Limited                    | \$4,043  |

|                             |         |
|-----------------------------|---------|
| Waste Management NZ Limited | \$3,311 |
|-----------------------------|---------|

#### CATCHMENTS - MANGATI STREAM

|                                                 |          |
|-------------------------------------------------|----------|
| ABB Limited                                     | \$7,138  |
| First Gas Limited                               | \$3,669  |
| GrainCorp Feeds Limited                         | \$5,658  |
| Greymouth Petroleum Acquisition Company Limited | \$5,194  |
| Halliburton New Zealand                         | \$5,193  |
| J Swap Contractors Limited                      | \$6,295  |
| McKechnie Aluminium Solutions Limited           | \$8,653  |
| New Plymouth District Council                   | \$5,283  |
| Nexans New Zealand Limited                      | \$6,246  |
| OMV New Zealand Limited                         | \$4,683  |
| Schlumberger New Zealand Limited                | \$8,339  |
| Tasman Oil Tools Limited                        | \$5,400  |
| Tegel Foods Limited - Feedmill                  | \$9,804  |
| Tegel Foods Limited - Poultry Processing Plant  | \$17,694 |
| TIL Freight Limited                             | \$7,033  |

#### CATCHMENTS - TAWHITI STREAM

|                                      |          |
|--------------------------------------|----------|
| Graeme Lowe Protein Limited          | \$10,035 |
| Silver Fern Farms Management Limited | \$15,107 |
| Taranaki Fish & Game Council         | \$1,683  |

#### CATCHMENTS - WAITAHA STREAM

|                                              |          |
|----------------------------------------------|----------|
| AICA (NZ) Limited                            | \$10,922 |
| C&O Concrete Products Limited - New Plymouth | \$2,297  |
| Energyworks Limited                          | \$2,540  |
| Greymouth Facilities Limited                 | \$2,844  |
| Intergroup Limited                           | \$2,993  |
| Meredith Scrap Metals Limited                | \$4,435  |
| New Plymouth District Council                | \$3,678  |
| Symons Property Developments Limited         | \$3,964  |
| Taranaki Sawmills Limited                    | \$5,391  |
| TBS Coatings Limited                         | \$4,036  |
| Weatherford New Zealand Limited              | \$5,111  |
| Woodwards 2008 Limited                       | \$1,108  |
| Zelam Limited - NEW PLYMOUTH                 | \$1,315  |

#### DAIRY PROCESSING

|                                                      |           |
|------------------------------------------------------|-----------|
| Fonterra Co-operative Group Limited, Whareroa Hawera | \$2,086   |
| Fonterra Limited                                     | \$163,467 |

#### HYDRO-ELECTRIC ENERGY

|                         |          |
|-------------------------|----------|
| Opunake Power Limited   | \$10,358 |
| Renewable Power Limited | \$17,363 |
| Trustpower Limited      | \$85,498 |

#### INDUSTRIAL

|                                                    |          |
|----------------------------------------------------|----------|
| Ballance Agri-Nutrients Limited - Pungarehu        | \$678    |
| Dow AgroSciences (NZ) Limited                      | \$19,794 |
| Downer NZ Limited                                  | \$1,382  |
| Energy Services International Limited              | \$648    |
| Fonterra Limited                                   | \$613    |
| McKechnie Aluminium Solutions Limited              | \$18,481 |
| Methanex Motunui Limited                           | \$1,838  |
| New Zealand Oil Services Ltd - New Plymouth        | \$2,190  |
| Port Taranaki Limited                              | \$14,526 |
| Powerco Limited - Electricity Operations           | \$597    |
| Sandford Bros Limited                              | \$851    |
| Solexin Industries Limited                         | \$568    |
| Taranaki Bulk Storage Limited                      | \$962    |
| Taranaki Stock Car Club Inc                        | \$568    |
| Technix Taranaki Terminal Limited                  | \$691    |
| Transpower New Zealand Limited                     | \$1,261  |
| Tranzit Coachlines Taranaki Limited - New Plymouth | \$392    |

#### IRRIGATION

|                                           |         |
|-------------------------------------------|---------|
| AL & LA Campbell                          | \$2,350 |
| Anthony Ingman & Kerstin Johanna Williams | \$2,242 |
| AR Geary Trust                            | \$2,548 |

|                                                            |         |
|------------------------------------------------------------|---------|
| BR & RG Harvey Family Trust                                | \$706   |
| Coastal Country Farms Limited                              | \$2,242 |
| Cornwall Park Farms Limited                                | \$814   |
| Craig Timothy McDonald                                     | \$3,736 |
| Croftwest Trust                                            | \$2,242 |
| Crosbig Trusts Partnership                                 | \$3,736 |
| David Pease Family Trust                                   | \$2,548 |
| Duncan Robert Emerson Wilson                               | \$2,692 |
| Estate Ian Mantey Family Trust & Sally Mantey Family Trust | \$2,350 |
| FJ Goodin & Sons Limited                                   | \$2,548 |
| Fonic Farms Limited                                        | \$2,548 |
| Gibbs G Trust                                              | \$2,248 |
| Graham & Ruby Dorn                                         | \$1,090 |
| Greg McCallum                                              | \$1,528 |
| Hawera Golf Club Inc                                       | \$407   |
| Inglewood Golf Club Inc                                    | \$1,532 |
| James Robert & Donna Maree Baker                           | \$2,170 |
| Jimian Limited                                             | \$4,022 |
| John & Elaine Glenda Sanderson                             | \$4,483 |
| JW & MT Hamblyn Family Trusts                              | \$1,396 |
| Kaihihi Trust                                              | \$2,548 |
| Kaitake Golf Club Inc                                      | \$823   |
| KCCG Sole Trust                                            | \$1,090 |
| Kereone Farms Limited                                      | \$5,578 |
| Kohi Investments Limited                                   | \$2,242 |
| Larsen Trusts Partnership                                  | \$2,242 |
| Leatherleaf Limited                                        | \$2,242 |
| Luttrell Trust Partnership                                 | \$3,736 |
| Manaia Golf Club                                           | \$493   |
| Manukorihi Golf Club Inc                                   | \$823   |
| Mara Trust                                                 | \$2,242 |
| New Plymouth Golf Club Inc                                 | \$1,813 |
| Nigel Wayne & Denise Mary King                             | \$1,090 |
| Nilock & Camole Trusts                                     | \$2,548 |
| NRGE Farms Limited/Oceanview Trust                         | \$2,242 |
| Ohawe Farm Limited                                         | \$706   |
| Pihama Farms Limited                                       | \$2,242 |
| Pinehill Land Company Limited                              | \$2,242 |
| Pukeone Partnership                                        | \$6,444 |
| Pungarehu Farmers Group Water Scheme                       | \$0     |
| Riverside Farms Taranaki Ltd                               | \$1,090 |
| RM & MC Julian Family Trust                                | \$2,242 |
| Roger Dickie Family Trust                                  | \$2,242 |
| Spenceview Farms                                           | \$3,736 |
| Stratford Golf Club Inc                                    | \$709   |
| Taranaki Community Rugby Trust                             | \$2,242 |
| Te Ngutu Golf Club Incorporated                            | \$1,153 |
| Waikaikai Farms Limited                                    | \$2,308 |
| Waitara Golf Club Inc                                      | \$823   |
| Waiwira Trust                                              | \$3,952 |
| Walker & McLean Partnership                                | \$2,248 |
| Wayne Douglas & Sandra Christine Morrison                  | \$5,009 |
| Westown Golf Club Incorporated                             | \$823   |
| Woollaston Family Trust Partnership                        | \$2,242 |

## LANDFILLS / CLEANFILLS

|                                   |         |
|-----------------------------------|---------|
| A & A George Family Trust         | \$1,354 |
| AA Contracting Limited            | \$1,646 |
| Barry & Lynette Bishop            | \$1,646 |
| Central Greenwaste & Firewood     | \$735   |
| Denis Wheeler Earthmoving Limited | \$1,354 |
| Dimar Partnership                 | \$1,497 |
| Downer EDI Works Limited          | \$1,471 |
| Downer NZ Limited                 | \$2,888 |
| Gas & Plumbing Ltd                | \$1,417 |
| Graham Harris Limited             | \$1,471 |
| Groundworkx Taranaki Limited      | \$735   |
| JW & CT Bailey Ltd                | \$1,169 |
| Malandra Downs Limited            | \$1,758 |
| Mr Allan Edward Riddick           | \$1,471 |

|                                   |           |
|-----------------------------------|-----------|
| New Plymouth District Council     | \$76,229  |
| Rocky Bay Holdings Limited        | \$1,354   |
| South Taranaki District Council   | \$181,050 |
| Stratford District Council        | \$6,593   |
| Taranaki Trucking Company Limited | \$1,313   |
| TPJ Partnership                   | \$2,440   |
| Value Timber Supplies Limited     | \$3,046   |
| Waverley Sawmills Limited         | \$6,761   |
| Westown Haulage Limited           | \$3,065   |

## MARINE DISCHARGES

|                                      |          |
|--------------------------------------|----------|
| Anzco Foods Waitara Limited - Eltham | \$4,084  |
| New Plymouth District Council        | \$35,351 |
| South Taranaki District Council      | \$26,046 |

## MEAT PROCESSING

|                                      |           |
|--------------------------------------|-----------|
| Ample Group Limited                  | \$21,219  |
| ANZCO Foods Limited                  | \$3,030   |
| Riverlands Eltham Limited            | \$42,506  |
| Silver Fern Farms Management Limited | \$17,604  |
| Taranaki By-Products Limited         | \$112,755 |

## MINOR INDUSTRIES

|                                                                 |         |
|-----------------------------------------------------------------|---------|
| AML Limited (Trading as Allied Concrete)                        | \$1,384 |
| Auroa Community Swimming Pool Committee                         | \$0     |
| Blastways Limited                                               | \$654   |
| Coastal Services Limited                                        | \$654   |
| Colin David Boyd                                                | \$3,698 |
| Edmonds Industrial Coatings Ltd                                 | \$120   |
| Egmont Canine Retreat and Cattery                               | \$516   |
| Eltham Sandblasting Limited                                     | \$654   |
| Firth Industries-Division of Fletcher Concrete & Infrastructure | \$1,384 |
| Fletcher Concrete & Infrastructure Limited                      | \$1,384 |
| Fulton Hogan Limited - New Plymouth                             | \$138   |
| Hawera Rewinds                                                  | \$516   |
| Independent Services                                            | \$120   |
| Inglewood Timber Processors                                     | \$516   |
| JD Hickman 1997 Family Trust                                    | \$3,063 |
| Lorry Land Limited                                              | \$516   |
| Ministry of Education - WELLINGTON                              | \$0     |
| Mr Mervyn Jack Hooper                                           | \$654   |
| Mr Peter Jones                                                  | \$516   |
| Napier Sandblasting Co Limited                                  | \$654   |
| New Plymouth District Council                                   | \$6,587 |
| New Zealand Pet Food Primary Processors                         | \$516   |
| Nickel Blast & Paint 2013                                       | \$654   |
| Osflo Fertiliser Limited                                        | \$7,186 |
| Soda Blast Limited                                              | \$654   |
| Taranaki Galvanizers Limited                                    | \$5,542 |
| Transpower New Zealand Limited                                  | \$654   |
| W Abraham Limited                                               | \$3,803 |
| Waverley Sawmills Limited                                       | \$354   |

## MISCELLANEOUS

|                                                      |         |
|------------------------------------------------------|---------|
| New Plymouth District Council                        | \$9,370 |
| New Plymouth District Council & Methanex Motunui Ltd | \$36    |
| New Plymouth Girls' High School                      | \$171   |
| New Zealand Railways Corporation                     | \$36    |
| Pungarehu Community Committee                        | \$171   |
| South Taranaki District Council                      | \$343   |
| Stratford District Council                           | \$171   |
| Stratford High School                                | \$171   |

## PETROCHEMICAL

|                                          |          |
|------------------------------------------|----------|
| Ballance Agri-Nutrients (Kapuni) Limited | \$43,821 |
| Bridge Petroleum Limited                 | \$1,086  |
| BTW Company Limited                      | \$16,242 |
| Cheal Petroleum Limited                  | \$26,507 |
| Colin David Boyd                         | \$42,253 |
| Contact Energy Limited                   | \$1,499  |

|                                                            |          |
|------------------------------------------------------------|----------|
| Contact Energy Limited - Wellington                        | \$40,268 |
| Greymouth Petroleum Acquisition Company Limited            | \$23,455 |
| Greymouth Petroleum Limited                                | \$27,884 |
| Greymouth Petroleum Taranaki Limited                       | \$62     |
| Greymouth Petroleum Turangi Limited                        | \$3,177  |
| M & O Pacific Limited trading as Wood Group Training       | \$891    |
| Methanex Motunui Limited                                   | \$27,495 |
| Nova Energy Limited                                        | \$7,431  |
| NZEC Tariki Limited                                        | \$966    |
| NZEC Waihapa Limited                                       | \$11,127 |
| NZEC Waihapa Limited and NZEC Tariki Limited               | \$220    |
| Origin Energy Resources (Kupe) Limited                     | \$16,849 |
| Petrochem Limited                                          | \$4,091  |
| Remediation (NZ) Limited                                   | \$59,161 |
| Shell Exploration NZ Limited                               | \$12,412 |
| Shell Taranaki Limited                                     | \$4,571  |
| Shell Todd Oil Services Limited - New Plymouth Head Office | \$15,231 |
| Surrey Road Landfarms Limited                              | \$9,964  |
| TAG Oil (NZ) Limited                                       | \$16,218 |
| Taranaki Ventures Limited                                  | \$7,078  |
| Todd Energy Limited                                        | \$38,539 |
| Todd Petroleum Mining Company Limited                      | \$14,255 |
| TWN Limited Partnership                                    | \$13,000 |
| Vector Gas Trading Limited                                 | \$10,473 |
| Vector Limited - Hawera                                    | \$4,412  |
| Waikaikai Farms Limited                                    | \$0      |
| Waste Remediation Services Limited                         | \$40,545 |
| Westside New Zealand Limited                               | \$23,538 |

## PIGGERIES

|                          |         |
|--------------------------|---------|
| Aorere Farms Partnership | \$1,103 |
| DH Lepper Trust          | \$6,207 |
| RKM Farms Limited        | \$5,077 |

## QUARRIES

|                                       |         |
|---------------------------------------|---------|
| AA Contracting Limited                | \$1,570 |
| Civil Quarries Limited                | \$7,716 |
| Coastal Drainage Limited - WAREA      | \$162   |
| Colin David Boyd                      | \$1,570 |
| Dennis Mark & Diane Lillian Bourke    | \$1,894 |
| E & L Mathys Family Trust             | \$1,570 |
| Ferndene Quarries Limited             | \$1,732 |
| Gavin & Linda Jones                   | \$1,570 |
| Gibson Family Trust                   | \$3,139 |
| Goodin AG Limited                     | \$1,570 |
| Hey Trust                             | \$1,570 |
| Horizon Trust Management Limited      | \$5,195 |
| Hurlstone Trust                       | \$2,380 |
| Jones Quarry Limited                  | \$2,056 |
| OW Burgess & TH Crowley Partnership   | \$1,894 |
| R A Wallis Limited                    | \$1,732 |
| Ravensdown Windy Point Quarry Limited | \$1,732 |
| Richard John Dreaver                  | \$1,732 |
| Taranaki Trucking Company Limited     | \$2,218 |
| Taunt Contracting Limited             | \$1,570 |
| Valley Rock Limited                   | \$162   |
| Vickers Quarries Limited              | \$2,056 |
| Whitaker Civil Engineering Limited    | \$1,894 |
| Winstone Aggregates Limited           | \$2,218 |

## SEWERAGE DISCHARGES & TREATMENT

|                                        |          |
|----------------------------------------|----------|
| New Plymouth District Council          | \$15,286 |
| Pacific Natural Gut String Co. Limited | \$1,740  |
| South Taranaki District Council        | \$62,152 |
| Stratford District Council             | \$12,170 |
| Wai-iti Motor Camp Limited             | \$4,069  |

## WATER TAKE

|                         |       |
|-------------------------|-------|
| Awatea Hawkes Bay Trust | \$515 |
| Belmont Dairies Limited | \$515 |

|                                           |          |
|-------------------------------------------|----------|
| Caiseal Trust Partnership                 | \$515    |
| Carter AJ Limited                         | \$623    |
| Cold Creek Community Water Supply Limited | \$14,133 |
| Construction Mechanics (1993) Limited     | \$515    |
| Daniela Krumm                             | \$407    |
| DP & JH Roper Family Trusts Partnership   | \$623    |
| Eric & Cedric Lander                      | \$845    |
| Gavin Eric Griffin                        | \$299    |
| Go 2 Milk Limited                         | \$1,246  |
| Gwerder Brothers                          | \$515    |
| Hernly Farm Limited                       | \$515    |
| Ian Douglas & Judith Ann Armstrong        | \$953    |
| IHC New Zealand Inc - NORTH TARANAKI      | \$623    |
| Joblin Partners Limited                   | \$515    |
| Kaipu Holdings Limited                    | \$515    |
| Kathdan Trust Limited                     | \$845    |
| Medley Partners                           | \$1,505  |
| MJ Fahy & MO Fahy                         | \$623    |
| MJ Washer Trusts Partnership              | \$515    |
| Mr Alexander Bruce Middleton              | \$407    |
| Mr Ian Cassie                             | \$953    |
| Naplin Trust                              | \$623    |
| New Plymouth District Council             | \$10,428 |
| Ngatoro Poultry Limited                   | \$515    |
| Norwood Farm Partnership                  | \$515    |
| Oakura Farms Limited                      | \$623    |
| Oaonui Water Supply Limited               | \$4,900  |
| Pariroa Marae - The Trustees              | \$623    |
| PKW Farms LP                              | \$1,544  |
| Pungarehu Farmers Group Water Scheme      | \$1,835  |
| Rowan Paul Oldfield                       | \$731    |
| SC & MJ O'Neill Family Trust              | \$407    |
| Sona Chosta Limited                       | \$623    |
| South Taranaki District Council           | \$33,033 |
| Stoney River Dairy Limited                | \$623    |
| Stratford District Council                | \$6,901  |
| Taranaki Greenhouses Limited              | \$677    |
| Taranaki Thoroughbred Racing              | \$5,345  |
| Te Rua O te Moko 2B Ahuwhenua Trust       | \$623    |
| The Tom Lance Trust                       | \$947    |
| Todd Energy Limited                       | \$515    |
| Wairau Nurseries                          | \$623    |

## CHARGES FOR MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARD FOR PLANTATION FORESTRY

Under section 106 of the *National Environmental Standard For Plantation Forestry (2017)* (NES) the Council is responsible for monitoring permitted activities authorised under regulations in the NES that address earthworks, crossings, quarrying and harvesting. The NES applies to forest blocks of more than one hectare. Because of the generic nature of the NES a detailed site specific compliance monitoring programme cannot be developed. However, a programme based around generic inspections and sampling can be developed and is set out below for each of the major phases for forest harvesting:

### Pre-harvest site inspection:

Site inspection with the operator to discuss how the environmental requirements for: road/tracks/landings; sediment and stormwater controls; quarrying; and earthworks and instream river crossing structures are to be managed to comply with the NES. The earthworks plan would be available and used for the discussion. Includes travel time, inspection and notice, and dealing



with any earthworks or quarrying notifications under regulations 25 and 52:

- \$736 per inspection
- \$102 per upstream and downstream sample for colour, turbidity, and suspended solids, if conditions are appropriate
- \$2000 for a pre-harvest instream macroinvertebrate survey by a biologist, if conditions are appropriate.

### Harvesting

Inspection and sampling under: regulation 33 which requires roads, tracks and landings to be managed and aligned to divert water runoff to stable ground and away from areas of constructed fill, and to minimise disturbance to earthflows and gullies; regulations 26 and 65 associated with sediment management; regulations 28 and 55 addressing accelerated erosion, stream obstruction, or diversion of water flow; regulations 31, 56, and 67 addressing sediment and stormwater controls; regulations 36-46 for river crossings (fish passage, effects on other structures, erosion and sediment control and discharges); regulations 32 and 55 regarding site stabilisation; regulation 58 regarding quarrying; and regulation 68 regarding restrictions on how harvesting can occur, on any riparian margin or adjacent to water bodies. Includes travel time, inspection and notice:

- \$736 per inspection
- \$102 per upstream and downstream sample for colour, turbidity, and suspended solids, if conditions are appropriate.

### Post harvesting

Inspection to ensure all the NES requirements have been met, especially removal of stream structures, stabilisation, silt and sediment control and slash and debris placement. Includes travel time, inspection and notice:

- \$2000 for a post-harvest instream macroinvertebrate survey by a biologist, if conditions are appropriate
- \$736 per inspection.

The schedule sets out the fixed minimum charges for inspections and sampling under the NES. The number of inspections and sampling required per forest will vary depending on size and once monitoring is undertaken, the degree of compliance with the regulations. Non-compliance with regulations will result in additional inspections and/or sampling to ensure compliance has been achieved. It is envisaged that a moderate-sized forest would get one pre-harvest inspection and one post-harvest inspection, depending on compliance. Each forest would also receive a pre-harvest and post-harvest instream macroinvertebrate survey by a biologist. Harvest inspections would be monthly as a minimum and may also include water quality sampling.

### EXPLANATION

The Council's fixed initial deposit charges for activities with tailored compliance monitoring programmes are presented in various groups based on the nature of the discharge and/or type of industry. Any additional costs over and above the initial fixed deposit will be charged in arrears.

For new tailored compliance monitoring programmes or inclusion of new consents into existing programmes (that arise between the setting of these charges and the end of the financial year that they relate to), an estimate will be provided to the consent holder and compliance monitoring work charged according to this. Where no estimate is provided, compliance monitoring costs will be recovered per Schedule 6 or 7 of this Plan.

Additional charges may be levied under section 36(3) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See the scales of charges for staff time, consultants, plant and laboratory analyses set out in Schedules 1, 3 and 4. The above charges include those arising from any functions transferred to the Council under section 33 of the *Resource Management Act 1991*. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2018.

## Schedule 6: Fixed minimum charges for monitoring farm dairy discharges

The fixed charges for farm dairy discharge compliance monitoring inspection and sampling are set out below:

Discharge to land consent: \$307

Discharge to water, no sampling: \$307

Discharge to water consent, including sampling discharge and receiving environment: \$920

Discharge to land and water consent, including sampling discharge and receiving environment: \$986

Discharge to land and water consent, no sampling: \$357

Where non-compliance is detected the following additional monitoring re-inspection and sampling fixed charge may apply:

|                                                                 | Minor Non-compliance | Significant Non-compliance |
|-----------------------------------------------------------------|----------------------|----------------------------|
| Discharge to land or water consent, no sampling                 | \$763                | \$1,410                    |
| Discharge to water consent, including sampling and reinspection | \$1,216              | \$1,862                    |

### EXPLANATION

The above fixed minimum charges for the annual farm dairy discharge compliance monitoring inspection and re-inspection, both including sampling, are based on actual and reasonable charges for staff time (Professional Staff, Schedule 1) and laboratory analyses (Schedule 4). The above fixed minimum charges for monitoring, re-inspection and sampling after non-compliance with resource consent conditions or the *Resource Management Act 1991*, whether this arises from the annual inspection or not, are based on actual and reasonable charges for staff time (Professional Staff, Schedule 1) and laboratory analyses (Schedule 4). Each farm dairy discharge non-compliance will be assessed in the context of the consent granted and compliance history of the consent. Significant non-compliance activities are non-compliances that will have actual or potential effects on the environment. Examples of a minor non-compliance are deficient baffles between ponds, minor failure to contain shed/race effluent and washings where these discharge to land, and stormwater diversion system deficient. Examples of significant non-compliance are ponding of effluent on the soil surface (unauthorised by resource consent), breach of discharge standards required in the resource consent, inadequate effluent storage and land area, significant increase in stock numbers beyond those allowed in the consent, and an inadequate effluent system. The above are examples and it should be noted they do not represent a complete list of non-compliances.

Additional charges may be levied under section 36(3) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring and non-compliance charges. An example is a significant non-compliance for a discharge to land farm dairy discharge consent where sampling costs of the discharge and receiving water may be required. See the scales of charges for staff time, consultants, plant and laboratory analyses set out in Schedules 1, 3 and 4. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2018.

## Schedule 7: Fixed minimum charges for monitoring where no tailored compliance monitoring programme exists

The fixed charge for a regular compliance monitoring inspection that is not addressed in Schedule 5 or 6 is \$307 per inspection plus any additional plant or laboratory analyses costs as set out in Schedules 3 and 4.

The fixed charge for a regular compliance monitoring re-inspection arising from non-compliance detected in an inspection that is not addressed in Schedule 5 or 6 is \$342 per inspection plus any additional plant or laboratory analyses costs as set out in Schedules 3 and 4.

For the monitoring of some resource consents, it is not possible to predesign a monitoring programme, or to apply a fixed charge. This may be because the consent is exercised irregularly or the scale of the consented activity varies unpredictably. In such cases the Council will scale the monitoring programme according to the activity and charge for reasonable inspection time, sample analysis and equipment hire as set out in Schedules 1, 3 and 4 of this Appendix. This approach will be applied to monitoring of consents such as those associated with well-sites, hydraulic fracturing, forestry, construction of pipelines/highways /other roading projects and other temporary earthworks.

### EXPLANATION

The above fixed charges for compliance monitoring inspections and re-inspections are based on staff time for a Professional Staff (Schedule 1). Additional charges may be levied under section 36(3) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See scales of charges for staff time, consultants, plant and laboratory analyses set out in Schedules 1, 3 and 4. The above charges include those arising from any functions transferred to the Council under section 33 of the *Resource Management Act 1991*. All collection costs incurred in the

recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2018.

## Schedule 8: Charges for those requesting hearing commissioners

Any submitter making a request, under section 100A of the *Resource Management Act 1991*, shall be required to pay the additional cost of having the application heard and decided by independent commissioners as reasonably determined by the Council using costs set out in Schedules 1 and 2.

### EXPLANATION

For a notified resource consent application a submitter may request that the Council delegate its functions, powers and duties required to hear and decide the application to one or more independent hearing commissioners. Section 36 (1)(ab) of the *Resource Management Act 1991* allows the Council to estimate the additional costs, as if the request had not been made, and immediately invoice the requestor(s) for this additional cost. Where more than one submitter makes a request the costs may be shared equally. If the additional cost of independent hearing commissioners is less than the payment then a refund will be made. Schedule 1 sets out the Council's scale of charges for staff time and Schedule 2 sets out the fixed minimum cost of processing resource consent applications and includes hearing costs. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges exclude GST. Effective from 1 July 2018.

## Building Act Charging Policy

### Schedule of charges pursuant to the Building Act 2004

#### Dam compliance and safety

| Function                                             | Deposit                                                                                                                                  | Additional hourly charge                                                                                                              |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Project information audit memorandum                 | Large Dam (above \$100,000 value) \$1,040<br>Medium Dam (\$20,000 to \$100,000 value) \$813<br>Small Dam (\$0 to \$20,000 value) \$580   | Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time.                                          |
| Lodge building warrant of fitness                    | \$107                                                                                                                                    | Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice. |
| Amendment to compliance schedule                     | \$107                                                                                                                                    | Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice. |
| Certificate of Acceptance                            | Large Dam (above \$100,000 value) \$4,123<br>Medium Dam (\$20,000 to \$100,000 value) \$2,085<br>Small Dam (\$0 to \$20,000 value) \$536 | Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice. |
| Lodge dam classification (potential impact category) | \$107                                                                                                                                    | Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice. |
| Lodge annual dam safety compliance certificate       | \$107                                                                                                                                    | Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice. |
| Lodge dam safety assurance programme                 | \$107                                                                                                                                    | Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time. Actual and reasonable for expert advice. |

#### EXPLANATION

The charges are for the Council's actual and reasonable costs when carrying out functions under the *Building Act 2004* in relation to dams. The charge (in most cases) will be made up of a deposit and where required an additional charge, when the cost of performing the function exceeds the deposit by more than \$20. If the cost of performing the function is less than the deposit paid by more than \$20, a refund will be given.

The *Building Act* does not specify a particular procedure for the Council to follow when setting *Building Act* fees and charges. Charges under the *Building Act 2004* for performing any other function under the Act will be based on the staff charge our rates in Schedule 1. The Council has decided, for completeness and ease of reference, to include these charges in this Plan. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges are GST exclusive. Effective from 1 July 2018.

## Local Government Act Charging Policy

### Schedule of charges pursuant to the Local Government Act 2002

#### Inspection and incident cost recovery

Pursuant to section 150 of the *Local Government Act 2002*, the Council gives notice that it has adopted the following schedules of charges for the recovery of the costs of inspection, including but not limited to routine and additional inspections, and inspections following any incidents, discharges, spillages or non-containment of substances that cause, or have the potential to cause, adverse environmental effects, where these costs are not covered by a more specific charge elsewhere.

The cost recovery schedule for staff time is set out in Schedule 1; plant is set out in Schedule 3; and laboratory analysis costs are set out in Schedule 4, with all schedules in Appendix 1.

#### EXPLANATION

The scale of charges set out above may apply for the recovery of reasonable costs incurred of staff time and analyses associated with inspections and following incidents, discharges, spillages, non-containment of substances or breaches of permitted activity standards that cause, or have the potential to cause, adverse environmental effects. Inspections of permitted activities may be undertaken to assess compliance with permitted activity standards. Inspections may involve actions such as taking and analysing samples to determine environmental effects. All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges are GST exclusive. Effective from 1 July 2018.

# Local Government Official Information and Meetings Act Charging Policy

## Schedule of charges pursuant to the Local Government Official Information and Meetings Act 1987

Pursuant to section 13(1A) of the *Local Government Official Information and Meetings Act 1987* (LGOIMA), the Council may charge for the supply of information to recover its reasonable costs for labour and materials.

The cost recovery schedule for staff time is set out in Schedule 1.

The first 15 minutes of time spent actioning a request for information on each or any occasion relating to the same general matter shall be provided free of charge. The Council reserves its rights to charge for the provision of information above 15 minutes.

The Council requires payment in advance.

The first 20 pages of black and white photocopying on standard A4 or A3 paper shall be provided free of charge. Where the total number of pages of photocopying is in excess of 20 then each sheet of paper will be charged at 10 cents per sheet.

Upon receipt of a request for information, the Council will advise of the decision to charge, the estimated amount of the charge, how the charge has been calculated, the requirement to pay in advance and the right to seek a review by an Ombudsman of the estimated charge.

### EXPLANATION

The scale of charges set out above may apply for the recovery of staff time and reasonable costs incurred with the collection and supply of information under LGOIMA. The recovery regime is based upon the Ombudsman's guidance "*The LGOIMA for local government agencies: A guide to processing requests and conducting meetings*". All collection costs incurred in the recovery of a debt will be added to the amount due. Overdue invoices will incur an interest charge at 12% per annum. All charges are GST exclusive. Effective from 1 July 2018.