Taranaki Regional Council

2021/2031 Long-Term Plan

Supporting Documentation

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Document 2609883

Riding the tide of change

Ekea te huringa tai ki uta

MESSAGE FROM THE CHAIRMAN

Ka mihi nui ki a koutou katoa, greetings to you all.

None of us needs reminding about how challenging change can be. But of course it can also be exciting. And right now the TRC is riding an incoming tide of far-reaching change that's bringing challenge and excitement on many fronts.

One of these is the health of our waterways, which is of vital importance to all in Taranaki. Freshwater has always been a major focus for this Council. And thanks to long-term efforts and investments right across the community, good progress has already been made.

But along with the rest of the country, Taranaki is now being called upon to do more and do better. New Zealanders clearly want to see big improvements, and the Government has started rolling out new standards, requirements and regulations that aim to achieve just that. To meet these new requirements, the Council must make significant new investments in skilled staff, specialist equipment and expanded monitoring programmes.

The freshwater reforms also include requirements for greater Māori involvement in environmental management – and we can expect more national initiatives along these lines as the Government gets down to business this year.

Again, this is adding impetus and urgency to efforts we have already been making. Expect to see deepening and more effective partnerships at all levels of the Council.

All these changes are far from complete, but we must still get on with charting a way forward. Clearly, we need to be nimble and resilient.

Other issues on our radar include:

- The future of our bus network. Do we want greener buses? Do we want them to cover more communities and/or run more often?
- How should we work together with other councils and agencies to support the development of the region and its recovery from the impacts of COVID-19?
- What should we do about the TRC's offices, which are no longer fit for purpose?
- What does the community feel about the ownership of Port Taranaki Ltd. Is it time for a change?

We'd welcome your feedback on any or all of these issues. They're all summarised in this document, along with the different ways you can let us know your opinions and thoughts.

We look forward to hearing from you.

David MacLeod,

Chair, Taranaki Regional Council

Where have we come from?

I haere mātou nō hea?

2018

Resource management

- Distributed approx. two million native plants for riparian planting.
- Continued achieving good and improving levels of freshwater ecological quality.
- Began implementing the Government's Essential Freshwater requirements.
- Found high level of consent compliance in monitoring programmes.
- Completed the review and notification of the Regional Coastal Plan (currently under appeal).

Biosecurity and biodiversity

- Attracted strong public support for Towards Predator-Free Taranaki by opening up new channels of engagement and partnership to achieve good results.
- Commenced the successful implementation of the Towards Predator-free Taranaki programme in conjunction with our partners.
- Undertook partial review of the 2018 Regional Pest Management Plan for Taranaki.

Recreation, culture and heritage

- Developed and opened Pukeiti's new Piwakawaka Family Hut, which was quickly booked solid for months ahead.
- Reviewed and began implementing the Yarrow Stadium Repair and Refurbishment Project, and won $20 million in 'shovel-ready' funding for the work.
- Despite the impact of COVID-19, Tūpare, Hollard Gardens and Pukeiti continue to experience growth in visitor numbers.
- Helped share our communities' tales through support for Aotea Utanganui Museum of South Taranaki exhibition Tales and Taonga.

Transport

- Successfully introduced the Bee Card, a nationally coordinated fare-payment system that makes Citylink and Connector bus services easier to use and to manage.
- Completed the review of Regional Public Transport Plan and commenced a review of the Regional Land Transport Plan.
- Facilitated safe navigation within Port Taranaki's harbour waters. It is notable that there have been zero significant navigation safety incidents in the last 10 years.
- Took part in multi-agency marine spill preparedness exercises to build response capacity in the event of an incident.

Hazard management

- Introduced new River Control and Flood Protection Bylaw to protect the region's flood protection assets.
- Completed the Ōpunake flood protection scheme to eliminate risk of the township being flooded from the Hihiwera Stream and its tributaries.
- Contributed to the Taranaki Civil Defence Emergency Management group planning and oversight to ensure efficacy of regional response and recovery in an emergency.

Representation, advocacy & investment management

- Maintained a stable financial position through COVID-19 lockdowns and disruption.
- Prepared more than 40 submissions on issues affecting Taranaki, including comprehensive responses to various Government-led consultations on healthy waterways and managing freshwater quality.
- Continued delivery of environmental education programmes to preschool, intermediate and high school students throughout the region.
- Maintained the contribution of Port Taranaki to the regional economy through holding the shares as a strategic regional investment.

2021

Where are we now?

Te Reo heading Ngā mahi uaua

Challenges

The world has become quite a different place since the last Long-Term Plan was prepared in 2018.

Environmental issues like climate, waste reduction and energy efficiency have taken on increased importance. They've found their way on to social and economic agendas alongside gender and racial inequalities, decentralisation and the decline of globalisation.

These factors are feeding into New Zealand's own disruptive trends and tipping points that are shaping the operating environment. One of the most significant is the evolution of the Resource Management Act (RMA).

RESOURCE MANAGEMENT ACT REFORM

The RMA became law in 1991 but three decades of amendments have resulted in a complex and often disjointed piece of legislation that many see as no longer fit for purpose.

This year the Government is implementing far-reaching recommendations from last year's Randerson review, which was a significant and thorough analysis of the Act and its issues. Among other things, the legislation that replaces the RMA will significantly overhaul local government functions and the work that we do. Regional and district councils will be required to collaborate in the management of the 'natural and built environment' and to set longer-term strategic direction for their regions.

THREE WATERS REFORM

Meanwhile, the Government is also pressing ahead with its 'Three Waters' initiative to restructure the delivery of drinking water, stormwater and wastewater services.

This is all likely to lead to the emergence of new publicly owned multi-regional water management entities to assume responsibility for the management of water and wastewater services, currently delivered by district and city councils, and potentially also stormwater services.

ESSENTIAL FRESHWATER

Changes are gathering pace on related fronts. The Government is already rolling out its 'Essential Freshwater' package. This involves the use of current RMA provisions to create a new freshwater policy, planning and management regime that impacts everything from farm practices to urban subdivision. Implementing this regime will be the largest single project in Council's history.

THE ROLE OF IWI

These reforms also give tangata whenua a greater role in freshwater management by focusing on Te Mana o Te Wai (the integrated and holistic well-being of water) and requiring a partnership approach to developing plans and managing activities.

This increased role mirrors the desire of iwi o Taranaki to exercise Mātauranga Māori (Māori knowledge, cultural practices and world view) over the resources within their respective rohe, and the resulting need for traditional cultural frameworks to measure ecosystem health. Those frameworks require the Council to understand traditional cultural measures and to find ways to incorporate them alongside Western science. Doing that requires building and strengthening relationships and open, balanced conversation between all parties.

CLIMATE CHANGE

All this change is taking place in the shadow of climate change. For a long time, the RMA prevented councils from considering most climate change effects in rules and consent applications. That's no longer the case, and the issue is set to become, for example, a major consideration in coastal management. A new focus and, in some cases, new skill sets, will be required as the Council grapples with developing a regional response to this global phenomenon.

Taranaki's economic base of dairy and hydrocarbon-based energy is also changing. The decline of oil and gas may have important consequences for Port Taranaki Ltd. While dairying remains strong, we've been constantly reminded that disruptive change can arrive any time and from anywhere. A key question for the Council to consider is how it can contribute to shaping the region's future economy.

All these factors have fed into the development of the draft 10-year plan, which sets out how we intend to deliver on our duty to promote economic, social and cultural wellbeing across the region.

YARROW STADIUM

In 2019/2020, a $50m repair and reinstatement programme was adopted for Yarrow Stadium to return the earthquake-prone stands to operational capacity and returning the stadium to previous status as a premier regional sports and events venue.

Through the 2020 Covid-19 pandemic, the scope of the project was reviewed and refined and, after securing $20m of shovel-ready funding from the Government, reconfirmed. The delivery of the repair and reinstatement programme will occur over the next three years.

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.

THE BOTTOM LINE

The programmes and activities outlined above represent significant increases in the resources and budgets required. For most ratepayers, however, the financial impact can be measured in tens of dollars over the course of a year. A residential ratepayer with a property worth $500,000 will pay approximately $25 to $29 more in total rates.

The total rate take (general and targeted rates) is planned to increase by 9.9% or $1.38m. Specifically for 2021/2022, the general rate will increase by $2.98m. The uniform annual general charge will be $45. Rates for Yarrow Stadium reduce by 45% ($1.76m). River control and flood protection targeted rates will increase by $1,800 and targeted rates for passenger transport services will increase by $158,319. These changes are 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 steady but challenging trading conditions in the short to medium term. The Council has taken a conservative approach to estimating dividends after consulting with Port Taranaki Ltd. The forecast dividend levels are $8m per annum over the ten years of the *2021/2031 Long-Term Plan*.

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 proposed programmes. Refer to the *Financial Strategy* section and *Appendix 1: Assumptions* for additional information on this risk.

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.

In years two to seven of this Plan, general rates are forecast to increase by 5% pa and by 3%pa in years eight to ten.

Our plan for the future

Ngā take ā mua

In the next three years, the Council proposes to:

- Significantly increase specialist scientific, technical and cultural capacity – including staff, equipment and contract services – to enable us to meet the new freshwater requirements. The Government is acting on a clear public mandate and the Council must comply to meet our legal obligations.
- Continue and expand our quest for better and more Māori involvement in environmental monitoring and decision-making, in line with new requirements and the expectations of tangata whenua. We will also consult Māori and the wider community over representation arrangements.
- Review our ownership of Port Taranaki Ltd.
- Examine options for improved public transport services and lower-emission bus fleets.
- Join with other councils and agencies in the region for a coordinated approach to supporting the COVID-19 recovery efforts as part of the broader regional development activity.
- Refurbish our offices in Stratford to ensure they meet our needs today and in the future.

MĀORI VOICES AND VOTES

Of particular relevance to our work is increased effort across the board to recognise and include Māori perspectives and practices in decision-making and everyday activities. The Government and iwi alike are keen to advance this trend, and the next section discusses what this might mean for our work. We invite your feedback on the way forward, because as a community our answers to these important questions have far-reaching impacts.

PORT TARANAKI OWNERSHIP REVIEW

The Council's investment in Port Taranaki Ltd (PTL) has provided steady and reliable dividends that have offset rates over many years, but it is wise to review investments from time to time. We plan to launch a formal review of PTL ownership, but in the meantime it would be helpful to gauge community feedback because any changes to ownership would have implications for the region's ratepayers and businesses. Please take the time to tell us what you think.

WHAT WILL IT COST?

To deliver on our plan for the future, our budgets must rise.

The single largest driver of budget increase is the additional investment in specialist scientific, technical and cultural staff and resources. This investment will enable us to deliver on the government-led programmes to drive improvements in freshwater quality.

To a significant extent the proposed budget increases are offset by the $20 million 'shovel-ready' grant for the Yarrow Stadium Repair and Refurbishment Project.

We will also be utilising the Dividend Equalisation Reserve to partially offset the budget increases.

Our overall rates rise can be measured in terms of tens of dollars over a year. Residential ratepayers with a property worth $500,000 will pay an extra $27 to $29 more a year in total TRC rates. Commercial and industrial ratepayers will see a similar rise, with North Taranaki and New Plymouth farm owners paying around $60 extra per year.

Yarrow Stadium targeted rates are reducing by 44% as a result of the shovel-ready funding.

Ensuring Māori voices and votes will count

He mana nui tō te tirohanga Māori

New Zealand has had many lively national conversations about the way the Treaty of Waitangi partnership works 'on the ground', with attitudes and expectations evolving as the discussions continue.

Recent years have seen greater efforts to recognise and include Māori cultural perspectives and practices in decision-making as well as everyday activities.

The Government is keen to advance the trend. The Essential Freshwater reform includes requirements for greater Māori involvement. The Council must 'consider and recognise' Te Mana o te Wai in freshwater management, and identify and reflect tangata whenua values and interests in freshwater management and planning.

In consultation with iwi, we've already started working to develop a Māori cultural freshwater monitoring framework, to sit alongside the existing Western science-based framework.

This work builds on joint and continuing efforts by the region's iwi and local bodies to reach participation agreements known as Mana Whakahono a Rohe, as set out in a 2017 amendment to the Resource Management Act.

A post-election priority for the Government is a complete overhaul of resource and environmental legislation, with new statutes to replace the RMA. This is expected to further strengthen Māori involvement in the process.

The Government has also announced it will remove the provision for a ratepayer poll on Council decisions to introduce Māori constituencies.

As a result of Treaty settlement legislation, Māori are already represented on our two key committees that make decisions on environmental and resource management issues. This has been a productive first step, but the imperative from Government and iwi alike is for all councils to do more.

The relationship between local government and Māori is in a period of profound change. Here's an opportunity for all in the community to share thoughts as new arrangements take shape.

QUESTION 1 - Do you support the establishment of a Māori constituency for Taranaki Regional Council?

QUESTION 2 - In terms of Māori involvement in Taranaki Regional Council decision-making processes, what would your ideal outcome look like?

Port Taranaki Ltd ownership review

Te arotake o ngā mana whakahaere o Port Taranaki

The Council's major investment by far is its 100% ownership of Port Taranaki Ltd (PTL).

While PTL has provided steady and reliable dividends that have offset rates over many years, it is wise to review our ownership from time to time.

A review is now due, and it's particularly relevant in these times. The questions we need to ask include:

- Should investments be more diversified, given current risks?
- Would the region as a whole support a full or partial sell-off?

Before we commence a full review, we'd like to find out how these issues are viewed in the community. The port is a vital economic and social asset for the region, so let us know what you think.

We are interested in your views on the future of Port Taranaki specifically, as well as investment in general. The review itself has no budget or rating implications. We'd need to come back and consult the community again if we want change to the status quo as a result of the review.

QUESTION 1 - Port Taranaki Ltd ownership
Should investments be more diversified, given current risks?

QUESTION 2 - Full or partial sell-off
Would the region as a whole support a full or partial sell-off?

What decsions do we need to make?

He aha ngā tikanga?

Consultation Issue 1: Delivering on NZ's freshwater aspirations

Ngā whakapuakitanga o ngā wawata mō te wai Māori o Aotearoa

New Zealand is undergoing the largest change in freshwater management since the Resource Management Act was passed in the early 1990s. The Government has a clear mandate to continue its Essential Freshwater reforms and regional councils are on the front line.

We need to make considerable investments to ensure Taranaki meets today's expectations in the management and monitoring of its waterways.

Thanks to major efforts across the community, this region had already been making good progress, particularly in the overall ecological health of our rivers and streams. Our waterways have also stacked up pretty well against the national standards set before these latest reforms.

But under the Essential Freshwater package that began rolling out in September 2020, the Government has:

- Set more stringent environmental standards for freshwater. And these need to be included in our proposed new Natural Resources Plan, making it an urgent priority for the Council.
- Tightened the resource consents process for activities with or affecting freshwater.
- Introduced requirements for greater Māori involvement in monitoring and decision-making.
- Required more extensive scientific monitoring and data analysis.

More changes are expected.

The Council is obliged to implement these requirements. Despite our good starting position, this is still a step change, with significant financial cost to ratepayers, consent holders and resource users.

We're budgeting for a considerable increase in specialist scientific, technical and cultural capacity – including staff, equipment and contract services – to enable us to meet these new requirements.

We're also planning to boost our land management services (riparian and hill country) to help farmers and landowners reduce their environmental impacts and support them to help make our waterways healthier. Extra capacity will also be required for consent monitoring, with costs to be met directly by consent holders.

Freshwater is a vital resource for the community on so many levels – cultural, spiritual, environmental and economic. Everyone has a duty to look after it so that future generations will also enjoy its benefits. Please take this opportunity to tell us what you think.

The Council is also consulting on the long-term vision for freshwater, which will set expectations for freshwater management for generations.

OPTION 1	Additional spend	
Improving water quality		
Boost capacity so that we can advance the improvement of water quality across the region in line with the Government's requirements and public aspirations.	Year 1: $1.98M Year 2: $0.51M Year 3: $0.39M	Nearly all of these increases are funded by general rates. No impact on debt or service levels.

OPTION 2 Gradual improvement Do only what is needed to meet the statutory requirements.	Year 1: $1.76M Year 2: $0.51M Year 3: $0.39M	Nearly all of these increases are funded by general rates. No impact on debt or service levels.

Our preference: Option 1. This puts the region in the best position to meet the new requirements, bearing in mind that further Essential Freshwater reforms are expected.

Consultation Issue 2: Bus services

When revising our Public Transport Plan last year, we heard strong calls for a switch to alternative fuels for the bus fleet and for more frequent and comprehensive bus services.

The Council is commissioning an investigation of alternative fuel sources for the bus fleet and we're looking closely at the experience with different fuels in other centres.

Bus services in a small region like Taranaki cannot be viable without taxpayer and ratepayer support. We provide this through targeted public transport rates, while Waka Kotahi NZ Transport Agency provides taxpayer-funded support. Together these meet about 60% of the cost of these services, with bus fares covering the rest. Clearly, any increase in coverage and/or frequency of services will impact on rates.

It's worth noting, too, that the size and number of buses in the current fleet is tailored to maximum school-bus demand. Using smaller, more fuel-efficient buses on suburban worker/shopper services would require two separate fleets and costs would rise, not fall.

It's worthwhile having your say, whether or not you're a bus user. Public transport services are publicly funded, so tell us if you have any ideas for making them better and more efficient.

BUS FUEL OPTIONS

OPTION 1 Make no change and continue with an all-diesel fleet.	$NIL	No impact on rates, debt or service levels.
OPTION 2 Investigate options for a mixed diesel alternative fuel fleet, with full conversion to be considered at a later stage.	$860K Capital cost for a 2-year electric bus trial	Targeted rates will increase by approx $860K over 2-3 years. There will be no impact on debt or service levels.
OPTION 3 Switch to an all alternative-fuel fleet as soon as a preferred option is identified.	$680K Capital cost for each additional electric bus	Targeted rates will increase by approx $680K for each additional bus, spread over a number of years. There will be no impact on debt or service levels.

Our preference: Option 2 - Begin the journey to low- or zero-emissions fleet while being mindful of burden on ratepayers.

BUS SERVICE OPTIONS

<table>
<tr><td>OPTION 1

Make no change to current routes and timetables. The current spend on bus services is $4.77M and targeted rates are $1.4M.</td><td>$NIL</td><td>No impact on rates, debt or service levels.</td></tr>
<tr><td>OPTION 2

Trial two new Citylink routes,

requiring extra buses and drivers.</td><td>Approx. $600K to trial two new Citylink routes.</td><td rowspan="2">Option 2 and 3:

Targeted rates will increase by approx. 30% of rise in expenditure, provided the Government funding and fare targets are met.

Improved levels of service and no impact on debt.</td></tr>
<tr><td>OPTION 3

Provide extra services on existing Citylink routes, including after-hours and weekend services, requiring extra buses and drivers</td><td>Cost will increase dependent upon the level of new routes and route frequency introduced.</td></tr>
</table>

Our preference: Option 1 - To increase bus coverage and/or frequency, the Council needs to be confident that extra services would be well patronised and that Government funding support was assured.

Consultation Issue 3: Regional Recovery Plan

He māhere whakarauora i ngā kaupapa ā-rohe

The Government continues to make financial support available for COVID-19 recovery efforts and it expects regions to present a united and coherent case for funding assistance across multiple projects.

So Taranaki's four councils and other agencies are working together on a Regional Recovery Plan incorporating a range of projects across all three districts, including iwi-led initiatives. It's an opportunity to demonstrate how Taranaki can work together for the betterment of the region.

All four councils in the region are proposing a joint fund to cover development of the plan, which will include assessment and prioritisation of individual projects, as well as making a comprehensive case for Government assistance. TRC has provisionally agreed to meet 20% of the costs.

Our preference: Option 2 - The Council believes it should be part of the regional recovery programme. This option creates a fund that will allow the programme to proceed at a reasonable and cost-effective pace.

REGIONAL RECOVERY OPTIONS

OPTION 1 No TRC contribution - Do not contribute to the fund, which would have the impact of making it more difficult for the TRC to access any COVID-19 recovery funds.	Additional spend $NIL	No impact on rates, debt or service levels.
OPTION 2 $500,000 fund - TRC contribution $100,000 to the joint fund.	Year 1: $100K	$100K increase in general rates. No impact on debt or service levels.
OPTION 3 $1M fund - TRC contribution $200,000 to the joint fund.	Year 1: $200K	$200K increase in general rates. No impact on debt or service levels.

OPTION 4 $1.5M fund - TRC contribution $300,000 to the joint fund.	Year 1: $300K	$300K increase in general rates. No impact on debt or service levels.

Consultation Issue 4: TRC office accommodation

Te take ā mua mō te wāhi mahi

The Council operates out of the former Stratford dairy factory, which was converted to office accommodation in the 1980s. Staff numbers have increased since that time as the scope of the Council's activities has expanded.

Minor refurbishments or enhancements have occurred since and the accommodation is no longer fit for purpose.

As outlined in the freshwater section of this document, we're now expecting a significant boost in staff numbers as a result of the new freshwater requirements.

Even allowing for the increasing trend towards remote working, the existing office is too small and no longer fit for purpose.

Our investigations so far point to refurbishment of our existing offices being less expensive than demolishing and starting again. Other options may include building elsewhere, probably

New Plymouth, or renting office accommodation. But the latter is likely to be possible only in New Plymouth.

The Council's work touches the lives of Taranaki people in many ways. We have a duty to the public to work efficiently and to be good employers. We're interested in your views on options for addressing our office accommodation needs.

TRC OFFICE OPTIONS

OPTION 1 Refurbishment. Refurbish the existing building in stages.	Additional spend Year 1: $3M Year 2: $3M	Capital project financed by borrowing. Interest of $120K and depreciation of $240K to be funded by general rates. Debt levels increase by $6M. No change in levels of service.
OPTION 2 New build on existing site or elsewhere.	$13.4M	Capital project financed by borrowing $13.4M with interest of $268K. Debt levels increase by $536K. No change in levels of service.
OPTION 3 Rent office accommodation.	$960K per year	Rates would increase by $960K per annum. There would be no impact on debt or levels of service.

Our preference: Option 1 - Council prefers to refurbish existing premises because it reuses existing resources and is the lowest-cost option.

At a Glance

Introduction

The Plan proposes a significant change in the programmes of work adopted in the *2018/2028 Long-Term Plan* and the regional suite of policies, plans and strategies that the Council has already prepared, engaged upon and adopted. This is a direct response to changes in the statutory and regulatory environment in particular the essential fresh water programme as well as addressing developments and opportunities in other parts of the business. This Plan consolidates the strategic directions and programmes for the next ten years, and outlines programmes for 2021/2022.

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).

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

Resource Management

- Prepare, adopt and maintain a comprehensive suite of 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.
- Process all resource consents applications in a timely manner; administer all current resource consents efficiently and effectively; undertake comprehensive compliance monitoring of both major and minor resource consents.
- Respond to pollution incidents and where necessary undertake successful enforcement action.
- 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.
- Provide relevant research information for resource management purposes through a series of resource investigations and projects.
- 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.
- Promote the protection of the environment through a programme of enhancement grants.

Biosecurity and Biodiversity

- Prepare, adopt and maintain a comprehensive suite of, 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.
- 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.
- 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.
- 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.

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.

Hazard management

- Promote and enhance an integrated, comprehensive civil defence emergency management system.
- 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.
- 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.

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.
- 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 and maintain sound financial performance with minimum required rate increases.

Our future Taranaki

and the Taranaki Regional Council

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

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

- 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 efficent, efective 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.

GROUPS OF ACTIVITIES

Recreation, culture and heritage

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.

AIMS

- Tupare, Hollard 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

Biosecurity and biodiversity

DESCRIPTION

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.

AIMS

- 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

Representation, advocacy and investment management

DESCRIPTION

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

- 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.

Your Councillors

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

Council committees

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

The Council has appointed non-Council representatives to its various committees as a means to increase the breadth of input to the decisions made.

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. The adopted structure and approach provides an efficient basis for the sound consideration of issues and the making of good decisions.

Legislative compliance

As a regulatory body, the Council administers various laws and regulations. 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

In addition to its overall environmental management role in the region, 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 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

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.

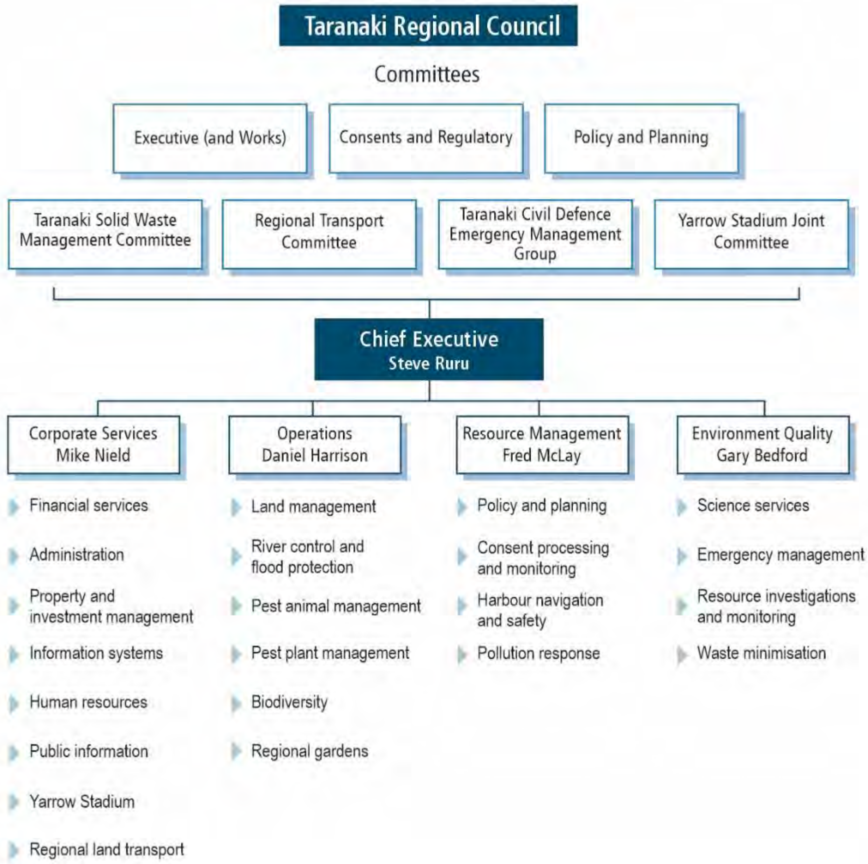
To undertake its activities, a permanent staff with wide-ranging professional, technical and administrative skills is employed. In addition, the necessary property, equipment and facilities are owned. The staff are individually and collectively committed to promoting the Organisational Values of:

- Public service
- Service first
- Improving the quality of our performance
- Effective communication and teamwork
- Initiative and the right to make mistakes
- Accountability and results
- Presentation, respect and care
- Job satisfaction.

Structure of the Council

The Council is made up of the following structure:

Figure x: Council committee and staff structure



Working Together With Māori

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 Ngaa 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.

The Council recognises the importance of working together with Māori across the region including Māori involvement in decision making processes. This is part of 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 the steps it intends to take to foster development of Māori capacity to contribute to Council's decision making processes.

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*, including but not limited to:

- provide sufficient information for Māori to participate effectively in decision-making processes
- 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 regional policy statements and regional plans under the *Resource Management Act 1991*.

Resource consents process

Continue and further develop best practice in resource consent processing and administration including:

- 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
- encourage applicants to consult where Māori may be an interested and/or an affected 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
- 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 restrict the publication of evidence when necessary to avoid serious offence to tikanga Māori or to avoid the disclosure of wāhi tapu locations
- consider the participation of Māori in resource consent monitoring, including input into the design of monitoring programmes and involvement in monitoring activities
- consider the participation of Māori in enforcement activities, including sentencing submissions.

Relationship agreements

The Council will work with Iwi to develop Mana Whakahono a Rohe relationship agreements regarding iwi input into resource management policy development and resource consents.

The Council will work with Iwi to establish methods for monitoring Matauranga Māori in freshwater environments.

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 standing orders, to appear before and address any meeting of a standing committee or meeting of the full Council.
- Seek opportunities, when appropriate, to be represented before meetings of Māori governance entities.
- Establish as necessary, working parties or other informal groups with representatives of Māori 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 with the governance entities, through memoranda of understanding protocols or other means.

Representation

- continue to support the Māori representatives on the Council's 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 2001*.

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 policies, plans and strategies
- provide technical advice, information and related support in the processing of applications for resource consents.
- 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.

Review

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

Audit Report

Background

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.

Figure x: The Taranaki Region

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 2018 census show Taranaki's total population stands at 117,561, an increase of 7.3% over the 2013 census figure. In the previous census period (2006-2013) the region's population increased by 5.3%. Taranaki accounts for 2.5% of New Zealand's total population.

Population changes have also varied within the region. 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 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 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 16.6% at the 2013 census to 19.8% in 2018.

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 across the region. 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.

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.

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.

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. 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.

Purpose and Planning Processes

Taranaki Regional Council's purpose, as defined in *Local Government Act 2002*:

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

This purpose is further clarified, refined and focused by the various Acts that the Council works under – such as the *Resource Management Act 1991* and the *Biosecurity Act 1993*. These Acts set the more precise scope of responsibility and powers that are described at a higher level in this Plan.

One of the ways that the Council is required to give effect to that overall purpose is by preparing and maintaining various strategic and operational planning documents, including this Plan, Annual Plans and Annual Reports.

A long-term plan is required every three years, covering a 10-year period. An annual plan is required for each financial year a long-term plan is not prepared. The annual plans prepared in those years contain budget, funding and financial statements for that year in support of the long-term plan.

As the name suggests, the long-term plan provides a long-term focus for decisions and activities. It describes:

- the activities to be engaged in over the next ten years,
- the objectives of those activities and
- a current best forecast of their costs.

The Plan also describes how, through its various activities and programmes, the Council will work with communities and organisations to promote outcomes that support the four well-beings. 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.

This Plan gives the community an important opportunity to have a say in setting the strategic directions and programmes for the next decade.

Community Well-beings

Legislative framework

Regional Councils' role supporting community well-being outcomes is defined in part 1 of the *Local Government Act 2002*. That role has had three significant changes over the history of the Act.

When the Act was first passed, promoting the "four well-beings" – social, economic, environmental and cultural – was a core purpose of councils. Councils were required to set and review those community outcomes every six years. That process required them to work with other agencies and "encourage community participation" in the setting and incorporation of those outcomes into plans.

The Act removed the requirement for review and collaboration with other agencies. A further change in 2012 replaced the community outcomes focus with the "cost-efficient and effective delivery of infrastructure, service and regulatory outputs".

The pendulum swung again in 2019, with the four well-beings reinstated as a primary purpose of councils, using identical wording to the original version of the Act. There was no similar move to revive the consultation and collaboration requirements.

Taranaki's Response to Promoting Well-beings

The most significant steps taken regarding community well-beings in Taranaki were the "Future Taranaki" measures and indicators developed in 2004-2005. The initial framework, led by the four councils in the region, used extensive community consultation to identify six high level community well-being outcomes for the region. Those community outcomes were:

- Connected Taranaki – focusing on physical and technological infrastructure
- Prosperous Taranaki – the economic measures underpinning Future Taranaki

- Secure and Healthy Taranaki – elements of a safe, healthy, friendly community
- Sustainable Taranaki – focusing on environmental factors
- Together Taranaki – measuring social inclusiveness and diversity
- Vibrant Taranaki – the cultural and recreational well-beings

A set of 46 outcome, output and input indicators provided the detail behind the six outcomes. Those indicators were reported annually between 2005 and 2009. Removal of the consultation requirements from the Act effectively removed the support base for this work, ending that reporting.

Even after the indicator reporting lapsed, the framework itself and the six higher level community outcomes continued to inform Council policy and plan development up to and including *2018/2028 Long-Term Plan*.

Proposed Next Steps

A two-step approach is proposed for giving effect to the four well-beings across the life of this Plan, based on a combination of:

- Promoting and reporting an initial set of well-being indicators – baselined in this Plan and reported in the annual report until a more permanent and comprehensive set of indicators is in place
- Develop and maintain a comprehensive set of well-being indicators – a longer term, all of Council project that will involve community collaboration and consultation

This approach will be shaped by the scope of the legislation. As noted above, the previous requirement for broad consultation and collaboration is no longer in the Act. That change limits the Council's scope to those well-beings within its area of responsibility (as defined by various acts, plans, policies and programmes).

In practical terms, that approach means primary focus will be on environmental well-beings, with less of a focus on the other three areas that are less within regional council jurisdiction. The Council will still have regard to those other three well-beings, as they relate to its functions.

Preliminary set of indicators

The Council has a range of community well-being indicators (the levels of service within each group of activities) which are currently monitored and annually reported on. Examples include water quality, soil conservation management (hill country or riparian planting), biosecurity impacts and the like.

On that basis, these existing outcome based measures will provide the starting point. While there are limitations with these measures, it paints a picture of the work that the Council is doing to advance the four well-beings. As such, it provides a good base to develop a future, more comprehensive well-being framework.

Comprehensive Well-being Indicators

In parallel to the current reporting, work will commence to develop a full well-being framework that will enable Council to give full effect to its obligations to promote the four well-beings.

In preparing content for inclusion in this Plan, a range of sources have been reviewed to identify best practices in all stages of developing, implementing and managing a well-being framework. Using those learnings, the following development process is proposed:

- Using the currently proposed draft measures as one of the starting points to seed the broader conversation
- Learning from and taking the best elements out of the Future Taranaki framework and other agencies work developing and implementing similar frameworks in New Zealand and overseas.
- Council's work improving State of the Environment (SOE) reporting the timeliness and accessibility. The SOE project can provide timely data for a well-being framework; which in turn can serve as a format for high level progress reporting on SOE measures.
- Officers taking the lead on:
    - Identifying and defining the elements of the well-beings that will be focused on

- Identifying and defining possible outcome metrics and second level output metrics that feed into them
- Determining formats for display and reporting
- Setting out an initial set of long term and immediate planning cycle goals

How the Council will achieve the Long-Term Plan outcomes

The Council's role in promoting the four well-beings and achieving the desired community outcomes is summarised by its mission statement of:

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 Council's 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.

Giving effect to this mission statement requires Council to take a number of different roles, depending on the specific outcome and operational circumstances. Some of the roles Council may take include:

- Advocator - persuading others to act
- Facilitator - bringing various parties together to carry out an activity
- Educator - providing information and advice.
- Funder - 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 take/play more than one role furthering its community outcomes. The details of these activities are outlined in the Activity Groups sections of this Plan.

The Activity Groups form the basis of reporting on the details of the 10-year programmes contained in this Plan. The contribution of these activities to the achievement of the community outcomes that lies at the heart of this Plan.

How the Council will work with others

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.

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 x: The stakeholders that the Council will work with.

Monitoring and reporting

The Council undertakes monitoring and reporting activities to measure progress towards achieving the community well-beings set out in this Plan 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. 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 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.

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 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.

Climate Change

Background

Climate change is a global environmental, social, cultural and economic issue. Science overwhelmingly confirms that human induced climate change is occurring and is intensifying. Impacts will be far reaching; affecting us all in many different and unknown ways over generations to come.

New Zealand contributes 0.17% to global emissions, mostly from small emitters. Our emission pattern differs from other developed countries, with most emissions from agriculture, followed by transport. Taranaki's pattern is different again, with agriculture and major industry accounting for over 80% of regional emissions.

Climate Change Impacts

A 2008 NIWA study of climate change impacts on the region predicts up to 3.1 degree temperature increases (with more days over 25 degrees) and more extreme weather events by 2090. North Taranaki will be wetter and South Taranaki drier, although there is a greater risk of drought across all areas. Other predicted climate change based risks for Taranaki are:

- Increased vulnerability of coastal communities and coastal infrastructure as a combination of storm surge and sea-level rise
- Increased erosion, landslides and flooding due to increased rainfall intensity
- Less cold-related diseases, but increased heat related conditions for humans, livestock, and natural ecosystems
- Ecosystem impacts, including increased risk of invasive pests and weeds
- Warmer temperatures put pressure on traditional agriculture, but could provide diversification opportunities.

Government Regulatory and Policy Framework

Like most countries, New Zealand recognises that climate change requires a national and international level response.

For New Zealand, that response came first from the *Climate Change Response Act 2002*, which set the national Kyoto Protocol implementation framework.

New Zealand ratified the Paris Accord in 2016, committing to limit global warming to 2 degrees above pre-industrial levels and targeting a 1.5 degree temperature increase.

The *Climate Change Response (Zero Carbon) Amendment Act 2019* commits New Zealand to zero net emissions for most GHGs by 2050, with separate targets for biogenic methane. The Act uses a mix of emissions budgets, a National Adaptation Plan and establishes a restructured national emissions trading system.

Local government's climate change role has traditionally been quite limited; due to the *Resource Management Amendment Act 2004*. That Act restricted councils to a general consideration of climate change when exercising functions and powers under the Act.

Recent changes to that position have come from:

- the *Resource Management Act*:
  - requiring councils to consider the effects of climate change in their local communities
  - making management of significant risks from natural hazards a matter of national importance
  - reversing the limits upon consent considerations in the 2004 Act (with effect from the start of 2022).
- the *Local Government Act 2002* "four well-beings" uses wording that implicitly includes climate change
- the Resource Management Review Panel report (a government priority for this term) strongly recommends requiring councils to manage sources and effects of greenhouse gases
- various provisions in biosecurity, land transport and marine pollution legislation all support or require activities that impact climate change outcomes

Council Response

The Council recognises that addressing climate change and transitioning to a low-carbon economy presents both risk and opportunities. It also recognises that the global nature of climate change impacts makes identifying and mitigating specific regional level impacts from point source activities difficult.

In 2020, the Council adopted a *Climate Change Strategy*, setting out high level climate change objectives, based on:

- Mitigation – reducing emissions while supporting a transition to a low carbon economy
- Adaptation –science based approaches that increase resilience to climate change effects
- Community engagement and awareness – building community knowledge and encouraging broader contribution to the transition to low carbon economies.

Those objectives will be achieved through:

- Internal policies and actions – how the Council will act to understand and reduce its own climate impact, including actions to be implemented via long-term and annual planning cycles
- External policies and actions – including using existing work programmes, developing a coordinated regional response and working with other agencies across the country.

These measures will be implemented across the term of this long-term plan, with regular reviews to ensure that they are still appropriate within the broader community, scientific and policy context.

Climate change in the long-term plan

Focused climate change activities are included within each individual activity group. This approach was taken because many climate change activities have impacts that are broader than just climate change.

Groups of Activities

The following sections of this *Plan* summarise the plans and programmes for each one of the groups of activities in detail for 2021/2022, in indicative terms for 2022/2023 and 2023/2024, 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 well-beings 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 *Revenue and Financing Policy*.

Intended levels of service, performance measures and targets

Service level performance measures and targets by which performance may be judged are included for each group of activities. These outline the key results or outcomes, which the Council expects to achieve from each of its groups of activities. The measures and targets 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 in all cases performance may be measured in terms of:

- Timeliness–unless stated otherwise, the target is to complete the tasks by 30 June of each year
- Cost–the target is to complete the tasks defined within the budget set in the Indicative costs and sources of funds
- Quantity–where a quantity measure is specified, the target is to meet that specified quantity
- Quality–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 deliveryof 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–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 x).

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

Additional measures by which performance can be assessed are found in the various adopted statutory policies, plans and strategies and other documents. Those measures included 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 use day to day operational assets (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 safely, efficiently and effectively. The maintenance and replacement of these assets is undertaken on a ten-year programme. All maintenance budgets are included in Council's operational expenses. 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 *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

The Council is required to identify and disclose any activities undertaken to promote specific community well-beings which have potentially significant adverse effects for other outcomes.

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 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 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.

WAITARA RIVER CATCHMENT

—restoring, protecting, and enhancing the environmental, cultural, and spiritual health and well-being of the Waitara River, the Waitara River catchment and the lower catchment of the Waitara River. These functions must be performed only in relation to matters that are within the role and responsibilities of the Council under the *Local Government Act 2002* or any other Act.

ENHANCEMENT GRANTS

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

Community Well-beings

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 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
- New Plymouth District Council (Waitara Lands) Act 2018
- 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 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 resources 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.

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.

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 110 of these individual programmes are completed each year. That level of activity is projected to continue. For less significant consents, such as for dairyshed 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 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.

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 Tahi)* was published in mid-2015. The next report is scheduled to be published in 2021.

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 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 3,400 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.

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 2019 (from 1995) shows 25 sites of 59 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
2019/2020	3	6

In 2019/2020, 78% of freshwater samples and >98% 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 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 general ecological flow guideline but all consented abstractions comply with specific 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 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 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 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; response to all non-compliance events in accordance with its documented enforcement procedures with every unauthorised incident reported publicly.
	Baseline:	In 2019/2020, 100% of significant water abstraction consents were monitored with 99% attaining a "good" or "high" level of compliance and performance. All unauthorised incidents are responded to, investigated, and publicly reported upon in accordance with adopted procedures.
3	Maintenance and enhancement of overall water quality in 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 2018, for both the past 21 and 7 years, has been completed and reported to Council. Trend analysis at the 11 regional representative sites demonstrates: • MCI indicators for ecological health: every site of the 11 representative sites shows stability (3 sites; to 2010, 8 sites) or improvement (8 sites; to 2010, 3 sites) since 1995 • BOD: 9 (82%) sites of 11 stable against 1995 baseline, one site shows improvement (11%), and the remainder (81%) are stable over recent years • Bacteriological state: 73% show improvement (5%) or stability (68%) against the 1995 baseline and 91% are stable over recent years • Nutrients: the number of sites showing stability or improvement is increasing over time. Since 1995, 73% of nutrient measures stable (62%) or improving (11%); 74% of nutrient measures stable (70%) or improving (4%) over recent years. Total nitrogen has been stable (64%) or improving (27%) since 1995, and stable (73%) over recent years • Periphyton: the latest trend results (2002-2018) showed no sites had a significant increase in thick mat and long filaments measure. Two sites showed statistically significant decreasing levels of long filamentous algae. 93% of surveys for all sites over the last two years (2016-2018) met national periphyton guidelines.

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 site have showed an improvement (29%) 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:	An update of the Lake Rotorangi trend report (for the period 1990-2018) has confirmed a very slow, insignificant rate of increase in trophic level. This also confirmed that the lake would be classified as mesotrophic in terms of its biological condition.
Measure:	The proportion of significant point source discharges into water monitored annually, associated consent compliance and the response to non-compliance.
Target (Years 1-10):	100% of significant point sources monitored; 90% of consents for significant point sources to attain a 'good' or 'high' level of compliance and performance; response to every unauthorised incident to be reported publicly; response to all non-compliance events in accordance with documented enforcement procedures.
Baseline:	In 2019/2020, 100% of significant point sources were monitored with 96% of significant industrial sources and 94.8% of significant agricultural sources attaining a 'good' or 'high' compliance and performance rating. Response to every unauthorised incident was reported publicly. Responded to all non-compliance events in accordance with 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 2023, 100% of riparian plan streams to be protected by fencing and by 30 June 2025, 90% protected by vegetation where recommended.
Baseline:	As of June 2020, 2,930 riparian management plans have been prepared recommending the planting of 6,476 km and fencing of 7,297 km of stream banks. At June 2020, 54.9% of the planting and 73.8% of the fencing had been completed resulting in 88.1% of riparian plan streams now protected by fencing and 76.3% 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 2020, the area of hill country covered by sustainable land management plans is 208,199ha. The monitoring of sustainably managed land use, in accordance with the physical capabilities of the land and soil resources, is a 5-yearly programme. The percentage of hill country being managed sustainably between 2012 and 2017 has stayed relatively the same at 86.9%. Overall, from 1994 to 2017, sustainability increased by 3% from 83.9% to 86.9%. Between 2012 and 2017, the area of bare sand decreased significantly at all 4 sites.
	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.
	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 2018. 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 2020, 208,199ha (68%) of private land have a comprehensive 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:	Surveys undertaken to 2019 show air in the region matched the 'good' or 'excellent' categories of the MfE ambient air quality guidelines. Where monitoring repeated previous surveys, it was found that air quality was being maintained. Monitoring of volatile organic compounds (VOC) benzene, toluene, ethylbenzene and xylenes (BTEX), and nitrogen oxide region-wide found 75% and 100% of results to be within the Ministry for the Environment's 'excellent' and 'good' categories respectively.

	Measure:	The proportion of significant point source discharges into air monitored annually, associated consent compliance and the response to non-compliance.
	Target (Years 1-10):	100% of significant discharge point sources monitored; 90% of consents for significant air point source discharges to attain a 'good' or 'high' level of compliance and performance; respond to all non-compliance events in accordance with documented enforcement procedures.
	Baseline:	In 2019/2020, 100% of significant point source emissions were monitored with 100% of sources attaining a 'good' or 'high' level of compliance and performance. Responded to all non-compliance events in accordance with 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 polices 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 2020, 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 2020, processing, administering and compliance monitoring of resource consents was 100% compliant with *Resource Management Act* requirements.

Activities

Years 2021/2022 to 2030/2031 unless otherwise noted.

1 Resource management planning

Measures:

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

- *Regional Policy Statement*: Commence full review in 2020/2021 as part of the development of a combined natural resource management plan.
- *Regional Coastal Plan*: Full review continued in 2020/2021.
- *Regional Air Quality Plan*: Commence full review in 2020/2021 as part of the development of a combined natural resource management plan.
- *Regional Fresh Water and Land Plan*: Full review continued in 2020/2021 and will form part of the development of a combined natural resource management plan.

2 Consent processing and administration

Measures:

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

Measures:

100% of individual compliance monitoring programmes for all major consents designed, implemented and publicly reported upon (approximately 110 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

Measures:

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
Measures:	Implement and report on 100% of the 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 *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. Develop, implement and report on additional programmes as stipulated in the 2020 *National Policy Statement for Freshwater,* for mahinga kai, periphyton, threatened species, sediment and stream health index. Prepare and publish the five-yearly state of the environment report. The reports are due in 2020 and 2025. Maintain all quality assurance programmes and information databases for hydrometric, air quality, physicochemical freshwater, terrestrial biodiversity, freshwater biological and marine biological data. International Accreditation New Zealand registration for chemical analysis maintained by the contract laboratory. Maintain public access to on-line live regional data on hydrology, meteorology, soil moisture and bathing site water quality.
6	Resource investigations and projects
Measures:	Over the period of the *2021/2021 Long-Term Plan,* a range of resource investigations and applied research projects will be undertaken. 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. Such projects evolve over time. Specifically for 2021/2022, the Council intends to: • Investigate mitigation, migration and attenuation of usage and loss of water, nutrients and sediment through land and water. • Support studies into the behaviour and bioavailability of cadmium and other contaminants in agricultural soils and fertilizer. • Engagement in "Envirolink" and other science research opportunities, to enhance knowledge base for policy development and implementation.
7	Sustainable land management plans and plant supply programme
Measures:	**Planning services.** Provide property planning services to landholders. Prepare plans covering 2,000 ha of land use capability mapping in the hill country and 30 riparian plans in the intensive water management zone. **Monitoring and reporting.** Liaise with and monitor approximately 2,600 riparian plans and 150 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 890,000 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, 233ha of protection forestry and construction of 10 km of retirement fencing to retire 200 ha of marginal land/new forestry protection.

8	Waitara River Catchment
Measures:	Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (70% of proceeds) toward the restoration, protection, and enhancement of the environmental, cultural and spiritual health and well-being of the Waitara River and the Waitara River catchment. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council. Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (30% of proceeds) toward any matter in Waitara or in the lower catchment of the Waitara River. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council.
9	Enhancement grants
Measures:	Implement a programme using environmental enhancement grants for the protection of habitats of regional significance.

Disclosure of significant negative effects on well-being

Based on historical monitoring, for this group 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.

New Plymouth District Council (Waitara Lands) Act 2018

Pursuant to the *Waitara Harbours Act 1940*, the Council has an interest in 180ha of New Plymouth District Council owned Waitara Harbour endowment lands. The *New Plymouth District Council (Waitara Lands) Act 2018* (the Act):

- provides lessees with the option to freehold their leasehold properties at any time
- provides for the split of net accumulated and ongoing income between the Council and the New Plymouth District Council
- in relation to the Council's income, provides for the establishment of funds and committees for the application of accumulated and ongoing income by creating
- a fund to improve the health and well-being of the Waitara River and its catchment
- a fund to improve Waitara and the lower Waitara River catchment.
- provides for spending in accordance with determinations made by the Waitara River Committee on the Council's functions and responsibilities
- provides for the Council to carry out all activities in addition to, and not instead of, any existing activities.

The Council must establish a standing committee, called the Waitara River Committee, comprising:

- 5 members nominated by the Council
- 4 members nominated by the Waitara River Authorities
- 1 member nominated by Te Kōwhatu Tū Moana, in recognition of the historical and continuing mana whenua exercised by the Waitara hapū in Waitara.

The Council must delegate to the Waitara River Committee all of the Council's powers that it considers necessary to enable the committee to perform its functions. The functions of the Waitara River Committee are:

- to determine the amounts and purposes of distributions of 70% of the Council income toward the restoration, protection, and enhancement of the environmental, cultural, and spiritual health and well-being of the Waitara River and the Waitara River catchment
- to determine the amounts and purposes of distributions of 30% of the Council income toward any matter in Waitara or in the lower catchment of the Waitara River
- to establish a subcommittee to make recommendations to the Waitara River Committee to determine the amounts and purposes of distributions of 30% of the Council income toward any matter in Waitara or in the lower catchment of the Waitara River.

The ways in which the restoration, protection, and enhancement of the environmental, cultural, and spiritual health and well-being of the Waitara River and the Waitara River catchment can be pursued include building the capacity and capability of the Waitara River Authorities to pursue those purposes. These functions must be performed only in relation to matters that are within the role and responsibilities of the Council under legislation.

The Waitara River Committee must establish a subcommittee. The function of the subcommittee is to make recommendations to the Waitara River Committee in relation to the amounts and purposes of distributions of 30% of the Council income toward any matter in Waitara or in the lower catchment of the Waitara River. The subcommittee comprises 4 members nominated by Te Kōwhatu Tū Moana.

Through to 30 June 2022, The Council intends to:

- Ensure the establishment of the Waitara River Committee and the subcommittee
- Enable the Waitara River Committee and the subcommittee to develop a strategy for the delivery of the functions and responsibilities of the Committee and subcommittee.
- Commence the delivery of the strategy.

Reporting on the funds allocated (income) and the distribution of funds received (expenditure) will commence with the preparation and publication of the audited *2020/2021 Annual Report* and will continue in each subsequent annual report.

Indicative Costs and Sources of Funds

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Expenditure										
1,055,744	Resource management planning	1,167,528	1,354,370	1,370,855	1,102,893	1,120,823	1,142,201	1,159,997	1,194,323	1,221,544	1,238,267
1,157,001	Consent processing and administration	1,175,694	1,193,156	1,226,940	1,253,576	1,273,030	1,297,268	1,316,457	1,357,140	1,388,446	1,406,329
3,535,190	Compliance monitoring programmes	4,614,553	5,062,153	5,332,188	5,414,572	5,492,019	5,593,292	5,671,223	5,844,602	5,978,019	6,059,444
1,004,005	Pollution incidents and response	1,140,437	1,212,420	1,297,445	1,318,234	1,338,288	1,363,823	1,383,740	1,426,463	1,459,074	1,478,145
2,434,537	State of the environment monitoring	3,397,659	3,713,505	3,852,195	3,927,336	3,981,843	4,052,442	4,106,827	4,228,474	4,323,403	4,385,781
435,802	Resource investigations and projects	691,422	732,885	775,790	790,052	800,670	814,570	825,977	847,976	865,343	875,990
4,757,793	Sustainable land management plans	5,280,066	5,265,654	5,604,767	3,556,595	3,541,302	3,595,896	3,655,229	3,757,874	3,851,285	3,896,799
7,828,882	Waitara River catchment	5,582,207	2,973,375	1,872,700	1,105,116	570,047	219,384	0	0	0	0
2,323,967	Enhancement grants	3,145,497	1,425,518	1,512,441	268,388	272,290	279,853	286,856	296,408	304,822	311,606
24,532,921	Total expenditure	**26,195,063**	**22,933,036**	**22,845,321**	**18,736,762**	**18,390,312**	**18,358,729**	**18,406,306**	**18,953,260**	**19,391,936**	**19,652,361**
	Income										
3,061,369	General rates	5,003,641	5,342,592	5,859,783	6,254,555	6,560,716	6,995,780	7,336,573	7,893,494	8,175,314	8,411,320
15,258,159	Direct charges	13,199,566	12,179,218	11,150,814	7,838,792	7,181,923	6,759,674	6,530,026	6,440,248	6,572,576	6,701,250
2,036,000	Government grants	2,836,000	1,116,000	1,202,669	0	0	0	0	0	0	0
	Transfer from reserves	0	0	0	0	0	0	0	0	0	0
(100,000)	Transfer to reserves	(75,000)	(65,000)	(60,000)	(55,000)	(50,000)	(45,000)	0	0	0	0
4,277,393	Investment funds	5,230,856	4,360,226	4,692,055	4,698,415	4,697,673	4,648,275	4,539,707	4,619,518	4,644,046	4,539,791
24,532,921	Total income	**26,195,063**	**22,933,036**	**22,845,321**	**18,736,762**	**18,390,312**	**18,358,729**	**18,406,306**	**18,953,260**	**19,391,936**	**19,652,361**
0	Operating surplus/(deficit)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Capital expenditure										
0	Land	17,000	0	8,000	20,000	8,000	0	8,000	0	8,000	0
4,000	Buildings	0	0	0	0	0	0	0	0	0	0
486,000	Motor vehicles	1,005,000	968,000	715,000	955,000	1,058,000	665,000	1,005,000	958,000	715,000	955,000
124,969	Plant and equipment	272,190	149,250	81,350	75,050	28,250	173,490	39,450	37,250	27,450	34,250
0	Office furniture	0	0	0	0	0	0	0	0	0	0
0	Computer equipment	0	0	0	0	0	0	0	0	0	0
0	Flood and river control assets	0	0	0	0	0	0	0	0	0	0
0	Computer software	0	0	0	0	0	0	0	0	0	0
614,969	Total capital expenditure	**1,294,190**	**1,117,250**	**804,350**	**1,050,050**	**1,094,250**	**838,490**	**1,052,450**	**995,250**	**750,450**	**989,250**
	Funded by:										
614,969	Transfer from retained earnings	1,294,190	1,117,250	804,350	1,050,050	1,094,250	838,490	1,052,450	995,250	750,450	989,250
614,969	Total funding	**1,294,190**	**1,117,250**	**804,350**	**1,050,050**	**1,094,250**	**838,490**	**1,052,450**	**995,250**	**750,450**	**989,250**
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
614,969	- replace existing assets	1,294,190	1,117,250	804,350	1,050,050	1,094,250	838,490	1,052,450	995,250	750,450	989,250
614,969	Total capital expenditure	**1,294,190**	**1,117,250**	**804,350**	**1,050,050**	**1,094,250**	**838,490**	**1,052,450**	**995,250**	**750,450**	**989,250**
134,000	Proceeds from sale of assets	**263,500**	**440,000**	**342,250**	**539,250**	**518,000**	**368,250**	**539,250**	**518,000**	**342,250**	**565,250**
558,643	Depreciation/amortisation	**612,032**	**611,176**	**595,786**	**535,446**	**508,394**	**492,494**	**470,294**	**463,045**	**453,645**	**455,245**

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 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 policies and the biodiversity and biosecurity strategies—refer to level of service 4.

TOWARDS PREDATOR FREE TARANAKI

—a large-scale project aimed at restoring Taranaki's unique wildlife, plants and protecting the region's lifestyles and livelihoods by removing introduced predators using the latest trapping techniques, innovation and technology, sharing lessons learned as the country works towards its Predator Free 2050 target. The region-wide project is working with residents, businesses, schools, iwi, environmental and community groups to remove possums, rats and mustelids (stoats, ferrets and weasels) from urban, rural and public land around Taranaki Maunga. The shared vision is to see abundant and diverse native wildlife and plants flourishing in Taranaki in the absence of introduced predators, which are one of the greatest threats to Taranaki's biodiversity, lifestyles and livelihoods; particularly in tourism and primary industries.

Community Well-beings

The Biosecurity group of activities contributes to community well-beings 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, plumeless 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.

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.

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 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.

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; This Plan was 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 2019/2020, the RTC was 6.8% across the area covered by 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 2019/2020, there were 189 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:	In 2019/2020, there were 96 Category C properties requiring sustained control.
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 2020, 155 Key Native Ecosystems (KNEs) comprising 5,708ha 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 2020, the inventory of sites that contain regionally significant biodiversity contained 300 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:	In 2019/2020, eight of twenty-four assessments showed an improved condition score.

Activities

Years 2021/2022 to 2030/2031 unless otherwise noted.

1	Biosecurity and biodiversity planning
Measures:	Undertake a partial review of the *Pest Management Plan for Taranaki* in 2020/2021, an interim review in 2022/2023 and a ten-year full review in 2027/2028.
2	Biosecurity/pest management
Measures:	Undertake operational programmes through both the *Pest Management Plan for Taranaki:* and the *Biosecurity Strategy* 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
Measures:	Continue to assess ecosystem sites within the region on a voluntary basis, in order to identify further key native ecosystems. Undertake at least 25 environmental condition assessments at identified sites. 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.
4	Towards Predator Free Taranaki
Measures:	Support voluntary control of rodents in urban areas aiming for 1 in 5 properties trapping or baiting. Undertake mustelid control on 20,000ha in the Okato and Warea areas. Complete/maintain possums at zero density over 4,467 ha surrounding the Kaitake range and prevent re-infestation using a virtual barrier and electronic incursion detection system.

Disclosure of significant negative effects on well-being

Based on historical monitoring, for this group 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.

Indicative Costs and Sources of Funds

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Expenditure										
65,272	Biosecurity and biodiversity planning	78,247	91,431	92,529	73,565	74,762	76,187	77,376	79,660	81,473	82,592
2,129,745	Biosecurity/pest management	2,197,420	2,452,801	2,225,362	2,264,071	2,568,313	2,331,094	2,361,941	2,723,761	2,472,132	2,500,778
1,687,039	Biodiversity	1,722,542	1,741,108	1,781,602	1,799,583	1,829,675	1,864,329	1,894,828	1,947,068	1,990,334	2,019,927
3,478,316	Towards Predator-Free Taranaki	3,608,331	3,496,096	3,532,058	3,549,459	3,564,611	3,572,624	3,574,995	133,500	133,500	131,100
7,360,372	Total expenditure	**7,606,540**	**7,781,436**	**7,631,551**	**7,686,678**	**8,037,361**	**7,844,234**	**7,909,140**	**4,883,989**	**4,677,439**	**4,734,397**
	Income										
1,985,485	General rates	2,347,450	2,658,460	2,717,414	2,824,609	2,939,993	3,064,054	3,250,993	2,827,739	2,948,654	3,038,382
2,700,736	Direct charges	2,805,043	2,703,338	2,738,244	2,740,225	2,742,243	2,744,300	2,746,506	151,369	153,781	156,127
0	Transfer from reserves	0	250,000	0	0	250,000	0	0	250,000	0	0
(100,000)	Transfer to reserves	0	0	0	0	0	0	(100,000)	0	(100,000)	(100,000)
2,774,151	Investment funds	2,454,047	2,169,638	2,175,893	2,121,844	2,105,125	2,035,880	2,011,641	1,654,881	1,675,004	1,639,888
7,360,372	Total income	**7,606,540**	**7,781,436**	**7,631,551**	**7,686,678**	**8,037,361**	**7,844,234**	**7,909,140**	**4,883,989**	**4,677,439**	**4,734,397**
0	Operating surplus/(deficit)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Capital expenditure										
0	Land	0	0	0	0	0	0	0	0	0	0
0	Buildings	0	0	0	0	0	0	0	0	0	0
104,000	Motor vehicles	400,000	75,000	200,000	150,000	475,000	0	200,000	225,000	400,000	0
22,000	Plant and equipment	22,000	22,000	22,000	22,000	34,000	34,000	22,000	22,000	22,000	22,000
0	Office furniture	0	0	0	0	0	0	0	0	0	0
0	Computer equipment	0	0	0	0	0	0	0	0	0	0
0	Flood and river control assets	0	0	0	0	0	0	0	0	0	0
0	Computer software	0	0	0	0	0	0	0	0	0	0
126,000	Total capital expenditure	**422,000**	**97,000**	**222,000**	**172,000**	**509,000**	**34,000**	**222,000**	**247,000**	**422,000**	**22,000**
	Funded by:										
126,000	Transfer from retained earnings	422,000	97,000	222,000	172,000	509,000	34,000	222,000	247,000	422,000	22,000
126,000	Total funding	**422,000**	**97,000**	**222,000**	**172,000**	**509,000**	**34,000**	**222,000**	**247,000**	**422,000**	**22,000**
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
126,000	- replace existing assets	422,000	97,000	222,000	172,000	509,000	34,000	222,000	247,000	422,000	22,000
126,000	Total capital expenditure	**422,000**	**97,000**	**222,000**	**172,000**	**509,000**	**34,000**	**222,000**	**247,000**	**422,000**	**22,000**
26,000	Proceeds from sale of assets	**182,000**	**41,250**	**104,000**	**78,000**	**249,250**	**0**	**104,000**	**119,250**	**208,000**	**0**
109,100	Depreciation/amortisation	**115,505**	**114,471**	**106,813**	**102,241**	**100,150**	**100,150**	**100,150**	**100,150**	**100,150**	**100,150**

Transport

Transport activities

Transport comprises the following activities:

REGIONAL LAND TRANSPORT PLANNING

—contributing to a vibrant, resilient and connected region with safe roads and liveable places—refer to level of service 1.

PUBLIC TRANSPORT

—providing and promoting accessible and integrated public passenger transport services that cater for the needs of the people of Taranaki (including 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.

Community Well-beings

The Transport group of activities contributes to community well-beings 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 well-beings:

- 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
- Government Policy Statement
- Regional Land Transport Plan for Taranaki
- Regional Public Transport Plan for Taranaki.

Rationale and background

Land transport is a core function. Various statutes oblige the Council to engage in 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 public transport and regional land transport planning. These six-yearly plans are submitted to the Waka Kotahi Waka Kotahi NZ Transport Agency for inclusion in the National Land Transport Programme.

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

During the last *RPTP,* the objective was to continue to improve public transport services in the New Plymouth urban area and rural Taranaki. A key focus for the delivery of services is ensuring value for money and reducing the reliance on public subsidy to fund services.

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

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.

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 bylaw. 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 2019/2020-2020/2021* 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 2018/2019, passengers on public transport services in the region grew from 349,607 to 649,874.
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

Years 2021/2022 to 2030/2031 unless otherwise noted.

1	Regional land transport planning
Measures:	Review, monitor and make adjustments to the *Regional Land Transport Plan*, as required, in accordance with statutory requirements Review and make adjustments to the *Regional Public Transport Plan*, as required, in accordance with statutory requirements. Review and make adjustments to the *Transport Activity Procurement Strategy*, as required, in accordance with statutory requirements.
2	Public transport
Measures:	Operate public transport services in the New Plymouth district and regional Taranaki consistent with the *Regional Public Transport Plan* subject to funding approval from Waka Kotahi Waka Kotahi NZ 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 Total Mobility subsidy assistance to qualifying persons through Waka Kotahi Waka Kotahi NZ Transport Agency supported *Total Mobility Scheme*.
3	Harbour management
Measures:	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*.

Disclosure of significant negative effects on well-being

Based on historical monitoring, for this group 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.

Indicative Costs and Sources of Funds

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Expenditure										
120,377	Regional land transport planning	153,765	184,627	117,384	120,168	160,007	133,339	126,078	168,203	142,257	134,782
4,830,188	Passenger transport	5,471,219	5,580,801	5,639,898	5,747,720	5,853,145	5,962,824	6,076,750	6,209,819	6,340,021	6,359,562
41,500	Harbour management	46,000	47,058	47,952	48,863	49,791	50,737	51,751	52,838	53,948	55,027
4,992,065	Total expenditure	**5,670,984**	**5,812,486**	**5,805,234**	**5,916,751**	**6,062,943**	**6,146,900**	**6,254,579**	**6,430,860**	**6,536,226**	**6,549,371**
	Income										
199,448	General rates	359,770	410,447	401,590	423,009	452,228	463,958	481,484	522,554	528,697	542,323
1,280,678	Targeted rates	1,438,997	1,527,727	1,554,259	1,581,175	1,609,061	1,637,474	1,667,955	1,700,596	1,733,927	1,666,337
1,174,300	Direct charges	1,102,400	1,127,757	1,149,184	1,171,019	1,193,266	1,215,938	1,240,256	1,266,301	1,292,894	1,318,753
2,058,968	Government grants	2,393,709	2,411,578	2,378,640	2,423,784	2,484,579	2,521,257	2,566,953	2,635,594	2,680,378	2,729,253
0	Government grants for capital	0	0	0	0	325,000	0	0	0	0	0
0	Transfer from reserves	0	0	0	0	0	0	0	0	0	0
0	Transfer to reserves	0	0	0	0	0	0	0	0	0	0
278,671	Investment funds	376,108	334,977	321,561	317,764	323,809	308,273	297,931	305,815	300,330	292,705
4,992,065	Total income	**5,670,984**	**5,812,486**	**5,805,234**	**5,916,751**	**6,387,943**	**6,146,900**	**6,254,579**	**6,430,860**	**6,536,226**	**6,549,371**
0	Operating surplus/(deficit)	**0**	**0**	**0**	**0**	**325,000**	**0**	**0**	**0**	**0**	**0**
	Capital expenditure										
0	Land	0	0	0	0	0	0	0	0	0	0
0	Buildings	0	0	0	0	0	0	0	0	0	0
0	Motor vehicles	40,000	0	0	40,000	0	0	40,000	0	0	40,000
0	Plant and equipment	0	0	0	0	500,000	0	0	0	0	0
0	Office furniture	0	0	0	0	0	0	0	0	0	0
0	Computer equipment	0	0	0	0	0	0	0	0	0	0
0	Flood and river control assets	0	0	0	0	0	0	0	0	0	0
0	Computer software	0	0	0	0	0	0	0	0	0	0
0	Total capital expenditure	**40,000**	**0**	**0**	**40,000**	**500,000**	**0**	**40,000**	**0**	**0**	**40,000**
	Funded by:										
0	Transfer from retained earnings	40,000	0	0	40,000	500,000	0	40,000	0	0	40,000
0	Total funding	**40,000**	**0**	**0**	**40,000**	**500,000**	**0**	**40,000**	**0**	**0**	**40,000**
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
0	- replace existing assets	40,000	0	0	40,000	500,000	0	40,000	0	0	40,000
0	Total capital expenditure	**40,000**	**0**	**0**	**40,000**	**500,000**	**0**	**40,000**	**0**	**0**	**40,000**
0	Proceeds from sale of assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
144,200	Depreciation/amortisation	**106,778**	**106,778**	**106,453**	**106,000**	**106,000**	**106,000**	**106,000**	**106,000**	**106,000**	**6,000**

Hazard Management

Hazard management activities

Hazard management comprises the following activities:

EMERGENCY MANAGEMENT

—supporting, in conjunction with district councils, within the Taranaki community and iwi, an integrated comprehensive emergency management system that includes 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.

Community Well-beings

The Hazard management group of activities contributes to community well-beings 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 well-beings:

- 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 2015
- 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 emergency management, integrated across a region, and requires agencies to focus on risk reduction, readiness, response and recovery.

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 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 emergency management.

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 emergency management planning, programmes and activities across the region, carrying out risk management, planning for emergency management by developing, implementing, monitoring and reviewing an emergency management group plan, and delivering emergency management at a local level based on a single response arrangement.

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*.

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.

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.

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.

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.

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 Waiaua River. The scheme is designed to protect Opunake from a 1% annual exceedance probability flooding event.

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	An emergency management system that delivers efficient and effective emergency management in Taranaki that is acceptable to the community	
	Measure:	Presence of an appropriate 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 as specified, and the *Plan* is implemented through annual work programmes. The *Plan* will next be reviewed in 2023.
	Measure:	Delivery of administrating authority requirements.
	Target (Years 1-10):	Administrating authority requirements for emergency management are delivered as specified in legislation and through agreed annual business plans.
	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 monitoring and evaluation analysis tools.
	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 and by independent invited audit in 2019.
	Measure:	The Emergency Management Office to be implementing effective multi-agency advisory group planning, training, maintenance and enhancement of facilities and equipment, 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	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 2020, the Waitara, Waiwhakaiho and Opunake 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

Years 2021/2022 to 2030/2031 unless otherwise noted.

1	Emergency management
Measures:	Support the Emergency Management office to implement, monitor and report upon the operative *Civil Defence Emergency Management Group Plan for Taranaki*, and each *Civil Defence Emergency Management Annual Business Plan*. Support the Emergency Management office to maintain, review, and as needs be, implement effective risk reduction, response and recovery procedures to minimise harm or damage to people and property arising from emergency events.
2	Flood management and general river control
Measures:	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
Measures:	Manage all flood and river control schemes across the region in accordance with asset management plans or management plans; including Lower Waiwhakaiho, Lower Waitara, Opunake, Okato and Waitotara Schemes. Manage other minor river schemes to standards as agreed with scheme participants.

Disclosure of significant negative effects on well-being

Based on historical monitoring, for this group 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.

Indicative Costs and Sources of Funds

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Expenditure										
414,058	Emergency management	480,000	491,040	500,370	509,877	519,565	529,437	540,026	551,367	562,946	574,205
334,138	Flood management & general river	308,779	309,992	312,206	318,730	323,902	329,850	335,113	344,069	351,514	356,631
250,490	River control schemes	275,841	281,312	286,561	292,203	297,657	303,352	309,235	316,201	322,971	329,131
998,686	Total expenditure	**1,064,620**	**1,082,344**	**1,099,137**	**1,120,810**	**1,141,124**	**1,162,639**	**1,184,374**	**1,211,637**	**1,237,431**	**1,259,967**
	Income										
162,654	General rates	99,901	252,026	263,545	283,148	300,034	321,010	343,005	365,764	384,647	405,816
747,776	Targeted rates	749,575	755,442	762,563	770,562	779,900	790,491	800,284	812,500	825,050	836,562
0	Direct charges	0	0	0	0	0	0	0	0	0	0
0	Government grants	0	0	0	0	0	0	0	0	0	0
0	Transfer from reserves	250,000	0	0	0	0	0	0	0	0	0
(50,228)	Transfer to reserves	(50,515)	(52,536)	(54,637)	(56,822)	(59,095)	(61,459)	(63,918)	(66,474)	(69,133)	(71,899)
227,263	Investment funds	104,438	205,684	211,027	212,701	214,834	213,292	212,243	214,057	218,502	219,029
1,087,465	Total income	**1,153,399**	**1,160,616**	**1,182,498**	**1,209,589**	**1,235,673**	**1,263,334**	**1,291,614**	**1,325,847**	**1,359,066**	**1,389,508**
88,779	Operating surplus/(deficit)	**88,779**	**78,272**	**83,361**	**88,779**	**94,549**	**100,695**	**107,240**	**114,210**	**121,635**	**129,541**
	Capital expenditure										
0	Land	0	0	0	0	0	0	0	0	0	0
0	Buildings	0	0	0	0	0	0	0	0	0	0
40,000	Motor vehicles	0	40,000	35,000	0	40,000	35,000	0	40,000	35,000	0
44,000	Plant and equipment	0	0	0	0	0	0	0	0	0	0
0	Office furniture	0	0	0	0	0	0	0	0	0	0
0	Computer equipment	0	0	0	0	0	0	0	0	0	0
0	Flood and river control assets	250,000	0	0	0	0	0	0	0	0	0
0	Computer software	0	0	0	0	0	0	0	0	0	0
84,000	Total capital expenditure	**250,000**	**40,000**	**35,000**	**0**	**40,000**	**35,000**	**0**	**40,000**	**35,000**	**0**
	Funded by:										
84,000	Transfer from retained earnings	250,000	40,000	35,000	0	40,000	35,000	0	40,000	35,000	0
84,000	Total funding	**250,000**	**40,000**	**35,000**	**0**	**40,000**	**35,000**	**0**	**40,000**	**35,000**	**0**
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	250,000	0	0	0	0	0	0	0	0	0
84,000	- replace existing assets	0	40,000	35,000	0	40,000	35,000	0	40,000	35,000	0
84,000	Total capital expenditure	**250,000**	**40,000**	**35,000**	**0**	**40,000**	**35,000**	**0**	**40,000**	**35,000**	**0**
0	Proceeds from sale of assets	**0**	**22,000**	**19,250**	**0**	**22,000**	**19,250**	**0**	**22,000**	**19,250**	**0**
16,232	Depreciation/amortisation	**15,556**	**14,000**	**11,250**	**11,250**	**11,250**	**11,250**	**11,250**	**11,250**	**11,250**	**11,250**

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.

Community Well-beings

The Recreation, culture and heritage group of activities contributes to community well-beings 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 2020
- Tupare Asset Management Plan 2020
- Pukeiti Asset Management Plan 2020.

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.

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.

Yarrow Stadium is owned by the Taranaki Stadium Trust, a council-controlled organisation of the Council. 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.

There is a partnership funding arrangement between the Trust, the New Plymouth District Council and the Council 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.

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

Taranaki has many 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.

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.

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. Updated asset management plans were adopted in 2020.
	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 2019/2020, Tupare attracted 41,616 visitors, Hollard Gardens 21,673 and Pukeiti 53,320 visitors. There were 28 events at Tupare, 33 at Hollard Gardens and 62 at Pukeiti. All three properties were part of the *Taranaki Garden Festival*.
	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(s).
	Baseline:	The ongoing partnership relationship with Puke Ariki continued during 2019/2020. The partnership contributed towards a range of projects at both Puke Ariki and Aotea Utanganui-the Museum of South Taranaki.
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. Current funding is focused on the repair and reinstatement of the Stadium as the stands are earthquake prone buildings.

Activities

Years 2021/2022 to 2030/2031 unless otherwise noted.

1	Regional Gardens
Measures:	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 Lodge and surrounds landscaping • continuing the enhancement of the garden and the rhododendron collection. • continuing the implementation of the Plant Collection Plan • refurbishing the plant borders • upgrading the outer ring tracks • completing the fit-out of the Lodge • continuing the growth in recreational activities with the construction of a fitness trail. Continue implementing the Hollard Gardens asset management plans focusing on: • installing a new toilet to meet demand in the Family Corner area • installing new stylized play equipment. Continue implementing the Tupare asset management plans focusing on: • continuing to improve the story telling • completing new art installation. Review and adopt asset management plans for Tupare, Hollard Gardens and Pukeiti by 31 October 2023.
2	Yarrow Stadium
Measures:	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.

Disclosure of significant negative effects on well-being

Based on historical monitoring, for this group 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.

Indicative Costs and Sources of Funds

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Expenditure										
4,491,442	Regional gardens	4,685,186	3,192,392	3,230,525	3,241,223	3,272,399	3,329,635	3,372,885	3,464,526	3,532,482	3,572,057
120,000	Puke Ariki	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
3,942,719	Yarrow Stadium	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669
8,554,161	Total expenditure	**7,013,855**	**5,521,061**	**5,559,194**	**5,569,892**	**5,601,068**	**5,658,304**	**5,701,554**	**5,793,195**	**5,861,151**	**5,900,726**
	Income										
1,841,487	General rates	2,263,940	1,722,726	1,758,630	1,811,850	1,864,410	1,953,694	2,032,417	2,129,925	2,193,161	2,255,712
3,942,719	Targeted rates	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669
197,000	Direct charges	204,500	213,706	213,721	218,313	223,015	227,828	232,854	238,103	243,480	248,883
2,572,955	Investment funds	2,366,746	1,405,960	1,408,174	1,361,060	1,334,974	1,298,113	1,257,614	1,246,498	1,245,841	1,217,462
8,554,161	Total income	**7,013,855**	**5,521,061**	**5,559,194**	**5,569,892**	**5,601,068**	**5,658,304**	**5,701,554**	**5,793,195**	**5,861,151**	**5,900,726**
0	Operating surplus/(deficit)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Capital expenditure										
0	Land	0	0	0	0	0	0	0	0	0	0
1,555,000	Buildings	869,000	536,000	68,000	345,000	73,000	66,000	76,000	110,000	79,000	63,000
45,000	Motor vehicles	180,000	80,000	0	230,000	80,000	0	180,000	130,000	0	180,000
60,000	Plant and equipment	60,000	60,000	60,000	60,000	60,000	75,000	60,000	60,000	60,000	60,000
0	Office furniture	0	0	0	0	0	0	0	0	0	0
0	Computer equipment	0	0	0	0	0	0	0	0	0	0
0	Flood and river control assets	0	0	0	0	0	0	0	0	0	0
0	Computer software	0	0	0	0	0	0	0	0	0	0
1,660,000	Total capital expenditure	**1,109,000**	**676,000**	**128,000**	**635,000**	**213,000**	**141,000**	**316,000**	**300,000**	**139,000**	**303,000**
	Funded by:										
1,660,000	Transfer from retained earnings	1,109,000	676,000	128,000	635,000	213,000	141,000	316,000	300,000	139,000	303,000
1,660,000	Total funding	**1,109,000**	**676,000**	**128,000**	**635,000**	**213,000**	**141,000**	**316,000**	**300,000**	**139,000**	**303,000**
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
1,660,000	- replace existing assets	1,109,000	676,000	128,000	635,000	213,000	141,000	316,000	300,000	139,000	303,000
1,660,000	Total capital expenditure	**1,109,000**	**676,000**	**128,000**	**635,000**	**213,000**	**141,000**	**316,000**	**300,000**	**139,000**	**303,000**
20,000	Proceeds from sale of assets	**97,500**	**42,500**	**0**	**123,500**	**42,500**	**0**	**97,500**	**68,500**	**0**	**97,500**
549,226	Depreciation/amortisation	**627,661**	**633,525**	**642,123**	**595,838**	**584,050**	**588,519**	**590,038**	**592,786**	**592,631**	**594,206**

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 equity, property and treasury investments 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 work 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 statutory responsibilities 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.

Community Well-beings

The regional representation, advocacy and investment management group of activities contributes to community well-beings 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 activities; and ensuring that the equity, property and treasury investments are managed efficiently. Specifically this group of activities contributes to the following community well-beings:

- 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
- 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 2022. The Council conducts meetings on a six-weekly cycle. 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 focus on responding to requests for information, distributing information and undertaking display and extension activities in schools and other forums. Increasingly, the focus is on presenting stories in a range of forums rather than relying on traditional modes of communication based around the media.

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. Both the expected returns from the investment and the ultimate value of the investment are dependent on the ability of Port Taranaki to protect and enhance its revenue base.

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. As a responsible public authority, any investments 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 statutory responsibilities 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 2019/2020, 22 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:	Allowing for flow-on effects, the port's operations are estimated to generate $28m in value added (GDP) in 2016/2017. They also generate 319 full-time equivalent jobs (FTEs). The port's important enabling role can be seen from the estimates that its users and service providers are likely to generate $353m in value added (GDP) and 929 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.
3	Effective management of property and treasury investments	
	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:	In 2019/2020, total investment returns from property and treasury investments were interest $411,873 and lease rent $910,042 These returns were used to reduce the general rate requirement.

Activities

Years 2021/2022 to 2030/2031 unless otherwise noted.

1	Investment Management
Measures:	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
Measures:	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
Measures:	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
Measures:	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.

Disclosure of significant negative effects on well-being

Based on historical monitoring, for this group 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.

Indicative Costs and Sources of Funds

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Expenditure										
6,000	Investment management	6,000	6,138	6,255	6,374	6,495	6,618	6,750	6,892	7,037	7,178
438,513	Community engagement	452,003	465,514	473,422	483,650	491,478	500,643	508,512	522,782	534,356	541,876
319,091	Advocacy and response	365,370	417,630	422,855	348,224	353,881	360,639	366,245	377,140	385,755	391,011
996,912	Governance	1,013,969	1,135,646	1,032,549	1,056,216	1,198,847	1,094,787	1,112,328	1,275,735	1,172,358	1,188,901
1,760,516	Total expenditure	**1,837,342**	**2,024,928**	**1,935,081**	**1,894,464**	**2,050,701**	**1,962,687**	**1,993,835**	**2,182,549**	**2,099,506**	**2,128,966**
	Income										
703,948	General rates	862,586	1,097,902	1,057,399	1,064,108	1,176,961	1,160,563	1,212,542	1,357,246	1,319,152	1,362,560
73,000	Direct charges	73,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000
983,568	Investment funds	901,756	896,026	846,682	799,356	842,740	771,124	750,293	794,303	749,354	735,406
1,760,516	Total income	**1,837,342**	**2,024,928**	**1,935,081**	**1,894,464**	**2,050,701**	**1,962,687**	**1,993,835**	**2,182,549**	**2,099,506**	**2,128,966**
0	Operating surplus/(deficit)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Capital expenditure										
0	Land	0	0	0	0	0	0	0	0	0	0
1,000,000	Buildings	3,000,000	3,000,000	0	0	0	0	0	0	0	0
238,000	Motor vehicles	58,000	115,000	361,000	58,000	115,000	361,000	58,000	115,000	361,000	28,000
2,000	Plant and equipment	152,000	2,000	77,000	2,000	2,000	152,000	2,000	2,000	2,000	2,000
12,000	Office furniture	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
217,117	Computer equipment	250,000	182,000	212,000	282,000	302,000	210,000	182,000	212,000	282,000	302,000
0	Flood and river control assets	0	0	0	0	0	0	0	0	0	0
550,000	Computer software	920,000	350,000	350,000	350,000	350,000	650,000	350,000	350,000	350,000	350,000
2,019,117	Total capital expenditure	**4,392,000**	**3,661,000**	**1,012,000**	**704,000**	**781,000**	**1,385,000**	**604,000**	**691,000**	**1,007,000**	**694,000**
	Funded by:										
2,019,117	Transfer from retained earnings	4,392,000	3,661,000	1,012,000	704,000	781,000	1,385,000	604,000	691,000	1,007,000	694,000
2,019,117	Total funding	**4,392,000**	**3,661,000**	**1,012,000**	**704,000**	**781,000**	**1,385,000**	**604,000**	**691,000**	**1,007,000**	**694,000**
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
2,019,117	- replace existing assets	4,392,000	3,661,000	1,012,000	704,000	781,000	1,385,000	604,000	691,000	1,007,000	694,000
2,019,117	Total capital expenditure	**4,392,000**	**3,661,000**	**1,012,000**	**704,000**	**781,000**	**1,385,000**	**604,000**	**691,000**	**1,007,000**	**694,000**
63,000	Proceeds from sale of assets	**20,500**	**63,250**	**198,550**	**20,500**	**71,500**	**198,550**	**20,500**	**71,500**	**198,550**	**4,000**
906,052	Depreciation/amortisation	**1,069,427**	**944,810**	**1,085,188**	**1,133,583**	**1,087,642**	**1,024,494**	**1,023,734**	**1,023,734**	**1,023,651**	**963,627**

Financial Strategy

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.

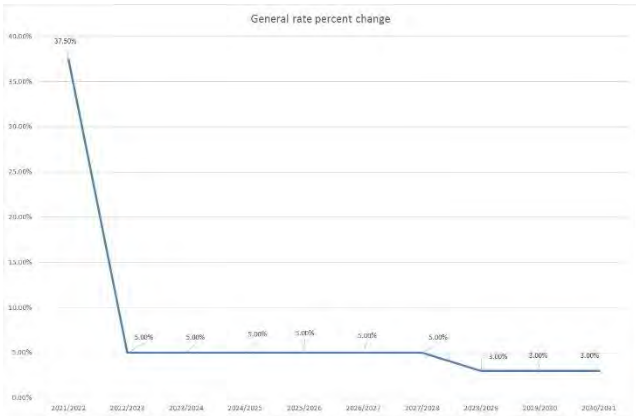
Summary

The Council is in a strong financial position. This *Financial Strategy* and *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 increases in general rates, increases in direct charging for services received and, in some instances, by increases in borrowing.

The key points in this *Strategy* are:

- the range of programmes provided for in the adopted suite of plans, strategies and policies, as being updated by changes in national policy directions, are being delivered by the *Plan*
- the financial resources required for these programmes and the changes in national policy directions 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 flood control schemes, regional gardens and Yarrow Stadium 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
- external public debt is used to align the costs and benefits of some projects over the life of those projects
- the relatively strong financial position is retained over the life of this *Plan*.

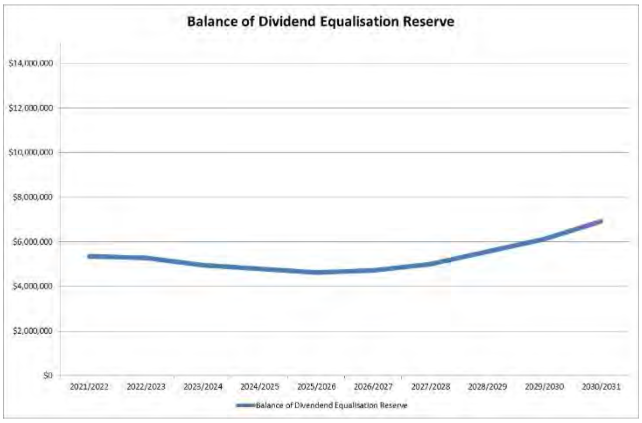
The biggest uncertainty remains the ability for Port Taranaki Ltd to deliver upon its forecast dividend levels. However, the ability to manage the financial implications of dividend fluctuations has been demonstrated.



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 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.



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 polices 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. A number of these policies, plans and strategies are being updated as a result of changes in national policy directions. 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, emergency management plans, the repair and reinstatement project for Yarrow Stadium 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 as planned and as anticipated to change as result of changes in national policy directions.

Taranaki's population is not expected to significantly change over the life of this *Plan*. Slow steady population growth is expected across the region although in some areas there are higher rates of growth. 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, polices 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.

External public debt is used to align the costs and benefits of some projects over the life of those projects. Interest rates are at historical lows making the use of debt funding an attractive financial option. These rates are forecast to continue in the short to medium term.

Looking Forward

The suite of adopted regional plans, polices and strategies is in place, with all of these having been through some form public adoption process. These plans, polices and strategies have been transformed into the levels of service and works programmes outlined in this *Plan*.

Changes in national policy directions, particularly around fresh water management, require a number of changes to the suite of regional plans, polices and strategies and associated changes in works programmes and budgets. In some areas these are significant and costly. These changes cannot be mitigated or avoided and, consequently, the budgets in this Plan have been increased to match the increased obligations.

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*.

Dividends are a significant portion of 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.

The regional economy is largely based on agriculture (particularly dairying) and the oil and gas industry together with a range of associated support and service industries. 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 regional economy will also adapt and change as the oil and gas industry moves towards the end of its natural life.

The *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, polices and strategies, over the life of this *Plan*.

Flood control schemes have been upgraded with the major schemes providing protection from 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, polices and strategies
- modest overall rates changes
- modest levels of 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 polices has resulted in the following funding sources over the last two years:

	2020/2021 Estimate	2019/2020 Estimate
General rates revenue	17%	17%
Targeted rates revenue	12%	13%
Direct charges revenue	40%	37%
Government grants	9%	7%
Dividends	17%	17%
Rent revenue	2%	2%
Finance income	3%	7%
Total income	100%	100%

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*.

	2021/22 Estimate	2022/23 Indicative	2023/24 Indicative	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31 Forecast
General rates	23%	25%	27%	31%	32%	33%	34%	37%	37%	38%
Targeted rates	9%	10%	10%	11%	11%	11%	11%	12%	12%	11%
Direct charges	36%	35%	34%	29%	27%	26%	25%	20%	20%	20%
Government grants	11%	8%	8%	6%	7%	6%	6%	7%	7%	7%
Dividends	17%	18%	18%	19%	19%	19%	19%	20%	20%	19%
Rent revenue	2%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Finance income	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Total income	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Rates

The balance of the funding requirements will be funded by general rates. Total rates represents between 20% and 40% of total revenue.

In applying its funding and financial policies, general rates are the majority of 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 incomes to reduce the general rates they are effectively returned to the regional community.

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, uniform annual general charges (UAGCs) are used 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.

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 10% 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 operates in a highly competitive commercial environment. Working with Port Taranaki, 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.

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 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 $16.5m of cash, cash equivalents and treasury investments at 30 June 2020. These investments are held to produce an income stream to reduce general rates. These investments are forecast to produce a 1% to 2% per annum return on investment.

At 30 June 2020, there were $19.5m of endowment properties. These properties were inherited from the former Taranaki Harbours Board. 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*:

The Council is the 100% owner of Port Taranaki Ltd. This investment is valued at a book value of $26m at 30 June 2020. 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 2020. 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.

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.

Financial Statements

The following pages present financial projections for 2021/2022 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 overall net worth
- 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 2021. These figures differ from the estimated financial position as at 30 June 2021 included in the *2020/2021 Annual Plan.*

The forecast prospective financial information has been prepared for the purposes of this *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 as at February 2021. Actual financial results have been incorporated to the extent that they affect the opening forecast prospective financial position as at 1 July 2021. There is no intention to update the forecast prospective financial information prior to the finalisation of this *Plan*.

The forecast financial information on pages xx to xx has been prepared in accordance with current accounting policies as specified on pages xx to xx. 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 within each group of activities equates to the figures included in the *Statement of comprehensive revenue and expense.*

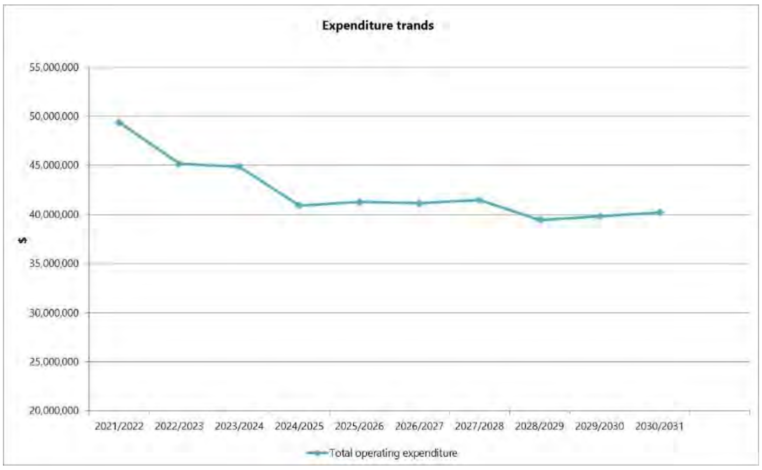
Each year's projected operating revenues are required to be set at a level sufficient to meet that year's projected operating expenses.

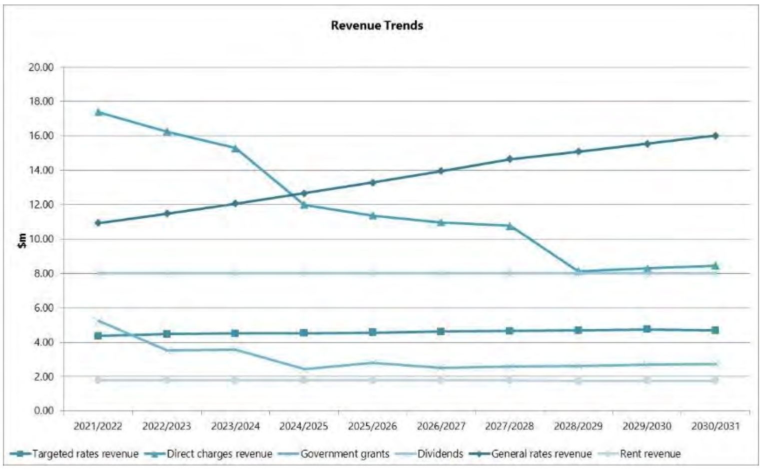
Prior to 1996/1997, dividends received from Port Taranaki Ltd were used to repay debt inherited upon the corporatisation of the new port company. Since then dividend returns have been used to reduce the general rate requirement. In some years, more dividend returns are received than budgeted for. These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

The returns from Port Taranaki Ltd have the potential to fluctuate significantly. The Dividend Equalisation Reserve is used 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 there are surpluses and in others deficits.

Each year's projected operating revenues are required to be set at a level sufficient to meet that year's projected operating expenses. For 2021/2022 and the subsequent nine years, projected operating revenues are sufficient to cover projected operating expenses.

This *Plan* was adopted and authorised for issue on 23 February 2021. 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.


Expenditure trands
55,000,000
50,000,000
45,000,000
40,000,000
35,000,000
30,000,000
25,000,000
20,000,000
$
2021/2022
2022/2023
2023/2024
2024/2025
2025/2026
2026/2027
2027/2028
2028/2029
2029/2030
2030/2031
Total operating expenditure


Revenue Trends
20.00
18.00
16.00
14.00
12.00
10.00
8.00
6.00
4.00
2.00
0.00
$m
2021/2022
2022/2023
2023/2024
2024/2025
2025/2026
2026/2027
2027/2028
2028/2029
2029/2030
2030/2031
Targeted rates revenue
Direct charges revenue
Government grants
Dividends
General rates revenue
Rent revenue


Financial Position Trends
160.00
140.00
120.00
100.00
80.00
60.00
40.00
20.00
0.00
$m
2021/2022
2022/2023
2023/2024
2024/2025
2025/2026
2026/2027
2027/2028
2028/2029
2029/2030
2030/2031
Total assets
Total public equity
Total liabilities

Statement of Comprehensive Revenue and Expense

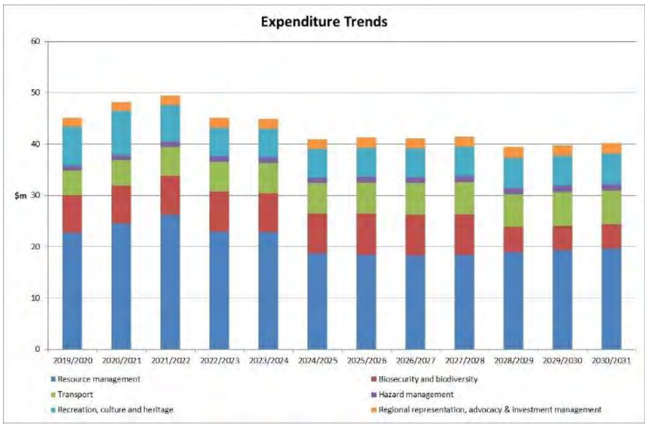
2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Cost of services										
24,532,921	Resource management	26,195,063	22,933,036	22,845,321	18,736,762	18,390,312	18,358,729	18,406,306	18,953,260	19,391,936	19,652,361
7,360,372	Biosecurity and biodiversity	7,606,540	7,781,436	7,631,551	7,686,678	8,037,361	7,844,234	7,909,140	4,883,989	4,677,439	4,734,397
4,992,065	Transport	5,670,984	5,812,486	5,805,234	5,916,751	6,062,943	6,146,900	6,254,579	6,430,860	6,536,226	6,549,371
998,686	Hazard management	1,064,620	1,082,344	1,099,137	1,120,810	1,141,124	1,162,639	1,184,374	1,211,637	1,237,431	1,259,967
8,554,161	Recreation, culture and heritage	7,013,855	5,521,061	5,559,194	5,569,892	5,601,068	5,658,304	5,701,554	5,793,195	5,861,151	5,900,726
1,760,516	Regional representation, advocacy &	1,837,342	2,024,928	1,935,081	1,894,464	2,050,701	1,962,687	1,993,835	2,182,549	2,099,506	2,128,966
48,198,721	Total operating expenditure	**49,388,404**	**45,155,291**	**44,875,518**	**40,925,357**	**41,283,509**	**41,133,493**	**41,449,788**	**39,455,490**	**39,803,689**	**40,225,788**
	Revenue from exchange transactions										
4,376,777	Direct charges revenue	4,729,359	4,992,988	5,219,001	5,316,403	5,415,660	5,516,810	5,625,301	5,741,492	5,860,129	5,975,509
1,150,000	Rent revenue	1,125,000	1,150,875	1,172,742	1,195,025	1,217,730	1,240,868	1,265,685	1,292,265	1,319,402	1,345,791
8,000,000	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
	Revenue from non-exchange transactions										
7,954,392	General rates revenue	10,937,289	11,484,153	12,058,361	12,661,279	13,294,343	13,959,060	14,657,013	15,096,723	15,549,625	16,016,114
5,971,173	Targeted rates revenue	4,367,241	4,461,838	4,495,491	4,530,406	4,567,630	4,606,634	4,646,908	4,691,765	4,737,646	4,681,568
15,026,418	Direct charges revenue	12,655,150	11,257,559	10,063,962	6,682,946	5,955,787	5,461,930	5,155,341	2,385,529	2,433,602	2,480,504
4,094,968	Government grants	5,229,709	3,527,578	3,581,309	2,423,784	2,809,579	2,521,257	2,566,953	2,635,594	2,680,378	2,729,253
0	Vested assets	0	0	0	0	0	0	0	0	0	0
46,573,728	Total income	**47,043,748**	**44,874,991**	**44,590,866**	**40,809,843**	**41,260,729**	**41,306,559**	**41,917,201**	**39,843,368**	**40,580,782**	**41,228,739**
(1,624,993)	Operating surplus/(deficit) before finance income and expenses and taxation	**(2,344,656)**	**(280,300)**	**(284,652)**	**(115,514)**	**(22,780)**	**173,066**	**467,413**	**387,878**	**777,093**	**1,002,951**
1,341,772	Finance income	647,417	625,659	603,562	581,121	558,328	535,175	511,656	447,763	428,489	408,826
1,041,772	Finance expense	472,417	455,659	438,562	421,121	403,328	385,175	366,656	347,763	328,489	308,826
300,000	Net finance expense	175,000	170,000	165,000	160,000	155,000	150,000	145,000	100,000	100,000	100,000
(1,324,993)	Operating surplus before taxation	**(2,169,656)**	**(110,300)**	**(119,652)**	**44,486**	**132,220**	**323,066**	**612,413**	**487,878**	**877,093**	**1,102,951**
	Other gains/losses										
0	Gains/(losses) on revaluation of properties	0	0	0	0	0	0	0	0	0	0
(1,324,993)	Operating surplus before taxation	**(2,169,656)**	**(110,300)**	**(119,652)**	**44,486**	**132,220**	**323,066**	**612,413**	**487,878**	**877,093**	**1,102,951**
(10,000)	Income tax expense	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
(1,334,993)	Surplus/(deficit) for the period	**(2,179,656)**	**(120,300)**	**(129,652)**	**34,486**	**122,220**	**313,066**	**602,413**	**477,878**	**867,093**	**1,092,951**
	Other comprehensive income										
0	Revaluation of property, plant and equipment	0	0	0	0	0	0	0	0	0	0
0	Other comprehensive income, net of tax	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(1,334,993)	Operating surplus/(deficit)	**(2,179,656)**	**(120,300)**	**(129,652)**	**34,486**	**122,220**	**313,066**	**602,413**	**477,878**	**867,093**	**1,092,951**

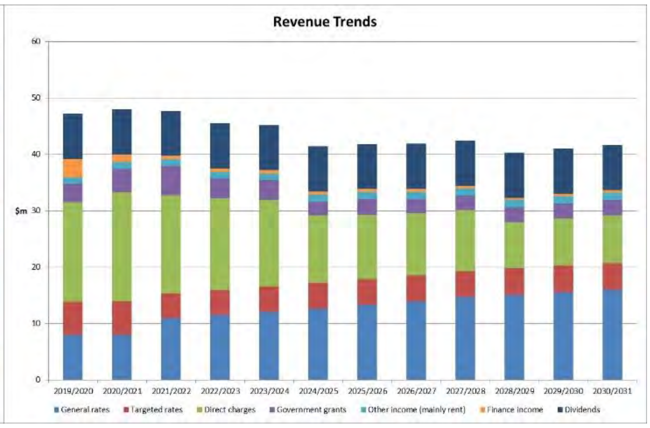
This statement should be read in conjunction with the *Explanatory Notes to the Financial Statements*.

Statement of Changes in Net Assets/Equity

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Retained Earnings										
70,301,379	As at 1 July	68,890,158	67,478,937	67,562,209	67,650,570	67,744,349	68,168,898	68,274,593	68,426,833	68,541,043	68,662,678
(1,334,993)	Total comprehensive income for the period	(2,179,656)	(120,300)	(129,652)	34,486	122,220	313,066	602,413	477,878	867,093	1,092,951
(76,228)	Transfers to and from reserves	768,435	203,572	218,013	59,293	302,329	(207,371)	(450,173)	(363,668)	(745,458)	(963,410)
68,890,158	As at 30 June	67,478,937	67,562,209	67,650,570	67,744,349	68,168,898	68,274,593	68,426,833	68,541,043	68,662,678	68,792,219
	Reserves										
28,684,777	As at 1 July	28,761,005	27,992,570	27,788,998	27,570,985	27,511,692	27,209,363	27,416,734	27,866,907	28,230,575	28,976,033
0	Total comprehensive income for the period	0	0	0	0	0	0	0	0	0	0
76,228	Transfers to and from reserves	(768,435)	(203,572)	(218,013)	(59,293)	(302,329)	207,371	450,173	363,668	745,458	963,410
28,761,005	As at 30 June	27,992,570	27,788,998	27,570,985	27,511,692	27,209,363	27,416,734	27,866,907	28,230,575	28,976,033	29,939,443
	Asset revaluation reserves										
4,509,338	As at 1 July	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872
0	Total comprehensive income for the period	0	0	0	0	0	0	0	0	0	0
707,534	Transfers to and from reserves	0	0	0	0	0	0	0	0	0	0
5,216,872	As at 30 June	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872
	Total equity										
103,495,494	As at 1 July	102,868,035	100,688,379	100,568,079	100,438,427	100,472,913	100,595,133	100,908,199	101,510,612	101,988,490	102,855,583
(1,334,993)	Total comprehensive income for the period	(2,179,656)	(120,300)	(129,652)	34,486	122,220	313,066	602,413	477,878	867,093	1,092,951
707,534	Transfers to and from reserves	0	0	0	0	0	0	0	0	0	0
102,868,035	As at 30 June	100,688,379	100,568,079	100,438,427	100,472,913	100,595,133	100,908,199	101,510,612	101,988,490	102,855,583	103,948,534

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





Statement of Financial Position

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
2,203,559	Cash and cash equivalents	642,960	637,092	645,112	652,534	670,776	696,032	670,403	398,240	696,569	662,300
0	Current portion of investments	0	0	0	0	0	0	0	0	0	0
600,000	Receivables from exchange	960,000	982,080	1,000,740	1,019,754	1,039,129	1,058,872	1,080,049	1,102,730	1,125,887	1,148,405
3,200,000	Receivables from non-exchange	1,040,000	1,063,920	1,084,134	1,104,733	1,125,723	1,147,112	1,170,054	1,194,625	1,219,712	1,244,106
150,000	Inventories	150,000	153,450	156,366	159,337	162,364	165,449	168,758	172,302	175,920	179,438
250,000	Prepayments	100,000	102,300	104,244	106,225	108,243	110,300	112,506	114,869	117,281	119,627
200,000	Work-in-progress	400,000	409,200	416,975	424,898	432,971	441,197	450,021	459,471	469,120	478,502
6,603,559	Total current assets	**3,292,960**	**3,348,042**	**3,407,571**	**3,467,481**	**3,539,206**	**3,618,962**	**3,651,791**	**3,442,237**	**3,804,489**	**3,832,378**
	Non-current assets										
21,595,467	Treasury investments	18,395,467	15,895,467	16,895,467	17,695,467	18,095,467	18,995,467	20,595,467	22,295,467	23,695,467	25,695,467
26,000,000	Port Taranaki Ltd	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	Civic Financial Services Ltd	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
798,118	Regional Software Holdings Ltd	798,118	798,118	798,118	798,118	798,118	798,118	798,118	798,118	798,118	798,118
12,000,000	Loan to Taranaki Stadium Trust	17,000,000	30,000,000	28,500,000	27,000,000	25,500,000	24,000,000	22,500,000	21,000,000	19,500,000	18,000,000
19,559,000	Investment properties	19,559,000	19,559,000	19,559,000	19,559,000	19,559,000	19,559,000	19,559,000	19,559,000	19,559,000	19,559,000
1,119,701	Intangible assets	1,855,701	1,951,701	1,977,701	1,933,701	1,819,701	2,059,701	1,999,701	1,939,701	1,879,701	1,879,701
34,424,791	Property, plant and equipment	38,019,734	40,416,576	39,343,559	38,707,001	38,619,114	37,862,846	37,053,779	36,274,014	35,615,287	34,851,909
80,499	Deferred tax	80,499	80,499	80,499	80,499	80,499	80,499	80,499	80,499	80,499	80,499
115,578,576	Total non-current assets	**121,709,519**	**134,702,361**	**133,155,344**	**131,774,786**	**130,472,899**	**129,356,631**	**128,587,564**	**127,947,799**	**127,129,072**	**126,865,694**
122,182,135	Total assets	**125,002,479**	**138,050,403**	**136,562,915**	**135,242,267**	**134,012,105**	**132,975,593**	**132,239,355**	**131,390,036**	**130,933,561**	**130,698,072**
	Current liabilities										
3,000,000	Payables from exchange transactions	3,000,000	3,069,000	3,127,311	3,186,730	3,247,278	3,308,976	3,375,156	3,446,034	3,518,401	3,588,769
2,000,000	Payables from non-exchange	2,000,000	2,046,000	2,084,874	2,124,487	2,164,852	2,205,984	2,250,104	2,297,356	2,345,600	2,392,512
600,000	Work-in-progress	600,000	613,800	625,462	637,346	649,456	661,796	675,032	689,208	703,681	717,755
1,150,000	Employee entitlements	1,150,000	1,176,450	1,198,803	1,221,580	1,244,790	1,268,441	1,293,810	1,320,980	1,348,721	1,375,695
6,750,000	Total current liabilities	**6,750,000**	**6,905,250**	**7,036,450**	**7,170,143**	**7,306,376**	**7,445,197**	**7,594,102**	**7,753,578**	**7,916,403**	**8,074,731**
	Non-current liabilities										
564,100	Employee entitlements	564,100	577,074	588,038	599,211	610,596	622,197	634,641	647,968	661,575	674,807
12,000,000	Borrowings	17,000,000	30,000,000	28,500,000	27,000,000	25,500,000	24,000,000	22,500,000	21,000,000	19,500,000	18,000,000
12,564,100	Total non-current liabilities	**17,564,100**	**30,577,074**	**29,088,038**	**27,599,211**	**26,110,596**	**24,622,197**	**23,134,641**	**21,647,968**	**20,161,575**	**18,674,807**
19,314,100	Total liabilities	**24,314,100**	**37,482,324**	**36,124,488**	**34,769,354**	**33,416,972**	**32,067,394**	**30,728,743**	**29,401,546**	**28,077,978**	**26,749,538**
	Public equity										
68,890,158	Retained earnings	67,478,937	67,562,209	67,650,570	67,744,349	68,168,898	68,274,593	68,426,833	68,541,043	68,662,678	68,792,219
28,761,005	Reserves	27,992,570	27,788,998	27,570,985	27,511,692	27,209,363	27,416,734	27,866,907	28,230,575	28,976,033	29,939,443
5,216,872	Asset revaluation reserves	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872	5,216,872
102,868,035	Total public equity	**100,688,379**	**100,568,079**	**100,438,427**	**100,472,913**	**100,595,133**	**100,908,199**	**101,510,612**	**101,988,490**	**102,855,583**	**103,948,534**
122,182,135	Total liabilities and equity	**125,002,479**	**138,050,403**	**136,562,915**	**135,242,267**	**134,012,105**	**132,975,593**	**132,239,355**	**131,390,036**	**130,933,561**	**130,698,072**

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

Statement of Cash Flows

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Cash flows from operating activities										
	Cash was provided from:										
13,925,565	Rates	15,304,530	15,945,991	16,553,852	17,191,685	17,861,973	18,565,694	19,303,921	19,788,488	20,287,271	20,697,682
1,341,772	Interest	647,417	625,659	603,562	581,121	558,328	535,175	511,656	447,763	428,489	408,826
8,000,000	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
0	Goods and services tax	0	0	0	0	0	0	0	0	0	0
5,559,884	Other exchange transactions	5,898,122	6,412,965	6,827,696	6,904,691	7,318,331	7,391,646	7,608,393	8,498,449	8,667,934	8,837,345
19,088,279	Other non-exchange transactions	19,441,096	14,474,635	13,174,331	8,677,815	8,044,097	7,312,201	6,965,180	3,513,905	3,582,157	3,651,492
47,915,500		**49,291,165**	**45,459,250**	**45,159,441**	**41,355,312**	**41,782,729**	**41,804,716**	**42,389,150**	**40,248,605**	**40,965,851**	**41,595,345**
	Cash was applied to:										
45,775,669	Employees and suppliers	46,575,657	42,467,209	42,115,559	38,226,969	38,667,159	38,586,845	38,914,923	36,939,005	37,293,633	37,879,288
1,041,772	Interest	472,417	455,659	438,562	421,121	403,328	385,175	366,656	347,763	328,489	308,826
60,000	Taxation	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
46,877,441		**47,108,074**	**42,982,868**	**42,614,121**	**38,708,090**	**39,130,487**	**39,032,020**	**39,341,579**	**37,346,768**	**37,682,122**	**38,248,114**
1,038,059	Net cash flows from operating activities	**2,183,091**	**2,476,382**	**2,545,320**	**2,647,222**	**2,652,242**	**2,772,696**	**3,047,571**	**2,901,837**	**3,283,729**	**3,347,231**
	Cash flows from investing activities										
	Cash was provided from:										
2,000,000	Investments	3,200,000	2,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
243,000	Property, plant and equipment	563,500	609,000	664,050	761,250	903,250	586,050	761,250	799,250	768,050	666,750
2,243,000		**3,763,500**	**3,109,000**	**2,164,050**	**2,261,250**	**2,403,250**	**2,086,050**	**2,261,250**	**2,299,250**	**2,268,050**	**2,166,750**
	Cash was applied to:										
10,000,000	Investments	5,000,000	13,000,000	1,000,000	800,000	400,000	900,000	1,600,000	1,700,000	1,400,000	2,000,000
4,504,086	Property, plant and equipment	7,507,190	5,591,250	2,201,350	2,601,050	3,137,250	2,433,490	2,234,450	2,273,250	2,353,450	2,048,250
14,504,086		**12,507,190**	**18,591,250**	**3,201,350**	**3,401,050**	**3,537,250**	**3,333,490**	**3,834,450**	**3,973,250**	**3,753,450**	**4,048,250**
(12,261,086)	Net cash flows from investing activities	**(8,743,690)**	**(15,482,250)**	**(1,037,300)**	**(1,139,800)**	**(1,134,000)**	**(1,247,440)**	**(1,573,200)**	**(1,674,000)**	**(1,485,400)**	**(1,881,500)**
	Cash flows from financing activities										
	Cash was provided from:										
10,000,000	Borrowing	5,000,000	13,000,000	0	0	0	0	0	0	0	0
10,000,000		**5,000,000**	**13,000,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Cash was applied to:										
0	Borrowing	0	0	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
0		**0**	**0**	**1,500,000**	**1,500,000**	**1,500,000**	**1,500,000**	**1,500,000**	**1,500,000**	**1,500,000**	**1,500,000**
10,000,000	Net cash flows from investing activities	**5,000,000**	**13,000,000**	**(1,500,000)**	**(1,500,000)**	**(1,500,000)**	**(1,500,000)**	**(1,500,000)**	**(1,500,000)**	**(1,500,000)**	**(1,500,000)**
(1,223,027)	Net increase/(decrease) in cash and cash	(1,560,599)	(5,868)	8,020	7,422	18,242	25,256	(25,629)	(272,163)	298,329	(34,269)
3,426,586	Opening cash balance	2,203,559	642,960	637,092	645,112	652,534	670,776	696,032	670,403	398,240	696,569
2,203,559	Closing cash and cash equivalents	**642,960**	**637,092**	**645,112**	**652,534**	**670,776**	**696,032**	**670,403**	**398,240**	**696,569**	**662,300**

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

Funding Impact Statement

The total estimated expenditure for 2021/2022 is $49,388,404. This expenditure will be funded from the following sources consistent with the *Revenue and Financing Policy:*

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
General rates	11,049	11,601	12,181	12,790	13,430	13,833	14,248	14,675	15,115	15,569
UAGC	0	0	0	0	0	0	0	0	0	0
Targeted rates	4,359	4,463	4,497	4,531	4,666	4,606	4,646	4,690	4,734	4,678
Direct charges	17,385	16,151	15,181	11,896	11,266	10,871	10,671	8,015	8,179	8,339
Government grants	5,230	3,528	3,581	2,424	2,810	2,521	2,567	2,636	2,680	2,729
Dividends	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Rent revenue	1,125	1,151	1,173	1,195	1,218	1,241	1,266	1,292	1,319	1,346
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	647	626	604	581	558	535	512	448	428	409
From reserves	8	250	0	0	251	1	1	251	3	3
To reserves	(126)	(117)	(114)	(111)	(109)	(106)	(163)	(66)	(169)	(171)
Total funding	47,677	45,652	45,102	41,305	42,089	41,501	41,746	39,941	40,291	40,901

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 2021/2022 is 0.0241224 (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. The rates to be collected from each district are:

- New Plymouth and North Taranaki constituencies—to produce $6,104,683 at a rate of 0.0261534 cents in the dollar of capital value GST inclusive
- Stratford constituency—to produce $818,802 at a rate of 0.0270926 cents in the dollar of capital value GST inclusive
- South Taranaki constituency—to produce $2,766,487 at a rate of 0.0251252 cents in the dollar of capital value GST inclusive.

Uniform annual general charge

The Council proposes a uniform annual general charge of $51.75 (GST inclusive) on all separately used or inhabited parts of a rating unit in the region to produce $2,887,909 (GST inclusive).

Separately used or inhabited part of a rating unit

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 inhabitation

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 inhabitation

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 applies to the uniform annual general charge when used and to all to fixed 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	Location and types of land to be funded	Different factors or 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, North Taranaki, Stratford and South Taranaki constituencies of the Taranaki region	Fixed charge
Recreation, culture and heritage	Yarrow Stadium rate	All commercial and industrial properties in the New Plymouth and North Taranaki, constituencies of the Taranaki region	Land value

The Council proposes the following targeted rates for 2021/2022:

- 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 2021/2022 is 0.003373 GST inclusive to produce $787,372 (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 2021/2022 is 0.000678 GST inclusive to produce $74,640 (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 2021/2022 is 0.006471 GST inclusive to produce $1,510396 (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 2021/2022 is 0.001729 GST inclusive to produce $52,241 (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 2021/2022 is 0.000837 GST inclusive to produce $92,209 (GST inclusive).
- A differential targeted rate for Yarrow Stadium in the New Plymouth and North Taranaki constituencies of the Taranaki region.

Groups of properties (matters) used	Amount of rate and factor to be used	Total amount to be produced
Group 1 Commercial and Industrial.	A rate of 0.010707 cents in the dollar of land value GST inclusive.	$132,158 GST inclusive
Group 1 Commercial and Industrial.	Fixed amount of $96.60 GST inclusive for all separately used or inhabited parts of a rating unit.	$227,783 GST inclusive
Groups 2, 3 and 4 being Residential, Small holdings and Farmland as defined below.	Fixed amount of $45.30 GST inclusive for all separately used or inhabited parts of a rating unit	$1,594,326 GST inclusive.

- The Council differentiates the Yarrow Stadium targeted rate for the New Plymouth and North Taranaki constituencies 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.
- A targeted rate for Yarrow Stadium as a fixed amount on all separately used or inhabited parts of a rating unit in the Stratford constituency of the Taranaki region. The estimated fixed amount of $29.71 for all separately used or inhabited parts of a rating unit for 2021/2022 to produce $125,273 GST inclusive.
- A targeted rate for Yarrow Stadium as a fixed amount on all separately used or inhabited parts of a rating unit in the South Taranaki constituency of the Taranaki region. The estimated fixed amount of $29.71 for all separately used or inhabited parts of a rating unit for 2021/2022 to produce $425,930 GST inclusive.

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 2021) 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	25 August 2021	25 August 2021	25 August 2021
Instalment 2	24 November 2021	24 November 2021	24 November 2021
Instalment 3	23 February 2022	23 February 2022	23 February 2022
Instalment 4	25 May 2022	25 May 2022	25 May 2022

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 2021 and which remains unpaid after the due date for that instalment.

	New Plymouth & North Taranaki Constituencies	Stratford Constituency	South Taranaki Constituency
Instalment 1	25 August 2021	25 August 2021	25 August 2021
Instalment 2	24 November 2021	24 November 2021	24 November 2021
Instalment 3	23 February 2022	23 February 2022	23 February 2022
Instalment 4	25 May 2022	25 May 2022	25 May 2022

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 2021 and which remain unpaid on 1 July 2021. The penalty will be applied on 30 September 2021 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 31 March 2022 (New Plymouth and North Taranaki constituencies).

The Council will charge a penalty of 10% on so much of any rates levied before 1 July 2021 which remain unpaid on 10 July 2021 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 2020 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 2021 which remain unpaid on 1 July 2021 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 25 August 2021.

Payment Locations

The 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.

Rating impact

The following are examples of the level of total rates that different groups of ratepayers will incur in 2021/2022 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, capital value targeted rates and fixed charge targeted rates. To determine the rates for any property, refer to the table for that type of property and then look by capital value.

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	$203.08	$237.80	$307.22	$394.01	$480.79
$100,000	$207.74	$242.45	$311.88	$398.66	$485.44
$150,000	$212.39	$247.11	$316.53	$403.32	$490.10
$300,000	$226.36	$261.07	$330.50	$417.28	$504.07
$500,000	$244.98	$279.69	$349.12	$435.90	$522.69

Residential property					
Capital value of property:	$200,000	$300,000	$500,000	$750,000	$1,000,000
Total rates	$153.82	$188.53	$257.96	$344.74	$431.52

Small holdings property					
Capital value of property:	$200,000	$300,000	$500,000	$750,000	$1,000,000
Total rates	$153.82	$188.53	$257.96	$344.74	$431.52

Farmland property					
Capital value of property:	$500,000	$1,000,000	$2,000,000	$3,000,000	$5,000,000
Total rates	$257.96	$431.52	$778.66	$1,125.79	$1,820.06

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 fixed charge targeted rates.

Stratford constituency					
Capital value of property:	$200,000	$500,000	$1,000,000	$2,000,000	$5,000,000
Total rates	$128.03	$213.81	$356.79	$642.75	$1,500.62

South Taranaki constituency					
Capital value of property:	$200,000	$500,000	$1,000,000	$2,000,000	$5,000,000
Total rates	$123.72	$203.05	$335.26	$599.69	$1,392.98

Actual rates to be paid

To calculate the rates payable for a property, obtain the rateable land and capital values 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 New Plymouth with a capital value of $400,000, then the rates would be:

New Plymouth and North Taranaki Constituencies					
Capital Value (CV):		$400,000	Land Value (LV):		$100,000
Rate	Factor	Differential	Value	Rate	Amount
General	CV		$500,000	0.000263	$131.50
UAGC			1	$51.75	$51.75
River control	CV		$500,000	0.000034	$17.00
Transport	CV		$500,000	0.000065	$32.50
Yarrow Stadium		Residential	1	$45.30	$45.30
		Commercial/industrial	0	$96.60	N/A
	LV	Commercial/industrial	$100,000	0.000093	N/A
		Farmland	0	$45.30	N/A
		Small holding	0	$45.30	N/A
Total rates					$278.05

Calculate your own rates

New Plymouth and North Taranaki Constituencies					
Capital Value (CV):			Land Value (LV):		
Rate	**Factor**	**Differential**	**Value**	**Rate**	**Amount**
General	CV			0.000263	
UAGC			1	$51.75	$51.75
River control	CV			0.000034	
Transport	CV			0.000065	
Yarrow Stadium		Residential		$45.30	
		Commercial/industrial		$172.50	$96.60
		Commercial/industrial		0.000240	0.000093
		Farmland		$45.30	
		Small holding		$45.30	
Total rates					

Stratford Constituency					
Capital Value (CV):					
Rate	**Factor**	**Differential**	**Value**	**Rate**	**Amount**
General	CV			0.000276	
UAGC			1	$51.75	$51.75
Transport	CV			0.000018	
Yarrow Stadium			1	$29.71	$29.71
Total rates					

South Taranaki Constituency					
Capital Value (CV):					
Rate	**Factor**	**Differential**	**Value**	**Rate**	**Amount**
General	CV			0.000252	
UAGC			1	$51.75	$51.75
River control	CV			0.000007	
Transport	CV			0.000008	
Yarrow Stadium			1	$29.71	$29.71
Total rates					

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
2014/2015						
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	
	27,873,686,620	100.00%	4,632,379	694,857	5,327,236	0.016619
2015/2016						
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	
	28,430,592,547	100.00%	4,730,211	709,532	5,439,743	0.016638
2016/2017						
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	
	29,666,925,211	100.00%	$4,743,441	$711,516	$5,454,957	0.015989
2017/2018						
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	
	30,709,638,609	100.00%	4,774,768	716,215	5,490,983	0.015548
2018/2019						
New Plymouth	$20,927,358,182	60.18%	$2,965,459	$444,819	$3,410,277	
Stratford	$3,082,320,450	8.86%	$436,590	$65,488	$502,078	
South Taranaki	$10,766,181,593	30.96%	$1,525,600	$228,840	$1,754,440	
	$34,775,860,225	100.00%	$4,927,648	$739,147	$5,666,795	0.014169
2019/2020						
New Plymouth	$22,154,282,246	62.49%	4,970,700	745,605	5,716,305	
Stratford	$2,993,705,385	8.44%	671,351	100,703	772,054	
South Taranaki	$10,305,036,050	29.07%	2,312,342	346,851	2,659,193	
	$35,453,023,681	100.00%	7,954,392	1,193,159	9,147,551	0.0258019
2020/2021						
New Plymouth	$23,344,023,600	61.69%	4,907,064	736,060	5,643,124	
Stratford	$3,461,165,033	9.15%	727,827	109,174	837,001	
South Taranaki	$11,033,882,958	29.16%	2,319,501	347,925	2,667,426	
	$37,839,071,591	100.00%	7,954,392	1,193,159	9,147,551	0.0241749
2021/2022						
New Plymouth	25,305,918,029	63.00%	5,308,420	796,263	6,104,683	
Stratford	3,393,674,950	8.45%	712,002	106,800	818,802	
South Taranaki	11,470,400,824	28.55%	2,405,641	360,846	2,766,487	
	40,169,993,803	100.00%	8,426,064	1,263,909	9,689,973	0.0241224

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 this *Plan*.

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.

Currency risk	Value of financial instruments fluctuating due to changes in foreign exchange rates.
The Group's 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 45 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	5 yrs	20%
Wharves and breakwaters	4 to 66 yrs	1.5 to 25%
Port services and equipment	2 to 50 yrs	2 to 50%
Dredging	2 yrs	Nil to 50%

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 years	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 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.

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
1,212,646	Opening balance 1 July	1,262,874	1,313,389	1,365,925	1,420,562	1,477,384	1,536,479	1,597,938	1,661,856	1,728,330	1,797,463
50,228	Transfer from retained earnings	50,515	52,536	54,637	56,822	59,095	61,459	63,918	66,474	69,133	71,899
0	Transfer to retained earnings	0	0	0	0	0	0	0	0	0	0
1,262,874	Closing balance 30 June	**1,313,389**	**1,365,925**	**1,420,562**	**1,477,384**	**1,536,479**	**1,597,938**	**1,661,856**	**1,728,330**	**1,797,463**	**1,869,362**

South Taranaki Rivers 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.

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
(18,047)	Opening balance 1 July	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)
0	Transfer from retained earnings	0	0	0	0	0	0	0	0	0	0
0	Transfer to retained earnings	0	0	0	0	0	0	0	0	0	0
(18,047)	Closing balance 30 June	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**

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.

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
1,086,000	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
0	Transfer from retained earnings	0	0	0	0	0	0	0	0	0	0
0	Transfer to retained earnings	0	0	0	0	0	0	0	0	0	0
1,086,000	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.

2020/2021		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
Estimate $		Estimate $	Indicative $	Indicative $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $
6,424,063	Opening balance 1 July	6,250,063	5,356,113	5,285,005	4,952,355	4,781,240	4,619,816	4,720,728	5,006,983	5,554,177	6,130,502
0	Transfer from retained earnings	0	0	0	0	0	100,912	286,255	547,194	576,325	791,511
174,000	Transfer to retained earnings	893,950	71,108	332,650	171,115	161,424	0	0	0	0	0
6,250,063	Closing balance 30 June	**5,356,113**	**5,285,005**	**4,952,355**	**4,781,240**	**4,619,816**	**4,720,728**	**5,006,983**	**5,554,177**	**6,130,502**	**6,922,013**

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.

2020/2021		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
Estimate $		Estimate $	Indicative $	Indicative $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $
613,000	Opening balance 1 July	713,000	713,000	463,000	463,000	463,000	213,000	213,000	313,000	63,000	163,000
100,000	Transfer from retained earnings	0	0	0	0	0	0	100,000	0	100,000	100,000
0	Transfer to retained earnings	0	250,000	0	0	250,000	0	0	250,000	0	0
713,000	Closing balance 30 June	**713,000**	**463,000**	**463,000**	**463,000**	**213,000**	**213,000**	**313,000**	**63,000**	**163,000**	**263,000**

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.

2020/2021		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
Estimate $		Estimate $	Indicative $	Indicative $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $
(18,047)	Opening balance 1 July	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)	(18,047)
0	Transfer from retained earnings	0	0	0	0	0	0	0	0	0	0
0	Transfer to retained earnings	0	0	0	0	0	0	0	0	0	0
(18,047)	Closing balance 30 June	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**	**(18,047)**

Waitara Lands Act 2018 Reserve

This reserve was created to account for the proceeds from the sale of Waitara Harbours Board endowment land. The proceeds from the sale of endowment lands can only be used for purposes specified by the *New Plymouth District Council (Waitara Lands) Act 2018* and the *Local Government Act 2002*. This reserve fund relates to the Resource Management groups of activities.

2020/2021		2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031
Estimate $		Estimate $	Indicative $	Indicative $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $	Forecast $
16,897,115	Opening balance 1 July	16,997,115	17,072,115	17,137,115	17,197,115	17,252,115	17,302,115	17,347,115	17,347,115	17,347,115	17,347,115
100,000	Transfer from retained earnings	75,000	65,000	60,000	55,000	50,000	45,000	0	0	0	0
0	Transfer to retained earnings	0	0	0	0	0	0	0	0	0	0
16,997,115	Closing balance 30 June	**17,072,115**	**17,137,115**	**17,197,115**	**17,252,115**	**17,302,115**	**17,347,115**	**17,347,115**	**17,347,115**	**17,347,115**	**17,347,115**

Statement of comprehensive income

Included in the *Statement of Comprehensive Revenue and Expense* but not separately disclosed, are the following balances:

Year	Depreciation	Employee Benefits
2021/2022	$2,612,747	$15,046,258
2022/2023	$2,489,408	$15,860,760
2023/2024	$2,584,317	$16,548,846
2024/2025	$2,520,358	$16,612,275
2025/2026	$2,435,887	$16,840,844
2026/2027	$2,363,708	$17,155,099
2027/2028	$2,342,267	$17,491,661
2028/2029	$2,313,765	$17,851,622
2029/2030	$2,304,127	$18,219,159
2030/2031	$2,144,878	$18,577,104

Rating base information

The number of rating units within the region at the end of the preceding financial year is:

2021/2022	55,451
2022/2023	55,874
2023/2024	56,297
2024/2025	56,720
2025/2026	57,144
2026/2027	57,567
2027/2028	57,990
2028/2029	58,414
2029/2030	58,837
2030/2031	59,260

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 Rugby Park in New Plymouth. 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. The return clauses could be exercised during the lifetime of this *Plan*.

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 vision of Regional Software Holdings Ltd is to provide a high quality shared service for the regional council sector (and associated agencies) that delivers value to shareholders, customers and the sector.

The mission is to deliver shared solutions to the regional council sector along with collaborative outcomes through sector special interest groups to achieve:

- Consistent, good-practice regional council specific processes and functions
- Value through economies of scale
- Reduced risk through ensuring continuity of supply and control of the destiny of regional council sector specific software

- Greater influence for the sector with central government through cohesion and collaboration.

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 IRIS users and shareholder/customer Councils in relation to product performance, Datacom support and Regional Software Holdings Ltd support.
- Provide a summary of the survey results in the annual report, including performance against the baseline.
- Survey results to be the same or better than the previous year.
- Develop, approve, communicate and refine the product strategy for IRIS and IRIS NG. Draft strategy presented to the Board by 31 December 2020.
- Prepare and adopt the annual IRIS major enhancement roadmap by 30 June for delivery in the subsequent year.
- Major Enhancement projects are 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 and the General Manager.

FINANCIAL

- RSHL will operate within approved budget, with any material variations approved by the Board.
- 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.

GROWTH

- Monitor the regional council sector market and explore/respond to opportunities to expand the customer and/or shareholder base of RSHL.
- Engage with councils in the sector to evaluate options for the eventual replacement of the current IRIS software package. The objective is to identify a solution that can be adopted by an increasing number of councils in the sector.
- Be a service delivery vehicle for wider regional council sector and related bodies information management projects (ReCoCo) and related shared services. Projects to be delivered on time and on budget as agreed in each of the Statements of Work between RSHL and the ReCoCo Advisory Group.

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

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 23 February 2021 and incorporate known financial results as at that date and estimates for the year to 30 June 2021. 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.

The preparation of financial statements 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:

- 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
Council functions.	Changes to Council functions will significantly change costs.	High.	Statutory functions and responsibilities 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. Changes to the regulatory environment and service delivery obligations may lead to a reassessment of the future role and structure of local government. No other allowance has been made for

Forecasting issue	Risk	Level of risk	Comment and financial effect of uncertainty
			significant change to functions which may significantly change expenditure.
Covid-19 (or any other pandemic or equivalent) continues to impact upon the national and regional economy.	Ongoing, or new pandemics (or equivalent) adversely impact on the ability to deliver works programmes, increase costs and/or decrease revenue stream.	Medium.	The impact, to date, of the Covid-19 pandemic on the regional economy and income and expenditure streams has not been as significant as in other areas of the country. This may change if the current pandemic continues or a new pandemic or equivalent surfaces. There are emergency response plans in place that allow operations to continue in these circumstances. On-going impacts on income and expenditure will need to be addressed as they arise and become understood. Services may need to be reduced or eliminated in a worst case scenario.
Interest rates on borrowings.	Interest rates increase over the term of the plan Interest rates are higher or lower than forecast.	Medium.	The majority of the borrowing programme proposed in this plan is to provide funding to cover the Yarrow Stadium repair and reinstatement programme. The effect of any interest rate movements on the borrowing programme can best be illustrated by stating that a 0.5% increase in the assumed levels of interest rates in this Plan would result in an increase in interest costs of $175,000 at the height of the borrowing programme. This increase would be funded by increasing the Yarrow Stadium targeted rates.
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.	Depreciation on assets is fully funded. The funded depreciation is used to fund capital expenditure requirements. All infrastructure assets (river control schemes) are maintained in an *as new* 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 *Plan*. The Council fully funds the replacement of assets in accordance with the *Revenue and Financing Policy*. Fixed assets are assumed to be sufficient to carry 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 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 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 levels of service or costs to maintain existing levels of service.
General cost changes.	Inflation will increase costs and there will be insufficient revenue.	Low.	Cost changes have been included in the financial projections. Cost changes are as follows (Source: BERL): Year / Annual / Cumulative 2021/22 / - / 1.000 2022/23 / 2.30% / 1.023 2023/24 / 1.90% / 1.042 2024/25 / 1.90% / 1.061

Forecasting issue	Risk	Level of risk	Comment and financial effect of uncertainty
			2025/26 1.90% 1.080 2026/27 1.90% 1.099 2027/28 2.00% 1.119 2028/29 2.10% 1.140 2029/30 2.10% 1.161 2030/31 2.00% 1.181
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 1-2% 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 planning and design activities as prediction and adaption information becomes available. There will be rising costs through the government's regulatory response to climate change, but that these cost increases are not expected to be significant in terms of areas of activities, costs and expenditure and they are not expected to be material.
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 *Revenue and Financing Policy*.
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 financial position is dependent upon the scale, duration and location of the event. However the 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.	Waka Kotahi NZ Transport Agency subsidy rates for public transport, total mobility and transport planning services drop below the prevailing rates.	Low.	Waka Kotahi NZ 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 there will be a need to increase general rates or targeted rates in accordance with the *Revenue and Financing Policy*. In the worst case, there would be a need to reassess 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. There would be a material variance in the *Statement of Comprehensive Income*.

Forecasting issue	Risk	Level of risk	Comment and financial effect of uncertainty
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 there may be some liable for an act of omission or negligence or there may be some liability for the residual costs or obligations arising from the actions of a third party. Risk management policies and procedures are in place to mitigate the impact of these obligations and there is insurance for 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 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. Dividends are a significant part of total funding. Port Taranaki's revenue, and consequently its dividend-paying ability, is subject to many risk factors including generally a competitive trading 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 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. 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 a future long-term plan or annual plan.
External funding from benefactors or external sources, such as the Government, does not eventuate.	There will be insufficient funds available to progress with projects.	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 $8m per annum. Dividends have been estimated based upon Port Taranaki's strategic plans and in discussion with the Board. These are achievable estimates noting that the port operates in a highly-competitive and volatile marketplace.

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	Scenario 2 – 80% of forecast dividends	Scenario 3 – 120% of forecast dividends
Proposed dividends	$8,000,000	$8,000,000	$8,000,000
Revised dividends	$2,000,000	$6,400,000	$9,600,000
Shortfall/(Surplus)	$6,000,000	$1,600,000	($1,600,000)
Original general rate requirement	$10,937,289	$10,937,289	$10,937,289
Revised general rate requirement	$16,937,289	$12,537,289	$9,337,289
Original general rate per $100,000 of capital value	$27.22	$27.22	$27.22
Revised general rate per $100,000 of capital value	$42.16	$31.21	$23.24

Appendix 2: Funding and Financial Policies

Revenue and Financing Policy

This policy presents the approach to financing 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 *Policy*, all operational expenditure will be fully funded 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 are factors in determining the sources of revenue and finance for each activity:

- 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 – activities that benefit the whole community are funded by general funds where as activities that benefit different sub-sets of the community are funded using targeted mechanisms
- the period in or over which those benefits are expected to occur – funding mechanisms are used to spread the cost of an activity across the period of benefits realised by that activity
- the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity – if an individual or group causes costs to be incurred, funding mechanisms will be used to target those individuals or groups
- 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 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.

General rate are used, 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. Differential rating on general rates is not used.

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. 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 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. External borrowing is for cash flow management and funding capital projects that produce benefits over a longer period of time. External borrowing is used for the Yarrow Stadium repair and reinstatement project as the reinstated Yarrow Stadium will continue to provide recreational benefits over a period of at least 25 years.

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.

There are a range of reserve funds that are available to fund specific targeted activities. Where allowed by the purposes of the reserve fund, those funds will be utilised to reduce the funding obligations from other sources.

Financial contributions can be used in certain circumstances under the *Resource Management Act 1991* – refer to the *Policy on Development Contributions and Financial Contributions* for further information.

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 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 following revenue and financing policies apply to both operational and capital expenditure.

Revenue and financing sources and mechanisms for activities

Group of activities	Activities	Funding sources and mechanisms
RESOURCE MANAGEMENT		
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.

Group of activities	Activities	Funding sources and mechanisms
Consent processing and administration 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	60-70% fees and charges. The balance from 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	70-80% fees and charges. The balance from 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 *Maritime Transport Act 1994*.	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 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 and projects	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.
These works are a partnership working with local iwi and hapu, using the proceeds of the sales of former Waitara Harbours Board lands, restoring, protecting, and enhancing the environmental, cultural, and spiritual health and well-being of the Waitara River, the Waitara River catchment and the lower catchment of the Waitara River.	Waitara River catchment	Sales of former Waitara Harbours Board land are used to fund this activity.

Group of activities	Activities	Funding sources and mechanisms
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 with 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.
BIOSECURITY AND BIODIVERSITY		
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.
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 sections 76 and 100T of the *Biosecurity Act 1993* and is provided in detail in the *Pest Management Plan for Taranaki 2017*.	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 with 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.	Biodiversity	100% general funds.
Towards Predator-Free Taranaki - Taranaki Taku Tūranga is a large-scale project aimed at restoring Taranaki's unique wildlife, plants and protecting the region's lifestyles and livelihoods by removing introduced predators using the latest trapping techniques, innovation and technology, sharing lessons learned as the country works towards its Predator Free 2050 target. The landscape predator control programme is a partnership programme of funding from external sources, landowners and the Council (general funds). Providing Council and land owner funding allows Predator Free 2050 Ltd funding to be accessed.	Towards Predator Free Taranaki	Combination funding from Predator Free 2050 Ltd, land owner funding and general funds (Council).

Group of activities	Activities	Funding sources and mechanisms
TRANSPORT		
Regional land transport planning benefits the wider community and as such is 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.
HAZARD MANAGEMENT		
The Civil Defence Emergency Management 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.	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. This applies to both operational and capital expenditure.	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. For small river control schemes where it is not administratively efficient or cost-effective to

Group of activities	Activities	Funding sources and mechanisms
		established separate targeted rating areas the services are funded by general funds. For the Opunake and the Waitotara River Flood Control Schemes: 100% capital value based targeted rate over the South Taranaki constituency.
RECREATION, CULTURE AND HERITAGE		
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 targeted rates 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, approximately 5% of the costs from the Stratford constituency and approximately 17% of the costs from the South Taranaki constituency.
REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT		
Managing 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 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 *Local Government Local Government Official Information and Meetings Act 1987* requests where	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
the information requested is specific in nature and requires significant time and resources to compile.		
Advocacy and response involves advocating and responding on behalf of the Taranaki community, to initiatives proposed by other agencies that impact 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.	Advocacy and response	100% general funds.
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.	Governance	100% general funds.

Community Project Funding Policy

PURPOSE

To present the 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, 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 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.

Treasury Management Policy

POLICY PURPOSE

The purpose of the Treasury Management Policy ("Policy") is to outline approved policies and procedures in respect of all treasury activity to be undertaken. The formalisation of such policies and procedures will enable treasury risks to be prudently managed.

As circumstances change, the policies and procedures outlined in this Policy will be modified to ensure that treasury risks continue to be well managed. In addition, regular reviews will be conducted to test the existing Policy against the following criteria:

- Industry "best practices" for an organisation of the size and type of the Council.
- The risk bearing ability and tolerance levels of the underlying rates revenue and cost drivers.
- The effectiveness and efficiency of the Policy and treasury management function to recognise, measure, control, manage and report on financial exposure to market interest rate risks, funding risk, liquidity, investment risks, counterparty credit risks and other associated risks.
- The operations of a pro-active treasury function in an environment of control and compliance.
- The robustness of the Policy's risk control limits and risk spreading mechanisms against normal and abnormal interest rate market movements and conditions.
- Assistance to the Council in achieving strategic objectives.

TREASURY MANAGEMENT OBJECTIVES

The objective of this Policy is to control and manage costs, investment returns and risks associated with treasury management activities.

Statutory objectives:

- All external borrowing, investments and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet requirements of the *Local Government Act 2002* and incorporate the Liability Management Policy and Investment Policy.
- Council is governed by the following relevant legislation:
    - *Local Government Act 2002*, in particular Part 6 including sections 101,102, 104 and 105.
    - *Local Government (Financial Reporting and Prudence) Regulations 2014*, in particular Schedule 4.
- All projected external borrowings are to be approved by the Council as part of the annual plan or the long-term planning (LTP) process, or resolution of Council before the borrowing is affected.
- All legal documentation in respect to external borrowing and financial instruments will be approved by legal counsel prior to the transaction being executed.
- Council will not enter into any borrowings denominated in a foreign currency.
- Council will not transact with any Council Controlled Trading Organisation (CCTO) on terms more favourable than those achievable by Council itself except as described in this Policy.
- A resolution of Council is not required for hire purchase, credit or deferred purchase of goods if:
    - The period of indebtedness is less than 91 days (including rollovers); or
    - The goods or services are obtained in the ordinary course of operations on normal terms for amounts not exceeding in aggregate the CEO delegation.

General objectives:

- Minimise costs and risks in the management of external borrowings.
- Minimise exposure to adverse interest rate movements.

- Monitor, evaluate and report on treasury performance.
- Borrow funds and transact risk management instruments within an environment of control and compliance under the approved Policy so as to protect financial assets and manage costs.
- Arrange and structure external long term funding at an acceptable margin and cost from debt lenders. Optimise flexibility and spread of debt maturity terms within the funding risk limits established by this Policy statement.
- Monitor and report on financing/borrowing covenants and ratios under the obligations of lending/security arrangements.
- Comply with financial ratios and limits stated within this Policy.
- Monitor return on investments.
- Ensure the Council, management and relevant staff are kept abreast of the latest treasury products, methodologies, and accounting treatments through training and in-house presentations.
- Maintain appropriate liquidity levels and manage cash flows to meet known and reasonable unforeseen funding requirements.
- Minimise exposure to credit risk by dealing with and investing in credit worthy counterparties.
- Ensure that all statutory requirements of a financial nature are adhered to.
- Ensure that financial planning will not impose an unequitable spread of costs/benefits over current and future ratepayers.
- Ensure adequate internal controls exist to protect financial assets and to prevent unauthorised transactions.
- Develop and maintain relationships with financial institutions, LGFA, credit rating agencies, trustees and investment counterparties.

In meeting the above objectives the Council is, above all, a risk averse entity and does not seek risk in its treasury activities. Interest rate risk, liquidity risk, funding risk, investment risk, credit risk and operational risks are all risks which the Council seeks to manage, not capitalise on. Accordingly activity which may be construed as speculative in nature is expressly forbidden.

Liability Management Policy

Liabilities comprise borrowings (external/internal) and various other liabilities. Council maintains external borrowings in order to:

- Raise specific debt associated with projects and capital expenditures.
- Fund the balance sheet as a whole, including working capital requirements.
- Fund assets whose useful lives extend over several generations of ratepayers.
- Raise specific debt for on-lending to CCO/CCTOs.

Borrowing provides a basis to achieve inter-generational equity by aligning long-term assets with long-term funding sources, and ensure that the costs are met by those ratepayers benefiting from the investment.

BORROWING LIMITS

Debt will be managed within the following limits:

Item	Council Policy limits	LGFA Lending Policy Covenants
Net Debt/Total Revenue	225%	<250%
Net Interest/Total Revenue	15%	<20%
Net Interest/Annual Rates Income	<20%	<25%
Liquidity (External debt + committed available bank facilities + liquid investments to existing external debt)	>110%	>110%
Debt Cap (Council imposed)	$55 million	N/A

- Total Revenue is defined as earnings from rates, government grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).
- Net debt is defined as total external debt less liquid investments.
- Liquid investments are assets defined as:
    - Overnight bank cash deposits
    - Wholesale/retail bank term deposits no greater than 30-days
    - Bank issued RCDs less than 181 days.
    - Approved fixed interest securities.
    - Listed, non-core equity investments.
- External debt funding and related investment activity relating to prefunding of upcoming debt maturities, is excluded from the liquidity ratio calculation.
- External debt includes; bank drawdown amounts, issued commercial paper (CP) and term debt.
- Due to the reliance of CCO/CCTOs on Council financial support, external debt that is specifically borrowed for on-lending cannot be netted. A loan asset and a corresponding debt liability must be recognised on the balance sheet when this type of activity occurs.
- Net interest is defined as the amount equal to all interest and financing costs less interest income for the relevant period.
- Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the *Local Government (Rating) Act 2002* together with any revenue received from other local authorities for services provided (and for which the other local authorities rate).
- To minimise concentration risk the LGFA will require that no more than the greater of NZD 100 million or 33% of Council's borrowings from the LGFA will mature in any 12-month period.

- Financial covenants are measured on Council only not consolidated group if this becomes applicable.
- Disaster recovery requirements are to be met through the liquidity ratio.

ASSET MANAGEMENT PLANS

In approving new debt the Council considers the impact on its borrowing limits, any internally imposed debt cap amount and, where appropriate, credit rating, as well as the economic life of the asset that is being funded and its overall consistency with the LTP, and other financial strategies.

BORROWING MECHANISMS

Council is able to externally borrow through a variety of market mechanisms including issuing bonds, commercial paper, direct bank borrowing, or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the following is taken into account:

- Available terms from banks, private placement market and the LGFA.
- The overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates and margins relative to term, the LGFA, private placement market and bank borrowing.
- The market's outlook on future credit margin and interest rate movements as well as its own.
- Legal documentation and financial covenants together with security and credit rating considerations.

A formal credit rating enhances the Council's ability to attract cost effective borrowing and provides several advantages including:

- Broadening the source of funding and improved pricing.
- Improves Council credit standing in regards to negotiating stronger funding positions.
- Enforces financial management discipline and performance under the scrutiny of the credit rating agency. As such it provides a very useful 'monitoring' service to supplement the Council's own internal due diligence and reporting.

Council's ability to readily attract cost effective borrowing is largely driven by its ability to levy rates, maintain a strong financial standing and manage its relationships with the LGFA, trustees, credit rating agencies and financial institutions.

SECURITY

Council's external borrowings and interest rate management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. Under a Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the *Local Government Rating Act*. The security offered by Council ranks equally or pari passu with other lenders.

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.

Physical assets will be charged only where:

- There is a direct relationship between the debt and the purchase or construction of the asset, which it funds (e.g. project finance).
- Council considers a charge over physical assets to be appropriate.
- Any pledging of physical assets must comply with the terms and conditions contained within the security arrangement.

Any lending to a CCO or CCTO will be on a secured basis and be approved by Council.

DEBT REPAYMENT

Debt repayments will be in accordance with long term and annual plans. Additional repayments may be made from surplus funds generated by asset sales or operating surpluses.

Debt will be repaid as it falls due in accordance with the applicable borrowing arrangement. Subject to the appropriate approval and debt limits, a loan may be rolled over or re-negotiated as and when appropriate.

GUARANTEES – OTHER POTENTIAL LIABILITIES

Council is not permitted to provide any guarantee of indebtedness in favour of any loans to CCTOs that are set up under Section 62 of the *Local Government Act*. Council may act as a financial guarantor to CCOs.

However, Council may decide to guarantee the obligations of Port Taranaki Limited in respect of financing any proposed expansion of the port. 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 Council's position. In the event that such a guarantee was called upon, Council would fund the liability through either raising borrowing and/or rates revenue.

For any guarantee for indebtedness provided, Council will approve the guarantee arrangement. Any guarantee provided to community organisations or clubs for loans or incidental arrangements, the purpose of the arrangement must be consistent with Council's strategic objectives.

For any outstanding guarantees, Council ensures that sufficient financial capacity exists relative to LGFA lending covenants. Unless approved by Council, guarantees or financial arrangements given will not exceed any amount agreed by Council.

INTERNAL BORROWING

Internal loans sourced from the Council's general funds are allowed as a valid means of funding projects, minimising the cost of borrowing while providing a market return on investment funds.

Any internal borrowing of reserve funds used must be reimbursed for interest revenue lost. Interest rates on internally-funded loans are set at the weighted average cost of external borrowing (including credit margin and other related costs) at the commencement of the arrangement. Interest is charged in arrears on at least a monthly basis.

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY (LGFA) LIMITED

Despite anything earlier in this Policy, the Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

- Contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA. For example borrower notes.
- Provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself.
- Commit to contributing additional equity (or subordinated debt) to the LGFA if required.
- Secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.
- Subscribe for shares and uncalled capital in the LGFA.

ON-LENDING TO COUNCIL CONTROLLED ORGANISATIONS

To better achieve its strategic and commercial objectives Council may provide financial support in the form of debt funding directly or indirectly to CCOs and CCTOs.

Guarantees of financial indebtedness to CCTOs are prohibited, but financial support may be provided by subscribing for shares as called or uncalled capital.

Any on-lending arrangement to a CCO/CCTO must be approved by Council. In recommending an arrangement for approval the DCS considers the following:

- Credit risk profile of the borrowing entity, and the ability to repay interest and principal amounts outstanding on due date.
- Impact on Council's credit rating, debt cap amount, lending covenants with the LGFA and other lenders and Council's future borrowing capacity.
- The form and quality of security arrangements provided.
- The lending rate given factors such as; CCO/CCTO credit profile, external Council borrowing rates, borrower note and liquidity buffer requirements, term etc.

- Lending arrangements to CCTOs must be documented on a commercial arm's length basis. A term sheet, including matters such as borrowing costs, interest payment dates, principal payment dates, security and expiry date is agreed between the parties.
- Accounting and taxation impact of on-lending arrangement.

All on-lending arrangements must be executed under legal documentation (e.g. loan, guarantee) reviewed and approved by Council's independent legal counsel.

Investment Policy

PURPOSE

To present the 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 and an outline of how risks associated with investments are assessed and managed.

INTRODUCTION

Council has a significant portfolio of investments comprising equity investments, treasury investments and property investments. As at 30 June 2020, these investments were valued at:

Equity	$26,799,118	43%
Treasury	$16,540,704	26%
Property	$19,559,000	31%
Total	$62,898,822	100%

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 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

In its financial investment activity, the primary objective when investing is the protection of its investment capital and that a prudent approach to risk/return is always applied within the confines of this Policy. Accordingly, only approved creditworthy counterparties are acceptable. Council will act effectively and appropriately to:

- Protect the investments.
- Optimise returns and protect the real capital value of investments in the long term.
- Balance the minimisation of risk and the maximisation of returns.
- Utilise investments to produce a revenue stream that reduces the reliance on general rates revenue.
- Maintain a prudent level of liquidity and flexibility to meet both planned and unforeseen cash requirements.
- Maintain certain investments for the strategic rather than financial benefits of the region.

EQUITY INVESTMENTS

Council maintains equity investments and other minor shareholdings. Equity investments fulfil various strategic, economic development and financial objectives as outlined in the LTP. Equity investments may be held where Council considers there to be strategic community value.

Council seeks to achieve an acceptable rate of return on all its equity investments consistent with the nature of the investment and their stated philosophy on investments.

Any purchase or disposition of equity investments held in CCOs/CCTOs requires Council approval. Council may also acquire shares that are gifted or are a result of restructuring. In connection with the investment, Council can subscribe for uncalled capital in a CCO or CCTO.

Any dividends received, and/or profit or loss arising from the sale of these investments must be recorded in accordance with appropriate accounting standards. Council recognises that there are risks associated with holding equity investments and to minimise these risks Council, through the relevant Council-committee, monitors the performance of its equity investments on a twice yearly basis to ensure that the stated objectives are being achieved. Council seeks professional advice regarding its equity investments when it considers this appropriate.

The following are the equity investments are held by Council and include investments held in CCO/CCTOs amongst other shareholdings.

PORT TARANAKI LIMITED

The Council owns 100% of Port Taranaki Ltd (Port Taranaki). Port Taranaki is a port operator established as a CCTO under the *Port Companies Act 1988*. The shares are recorded in the 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 statement of financial position at 30 June 2020 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 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.

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED

Despite anything earlier in this Policy, the Council may invest in shares and other financial instruments of the New Zealand Local Government Funding Agency Limited (LGFA), and may borrow to fund that investment. The Council's objective in making any such investment will be to:

- Obtain a return on the investment.
- Ensure that the LGFA has sufficient capital to remain viable, meaning that it continues as a source of debt funding.

Council may invest in LGFA bonds and commercial paper as part of its financial investment portfolio.

As a borrower, Council's investment is recognised through shares and borrower notes. As an investor in LGFA shares and as a Guarantor, Council subscribes for uncalled capital in the LGFA.

TREASURY INVESTMENTS

The Council maintains treasury investments in order to invest:

- Surplus cash, and working capital funds.
- Funds allocated for the purpose of accumulating a surplus.
- Funds allocated for approved future expenditure, implementing strategic initiatives, supporting intergenerational allocations and proceeds from the sale of assets.
- Proceeds from pre-funding activities as set out in the *Liability Management Policy*.

Council maintains rolling 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.

Council's primary objectives when investing is the protection of its investment capital. Accordingly, Council may only invest in approved creditworthy counterparties. Creditworthy counterparties and investment restrictions are outlined below. Credit ratings are monitored and reported monthly to Executive Audit and Risk Committee in the treasury report.

Council may invest in approved financial instruments as set out below. These investments are aligned with Council's objective of investing in high credit quality and highly liquid assets.

Council's investment portfolio will be arranged to provide sufficient funds for planned expenditures and allow for the payment of obligations as they fall due. Council prudently manages liquid treasury investments as follows:

- Any liquid investments must be restricted to a term that meets future cash flow and capital expenditure projections.
- Council may choose to hold specific reserves in cash and direct what happens to that investment income.

General funds and special reserves

Liquid assets are not required to be held against special funds and reserve funds. Instead Council will internally borrow or utilise these funds where ever possible.

Unless otherwise directed by Council internal borrowing to/(from) reserves will be undertaken at the external cost of borrowing.

Trust funds

Where Council hold funds as a trustee or manages funds for a Trust then such funds must be invested on the terms provided within the Trust. If the Trust's investment policy is not specified then this Policy should apply.

Loan Advances

Council may provide advances to CCOs, CCTOs, charitable trusts and community organisations for strategic and commercial purposes. New loan advances are by Council resolution only. Council does not lend money, or provide any other financial accommodation, to a CCO or CCTO on terms and conditions that are more favourable than those that would apply if Council were borrowing the money or obtaining the financial accommodation.

Council does not lend to CCTOs on more favourable terms than what it can achieve itself, without charging any rate or rate revenue as security.

Advances to CCOs, charitable trusts, and community organisations do not have to be on a fully commercial basis. Where advances are made to CCOs, charitable trusts and community organisations at below Councils cost of borrowing, the additional cost is treated as an annual grant to the organisation.

Council reviews performance of its loan advances on a regular basis to ensure strategic and economic objectives are being achieved.

All advances are made on a fully secured basis and executed under approved legal documentation.

The Director-Corporate Services (DCS) monitors loan advances and reports to the Executive Audit and Risk Committee on a monthly in the treasury report.

Acquisition/disposition and revenue

Interest income from financial investments is credited to general funds or special reserves and is included in the statement of comprehensive revenue and expense.

Proceeds from the disposition of financial investments are used for operational and capital expenditure purposes or for the purpose for which they have been established, as approved in the Annual Plan or LTP.

PROPERTY INVESTMENTS

The Council owns endowment properties in New Plymouth. These were 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 2020, these properties were valued at $19,559,000. The Council's policy in 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. 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

Council will not seek to acquire any new equity or property investments unless they are identified in its LTP. Treasury investments are acquired from operating surpluses, prefunding of upcoming debt maturities and capital expenditure.

Policy on acquisition of new investments

In deciding to acquire new investments, Council considers the following questions:

Legal issues

- Is there a statutory requirement for this investment?
- Is there a statutory authority for this investment?
- Does the Council have any other binding legal commitments to it?

Effectiveness

- Does the investment contribute to the Council achieving community, social, economic and strategic outcomes now and in the future?
- Is there enough community interest to justify the Council's involvement?
- Does the Council have the control and influence needed to ensure the desired outcome?

Benefits

- What are the benefits – strategic, financial and others?
- Who benefits?

Risks

- What are the risks?
- Who bears them?
- How can they be managed/mitigated?

Other options

- What other options have been considered to achieve the same outcomes?

MANAGING AND REPORTING ON INVESTMENTS

Investments are monitored and reported on in the Monthly Financial Reports.

The performance of investments is regularly reviewed to ensure strategic objectives are being met. Both performance and policy compliance are reviewed through regular reporting.

Risk Recognition/Identification Management

The definition and recognition of liquidity, funding, investment, interest rate, counterparty credit, operational and legal risk of Council is detailed below and applies to both the *Liability Management Policy* and *Investment Policy*.

INTEREST RATE RISK

Interest rate risk is the risk that funding costs (due to adverse movements in market wholesale interest rates) will exceed the Annual Plan or the LTP cost projections so as to adversely impact on revenue projections, borrowing costs, capital investment decisions and the feasibility of some projects.

Council is transitioning to a net borrower position where it will hold significant debt due to the planned major capital project relating to Yarrow Stadium in New Plymouth.

The primary objective of interest rate risk management is to reduce uncertainty relating to interest rate movements through fixing/hedging of interest costs. The secondary objective is to spread and smooth any concentration of interest rate risks over the medium term. Both objectives can be achieved through the proactive management of Councils interest rate exposures.

INTEREST RATE RISK CONTROL LIMITS

Gross forecast external core debt (as approved by the DCS) must be within the following fixed/floating interest rate risk control limits. These limits are to apply when the Council's gross external debt level is in excess of $20 million.

Debt Interest Rate Policy Parameters (calculated on rolling monthly basis)		
Debt Period Ending	Minimum Fixed Rate	Maximum Fixed Rate
0 – 1 Year	40%	90%
1 - 2 Years	35%	85%
2 - 3 Years	30%	80%
3 - 4 Years	20%	75%
4 - 5 Years	10%	70%
5 - 6 Years	0%	65%
6 - 7 Years	0%	60%
7 - 8 Years	0%	55%
8 - 9 Years	0%	50%
9 - 10 Years	0%	45%
10 - 11 Years	0%	40%
11 - 12 Years	0%	35%
12 Years +	0%	30%

"Fixed Rate" is defined as all known interest rate obligations on forecast external core debt, including where hedging instruments have converted floating rate obligations into firm commitments.

"Floating Rate" is defined as any interest rate obligation subject to movements in the applicable reset rate.

Fixed interest rate percentages are calculated based on the average amount of fixed interest rate obligations relative to the average gross forecast external debt amounts for the given period (as defined in the table above).

Gross forecast external core debt is the amount of total external debt for a given period. This allows for pre-hedging in advance of projected physical drawdown of new debt. When approved forecasts are changed (signed off by the DCS, the amount of fixed rate cover in place may have to be adjusted to ensure compliance with the Policy minimum and maximum limits.

A fixed rate maturity profile that is outside the above limits, but self corrects within 90 days is not in breach of this Policy. However, maintaining a maturity profile that is outside the above limits greater than 90 days requires specific approval by Council.

- Interest rate options must not be sold outright. However, 1:1 collar option structures are allowable whereby the sold option is matched precisely by amount and maturity, to the simultaneously purchased option.
- During the term of the option, the sold option can be closed out by itself (i.e. repurchased). The sold option leg of the collar structure must not have a strike rate "in-the-money".
- Purchased borrower swaptions mature within 12 months.

- The forward start period on swaps and collar strategies to be no more than 36 months unless linked to the expiry date of an existing instrument and has a notional amount which is no greater than that of the existing instrument.
- Interest rate options with a maturity date beyond 12 months that have a strike rate (exercise rate) higher than 2.00% above the appropriate swap rate, cannot be counted as part of the fixed rate cover percentage calculation (i.e. an ineffective hedge).
- Any interest rate swaps with a maturity date beyond 15 years must be approved by Council.

TREASURY INVESTMENTS

Council has interest rate and maturity risk on its treasury investments portfolio. An important objective of the treasury investment portfolio is to match the portfolio's maturity term to planned expenditure thereby ensuring that investments are available when required. Treasury investments are restricted to a term that meets future cash flow projections, liquidity needs and capital expenditure programmes. Council's interest rate risk is managed within its liquidity and maturity objectives.

LIQUIDITY RISK/FUNDING RISK

Risk recognition

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of cash, short-term financial investments, loans and bank facilities. Liquidity risk management focuses on the ability to access committed funding at that future time to fund the gaps. Funding risk management centres on the ability to re-finance or raise new debt at a future time at the same or more favourable pricing (fees and borrowing margins) and maturity terms of existing loans and facilities.

The management of Council's funding risks is important as several risk factors can arise to cause an adverse movement in borrowing margins, term availability and general flexibility including:

- Local Government risk is priced to a higher fee and margin level.
- Council's own credit standing or financial strength as a borrower deteriorates due to financial, regulatory or other reasons.
- A large individual lender to Council experiences its own financial/exposure difficulties resulting in Council not being able to manage their debt portfolio as optimally as desired.
- New Zealand investment community experiences a substantial "over supply" of Council investment assets.
- Financial market shocks from domestic or global events.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that if any of the above events occur, the overall borrowing cost is not unnecessarily increased and desired maturity profile compromised due to market conditions.

LIQUIDITY/FUNDING RISK CONTROL LIMITS

To ensure funds are available when needed Council ensures that:

- There is sufficient available operating cash flow, liquid investments and committed bank facilities to meet cash flow requirements between rates instalments as determined by the DCS. Cash flow management will be used to identify and manage maturity mismatches between external borrowings, internal loans and investments.
- External debt and committed debt facilities together with liquid investments must be maintained at an amount of 110% over existing external debt.
- Council has the ability to pre-fund up to 18 months forecast debt requirements including re-financings.
- The DCS has the discretionary authority to re-finance existing external debt.
- The maturity profile of the total committed funding in respect to all external debt/loans and committed debt facilities is to be controlled by the following system:

Period	Minimum %	Maximum %
0 to 3 years	10%	60%
3 to 7 years	25%	85%
7 years plus	0%	60%

- These limits are to apply when gross external debt level is in excess of $20 million.
- A funding maturity profile that is outside the above limits, but self corrects within 90 days is not in breach of this Policy. However, maintaining a maturity profile that is outside of the above limits for a period greater than 90 days requires specific approval by Council.
- To minimise concentration risk, the LGFA require that no more than the greater of NZD 100 million or 33% of a Council's borrowings from the LGFA will mature in any 12-month period.

FOREIGN CURRENCY

Council has minor foreign exchange exposure through the occasional purchase of foreign exchange denominated services, plant and equipment.

Generally, all significant commitments for foreign exchange are hedged using foreign exchange contracts, once expenditure is approved and legally committed. Both spot and forward foreign exchange contracts can be used by Council.

Council shall not borrow or enter in to incidental arrangements, within or outside New Zealand, in currency other than New Zealand currency. Council does not hold investments denominated in foreign currency.

COUNTERPARTY CREDIT RISK

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument(s) where the Council is a party. The credit risk to the Council in a default event will be weighted differently depending on the type of instrument entered into. Where Council has committed bank funding or stand-by facilities Council will only borrow from strongly rated banks with a minimum long-term credit rating of at least "A" (S&P, or equivalent Fitch or Moody's rating).

Credit risk will be regularly reviewed by the Council. Treasury related transactions would only be entered into with counterparties specifically approved by the Council.

Counterparties and limits are only approved on the basis of the following Standard & Poor's (S&P, or equivalent Fitch or Moody's rating) long and short-term credit ratings matrix. Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

The following matrix guide will determine limits.

Counterparty/Issuer	Minimum S&P/Fitch/Moody's long term/short term credit rating	Maximum per counterparty ($m)	Maximum % of total counterparty exposure
NZ Government	N/A	Unlimited	100%
Local Government Funding Agency LGFA	N/A	Unlimited	100%
NZ Registered Bank	AA-/A-/A-1	30.00	50%
TSB	A-	15.00	25%

In determining the usage of the above gross limits, the following product weightings will be used:

- Investments (e.g. Bank Deposits) – Transaction Principal × Weighting 100% (unless a legal right of set-off exists).
- Interest Rate Risk Management (e.g. swaps, FRAs) – Transaction Notional × Maturity (years) × 3%.
- Foreign Exchange - Transactional face value amount x (the square root of the Maturity (years) x 15%).

Each transaction should be entered into a treasury spreadsheet and a quarterly report prepared to show assessed counterparty actual credit exposure versus limits.

Individual counterparty limits are kept in a spreadsheet by management and updated on a monthly basis. Credit ratings should be reviewed by the FSM (monitored by the AA) on an ongoing basis and in the event of material credit downgrades should be immediately reported to the DCS and assessed against exposure limits. Counterparties exceeding limits should be reported to the Council.

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of approved counterparties as possible. Maturities should be well spread. Approved financial instruments

APPROVED FINANCIAL INSTRUMENTS

Category	Instrument
Cash and liquidity management and borrowing	Bank overdraft Committed cash advance and bank accepted bill facilities (short term and long term loan facilities) Floating Rate Note (FRN) Fixed Rate Bond (MTN) Commercial paper (CP)/Promissory notes Bank registered certificates of deposit (RCDs) less than 181 days Forward starting committed debt with the LGFA Bank call/term deposits up to 30 days and those linked to debt prefunding activity
Treasury investments	Bank term deposits greater than 30 days Bank registered certificates of deposit (RCDs) Treasury bills LGFA FRNs/bonds/CP/borrower notes
Interest rate risk management	Forward rate agreements ("FRAs") on: Bank bills Interest rate swaps including: Forward start swaps/collars. Start date no more than 36 months, unless linked to existing maturing swaps/collars Swap extensions and shortenings Interest rate options on: Bank bills (purchased caps and one for one collars) Interest rate swaptions (purchased swaptions and one for one collars only)
Foreign exchange management	Spot foreign exchange Forward exchange contracts (including par forwards) Purchased options and collars (1:1 only)

Any other financial instrument must be specifically approved by the Council on a case-by-case basis and only be applied to the one singular transaction being approved.

Policy on Development Contributions and Financial Contributions

PURPOSE

To present the 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*.

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. There are four 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:*
>
> *money; or*
>
> *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*
>
> *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:

> *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*
>
> *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 ensuring positive effects on the environment to offset any adverse effects and to mitigate adverse effects on the environment of use and development.

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 reference to the Council's website 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, there is 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 to enable democratic local decision-making and action by, and on behalf of, communities and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

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 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 in assessing the extent to which issues, proposals, assets, decisions, or activities are significant or may have significant consequences. The 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
- disclosure—the degree of significance will assist in determining the extent and detail of information to be disclosed 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:				
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.

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:

New Plymouth and North Taranaki constituencies	Stratford constituency	South Taranaki constituency
The New Plymouth 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: • Rates Policy 1 Rating of community, sporting and similar organisations • Rates Policy 2 Remission of penalties • Rates Policy 3 Postponement or remission of rates for financial hardship • Rates Policy 4 Rates remission on Māori freehold land • Rates Policy 5 Rates remission in miscellaneous circumstances • Rates Policy 6 Rates remission for protected natural areas • Rates Policy 7 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 • Rates Policy 8 Rates remission of uniform annual refuse charge targeted rate • Rates Policy 9 Rates remission for financial hardship as a result of changes to the rating system • Rates Policy 10 Rates remission for significant water leaks • Rates Policy 11 Rates postponement for significant unexpected events • Rates Policy 12 Rates penalty remission for significant unexpected events.	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: • Stratford District Council owned and occupied properties. • Māori freehold land. • Community, sporting and other organisations. • Land with biodiversity vegetation (indigenous vegetation, significant habitats or indigenous fauna and wetlands) • Promoting business development. • Properties made uninhabitable due to fire • UAGC on low value properties. • Excess water consumption due to a leak. • Water targeted rate as compensation for water main easement. • Rates on abandoned land • Penalties on rates.	
Decision-making, general conditions and administrative matters related to these Policies:		
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 (as recorded in the Delegations Register) for section 85, 87, 114 and 115 (as relevant) of the *Local Government (Rating) Act 2002* (being the Financial Services Manager and	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 will be up to that ratepayer to apply for a rates remission.	

New Plymouth and North Taranaki constituencies	Stratford constituency	South Taranaki constituency
Business Support Lead at the time of adoption). The decisions of officers are final and the Council will not accept appeals against those decisions. 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. Timing of remissions will be assessed on the following: • 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. • All applications for remissions received and granted under Rates Policies 3, 5 and 9 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. • 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 backdating outstanding previous rating years. • 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). • All applications for remissions received and granted under Rates Policy 8 will receive remission from the issue of the next rates instalment notice. • Applications under Rates Policy 10 may be received at any time. • Applications under Rates Policies 11 and 12 may be received at any time within 12 months following an event (as defined in those policies). No rates will be remitted or postponed for government owned properties (including the Crown, central government agencies or local authorities) other than under Rates Policy 8 (Rates remission of uniform annual	The application for rates remission must be made to the Stratford District 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. Applications will not be backdated. 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).	

New Plymouth and North Taranaki constituencies	Stratford constituency	South Taranaki constituency
refuse charge targeted rate) and Rates Policy 10 (Rates remission for significant water leaks).		
Remission of rates for community, sporting and other organisations. All Constituencies.		
Objectives of the policy 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. Conditions and criteria 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. The policy will not apply to organisations operated for private pecuniary profit, or which charge commercial tuition fees. Organisations that are not registered as charitable entities under the *Charities Act 2005* must, in making an application, include the following documents in support of their application: • Statement of objectives. • Full financial accounts. • Information on activities and programmes. • Details of membership or clients. In respect of those rates referred to in sections 16 and 19 of the *Local Government (Rating) Act 2002* (i.e. targeted rates), only one uniform annual sewer charge will apply and all other targeted rates will be charged at the applicable rate.	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. Objective To facilitate the ongoing provision of non-commercial community services, and non-commercial recreational opportunities for the residents of Stratford District. The purpose of granting rates remission to an organisation is to: • Recognise the public good contribution made by such an organisation; • Assist the organisation's survival; and • 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. Conditions and Criteria This part of the policy will apply to land: • owned by the Stratford District Council; or • owned or occupied by a registered charitable organisation that is responsible for the rates; or • owned or occupied by a registered non-profit organisation that is responsible for the rates; and • is used exclusively or principally for sporting, recreation, or community purposes by that organisation; and • the land is not used for galloping races, harness races or greyhound races. 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. This 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. Organisations making application should include the following documents in support of their application: • statement of objectives; and	South Taranaki Constituency. Objective: 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. The purpose of granting rates remissions to an organisation is to: Recognise the public good contribution made by such organisations. Assist the organisation's survival. 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. Conditions and criteria 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. Organisations making application should include the following documents in support of their application: Statement of objectives. Financial assets. Information on activities and programmes. Details of membership or clients.

New Plymouth and North Taranaki constituencies	Stratford constituency	South Taranaki constituency
	• evidence of charitable/non-profit status; and • financial accounts; and • information on activities and programmes; and • details on membership or clients.	
Remission of rates on land protected for conservation purposes. All Constituencies.		

Rates Policy 6 Rates remission for protected natural areas
Objectives of the policy
The objective of this policy is to encourage the maintenance, enhancement and protection of natural areas by providing rates relief for privately owned land that contains special features protected for ecological value purposes. It allows Council to assist landowners who have:
• a significant natural area identified on their property in the District Plan, or
• have voluntarily retired land with high ecological value solely for conservation purposes, where the land is being sustainably managed and subject of a protective covenant or by other legal mechanism providing similar protection to a protective covenant
 	
Conditions and criteria
The Council may remit rates for properties protected for ecological value that meet the following criteria:
• The land must be protected either by having a significant natural area identified in the District Plan, or by way of a protective covenant, or by other legal mechanism providing similar protection to a protective covenant
• Where the property is protected by way of a protective covenant or by other legal mechanism providing similar protection to a protective covenant:
  • The protective covenant or other legal mechanism must meet the requirements of the District Plan for legal protection of the special ecological features to achieve the protective outcome
  • The protected area meets the significance criteria for protected in the District Plan
  • Evidence of the legal protection mechanism and a plan to sustainably manage the ecological values of the protected natural features
  • The area of land containing the protected natural features must be readily identified and able to be measured distinctly from the total area of the property
 	
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:
		South Taranaki Constituency.
		Objective: Rates remission is provided to preserve and promote natural resources and heritage by encouraging the protection of land for natural, historic or cultural purposes.
		
		Conditions and criteria: 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.
		
		In considering any application for remission of rates under this part of the Policy, the Council will consider the following criteria:
		The extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.
		The degree to which feature of natural, cultural and historic heritage are present on the land.
		The degree to which features of natural, cultural and historic heritage inhibit the economic utilisation of the land.
		The extent to which the preservation of natural, cultural and historic heritage will be promoted by granting remission of rates on the rating unit.
		The degree to which features of natural, cultural and historic heritage will be

New Plymouth and North Taranaki constituencies	Stratford constituency	South Taranaki constituency

• The general rate of the area pro-rata will be remitted by 50 per cent where the protected area is protected by virtue of identification as a significant natural area in the District Plan
• 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.
 	
In this policy a property is considered to be identified in the District Plan as having a significant natural area if either:
• A significant natural area is identified on that property in an operative District Plan, or
• A significant natural area is identified on that property in a proposed District Plan but only if:
  • no submissions in opposition have been made and the time for making submissions has expired; or
  • all submissions in opposition, and any appeals, have been determined, withdrawn, or dismissed.
 	
For the avoidance of doubt, a property becomes ineligible for a rates remission if the natural area is destroyed (or pro rata to the area destroyed), regardless of whether a resource consent is issued or not.
		promoted by granting remission of rates on the rating unit.
		The degree to which features of natural, cultural and historic heritage are present on the land.
		The degree to which features of natural, cultural and historic heritage inhibits the economic utilisation of the land.

Remission of penalties. All Constituencies.		
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 In order to ensure the settlement of outstanding rates where the ratepayer has made an arrangement to pay over an extended period. Conditions and criteria The Council will remit penalties if: • the ratepayer agrees to an automatic payment or direct debit plan that is sufficient to cover current rates and arrears in place, or • 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, or • the ratepayer can demonstrate to the Council that doing so is just and equitable having taken into account the individual circumstances. The Council may remit small balances due to cash rounding.	The Stratford District Council will provide rates remission on penalties to all ratepayers who meet the objectives, conditions and criteria of this policy. Objective 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 due date, due to circumstances outside the ratepayer's control. This section applies to all rates penalties imposed under the Council's Funding Impact Statement and Rates Resolution. Conditions and Criteria 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 and the following criteria are met: • Where a property changes hands (sale or lease) and the new owner/lessee is responsible for an instalment when the original account was issued in the name of the previous owner/lessee.	South Taranaki Constituency. The South Taranaki District Council will provide rate remissions of penalties to all ratepayers who meet the objectives, conditions and criteria of this Policy. Objective: 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. Conditions and criteria: 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.

New Plymouth and North Taranaki constituencies	Stratford constituency	South Taranaki constituency
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).	• On compassionate grounds, i.e. where a ratepayer has been ill or in hospital or suffered a family bereavement or tragedy of some type, and has been unable to attend to payment (elderly persons living on their own etc.). • The rate invoice was not received, where it can be proved that it was not due to negligence by the ratepayer. • Where an error has been made by Council staff which has subsequently resulted in a penalty charge being imposed. • In the case of a deceased estate, upon receipt of a letter from a Solicitor who has been granted probate, that while the winding up of the affairs of the estate are in progress and that Council may expect full payment of rates, Council may remit penalties from the time of death. Where a ratepayer enters into a direct debit 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 from the date of the default. Any penalties applied up to the date of commencement of the arrangement will remain. The Council, and officers with the appropriate delegated authority, may remit up to 100% (or other figure) of the penalties charged to a property, where the ratepayer can demonstrate that there are circumstances outside of their control which have caused the rates to incur a penalty, and where the rates are paid in full on an agreed date.	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.

Rates policy	
Remission of rates or postponement of rates for financial hardship. New Plymouth, North Taranaki and South Taranaki Constituencies only.	
Objectives of the policy The objective of this policy is to assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates. A. Postponement – Owner/Ratepayer Conditions and criteria 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. 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.	South Taranaki Constituency Extreme financial circumstances Objective: The objective of this part of the Policy is to assist ratepayers experiencing extreme financial circumstances which affect their ability to pay rates. Conditions and criteria: Only rating units used solely for residential purposes will be eligible for consideration for rates postponement for extreme financial circumstances.

Rates policy	
The ratepayer must not own any other rating units (whether in the district or in another district). When considering whether extreme financial hardship exists, 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. 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. The ratepayer must either: • make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments, or • agree that all future rates be postponed. 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. The postponement will continue to apply until: • the ratepayer ceases to be the owner or occupier of the rating unit; or • the ratepayer ceases to use the property as their residence; or • the ratepayer notifies the Council of a change in circumstance that means the ratepayer is no long eligible; or • a date specified by the Council; whichever is the sooner. 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. B. Remission - Near Ownership Situations Conditions and criteria Property Held in Trust • the amount of the remission will be equal to the Council's Uniform Annual General Charge. • the applicant may have savings up to a maximum of $10,000 for the purpose of funeral expenses. • the applicant's sole income is from a Central Government benefit (including New Zealand superannuation) and earnings on interest from savings for funeral expenses. • the applicant must be the ratepayer and supply proof from the Trust Deed. • the applicant must not be a financial beneficiary of the Trust. • the applicant must not be eligible for a rates rebate. • the applicant must provide an explanation and proof of hardship. • the Rating Unit must be rated as Residential. • the applicant must reside at the property. Habitat for Humanity • the amount of the remission will be equal to the Council's Uniform Annual General Charge. • the applicant must provide proof of the long term sale and purchase agreement for the property with Habitat for Humanity.	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). 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 paragraphs under this section. The Council will delegate authority to approve applications for rates postponement to Council Officers. 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. 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. Any postponed rates will be postponed until: The death of the ratepayer(s); or Until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or Until the ratepayer ceases to use the property as his/her residence; or Until a date specified by the Council. 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. 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. Postponed rates will be registered as a statutory land charge on the rating unit title. This means

Rates policy	
• 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. • the property must not be eligible for a rates rebate. • the applicant must provide an explanation and proof of hardship. • the rating unit must be rated as residential. • the applicant must reside at the property.	that the Council will have the first call on the proceeds of any revenue from the sale or lease of the rating unit.
Remission of rates on Council owned and occupied properties. Stratford Constituency only.	
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. Objective 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. Conditions and Criteria This part of the policy applies to rating units owned and occupied by the Stratford District Council. 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.	
Remission for property made uninhabitable due to fire. Stratford Constituency only.	
Objective This remission provides relief to the ratepayer where significant property loss has occurred due to fire (not deliberately lit by the owner, occupier or related party) causing the dwelling to be uninhabitable, or the commercial property to cease operations, temporarily or otherwise. Conditions and Criteria Upon notification, and in agreement with the ratepayer, the Council will remit the targeted Rates for Solid Waste, Waste Water and Water Supply for properties, where it determines it is reasonable in the circumstances to do so. The remission applies from the date of the fire until the services are reinstated.	
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. New Plymouth and North Taranaki Constituencies only.	
Objectives of the policy The policy is to provide for 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. Conditions and criteria The Council may remit the specified rates where the application meets the following criteria: • 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 on a non-paying basis (e.g. granny flat). • 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 new declaration must be completed and provided in order to qualify for consideration for remission beyond the three year period.	
Rates remission of uniform annual refuse charge targeted rate. New Plymouth and North Taranaki Constituencies only.	
Objectives of the policy To recognise that some properties within the service area may be approved by the Council (in accordance with the relevant bylaw) to not receive some or all of the Council provided refuse collection and disposal service. Conditions and criteria Some or all of the uniform targeted rate for refuse collection and disposal will be remitted where the Council has approved the property to not receive some or all of the Council provided refuse collection and disposal service under the relevant Council bylaw relating to solid waste (being the Solid Waste Management and Minimisation Bylaw 2019 at the time of adoption). The amount of the uniform targeted rate that is remitted will be determined in accordance with the cost of providing the service or services not received. Where a property is approved to not receive any service then that property shall have 100 per cent of the targeted rate remitted. Any remission of charges under this policy will apply from the following quarter that the service is ceased, and the remission of charges will also cease the following quarter if the service resumes.	

Rates policy
Rates remission for financial hardship as a result of changes to the rating system. New Plymouth and North Taranaki Constituencies only.
This policy recognises that when the Council alters parts of the rating system to achieve a more equitable distribution of rates, doing so may cause financial hardship for some ratepayers, and thereby provides a remission for affected ratepayers. Conditions and criteria This policy only applies where the Council determines to make significant changes to the rating system, including changes to uniform charges, differentials or the number of targeted rates. This policy does not apply to annual changes in rates requirements, including changes to targeted rates as a result of changes to service levels (including the imposition of a targeted rate on a property as a result of receiving a service that was not previously provided or charged to a property) and inflationary adjustment of uniform charges. The applicant must provide evidence of financial hardship as a result of the change. The following grounds can be taken into account: • The ratepayer's personal circumstances including, but not limited to, age, physical or mental disability, injury, illness and family circumstances; • Whether 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; • The ratepayer's sole income is from a Central Government benefit (including New Zealand superannuation). The amount of remission will be set as half of the difference between the property's rates for that year and the property's rate for that year if the change to the rating system for that year had not been applied. • In determining the property's rate for that year if the changes to the rating system had not been applied, the Council will use the relevant parts of the previous year's rating system (e.g. differentials, uniform charges) but will use the current financial year's rates requirement.
Rates remission for significant water leaks. New Plymouth and North Taranaki Constituencies only.
Objectives on the policy The objective of this policy is to provide an incentive for ratepayers to fix water supply leaks through providing a partial remission of volumetric charges upon a leak being fixed in a timely and diligent manner. Conditions and criteria The Council may remit the water volumetric charge rate in accordance with the provisions of the *New Plymouth District Council Bylaw 2008*: Part 14: Water, Wastewater and Stormwater Services clause 9.7.11, or any such provision in a bylaw that replaces that clause.
Rates postponement for significant unexpected events. New Plymouth and North Taranaki Constituencies only.

Objectives on the policy
The objective of this policy is to recognise that significant unexpected events may occur that place some ratepayers into significant financial hardship due to no fault of their own, and that provision of a short-term postponement of rates may limit the financial hardship.
 	
Conditions and criteria
An "event" under this policy is triggered either:
• By a declaration of state of national emergency or of local emergency over the District, or
• By resolution of the Council, having considered the following matters:
    • The type of implications arising, or likely to arise, from the potential event
    • Whether the potential event is unusual or whether it is a frequently occurring event
    • The likelihood of the potential event having implications that last longer than the potential event itself
    • Any other matter the Council considers relevant
• An "event":
    • does not have to be of natural occurrence, and can include social and economic events
    • excludes social, economic, environmental, technological and other trends, although may include events caused partially or in full by such trends (for instance, climate change is not an event, but a large storm that is attributable to climate change could be considered an event; a significant recession can be considered an event, but a long-term sector decline cannot be considered an event)
    • excludes political or legal decisions, whether by the Council, other local authorities, central Government, or international.
    • excludes impacts that arise from Council actions (for instance, road closures, events and so forth).
• A resolution for an event under (b) automatically triggers both policy 11 and 12, unless the resolution states otherwise.
 	
A ratepayer may apply for a postponement under this Policy if the ratepayer meets one or more of the following criteria:
• The ratepayer can demonstrate to the satisfaction of the Council that the event has, or is likely to cause, a reduction in income or revenue of at least 30 per cent over a three-month period
• The ratepayer can demonstrate to the satisfaction of the Council that the property has suffered significant damage as a result of the event that is likely to impact on the long-term usability of the property (for instance, a major slip on a farmland property resulting in the need to retire the affected area)

Rates policy
The ratepayer must provide evidence with their application, and the burden of proof is on the ratepayer making the application A ratepayer who meets the criteria may receive a postponement for any outstanding rates (including any rates in arrears) and all rates due within a 12 month period from the date of application A rating charge shall be registered on the certificate of title The ratepayer must repay the outstanding rates within three years of the end of the period for which rates have been postponed • The ratepayer may apply for one extension of a further three years • The Council will consider any application for an extension on a case-by-case basis, and may take into account any ongoing impacts of the event and other circumstances. The ratepayer must pay a postponement fee, made up of interest (charged at the actual cost of the Council's borrowing) and an administration fee (set at the Council's actual cost of processing the initial application, including registering charges on the certificate of title).
Rates penalty remission for significant unexpected events. New Plymouth and North Taranaki Constituencies only.

Objectives on the policy
The objective of this policy is to recognise that significant unexpected events may occur that place some ratepayers into significant financial hardship due to no fault of their own, and that provision of a short-term remission of penalties may limit the financial hardship.
 	
Conditions and criteria
• An "event" under this policy is triggered either:
• By a declaration of state of national emergency or of local emergency over the District, or
• By resolution of the Council, having considered the following matters:
    • The type of implications arising, or likely to arise, from the potential event
    • Whether the potential event is unusual or whether it is a frequently occurring event
    • The likelihood of the potential event having implications that last longer than the potential event itself
    • Any other matter the Council considers relevant
• An "event":
    • does not have to be of natural occurrence, and can include social and economic events
    • excludes social, economic, environmental, technological and other trends, although may include events caused partially or in full by such trends (for instance, climate change is not an event, but a large storm that is attributable to climate change could be considered an event; a significant recession can be considered an event, but a long-term sector decline cannot be considered an event)
    • excludes political or legal decisions, whether by the Council, other local authorities, central Government, or international.
    • excludes impacts that arise from Council actions (for instance, road closures, events and so forth).
• A resolution for an event under (b) automatically triggers both policy 11 and 12, unless the resolution states otherwise
 	
The Council may, by resolution, determine that it will remit any penalties for quarterly instalments for those affected by the event
• The resolution must specify the applicable quarterly instalments
• The resolution may specify the group(s) of ratepayers eligible for the penalty waiver (but if no such group is specified then all ratepayers are considered eligible).
 	
Following declaration of any event, the Council may remit any penalty within the following year where:
• the ratepayer pays the outstanding rates and
• can provide evidence, to the satisfaction of the Council, of reduced income or revenue, or other form of hardship (such as increased costs for recovery), as a result of the event, such as:
    • Assistance from central Government to reflect the event
    • Information from a bank or accountant of reduced income or revenue.

Remission for low value residential properties where the UAGC is in excess of 5% annually of the capital value of the property. Stratford Constituency only.
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. Objective 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. Conditions and Criteria 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.
Remission of UAGC's for rural land, which is non-contiguous, but farmed as a single entity and owned by the same ratepayer. South Taranaki Constituency only.

Rates policy
South Taranaki Constituency. 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. Objective: 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. Conditions and criteria: 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. Remission: 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. South Taranaki Constituency only.
South Taranaki Constituency. The Council will provide rates remission of UAGC's to all ratepayers who meet the objectives, conditions and criteria of this Policy. 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. Conditions and Criteria: 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 Local Government (Rating) Act 2002), who apply in writing, are entitled to have UAGC's reduced for qualifying properties. All ratepayers will pay at least one full UAGC. Remission: 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.
Remission of rates in miscellaneous circumstances. New Plymouth and North Taranaki Constituencies only.
Objectives of the policy 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. Conditions and criteria The Council may remit part or all rates on a rating unit where The Council considers it just and equitable to do so because: • 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 • The circumstances of the rating unit or the ratepayer are 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 • 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.
Remission of rates for business development. Stratford Constituency only.
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 Building Act. 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: • Significant employment growth or employment retention in Stratford District; and/or • Significant downstream new business for other Stratford District manufacturers or suppliers of goods and services.

Rates policy	
Developments for industrial, commercial or administrative purposes which the Council wishes to foster are in the following sectors: • Primary production and processing. • Tourism, including recreational, cultural and conference facilities. • Manufacturing, especially those which have high potential for employment related to the total cost factor. • Health services. • Retailing. • Hotels, motels and other transient accommodation. • Administrative services, including those provided by Government and private sector agencies. In the event of any developer, to whom rates relief has been granted, selling the property within which the eligible investment was made, rates relief ceases from the date of the sale. Forms of Rates Relief 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. 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. Factors to be considered. Council will have regard to the following matters when considering applications for rates relief: • 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. • Whether and to what extent the granting of relief will be of material benefit to the development. • Whether the investment limit and economic benefits criteria are met jointly in the case of a Lessor/Lessee arrangement. • Whether and to what extent the development can be served by the existing basic Council services infrastructure. • The level of financial contributions and development levies collected under provisions of the District Plan. • Such other matters as Council may, from time to time, consider relevant.	
Remissions for biodiversity (indigenous vegetation, significant habitats of indigenous fauna and wetlands). Stratford Constituency only.	
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. Objectives 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. Conditions and Criteria This part of the policy will apply to ratepayers who: • 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 • voluntarily protect and maintain these areas that are within the boundary of the wetlands identified in Appendix 9. The remission will apply to the area of land included in the protected area. 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. 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. In considering any application for remission of rates under this part of the policy Council will consider the following criteria: • the extent to which the preservation of biodiversity vegetation will be promoted by granting remission of rates on the rating unit. • the degree to which features of biodiversity vegetation are present on the land; and • the degree to which features of biodiversity vegetation inhibit the economic utilisation of the land.	
Remission for excess water consumption due to a leak. Stratford and South Taranaki Constituencies only.	
Stratford Constituency. 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. Objective 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.	South Taranaki Constituency. Objective: The remission of water rates is to provide for the effective and fair management of leaks on private properties by incentivizing customers to repair "private" water leaks in a timely manner.

<table>
<tr><th colspan="2">Rates policy</th></tr>
<tr>
<td>Conditions and Criteria
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:
• A remission application has been received; and
• Council is satisfied a leak on the property has caused excessive consumption and is recorded on the water meter; and
• 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
• Proof of the leak being repaired has been provided to Council promptly after repair of the leak.

The amount of the remission will be the difference between the average consumption of the property and the consumption over and above that average.

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.

Any remission over 2,000 cubic meters is to be referred to the Policy and Services Committee for approval.</td>
<td>Conditions and criteria: 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:

Customers with a current account may apply in writing to the Council, within 2 months of the account being issued; and

Provide proof of repairs to internal reticulation which has been undertaken by a registered plumber.

Any remission under this policy will be limited to one application within any 24 month period for a particular customer, per meter.

Remission: The remission is for 50% of the charged cost for the estimated volume of water lost through leakage.</td>
</tr>
<tr><td colspan="2">Remission of water targeted rate as compensation for water easement. Stratford Constituency only.</td></tr>
<tr><td colspan="2">Council has water mains installed on private properties with, in some cases, an associated easement for access and maintenance.

Objective
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.

The remission is for the Targeted Water Rate only. The water-by-meter charges remain, subject to the Revenue and Financing Policy.

Conditions and Criteria
In order to provide a water targeted rate remission the Compensation agreements must be in writing and formal easements recording them registered against the relevant land title.</td></tr>
<tr><td colspan="2">Remission of rates on abandoned land. Stratford Constituency only.</td></tr>
<tr><td colspan="2">Objective:
To minimise administration costs where it is unlikely that rates assessed on an abandoned rating unit will ever be collected.

Conditions and criteria:
The policy will apply to Rating units that meet the definition of abandoned land as prescribed in Section 77(1) of the Local Government (Rating) Act 2002.

Land has either failed to be sold using the authority provided in sections 77-83 or is unlikely to sell.

Procedure:
Rates will be remitted in full annually. Any rates arrears owing on qualifying properties at the adoption of the policy, or in the first year a rating unit qualifies under the policy, will also be remitted.</td></tr>
<tr><td colspan="2">Remission of rates for Earthquake Prone Buildings – Council Assistance Package Policy. South Taranaki Constituency only.</td></tr>
<tr><td colspan="2">South Taranaki Constituency.

Objective: 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.

Conditions and criteria: 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.</td></tr>
</table>

Rates policy
Remission: The remission is for a maximum of $3,000 over 3 years.
Remission of Total Rates Assessments under $10. South Taranaki Constituency only.
South Taranaki Constituency. Objective: The remission of Total Rates Assessments under $10 is to save the Council unnecessary costs of collecting a small amount of rates. Conditions and criteria: The total of the Rates Assessments must be $10 or less. Remission: The remission for 100% of the total rates charged under $10.
Discount of rates. South Taranaki Constituency only.
South Taranaki Constituency. Purpose: To specify the Policy for early payment of rates in the current financial year in terms of Section 55 of the Local Government (Rating) Act 2002. Background: Rates are set on properties in accordance with the statutory provisions of the Local Government (Rating) Act 2002. 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 those rates in the current financial year. Definitions: Financial Year – a period of 12 months beginning on 1 July. 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. Policy: 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.
Remission of rates on Māori freehold land. All Constituencies.
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. Māori freehold land is defined in the *Local Government (Rating) Act 2002* 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. Objectives. The objectives of this policy are: • to recognise situations where there is no owner, occupier or person gaining an economic or financial benefit from the land. • to set aside land that is better set aside for non-use because of its natural features (whenua rahui). • to recognise matters related to the physical accessibility of the land. • to recognise and take account of the presence of wāhi tapu that may affect the use of the land for other purposes. • where part only of a block is occupied, to grant remission for the portion of land not occupied. • 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. • to recognise and take account of the importance of land in providing economic and infrastructure support for marae and associated papakainga housing. • to recognise use of the land by the owners for traditional purposes. • to recognise occasions where granting remission will avoid further alienation of Māori freehold land.

Rates policy
• 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. Conditions and Criteria. The Council will maintain a register titled the Māori Land Rates Relief Register (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: • the Māori Land General Remissions List. • the Māori Land Economic Adjustment Remissions List. Owners or trustees making application should include the following information in their applications: details of the property. • the objectives that will be achieved by providing a remission. • documentation that proves the land, which is the subject of the application, is Māori freehold land. 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. The Council will review the register annually and may: • add properties that comply. • remove properties where the circumstances have changed and they no longer comply. No remission will be granted on targeted rates for water supply, sewage disposal or refuse collection.
Postponement of rates on Māori freehold land. All Constituencies.
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. Māori freehold land is defined in the Local Government (Rating) Act 2002 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. 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. 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. 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. Owners or trustees making application should include the following information in their applications: • details of the property. • the objectives that will be achieved by providing postponement. • details of the proposed development. 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.

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

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Sources of operating funding										
7,954,391	General rates, uniform annual general charges, rates penalties	10,937,288	11,484,153	12,058,361	12,661,279	13,294,342	13,959,059	14,657,014	15,096,722	15,549,625	16,016,113
5,971,173	Targeted rates	4,367,241	4,461,838	4,495,491	4,530,406	4,567,630	4,606,634	4,646,908	4,691,765	4,737,646	4,681,568
4,094,968	Subsidies and grants for operating purposes	5,229,709	3,527,578	3,581,309	2,423,784	2,159,579	2,521,257	2,566,953	2,635,594	2,680,378	2,729,253
19,403,195	Fees and charges	17,384,509	16,255,019	15,282,963	11,999,349	11,371,447	10,978,740	10,780,642	8,127,021	8,293,731	8,456,013
10,491,772	Interest and dividends from investments	9,772,417	9,776,534	9,776,304	9,776,146	9,776,058	9,776,043	9,777,341	9,740,028	9,747,891	9,754,617
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
47,915,499	**Total operating funding**	**47,691,164**	**45,505,122**	**45,194,428**	**41,390,964**	**41,169,056**	**41,841,733**	**42,428,858**	**40,291,130**	**41,009,271**	**41,637,564**
	Applications of operating funding										
42,846,999	Payments to staff and suppliers	43,635,850	40,892,389	40,286,645	35,946,041	36,146,963	35,885,354	36,091,816	37,025,020	37,382,861	35,785,547
1,041,772	Finance costs	472,417	438,562	421,121	403,328	385,175	366,656	347,763	328,489	308,826	0
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
43,888,771	**Total applications of operating funding**	**44,108,267**	**41,330,951**	**40,707,766**	**36,349,369**	**36,532,138**	**36,252,010**	**36,439,579**	**37,353,509**	**37,691,687**	**35,785,547**
4,026,728	**Surplus/(deficit) of operating funding**	**3,582,897**	**4,174,171**	**4,486,662**	**5,041,595**	**4,636,918**	**5,589,723**	**5,989,279**	**2,937,621**	**3,317,584**	**5,852,017**
	Sources of capital funding										
0	Subsidies and grants for capital	0	0	0	0	325,000	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
243,000	Gross proceeds from sale of assets	563,500	609,000	664,050	761,250	903,250	586,050	761,250	799,250	768,050	666,750
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
243,000	**Total sources of capital funding**	**563,500**	**609,000**	**664,050**	**761,250**	**1,228,250**	**586,050**	**761,250**	**799,250**	**768,050**	**666,750**
	Applications of capital funding										
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	250,000	0	0	0	0	0	0	0	0	0
4,504,086	- replace existing assets	7,257,190	5,591,250	2,201,350	2,601,050	3,137,250	2,433,490	2,234,450	2,273,250	2,353,450	2,048,250
150,228	Increase/(decrease) in reserves	(199,485)	(197,464)	54,637	56,822	(190,905)	61,459	163,918	(183,526)	169,133	171,899
(384,586)	Increase/(decrease) in investments	(3,161,308)	(610,615)	2,894,725	3,144,973	2,918,823	3,680,824	4,352,161	1,647,147	1,563,051	4,298,618
4,269,728	**Total applications of capital funding**	**4,146,397**	**4,783,171**	**5,150,712**	**5,802,845**	**5,865,168**	**6,175,773**	**6,750,529**	**3,736,871**	**4,085,634**	**6,518,767**
(4,026,728)	**Surplus/(deficit) of capital funding**	**(3,582,897)**	**(4,174,171)**	**(4,486,662)**	**(5,041,595)**	**(4,636,918)**	**(5,589,723)**	**(5,989,279)**	**(2,937,621)**	**(3,317,584)**	**(5,852,017)**
0	**Funding balance**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Resource management funding impact statement

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Sources of operating funding										
3,061,369	General rates, uniform annual general charges, rates penalties	5,003,641	5,342,592	5,859,783	6,254,555	6,560,716	6,995,780	7,336,573	7,893,494	8,175,314	8,411,320
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
2,036,000	Subsidies and grants for operating purposes	2,836,000	1,116,000	1,202,669	0	0	0	0	0	0	0
15,258,159	Fees and charges	13,199,566	12,179,218	11,150,814	7,838,792	7,181,923	6,759,674	6,530,026	6,440,248	6,572,576	6,701,250
0	Internal charges and overheads	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
20,355,528	Total operating funding	**21,039,207**	**18,637,810**	**18,213,266**	**14,093,347**	**13,742,639**	**13,755,454**	**13,866,599**	**14,333,742**	**14,747,890**	**15,112,570**
	Applications of operating funding										
19,581,040	Payments to staff and suppliers	20,362,711	18,197,412	17,613,227	13,094,702	12,469,320	12,140,569	12,030,031	12,047,788	12,307,687	12,552,520
0	Finance costs	0	0	0	0	0	0	0	0	0	0
4,435,839	Internal charges and overheads applied	5,262,690	5,441,016	5,795,334	5,912,446	5,985,913	6,114,581	6,163,612	6,480,675	6,668,852	6,682,849
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
24,016,879	Total applications of operating funding	**25,625,401**	**23,638,428**	**23,408,561**	**19,007,148**	**18,455,233**	**18,255,150**	**18,193,643**	**18,528,463**	**18,976,539**	**19,235,369**
(3,661,351)	Surplus/(deficit) of operating funding	**(4,586,194)**	**(5,000,618)**	**(5,195,295)**	**(4,913,801)**	**(4,712,594)**	**(4,499,696)**	**(4,327,044)**	**(4,194,721)**	**(4,228,649)**	**(4,122,799)**
	Sources of capital funding										
0	Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
134,000	Gross proceeds from sale of assets	263,500	440,000	342,250	539,250	518,000	368,250	539,250	518,000	342,250	565,250
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
134,000	Total sources of capital funding	**263,500**	**440,000**	**342,250**	**539,250**	**518,000**	**368,250**	**539,250**	**518,000**	**342,250**	**565,250**
	Applications of capital funding										
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
614,969	- replace existing assets	1,294,190	1,117,250	804,350	1,050,050	1,094,250	838,490	1,052,450	995,250	750,450	989,250
0	Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
(4,142,320)	Increase/(decrease) in investments	(5,616,884)	(5,677,868)	(5,657,395)	(5,424,601)	(5,288,844)	(4,969,936)	(4,840,244)	(4,671,971)	(4,636,849)	(4,546,799)
(3,527,351)	Total applications of capital funding	**(4,322,694)**	**(4,560,618)**	**(4,853,045)**	**(4,374,551)**	**(4,194,594)**	**(4,131,446)**	**(3,787,794)**	**(3,676,721)**	**(3,886,399)**	**(3,557,549)**
3,661,351	Surplus/(deficit) of capital funding	**4,586,194**	**5,000,618**	**5,195,295**	**4,913,801**	**4,712,594**	**4,499,696**	**4,327,044**	**4,194,721**	**4,228,649**	**4,122,799**
0	Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Biosecurity and biodiversity funding impact statement

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Sources of operating funding										
1,985,485	General rates, uniform annual general charges, rates penalties	2,347,450	2,658,460	2,717,414	2,824,609	2,939,993	3,064,054	3,250,993	2,827,739	2,948,654	3,038,382
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
2,700,736	Fees and charges	2,805,043	2,703,338	2,738,244	2,740,225	2,742,243	2,744,300	2,746,506	151,369	153,781	156,127
0	Internal charges and overheads	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
4,686,221	Total operating funding	**5,152,493**	**5,361,798**	**5,455,658**	**5,564,834**	**5,682,236**	**5,808,354**	**5,997,499**	**2,979,108**	**3,102,435**	**3,194,509**
	Applications of operating funding										
2,481,601	Payments to staff and suppliers	2,743,572	3,067,190	2,864,421	2,891,820	3,215,712	2,990,528	3,043,900	3,400,992	3,159,276	3,216,017
0	Finance costs	0	0	0	0	0	0	0	0	0	0
1,248,755	Internal charges and overheads applied	1,096,763	1,056,949	1,069,907	1,104,908	1,118,638	1,142,682	1,151,845	1,211,097	1,246,263	1,248,880
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
3,730,356	Total applications of operating funding	**3,840,335**	**4,124,139**	**3,934,328**	**3,996,728**	**4,334,350**	**4,133,210**	**4,195,745**	**4,612,089**	**4,405,539**	**4,464,897**
955,865	Surplus/(deficit) of operating funding	**1,312,158**	**1,237,659**	**1,521,330**	**1,568,106**	**1,347,886**	**1,675,144**	**1,801,754**	**(1,632,981)**	**(1,303,104)**	**(1,270,388)**
	Sources of capital funding										
0	Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
26,000	Gross proceeds from sale of assets	182,000	41,250	104,000	78,000	249,250	0	104,000	119,250	208,000	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
26,000	Total sources of capital funding	**182,000**	**41,250**	**104,000**	**78,000**	**249,250**	**0**	**104,000**	**119,250**	**208,000**	**0**
	Applications of capital funding										
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
126,000	- replace existing assets	422,000	97,000	222,000	172,000	509,000	34,000	222,000	247,000	422,000	22,000
100,000	Increase/(decrease) in reserves	0	(250,000)	0	0	(250,000)	0	100,000	(250,000)	100,000	100,000
755,865	Increase/(decrease) in investments	1,072,158	1,431,909	1,403,330	1,474,106	1,338,136	1,641,144	1,583,754	(1,510,731)	(1,617,104)	(1,392,388)
981,865	Total applications of capital funding	**1,494,158**	**1,278,909**	**1,625,330**	**1,646,106**	**1,597,136**	**1,675,144**	**1,905,754**	**(1,513,731)**	**(1,095,104)**	**(1,270,388)**
(955,865)	Surplus/(deficit) of capital funding	**(1,312,158)**	**(1,237,659)**	**(1,521,330)**	**(1,568,106)**	**(1,347,886)**	**(1,675,144)**	**(1,801,754)**	**1,632,981**	**1,303,104**	**1,270,388**
0	Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Transport funding impact statement

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Sources of operating funding										
199,448	General rates, uniform annual general charges, rates penalties	359,770	410,447	401,590	423,009	452,228	463,958	481,484	522,554	528,697	542,323
1,280,678	Targeted rates	1,438,997	1,527,727	1,554,259	1,581,175	1,609,061	1,637,474	1,667,955	1,700,596	1,733,927	1,666,337
2,058,968	Subsidies and grants for operating purposes	2,393,709	2,411,578	2,378,640	2,423,784	2,159,579	2,521,257	2,566,953	2,635,594	2,680,378	2,729,253
1,174,300	Fees and charges	1,102,400	1,127,757	1,149,184	1,171,019	1,193,266	1,215,938	1,240,256	1,266,301	1,292,894	1,318,753
0	Internal charges and overheads	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
4,713,394	**Total operating funding**	**5,294,876**	**5,477,509**	**5,483,673**	**5,598,987**	**5,414,134**	**5,838,627**	**5,956,648**	**6,125,045**	**6,235,896**	**6,256,666**
	Applications of operating funding										
4,596,158	Payments to staff and suppliers	5,268,788	5,421,014	5,410,595	5,513,139	5,655,632	5,733,114	5,838,324	5,998,645	6,094,539	6,206,980
0	Finance costs	0	0	0	0	0	0	0	0	0	0
251,707	Internal charges and overheads applied	295,418	284,694	288,186	297,612	301,311	307,786	310,255	326,215	335,687	336,391
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
4,847,865	**Total applications of operating funding**	**5,564,206**	**5,705,708**	**5,698,781**	**5,810,751**	**5,956,943**	**6,040,900**	**6,148,579**	**6,324,860**	**6,430,226**	**6,543,371**
(134,471)	**Surplus/(deficit) of operating funding**	**(269,330)**	**(228,199)**	**(215,108)**	**(211,764)**	**(542,809)**	**(202,273)**	**(191,931)**	**(199,815)**	**(194,330)**	**(286,705)**
	Sources of capital funding										
0	Subsidies and grants for capital	0	0	0	0	325,000	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
0	**Total sources of capital funding**	**0**	**0**	**0**	**0**	**325,000**	**0**	**0**	**0**	**0**	**0**
	Applications of capital funding										
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
0	- replace existing assets	40,000	0	0	40,000	500,000	0	40,000	0	0	40,000
0	Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
(134,471)	Increase/(decrease) in investments	(309,330)	(228,199)	(215,108)	(251,764)	(717,809)	(202,273)	(231,931)	(199,815)	(194,330)	(326,705)
(134,471)	**Total applications of capital funding**	**(269,330)**	**(228,199)**	**(215,108)**	**(211,764)**	**(217,809)**	**(202,273)**	**(191,931)**	**(199,815)**	**(194,330)**	**(286,705)**
134,471	**Surplus/(deficit) of capital funding**	**269,330**	**228,199**	**215,108**	**211,764**	**542,809**	**202,273**	**191,931**	**199,815**	**194,330**	**286,705**
0	**Funding balance**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Hazard management funding impact statement—civil defence emergency management

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Sources of operating funding										
172,725	General rates, uniform annual general charges, rates penalties	234,672	270,378	277,872	291,159	302,771	318,087	333,601	347,815	359,009	372,927
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
0	Fees and charges	0	0	0	0	0	0	0	0	0	0
0	Internal charges and overheads	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
172,725	**Total operating funding**	**234,672**	**270,378**	**277,872**	**291,159**	**302,771**	**318,087**	**333,601**	**347,815**	**359,009**	**372,927**
	Applications of operating funding										
414,058	Payments to staff and suppliers	480,000	491,040	500,370	509,877	519,565	529,437	540,026	551,367	562,946	574,205
0	Finance costs	0	0	0	0	0	0	0	0	0	0
0	Internal charges and overheads applied	0	0	0	0	0	0	0	0	0	0
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
414,058	**Total applications of operating funding**	**480,000**	**491,040**	**500,370**	**509,877**	**519,565**	**529,437**	**540,026**	**551,367**	**562,946**	**574,205**
(241,333)	**Surplus/(deficit) of operating funding**	**(245,328)**	**(220,662)**	**(222,498)**	**(218,718)**	**(216,794)**	**(211,350)**	**(206,425)**	**(203,552)**	**(203,937)**	**(201,278)**
	Sources of capital funding										
0	Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
0	**Total sources of capital funding**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Applications of capital funding										
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
0	- replace existing assets	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
(241,333)	Increase/(decrease) in investments	(245,328)	(220,662)	(222,498)	(218,718)	(216,794)	(211,350)	(206,425)	(203,552)	(203,937)	(201,278)
(241,333)	**Total applications of capital funding**	**(245,328)**	**(220,662)**	**(222,498)**	**(218,718)**	**(216,794)**	**(211,350)**	**(206,425)**	**(203,552)**	**(203,937)**	**(201,278)**
241,333	**Surplus/(deficit) of capital funding**	**245,328**	**220,662**	**222,498**	**218,718**	**216,794**	**211,350**	**206,425**	**203,552**	**203,937**	**201,278**
0	**Funding balance**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Hazard management funding impact statement—flood management, general river control and river control schemes

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Sources of operating funding										
(10,071)	General rates, uniform annual general charges, rates penalties	(134,771)	(18,352)	(14,327)	(8,011)	(2,737)	2,923	9,404	17,949	25,638	32,889
747,776	Targeted rates	749,575	755,442	762,563	770,562	779,900	790,491	800,284	812,500	825,050	836,562
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
0	Fees and charges	0	0	0	0	0	0	0	0	0	0
0	Internal charges and overheads	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
737,705	Total operating funding	**614,804**	**737,090**	**748,236**	**762,551**	**777,163**	**793,414**	**809,688**	**830,449**	**850,688**	**869,451**
	Applications of operating funding										
442,227	Payments to staff and suppliers	480,616	492,066	498,485	510,577	520,097	529,800	540,207	551,351	562,730	573,796
0	Finance costs	0	0	0	0	0	0	0	0	0	0
126,169	Internal charges and overheads applied	88,448	85,238	86,282	89,106	90,212	92,152	92,891	97,669	100,505	100,716
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
568,396	Total applications of operating funding	**569,064**	**577,304**	**584,767**	**599,683**	**610,309**	**621,952**	**633,098**	**649,020**	**663,235**	**674,512**
169,309	Surplus/(deficit) of operating funding	**45,740**	**159,786**	**163,469**	**162,868**	**166,854**	**171,462**	**176,590**	**181,429**	**187,453**	**194,939**
	Sources of capital funding										
0	Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
0	Gross proceeds from sale of assets	0	22,000	19,250	0	22,000	19,250	0	22,000	19,250	0
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
0	Total sources of capital funding	**0**	**22,000**	**19,250**	**0**	**22,000**	**19,250**	**0**	**22,000**	**19,250**	**0**
	Applications of capital funding										
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	250,000	0	0	0	0	0	0	0	0	0
84,000	- replace existing assets	0	40,000	35,000	0	40,000	35,000	0	40,000	35,000	0
50,228	Increase/(decrease) in reserves	(199,485)	52,536	54,637	56,822	59,095	61,459	63,918	66,474	69,133	71,899
35,081	Increase/(decrease) in investments	(4,775)	89,250	93,082	106,046	89,759	94,253	112,672	96,955	102,570	123,040
169,309	Total applications of capital funding	**45,740**	**181,786**	**182,719**	**162,868**	**188,854**	**190,712**	**176,590**	**203,429**	**206,703**	**194,939**
(169,309)	Surplus/(deficit) of capital funding	**(45,740)**	**(159,786)**	**(163,469)**	**(162,868)**	**(166,854)**	**(171,462)**	**(176,590)**	**(181,429)**	**(187,453)**	**(194,939)**
0	Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Recreation, culture and heritage funding impact statement

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Sources of operating funding										
1,841,487	General rates, uniform annual general charges, rates penalties	2,263,940	1,722,726	1,758,630	1,811,850	1,864,410	1,953,694	2,032,417	2,129,925	2,193,161	2,255,712
3,942,719	Targeted rates	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669	2,178,669
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
197,000	Fees and charges	204,500	213,706	213,721	218,313	223,015	227,828	232,854	238,103	243,480	248,883
0	Internal charges and overheads	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
5,981,206	Total operating funding	**4,647,109**	**4,115,101**	**4,151,020**	**4,208,832**	**4,266,094**	**4,360,191**	**4,443,940**	**4,546,697**	**4,615,310**	**4,683,264**
	Applications of operating funding										
7,001,894	Payments to staff and suppliers	5,405,594	3,942,532	3,960,481	3,986,171	4,016,860	4,048,129	4,081,666	4,117,583	4,154,252	2,011,246
1,041,772	Finance costs	472,417	438,562	421,121	403,328	385,175	366,656	347,763	328,489	308,826	0
1,003,041	Internal charges and overheads applied	980,600	945,004	956,590	987,883	1,000,158	1,021,656	1,029,850	1,082,826	1,114,268	1,116,605
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
9,046,707	Total applications of operating funding	**6,858,611**	**5,326,098**	**5,338,192**	**5,377,382**	**5,402,193**	**5,436,441**	**5,459,279**	**5,528,898**	**5,577,346**	**3,127,851**
(3,065,501)	Surplus/(deficit) of operating funding	**(2,211,502)**	**(1,210,997)**	**(1,187,172)**	**(1,168,550)**	**(1,136,099)**	**(1,076,250)**	**(1,015,339)**	**(982,201)**	**(962,036)**	**1,555,413**
	Sources of capital funding										
0	Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
20,000	Gross proceeds from sale of assets	97,500	42,500	0	123,500	42,500	0	97,500	68,500	0	97,500
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
20,000	Total sources of capital funding	**97,500**	**42,500**	**0**	**123,500**	**42,500**	**0**	**97,500**	**68,500**	**0**	**97,500**
	Applications of capital funding										
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
1,660,000	- replace existing assets	1,109,000	676,000	128,000	635,000	213,000	141,000	316,000	300,000	139,000	303,000
0	Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
(4,705,501)	Increase/(decrease) in investments	(3,223,002)	(1,844,497)	(1,315,172)	(1,680,050)	(1,306,599)	(1,217,250)	(1,233,839)	(1,213,701)	(1,101,036)	1,349,913
(3,045,501)	Total applications of capital funding	**(2,114,002)**	**(1,168,497)**	**(1,187,172)**	**(1,045,050)**	**(1,093,599)**	**(1,076,250)**	**(917,839)**	**(913,701)**	**(962,036)**	**1,652,913**
3,065,501	Surplus/(deficit) of capital funding	**2,211,502**	**1,210,997**	**1,187,172**	**1,168,550**	**1,136,099**	**1,076,250**	**1,015,339**	**982,201**	**962,036**	**(1,555,413)**
0	Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Regional representation, advocacy and investment management funding impact statement

2020/2021 Estimate $		2021/2022 Estimate $	2022/2023 Indicative $	2023/2024 Indicative $	2024/2025 Forecast $	2025/2026 Forecast $	2026/2027 Forecast $	2027/2028 Forecast $	2028/2029 Forecast $	2029/2030 Forecast $	2030/2031 Forecast $
	Sources of operating funding										
703,948	General rates, uniform annual general charges, rates penalties	862,586	1,097,902	1,057,399	1,064,108	1,176,961	1,160,563	1,212,542	1,357,246	1,319,152	1,362,560
0	Targeted rates	0	0	0	0	0	0	0	0	0	0
0	Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
73,000	Fees and charges	73,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000
0	Internal charges and overheads	0	0	0	0	0	0	0	0	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
776,948	**Total operating funding**	**935,586**	**1,128,902**	**1,088,399**	**1,095,108**	**1,207,961**	**1,191,563**	**1,243,542**	**1,388,246**	**1,350,152**	**1,393,560**
	Applications of operating funding										
1,164,829	Payments to staff and suppliers	1,254,808	1,463,140	1,367,046	1,308,478	1,457,672	1,357,327	1,383,775	1,542,098	1,441,018	1,469,137
0	Finance costs	0	0	0	0	0	0	0	0	0	0
568,328	Internal charges and overheads applied	562,533	542,113	548,759	566,711	573,753	586,085	590,785	621,175	639,213	640,554
0	Other operating funding applications	0	0	0	0	0	0	0	0	0	0
1,733,157	**Total applications of operating funding**	**1,817,341**	**2,005,253**	**1,915,805**	**1,875,189**	**2,031,425**	**1,943,412**	**1,974,560**	**2,163,273**	**2,080,231**	**2,109,691**
(956,209)	**Surplus/(deficit) of operating funding**	**(881,755)**	**(876,351)**	**(827,406)**	**(780,081)**	**(823,464)**	**(751,849)**	**(731,018)**	**(775,027)**	**(730,079)**	**(716,131)**
	Sources of capital funding										
0	Subsidies and grants for capital	0	0	0	0	0	0	0	0	0	0
0	Development and financial contributions	0	0	0	0	0	0	0	0	0	0
0	Increase/(decrease) in debt	0	0	0	0	0	0	0	0	0	0
63,000	Gross proceeds from sale of assets	20,500	63,250	198,550	20,500	71,500	198,550	20,500	71,500	198,550	4,000
0	Lump sum contributions	0	0	0	0	0	0	0	0	0	0
0	Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
63,000	**Total sources of capital funding**	**20,500**	**63,250**	**198,550**	**20,500**	**71,500**	**198,550**	**20,500**	**71,500**	**198,550**	**4,000**
	Applications of capital funding										
	Capital expenditure to:										
0	- meet additional demand	0	0	0	0	0	0	0	0	0	0
0	- improve the level of service	0	0	0	0	0	0	0	0	0	0
2,019,117	- replace existing assets	4,392,000	3,661,000	1,012,000	704,000	781,000	1,385,000	604,000	691,000	1,007,000	694,000
0	Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
(2,912,326)	Increase/(decrease) in investments	(5,253,255)	(4,474,101)	(1,640,856)	(1,463,581)	(1,532,964)	(1,938,299)	(1,314,518)	(1,394,527)	(1,538,529)	(1,406,131)
(893,209)	**Total applications of capital funding**	**(861,255)**	**(813,101)**	**(628,856)**	**(759,581)**	**(751,964)**	**(553,299)**	**(710,518)**	**(703,527)**	**(531,529)**	**(712,131)**
956,209	**Surplus/(deficit) of capital funding**	**881,755**	**876,351**	**827,406**	**780,081**	**823,464**	**751,849**	**731,018**	**775,027**	**730,079**	**716,131**
0	**Funding balance**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Appendix 4: Reporting and Prudence Regulations

Long-Term Plan Disclosure Statement for Period Commencing 1 July 2021

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.

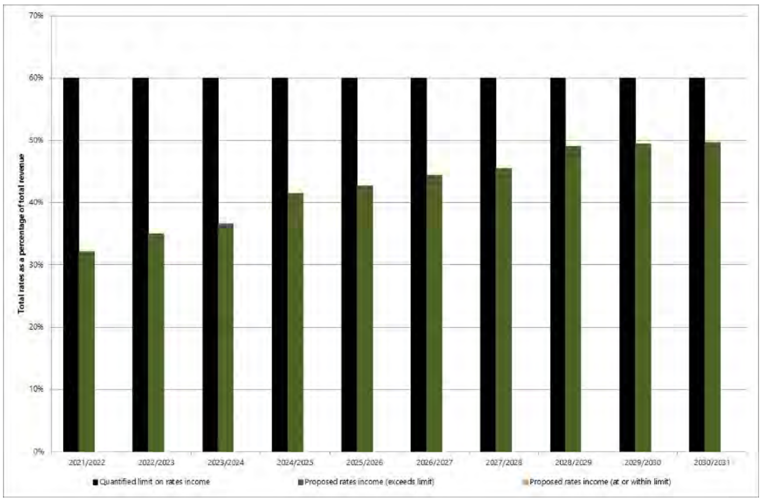
The Council is required to include this statement in its long-term plan in accordance with the *Local Government (Financial Reporting and Prudence) Regulations 2014* (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates affordability benchmark

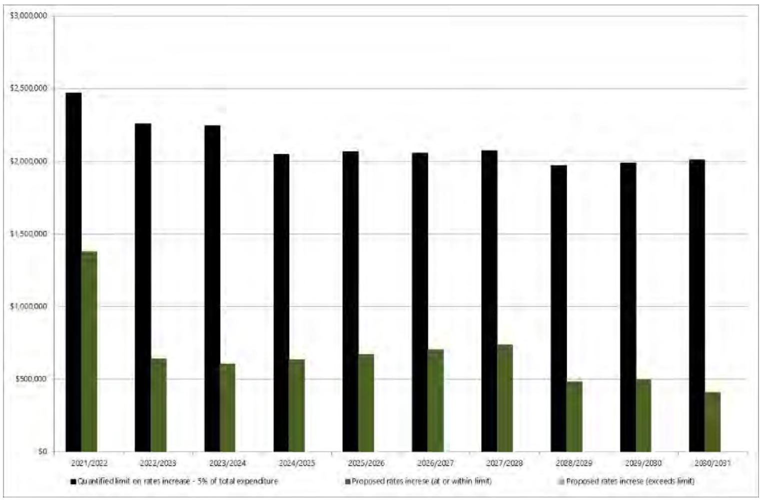
The Council meets the rates affordability benchmark if—

- 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 *Plan*. The quantified limit is that total rates will not exceed 60% of total revenue.



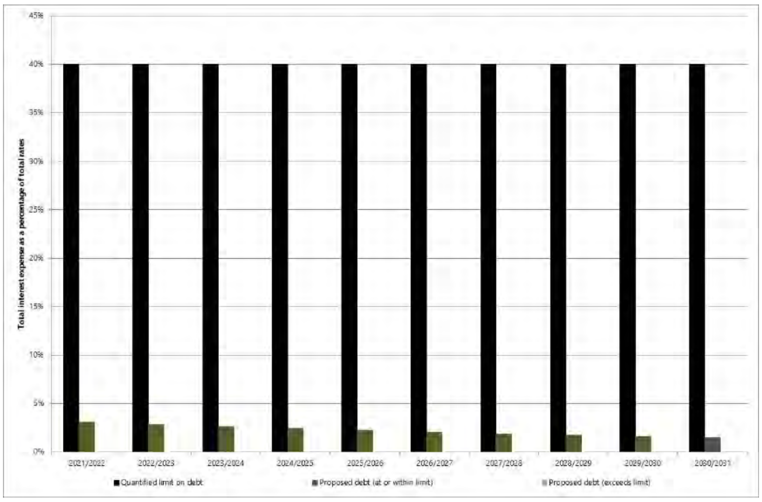
Rates (increases) affordability. The following graph compares the Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this *Plan*. The quantified limit is that total rates increase will not exceed 5% of total expenditure.



Debt affordability benchmark

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

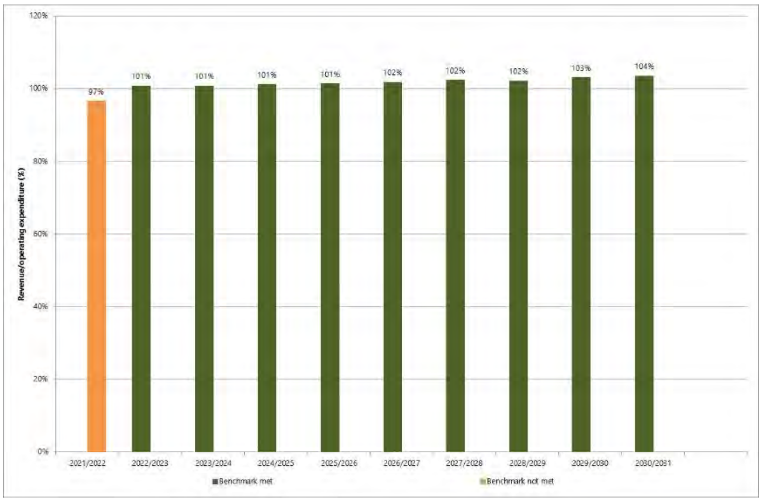
The following graph compares the Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this *Plan*. The quantified limit is that total interest expense on net external public debt will not exceed 40% of total annual rates and levies.



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

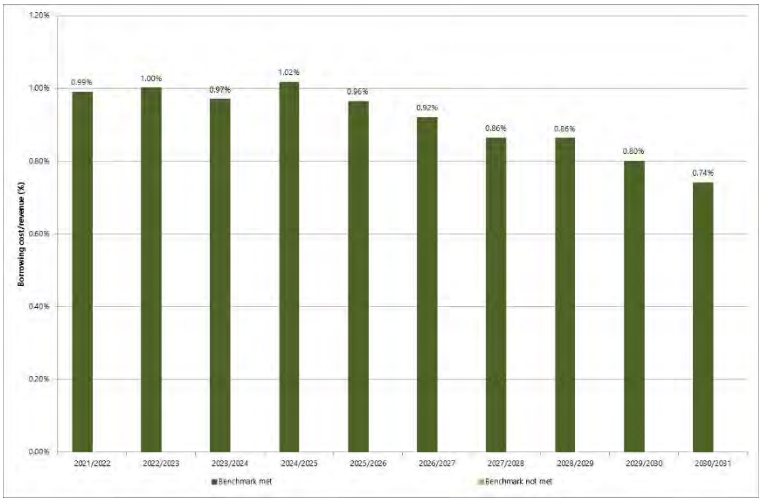
The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. Network services means infrastructure 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.



Appendix 5: Infrastructure Strategy

Introduction

The Plan is required to include 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 river and flood control schemes.

Flood management and river control schemes is a relatively minor component of the total operations. It accounts for approximately 1.2% of total operating expenditure. At 30 June 2020, the Council's flood control schemes were valued at $13.7m out of total Council assets of $108m.

There are 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, the Opunake Flood Control Scheme and the Okato Scheme.

Lower Waiwhakaiho Flood Control Scheme

The Waiwhakaiho Flood Control Scheme has been upgraded to provide protection from a flood in the Waiwhakaiho River of 1,180 cumecs and from the Mangaone Stream of 73 cumecs. These were considered in 2010 to have a 1% Annual Exceedance Probability (AEP) and have made allowance for increased flood levels arising from climate change to the year 2060. The upgrade works were completed in July 2014.

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.

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. $15,000 is budgeted each year for the repair of flood damage from the North Taranaki Schemes and if unspent, accumulates in the Scheme reserves account.

The Scheme has infrastructural 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 2047.	Operational
Concrete structures	Concrete structures have a design life in the 50 to 100 year range. The concrete structures in the Scheme were all constructed since 2011 as part of the Scheme upgrade works. No replacement required before 2047.	Nil

Asset Type	Renewal or replacement requirements	Expenditure
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 2045.	Nil
Aluminum and galvanised floodgates	Aluminum floodgates will not need replacing before 2047. Galvanised floodgates may need replacing prior to 2047. Current asset value of all floodgates is $5,000 and would be replaced as required from annual maintenance funding.	Operational
Rock riprap	Rock does not need replacement. Minor toping 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.

Asset Type	Disaster Type	Risk	Financial Risk	Expenditure type to fund repair
Earth stopbanks	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	Flood	Minimal	Minor	Operational
	Earthquake	Could suffer significant damage from cracking and toppling	Medium	Capital
Concrete structures	Flood	Minimal	Minor	Operational
	Earthquake	Minimal	Minor	Operational
Concrete culverts	Flood	Minimal	Minor	Operational
	Earthquake	Could have fractures in culverts that would need replacing	Minor	Capital
Aluminium & galvanised floodgates	Flood	Minor damage to floodgates	Minor	Operational
	Earthquake	Minimal		Operational
Ancillary minor structures	Flood	Moderate risk of damage	Minor	Operational
	Earthquake	Minimal		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)	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028

Estimated operating costs $000's	79	85	81	79	101	85	81
Year(s)	2028/2029	2029/2030	2030/2031	2031/2036	2036/2041	2041/2046	2046/2051
Estimated operating costs $000's	79	79	101	425	425	425	425

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 very unlikely to change significantly over the next 30 years to warrant an upgrade to a higher standard of protection. Notwithstanding this, once the current upgrade has been completed 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 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. $15,000 is budgeted each year for the repair of flood damage from the North Taranaki Schemes and if unspent, accumulates in the Scheme reserves account.

The Scheme has infrastructural 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
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 2047.	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 2047.	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 toping 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 the that risk.

The potential risk to the Scheme assets arise from over design flood events and from earthquakes.

Asset Type	Disaster Type	Risk	Financial Risk	Expenditure type to fund repair
Earth stopbanks	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	Flood	Minimal	Minor	Operational
	Earthquake	Could suffer significant damage from cracking	Medium	Capital
Concrete structures	Flood	Minimal	Minor	Operational
	Earthquake	Could suffer significant damage due to foundation failure	Significantly	Capital
Rock riprap	Flood	Moderate risk of rock riprap needing to be repositioned or topped up	Moderate	Capital
	Earthquake	Minimal	Minor	Operational
Ancillary minor structures	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 as follows. There will be no capital expenditure over the next 30 year period.

Year(s)	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030	2030/ 2031	2031/ 2036	2036/ 2041	2041/ 2046	2046/ 2051
Estimated operating costs ($000's)	46	56	51	51	50	46	54	53	51	48	255	255	255	255

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.

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 particular 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. $15,000 is budgeted each year for the repair of flood damage from the North Taranaki Schemes and if unspent, accumulates in the Scheme reserves account.

The Scheme has infrastructural 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 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. Some rock repositioning may be required from time to time. Minor topping up may be required very irregularly.	Operational
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 arise from over design flood events.

Asset Type	Disaster Type	Risk	Financial Risk	Expenditure type to fund repair
Earth stopbanks and guide banks	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	Flood	The large rock river training works could be severely damaged in a very large flood in the river.	Significant	Capital
Rock groynes	Flood	Moderate	Minor	Operational
Rock riprap	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 as follows. There will be no capital expenditure over the next 30 year period.

Year(s)	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030	2030/ 2031	2031/ 2036	2036/ 2041	2041/ 2046	2046/ 2051
Estimated operating costs ($000's)	16	12	15	12	16	12	15	12	16	12	75	75	75	75

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 Opunake Flood Control Scheme was constructed in 2017 and 2018 to provide protection to the 1% Annual Exceedance Probability (AEP) flood event with an allowance for increase flood flows arising from climate change to the year 2065.

The land use in the area protected by the Scheme is a mixture of rural, commercial, industrial and residential with the majority of the area being rural and 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 and around Opunake protected by the Scheme are very 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 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. $10,000 is budgeted each year for the repair of flood damage from the South Taranaki Schemes and if unspent, accumulates in the Scheme reserves account.

The Scheme has infrastructural 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
Open earthen channels	No replacement required. The channels will be maintained to the design shape and standard.	Operational
Open rock lined channels	No replacement required. The channels will be maintained to the design shape and standard.	Operational
Rock riprap drop structures	No replacement required. The channels will be maintained to the design shape and standard. Minor toping up may be required very irregularly.	Operational
Euroflo culverts and headwalls	Culverts and headwalls have a life exceeding 30 years	Nil
Throttle structure	Galvanized steel structure generally above water level – unlikely to require replacement in foreseeable future	Nil
Fencing and gates	Fences and gates 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 arise from over design flood events and from earthquakes.

Asset Type	Disaster Type	Risk	Financial Risk	Expenditure type to fund repair
Open earthen channels	Flood	Some minor erosion damage possible. Any damage would be very localised	Minor	Operational
Open rock lined channels	Flood	Some minor erosion damage possible. Any damage would be very localised	Minor	Operational

Asset Type	Disaster Type	Risk	Financial Risk	Expenditure type to fund repair
Rock riprap drop structures	Flood	Some damage possible. Any damage would be very localised	Minor	Operational
Euroflo culverts and headwalls	Flood	Could suffer minor damage from being overtopped	Minor	Operational
Throttle structure	Flood	Minimal	Minor	Operational
Fencing and gates	Flood and earthquake	Could suffer minor damage due to foundation failure	Minor	Operational

The indicative estimated set out below for the management of the Scheme assets is as follows. There will be no capital expenditure over the next 30 year period.

Year(s)	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028	2028/ 2029	2029/ 2030	2030/ 2031	2031/ 2036	2036/ 2041	2041/ 2046	2046/ 2051
Estimated operating costs ($000's)	1.5	1.5	6.5	3.5	1.5	1.5	1.5	6.5	3.5	1.5	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 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.

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	$97/hr	$92/hr
Professional/supervisory staff	$123/hr	$115/hr
Managers	$178/hr	$166/hr
Support staff	$97/hr	$92/hr
Directors	$295/hr	$275/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 2021.

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	$55,000
For non-notified farm dairy discharge consent	$1,000
For non-notified consent other	$1,250
For notified consents (limited and public)	$7,140
Renewal or change consent:	
• Non-notified	$1,250
• Notified (limited and public)	$7,140
Non-notified review of consent	$622
Notified review of consent	$7,140
Extension of a consent lapse date	$500
Certificate of compliance	$1,250
Serve notice of a permitted activity	$308
Approvals under *Resource Management Act*:	
Water Measuring Regulations	$367
Transfer of consent to another party or change of consent holder name (1 to 5 consents)	$96 per consent
Transfer of consent to another party or change of consent holder name (6 to 20 consents)	$80 per consent
Transfer of consent to another party or change of consent holder name (more than 21)	$64 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 2021.

SCHEDULE 3: SCALE OF CHARGES FOR THE USE OF PLANT

BTEX Absorption Disk	$541.00 per sample
Deposition gauge	$51.00 per month
Drager air sampler	$40.80 per sample
DusTrak desktop monitor (PM10)	$102.00 per day
DusTrak handheld	$30.60 per deployment
Gastec air sampler	$51.00 per sample
Multigas monitor	$102.00per deployment
Passive absorption disks	$173.00 per sample
Black Disc	$10.20 per deployment
Contolotron	$153.00 per day
Electric fishing equipment	$255.00 per day
Fyke net	$30.60 per deployment
G-minnow trap	$10.20 per deployment
Macroinvertebrate sample processing	$265.00 per sample
Miscellaneous fish survey equipment	$102.00 per survey
Periphyton aspirator	$102.00 per day
Portable dissolved oxygen sensor	$357.00 per month
Spotlight Surveys	$30.60 per night survey
Vandorn sampler	$51.00 per day
Waitaha Sonde	$5,100.00 per year
Bladder pump	$112.00 per day
Bladder pump-bladder	$17.90 per item
Disposable Bailer	$20.40 per sample
Electrical submersible pump	$51.00 per day
Groundwater level logger	$184.00 per year
Groundwater Sample tubing – bladder	$3.20per metre
Groundwater Sample tubing – drop tube	$2.00 per metre
Groundwater Sample tubing – peristaltic	$1.10 per metre
Peristaltic Pump	$61.20 per day
Portable (12v) groundwater pump	$122.00 per day
Motorboat Delia S	$2,040.00 per day
Quad bike	$357.00 per day
RTK GPS survey equipment	$306.00 per day
Single axle trailer	$71.40 per day
Spill Response Trailer	$255.00 per day
Spray Unit	$204.00 per day
Survey equipment – digital dumpy level	$102.00 per day
Tandem trailer	$96.90 per day
Teryx ATV	$510.00 per day
Traffic management (TMS)	$88.70 per hour
Bertrand Rd hydrometric equipment	$843.00 per year
Cell telemetry	$30.60 per month
Data Logger	$163.00 per year
Hydrological gauging equipment (M9)	$184.00 per gauging
Hydrological gauging equipment (wading)	$76.50 per gauging
In stream temperature monitor	$25.50 per month
Mangaehu hydrometric equipment	$712.00 per year
Mangati Environmental Sensors	$5,100.00 per year
Mangati hydrometric equipment	$8,436.00 per year
Mangawhero-iti hydrometric equipment	$1,187.00 per year
Oaonui hydrometric equipment	$385.00 per year
Patea McColl's bridge hydrometric equipment	$1,191.00 per year
Patea Skinner Rd hydrometric equipment	$534.00 per year
Radio Telemetry	$10.20 per month
RNZ Uriti Telemetry	$5,000 per year

Repair Parts (battery/fuse/cable)	$51.00 per deployment
Surrey Road Telemetry	$5,000 per year
Standard hydrometric equipment	$1,772.00 per year
Tangahoe hydrometric equipment	$619.00 per year
Tawhiti hydrometric equipment (lower)	$1,573.00 per year
Tawhiti hydrometric equipment (upper)	$973.00 per year
Waingongoro hydrometric equipment	$755.00 per year
Waitaha hydrometric equipment	$7,356.00 per year
Rain Gauge Calibration	$306.00 per deployment
Chlorine Meter	$18.90 per use
Multi-parameter Field Meter	$102.00 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 2021.

SCHEDULE 4: FIXED MINIMUM CHARGES FOR LABORATORY ANALYSES

The Council has engaged a contract laboratory, RJ Hill Laboratories Ltd, to undertake the Council's regular sample analysis. Pricing of analysis is set out in the Council's contract with the supplier, these negotiated prices are subject to commercial sensitivity and therefore are not published in detail in this schedule. The Council's approach to calculating laboratory analysis charges is to use the original contract pricing with the application of a handling cost (of $4.43) per analysis method which provides for the time required to coordinate and maintain this service. Total costs of analysis including the adjustment will be made available on request. An explanation of the methods used for laboratory analyses is available on request.

EXPLANATION

This schedule sets out the Council's approach to recovering actual and reasonable costs of laboratory analysis 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 2021.

SCHEDULE 5: FIXED INITIAL ANNUAL MONITORING DEPOSIT CHARGES FOR ACTIVITIES WITH TAILORED COMPLIANCE MONITORING PROGRAMMES 2020/2021

CATCHMENTS - HEREKAWE STREAM

Beach Energy Resources NZ (Kupe) Limited	$3,085
Methanex NZ Limited	$6,250
New Plymouth District Council	$2,946
New Zealand Oil Services Ltd	$2,956
OMV Taranaki Limited	$6,421

CATCHMENTS - HONGIHONGI STREAM

Bulk Storage Terminals Limited	$2,407
Molten Metals Limited	$3,762
New Plymouth District Council	$2,283
New Zealand Oil Services Ltd	$2,037
OMV Taranaki Limited	$2,407
Port Taranaki Limited	$2,198
Seaport Land Company Limited	$2,037
Z Energy Limited	$2,198

CATCHMENTS - LOWER WAIWHAKAIHO AIRSHED

Dialog Fitzroy Limited	$11,513
Downer NZ Limited	$10,386
Katere Surface Coatings Limited	$3,972
Taranaki Regional Council	$9,987

CATCHMENTS - LOWER WAIWHAKAIHO RIVER

AML Limited (Trading as Allied Concrete)	$3,605
Devon 662 Limited Partnership	$7,907
DIALOG Fitzroy Limited	$7,040
Downer EDI Works Limited	$3,731
Envirowaste Services Limited	$3,678
Firth Industries Limited	$3,707
Freight & Bulk Transport Limited	$3,571
KiwiRail Holdings Limited	$3,742
New Plymouth District Council	$13,251
New Zealand Railways Corporation	$3,750

Ravensdown Limited	$3,665
Taranaki Regional Council	$1,822
Taranaki Sawmills Limited	$11,733
Technix Group Limited	$10,431
Waste Management NZ Limited	$3,896

CATCHMENTS - MANGATI STREAM

Barton Holdings Limited	$7,403
First Gas Limited	$6,073
Greymouth Petroleum Acquisition Company Ltd	$7,361
J Swap Contractors Limited	$8,143
McKechnie Aluminium Solutions Limited	$9,667
New Plymouth District Council	$8,938
Nexans New Zealand Limited	$9,120
OMV New Zealand Limited	$7,399
Schlumberger New Zealand Limited	$7,331
Taranaki Regional Council	$4,674
Tasman Oil Tools Limited	$7,361
Tegel Foods Limited	$12,047
Tegel Foods Limited - Poultry Processing Plant	$23,864
TIL Freighting Limited	$9,960

CATCHMENTS - TAWHITI STREAM

Graeme Lowe Protein Limited	$9,979
Silver Fern Farms Limited	$15,550
Taranaki Fish & Game Council	$1,956

CATCHMENTS - WAITAHA STREAM

AICA (NZ) Limited	$11,231
C&O Concrete Products Limited New Plymouth	$4,136
Energyworks Limited	$6,218
Greymouth Facilities Limited	$4,856
Intergroup Limited	$6,491
Meredith Scrap Metals Limited	$7,513
New Plymouth District Council	$5,747
Pounamu Oilfield Services Limited	$5,949
SRG Global Asset Services (Taranaki) Ltd	$5,141
Symons Property Developments Limited	$4,643
Taranaki Sawmills Limited	$8,470
Woodwards 2008 Limited	$1,060
Zelam Limited	$1,156

DAIRY PROCESSING

Fonterra Limited	$175,675
Taranaki Regional Council	$218

HYDRO-ELECTRIC ENERGY

INDUSTRIAL

Trustpower Limited	$91,025
Anzco Foods Waitara Limited	$1,128
Ballance Agri-Nutrients Limited	$564
Ballance Agri-Nutrients Limited	$564
Dow AgroSciences (NZ) Limited	$18,170
Downer NZ Limited	$2,076
Energy Services International Limited	$564
Fonterra Limited	$564
Liquigas Limited - Head Office	$1,501
McKechnie Aluminium Solutions Limited	$18,297
Methanex Motunui Limited	$1,346
Port Taranaki Limited	$29,426
Powerco Limited - ELECTRICITY OPERATIONS	$564
Sandford Bros Limited	$564
Solexin Industries Limited	$564
Taranaki Bulk Storage Limited	$1,128
Taranaki Stock Car Club Inc	$564
Taranaki Thoroughbred Racing	$5,309
Technix Bitumen Technologies Limited	$2,076
Transpower New Zealand Limited	$564

IRRIGATION

Alexander Farms Limited	$1,561
Anthony Ingman & Kerstin Johanna Williams	$490
AR Geary Trust	$1,792
BLL Farm Trust	$4,853
BR & RG Harvey Family Trust	$908
Coastal Country Farms Limited	$3,007
Cornwall Park Farms Limited	$490
David Pease Family Trust	$2,812
Duncan Robert Emerson Wilson	$4,065
FJ Goodin & Sons Limited	$3,007
Fonic Farms Limited	$1,792
Friesianroots Limited	$4,459
Gibbs G Trust	$1,932
Graham Allen & Ruby Joyce Dorn	$1,792
Greg McCallum	$908
Hawera Golf Club Inc	$523
Inglewood Golf Club Inc	$662
James Robert & Donna Maree Baker	$2,160
Jimian Limited	$490
John & Elaine Glenda Sanderson	$3,855
JW & MT Hamblyn Family Trusts	$1,792
Kaihihi Trust	$2,302
Kaitake Golf Club Inc	$1,381
Kereone Farms Limited	$6,145
Kohi Investments Limited	$2,275
Larsen Trusts Partnership	$490
Leatherleaf Limited	$1,418
Leonie Ann Campbell	$4,557
Luttrell Trust Partnership	$6,105
Manaia Golf Club	$662
Manukorihi Golf Club Inc	$1,103
Mara Trust	$3,007
New Plymouth Golf Club Inc	$1,103
Nigel Wayne & Denise Mary King	$1,418
Nilock & Camole Trusts	$2,302
Oceanview Trust	$490
Ohawe Farm Limited	$908
Pihama Farms Limited	$2,302
Pukeone Partnership	$8,318
Riverside Farms Taranaki Ltd	$1,418
RM & MC Julian Family Trust	$4,853
Roger Dickie Family Trust	$1,928
Spenceview Farms	$6,105
Te Ngutu Golf Club Incorporated	$1,010
Waikaikai Farms Limited	$1,496
Waireka Trust	$490

Waitara Golf Club Inc	$1,010
Waiwira Holdings Ltd	$4,598
Walker & McLean Partnership	$1,932
Wayne Douglas & Sandra Christine Morrison	$6,891
Westown Golf Club Incorporated	$1,010
Woollaston Family Trust Partnership	$1,928

LANDFILLS / CLEANFILLS

A & A George Family Trust	$2,060
AA Contracting Limited	$2,179
Allan Edward Riddick	$2,010
Barry John & Lynette Betty Bishop	$2,179
Candyman Trust	$2,401
Central Greenwaste & Firewood	$1,448
Denis Wheeler Earthmoving Limited	$1,855
Downer EDI Works Limited	$2,086
Downer NZ Limited	$3,915
Gas & Plumbing Ltd	$1,776
Groundworkx Taranaki Limited	$1,595
Malandra Downs Limited	$1,938
New Plymouth District Council	$155,736
Smudgy Developments	$1,792
South Taranaki District Council	$25,479
Stratford District Council	$5,715
Taranaki Trucking Company Limited	$1,742
TPJ Partnership	$5,176
Value Timber Supplies Limited	$2,877
Westown Agriculture Limited	$4,384
Westown Haulage Limited	$4,535

MARINE DISCHARGES

Fonterra Limited	$1,659
New Plymouth District Council	$35,079
South Taranaki District Council	$46,812

MEAT PROCESSING

Ample Group Limited	$25,635
Anzco Foods Limited	$6,175
Riverlands Eltham Limited	$40,696
Silver Fern Farms Limited	$23,184

MINOR INDUSTRIES

Agri Tech Engineering Limited T/A Hotter Engineering	$687
Blastways Limited	$687
Colin David Boyd	$3,578
Egmont Canine Retreat and Cattery	$638
Eltham Sandblasting Limited	$687
Firth Industries - Division of Fletcher Concrete & Infrastructure Limited	$1,770
Fletcher Concrete & Infrastructure Limited	$1,770
Fulton Hogan Limited - New Plymouth	$188
Hawera Rewinds	$638
Inglewood Timber Processors	$638
JD Hickman 1997 Family Trust	$2,483
Lorry Land Limited	$638
Mervyn Jack Hooper	$687
Ministry of Education - Wellington	$0
New Plymouth District Council	$7,756
New Zealand Pet Food Primary Processors	$638
Normanby Engineering Sandblasting & Spraypainting	$687
Oscar4U	$687
Osflo Fertiliser Limited	$6,570
Peter Jones	$638
Taranaki Galvanizers Limited	$3,643
Transpower New Zealand Limited	$687
W Abraham Limited	$4,534

MISCELLANEOUS

New Plymouth District Council	$12,231
New Plymouth District Council & Methanex Motunui Limited	$25
New Plymouth Girls' High School	$345
New Zealand Railways Corporation	$25
Pungarehu Community Committee	$345
South Taranaki District Council	$689
Stratford District Council	$345
Stratford High School	$345
Taranaki Regional Council	$25

NON-RENEWABLE ENERGY

Contact Energy Limited	$35,190
Todd Generation Taranaki Limited	$43,110

PETROCHEMICAL

Ballance Agri-Nutrients (Kapuni) Limited	$45,621
Cheal Petroleum Limited	$13,815
Flexgas Limited	$7,211
Greymouth Petroleum Acquisition Company Ltd	$3,258
Greymouth Petroleum Central Limited	$2,336
Greymouth Petroleum Limited	$9,404
Greymouth Petroleum Turangi Limited	$2,608
Methanex Motunui Limited	$25,482
NZEC Tariki Limited	$1,730
NZEC Waihapa Limited	$10,866
Petrochem Limited	$2,356
Taranaki Ventures Limited	$2,845
Todd Energy Limited	$27,936
Todd Petroleum Mining Company Limited	$23,294
Westside New Zealand Limited	$11,182

PETROCHEMICAL PRODUCTION STATIONS

Beach Energy Resources NZ (Kupe) Limited	$19,672
Bridge Petroleum Limited	$1,035
Cheal Petroleum Limited	$14,811
Greymouth Petroleum Acquisition Company Ltd	$10,035
Greymouth Petroleum Central Limited	$12,441
Greymouth Petroleum Limited	$7,813
Greymouth Petroleum Turangi Limited	$12,635
Nova Energy Limited	$105
NZEC Tariki Limited	$1,135
NZEC Waihapa Limited	$3,252
NZEC Waihapa Limited and NZEC Tariki Limited	$257
OMV NZ Production Limited	$14,378
OMV Taranaki Limited	$14,927

Petrochem Limited	$1,275
Tamarind New Zealand Onshore Limited	$12,031
Taranaki Ventures Limited	$2,992
Todd Energy Limited	$21,845
Todd Generation Taranaki Limited	$7,445
Todd Petroleum Mining Company Limited	$17,400
TWN Limited Partnership	$14,562
Westside New Zealand Limited	$14,315

PIGGERIES

Aorere Farms Partnership	$1,279
DH Lepper Trust	$7,301
RKM Farms Limited	$5,069
Stanley Bros Trust	$12,634

QUARRIES

AA Contracting Limited	$1,379
Bunn Earthmoving Ltd	$640
Burgess Crowley Partnership	$904
Civil Quarries Limited	$15,479
Dennis Mark & Diane Lillian Bourke	$1,168
Ferndene Group Limited	$1,379
Gavin & Linda Jones	$1,379
Gibson Family Trust	$1,379
Goodin AG Limited	$1,379
Hey Trust	$640
Horizon Trust Management Limited	$2,184
Jones Quarry Limited	$4,575
R A Wallis Limited	$640
Richard John Dreaver	$1,379
Surrey Road Quarry	$640
Taranaki Trucking Company Limited	$1,818
Taunt Contracting Limited	$640
Valley Rock Limited	$0
Vickers Quarries Limited	$1,168
Whitaker Civil Engineering Limited	$1,379
Windy Point Quarry Limited	$904
Winstone Aggregates Limited	$1,818

SEWERAGE DISCHARGES & TREATMENT

New Plymouth District Council	$15,308
South Taranaki District Council	$71,859
Stratford District Council	$29,538
Wai-iti Motor Camp Limited	$3,192

WASTE RECOVERY

Colin David Boyd	$37,340
Remediation (NZ) Limited	$108,259
Surrey Road Land Farm Limited	$15,339
Taranaki By-Products Limited	$96,884
Waste Remediation Services Limited	$36,385

WATER TAKE

Alexander Bruce Middleton	$762
Awatea Hawkes Bay Trust	$762
Belmont Dairies Limited	$565
Bucman Trust	$565
Caiseal Trust Partnership	$565
Carter AJ Limited	$696
Cold Creek Community Water Supply Limited	$15,513
Construction Mechanics (1993) Limited	$565
Daniela Krumm	$434
DP & JH Roper Family Trusts Partnership	$696
Eric & Cedric Lander	$1,242
Go 2 Milk Limited	$999
Gwerder Brothers	$500
Hernly Farm Limited	$1,130
Ian Douglas & Judith Ann Armstrong	$1,111
IHC New Zealand Inc - NORTH TARANAKI	$980
Joblin Partners Limited	$500
Kaipi Holdings Limited	$565
Kathdan Trust Limited	$980
Lupton Trust	$762
Medley Partners	$1,264
MJ Fahy & MO Fahy	$696
Moorelands Trust Partnership	$434
Naplin Trust	$500
New Plymouth District Council	$18,250
Ngatoro Poultry Limited	$565
Norwood Farm Partnership	$565
Nukumaru Water Scheme Society Inc	$696
Oakura Farms Limited	$172
Oaonui Water Supply Limited	$15,197
Pariroa Marae - The Trustees	$696
PKW Farms LP	$1,327
Pungarehu Farmers Group Water Scheme	$980
Rowan Paul Oldfield	$827
SC & MJ O'Neill Family Trust	$434
South Taranaki District Council	$41,175
Stoney River Dairy Limited	$172
Stratford District Council	$10,261
Taranaki Greenhouses Limited	$762
Taranaki Regional Council	$2,098
Te Rua O te Moko 2B Ahuwhenua Trust	$893
The Tom Lance Trust	$1,352
Turangarere Trust	$565
Zenith Farms Family Trust	$849

EXPLANATION

The Council's fixed initial deposit charges for activities with tailored compliance monitoring programmes, excluding that for the NES for plantation forestry, are presented in various groups based on the nature of the activity and/or type of industry. Any additional actual and reasonable costs over and above the initial fixed deposit charge 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, 7 and 8 of this Plan.

Additional charges may be levied under section 36(5) 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 2021.

SCHEDULE 6: CHARGES FOR MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARD FOR PLANTATION FORESTRY

With reference to regulation 106 of the *National Environmental Standards For Plantation Forestry 2017* (NES), the Council sets the following charges under section 36(1)(cc) of the *Resource Management Act 1991* for monitoring permitted activities authorised under regulations in the NES that address earthworks, river crossings, forestry quarrying and harvesting.

The NES applies to commercial forest blocks of more than one hectare. The charges set out below will be applied to the Council's monitoring of these activities. Explanation about the monitoring charges is included within the description of the charges and at the end.

NOTIFICATION OF HARVESTING AND PRE ACTIVITY MONITORING

Earthworks and quarrying notification under regulations 25 and 52 have a minimum notification period of 20 working days. Notification will involve some work for the Council and allows the Council to plan for any compliance monitoring, including any pre earthworks/ harvest instream macroinvertebrate survey ($2,080 per survey) if stream conditions provide for it.

HARVESTING

The first inspection, with the earthworks plan available, will be used for discussion with the operator about how the regulations in the NES would be met. Inspection (includes travel time, inspection and notification work) and sampling will be undertaken under:

a) 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

b) regulations 26 and 65 associated with sediment management

c) regulations 28 and 55 addressing accelerated erosion, stream obstruction, or diversion of water flow

d) regulations 31, 56, and 67 addressing sediment and stormwater controls

e) regulations 36-46 for river crossings (fish passage, effects on other structures, erosion and sediment control and discharges)

f) regulations 32 and 55 regarding site stabilisation

g) regulation 58 regarding quarrying

h) regulation 68 regarding restrictions on how harvesting can occur, on any riparian margin or adjacent to water bodies.

- $898 per inspection
- $110 per each upstream or downstream sample for colour, turbidity, and suspended solids, if stream conditions are appropriate.

POST HARVESTING

Inspection(s) to ensure all the relevant NES requirements have been met, especially removal of stream structures, stabilisation, silt and sediment control, and slash and debris placement will occur. Includes travel time, inspection and notice:

- $2,080 per survey for a post-harvest instream macroinvertebrate survey, if stream conditions provide for it
- $898 per inspection.

EXPLANATION

This section of the schedule sets out the charges for inspections and sampling to address activities 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 and above forest would get one harvest inspection, a monthly inspection during harvesting and a post-harvest inspection, depending on compliance. Each moderate to large forest would also receive at least one harvest and post-harvest instream macroinvertebrate survey by a freshwater biologist if stream conditions provide for it.

Harvest inspections would be monthly as a minimum and may also include water quality sampling. If inspections take less than a day inclusive of equipment preparation, travel, on-site time, post-visit recording, issue of inspection notices, and any follow-up discussions to confirm details and accuracy of records, then some remission of the charge will occur.

Additional charges may be levied under section 36(5) 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, macroinvertebrate sample processing, and laboratory analyses are 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 2021.

SCHEDULE 7: FIXED MINIMUM CHARGES FOR MONITORING FARM DAIRY DISCHARGES AND FEEDLOTS AND STOCKHOLDING AREAS (PERMIITED ACTIVITIES)

The fixed charges for farm dairy discharge compliance monitoring inspection and sampling are set out below:

Discharge to land consent:	$365
Discharge to water, no sampling:	$365
Discharge to water consent, including sampling discharge and receiving environment:	$880
Discharge to land and water consent, including sampling discharge and receiving environment:	$949
Discharge to land and water consent, no sampling:	$420
Discharge to land by contactors under regional consents:	$850

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	$794	$1,465
Discharge to water consent, including sampling and reinspection	$1,058	$1,730

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).

The monitoring also includes the compliance monitoring of feedlots and stockholding areas of the *Resource Management (National Environmental Standards for Freshwater) Regulations 2020* (NES-FW)), These charges are made under regulation 75 of the NES-FW with reference to section 36(1)(cc) of the *Resource Management Act 1991*. The Council may charge for monitoring permitted activities for compliance inspections and monitoring under the following sections of the regulations:

9 Feedlots and other stockholding areas

12 Stockholding areas for small and large cattle

13 Stockholding areas for larger and older cattle.

Inspection will occur at the same time as the farm dairy inspection. Non-compliance with the regulations may result in a separate additional inspection and/or monitoring to ensure compliance has been achieved.

The inspection and monitoring charge will be $92 per inspection and for efficiency reasons will be invoiced with the above charges. 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 2021.

SCHEDULE 8: FIXED MINIMUM CHARGES FOR MONITORING INSTREAM STRUCTURES WHERE NO TAILORED COMPLIANCE MONITORING PROGRAMME EXISTS

Excluding structures that are addressed under Schedule 5, the fixed charge for the following types of compliance monitoring inspections of instream structures is $360 per inspection per structure:

- The initial compliance monitoring inspection, following the installation of an authorised structure.
- A re-inspection arising from a ‘minor’ non-compliance detected in a previous inspection.
- Ongoing routine compliance monitoring inspections of authorised structures.

An example of a ‘minor’ non-compliance may be the requirement for additional small scale rip-rap rock work needed to remove a small perch at an outlet. Non-compliances considered to be greater than ‘minor’ will be addressed through the abatement or enforcement process which is charged at an actual and reasonable cost rate incurred by the Council; these costs are expected to be higher than the fixed charge. See scales of charges for staff time as set out in Schedule 1.

Routine inspections will be undertaken, on a schedule that factors in the likelihood of future non-compliance and any respective potential level of adverse effects resulting from non-compliance. The inspection reoccurrence period will be between 1 – 8 years. The monitoring schedule, per structure, will be determined by Council officers, with that schedule subject to change should any issues arise.

For the monitoring of instream structures the key issues monitored are the maintenance of fish passage and erosion control.

More than one consent on the same property could be monitored during a daily inspection round. In such cases, the Council may scale the monitoring charge downward according to the instream structures monitored.

EXPLANATION

The above fixed charges for compliance monitoring inspections and re-inspections are based on staff time for 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 as set out in Schedule 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 2021.

SCHEDULE 9: 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 $320 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 $356 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. 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 2021.

SCHEDULE 10: 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 2021.

SCHEDULE 11: CHARGES FOR PERMITTED ACTIVITY MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARD FOR FRESHWATER: CHANGES IN LAND USE

With reference to regulation 75 of the *Resource Management (National Environmental Standards for Freshwater) Regulations 2020* (NES), the Council sets the following charge, under section 36(1)(cc) of the *Resource Management Act 1991*, for monitoring permitted activities authorised under regulations in the NES. The Council may charge for monitoring permitted activities for compliance inspections and monitoring under the following sections of the regulations:

16 Conversion of plantation to pastoral land use

18 Conversion of land on farm to dairy farm land

22 Use of land as dairy support land

29 Intensification: temporary standards.

Inspection includes travel time, inspection, monitoring and reporting. Non-compliance with the regulations will result in additional inspections and/or monitoring to ensure compliance has been achieved.

The inspection and monitoring charge will be $340.

EXPLANATION

This section of the schedule sets out charges for inspections and monitoring to address permitted activities under the NES as set out above. Additional charges may be levied under section 36(5) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See the scales of charges set out in Appendix 6, Schedules 1 and 3. 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 2021.

SCHEDULE 12: CHARGES FOR PERMITTED ACTIVITY MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARD FOR FRESHWATER: WETLANDS

With reference to regulation 75 of the NES-FW, the Council sets the following charges, under section 36(1)(cc) of the *Resource Management Act 1991*, for monitoring permitted activities authorised under regulations in the NES-FW. The

Council may charge for monitoring permitted activities for compliance inspections and monitoring under the following sections of the regulations:

38 Restoration of natural wetlands

40 Scientific research

43 Maintenance of wetland utility structure

46 Maintenance of specified infrastructure and other infrastructure

48 Sphagnum moss harvesting

50 Arable and horticultural land use.

Inspection (includes travel time, inspection, monitoring and reporting) will be undertaken by Council officers. Non-compliance with the regulations will result in additional inspections and/or monitoring to ensure compliance has been achieved. Non-compliance with the regulations may result in additional inspections and/or monitoring to ensure compliance has been achieved. The inspection and monitoring charge will be $340 per inspection, when required to determine compliance and are not annual.

EXPLANATION

This section of the schedule sets out charges for inspections and monitoring to address permitted activities under the NES-FW as set out above. Additional charges may be levied under section 36(5) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See the scales of charges set out in Appendix 6, Schedules 1 and 3. 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 2021.

SCHEDULE 13: CHARGES FOR PERMITTED ACTIVITY MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARD FOR FRESHWATER: INTENSIVE WINTER GRAZING

With reference to regulation 75 of the NES-FW, the Council sets the following charges, under section 36(1)(cc) of the *Resource Management Act 1991*, for monitoring permitted activities authorised under regulations in the NES-FW. The Council may charge for monitoring permitted activities for compliance inspections and monitoring under the following section of the regulations:

26 Intensive winter grazing.

Inspection (includes travel time, inspection, monitoring and reporting) will be undertaken by Council officers. Non-compliance with the regulation may result in additional inspections and/or monitoring to ensure compliance has been achieved. The inspection and monitoring charge will be $329 per inspection when required to determine compliance. Inspections will generally be annual.

EXPLANATION

This section of the schedule sets out charges for inspections and monitoring to address permitted activities under the NES-FW as set out above. Additional charges may be levied under section 36(5) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See the scales of charges set out in Appendix 6, Schedules 1 and 3. 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 2021.

SCHEDULE 14: CHARGES FOR PERMITTED ACTIVITY MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARD FOR FRESHWATER: NATURAL HAZARDS

With reference to regulation 75 of the NES-FW, the Council sets the following charges, under section 36(1)(cc) of the *Resource Management Act 1991*, for monitoring permitted activities authorised under regulations in the NES-FW. The Council may charge for monitoring permitted activities for compliance inspections and monitoring under the following section of the regulation:

51 Natural hazard works.

Inspection (includes travel time, inspection, monitoring and reporting) will be undertaken by Council officers. Non-compliance with the regulation may result in additional inspections and/or monitoring to ensure compliance has been achieved. The inspection and monitoring charge will be $340 per inspection.

EXPLANATION

This section of the schedule sets out charges for inspections and monitoring to address permitted activities under the NES-FW as set out above. Additional charges may be levied under section 36(5) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See the scales of charges in Appendix 6, Schedules 1 and 3. 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 2021.

SCHEDULE 15: CHARGES FOR PERMITTED ACTIVITY MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARD FOR FRESHWATER: CULVERTS AND WEIRS

With reference to regulation 75 of the NES-FW, the Council sets the following charges, under section 36(1)(cc) of the *Resource Management Act 1991*, for monitoring permitted activities authorised under regulations in the NES-FW installed after 3 September 2020. The Council may charge for monitoring permitted activities for compliance inspections and monitoring under the following sections of the regulations:

70 Culverts

72 Weirs.

Inspection (includes travel time, inspection, monitoring and reporting) will be undertaken by Council officers. Non-compliance with the regulations will result in additional inspections and/or monitoring to ensure compliance has been achieved. The inspection and monitoring charge will be $340 per inspection, when required to determine compliance and are not annual.

EXPLANATION

This section of the schedule sets out charges for inspections and monitoring to address permitted activities under the NES as set out above. Additional charges may be levied under section 36(5) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See the scales of charges in Appendix 6, Schedules 1 and 3. 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 2021.

SCHEDULE 16: CHARGES FOR PERMITTED ACTIVITY MONITORING UNDER THE NATIONAL ENVIRONMENTAL STANDARD FOR FRESHWATER: SYNTHETIC FERTILISER

With reference to regulation 75 of the NES-FW, the Council sets the following charges, under section 36(1)(cc) of the *Resource Management Act 1991*, for monitoring permitted activities authorised under regulations in the NES-FW. The Council may charge for monitoring permitted activities for compliance inspections and monitoring under the following section of the regulation:

33 Application of synthetic nitrogen fertiliser.

The determination regarding whether the nitrogen cap has been exceeded will involve an assessment of data received by the Council. Non-compliance with the regulations may result in additional assessments to ensure compliance has been achieved.

If the data is supplied via the Council web portal in an appropriate form the assessment charge will be $50. If data is not supplied in the appropriate electronic form, but is supplied via the Council web portal, the assessment charge will be $97. If data is not supplied via the Council web portal, the charge will be $194.This data must be supplied to the Council annually. These are annual charges.

EXPLANATION

This section of the schedule sets out charges for assessments to address permitted activities under the NES as set out above. Additional charges may be levied under section 36(5) of the *Resource Management Act 1991* where the Council's actual and reasonable costs exceed the fixed monitoring charge. See the scales of charges set out in Appendix 6, Schedules 1 and 3. 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 2021.

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) $1,060 Medium Dam ($20,000 to $100,000 value) $842 Small Dam ($0 to $20,000 value) $600	Actual and reasonable costs based on Appendix 1, Schedule 1—Scale of charges for staff time.
Lodge building warrant of fitness	$111	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	$111	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) $4,269 Medium Dam ($20,000 to $100,000 value) $2,158 Small Dam ($0 to $20,000 value) $555	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)	$111	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	$111	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	$111	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 2021.

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 2021.

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 2021.