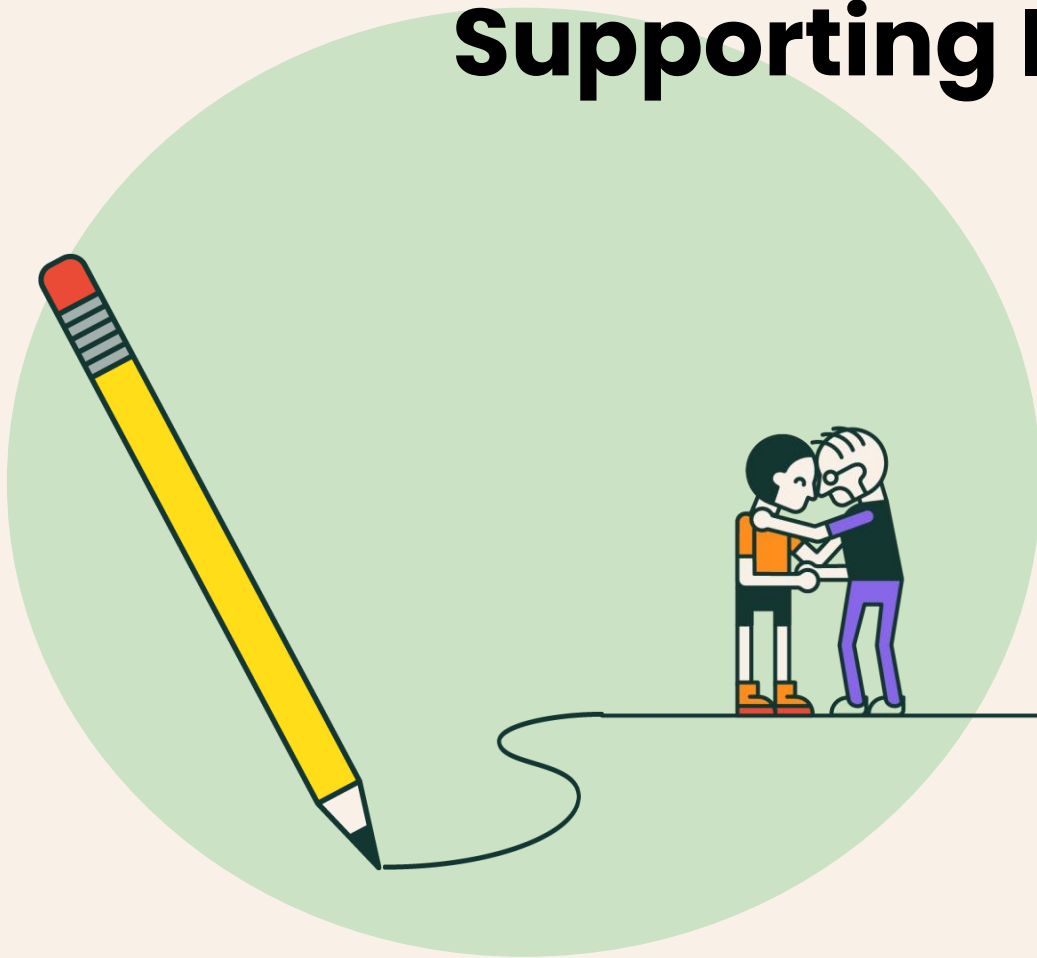


# Long Term Plan 2024 – 2034

## Supporting Information



# Contents

Informing our Planning	3
Activities	91
Financials	183
Policies, Summaries and Statements	208

# Informing our Planning WBOPDC Strategic Framework



Community is at the centre of everything Council does.

The purpose of local government is to promote the economic, social, cultural and environmental wellbeing of its communities, both now and in the future.

We developed this strategic framework to reflect our local aspirations and priorities for the wellbeing of our community.

It's important to have this direction in place. It helps us to stay accountable, track our progress, and prioritise funding and resources to where it is needed the most. It also makes it all about us and keeps it local. This is about what we value the most based on our local characteristics and communities.

The strategic framework is made up of our community outcomes, strategic priorities and activity plans for each area of Council's operations.



## Our community outcomes

Community outcomes represent what our community has told us they want for the future of the Western Bay of Plenty District, based on community conversations held over the last 10–20 years. This was previously called the Council vision.

Our community outcomes are what we collectively aim to achieve to promote the social, economic, environmental, and cultural well-being of our district now and for the future:

- **We can all enjoy a healthy and safe lifestyle.**
- **Our communities are vibrant and welcoming to all.**
- **Leaders are effective, informed and inclusive.**
- **Our environment is clean, green and valued.**
- **Our economy is thriving.**
- **We have authentic Te Tiriti based relationships with tangata whenua.**

There are lots of different people and organisations responsible for achieving these outcomes, and Council is just one of them. The community outcomes are enduring in that they are things that we will collectively work towards achieving over time.

## Our strategic priorities

This is what we consider to be the most important issues facing our community, and are a key focus of our 2024–2034 Long Term Plan and other work we do:

1. **Enabling housing.**
2. **Empowering communities.**
3. **Growing authentic Te Tiriti based relationships.**
4. **Providing well maintained, resilient and efficient infrastructure.**
5. **Responding to climate change.**

We can't do this alone. We need to work in partnership with tangata whenua and a range of organisations including Central Government, local authorities and community groups.

There is no hierarchy to these priorities; they are all important for us to achieve our community outcomes, and they all influence each other, to an extent, with some consistent themes running across each one; such as community resilience.

The Financial Strategy is the key document we use to ensure these strategic priorities are achieved in an affordable way for our community.

We have developed a plan for each strategic priority to provide clarity on what we want to achieve, what Council's role is in this and what we are doing to make things happen.

# Enabling Housing



## Why this is a priority

Housing affects people's wellbeing in many ways. High mortgages and rents put households under financial pressure. Not having secure housing means households face disruptions if they have to move – affecting schooling, ability to get to work and being connected to a network of family and friends. A lack of supply of good quality housing means people accept living in cold and damp places that can affect their health.

Housing was already a major challenge in the District. Contrary to what may have been expected, COVID-19 accelerated housing demand where there was already a lack of supply, leading to house prices and rents continuing to rise to new highs. Sustained population growth is keeping up the pressure on the market.

As people are priced out of the private market, demand increases for social housing. Both the social housing register (people with very high housing needs who are on the waiting list for social housing) and emergency housing special needs grants have steadily increased over the last three years.

The housing sector is also a significant part of our local economy. Construction is the largest industry in Western Bay by GDP (contributing almost 10%) and by employment with rental, hiring and real estate services the fourth largest by GDP (contributing almost 8%). While not all construction activity is directly related to residential development, it is possible a downturn in house building activity (due to a lack of developable land) could have a significant impact on the Western Bay's economy.

Council is working closely with Tauranga City Council, Bay of Plenty Regional Council, Tangata Whenua and Central Government (in particular the Ministry of Housing and Urban Development and Kainga Ora) on these housing challenges.

## What we want to achieve

Housing that is affordable, accessible, habitable with security of tenure, and appropriate to our life stages and differing needs.

## What we see our role being

- Leader – The lead agency for facilitating local housing strategies and action plans to deliver local housing outcomes.
- Enabler – Providing opportunities for housing through land use zoning, infrastructure to support housing development, accessing Central Government funding and streamlining the consent process.
- Provider – Specific housing projects delivered that align with community needs identified in local housing plans, and making use of opportunities Council can provide with its elder housing portfolio.

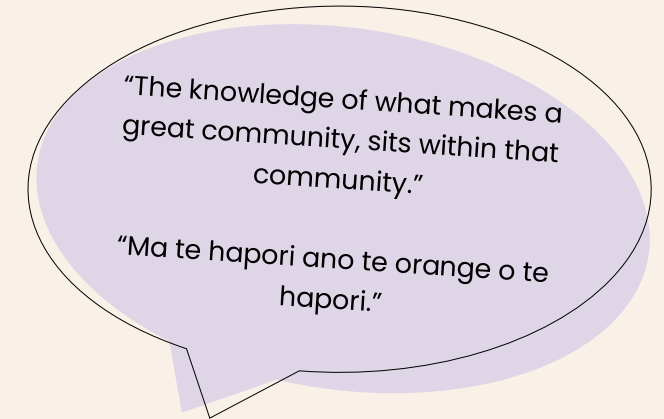
## What we are doing in terms of systems, planning and processes

- Since 2001, Council has been involved in the SmartGrowth partnership with Tauranga City Council, Bay of Plenty Regional Council, Tangata Whenua and central government agencies. The SmartGrowth Strategy sets out the growth plan for the subregion and the shared vision for a live, work play and learn community.
- Council is part of the development of a sub-regional housing systems plan. The purpose of this plan is to set out the strategies needed to address housing needs from emergency and social housing through to affordable rental, through to private market housing. A network is in place to coordinate opportunities to deliver on these strategies, including central government agencies, tangata whenua representatives, and local community housing providers.
- Planning tools such as the District Plan, spatial plans and structure plans are key to enabling growth. They help to provide a comprehensive approach to how growth might be accommodated and what is required for our communities. Plan Change 92 Ōmokoroa and Te Puke Enabling Housing Supply means more houses can be built in existing residential areas with access to infrastructure that is already in place.
- Structure plans in key growth areas provide an overview of what needs to be delivered on the ground to provide for planned growth such as roads, walkways, reserves, wastewater, water connections and stormwater services.
- The Te Puke Spatial Plan underway in 2024 will help Council and the community to understand what the population growth of the town and wider area is likely to be over the next 30 years, and what land and infrastructure might be needed for housing and business development to support that population.
- Council is working directly with iwi authorities, hapū and Māori land trusts that have suitable land and aspirations for housing development. Council's role is to facilitate access to development planning, feasibility assessments and infrastructure funding to enable development of Papakāinga. Council is also reviewing its district plan provisions for Papakāinga to ensure they are fit for purpose.
- Council has a dedicated project structure and staff resources in place for housing including an operational project team focused on identifying time savings in the consenting process, removing barriers, and assisting people with the process.

## What we are doing in terms of people and places ('on the ground' actions)

- Provision of elder housing to provide much needed affordable accommodation for older people in the district who have limited financial means.
- Development of Local Housing Action Plans with the community.
- Committed funding to the Katikati elder housing development.
- Part of the Te Arawa collective working on development plans for housing on Māori land. Committed funding to support this programme of work.
- Committed funding to support three communities with the highest priority housing needs, to develop marae based housing development plans.
- Part of 20 Degrees which is a collaborative healthy housing programme in the Bay of Plenty, dedicated to helping our community and our whānau achieve warmer, drier and healthier homes that can reach 20°C on a cold winters night.
- Infrastructure provision to provide capacity for housing development.

# Empowering Communities



## Why this is a priority

Recognising that communities are best placed to achieve their own aspirations; Council needs to structure the way we work and deliver our services in the best possible way to contribute to the communities aspirations.

## What we want to achieve

Empowering communities to grow stronger, embracing their differences and building on their strengths across the four wellbeings. In doing this we:

- Understand that some communities might be starting further behind others, and we may need to provide extra support and resources so they can advance (Oritetanga – equal opportunity), and
- Recognise that good relationships are the key to success in any project or initiative (Whakawhanaungatanga – relationships).

## What we are already doing in terms of systems, planning and processes

- Partnerships and relationships with funders and key regional/district organisations
- Partnerships and relationships with key local organisations who are working to improve economic, social, cultural, and environmental wellbeing.
- Using place-based planning and Tō wāhi local priorities to set priorities for council service and infrastructure delivery.
- Support with place based planning.
- Determining what is required for our organisational systems to better support community led outcomes e.g. role of Council in implementation of community plans.
- Levels of service in place to determine social infrastructure requirements for our community.
- Setting and collecting the community hall targeted rate and assisting community hall committees including coordinating building condition assessments.

## What we see our role being

- Enabler – Identifying the best ways for Council to support communities with their endeavours. This could be through a variety of roles including provider of infrastructure, funding support, facilitation, connections and advocacy to name a few.

## What we are already doing in terms of people and places ('on the ground' actions)

- Tō wāhi place-based engagement to understand local community priorities.
- Mayors Taskforce for Jobs.
- Funding for implementation of local priorities.
- Community relationships and connections.
- Events delivery.
- Welcoming Communities programme.
- Safer Communities programme and crime prevention initiatives such as CCTV cameras.
- Community Matching Fund and Facilities in the Community Fund.
- Service Delivery Contracts with local organisations who are best placed to deliver in their community, across the four wellbeings and with specific deliverables to improve social cohesion, economic development, arts and culture and natural environment activities.
- Specific support for volunteer organisations operating and delivering on council land so they can successfully navigate council processes e.g. for events delivery, for community planting and pest control projects in reserves.
- Provision of social infrastructure such as libraries, swimming pools and parks to support existing and future communities.



## Growing authentic Te Tiriti based relationships



### Why this is a priority

We recognise the importance and special place of Tangata Whenua within our communities and the additional responsibilities that the Local Government Act places on us to develop the capacity of Māori to take part in local government decision-making processes. Equally, we acknowledge the journey that is required to develop positive and purposeful relationships with Tangata Whenua that can sustain us into the future.

### What we want to achieve

We need to understand what this means for us and how we can best work with Māori to achieve an authentic Te Tiriti based relationship.

### What we see our role being

Council is committed to the importance of this kaupapa, and need to determine how we give effect to it.

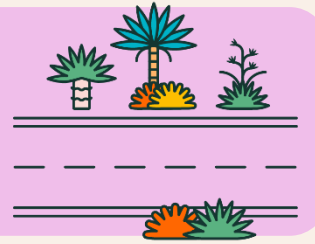
### What we are already doing in terms of systems, planning and processes

- Tangata Whenua Partnership Forums – Te Ihu o te Waka o Te Arawa and Te Kāhui Mana Whenua o Tauranga Moana with Te Ara Mua setting the work programme for these forums.
- Relationship agreements with iwi and hapū. Two are currently in place with a number in train. All reflect the same desire from iwi and hapū to have a close working relationship with Council and to be clear about what this looks like in practice.
- Te Keteparaha Mō Ngā Papakāinga – Māori Housing Toolkit to assist Māori to develop papakainga proposals on multiple owned Māori land.
- Support for Papakāinga housing development.
- Supporting tangata whenua to engage and input into policy development and projects.
- A dedicated Kaupapa Māori Team to improve the confidence and capability to engage with each other in an effective and valued way.
- He Rauru – a kaupapa Māori framework that will drive organisational capacity and capability to deliver on our work in partnership with Tangata Whenua.
- Rates Remission on Māori Freehold Land Policy.
- Financial Contribution reductions for Papakāinga developments subject to criteria.

### What we are already doing in terms of people and places ('on the ground' actions)

- Funding support to assist with Marae sustainability.
- Funding and support for iwi and hapū management plan development and implementation
- Relationships and ongoing engagement in the work we do.
- Building staff and political capacity and understanding of Māori e.g. He Rauru Māori  
The Kaupapa Māori Framework for Western Bay of Plenty District Council, Treaty training, The Wall Walk.

## Providing well maintained, resilient and efficient infrastructure



### Why this is a priority

The infrastructure in our communities underpins much of our wellbeing – social, economic, environmental and cultural. The decisions we make as a community on infrastructure investment have a huge influence on shaping the future of our District.

Infrastructure is a core part of what Council provides to the community. Council spends on average \$97 million (capital expenditure) every year on infrastructure and looks after over \$1.8 billion worth of assets. It is not possible to do everything, and choices are made on how Council will manage infrastructure investment.

### What we want to achieve

Infrastructure that responds to community needs, is fit for purpose and future proofed.

### What we are already doing in terms of systems, planning and processes

- The Infrastructure Strategy provides a comprehensive overview of the infrastructure services Council will deliver to the community over the next 30 years, and the considerations, opportunities and challenges we will face in doing this.
- A Strategic Asset Management Plan outlines overall asset management objectives and principles. It demonstrates an organisational approach to the coordination of asset management outcomes across asset portfolios.
- Activity Asset Management Plans have been prepared based on standard industry practice and are used to forecast expenditure needed to operate, maintain and renew assets.
- Development of Structure Plans for growth areas.
- Accessing funding to support infrastructure delivery.
- Using the Financial Strategy to balance what we need to do from an affordability perspective.
- Financial contributions so that growth pays for growth infrastructure.

### What we see our role being

- Provider – stormwater, water supply and wastewater, transportation, solid waste, recreation and open space, cemeteries, community infrastructure (libraries and service centres, land and support for community halls, community buildings).
- Manage assets with an aim to minimise whole of life cost while providing agreed levels of service.
- Review of Transport Activity. Council is in the process of signing up new roading service provider(s), seeking to work closer with local suppliers and businesses to deliver high-quality roading services that meet the needs and expectations of the community.
- Exposure and risk assessments for our assets.
- Regular condition assessments, renewals and upgrades are undertaken to ensure infrastructure continues to meet the needs of our community.
- Joint transport planning with Tauranga City Council and Bay of Plenty Regional Council.
- Asset revaluations.

### What we are already doing in terms of people and places ('on the ground' actions)

- The Long Term Plan determines where, when and what infrastructure we provide and maintain.
- Wastewater Treatment Plant advisory and alternative options groups.
- Travel Safe.

## Responding to climate change



### Why this is a priority

As a result of climate change, the Western Bay of Plenty can expect to see more hot days, milder autumns and winters, wetter winters, decreasing summer rainfall but with heavier downpours, fewer cold nights and frosts and rising sea levels.

We know climate change will impact on our business; however, the exact nature, extent and timing of the impacts is difficult to predict. The major chronic impacts of climate change are expected outside of the 10-year planning period. However, failure to respond now, and ensure a level of preparedness for future impacts, may lead to greater challenges and costs in later years.

### What we want to achieve

To work with communities to build understanding and knowledge and decide together how to respond. We know climate change will have significant social, economic, environmental and cultural consequences. But when and how these changes will affect us is difficult to predict and plan for.

We want to build community resilience across all our strategic priorities, so that the community is in a better position to adapt and manage the impacts of any changes.

### What we are already doing in terms of systems, planning and processes

- Strategic assumption on climate change to inform our planning
- Incorporation of climate change as a key challenge in our Infrastructure Strategy and Asset Management Plans
- Providing capacity in our budgets to respond to unforeseen events.
- Measuring our operational emissions and setting corporate emission reduction targets for Council to assist with climate change mitigation.
- Infrastructure exposure and risk assessments for our assets (see Figure 1 below) to inform climate change adaptation actions as a next step.
- Sub-regional collaboration through our Natural Hazards Programme with Tauranga City and Bay of Plenty Regional Council, which includes looking at different scenarios for climate change, the impacts of these scenarios and how they will affect natural hazards.

### What we see our role being

- Leader – as a large organisation in the district, demonstrate our approach to organisational greenhouse gas emissions reduction, and wider climate change mitigation and adaptation actions.
- Empowering communities – work with the community to build understanding and knowledge.
- Enabler – be agile and responsive to climate change impacts in our community.
- Emergency preparedness and Civil Defence.
- Building in climate change considerations as part of project design as a business as usual or standard practice on how we do things.

### What we are already doing in terms of people and places ('on the ground' actions)

- Support development of local climate change action plans.
- Immediate and ongoing response to local extreme events such as the recent flooding in Waihi Beach, in collaboration with local response networks.
- Deliver services in a way that supports people and businesses to make choices that reduce emissions e.g accessible walking and cycling networks.
- Funding for coastal erosion protection in accordance with our Coastal Erosion Response Policy.

## To manage the risks, we need to think about:

- where we build
- how we build
- what can be done with existing infrastructure to protect it, or make it more resilient through upgrades.

It's hard to know when changes may need to be made and what needs to happen first. But a step-by-step guide is:

Understand the science and the hazards. We already have a lot of this information.

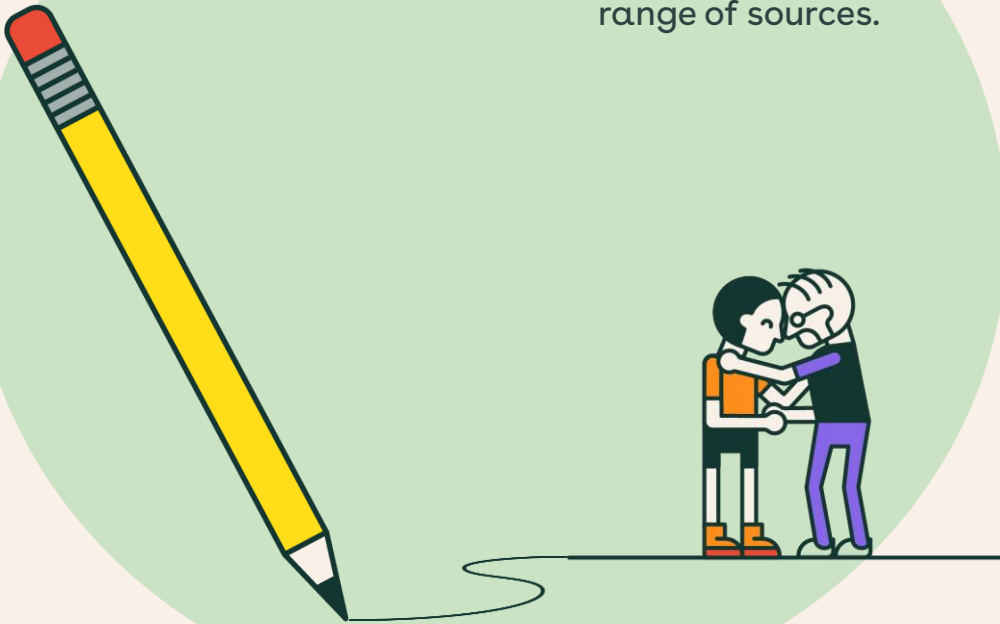


We are at Step 2 and need to start to move to Step 3.

Figure 1: WBOPDC Climate Change Action Plan – step by step guide to climate change adaptation.

# Strategic Assumptions

The Strategic Assumptions are the Council's 'best guess' at how the future may look. They form the basis for planning and are developed from a wide range of sources.

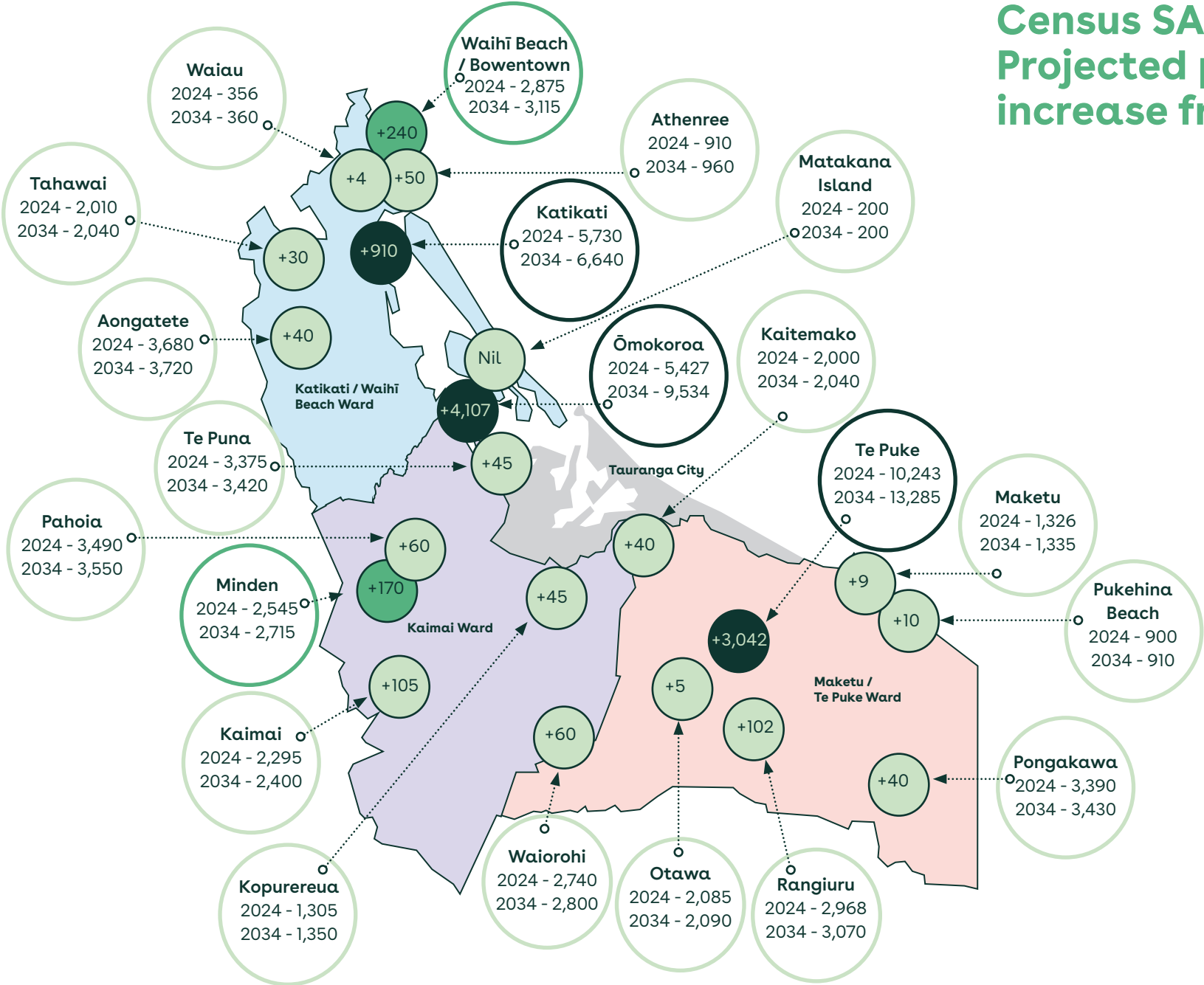


# 1. Population growth

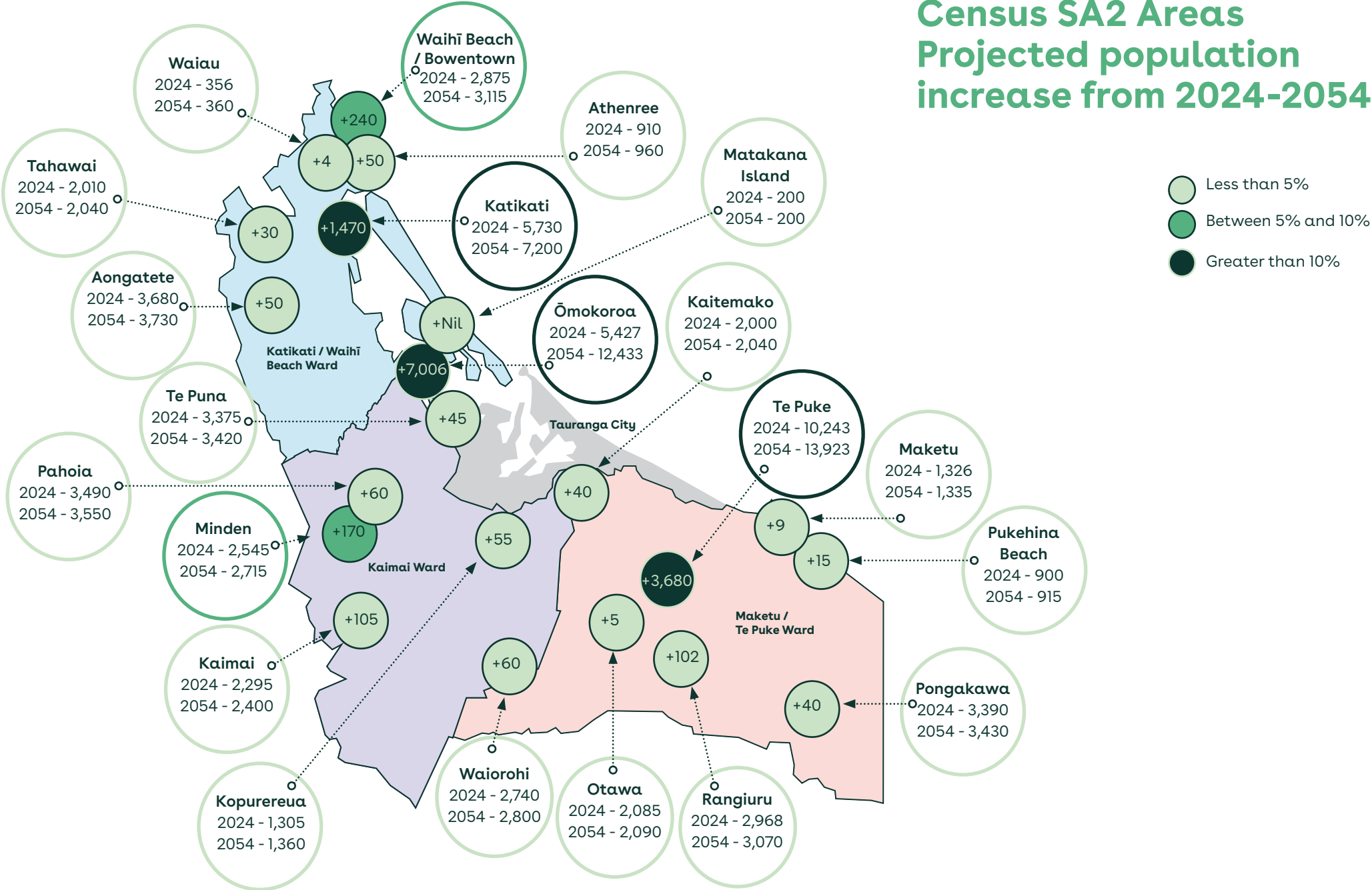
Assumption	Implication	Level of uncertainty	Impact	Mitigation																																								
<p>Our District will continue to attract new residents and our population will grow.</p> <p>Growth won't be uniform across the District but will be primarily centered around our urban areas.</p> <p>We expect to see:</p> <ul style="list-style-type: none"> <li>• Ōmokoroa and Te Puke continuing to grow as an outcome of Plan Change 92 and implementation of medium density rules required by Central Government.</li> <li>• The potential for new development areas on the eastern side of the District in the medium to longer term to meet increasing housing demand.</li> </ul>	<p>Growth affects the number of rateable properties in the District and the expected demand for services and infrastructure.</p> <p>Growth has a lot of benefits but also creates challenges for the delivery of services and funding infrastructure work.</p>	<p><b>High</b></p> <p>Based on national assumptions and regional economic projections, we expect sustained growth over the next three years. However, current projections are based on 2018 Census data as the 2023 Census data is not available for this LTP planning period.</p> <p>Growth becomes more difficult to predict over longer time periods because unforeseen events can alter migration, settlement patterns or resource limitations.</p>	<p><b>High</b></p> <p>If population growth is faster than expected and the number of rateable properties is under estimated the consequences are:</p> <ul style="list-style-type: none"> <li>• income growing faster than expected.</li> <li>• higher demand for Council services</li> <li>• financial contributions being set too high.</li> </ul> <p>Council would respond by bringing forward future expenditure and adjusting financial contributions the following year.</p> <p>If population growth is lower than expected, the consequences are:</p> <ul style="list-style-type: none"> <li>• over-investment in infrastructure and unused capacity.</li> <li>• income from rates and financial contributions falling short of budget.</li> <li>• meaning debt is repaid more slowly and interest costs increase.</li> <li>• financial contributions being set too low for that financial year.</li> </ul> <p>Council would respond by funding the shortfall through rates or increasing debt, or by deferring expenditure. Council is well within its prescribed debt limits with borrowing headroom to raise more debt if required.</p>	<p>Council plans for growth in collaboration with TCC, BOPRC, Iwi and Waka Kotahi through SmartGrowth (including the UFTI initiative).</p> <p>Council re-forecasts growth projections each year through the annual plan to ensure infrastructure provision and service delivery are aligned to growth, and monitors actual consent numbers throughout the year. The timing of growth-related projects is managed to provide infrastructure 'just in time'.</p> <p>Enabling housing that is affordable, accessible, habitable with security of tenure, and appropriate to our life stages and differing needs is one of Council's top five strategic priorities.</p> <p>Growth and financial sustainability are identified as a top risk in Council's Strategic Risk Register. The risk appetite is low-medium and will need to be balanced with the delivery and achievement of the planned growth outcomes.</p> <p>Council is progressing further investigations on the options available for funding growth-related infrastructure.</p>																																								
<table border="1"> <thead> <tr> <th>Year ended 30 June</th> <th>New lots (average annual increase)</th> <th>Growth rate (average annual increase)</th> <th>Total dwellings</th> <th>District population</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>301</td> <td>1.23%</td> <td>24,568</td> <td>59,850</td> </tr> <tr> <td>2029</td> <td>324</td> <td>1.22%</td> <td>26,496</td> <td>65,021</td> </tr> <tr> <td>2034</td> <td>160</td> <td>0.57%</td> <td>27,998</td> <td>68,964</td> </tr> <tr> <td>2039</td> <td>120</td> <td>0.42%</td> <td>28,876</td> <td>71,070</td> </tr> <tr> <td>2044</td> <td>90</td> <td>0.30%</td> <td>29,520</td> <td>72,366</td> </tr> <tr> <td>2049</td> <td>10</td> <td>0.03%</td> <td>29,784</td> <td>72,726</td> </tr> <tr> <td>2054</td> <td>10</td> <td>0.03%</td> <td>29,928</td> <td>73,086</td> </tr> </tbody> </table>	Year ended 30 June	New lots (average annual increase)	Growth rate (average annual increase)	Total dwellings	District population	2024	301	1.23%	24,568	59,850	2029	324	1.22%	26,496	65,021	2034	160	0.57%	27,998	68,964	2039	120	0.42%	28,876	71,070	2044	90	0.30%	29,520	72,366	2049	10	0.03%	29,784	72,726	2054	10	0.03%	29,928	73,086				
Year ended 30 June	New lots (average annual increase)	Growth rate (average annual increase)	Total dwellings	District population																																								
2024	301	1.23%	24,568	59,850																																								
2029	324	1.22%	26,496	65,021																																								
2034	160	0.57%	27,998	68,964																																								
2039	120	0.42%	28,876	71,070																																								
2044	90	0.30%	29,520	72,366																																								
2049	10	0.03%	29,784	72,726																																								
2054	10	0.03%	29,928	73,086																																								

# Census SA2 Areas Projected population increase from 2024 - 2034

- Less than 5%
- Between 5% and 10%
- Greater than 10%



# Census SA2 Areas Projected population increase from 2024-2054





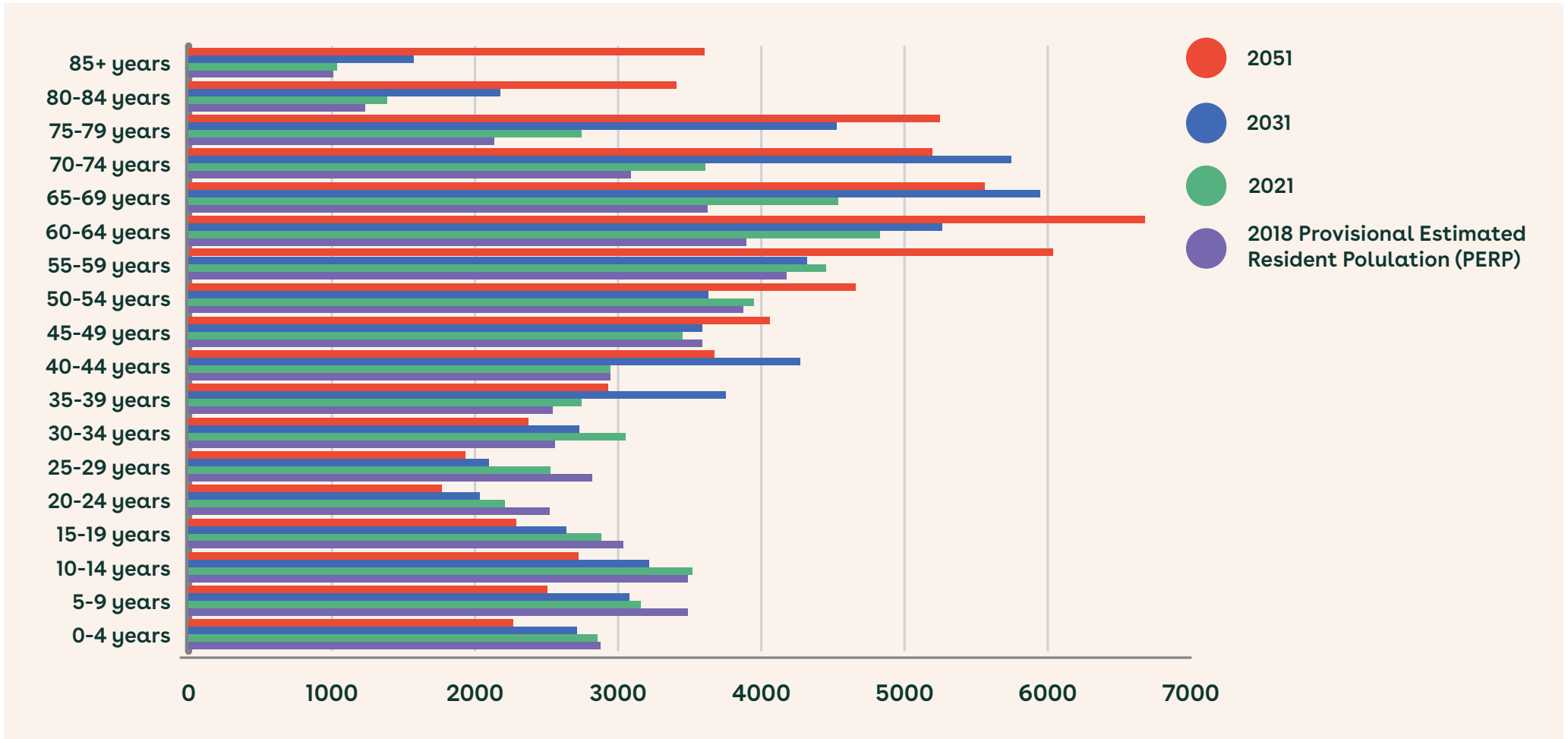
# 2. Climate change

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>As a result of climate change the Western Bay of Plenty can expect to see:</p> <ul style="list-style-type: none"> <li>• more hot days (temperatures 25 degrees or more)</li> <li>• milder autumns and winters</li> <li>• wetter winters</li> <li>• decreasing summer rainfall with heavier downpours</li> <li>• fewer cold nights and frosts</li> <li>• Rising sea levels (0.52m above MVD 1953 at 2070).</li> </ul> <p>Overall, there will be more extreme weather and storm events (potentially three times more frequent) and increased risk from natural hazards such as coastal erosion and inundation.</p>	<p>Council's business must respond to climate change now to ensure a level of preparedness for future impacts. Failure to respond will lead to significant future challenges and costs across all our wellbeings.</p> <p>For example, the local economy may be negatively impacted by climate change, particularly through changes to growing conditions and susceptibility to new pests.</p> <p>Council will have to meet additional reporting requirements. The Emissions Reduction Plan (under the Zero Carbon Act) has implications on activities of Council including the need to report on and take actions to move towards zero carbon by 2050. The proposed Climate Change Adaptation Act will also have significant implications for Council.</p> <p>Coastal properties and flood plain residents are likely to be impacted by insurance retreat within the period covered by the LTP. Council may also be impacted by this if insurers consider that the risks of erosion and inundation of Council owned assets is increasing. The expectations for this are intended to be addressed in the Climate Change Adaptation Act.</p>	<p><b>Moderate</b></p> <p>We know climate change will impact on our business; however, the exact nature, extent and timing of the impacts is difficult to predict.</p> <p>The major chronic impacts of climate change are expected outside of the 10-year planning period.</p>	<p><b>High</b></p> <p>If the impacts of climate change are felt more change within the 10 years, the likely consequences are:</p> <ul style="list-style-type: none"> <li>• impacts on Council assets located in coastal or alluvial environments.</li> <li>• unbudgeted maintenance and / or capital costs due to damage to assets.</li> <li>• added complexity in regulatory processes and risk profile of Council including reputational and legal risk.</li> </ul>	<p>Responding to climate change is one of Council's top five strategic priorities. Council's role is as a leader in terms of organisational responses, collaborator through building understanding and knowledge with the community and enabler by being agile and responsive to climate change impacts.</p> <p>Climate change is identified as a top risk in Council's Strategic Risk Register. The risk appetite is medium. Council recognises the importance of an increasing focus on climate change risks, monitoring and assessment of impacts.</p> <p>Council will focus on understanding the level of risk to our assets and beginning to develop options for reducing this risk.</p> <p>Council will plan using RCP8.5, however individual projects will undertake their own modelling as appropriate.</p> <p>Science is constantly improving. There is a need to make decisions on the best science available at the time, but things will change therefore we need to regularly reassess and update with each IPCC report (every 5- 6 years).</p> <p>Council's Coastal Erosion Responses Policy provides a decision-making framework to address impacts on Council-owned assets on the coast. \$200,000 per annum has been budgeted for coastal erosion works.</p> <p>Council has modelled harbour inundation scenarios, alongside BOPRC and TCC, through the Natural Hazards Charter.</p>

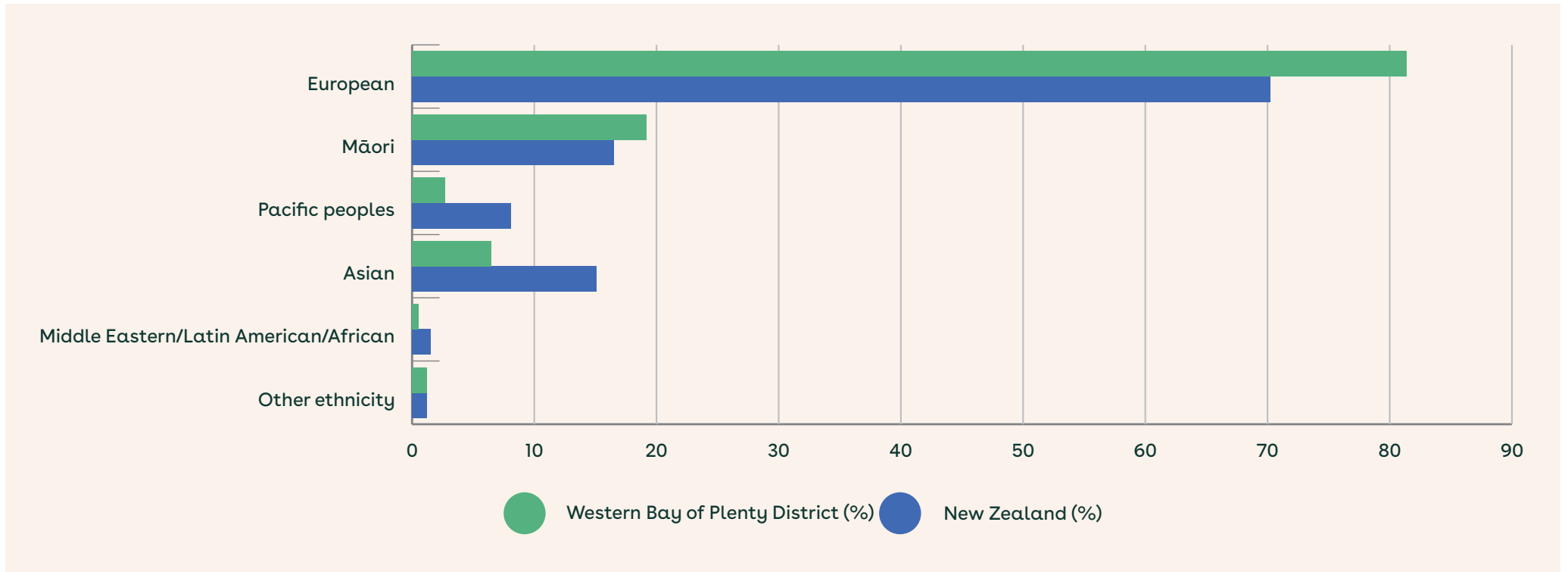
# 3. Demographics

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>The make up of our communities will change. As a District we will become older and more diverse. There will be variation between communities as people move and places grow. For example, Te Puke's average age dropped in the last census.</p> <p>We expect to see:</p> <ul style="list-style-type: none"> <li>• More younger people living in Te Puke.</li> <li>• More older people living in Katikati.</li> <li>• Ōmokoroa population changing (ageing, more families) as new growth areas get developed and new facilities and services are provided such as schools.</li> </ul>	<p>Increasing cooperation between central and local government to understand and deliver healthy environments for residents.</p> <p>Changing household occupancy (ageing population and single occupancy balanced against cultural norms of multiple generations in one house).</p> <p>Impacts on the District's labour force.</p> <p>Changing methods of engagement to involve different communities and create welcoming, tolerant communities.</p> <p>Continued cultural awareness practices in communities and workplaces.</p> <p>Changing use of infrastructure and changing recreation and leisure patterns.</p>	<p><b>Moderate</b></p> <p>Changes such as the ageing population are clear as they are determined by the make up of the existing population and our current birth rate.</p> <p>Immigration is more difficult to predict. The impacts of this have been addressed under the population growth assumption.</p> <p>Demographic data still based on 2018 Census (5 + years ago) and won't completely align with updated growth assumptions.</p>	<p><b>Low</b></p> <p>An over-estimation or under-estimation of this assumption will not have a material impact – as any major impacts would be felt in population growth changes (addressed under the population growth assumption).</p>	<p>We monitor population demographics through SmartGrowth, using census data and NIDEA projections.</p> <p>Our community engagement guidelines and community profiles work assist us to work with communities and understand and respond to their changing needs.</p> <p>We are actively involved in providing support to newcomers to the district and assisting local communities that have a high number of international migrants.</p> <p>Our strategies and plans are reviewed to ensure we keep pace with changing trends and demands.</p>

# 2021-51 LTP Age Projections



# Ethnic groups for people in Western Bay of Plenty and New Zealand. (2018 Census)



# 4. Inflation

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>Costs are assumed to increase due to inflation.</p> <p>From year two of the LTP, Council uses Business and Economic Research Limited (BERL) inflation adjustors as the basis for forecasting inflation impacts on our activities. Relevant BERL inflation adjustors have been applied to our activities and services. Inflation starts to decrease over the next two years, with a slow down in inflation as the government looks to achieve its longer term objectives of 2-3%.</p> <p>An inflation assumption of 2% has been used for the remaining 20 years of the Infrastructure Strategy.</p>	<p>Inflation rates impact the expected costs of our services in the future.</p> <p>These vary by activity as the type of goods purchased differ. A period of very high inflation rates has resulted in higher project costs both now and in the longer term pushing up overall debt requirements.</p>	<p><b>Moderate</b></p> <p>Council uses BERL inflation adjustors inline with most of the local government sector.</p>	<p><b>High</b></p> <p>If inflation is under-estimated and actual cost increases are materially higher than forecast, budgets may be too low to complete the work scheduled for the year. In such cases the work would be re-scheduled.</p> <p>If inflation is less than forecast, some work may be brought forward, or surplus revenue held over the following year.</p>	<p>Inflation assumptions are reviewed each year as part of the annual budgeting process.</p>

Inflation rate assumptions over 10 years

Year	Planning & regulation	Roading	Transport	Community	Water and environment	Salary and Wage rates - Local Govt Sector	Average
2026	2.20	2.10	2.20	2.10	2.70	2.40	2.28
2027	2.40	2.40	2.40	2.30	3.00	2.20	2.45
2028	2.30	2.60	2.50	2.40	3.00	2.20	2.50
2029	2.30	2.50	2.30	2.30	2.90	2.30	2.43
2030	2.20	2.40	2.40	2.30	2.80	2.20	2.38
2031	2.20	2.40	2.30	2.30	2.80	2.20	2.37
2032	2.30	2.50	2.40	2.30	2.70	2.30	2.42
2033	2.20	2.40	2.30	2.30	2.80	2.20	2.37
2034	2.20	2.50	2.40	2.20	2.70	2.20	2.37

Interest rate assumptions over 10 years

Year	Interest rate incl. margin
2025	6.020%
2026	5.060%
2027	5.029%
2028	5.094%
2029	5.242%
2030	5.389%
2031	5.507%
2032	5.624%
2033	5.694%
2034	5.726%

# 5. Interest rates

Assumption	Implication	Level of uncertainty	Impact	Mitigation
Interest rates as a result of inflation remain high fluctuating between 5% and 6% over the LTP period. With an increased debt profile, these costs flow through to future years principal and interest repayments.	Interest rates govern the cost of borrowing. While borrowing is beneficial in spreading the cost of infrastructure across all generations that benefit from it, fluctuating interest rates can impact how much we pay.	<b>Moderate</b>  Council has a reasonable level of confidence in these assumptions, which are based on cost, market information and hedges on existing borrowings through interest rate swaps, in conjunction with advice Treasury experts.	<b>High</b>  If interest rate assumptions were too low, it would result in borrowing costs being higher than forecast. If interest rate assumptions were too high, borrowing costs would be lower than forecast. A 0.5% movement on \$150m of debt equates to a \$750k movement in interest expense.	Interest rate assumptions are reviewed each year as part of the annual budgeting process.

# 6. Technology

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>The rate of change and innovation in technology will see continued digital disruption that is transformational and impacting on the way we live, requiring Council to be future ready.</p> <p>We expect to see:</p> <ul style="list-style-type: none"> <li>- better internet and mobile connectivity throughout our District, including broadband and satellite in rural areas and, fibre in all urban areas.</li> <li>- public demand for open data and transparent information</li> <li>- more empowered individuals wanting to co-design solutions to problems.</li> <li>- smart communities and customers seeking information and services 'on demand', 'digital by default' and increasing requirements to provide 'real time' information.</li> <li>- the increased use of data and analytics to enable data driven decision making where data insights inform our asset management planning, policies, practices and services.</li> <li>- emerging technologies (for example, Internet of things; Artificial Intelligence; Software as a Service and Platforms as a Service cloud options) are changing the way we manage data, evaluate and provide systems, networks and deliver services.</li> <li>- increasing pressure on our networks from cyber attacks requiring ongoing and up to date risk mitigation.</li> </ul>	<p>Advances in data and analytics should improve capacity, performance, and reliability of infrastructure, shifting design from meeting peak demand to ways of smoothing out the peaks. This should enable us to get more out of our existing infrastructure.</p> <p>Customer services and how we engage with our customers and communities will change.</p> <p>Increasing connectivity between energy, transportation, and technology, driving infrastructure investment decisions.</p> <p>There will be increased opportunities to deliver demand management and non-asset solutions as better information is available.</p> <p>Greater opportunity for shared platform offerings.</p> <p>Decisions will need to be made on where funding is best allocated – resilience, renewals, Business as Usual or new projects.</p>	<p><b>Low for years 1 - 3.</b></p> <p><b>High for years 4 - 10.</b></p> <p>We know changes will happen, but we don't know exactly when or how disruptive those changes will be.</p>	<p><b>Moderate</b></p> <p>Technology will have an impact but not on all areas of Council's operations, although that is likely to change over time as more services use technology to improve the way they are delivered.</p>	<p>Council has budgeted for continued investment into our information technology to better support our operations and improve customer experience.</p> <p>The shift to "as a service" cloud offerings will reduce capital expenditure in IT infrastructure and provide resilience in networks, systems and data.</p> <p>We also have a corporate project to look at making the organisation increasingly future ready.</p> <p>Council has budget to contribute to funding to replace council's ERP system nearing end of life.</p> <p>Council invests in technology in walking and cycling, roading, reserves and CCTV to better understand and maintain the assets.</p>

# 7. Social

## Assumption

Equality and equity will continue to be issues.

We have greater income and wealth imbalances than in the past.

Some communities have reduced access to services and less ability to pay for services. We expect this imbalance to remain.

People in more deprived areas are more vulnerable to environmental risks.

Refer Index of Deprivation at the end of this table that gives an indication of socio-economic deprivation based on 2018 Census.

## Implication

There will be increased demand placed on social services, community support organisations, and relief funds.

Council may need to tailor solutions and investment for some communities, to ensure people are receiving the services they need. These may be geographic communities, or parts of the population (e.g. older people).

## Level of uncertainty

**Moderate**

We expect the imbalance between communities to remain, or to change only slightly.

## Impact

**Low**

Should the pattern of social-economic wellbeing change radically across our District, Council may have to postpone, amend or add new projects to the work programme. Changes would generally be gradual and as such the overall impact would be low.

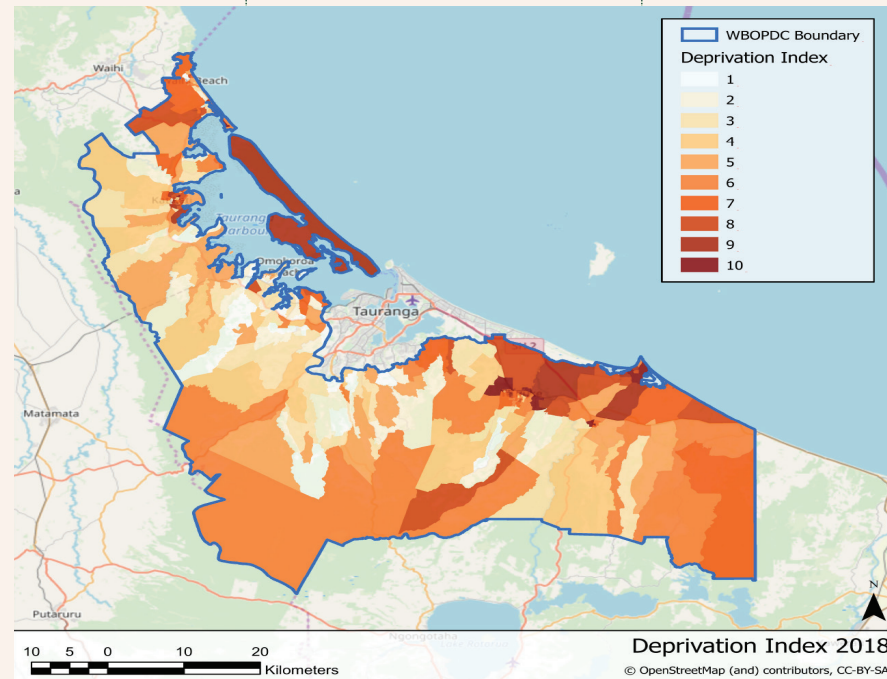
## Mitigation

Council actively seeks community input into decision making. Community led outcomes and housing are two of Council's five strategic priorities.

Consideration of social wellbeing and needs through Council projects and plans.

Council will continue to build on its strong relationships with community groups and organisations.

Monitoring of the social deprivation index through the LTP cycle. Recognising that this is based on nine Census variables and that a community may not consider this data accurately reflects their local community characteristics.





# 8. Economic

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>The Western Bay economy has grown over the last few years with the District cushioned from some of the impacts of COVID-19 due to our diverse economy, strong rural sector (especially horticulture) and low reliance on international tourists.</p> <p>On the back of strong and continued population growth, the Western Bay of Plenty's economy is reasonably resilient and is projected to continue to grow above the national average.</p> <p>We expect to see:</p> <ul style="list-style-type: none"> <li>greater business focus on low waste, low emissions business practice and understanding and responding to impacts of climate change.</li> <li>continued growth in the kiwifruit industry however growth in the avocado and tourism industries is less certain.</li> <li>growth in the construction sector particularly with current and future development plans in Ōmokoroa, Rangiuru and Te Puke.</li> </ul>	<p>Forecast reduction in frost days for kiwifruit industry may require development of different varieties or other innovative responses.</p> <p>Continued economic growth will require provision of business land.</p> <p>Demands for freight movement will need consideration in transport network planning.</p> <p>Potential for greater consumer demand for locally produced goods and services.</p> <p>Growth in tourism means targeted infrastructure investment may be needed (such as toilets in rest areas, upgraded walking tracks). This will require cooperation with central government agencies. There may be increased pressure on the natural environment from increased use.</p> <p>The demands on the capacity of industry to deliver infrastructure projects may mean increased competition, leading to increased prices and possibly time delays.</p> <p>The Reserve Bank Governor recommended all, including government, to spend sensibly or risk even higher inflation. The impact on our District and community may be significant.</p>	<p><b>High</b></p> <p>Forecasts align with national forecasts and District trends for economic growth, however there are still uncertainties about the ongoing impacts of high inflation and interest rates.</p>	<p><b>Moderate</b></p> <p>The level of economic activity and growth in the District can directly impact ratepayers' ability to pay, while also influencing the level of financial contributions collected as development occurs or the level of demand placed on infrastructure.</p>	<p>Continual monitoring of the situation and 'just in time' infrastructure will aid in mitigating some of these issues. Council will continually monitor the District's economic situation and may revise any plans, with consultation through its Annual Planning process.</p> <p>Council's review of its Economic Activity Plan in 2023/2024 clearly outline's Council's role in economic development, funding required to support this, partnership opportunities and the outcomes we expect to see in our District.</p> <p>Council will continue to provide funding for key organisations that assist in advancing economic development opportunities for the District.</p> <p>The are competing drivers between those on limited and government funded incomes and those that are well off as to what is affordable and important. Council's challenge is to find an appropriate balance in its budget and rate setting processes through the Annual Plan and Long Term Plan.</p>

# 9. Environment

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>Environmental sustainability will continue to be a priority for Council and play an increasingly important role in decision making.</p> <p>We expect to see:</p> <ul style="list-style-type: none"> <li>- Impacts on the renewal of resource consents (cost, timing, approval) as environmental standards have increased</li> <li>- Increasing expectations of waste minimisation activities from our community</li> <li>- An increased focus on the management and use of harbour and coastal margins due to climate change.</li> <li>- An increased focus on the whole supply chain and circular economy.</li> </ul>	<p>A business as usual approach to asset renewals and capital projects is likely to be insufficient to address new requirements.</p> <p>Changes are likely to come with higher capital and operational costs. These may be offset through joint funding of capital projects with central government agencies and other local authorities or through working in partnership with mana whenua and the community.</p>	<p><b>Moderate to High</b></p> <p>Work already underway in many areas to respond to environmental challenges.</p> <p>Unknown implications of new legislation and funding priorities under the new government.</p>	<p><b>High</b></p> <p>An increase in expectations or requirements may have significant impact on current operations or capital projects.</p>	<p>Council's Waste Management and Minimisation Plan emphasises the need for waste reduction.</p> <p>Regulatory Change is identified as a top risk in Council's Strategic Risk Register. The risk appetite is high which reflects a limited ability to control the changes being introduced and Council's aim to engage early to support sector advocacy and work closely with government agencies to understand the planned changes and impacts.</p> <p>Responding to climate change is one of Council's top five strategic priorities. We want to build community resilience across all our strategic priorities, so that the community is in a better position to adapt and manage the impacts of any changes.</p>

# 10. Community expectations

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>Our communities continue to have higher expectations for delivery of Council services.</p> <p>We expect to see:</p> <ul style="list-style-type: none"> <li>continued demands to not only maintain, but also improve levels of service across all of Council's business (with increased associated costs)</li> <li>continued demands from the community to keep rates as low as possible.</li> <li>continued requirements of increased environmental standards and environmental sustainability</li> <li>demands for social sustainability and investment</li> </ul>	<p>Council will need to continue to find innovative ways to fund service delivery, other than through rates.</p> <p>There will be tension between differing expectations between different groups.</p> <p>The key principle of 'growth pays for growth' needs to be balanced against the uncertainties of when population growth will occur and how Council can then fund growth-related infrastructure projects where these are required in advance of growth occurring.</p> <p>There is a growing community desire for a buy local model for the delivery of some services and projects vs. the current bundled approach.</p> <p>Community expectations can often lead to a change in our levels of service.</p> <p>Parts of the community have a greater expectation to be involved in detailed planning and design of projects.</p>	<p><b>Low</b></p> <p>Community expectations are frequently communicated with Council through our various relationships and community engagement approaches.</p>	<p><b>Low</b></p> <p>Level of service changes are often undertaken incrementally and with subsequent projects often reassessed and possibly open to further consultation.</p>	<p>Council actively seeks community input into decision making. Empowering communities is one of Council's five strategic priorities. Recognising that communities are best placed to achieve their own aspirations; Council needs to structure the way we work and deliver our services in the best possible way to contribute to the communities aspirations</p> <p>Relationships with key stakeholders (including the community) is identified as a top risk in Council's Strategic Risk Register. The risk appetite is low. Council aims to have an increased engagement with the community to understand, identify, manage and delivery on their expectations and develop a strong relationship.</p> <p>The review of delivery models for roading maintenance seeks to improve levels of service to the community and potentially develop a more locally led approach to this significant investment activity of council.</p>

# 11. Political

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>There will be increased collaboration.</p> <p>Working with other organisations can deliver multiple benefits and thinking 'outside the square'.</p> <p>We expect to see:</p> <ul style="list-style-type: none"> <li>continued emphasis on partnerships across the community and organisations, and shared service models</li> <li>increasing public demand for different models of services delivery and community input</li> <li>more legislative changes that will impact on the way Council does business,</li> <li>an increased desire for localism and local decision making and delegation of decisions.</li> </ul>	<p>Council will need to be flexible to respond to this changing environment.</p> <p>It's important we maintain collaborative arrangements and look to build capability, as there will be an increased need for this approach in the future and resources will get stretched even further.</p>	<p><b>Low</b></p> <p>This is an observed trend that has been experienced and observed over several years.</p>	<p><b>Low</b></p> <p>Observed trends indicate incremental change as an outcome of increased collaboration.</p>	<p>Collaboration is regularly considered as we deliver on our strategic priorities and strategic direction and undertake continuous improvement of our business activities.</p> <p>Council will continue to actively collaborate where benefits can be made for the District. This may occur with other neighbouring councils through joint contract procurement sub-regionally such as through BOPLASS or SmartGrowth, or at a sector level with other provincial and rural councils. Active involvement and communication are key for Council to participate in collaboration and partnership processes.</p> <p>Partnerships with Iwi and Mana Whenua and Relationships with key stakeholders are identified as top risks in Council's Strategic Risk Register. Council aims to prioritise, build on and improve these partnerships and relationships which can often be achieved through collaboration opportunities.</p>

# 12. Community participation

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>Communities want to engage with councils in different ways. They want to be actively involved in decision making. At the same time, they are 'time-poor' and it's challenging to get the right level of engagement.</p> <p>This extends through to delegation of operational management and delivery to the community - and the potential to have a local person do the work.</p>	<p>Council will need to continuously evolve the way we engage our communities and be inclusive of all members of our communities.</p> <p>We will need to rethink our traditional project management and delivery structures so that communities can have a greater role in what we do.</p>	<p><b>Low</b></p> <p>This reflects Council's approach to actively encouraging community participation.</p>	<p><b>Low</b></p> <p>Observed trends indicate incremental change as an outcome of community participation initiatives.</p>	<p>Council actively seeks community input into decision making. Empowering communities is one of Council's five strategic priorities. Recognising that communities are best placed to achieve their own aspirations; Council needs to structure the way we work and deliver our services in the best possible way to contribute to the communities aspirations.</p> <p>Community sentiment is identified as a top risk in Council's Strategic Risk Register. The risk appetite is low.</p> <p>Council will continue to actively engage with our communities through a variety of means.</p> <p>Relationships with key stakeholders (including the community) is identified as a top risk in Council's Strategic Risk Register. The risk appetite is low. Council aims to have an increased engagement with the community to understand, identify, manage and delivery on their expectations and develop a strong relationship.</p>

# 13. Tangata Whenua

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>Council seeks to consciously build upon the key relationship with Māori which is important to deliver on Council's strategic direction and Long Term Plan.</p> <p>Partnerships with Māori will continue to increase in importance and offer new opportunities for collaboration and partnership.</p>	<p>Council will need to balance key relationships with wider community plans and expectations.</p> <p>If Council doesn't deliver on its commitments, Treaty principles and obligations, this may impact on the ability to maintain a trusted relationship with Māori.</p> <p>Council may need to change the way it manages its assets to provide for greater iwi involvement.</p> <p>Council is a member of joint governance authorities set up to co-govern specific areas of importance (e.g. Tauranga Moana and the Kaituna River). Further co-governance structures are likely to be set up in the future.</p> <p>Treaty Settlements will provide iwi organisations with the power to invest in economic and social development projects which will ultimately benefit all our community.</p>	<p><b>Low</b></p> <p>Council has prioritised the importance of Māori relationships, and this is starting to be reflected in partnerships and planning/project approaches.</p>	<p><b>Low</b></p> <p>Council continues to build and maintain relationships with Māori.</p>	<p>Growing authentic Te Tiriti based partnerships is one of Council's top five strategic priorities. Council is committed to the importance of this kaupapa, and how we give effect to it. A good example of this in practice is He Rauru – a kaupapa Māori framework that will drive organisational capacity and capability to deliver on our work in partnership with Tangata Whenua.</p> <p>Partnerships with Iwi and Māori stakeholders is identified as a top risk in Council's Strategic Risk Register. The risk appetite is high.</p>

# 14. Legislative

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>We expect to see continued focus on the way Council delivers its core services and provides infrastructure for growth.</p> <p>Legislative change will continue along with changes to strategic and funding priorities as recently evidenced in the draft Government Policy Statement Land Transport 2024 and Local Water Done Well framework.</p> <p>There is a need for further detail on these changes to understand implications to Council and our District over the LTP planning period.</p> <p>Council will continue to plan on a business as usual approach to service delivery for stormwater, wastewater and water activities.</p>	<p>Council will need to keep abreast of proposed changes, to ensure we are ready to adapt to any mandated change at the national level.</p> <p>This will place demand on time and resources of Council.</p> <p>Costs associated with the impact of legislative changes are unlikely to be recovered from Central Government and may be substantial.</p> <p>Individual activities of Council may need to make specific assumptions.</p> <p>Levels of service expected through legislative change may be greater than what is currently delivered and funded.</p> <p>Council continues to fund and operate delivery of stormwater, wastewater and water activities to the community in accordance with agreed levels of service.</p>	<p><b>High</b></p> <p>Legislative change and national direction is highly dependent on the political direction and priorities at the time.</p>	<p><b>High</b></p> <p>Some changes to the delivery of services could significantly alter how Council functions, however, the generally lengthy development process of legislation and implementation phases may allow for suitable planning for transition and implementation.</p> <p>Changes could significantly impact Council's financial position, depending on how this is structured. This could impact the Council's levels of debt, forecast capital and operational expenditure and income. The actual impact can not be quantified at this point.</p>	<p>Continue to watch and input into legislative developments, to ensure a Western Bay of Plenty voice is heard and Council is prepared for change.</p> <p>Council continues to operate a business as usual approach to service delivery until more information is available regarding implementation implications and timing.</p> <p>Central government reforms is identified as a top risk in Council's Strategic Risk Register. The risk appetite is high which reflects a limited ability to control the changes being introduced and Council's aim to engage early to support sector advocacy and work closely with government agencies to understand the planned changes and impacts.</p>

# 15. Resilience

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>Council's focus is on building resilience and business continuity to minimise the impact of disruptive events.</p> <p>Disruptive events have significant potential to cause shocks to international, national and local systems. Implications for the District are wide ranging depending on the type of event.</p> <p>Disruptive events include things that occur at a global level such as COVID-19 through to natural events that occur at a local level such as cyclones, earthquakes and tsunamis which are a serious but low probability risk to the District.</p> <p>We assume that our key services will continue, and that projects and works will be completed to time, as planned in the LTP, and there will be no significant delays caused directly or indirectly by disruptive events.</p>	<p>Implications for the District are wide ranging and depend on the type of event and scale of disruption that occurs. In some situations, the implications may also depend on the national and international responses to the event that occurs.</p> <p>Council failure to respond and have appropriate plans in place may have a potential impact on the ability to provide its services and have a continued impact on its operations.</p> <p>There will be a greater assessment of the resilience of the Lifeline networks and how to keep them operating in times of natural disaster.</p> <p>An ongoing impact from COVID-19 is supply chain issues, and the cost of materials and labour are impacting the ability to deliver the capex programme and to maintain levels of service.</p>	<p><b>High</b></p> <p>The future situation is uncertain and very difficult to predict.</p>	<p><b>High</b></p> <p>Implications for Council's growth and financial models and work programmes could be extensive. Council will have to be flexible in its response.</p>	<p>Significant External Events is identified as a top risk in Council's Strategic Risk Register with a medium risk appetite. Council recognises that continued operation of critical Council activities, movement of resources and successful implementation of business continuity or crisis management plans are crucial to effectively support the community and ensure community wellbeing when impacted by a disruptive event.</p> <p>Council's focus is on building resilience and aims to engage early to support sector advocacy and work closely with the community and government agencies to understand the impacts at the time of the event and on an ongoing basis. Council is starting to work with the community to develop post disaster recovery plans based on various scenarios.</p> <p>Council needs to maintain a self insurance disaster recovery fund to be able to respond in and event and fund the recovery. Decisions outside the traditional Council responsibilities will be required.</p>



# 16. Land use

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>How land is used in the District will change.</p> <p>We recognise proposed changes to legislation seek to accelerate the supply of housing.</p> <p>We recognise the National Policy Statement for Highly Productive Land may impact how our rural land is protected.</p> <p>We expect to see a physical expansion and increased intensification of urban areas. This will generally be inline with the District Plan (including Plan Change 92) and the new SmartGrowth Joint Spatial Plan (incorporating the Urban Form and Transport Initiative (UFTI)). This may see an increase in impervious surfaces in urban areas.</p> <p>The current review of the Smart Growth Strategy will determine the urban settlement pattern for the sub-region and priorities for development.</p> <p>We will also expect to see continued conversion of dairy land to horticulture over the next 10 years.</p>	<p>Council will have to ensure that services are appropriately sized to accommodate growth and service any growth areas. Similarly, increased horticulture development may have implications for roading.</p> <p>The Infrastructure Acceleration Fund (HAF) with Kainga Ora and Waka Kotahi for the Omokoroa SH2 intersection will unlock housing delivery in Ōmokoroa by providing a safe intersection.</p> <p>The Rangiuru Business Park (RBP) is under development and the first sites will be available for occupation 2025. RBP will deliver 148ha of industrial land with an expectation that a reasonable percentage will be associated with the horticultural sector.</p> <p>Sectors of the community oppose housing intensification in existing urban areas.</p>	<p><b>Low</b></p> <p>Growth areas are sufficiently well signalled through the District Plan and SmartGrowth.</p> <p>The development of a new settlement pattern will require a political process, community engagement and a high level of technical scrutiny to ensure it is viable.</p> <p>Horticulture growth is currently occurring and has been well signalled by industry.</p>	<p><b>Moderate</b></p> <p>Land use changes have direct implications for the design of our services. If this occurs in unexpected areas, or does not occur as planned, then there may be financial implications.</p> <p>Council is a lead investor and is at risk of market down turns which reduces the payment of financial contributions.</p> <p>Investment delays by infrastructure providers could affect timing of development e.g. Waka Kotahi and Takitimu North Link Stage 2.</p>	<p>Council will maintain input into SmartGrowth and Urban Form and Transport Initiative (UFTI)</p> <p>Council has commenced a review of the District Plan.</p>

# 17. External funding for projects

Assumption	Implication	Level of uncertainty	Impact	Mitigation
<p>Council and the community often rely on external funding sources to help deliver projects.</p> <p>There will be pressure on funding available from other sectors and some projects will be contingent on this.</p> <p>Where Council is contributing, this is included in the LTP. Otherwise, it is assumed the projects will be delivered with external funding and that any ongoing costs to Council are included in the budgets.</p> <p>Council can access Central Government funds in some situations to assist with delivery of projects. It is assumed these projects will not be delivered unless there is certainty of funds from Central Government. The level and basis of funding available in the LTP period is uncertain.</p> <p>The Infrastructure Acceleration Fund agreement between Council and Kainga Ora for Ōmokoroa Structure Plan Stage 3 and the Tranche One Three Waters Better of Funding has secured significant funding for key projects. This amounts to \$38million and \$5million respectively. Expenditure is to be spread over several years.</p> <p>The quantum of Waka Kotahi funding for the future is uncertain due to the impact on Waka Kotahi of reduced income and extreme weather events. Council assumes the 51% subsidy remains and that funding for modal shift initiatives will increase.</p> <p>Funding available for waste minimisation initiatives is assumed to remain at current levels.</p>	<p>Some projects will only be progressed with sufficient external funding.</p> <p>Recent history indicates that Council has been successful (either directly or in partnership) with most funding applications. This sometimes enables projects to be brought forward or enhanced.</p>	<p><b>High</b></p> <p>The level of uncertainty for this assumption is high. It is difficult to predict whether community groups and Council will be successful in obtaining external funding for projects. The level of funding may vary from our assumptions.</p>	<p><b>Moderate</b></p> <p>If the project is unable to secure funds, then Council may be approached to meet any shortfall. If this is the case, this request will be considered through the annual budget process. If the project does not proceed, Council will remove the funding contribution (if applicable) from the budget.</p>	<p>Council will continue to talk with partnering agencies regarding funding availability.</p> <p>Council will continue to plan ahead and remain agile to respond to Central Government funding opportunities.</p>

# 18. Asset lifecycles

Assumption	Implication	Level of ncertainty	Impact	Mitigation
Asset lifecycles will align with those forecast and used as the basis of depreciation (not all funded). It is assumed that assets will be replaced at the end of their useful life. Please refer to the depreciation section of Council's Significant Accounting Policies.	Asset life cycles drive our renewals and maintenance schedules.	<b>Low</b> Asset condition is monitored to ensure that maintenance or replacement is optimised.	<b>Low</b> Some asset classes have very young infrastructure (they have a long time until their theoretical end of life). As such the likelihood of significant levels of failures or early replacement is muted for Council.	Council will continue to maintain its asset management processes and plan accordingly.

# 19. Capital Delivery

Assumption	Implication	Level of ncertainty	Impact	Mitigation
<p>Council will deliver and fund 80% of its planned capital works programme expenditure in 2024/2025, 90% in 2025/2026 and 100% in 2026/2027.</p> <p>This enables time for a new project management structure to be effectively deployed and operating.</p>	<p>The planned capital works programme is larger than previously. There are risks outside of Council’s control that can impact on the ability to deliver regardless of the size of the programme.</p> <p>Risks outside of Council’s control include availability of contractors, supply chain disruptions, legislative change, resource consent delays and further project investigation exposing unanticipated issues.</p> <p>Over the life of the 2024-2034 LTP, we are expecting \$39.1m will not be delivered, however it will be addressed outside the 10 year period of the LTP. These are all growth projects that are expected to be delivered over the next 30 years.</p>	<p><b>High</b></p> <p>Given the extent of external factors that are outside of council control, there will always be a moderate to high level of uncertainty associated with this assumption despite the best endeavours to improve the delivery model.</p>	<p><b>Moderate</b></p> <p>Higher levels of forward planning, project monitoring and risk identification will seek to minimise the impact of any changes to this assumption, and annual plan processes can be used to respond to any budget changes required as an outcome of this.</p>	<p>Council is implementing changes to the delivery model for the capital programme with the aim to achieve projects that are delivered on time and within budget. This includes project steering groups for all major projects and comprehensive risk management plans.</p>

# Draft Infrastructure Strategy (May 2024)

**2024-2054**



# Draft Infrastructure Strategy

## **Introduction**

**What we are working with**

**Key strategic issues for Infrastructure**

**How we are responding to challenges and opportunities**

**What we want to achieve**

**What this means for our infrastructure approach**

**Significant infrastructure decisions**

**The Big Picture**

Projected infrastructure expenditure by type 2024 – 2054

Projected capital expenditure by activity 2024-2054

Projected operational expenditure by activity 2024 – 2054

Expenditure highlights

Key assumptions

## **How we manage our assets**

Asset Management Planning Framework

Replacement of assets

Depreciation of assets

Asset condition

## **Activity overviews**

Stormwater

Water supply

Wastewater

Transportation

Solid waste

Recreation and open spaces

Community facilities

## **Infrastructure overview**

# Introduction

Infrastructure plays a crucial role in our lives and provides an important base for many of the activities we pursue; things like roads, water pipes, footpaths, playgrounds, libraries and swimming pools. It is key to our community outcomes and the ability to enjoy a healthy and safe lifestyle, have a thriving economy and a clean, green and valued environment.

The decisions we make on infrastructure have a big influence on shaping the future of our District. That is why Council identified '*providing resilient, well-maintained and efficient infrastructure*' as a strategic priority for the 2024-2034 Long Term Plan (LTP).

We have lots of positives in place and opportunities to pursue. Compared to other parts of New Zealand, we are fortunate to have a good starting point. Our district has a diverse economy and thriving communities. There has been significant investment in infrastructure over the last 20+ years and we continue to grow.

In the 2024-2034 LTP, we have a perfect storm of political, social, environmental and economic pressures that we need to respond to. Council has made some hard decisions that balance our ability to achieve this strategic priority (resilient, well-maintained and efficient infrastructure), against a backdrop of significant financial challenges.

This strategy helps us to understand the short and longer term implications of these decisions. It provides a comprehensive overview of

the infrastructure services Council will deliver to the community over the next 30 years, and the considerations, opportunities and challenges we will face in doing this. It is recognised that there is still a lot of uncertainty that could change our direction along the way, which is why our strategic assumptions are important.

The following types of infrastructure are included in this strategy:

- Stormwater
- Water supply
- Wastewater
- Transportation
- Solid waste
- Recreation and open spaces
- Community facilities (including elder housing)

Infrastructure is a core part of what Council provides to the community. In the 2024-2034 LTP, Council spends on average \$97 million (capital expenditure) every year on infrastructure and looks after over \$1.8 billion worth of assets. It is not possible to do everything, and choices are made on how Council will manage infrastructure investment. The Financial Strategy helps to achieve the balance between the ability of the community to pay and the need to deliver important infrastructure services to the community.

# What we are working with

This section provides an overview of our District and provides context for the approach taken to infrastructure in this strategy.

## The environment

Western Bay of Plenty District stretches from Waihi Beach in the north to Otamarakau in the south and covers 195,000 hectares of coastal, rural and urban areas. The diverse landscape combined with a favourable temperate climate, provides an area rich in resources including indigenous flora and fauna, highly versatile soils, rivers and harbours.

Almost half of the District is in forest and a further 40% is pastoral land. Less than 1% of the total area is urban and includes the towns of Waihi Beach, Katikati, Ōmokoroa, and Te Puke. Smaller rural settlements are located across the District. Along the Pacific Coast, Waihi Beach and Pukehina Beach have grown from being popular holiday places to places with a higher proportion of permanent residents.

The spread of settlements makes the delivery of infrastructure more expensive compared to a compact single settlement, like a city. The topography and soil types can also increase infrastructure costs, particularly for roading which often suffers from weather-related stormwater damage. Rules in the District Plan help to concentrate development in areas where infrastructure already exists or is planned to occur.

The types of natural hazards that could occur in the Bay of Plenty coastal and harbour areas include tsunamis, storm erosion and storm flooding. The major natural hazard risk in the District is flooding. Long term coastal erosion is evident in coastal settlements (Pukehina/Waihi Beach), seacliffs (Maketu), estuary margins (Little Waihi), and the shoreline of Tauranga Harbour (Ōmokoroa, Te Puna, Opureora) and along the open coast. Natural hazards in neighbouring areas also have the potential to cut off communities for a period of time.

Provision of resilient infrastructure is vital to future proof the district, and a key consideration in the provision of new and renewed assets.

## Our people

In 1991 the District population was 30,000. The Western Bay of Plenty sub-region is one of the fastest growing areas in New Zealand and includes Tauranga City with an estimated 163,000 people and Western Bay of Plenty District with around 60,000 people (2024).

Most growth has come from migration within New Zealand, and it is expected that this will continue. The sub-region is known as a 'sunbelt' destination due to the temperate climate and coastal location, attracting a higher ratio of older people than the national average.

The District is projected to continue to grow to 73,000 by 2054 with another 13,000 people expected to join us over the next 30 years. Ōmokoroa followed by Waihi Beach, Katikati, and Te Puke accommodate most of the population and future growth.



## Our economy

Economic strengths include highly productive soils, exceptional growing climate, a range of lifestyle opportunities and a manufacturing base with an export focus all next to New Zealand's largest export port.

Our economy is underpinned by agricultural and horticultural sectors. These primary sectors drive a multitude of professional businesses and service industries and employ a diverse labour force. Urban growth areas include land zoned for commercial and industrial purposes to support further business development occurring. Our economy is strongly intertwined with Tauranga which provides most of the sub-region's manufacturing and services.

Compared to other areas, our economy has been relatively cushioned from impacts of COVID-19, due to our diversity, strong rural sector (especially horticulture) and low reliance on international tourists.

Western Bay of Plenty district is part of the Golden Triangle (Auckland, Waikato, Bay of Plenty) and our economic growth is expected to be above the national average. Improving business resilience and sustainability will be a key challenge moving forward, along with supply chain, inflation and interest rate pressure, and difficulties in the attraction of talent and skills into the labour market.

Rangiuru Business Park located near Te Puke, and the Tauranga Eastern Link, provides capacity for commercial and industrial growth with around 150 hectares of land available.

The environment, soils and climate are not only attractive for agricultural production but also for people wanting a relaxed outdoor lifestyle. The District is close to the amenities of Tauranga, yet much of the area retains a rural and small-town atmosphere.

## Our infrastructure

Between 1998 and 2008 the District grew rapidly with the population increasing by 18%. Council provided infrastructure for the growing community. Water and wastewater schemes were established predominately for development of urban areas, with water supply also supporting development of the primary sector in rural areas. During this period there were substantial government subsidies for these schemes which Council took advantage of.

Prior to the 2007 Global Financial Crisis, Council's approach to infrastructure was that 'growth pays for growth' and that new infrastructure was installed ahead of time to encourage growth. The slowing down of growth created a conflict between these approaches, substantially increasing debt to fund the shortfall of financial contributions received from growth. This prompted a change in approach, to a policy of 'just in time' infrastructure provision. Where practical, capital expenditure is committed where there is sufficient evidence to show that development will occur. This seeks to ensure that growth-related debt is repaid as growth occurs and that existing infrastructure is used to its full extent. This principle still applies today.

From 2015 to 2018, Council adopted a financial strategy of applying a rates contribution to service the interest payments on growth-related debt. Through the 2018-28 LTP the community supported Council reviewing each year the actual amount of rates applied to service the interest on growth related debt. From 2018 to 2021, the amount we put towards this was reduced, due to increased development activity and favourable interest rates. This approach, coupled with prudent management of the capital works programme, means our net debt<sup>1</sup> reduced from \$144 million in 2015 to \$75.5 million in 2020.

Council provides a significant amount of infrastructure and understands first hand the impact recent events have had on the ability of our infrastructure network to respond to the needs of our communities.

The age of our infrastructure assets is diverse across the different activities, with lifecycles that range from 3 years (for some technology-based equipment), to 80 plus years for some infrastructure assets. The age and the remaining useful life of some of our assets will place additional pressure on renewals funding. These funding pressures must be considered in conjunction with the funding requirements to maintain and/or increase service levels and/or create new assets in respond to growth and demand.

---

<sup>1</sup> Net debt is total borrowings less cash

# Key strategic issues for infrastructure

<p><b>Population growth</b></p> <p>For further information see pages 10, 11 and 14.</p>	<p>Our district continues to grow. Forward planning and a consistent approach to investment in growth areas over the last two decades means we are continuing to manage how and when growth occurs.</p> <p>Over \$210 million investment is in the 2024-2034 LTP for growth related infrastructure in Ōmokoroa - roading, water, water supply, stormwater and reserves. Projects also provide for Te Puke growth including a replacement wastewater treatment plant, library and swimming pool.</p> <p>A decision to increase our net debt to revenue ratio from 180% to 200% recognises the significant investment in growth areas and the need for debt headroom should the unexpected occur.</p>
<p><b>Levels of service</b></p> <p>For further information see pages 16, 18, 32 and 41.</p>	<p>We continue to work towards achieving our levels of service with annual reporting helping to identify gaps and areas of focus for future LTP's and Annual Plan processes.</p> <p>Key level of service focus areas are the maintenance of roads and stormwater levels of service. Improvements to contracts for road maintenance will seek to improve the level of service of our roads. A review of the stormwater levels of service will determine whether changes are required to better reflect community expectations for stormwater management. Decisions made through the 2024-2034 LTP have meant some projects that deliver on levels of service such as swimming pool and library development are moved out, helping spread the costs of investment in these facilities.</p>
<p><b>Legislative requirements</b></p> <p>For further information see pages 9, 16, 18, 19, 35 and 38.</p>	<p>Legislative change continues to create uncertainty and impact infrastructure costs. Increased environmental standards mean significant increased costs to Council. For example, wastewater and water activities as we respond to Taumata Arowai and investment in UV and water treatment requirements and resource consent conditions requiring significant investment in the Te Puke wastewater treatment plant and replacement options for the Katikati outfall pipe.</p>
<p><b>Asset renewals</b></p> <p>For further information see pages 14, 23 and 28</p>	<p>Our approach to renewals is just in time. Renewals continue across the 30 years with peaks in the water and wastewater activities to reflect water bore and reticulation renewals, the Te Puke wastewater treatment plant replacement and management of the Katikati wastewater outfall pipe.</p>

# How we are responding to challenges and opportunities

This section identifies the key challenges and opportunities that will impact the way we plan for and manage our infrastructure in the future:

1. The cost of providing infrastructure
2. Legislative change
3. Population growth
4. Climate change

We outline what we are doing to respond to each of these key challenges/opportunities with further detail provided later in the strategy.

## 1. The cost of providing infrastructure

We have an ambitious work programme for capital investment that is required to respond to population growth. This includes the costs associated with designing infrastructure to ensure the effects of growth on our natural environment are managed. Overall, our capital programme has increased by 42% since the last LTP and includes new significant projects.

### Issues include:

- Cost of living impacts.
- Increased cost of materials and labour due to high inflation.
- Increased cost of borrowing for projects.
- Availability of contractors.
- Disruption to supply chains.
- Legislative change (see below).
- Resource consent delays.
- Detailed project investigation exposing unanticipated issues.

### Opportunities include:

- New ways of doing things to create efficiencies.
- The pace of change driven by technological advancements will continue to influence the way we provide our infrastructure, for example, demand for electric vehicle charging stations.
- Smarter infrastructure can improve the way services work and help create spaces that are better to live in (e.g. public safety, air quality, efficient carparking, smart streetlights, emptying bins, water management etc).

### What we are doing about it:

- Using our Financial Strategy to apply an affordability lens.
- Using robust Asset Management Plan (AMP) approaches to develop scenarios, and risk profiles that enable us to understand where we can sweat assets (noting that our wastewater and stormwater assets are relatively young however we are experiencing some issues) and where we need to prioritise the renewal of critical assets.

## 2. Legislative change

The ongoing uncertainty of central government reform and legislative changes makes it difficult to plan ahead with clarity.

### Issues include:

- A change in direction from three waters reform to implementing Local Water Done Well. By mid 2024 a new framework for “Local Water Done Well” will be in place. If Council considers there is merit in progressing with the new framework, then wider community engagement will follow. We anticipate that by the end of 2024 we will have a long term picture of the financial sustainability and regulatory requirements of a “Local Water Done Well” plan.
- While the Spatial Planning Act and Natural and Built Environment Act were repealed, there remains uncertainty as to what happens next in the resource management reforms. In the short term, legislation is anticipated to enable fast track consenting processes. The Minister has announced his intent to implement the *Going for Housing Growth Policy*, which is likely to require councils to make more land available for development, remove planning barriers and implement new funding and financing tools. At its core, it seeks to encourage councils to support housing growth. There will likely be challenges in servicing new areas for development with required infrastructure. As the proposed policy is yet to be implemented through legislation, it is difficult to anticipate the specific implications for our District. The status of national policy statements for biodiversity, highly productive land and freshwater management are still being worked on.
- Central government funding priorities have changed. The draft Government Policy Statement for Transport (GPS 2024) prioritises economic growth and productivity, increased maintenance and resilience, safety, and value for money from transport expenditure. It also reintroduces the Roads of National Significance programme that was started under the previous National Government in 2009. While new funding priorities have been signalled there is still significant uncertainty, particularly for waste minimisation and transportation funding (via the Funding Assistance Rate or FAR).
- The time and resources required to adjust to changes impacts on the organisation.

### Opportunities include:

- Potential for new funding and financing tools.

### What we are doing about it:

- Making the best strategic assumptions we can with the information we have presently.
- Continuing to carefully monitor the path of proposed legislation and its implications for the LTP.
- Being flexible to change and ensuring we have the financial headroom to respond.

### 3. Population and economic growth

We are a high growth district. Population growth brings benefits to the district but also creates challenges for the delivery of services and funding of infrastructure. Population projections help us plan the infrastructure required for growth. Most growth will be experienced in Ōmokoroa over the next ten years. Te Puke will continue to grow too. During this planning horizon, we will complete the Te Puke Spatial Plan and the Te Puke Wastewater Treatment Plant which will enable the capacity for further growth in this community. This growth is not limited to our district. Tauranga City will continue to experience significant growth over the next 30 years. Given the interconnectedness of our districts, growth planning is undertaken at a sub-regional level via SmartGrowth.

#### Issues include:

- Balancing the need to look after existing infrastructure assets with the need to provide new infrastructure to service growth areas. Consideration of asset needs, and potential deficits is important.
- The affordability and availability of housing is a significant issue for New Zealand and our district. This is exacerbated by population growth, as demand outstrips supply.
- Our primary industries are heavily reliant on having an efficient road network, (particularly for freight movement), and security of water supply. Tourism also relies on access to accommodation options and tourist destinations such as historic sites, coastal and harbour parks, and recreational experiences. Seasonal demand will continue. Horticultural workers and holidaymakers continue to create large seasonal increases in population, placing greater demand on infrastructure during this time.

#### Opportunities include:

- Growth brings significant benefits including increased prosperity, attracting investment, community vibrancy and diversity.
- Existing growth areas are at Waihi Beach, Katikati, Ōmokoroa and Te Puke. These towns have been growing since the 1980s and still have varied capacity for additional residential dwellings, and commercial/industrial development.
- The Rangiuru Business Park is underway with construction of the interchange with the Tauranga Eastern Link well advanced. Council has agreed to assist with the financing approach for this project, with costs also financed by Quayside Holdings Ltd.
- Future growth areas are determined through the Future Development Strategy (as part of the wider SmartGrowth Strategy). Investigations in the eastern and western corridor are underway to determine future development areas.
- Digital infrastructure planning needs to align with growth plans for our district to achieve economic transformation, digital equity and improve capabilities.

#### What we are doing about it:

- Council has identified the need to enable housing as one of our five strategic priorities. The focus is on working with others to ensure the provision of housing that is affordable, accessible and appropriate to the different needs within our community.
- SmartGrowth sets the strategic vision and direction for the growth and development of Tauranga City and the Western Bay of Plenty District. SmartGrowth is a collaboration between Western Bay of Plenty District Council, Bay of Plenty Regional Council (BOPRC), Tauranga City Council (TCC) and Tangata Whenua working in partnership with Central Government, businesses, education groups, industry and the community. It provides a shared pathway to guide us all toward a single vision – making the Western Bay a great place to live, learn, work and play.
- Planning tools such as spatial plans and structure plans are used in growth areas. They help to provide a comprehensive approach to how growth might be accommodated and what is required for our communities. They are a good tool for a community conversation as they provide a visual perspective of what an area might look in the future and set the expectation for the outcomes and actions required.
- Population projections and monitoring of uptake and development trends help keep track of what is occurring on the ground. That way we can adjust our investment accordingly, so we continue to enable growth and achieve a balance between providing infrastructure too far in advance and providing it ‘just in time’.
- The Financial Strategy has been prepared to position Council’s finances to allow for future investment as necessary to deliver on expected growth.
- Council has prioritised significant infrastructure investment to service existing growth areas over the last 5–6 years and will continue to do so. In the 2024–2034 LTP, this investment will help to service the Ōmokoroa Stage 3 structure plan area (between the railway and State Highway 2) and ongoing growth in Te Puke.
- A comprehensive review of financial contributions is underway in 2024. This will seek to ensure the approach we take to collecting contributions from development (or ‘growth pays for growth’) is easy to understand, consistent and equitable, well documented, with robust models in place to ensure continuity of approach.

## 4. Climate change

Council must respond to climate change now to ensure a level of preparedness for future impacts. Failure to respond may lead to significant future challenges and costs.

### Issues include:

- Providing increased capacity within the stormwater network, to cope with increased rainfall intensities and sea level rise.
- The location of roads close to the coast may require sea defences to protect from coastal erosion or may need to be relocated. Storm damage to roads and bridges from major events is an increasing concern.
- The potential for severe weather events and natural erosion to impact on waste and contamination overflows from our closed landfills.
- The future approach to the renewal, upgrade and provision of public land and infrastructure in coastal and harbour areas.
- Increased expenditure on operational responses and repairs due to the damage from storms increasing the need to provide sufficient debt headroom to be able to respond to unexpected events.
- Decline in resident satisfaction with roading and stormwater (based on the 2022-2023 Resident Survey) likely reflecting the impacts of Cyclone Gabrielle and other flooding events, on the roading network and in residential areas like Waihi Beach.

### Opportunities include:

- Developing resilient infrastructure.
- Encouraging modal shift and transport choice.

### What we are doing about it:

- Council has identified climate change as one of our five strategic priorities. The focus is on working with communities to build understanding and deciding together how to respond. We want to build community resilience across all our strategic priorities, so the community is in a better position to adapt and manage impacts of any changes.
- We are measuring our operational emissions and setting corporate emission reduction targets to assist with climate change mitigation.
- Better understanding the level of risk to our assets and beginning to develop options for reducing this risk. Infrastructure exposure and risk assessments have been developed for some of our most susceptible assets to inform climate change adaptation actions as a next step. Continuing to grow understanding of how climate change may impact our communities and infrastructure assets is key to our climate change response.
- Supporting development of local climate change action plans and providing support in response to local extreme events such as the recent Waihi Beach flooding, in collaboration with local response networks.
- Our next focus is to identify potential adaptation actions. To manage risks we need to think about where we build, how we build and what can be done with existing infrastructure to protect it or make it more resilient through upgrades. Local adaptation planning is a way for communities to work together to reduce the risks posed by natural hazards. It is possible that Council will need to consider this in the future in areas that are already susceptible to flooding and erosion, such as parts of Waihi Beach, Ongare Point, Te Puna West, Maketu, Te Rereatukahia and Ōmokoroa. We may need to consider a DAPP<sup>1</sup> approach for our high risk assets and areas.

<sup>1</sup>Dynamic Adaptive Pathways – works to establish potential scenarios – what the options are and identifying points when you decide to change track. Ideally four options – starting with lowest cost option and then trigger points for when you change.

# What we want to achieve

Our community outcomes are what we collectively aim to achieve to promote the social, economic, environmental, and cultural well-being of our district now and for the future:

- We can all enjoy a healthy and safe lifestyle.
- Our communities are vibrant and welcoming to all.
- Leaders are effective, informed and inclusive.
- Our environment is clean, green and valued.
- Our economy is thriving.
- We have authentic Te Tiriti based relationships with tangata whenua.

Our strategic priorities are what we consider to be the most important issues facing our community, and are a key focus of our 2024-2034 Long Term Plan and other work we do:

1. Enabling housing.
2. Empowering communities.
3. Growing authentic Te Tiriti based relationships.
4. Providing well maintained, resilient and efficient infrastructure.
5. Responding to climate change.

Infrastructure sits across all the strategic priorities. It is needed to enable housing to occur, it can help our communities thrive, Council facilitates and partners with Māori to identify infrastructure requirements that achieve their aspirations, and resilience of infrastructure is key to responding to climate change.

The focus of this strategy is to demonstrate how we will give effect to our strategic priority *'providing resilient, well-maintained and efficient infrastructure'* so we can continue to meet the needs of our communities and enable further growth to occur.

- Resilient means knowledge of our assets, understanding asset risk, exposure, identifying critical assets, incorporating resilience into our approach to renewals, upgrades and new assets, and for this to become business as usual (BAU) thinking.
- Well-maintained means sufficient renewals funding, good asset knowledge, ongoing renewal and upgrade programmes.

Efficient means integrated, streamlined, do it once do it right, systems and processes that encourage efficiencies in everything we do.

We can't do this alone. We need to work in partnership with tangata whenua and a range of organisations including Central Government, local authorities and community groups. SmartGrowth is a good example of where this collaboration already exists.

# What this means for our infrastructure approach

Our goals for infrastructure planning, provision and management over the next 30 years are outlined below.

	Goal	What we will do	Financial considerations
1.	<b>Maintain the infrastructure and services we provide as efficiently and effectively as possible.</b>	<p>Regular condition assessments, renewals and upgrades to ensure infrastructure meets the needs of our community and we get the most out of our assets.</p> <p>Continue with a 'just in time' approach to the renewal and replacement of assets.</p> <p>Review of the AMP framework to implement a more consistent and streamlined approach to AMP development.</p> <p>Prioritise improvement of long term asset information for reserves and community facilities.</p> <p>Resilience is a key component of our asset management process. This includes understanding asset resilience, and implementing improvements when renewing, upgrading and developing assets.</p>	<p>Enduring programme of renewal and operational expenditure, guided by AMPs. Loan fund renewals when required to ensure intergenerational equity.</p> <p>Optimise use of infrastructure and streamline operational costs.</p>
2.	<b>Provide the infrastructure required to support a growing community.</b>	<p>Continue to invest in the development of growth areas, recognising the benefits of growth to our community.</p> <p>Continue with a 'just in time' approach to the provision of growth infrastructure.</p> <p>Regular monitoring of growth uptake and development trends to better align infrastructure investment with growth patterns.</p> <p>Comprehensive review of our growth funding approach (financial contributions) to ensure growth pays for growth in a fair and equitable manner.</p> <p>Develop spatial plans and structure plans for growth areas to provide a comprehensive plan that identifies infrastructure requirements.</p> <p>Improve Council's project management structure and delivery model to ensure greater oversight and risk identification of projects, and sufficient pre-planning so that projects are delivered on time.</p>	<p>Debt limits provide capacity for growth funded capital expenditure to occur.</p> <p>Just in time approach provides greater certainty of growth funding revenue.</p> <p>Manage debt profile within identified debt limits.</p>
3.	<b>Identify and plan for potential changes to levels of service in the future.</b>	<p>Anticipated level of service reviews are included in the significant infrastructure decisions.</p>	<p>Flexibility in Financial Strategy debt and rates limits to adjust to a potential increase or decrease of costs with a change in levels of service.</p>
4.	<b>Continually improve our knowledge of infrastructure, particularly in terms of asset condition, performance, asset efficiency and the impact of technology.</b>	<p>Improve asset condition information. The more we understand our assets the better informed we are on the risks and trade offs of investment decisions particularly when challenged with affordability issues.</p> <p>It's important that Council keeps pace with the changing world of infrastructure and technology and applies this thinking to future planning and investment decisions.</p>	<p>Flexibility in Financial Strategy to adjust to a potential increase or decrease of costs with a change in approach.</p>



# Significant infrastructure decisions

Significant infrastructure decisions are those which are likely to cost a lot, have an impact across several infrastructure activities, and/or have the potential to be a big change to the current approach and levels of service.

We deliver infrastructure to support our community wellbeing, with all our projects providing a range of benefits across the four aspects of community wellbeing – social, cultural, economic and environmental. Below are the significant infrastructure decisions that require Council direction over the next 10–30 years.

	Topic	Why	24–34 LTP Funding	Approach or options	Implications
1.	<b>Council's response to Local Water Done Well</b>	<ul style="list-style-type: none"> <li>Stormwater, water and wastewater are significant investment activities of Council.</li> <li>Government's Local Water Done Well framework is released in 2024 and 2025</li> </ul>	<ul style="list-style-type: none"> <li>Over \$365 million investment for stormwater, water and wastewater capital and operational projects.</li> </ul>	<ul style="list-style-type: none"> <li>Mid 2024 new framework to guide local decisions.</li> <li>December 2024 – financial sustainability framework</li> <li>By mid 2025 decision made on local approach.</li> <li>Options will be determined once framework is in place.</li> </ul>	<ul style="list-style-type: none"> <li>Impact on staff resources to gather information and respond, to inform decision-making processes.</li> </ul>
2.	<b>Addressing issues with pavement deterioration</b>	<ul style="list-style-type: none"> <li>Transportation (roading, footpaths etc) is a significant investment activity of Council.</li> <li>Significant increases in costs of delivering this activity.</li> <li>The state of pavement assets has deteriorated over time.</li> <li>Opportunity to localise delivery as maintenance contract requires renewal.</li> <li>Reliance on Waka Kotahi funding subsidy (via the Funding Assistance Rate).</li> </ul>	<ul style="list-style-type: none"> <li>Over \$420 million investment for capital and operational roading and transport related projects.</li> </ul>	<ul style="list-style-type: none"> <li>Proceed with timing as per 2024–34 LTP.</li> <li>OR Delay projects for future LTPs.</li> <li>Assumes 51% Funding Assistance Rate from Waka Kotahi continues</li> </ul>	<ul style="list-style-type: none"> <li>Determines Council's approach and investment on road maintenance.</li> </ul>
3.	<b>Ōmokoroa infrastructure investment for growth</b>	<ul style="list-style-type: none"> <li>Significant investment required in the highest growth area in the district.</li> </ul>	<ul style="list-style-type: none"> <li>Over \$221 million investment over 10 year period in growth related infrastructure for Ōmokoroa – roading, water, water supply, stormwater and reserves.</li> </ul>	<ul style="list-style-type: none"> <li>Council will continue to align the programme with growth patterns and implement a just in time approach where feasible.</li> <li>Other options that are not viable include adopting a lead or lag approach to infrastructure provision or stopping infrastructure investment.</li> </ul>	<ul style="list-style-type: none"> <li>Balance between enabling growth in a timely manner and reducing financial risk to council if growth was to slow down.</li> <li>Other options impact the ability for growth to occur in a managed and financially sustainable way and are therefore discounted.</li> </ul>

	Topic	Why	24-34 LTP Funding	Approach or options	Implications
4.	<b>Katikati wastewater outfall</b>	<ul style="list-style-type: none"> <li>Sections of the pipe are failing much earlier than the pipe design life.</li> <li>Investigation work in first 3 years.</li> <li>Consent expires in 12 years.</li> <li>Additional funding to 'manage' breaks in the pipe until a longer term solution is found.</li> </ul>	<ul style="list-style-type: none"> <li>\$68 million with majority of costs in 2027/28 onwards.</li> <li>Funding for potential breaks in the pipe until a solution is implemented -</li> <li>higher maintenance to 2030 then decreases. Average over 10 years - \$740,000 per annum.</li> </ul>	<ul style="list-style-type: none"> <li>Options will be determined via the investigation and feasibility process from 2024-2027.</li> <li>Decision (based on investigation outcomes) to be made in the 2027-2037 LTP</li> </ul>	<ul style="list-style-type: none"> <li>Potential compliance implications or prosecution risk if treated wastewater leaks continue.</li> </ul>
5.	<b>Waihi Beach stormwater Level of Service (LOS) review</b>	<ul style="list-style-type: none"> <li>LOS being met but there is a need to test this to ensure it still meets community expectations.</li> <li>LOS only looks at habitable floors whereas there are incidences where people's lives are at risk.</li> </ul>	<ul style="list-style-type: none"> <li>\$10.5 million for LOS projects +\$14.8 million for renewals projects for Waihi Beach stormwater</li> </ul>	<ul style="list-style-type: none"> <li>Level of service decision in 2027-2037 LTP.</li> <li>Will need to be considered in the context of decisions made on the Local Water Done Well framework</li> </ul>	<ul style="list-style-type: none"> <li>Impact on investment and delivery approach in future LTPs.</li> </ul>
6.	<b>Te Puke Spatial Plan</b>	<ul style="list-style-type: none"> <li>Comprehensive approach to enable growth.</li> <li>Opportunity to understand community expectations.</li> </ul>	<ul style="list-style-type: none"> <li>No specific funding included for implementation.</li> <li>Includes planned investment in Te Puke e.g. new swimming pool (\$17m), library and service centre (\$15m), replacement of the Te Puke Wastewater Treatment Plant (\$73 million).</li> </ul>	<ul style="list-style-type: none"> <li>Outcomes and funding requirements to be determined through spatial plan process.</li> </ul>	<ul style="list-style-type: none"> <li>Impact on investment and delivery approach in future LTPs.</li> </ul>
7.	<b>Te Puke Wastewater Treatment Plant (replacement plant)</b>	<ul style="list-style-type: none"> <li>Meeting environmental quality requirements. Compliance with resource consent conditions.</li> <li>Providing capacity for growth.</li> <li>Service Rangiora Business Park (approx. 45% funded by Quayside) and Te Puke growth.</li> <li>Cost efficiencies to develop as one project rather than staged.</li> </ul>	<ul style="list-style-type: none"> <li>\$73 million in 2026 - \$40 million funded from Council (a portion of this is growth related)</li> </ul>	<ul style="list-style-type: none"> <li>Proceed with replacement facility and timing as per 2024-2034 LTP. Time critical due to existing plant being at capacity, the timing of the Rangiora Business Park and new discharge quality limits set in the new resource consent by 2026.</li> </ul>	<ul style="list-style-type: none"> <li>Capacity and compliance consequences if replacement plant does not proceed.</li> </ul>
8.	<b>Library level of service implementation</b>	<ul style="list-style-type: none"> <li>Existing facilities no longer fit for purpose.</li> <li>Investment needed. Achieve levels of service.</li> </ul>	<ul style="list-style-type: none"> <li>Waihi Beach Library and Service Centre (\$5.5m)</li> <li>Te Puke Library and Service Centre (\$15m)</li> <li>Ōmokoroa Library and Service Centre in the new town centre (\$754,000)</li> </ul>	<ul style="list-style-type: none"> <li>Proceed with timing as per 2024-34 LTP.</li> <li>OR</li> <li>Delay projects for future LTPs.</li> </ul>	<ul style="list-style-type: none"> <li>Delivers on LOS.</li> <li>Delays risk increased maintenance costs and impact on the ability of current facilities to provide services to the community.</li> </ul>
9.	<b>Solid Waste – closed landfill and resource recovery</b>	<ul style="list-style-type: none"> <li>Closed landfill - Resource consents expire in 3-10 years for closed landfills (Te Puke, Waihi Beach and Athenree).</li> </ul>	<ul style="list-style-type: none"> <li>Allowed for initial costs of \$1m for early work on resource recovery and transfer station facility but will need to be addressed within</li> </ul>	<ul style="list-style-type: none"> <li>Gap analysis underway to assist with consent application.</li> </ul>	<ul style="list-style-type: none"> <li>Potential for significant cost to mitigate issues with closed landfills (as</li> </ul>

	Topic	Why	24-34 LTP Funding	Approach or options	Implications
	<b>and transfer station.</b>	<ul style="list-style-type: none"> <li>Potential for more stringent requirements due to increased environmental standards.</li> <li>Demand for resource recovery and transfer station.</li> </ul>	the 30 year timeframe of this strategy.	<ul style="list-style-type: none"> <li>Future decision and potential collaboration with neighbouring councils on resource recovery and transfer station (estimated cost of \$50million)</li> </ul>	experienced in other parts of New Zealand).
10.	<b>Community and recreation facility development</b>	<ul style="list-style-type: none"> <li>Council involvement in terms of ownership, management and funding occurs on an ad hoc basis.</li> <li>Lots of known proposals for facility development by community groups.</li> <li>Limited funding options and cost increases to develop these facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Development of a community investment framework with a clear process, criteria and funding priorities in 2024/2025.</li> <li>Inclusion of a community facility targeted rate in 2025/2026.</li> </ul>	<ul style="list-style-type: none"> <li>Implement a structured approach to determine Council's role. OR</li> <li>Continue to consider Council's role on a case by case basis.</li> </ul>	<ul style="list-style-type: none"> <li>Impacts the ability of community groups to deliver initiatives.</li> <li>Impacts the ability to deliver an equitable approach to the provision of community facilities (not covered by an existing level of service).</li> </ul>
11.	<b>The potential for new future growth areas (identified by SmartGrowth)</b>	<ul style="list-style-type: none"> <li>Further work to understand investment required to enable development.</li> <li>Eastern and western corridor feasibility underway and Industrial Land Study complete.</li> </ul>	<ul style="list-style-type: none"> <li>No specific funding included.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to be part of the feasibility process and SmartGrowth to understand implications and opportunities for our district.</li> </ul>	<ul style="list-style-type: none"> <li>Impacts on existing communities, financials, environment.</li> <li>Growth brings benefits as well as challenges.</li> </ul>
12.	<b>Swimming Pool level of service implementation</b>	<ul style="list-style-type: none"> <li>Existing facilities are no longer fit for purpose.</li> <li>Helps to achieve level of service over a 30 year period.</li> </ul>	<ul style="list-style-type: none"> <li>Te Puke swimming pool - \$17 million.</li> </ul>	<ul style="list-style-type: none"> <li>Council invests in indoor swimming pool facilities. OR</li> <li>Council maintains the current outdoor swimming pool as it is.</li> </ul>	<ul style="list-style-type: none"> <li>Delivers on Levels of service.</li> <li>Delays risk increased maintenance costs and impact on the ability of current facilities to provide services to the community.</li> </ul>

# The Big Picture

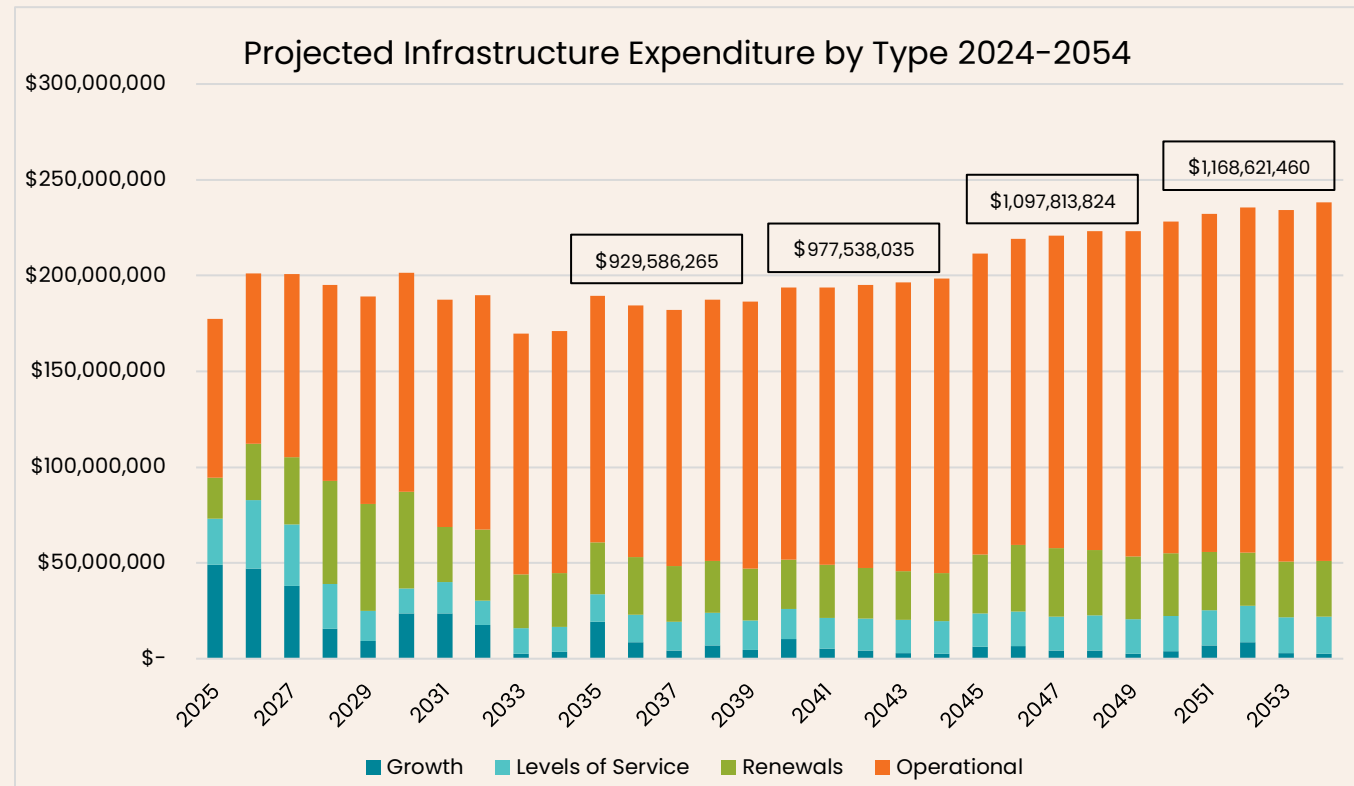
The 'Big Picture' captures what we plan to do over the next 30 years, based on what we know at this point in time. This is the most likely scenario that we will take for capital and operational expenditure on infrastructure from 2024 to 2054.

Note: Graphs align with the full project list and do not allow for the capital delivery assumption.

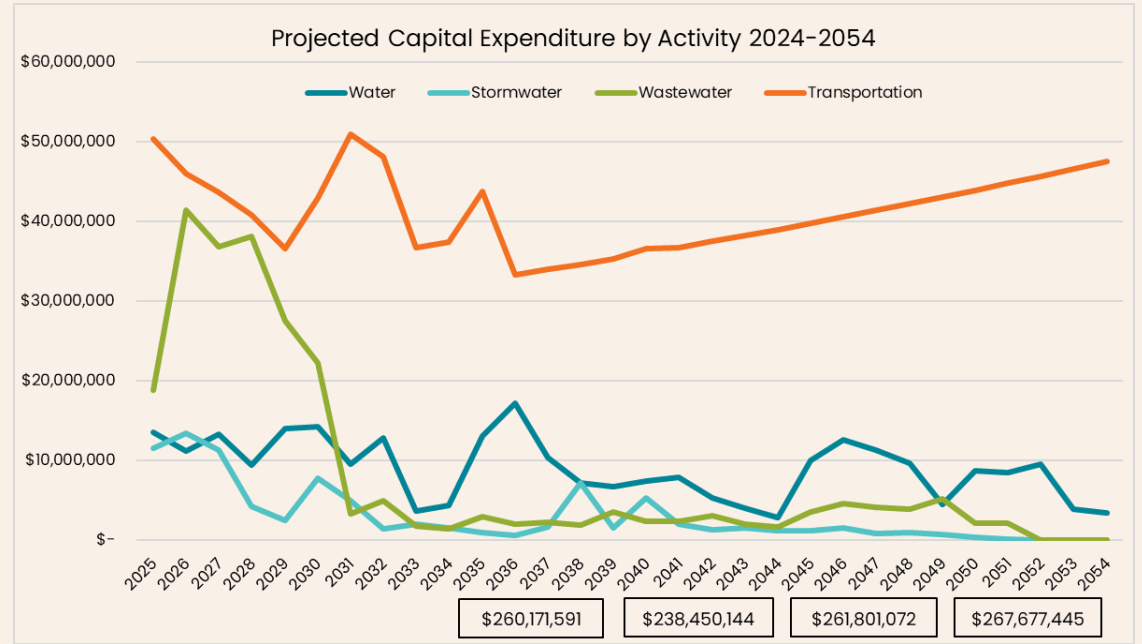
## Projected infrastructure expenditure by type 2024-2054

### Explanation

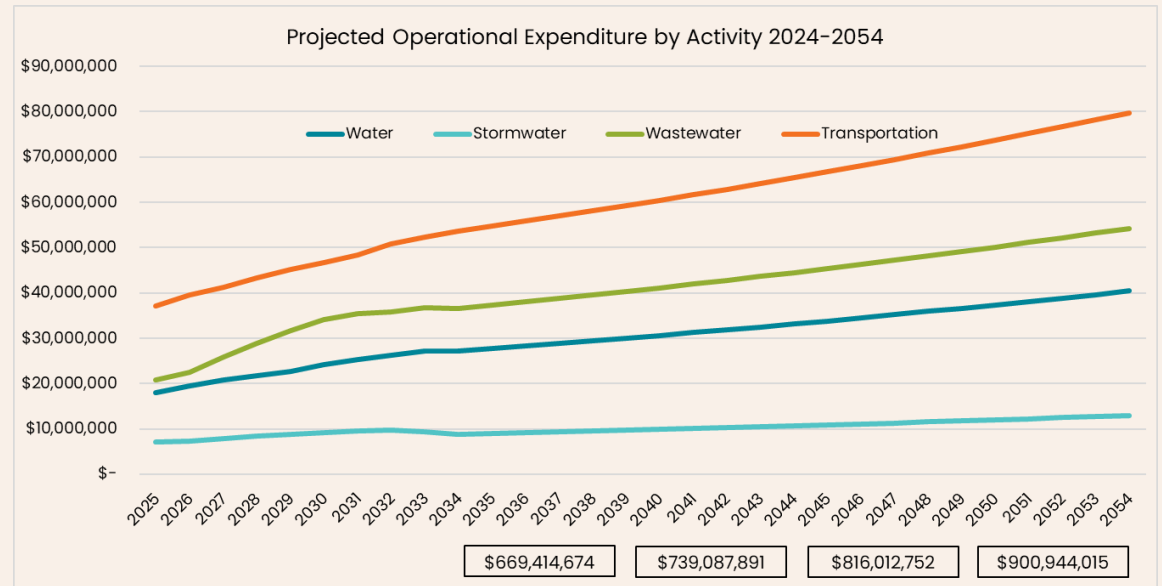
- **Growth** is used to describe new projects identified in structure plans for the urban growth areas and funded (either wholly or partially) from financial contributions.
- **Level of service** (LOS) is used to describe projects that deliver on Council's adopted levels of service and are not growth related or renewals. It is not about new levels of service or any specific change in levels of service.
- **Renewals** are used to describe projects that replace or upgrade existing assets.
- **Operational** is what we need to do on a day-to-day basis to plan for and deliver services and ensure our assets are maintained. Operational expenditure includes costs, interest (expenses only), depreciation and overheads.
- **2025** is the 2024/25 financial year.
- All financial information includes inflation from 2025 onwards (as per the Strategic Assumptions these match the BERL forecast and from 2035 to 2054 an assumption of 2% inflation has been used).



## Projected capital expenditure by activity 2024-2054



## Projected operational expenditure by activity 2024-2054



## Expenditure highlights

The most likely scenario for Council is that we will be spending approximately \$2 billion on capital projects for infrastructure over the next 30 years and \$4 billion on operational costs over this time.

Council has a focus on infrastructure investment in urban growth areas. In the short term this investment is predominately in Ōmokoroa, and beyond 10 years in identified urban growth areas. No specific funding has been allocated to potential new growth areas in the eastern and western corridor as our infrastructure response will be subject to further feasibility work in these areas via the SmartGrowth strategic partnership.

Our infrastructure investment also focuses on achieving agreed levels of service, and in progressing a steady programme of asset renewals.

The main spikes in capital expenditure are attributable to the wastewater, transportation and water activities as follows:

- The Te Puke wastewater treatment plant requires major infrastructure upgrades expected to cost \$73 million in 2026. This is needed primarily to meet more stringent resource consent standards relating to discharge quality, provide capacity for the Rangiuru Business Park and to provide capacity for anticipated future population growth in Te Puke. Council's funding share of this total project cost is \$48 million (26% of this is growth related) with the balance funded from Quayside Holdings Ltd who are developing the Rangiuru Business Park.
- The Katikati ocean outfall renewal in 2027/2028 at a total project cost of \$68 million is also a significant peak in expenditure. This project is identified as a significant issue as it is anticipated that Council will need to explore a range of options for wastewater disposal due to changing consent requirements.
- Transportation continues to have peaks throughout the 30 years. A significant focus over the first ten years is the implementation of the Ōmokoroa structure plan with most of these projects funded from financial contributions, with some external funding.

The expenditure peaks put pressure on Council's finances and debt limits have been increased to allow for this and provide room to move if needed.

We have included the four activities of Council that collectively have a significant spend and that we have 30-year financial information on: those activities being stormwater, water, wastewater and transportation.

A separate overview is provided of the remaining infrastructure activities - Recreation & Open Space, Solid Waste and Community Facilities. A 10-year profile is provided as we need to do more work in this space to determine what the long term future looks like for these activities.

Over the next 30 years there are a number of significant issues and decisions required that will impact on the 'Big Picture' scenario. This information is included in the previous "Significant Infrastructure Decisions" section, along with reference to when decisions will need to be made and the budget process they are likely to be considered in.

## Key assumptions

<b>General assumptions</b>	<p>The 'Big Picture' is determined by applying several assumptions, including population increases, climate change and demographic changes. The assumptions are outlined in the Strategic Assumptions from page 13.</p>
<b>Funding assumptions</b>	<p>Waka Kotahi's Funding Assistance Rate (FAR) is assumed to remain at 51% which is consistent with what Waka Kotahi has previously agreed. We have also assumed that Waka Kotahi will continue to match our allocation across our transportation work programme, although emerging signals suggest that this might be an ambitious assumption. It will need to be revisited (as will the transportation work programme) if our assumption proves incorrect. We do not expect Waka Kotahi to be able to confirm the extent to which it can match its allocation to our work programme until September 2024.</p> <p>The Ministry for the Environment waste management levy is assumed to continue as per current rates (2024).</p>
<b>Capital programme deliverability assumptions</b>	<p>The planned capital works programme is an ambitious one. There are risks outside of Council's control that can impact on the ability to deliver regardless of the size of the programme. This includes availability of contractors, supply chain disruptions, legislative change, resource consent delays and further project investigation exposing unanticipated issues. Council is proposing to change the delivery model for the programme to respond to these challenges as follows:</p> <ul style="list-style-type: none"> <li>- Awarding of construction work contracts is often over multiple years. Designing projects and awarding construction work contracts will be undertaken in the prior year for an immediate start in the allocated year.</li> <li>- Project Steering Groups will be in place for all major projects across the five activities to ensure they are delivered on time and on budget.</li> <li>- A comprehensive risk management plan for each capital project will identify potential risks, assess their impacts and outline mitigation strategies.</li> </ul> <p>A delivery assumption is that Council will deliver and fund 80% of its planned capital works programme in 2024/2025, 90% in 2025/2026 and 100% in 2026/2027 which enables time for a new project management structure to be effectively deployed and operating. Over the life of the LTP we are expecting \$39.1m will not be delivered, however it will be addressed outside the 10 year period of the Long Term Plan. These are all growth projects that are expected to be delivered over the next 30 years. Our infrastructure strategy does not include this assumption however, the timing of these projects will be addressed through our asset management plans.</p>

# How we manage our assets

Council provides the community with infrastructure matched to agreed levels of service, that is cost effective and within an acceptable level of delivery risk. To do this, Council must make decisions and manage its assets throughout their entire lifecycle: build, operate, maintain and renew.

## Asset Management Planning Framework

Asset management plans (AMPs) are in place for all activities included in this strategy. The plans have been prepared based on standard industry practice and are used to forecast expenditure needed to operate, maintain and renew assets.

### **The financial forecasts in AMPs are a result of analysing asset requirements based on three key assumptions:**

- the future service level being delivered to the community,
- the future demand for the service, and
- the age, performance and life of the asset.

The Strategic Asset Management Plan sits above the individual AMPs and outlines overall asset management objectives and principles. It demonstrates an organisational approach to the coordination of asset management outcomes across asset portfolios.

### **Objectives and principles include:**

- long term sustainability guiding all investment decisions,
- accurate asset information to improve the use of data in decision making,
- non-asset solutions such as demand management and improved productivity are considered before initiating any new works, and
- opportunities to progressively improve the resilience of our services to the adverse effects of extreme weather events, natural disasters and economic events is encouraged.
- proactively identify, manage and monitor asset related risks including asset performance, compliance (regulatory/contractual) and financial risks.

The LTP, Financial Strategy and Infrastructure Strategy seek to balance the forecasted spending needs identified in AMPs with Council and ratepayer affordability.

Council is undertaking a review of the Asset Management Planning Framework. It is intended that the review will encompass the whole AMP 'eco-system' and aims to implement a more consistent and streamlined approach to developing, maintaining and updating AMPs across Council's activities and to bring to the forefront, critical asset information.



## Replacement of assets

Council has a renewal and upgrade programme to replace assets before they fail or do not have sufficient capacity to service demand. When considering the renewals programme, Council looks at both the condition and performance of the asset, taking into account the level of service being delivered and whether the asset is still fit for purpose. The aim is to get the best possible use of an asset from when it is constructed to the point when it is no longer usable. This includes the servicing and maintenance of assets to extend the asset life and gain additional service benefits.

Council also receives new assets from developers, which are checked for compliance before they become a Council asset. The expected useful lives of Council assets are detailed in AMPs and an overview is provided in the significant accounting policy regarding depreciation.

The diagram to the right illustrates the timeline of an asset and application of the 'just in time' approach.

Most infrastructure in the District is relatively new and only a short way into its asset life. This means that most significant asset renewals sit outside the 30-year strategy. The focus is instead on regular monitoring of the condition and performance of the assets. The exception to this is water assets, and some recreation and open space and road assets. Generally, Council has been investing appropriately in renewal and growth, such that there is no catch-up investment required.



### Changes in demand and growth

Growth and demand, although related, have different implications for each activity. Growth generally relates to the growth of or change in population, these changes will in turn create demand. Demand however may also be influenced by factors separate to growth such as a change in trends and community expectations.

Council's infrastructure is analysed and modelled to determine when and how additional capacity should be implemented to cater for forecasted population growth. Growth rates are regularly monitored so that the investment programme can be adjusted if required to recognise a slowing down or speeding up of development on the ground. Other demand factors are identified in the AMPs.

### Levels of service

Infrastructure planning enables the relationship between levels of service and the cost of the service to be determined. Council agrees levels of service with the community and then these provide the platform for infrastructure decisions. Climate change, natural hazards, community expectations, affordability and improving public health and environmental outcomes tend to be the main drivers that result in a change to levels of service. While the strategy identifies a 'business as usual' approach for infrastructure, it also identifies where potential level of service changes may occur in the future.

### Public health and environmental outcomes

With increasing knowledge of public health and the environment, and corresponding increasing community expectations, the requirements to improve public health and environmental outcomes inevitably increase.

This is identified as a key strategic issue and key challenge for Council. Significant decisions and investment is required particularly in the areas of water quality and wastewater discharge to achieve compliance with increased water and environmental standards.

The AMPs and activity overviews in this strategy identify the likely implication of these changes on the management of infrastructure.

## Natural hazards and risk management

Council is part of the Bay of Plenty Lifelines Group with other utility and service providers. The group aim to reduce the vulnerability of Bay of Plenty lifelines including improving disaster preparedness planning. Work is underway to examine the risk profile of lifelines assets against the impacts of climate change.

The Risk Management Policy (2013) provides the framework for the management of risks by Council and is applied at an activity level within AMPs. Critical asset data is included in the AMP and the management approach to these assets. For example, in the AMP for water supply, it is recognised that severe failure of critical water assets could compromise levels of service, provision of supply or ability to meet normal demands and risks contamination of supply. A 'Vulnerability Analysis' for water assets identifies critical assets and the likely impact of failure from natural events and asset priority ratings. Refer pages 53-55 and the list of critical assets.

Council has a Disaster Contingency Fund which currently sits at \$9.26 million and insurance cover. However, in the event of major infrastructure failure this amount would not cover the total cost of replacement or repair. The Financial Strategy outlines the options for funding infrastructure repairs if this situation was to occur.

Council undertakes modelling to better understand the impact of extreme events on underground and above ground assets to ensure that the appropriate level of insurance is in place for replacement. This will highlight areas of vulnerability and ensure that the appropriate financial and management response is in place. The resilience of assets is a key consideration in asset renewal, replacement and investment decisions.

## Depreciation of assets

Depreciation is provided on a straight line basis on all buildings, reticulation assets, and other structures and library books, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Diminishing value is used for motor vehicles, office equipment and furnishings, library books and computer hardware. Land and drains are non-depreciable. The useful lives and associated depreciation rates of major classes of assets have been estimated and noted in the significant accounting policies.

## Asset condition

Overall asset condition data is extensive and reasonably accurate, particularly in the transportation activity due to the nature of the previous performance based contract.

Wastewater and stormwater assets are relatively young which lessens the need to confirm condition assessments. However, the Katikati outfall pipe failure before its expected end of life indicates the need to undertake regular assessments despite the young age of these assets. In some cases there is still data to be obtained (such as recreation and open space assets) and this is a focus moving forward to ensure all asset condition data is captured. This information will improve future investment decisions. For example, the installation of water meters has significantly improved data and information on water usage patterns and provides us with a solid evidence base for future water infrastructure planning.

Regular condition assessments help to inform the maintenance and renewals approach. For underground assets a variety of methods are used to assess asset condition including CCTV and maintenance contracts.

From a long term planning perspective, there is good information in place for the three waters and transport to determine a financial capital and operational programme of expenditure and highlight any forecast issues. Recreation and open space, solid waste and community facility activities have begun to improve the information outside of the 10 year period but still require further improvements for planning beyond this timeframe.

# Activity overviews

Note: Graphs align with the full project list and do not allow for the capital delivery assumption

## Stormwater

### What we provide

Stormwater is water that originates during rainfall events. If stormwater quantity is not managed correctly, the volume and timing of the surface run-off can create flooding. If stormwater quality is not managed correctly, the run-off can collect contaminants from the land it crosses to the waterways, and this can result in water pollution.

Council is responsible for urban stormwater networks that generally protect buildings and property from the effects of flooding and coastal erosion. The network is made up of pipes and open channels linked to guide stormwater to streams, rivers and the ocean.

Council's philosophy is to use natural contours and waterways rather than hard infrastructure, wherever practical. The road network (managed within the Transportation Activity) also helps to capture and manage stormwater flows in urban growth areas and small/rural settlements.

Reticulated stormwater assets are relatively young with 85% of stormwater pipes being less than 30 years old. The average life expectancy is between 80 and 100 years. Due to climate change and increased rainfall placing pressure on the capacity of existing assets, some pipes require an upgrade before their end of life. These have a component of renewal cost as a portion of the asset life has been used.

### What our key drivers are

- Demand for infrastructure - Stormwater demand is directly related to the creation of impervious surfaces and rainfall. Demand for new or upgrade of existing stormwater infrastructure arises due to changes in land use, rainfall patterns and the regulatory environment which aims to improve stormwater discharge quality. Council only allows network extensions beyond planned growth zones in very limited circumstances.
- Climate change - Flooding events due to increased rainfall intensities and sea level rise particularly in coastal and low-lying areas. New and upgraded stormwater infrastructure has the latest climate change information influencing the design and implementation.

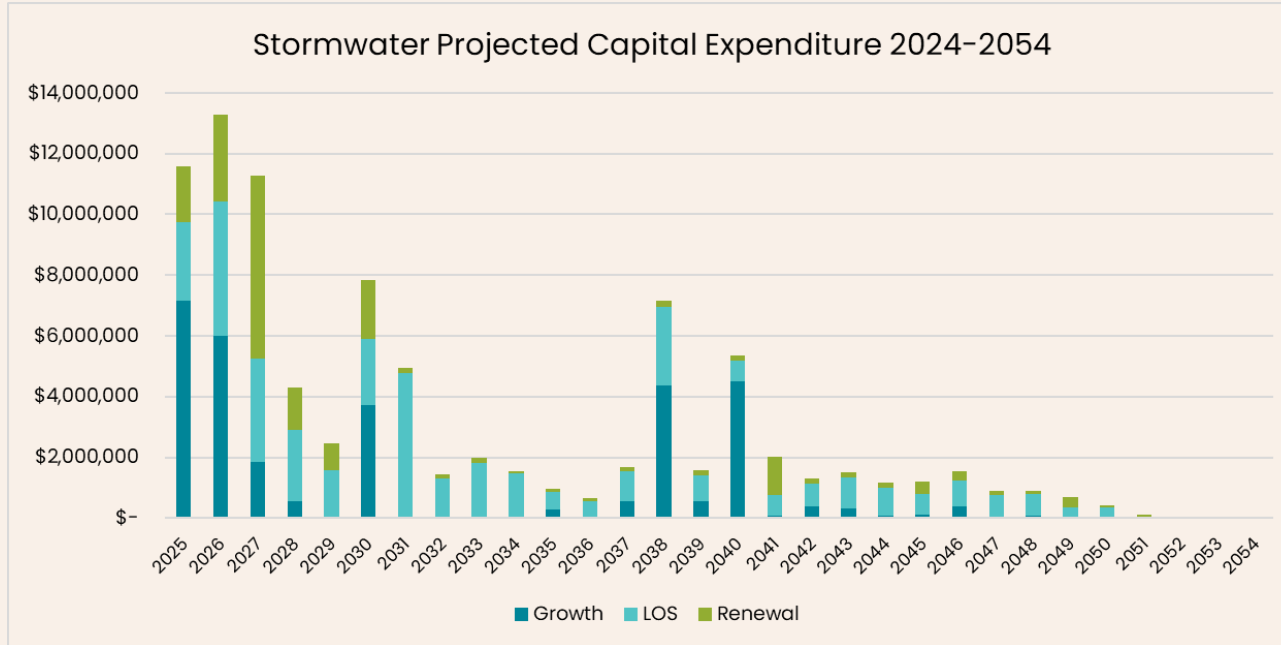
- Level of service - For a one-in-ten year flooding event, the number of habitable floors affected. Expressed per 1000 properties connected to Council's stormwater system and the targets are different in each area to reflect local characteristics. Community expectations are changing regarding what is an acceptable amount of regular flooding.

### What our focus is over the next 30 years

Council's stormwater management system manages flood risk, contributes to improving water quality, and to enhancing ecological and cultural values. Our focus is on:

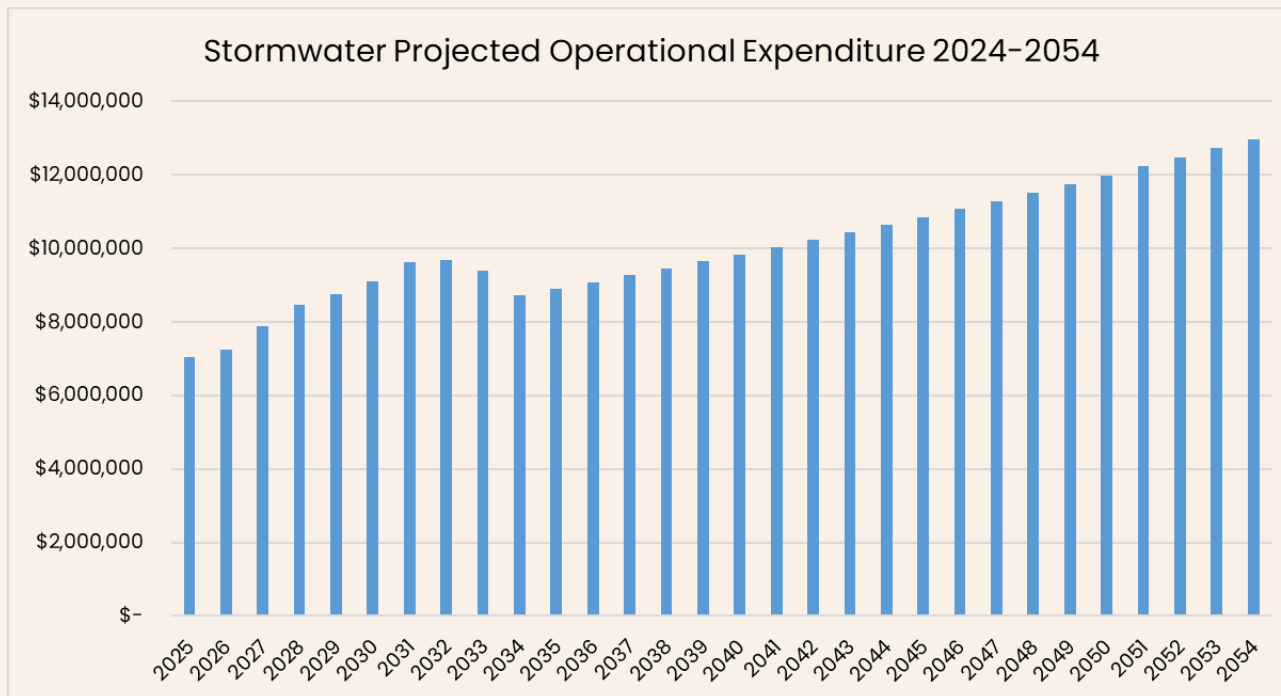
- Increased standards - Continuing to obtain and implement comprehensive stormwater consents for sub-catchments, based on an integrated catchment management plan. Carrying out monitoring and modelling to ensure compliance with consent conditions. Recognise higher costs for upgrades and operations.
- Level of service - Following extreme weather events in early 2023, district wide levels of service will be reviewed to explore whether they should not only consider the affects of flood waters on habitable floors but also the flood hazard risk to people. This will need to be considered in the context and timing of Local Water Done Well decisions.
- Asset condition assessments - Most reticulated stormwater assets are assumed to be in good condition due to age, however a condition assessment programme, prioritising critical assets first, will test this assumption. Regular maintenance and inspections provide a good understanding of the condition of above ground assets such as pump stations and treatment plants.
- Increased costs - The value of stormwater assets has increased by 27% from 2020 due to new assets for growth, and increased inflation. This increase is expected to continue due to development mainly in Te Puke and Ōmokoroa. Additional operational funding is required to service these assets.

## Expenditure Forecast 2024-2054



### Key projects include:

- Ōmokoroa and Te Puke stormwater growth projects
- Waihi Beach stormwater levels of service projects
- Te Puke renewals work in 2038
- Ōmokoroa structure plan works in 2040



# Water supply

## What we provide

Council is responsible for the sourcing, treatment, storage, distribution and management of the District's water supply. Currently approximately 67% of the population is connected to Council supply. Water is supplied from nine bore fields which tap into deep reliable, plentiful and high-quality water in underground aquifers. Nine water treatment plants are located throughout the District. Water supply customers include residential, commercial, horticultural and agricultural users.

Council's water supply network services three water supply zones:

- Western Water Supply Zone: Waihi Beach, Athenree, Kauri/Tanners Point, Ongare Point, Aongatete and Katikati areas.
- Central Supply Zone: Te Puna, Minden, Pahoia and Ōmokoroa areas.
- Eastern Supply Zone: Te Puke urban and surrounding rural areas and areas east of Te Puke, Paengaroa, Maketu, Pukehina and Pongakawa.

Council is constantly aiming to achieve an appropriate balance between water production and water consumption. Water supply needs to be sufficient to cope with peak demand and water storage needs to ensure a minimum of 24 hours average daily demand storage in all systems.

Water assets vary in age and condition, from new to 65-70 years across the district. The age, performance, frequency of failure, and the cost of repair of an asset, all contribute to renewals planning. Generally, most water assets are in good or better condition and perform reliably to deliver required levels of service. A number of water supply assets will be near the end of their useful life within the next 30 years. Renewals work over this time includes water mains, bore pumps, 7 large reservoirs and multiple smaller tanks and all customer meter sets and backflow protection across the district. Council has managed to successfully reduce issues with water leakage over the years. Water meters have played a big part in this reduction.

## What our key drivers are

- Reducing water demand - Water conservation provides additional environmental benefits by reducing volumes of wastewater and protecting the water resource itself. This also lengthens the life of existing treatment, storage and reticulation infrastructure and means we can defer some capital expenditure.

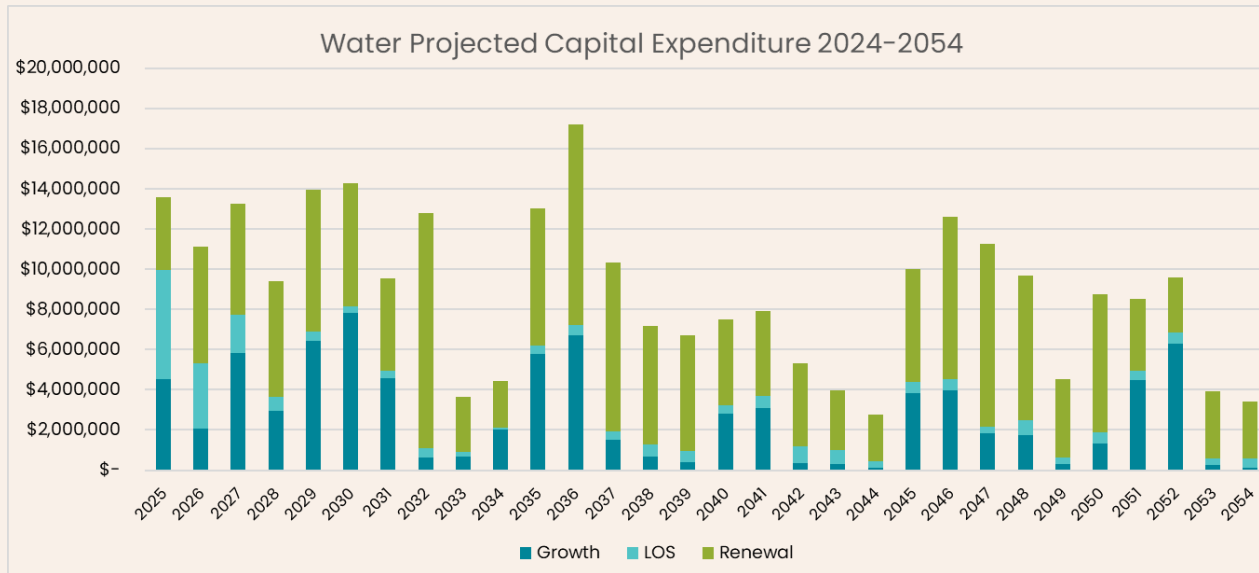
- Providing for growth - Urban areas have a greater concentration of people requiring access to water supply with most demand in Waihi Beach, Katikati, Ōmokoroa and Te Puke. Waihi Beach has a significant impact on peak demand due to the high number of holiday homes and water consumption increase during summer. Horticultural and agricultural users have high water consumption. Modelling helps to determine when additional water sources and supply are needed. Council only allows network extensions beyond planned growth zones in very limited circumstances.

## What our focus is over the next 30 years

Council aims to ensure that water supply is provided in a sustainable manner. This will help to achieve a clean, green and valued environment, a thriving economy, and enjoyment of a healthy and safe lifestyle. Our focus is on:

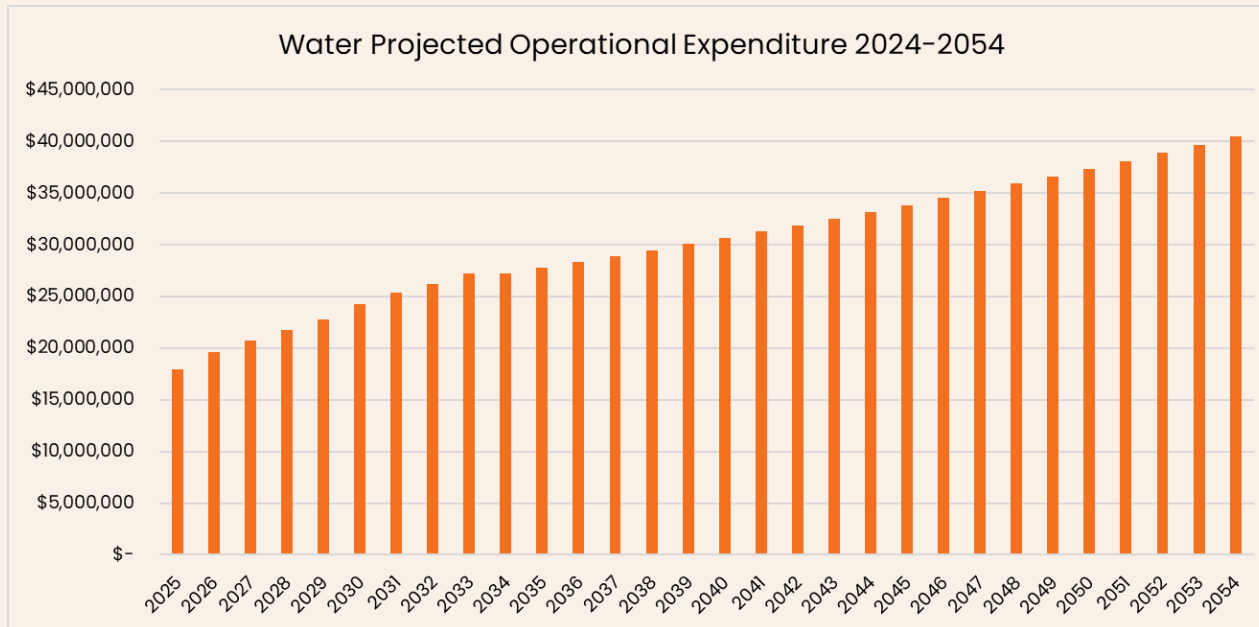
- Water conservation - Council has developed a Water Conservation Strategy for the use and management of drinking water. Council will continue with water reduction initiatives including monitoring of water meter information, maintenance contracts response to leaks or asset failures, and real time reporting on water production, treatment, storage, and backflow prevention devices to reduce contamination.
- Asset renewals - Currently, about 28% of Council's water mains are aging asbestos cement (AC) pipes which are programmed for renewal over the next 15 years, mainly in the Western and Eastern Supply zones. Significant other renewals include electrical and communication components, monitoring and treatment plant, pump stations, reservoirs and tanks, bridge and stream crossings, control valves, metering and backflow prevention. A strong water main renewals plan will continue across the district, focusing on AC and aged water main and connection replacements. The renewals plan is structured to prioritise and progressively renew these mains to avoid a 'bow wave' of renewals in later years.
- Providing for growth - There are several new water sources (bores), treatment plant upgrades, reservoirs and trunk mains included in structure plans to increase water production capacities to meet growing demand from development and growth, particularly for Ōmokoroa and in the Eastern Supply Zone, during the next decade.
- Increased standards - An increase in compliance standards, monitoring and treatment are expected. All water treatment plants will have significant improvements, such as UV treatment, to meet compliance requirements and improve water quality resilience.

## Expenditure Forecast 2024–2054



### Key projects include:

- Western supply zone reticulation capital improvements
- Central supply zone reticulation improvements and additional reservoir to increase storage capacities to cater for growth, particularly in Ōmokoroa
- Eastern supply zone reticulation and reservoir improvements
- Eastern supply zone – Rangiuru Business Park new pipeline



# Wastewater

## What we provide

Wastewater is the water that comes from toilets, showers, dishwashers, washing machines, taps and commercial or industrial processes. It is made up of 'blackwater' from the toilet and 'greywater' which is household water from the shower, bath, basins and washing machine. Demand for wastewater services is driven principally by population growth, environmental degradation and public health issues.

Council is responsible for wastewater collection, treatment and disposal to its customers in seven urban communities: Waihi Beach; Katikati, Ōmokoroa, Te Puke, Maketu/Little Waihi, Te Puna West and Ongare Point. The service applies to all residential, commercial and industrial users. Wastewater from urban areas is collected and conveyed in pipes, manholes and pump stations to one of five wastewater treatment plants (WWTP) owned and operated by Council. Wastewater from Ōmokoroa and Te Puna West is an exception as it flows through the pressurised Ōmokoroa Transfer Pipeline and gets treated at the Chapel Street WWTP owned by Tauranga City Council (TCC).

The value of the assets has increased by approximately 35% from 2020 due to new assets to cater for growth, and increased inflation. These increases are expected to continue particularly with the planned upgrades at the Te Puke, Katikati and Waihi Beach WWTP including replacement of the Katikati Outfall.

Reticulated assets are relatively young with 48% of wastewater pipes being less than 20 years old, and 2.5% of the pipes over 50 years old. The average life expectancy of wastewater reticulation assets is between 80 and 100 years. An assumption is that most of these assets are in good condition due to age, however a condition assessment programme which will prioritise critical assets first, is intended to confirm this assumption. Council has a good understanding of the condition of above ground assets such as pump stations and treatment plants through regular maintenance schedules and inspections.

## What our key drivers are

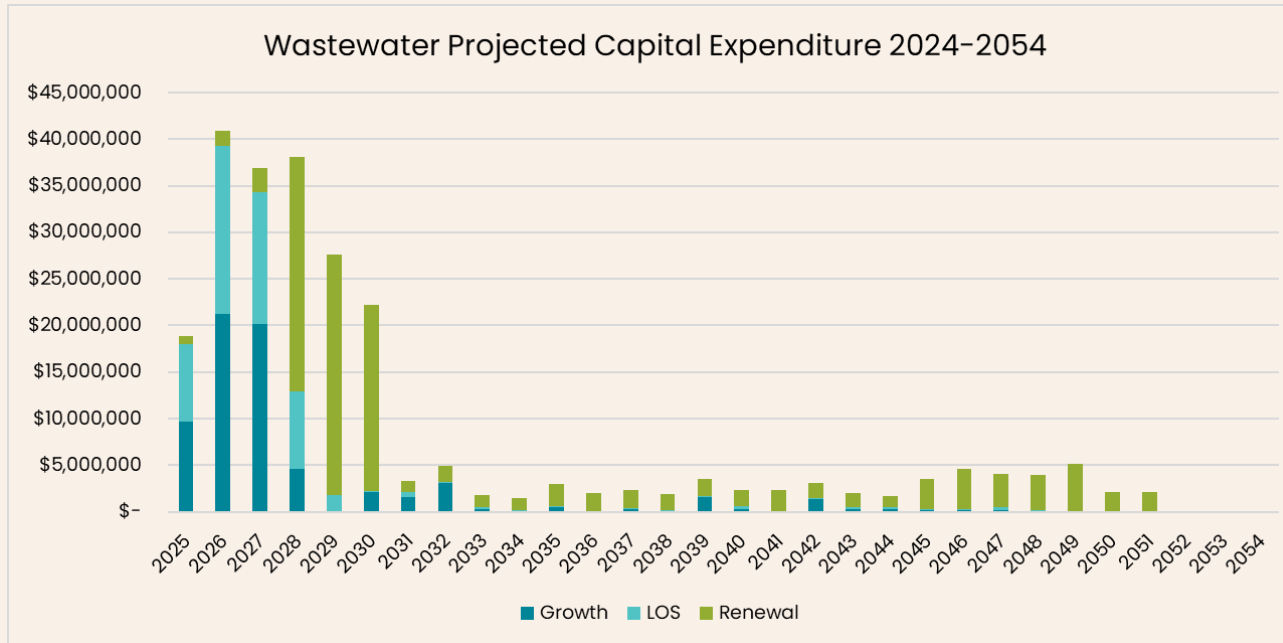
- Providing for growth – Urban areas have a greater concentration of people that require provision of wastewater services. The greatest areas of demand for wastewater services are Waihi Beach, Katikati, Ōmokoroa and Te Puke. Waihi Beach experiences additional demand driven by holidaymakers. Requests for new wastewater connections are also received from unserved areas, usually on the margins of urban areas and or industrial development proposals. Council only allows network extensions beyond planned growth zones in very limited circumstances.
- Environmental degradation and public health issues – increased compliance requirements to protect public health and the environment. With increased standards comes higher cost for upgrades and ongoing operational costs. Council is currently experiencing this with the Te Puke and Katikati wastewater treatment plant upgrades.

## What our focus is over the next 30 years

Council aims to ensure that wastewater treatment and disposal systems are sustainable and continue to meet environmental and health and safety standards. We will continue to encourage households to explore and implement measures that reduce wastewater volume per person. Our focus is on:

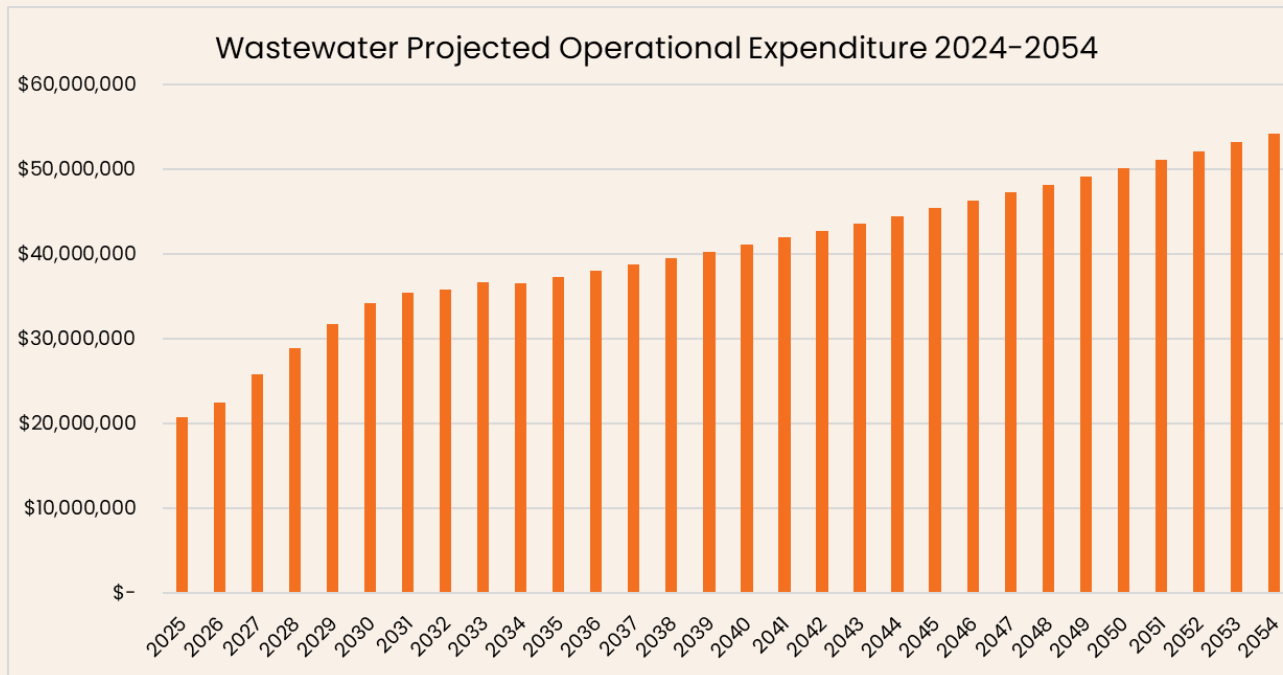
- Providing for growth – Council is implementing demand management strategies in Ōmokoroa to ensure capacity of the main pumpstation which pumps wastewater to Tauranga does not compromise volume limits with Tauranga City Council. This includes a sealed wastewater system in stage 3 Ōmokoroa and infiltration investigations and repairs.
- Providing for growth and increased standards – The Te Puke wastewater treatment plant replacement is required to meet environment standards and support growth in Te Puke and the Rangiuru Business Park. This is Council's most significant project in the wastewater activity budgeted at approximately \$73 million (Council contribution of \$40 million with a portion of this growth funded).
- Asset renewals – No major reticulation renewals are planned for the 2024–2034 LTP due to the relatively young age of the wastewater network. The focus is to renew the aging pump stations as these assets have a shorter life than the piped network.
- Increased standards and asset renewals – Council is currently achieving all customer satisfaction and compliance level of service performance measures except for compliance at the Katikati Wastewater Treatment Plant. Council faces two challenges for renewals in the wastewater activity:
  - The Katikati Ocean Outfall has failed earlier than expected and early estimates suggest the design, consent and installation of new disposal options for the Katikati WWTP will cost approximately \$68 million. Additional funding has been included in the 2024–2034 LTP to allow for breaks in the outfall pipeline until a suitable disposal method can be built.
  - Grinder pumps in Maketu are failing at a faster rate than expected. \$300,000 per year has been allowed in the LTP for replacement and implementation of a telemetry system so that Council can monitor performance and mitigate the early failure of these pumps.

## Expenditure Forecast 2024-2054



### Key projects include:

- Te Puke Wastewater Treatment plant replacement facility (2024-2027).
- Katikati ocean outfall or alternative discharge (2028-2030).





# Transportation

## What we provide

Council is responsible for the management and provision of local roads and their infrastructure including footpaths, bridges, stormwater culverts, streetlights, signage, work site safety, network operations and permitting in the District. Waka Kotahi NZ Transport Agency (NZTA) funds and maintains the state highway network.

Council works in partnership with Waka Kotahi to ensure integration of the state highway network with the local road network. A Funding Assistance Rate (FAR) of 51% is provided by Central Government towards agreed local road maintenance and network improvement projects.

Transportation currently accounts for 45% of Council's annual capital, renewal and operating expenditure which is approximately \$42 million each year. This includes maintenance, asset renewals, capital works such as seal extensions, seal widening, asset upgrades including large urban roading projects and network safety improvements. New roading assets are obtained from vested land development infrastructure and state highway revocations resulting from new state highways constructed by Waka Kotahi.

Council utilises the Road Asset Maintenance Management system to record where assets are located and their make up and condition. The biggest issue is that pavement assets are aging, and renewal activity is half of our peer group average, indicating the requirement for greater investment. Pavement renewals and resurfacing activity is below the optimum required to minimise the whole of life asset management costs over time. see the significant issues section of this strategy for more on this and our approach to responding to this issue.

## Key projects include:

- Roading maintenance contract (pavement resurfacing, rehabilitation, widening)
- Ōmokoroa roundabout
- Ōmokoroa structure plan projects
- Minor capital roading improvements

## Funding assumption

Waka Kotahi 51% Funding Assistance Rate (FAR) continues for most activity classes.

## What our key drivers are

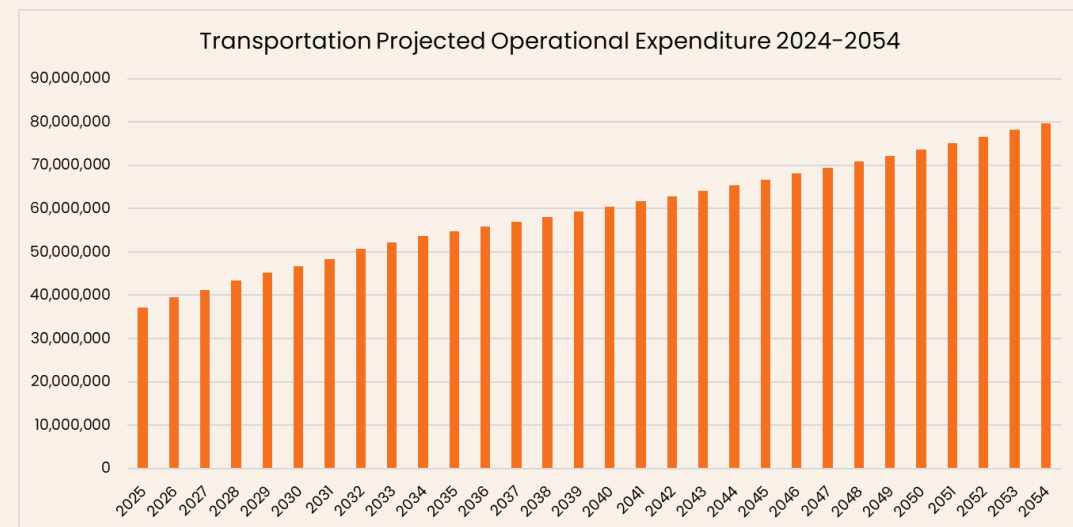
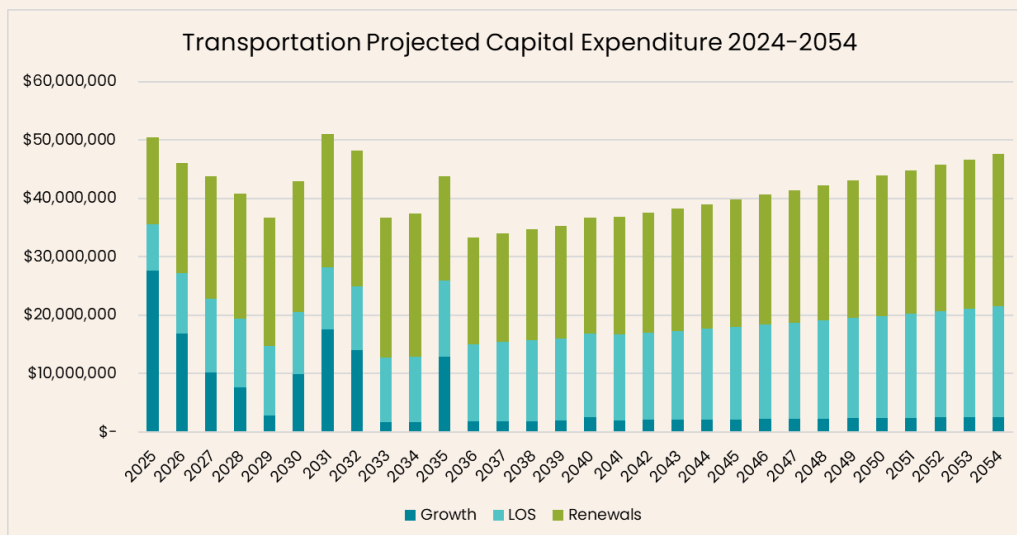
- Providing for growth – It is expected that traffic volumes will almost triple, in line with forecast population growth. Increasing traffic on rural roads is occurring as a result of the ongoing development of small settlements such as the Minden, lifestyle blocks as well as incremental growth. In some areas, peak time congestion is impacting significantly on travel times between Tauranga and Western Bay. This also increases traffic volumes and results in parts of the roading network being below width and suffering from accelerated pavement deterioration. Economic growth has resulted in substantial network traffic volume increases over recent years. This has impacted on reliable journey times and increased congestion particularly along the state highway network. These traffic levels are expected to continue to increase. The District Plan attempts to limit growth in rural areas but demand for more “lifestyle” properties is expected to increase over time, particularly when stage 1 of the Takitimu Northern Link (SH2) project is complete
- Community expectations – There are ongoing concerns from residents who live on unsealed roads in rural areas wanting their roads to be sealed. Council allocated \$2 million per annum towards seal extension in 2021-2024, enabling 3-4 km of new seal extension each year. Prioritisation is based on criteria that includes the volume of traffic, dust exposure to residents and degree of benefit gained relative to the cost of sealing the road. To find savings, Council has decreased the budget to \$1.5 million per annum for the ten years of the draft LTP. Walking and cycling budgets have also decreased to reduce costs and rate increases. Overall satisfaction levels have also dropped significantly over the last 10 years with roads and streets, walking and cycling consistently showing the lowest levels of satisfaction. Council is still committed to development of the walking and cycling network, but this will be achieved over a longer period.
- Climate change – An increase in the frequency and intensity of rainfall and storm events is expected to impact low lying roading infrastructure assets and increase asset repairs and reinstatement costs over time. Higher than usual rainfall events will increase the pavement deterioration rates and reduce their life expectancy. This can be partially mitigated with increased drainage maintenance. The location of roads close to the coast may require sea defences to protect from coastal erosion or may need to be relocated in response to rising sea levels. Given the increasing impact of climate change there has been a corresponding focus on a low carbon transportation network with significant investment in walking and cycling in the past two LTPs and subregional contributions to studies focused on reducing transportation emissions.

## What our focus is over the next 30 years

Council aims to deliver transportation networks that are safe, affordable, sustainable and well planned to meet our community needs and support economic development. Provision of a safe and effective transportation network contributes to a thriving economy, and a healthy and safe lifestyle. Our focus is on:

- Asset renewals and upgrades – Roading contracts are one of the most significant contracts undertaken by council given the variety of activities and services they cover. For Council's network it equates to more than \$33 million in expenditure per year. Council is in the process of signing up new roading service provider(s), seeking to work closer with local suppliers and businesses to deliver high-quality roading services that meet the needs and expectations of the community. The move to change the approach to our roading maintenance and procurement approach also aligns with the Local Government Act Section 17A requirements, to look at the cost-effectiveness of a service to meet the community's needs.
- Confirmation of external funding to assist in looking after our assets – A Funding Assistance Rate (FAR) of 51% is provided by Central Government towards agreed local road maintenance and network improvement projects. There is current uncertainty regarding what this rate will be set at for the 2024–2034 LTP and the implications of any change to the rate and change in scope as to how the rate is applied to each activity funding class. Similarly, this is uncertainty regarding the ability of Waka Kotahi to match its allocation to ours across the full breadth of our roading work programme. We do not expect to have certainty regarding either the FAR rate itself or the extent of roading work Waka Kotahi is able to contribute to in our district until September 2024.
- Providing for growth – Direction provided by the sub-regional UFTI project (Urban Form and Transport Initiative) and the TSP (Transport System Plan) is incorporated into our planning and the LTP where this is considered a priority. We will continue to provide transport infrastructure in priority development areas with most of the investment in Ōmokoroa over the next 10 years.
- State Highway Two (SH2) revocation implications – The future form of SH2 post its transfer to Council upon opening the Takitimu North Link (TNL) depends on whether this new road is tolled. This will affect the road cross section and demand driven maintenance costs. SH2 revocation will result in increasing high demand network assets and network length which will increase Council's costs unless central government funding is provided to assist. Costs outside of the 2024–2034 LTP are likely to relate to road revocation implications of the current state highway and intersection improvements if not funded by Waka Kotahi.
- The Tauranga Northern Link Stage 2 – Ōmokoroa to Loop Road has been included in the government's recently released Roads of National Significance and Transport Plan, signalling commencement in the 1 to 3 year period. Further details are expected when the Waka Kotahi updated State Highway Investment Plan is released in June 2024. The Waka Kotahi business case is expected to identify future investment and timing for asset renewals. At this stage our costs will be outside of the three year LTP period and future costs are at best uncertain.

## Expenditure Forecast 2024–2054



# Solid waste

## What we provide

Solid waste is the unwanted or unusable materials disposed of or discarded after their primary use. The type of waste is defined by its composition or source, for example organic waste and demolition waste.

Council has a lead role in providing kerbside collection services (commenced July 2021), with recycling and solid waste facilities, and education and enforcement to ensure individuals, households and businesses are dealing with their waste in the most responsible way. This includes provision of recycling and green waste facilities, waste minimisation education, managing illegal dumping and supporting community initiatives to reduce waste.

Council owns, operates and maintains the following facilities:

- Katikati, Te Puke and Athenree Recycling and Green Waste Centres.
- Ōmokoroa Green Waste Drop-off.

Council introduced two mobile recycling trailers that routinely visit three sites in rural areas of our district. They rotate on a fortnightly basis between the sites, to collect recyclables from residents without a kerbside service or located far from a community recycle centre.

Council is also responsible for the ongoing maintenance and resource consent requirements for three closed landfill sites in Waihi Beach, Athenree and Te Puke. The management of closed landfills is necessary to ensure they do not endanger the environment or public health.

All recycling and green waste facilities have been rated in very good condition and landfills in good condition. Kerbside bins and crates have not been included as these will only be included in the Solid Waste asset portfolio at the conclusion of the eight year contract (when they come into Council ownership).

## What our key drivers are

- Waste reduction - The Waste Management and Minimisation Plan (WMMP) sets out what Council will do and how we will work together to reduce and manage waste in the most effective way. Waste minimisation initiatives in the WMMP can be partially funded by the central government Waste Management Levy. A change of government creates uncertainty around the future of this levy and how it is allocated.
- Providing for population and economic growth - Urban areas have a greater concentration of people that produce waste and place greater demand on natural resources. An increase in commercial and industrial activity as a result (most likely) of improved economic conditions will have a direct impact on the amount of waste that is generated. Of particular importance to waste is the ongoing level of construction and demolition activity. Kerbside services are planned to cater for population growth and to make responsible waste management easier.

## What our focus is over the next 30 years

Council aims to ensure effective waste management practices that minimise waste to landfill and encourage efficient use of resources to reduce environmental harm. Our focus is on:

- Community Resource Recovery Centres - Council and the community is working towards establishing Community Resource Recovery Centres at the existing Te Puke and Katikati recycling sites. Council is working with community groups and iwi/hapū to achieve this.
- Implementing priority actions from the WMMP - advance actions from the WMMP including investigating and establishing a resource recovery park/transfer station, investigating options for green waste disposal services and investigations and trialling alternative options for inorganic waste recovery. The funding gap is significant for the land purchase for a Resource Recovery Park. Tauranga City Council indicated financial assistance would be available if the location of facilities is beneficial for residents in the sub-region.
- Supporting local waste minimisation efforts - Establish an annual contestable fund to provide grants for local waste minimisation initiatives (using funding Council receives from Central Government's Waste Minimisation Levy). Continuing to support waste education initiatives.
- Waste infrastructure - A waste infrastructure project is underway with Tauranga City Council and other councils to determine the need, location and type of waste infrastructure required for construction and demolition waste, food processing and a transfer station facility in the western side of the district. The Ministry for the Environment indicated that the contestable waste fund is available for projects where there is collaboration between councils for new solid waste infrastructure.
- Changes in legislation and funding - specifically the Waste Minimisation and Management Act and Building Act, and repeal of the Natural and Built Environment Act, pertaining to site Waste Minimisation Plans for construction and demolition wastes, management of closed landfills and requirements for WMMPs. Uncertainty regarding changes in Ministry for the Environment waste levy payments to territorial authorities.
- Closed landfills - Severe weather events and natural erosion can put closed landfills at risk, and see waste and contamination spread in the environment. Council has identified risk factors for all managed closed landfills in the District. Renewal of the resource consents for these landfills is identified as a significant infrastructure issue as there are likely to be increased environmental compliance standards that may require additional cost and/or different ways of managing risk.

## Expenditure forecast – refer combined graph

### Key projects include:

- Kerbside collection services contract – ongoing (\$29 million over 10 years)
- Community reuse facility – \$1.2 million over 10 years
- District solid waste – Waste Minimisation Funding Pool – \$1.7 million over 10 years (central government subsidy)
- Placeholder for transfer station estimated cost \$50 million – outside of 2024–2034 LTP. Feasibility work will identify updated project timing and funding requirements, to be assessed as part of the next Long Term Plan 2027–37.

### Funding assumption

Ministry for the Environment waste management levy to continue at current rate.

# Recreation and open spaces

## What we provide

Council is responsible for the provision of parks, reserves and facilities that offer a range of recreational experiences and opportunities to the community. This is the most visible type of infrastructure provided and is highly valued as it contributes to active healthy communities, social interaction, and protection of environmental, ecological and cultural areas. The type of infrastructure provided includes active and passive reserves, public toilets, playgrounds, cycleways and walkways, dog parks, coastal structures and swimming pools.

Condition assessments of assets are undertaken on an annual basis. Information on the performance of assets is generally received through community feedback, and industry benchmarking. Investment in our swimming pools will see performance levels improved or maintained in this area.

Council considers its reserves and facilities networks perform to acceptable standards as determined by levels of service and key performance indicators. However, there is a large amount of generally 'low risk' assets where the asset condition is unknown. Currently 42% of assets have no condition grading which makes it difficult to prioritise the renewal programme. A programme of work is underway to gain an improved understanding of asset condition.

To date only ad hoc condition grading has been completed of our tree inventory. During the beginning of 2024 we will create an inventory and condition grade all trees on reserves (excluding bush or forestry land). This may take 3 years to fully complete this work. After that all trees will be assessed on a 3-5 year cycle depending on their risk. Trees on road reserves are being audited too.

Assets that have both a high probability and a high consequence of failure become the highest priority for condition assessment. Creating a formalised and regular condition assessment regime will strengthen the reliability of renewal forecasting. This will guide development of a renewals profile that responds to condition and grading of assets rather than just a focus on high risk/end of life assets only. The renewals forecast has been rationalised to provide efficiencies in the location and grouping of asset renewals over time.

## What our key drivers are

- Providing for population growth – The greatest areas of demand are Waihī Beach, Katikati, Ōmokoroa and Te Puke. Rural and coastal areas provide a range of recreational experiences for residents and visitors to the district. As population increases, pressure on the use of facilities increases. This can lead to increased maintenance costs and increasing expectations. Reserve management plans and levels of service help to understand and respond to community needs, balancing aspirations with competing demands and affordability. Operational Level of Service Guidelines inform decisions on the standard, size and quality of infrastructure required.
- Environmental considerations – Rising sea levels and changes to rainfall patterns will impact on investment decisions for recreation assets. Many are located to provide a

coastal and harbour experience (e.g. reserves, walkways, boat ramps) and some are at risk of increased erosion and inundation. Council's Coastal Erosion Responses Policy is a key consideration in the future approach to renewal, upgrade or provision of public land and infrastructure located in coastal and harbour areas. The design and location of boardwalks in coastal/harbour areas considers sea level rise.

## What our focus is over the next 30 years

Council aims to provide opportunities to access the recreation and open space network, connect spaces and places, protect and enhance environmental, cultural and heritage values and provides spaces that our community are proud of, that are safe, accessible and that encourage participation. Our focus is on:

- Swimming pool level of service implementation – Investment in improving swimming pools in Katikati and Te Puke, and investigating the development of a new pool in Ōmokoroa in the future.
- Funding for sport and recreation facilities – development of an investment framework for assisting with funding or contributing to community and sports facilities.
- Providing for growth – implementation of the Ōmokoroa Stage 3 structure plan and applying recreation levels of service to the Te Puke Spatial Plan process.
- Coastal structures and resilience – An assessment of critical assets and facilities that could be potentially affected by coastal flooding, river flooding, erosion and surface flooding, is in place. This resilience project is intended to understand what the risks to infrastructure are, which assets may be affected and what measures may be taken to increase the resilience of the asset portfolio.
- Treaty of Waitangi settlements and strengthened relationships have seen greater levels of involvement of iwi and hapū in planning and decision making processes; through a formal structure such as co-governance and co-management arrangements, or through less formal planning and delivery processes. We are ensuring that new formal structures are integrated into our practices for delivery of this activity.

## Expenditure forecast – refer combined graph

### Key projects include:

- Implementation of the swimming pool level of service in Te Puke (within the 2024-2034 LTP), Ōmokoroa and Katikati (outside of the 2024-2034 LTP).
- Strategic land purchases – Ōmokoroa active reserve (\$6 million in 2024-2026) and neighbourhood/local reserves (\$15 million from 2024-2034).
- Coastal marine asset replacement – \$14 million from 2024-2034.
- Northern Harbour boat ramp – placeholder outside of the 2024-2034 LTP period.

# Community facilities

## What we provide

Council provides library and service centre facilities at Waihi Beach, Katikati, Ōmokoroa, and Te Puke, an information and community centre at Maketu, and a service centre at Barks Corner in Tauranga. The importance of community halls is reflected in local community ownership of 19 halls across the District. Council provides land for 15 of these halls and collects rates on behalf of the hall committees for maintenance/renewals in accordance with condition assessments and agreed capital development requirements.

Councils have had a long standing role in providing housing for older people, enabling older people on low incomes to 'age in place' in a safe, secure and well-maintained environment. Council owns elder housing units in Te Puke, Katikati and Waihi Beach. New units are also being developed to meet increasing demand.

Cemeteries provide families, friends and visitors a place to remember their loved ones. Council is legally required to provide cemeteries to ensure the burial and cremation needs of our District are met now and in the future. Five cemeteries are provided in Katikati, Maketu, Oropi and Te Puke (old cemetery and new cemetery).

Council considers the community facilities network performs to acceptable standards as determined by levels of service and key performance indicators. A 'hold and maintain' approach is taken to asset management to ensure that facilities are adequate for their intended purpose, and to recognise that due to the age of many of the assets, they may no longer be fit for purpose and future proofed for our growing community.

## What our key drivers are

- Enabling housing – Enabling housing is a key strategic priority of council. Access to affordable housing is a significant challenge in the District. Older people requiring rental accommodation face challenges, as they often have fixed incomes, and the housing stock is not well suited to their needs. There is a growing number of older people in the district who are seeking good quality, affordable rental accommodation.
- Providing for growth – The greatest areas of demand for community facilities are the urban growth areas of Waihi Beach, Katikati, Ōmokoroa and Te Puke. Increasing population corresponds with increased demand for these facilities and is therefore a key factor in planning for future provision. The cultural diversity of the district is changing and a key consideration in our planning for community facilities is understanding the different needs of our diverse community. For example, different cultural customs regarding burial methods when planning for future cemetery provision. Programmes for library development and increasing cemetery capacity are included in the LTP.

## What our focus is over the next 30 years

Council aims to ensure that social infrastructure (community facilities, services and networks that help individuals, families, groups and communities) meets the diverse needs of communities; and that communities are strong and can influence their futures. This contributes to us all enjoying a healthy and safe lifestyle and our communities being vibrant and welcoming to all. Our focus is on:

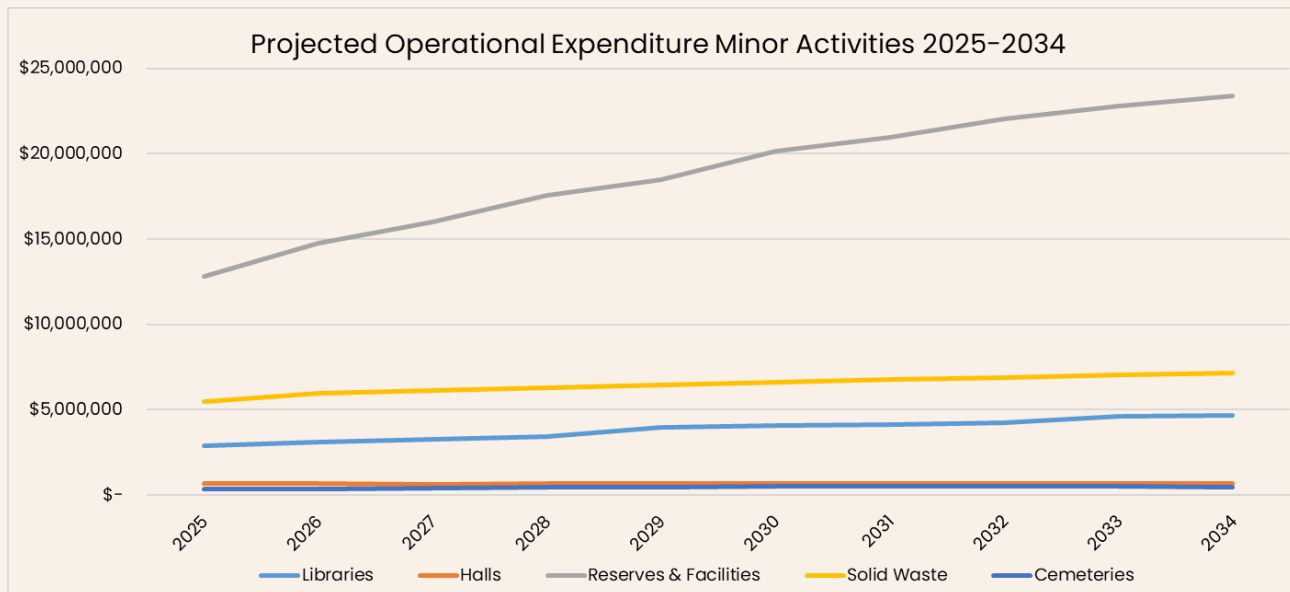
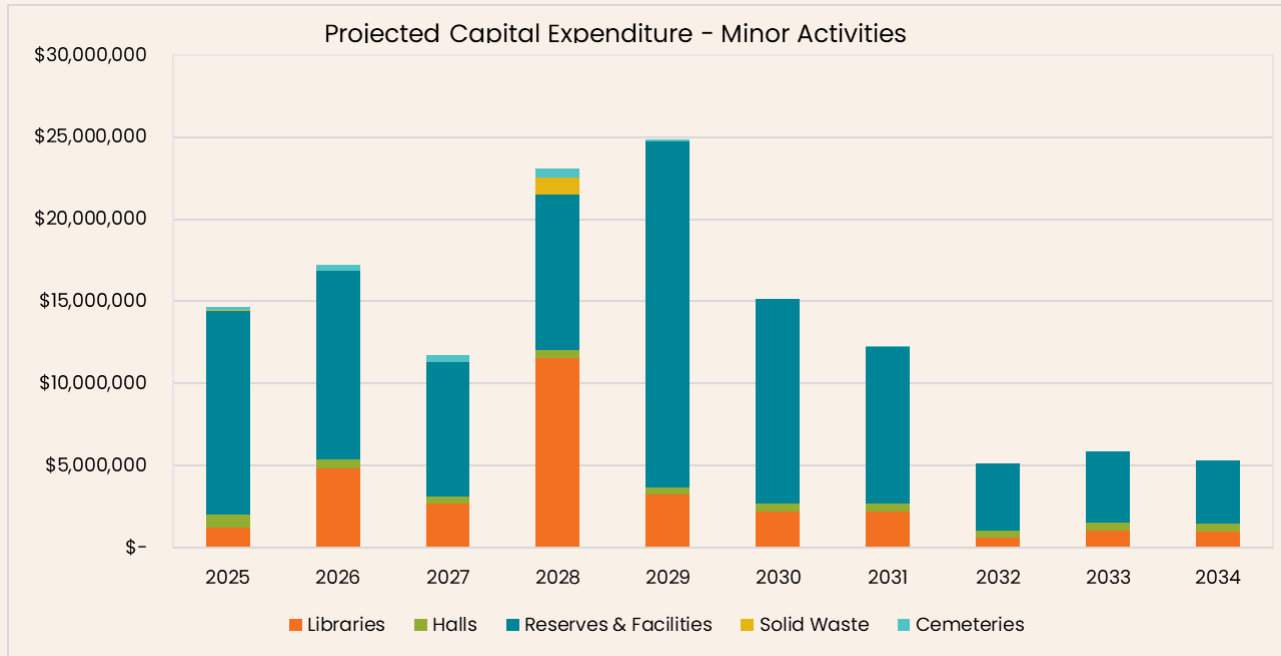
- Libraries level of service implementation – Investment in a new Waihi Beach Library and Service Centre and Te Puke Library and Service Centre. Future development or lease of a Ōmokoroa Library and service centre.
- Community halls – Future demand for halls, and the environment in which the halls operate, is being constantly scanned. Some halls are under financial pressure given the alternative hall facilities available. Other halls are particularly well used, and well supported by their community. It is possible that the requirement for halls in their current form will reduce, while other halls will re-invent themselves into offering a wide range of facilities to their communities. Rationalisation may also occur.
- Housing – Council is working in partnership with central government and local providers to ensure more housing options are available. We will continue to operate our elder housing portfolio and take opportunities to redevelop the stock where the redevelopment can be funded either from revenue (rental income) or external funding sources. Over the next 3 years our focus is on redeveloping Heron Crescent in Katikati and addressing flooding issues with the Waihi Beach elder housing units.
- Funding for sport and recreation facilities – development of an investment framework for assisting with funding community and sports facilities.

## Expenditure forecast – refer combined graph

### Key projects include:

- Waihi Beach Library and Service Centre – \$5.5m in 2025-2027
- Te Puke Library and Service Centre – \$15m in 2027-2029
- Libraries book purchase renewals – \$4.4m from 2024-2034

## Combined graph - Expenditure forecast for Solid Waste, Recreation and Open Space and Community Facilities



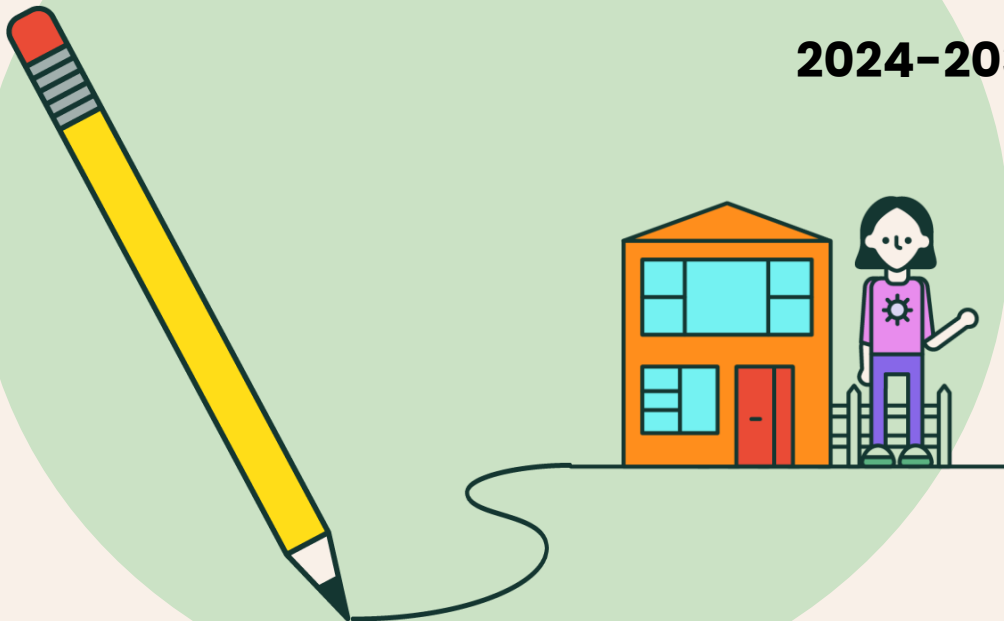
# Infrastructure overview

Activity	Asset type	Approximate asset replacement cost (from AMP)	Critical assets
<b>Stormwater</b>	<ul style="list-style-type: none"> <li>Reticulation (pipes, pump stations)</li> <li>Drainage reserves (including stormwater ponds)</li> <li>Open drains</li> <li>Coastal protection works</li> <li>Earth dam</li> </ul>	Optimised replacement cost \$172,474,228 (from AMP overview)	<ul style="list-style-type: none"> <li>The Waihi Beach earth dam.</li> <li>Stormwater treatment and storage ponds.</li> <li>Stormwater pumpstations and associated rising mains.</li> <li>One-Mile Creek.</li> <li>Darley Drain outlet.</li> <li>Two-Mile Creek.</li> <li>Otawhiwhi Drain.</li> </ul>
<b>Water supply</b>	<ul style="list-style-type: none"> <li>Source (stream intakes, groundwater bore sites, water treatment plants, 9 bore fields and 9 water treatment plants)</li> <li>Storage (31 reservoir or tank sites)</li> <li>Reticulation (mains and submains, booster pump sites, 838km of water mains and connections and 26 booster pump stations)</li> </ul>	Total water replacement cost \$302,441,154 (from 2023 AMP)	<ul style="list-style-type: none"> <li>Assets relating to water source and treatment e.g. bores and water treatment plants.</li> <li>Assets relating to water storage e.g. reservoirs.</li> <li>Assets relating to the water distribution network e.g. mains and connections.</li> </ul>
<b>Wastewater</b>	<ul style="list-style-type: none"> <li>320km of wastewater reticulation, 59 Pumpstations and five treatment plants,</li> <li>Council owns and maintain 527 and 126 Grinder pumps in Maketu and Te Puna respectively and 57 Septic Tank Effluent Pumps in Ongare Point.</li> </ul>	\$262,468,049 Optimised replacement cost	
<b>Transportation</b>	<ul style="list-style-type: none"> <li>Roads (sealed and unsealed)</li> <li>Bridge, culverts, footpaths, streetlights, trees and furniture, road signs, bus shelters cycleways</li> </ul>	\$980,530,000 Optimised replacement cost 82% of these asset values are in the road pavements.	<ul style="list-style-type: none"> <li>Bridges</li> </ul>
<b>Solid waste</b>	<ul style="list-style-type: none"> <li>Recycling and green waste centres (including land)</li> <li>Green waste drop off</li> <li>Closed and capped landfills</li> </ul>		
<b>Recreation and open space</b>	<ul style="list-style-type: none"> <li>222 reserves and 2 subregional parks. Forestry land</li> <li>76 Public toilets, 28 playgrounds and furniture</li> <li>194 coastal and marine structures (jetties, boat ramps, wharves, seawalls)</li> <li>2 swimming pools</li> </ul>	\$259,167,822 replacement value.	<ul style="list-style-type: none"> <li>Public toilets</li> <li>Wharves and jetties</li> <li>Bridges</li> <li>Seawalls</li> <li>Cemeteries (relating to extreme events)</li> <li>May support recovery post a civil defence emergency</li> </ul>
<b>Community facilities</b>	<ul style="list-style-type: none"> <li>4 library and service centres</li> <li>19 community halls (community owned)</li> <li>5 cemeteries</li> <li>59 Elder housing units</li> </ul>	Elder housing – \$11,920,776 replacement value	<ul style="list-style-type: none"> <li>Barkes Corner civic offices</li> <li>Te Puke Office and Library</li> <li>Katikati Office and Library</li> </ul>



# Draft Financial Strategy (May 2024)

**2024–2034 Long Term Plan**



## Draft Financial Strategy

- The main story
- The rest of the Financial Strategy
- Financial assumptions
- Proposed rates over the next 10 years
- Proposed debt over the next 10 years

- How the money will be spent
- Prudent management of our finances
- How we will manage the unexpected
- Financial policies and investment holdings

# The main story

We understand that times are tough, and we know that the cost of living crisis and other post-COVID economic and social factors are affecting our community in different ways. Council is not immune to this. However, we are fortunate to have a diverse economy and thriving communities across our district, which means we are well placed to successfully respond to current economic conditions.

There has been significant investment in infrastructure over the last 20+ years and we continue to grow, with new businesses and residents making the Western Bay of Plenty District home.

Council is committed to continuing to support community wellbeing, and this Long Term Plan (LTP) doesn't compromise our ability to do this. Our organisation is set up to support delivery on our strategic priorities. These are:

- Enabling housing,
- Empowering communities,
- Growing authentic Te Tiriti based relationships,
- Providing resilient, well-maintained and efficient infrastructure, and
- Responding to climate change.

Our focus on the next 3-10 years is on prioritising investment and resources towards delivering on these strategic priorities.

In this LTP, some tough calls have been made to balance the impact of things outside of our control, like increased inflation and interest rates, with the things that we can control, like our rates and debt levels. This means taking a good hard look at how and when we deliver projects and services to our community over the next ten years. Current economic forecasts are indicating a more positive outlook, and we are starting to see signs of this now, so we are mindful of this in our long term planning.

This 'main story' provides an overview of our proposed approach to the financial situation for this LTP. It's extremely important to us that as many people as possible understand our proposed approach and the reasons for it.

## Where we have come from

When Western Bay of Plenty District Council was created in 1989 it had few financial reserves or investments and inadequate infrastructure to service its fast growing communities. Since then, Council has committed significant investment in infrastructure, including improving the quality of water supplies, establishing wastewater schemes, sealing roads and improving stormwater networks. Debt was used to pay for this infrastructure as a fair way of spreading the cost between current and future ratepayers.

We have grown from a population of 30,000 in 1991 to nearly 60,000 people in 2024 and have steadily progressed development of infrastructure to support this growth. However high debt levels were a consequence of this investment and the impact of the global financial crisis reduced revenue from growth required to pay for this debt.

From around 2013, a concerted effort to reduce debt and growth related debt interest, coupled with sound management of the capital works programme reduced debt from \$144 million in 2015 to \$75 million in 2021. This created a more manageable financial situation for the future. Implementing a cap on rates increases of 4% per annum (including growth and inflation) in previous LTP's has for the most part been a successful way to balance delivery of services with the community's ability to pay. We have some large infrastructure projects planned over the next ten years and we can accommodate the additional debt required for these projects.

## Our biggest financial challenges

In recent times New Zealand has seen significant increases in inflation. Interest rates have risen in an effort to combat high inflation. Rapidly rising inflation and interest rate costs, like for individual households, are things that Councils cannot control. We too are experiencing significant cost increases in contracts for the core services that we provide to our community and in the cost of borrowing money to pay for these core services. These economic conditions have compounded since 2022 when inflation and interest rates rose significantly beyond what was anticipated in 2021 when Council adopted its last Long Term Plan. Local Government New Zealand (LGNZ) recently published some helpful research for the sector which highlighted cost increases of 30% for some asset categories.

Locally the flow on effect of these increases has hit us hard. Contract prices have increased substantially, particularly for roading which has been challenging for all councils. Costs have increased across all areas of Council, so affordability has been a significant consideration for this LTP. Interest costs for Council are linked to the Standard and Poors rating (through the Local Government Funding Agency). Many councils (including Western Bay of Plenty District Council) were given an outlook downgrade in their February 2024 rating. This is due to the repeal of the Three Waters Bill and councils still having full control of these activities (water supply, wastewater and stormwater) including the debt associated with them. For the purposes of this LTP, we have applied the assumption of the downgrade to our forecasted interest costs, which increases our overall rate requirement.

The Western Bay continues to be an attractive place to live. We have grown over the years and we are forecast to keep growing. In 2024, the estimated population of the Western Bay of Plenty District is nearly 60,000. This is projected to grow to 73,000 in 2054, bringing another 13,000 people to our district. While a growing population creates incredible opportunities including increased prosperity, the economic investment, community vibrancy and diversity, it also presents challenges. Our overall capital programme, of which 28% is growth related, impacts our overall debt levels in this LTP (32% of the loan funded projects are growth related). New areas require investment in wastewater, water supply and stormwater infrastructure, roads and footpaths, reserves and community facilities. Key projects to enable growth include the Te Puke Wastewater Treatment Plant (Council share \$40m), Rangiuru Business Park and Ōmokoroa roading (\$120m) to unlock land for housing, commercial and industrial purposes.

While significant investment over the last 5-6 years has helped, there are still costs associated with growth (and with resource consent compliance for some of this infrastructure such as wastewater treatment plants). The “growth pays for growth” principle applies; however, this is not always the practical reality. Council is progressing further investigations on the options available for funding growth-related infrastructure.

The 2023 central government election has meant reform programmes across three waters, resource management and the future for local government review are not progressing as alternative approaches are being considered. There is still uncertainty while these changes are being worked through. Approximately 80% of our debt relates to wastewater, water and stormwater. It's difficult to plan for the unknown, so assumptions are used to forecast what the future could look like and what this might mean for our community, for Council and our Financial Strategy.

## What we have done

Ultimately, the decisions we make on the things we can control, have an impact on the services you receive in your community.

In preparing this LTP, we considered different scenarios to respond to and balance the challenges of affordability, growth, community expectations, sustainable asset management and levels of service.

We have gone through all aspects of our organisation with a fine tooth comb and:

- challenged and considered the affordability and deliverability of the capital programme that delivers new and upgraded assets to the community.
- applied a ranking to projects based on strategic priorities, community expectations, asset management requirements and compliance considerations.

- reviewed growth uptake and looked at when the most suitable timing for capital investment would be.
- reviewed projects that are needed because of population growth to ensure that the principle of 'growth pays for growth' is being applied and costs are appropriately apportioned.
- reviewed non rates income opportunities e.g. user fees and charges.
- reviewed all operational expenditure line by line, activity by activity, and checked against spend over the last three years.
- looked at different ways of funding things like town centre developments, community roading projects and community/recreation facility proposals.
- reviewed contracts and arrangements, for example the contract to build and maintain roads to seek financial and service delivery efficiencies and focus on local needs.

We have delayed some projects and operational spend to reduce and spread rates increases over time. These were not easy decisions but provide a better balance against affordability in the short term.

In addition, we have used financial levers including:

- increasing our debt limit from 180% to 200% (based on our net debt to revenue ratio). This is below the 280% limit set by the Local Government Funding Agency. This is a sensible approach given increased debt largely due to inflation and interest rate increases, and to allow some headroom to respond to unplanned events and emergency situations should this be required.
- adding inflation to our rates increase limits in case of future significant inflationary pressures (previously inflation was included in the rates cap Council set for itself). We use Local Government Cost Index (LGCI) as the most representative measure of the change in the cost of goods and services purchased by Council over time.
- pushing out some capital projects to smooth rates requirements.

### What we're maintaining

- The levels of service we provide to our people and communities – but we are seeking community feedback on the timing of projects that deliver on our levels of service.
- The way we look after our assets and manage risk, but we are looking to extend our asset replacement approach where possible to get the most out of existing pipes, roads etc.
- A commitment to delivering our strategic priorities over the 10 year period, as they reflect the key issues our community have told us are important to them.

### Where we have landed

The average rates increase is proposed to be 13.66% in 2024/2025, reducing to 10.44% in 2025/2026 and remaining years between 7.02% and 8.46%. This excludes water by meter and penalties. This sits within the rates affordability benchmark limit which is equal to the average LGCI of the 10 years of the LTP of 2.49% plus 6.5%

Due to a period of increased interest and inflation rates, and significant investment in infrastructure projects required to provide capacity for growth and replace/upgrade existing assets, our debt increases over the LTP to peak at \$390 million in 2030.

### The LTP approach has resulted in:

- Projects being pushed out to later years such as the Te Puke swimming pool development which has moved from delivery in 2025 in the last LTP to 2029 in this LTP (\$16.8 million).
- Projects being moved outside the ten year budget such as the Northern Harbour boat ramp (\$5.5 million).
- Project costs and scope being reduced such as our budget for development of walkways and cycleways which we have reduced from \$18m to \$5.8m to find some savings and to recognise that council has made significant progress in development of this network over the last five years.
- New projects included where there is an existing commitment in place such as new playground for Kiokio Reserve in Maketu (\$190,000 in 2026).
- New projects not being included as not a funding priority such as district wide floodlights for sportsfields (\$75,000 per annum).
- Maximising value from external funding through the Local Government Funding Agency and a strong credit rating.

We have done what we can to reduce financial impacts while continuing to deliver services, provide for growth and look after our assets, but the rates increases, and debt levels are still high compared to previous LTPs.

You will still see things happening in your community, but just not as much as we would have liked to do, particularly for things that are not directly aligned to our strategic priorities or a defined level of service. These projects and activities we think can be pushed out, as the risks of not doing them now are low.

## Where we are heading

In the medium to longer term, we anticipate that the economy will improve (based on assumptions e.g. reducing inflation). We are fortunate to have a diverse economy and strong rural sector that was cushioned from some of the impacts of COVID-19. We expect to see continued population growth due to the district's natural appeal and attraction to internal migrants. We expect continued economic growth in terms of jobs and output.

While Council has a principle that growth pays for growth, we use financial contributions to pay down debt relating to growth projects. Over time project costs may be higher than initially budgeted for, and assumptions such as inflation, interest costs and the rate of growth may also differ. This could mean that the Financial Contributions that we receive falls short of what is required to cover the growth-related debt. Traditionally we have only focused on scheme debt, but our desire to manage this differently moving forward has resulted in a 25-year historical review of all projects. This deep dive review is showing that we do potentially have some residual unfunded growth debt. Once this full review has been completed, we will consult with the community on how we fund this balance either through an Annual Plan or Long Term Plan process.

We recognise that decisions made today may create issues down the track, but we have sought to reduce any 'bow wave' of projects in future LTP's, reduced reserve funding for the unexpected and decreasing community satisfaction with levels of service as there are less things being done in our community or things take longer to happen (for example, expectations regarding implementation of Council's Walking and Cycling Action Plan).

Climate change is a strategic priority for Council, and we continue to focus on building resilience as our risk profile has increased, particularly for our coastal communities.

We are committed to moving our district forward and delivering on our strategic priorities. As an organisation we are committed to continuing to explore ways we can do things more efficiently and effectively in the future, including the potential for in-house contracts and enhancing our project management approach for capital project delivery.

## The rest of the Financial Strategy

We provide further detail on our:

- financial assumptions
- proposed rates increases and rates limits
- proposed debt profile and debt limits
- proposed capital and operational expenditure

Then we have detail on prudent management of our finances, how we respond to the unexpected, financial policies and investment holdings.

# Financial assumptions

## Inflation

Inflation continues to be both a challenge and an unknown over the coming few years. The local government sector uses Business and Economic Research Limited (BERL) inflation adjustors (Figure 1) as the basis for forecasting inflation impacts on our activities. We have applied the relevant BERL inflation adjustors to our activities and services. We see inflation starting to decrease over the next two years, with a slow down in inflation as the government looks to achieve its longer term objectives of 2-3%. The accumulation of inflation and interest rate increases from the last 2-3 years result in higher project costs now and in the longer term pushing up our overall debt requirements.

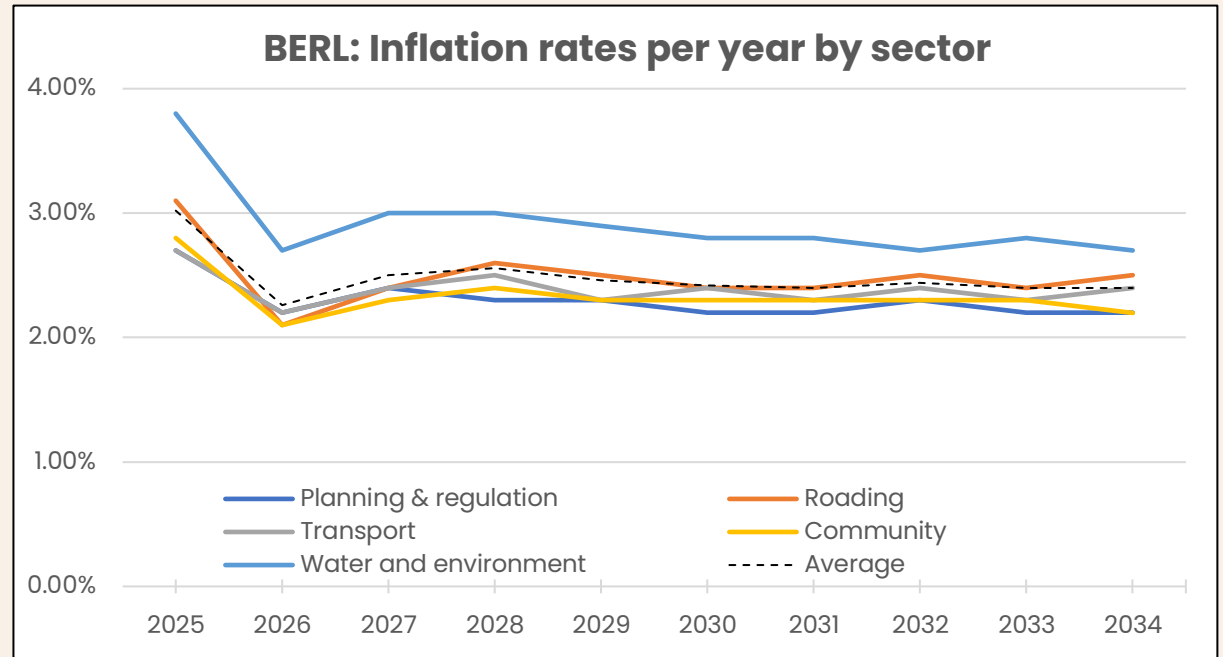


Figure 1: BERL Inflation Rates per Sector

## Interest rates

Standard and Poors has acknowledged that rising infrastructure budgets and responsibilities are increasingly weighing on the finances of the local government sector and that further policy uncertainty is elevated.

Council received a rating outlook downgrade from AA stable to AA negative in February 2024. Our interest rate costs are driven from the Standard and Poors rating and a downgrade means Council will pay a higher interest rate on our debt. Updated interest rates include the impact of the credit rating downgrade for this LTP. Of the 23 councils with Standard and Poors, 17 received a downgrade.

Interest rates as a result of inflation remain high over this LTP (Figure 2).

Levels like these have not been experienced since the 1980-90's. With an increased debt profile, these costs flow through to our future years principal and interest repayments. As a result we anticipate experiencing interest costs over \$20m in the later years of the LTP, but we will remain within Council's policy limit threshold of 20% (finances costs against rates income).

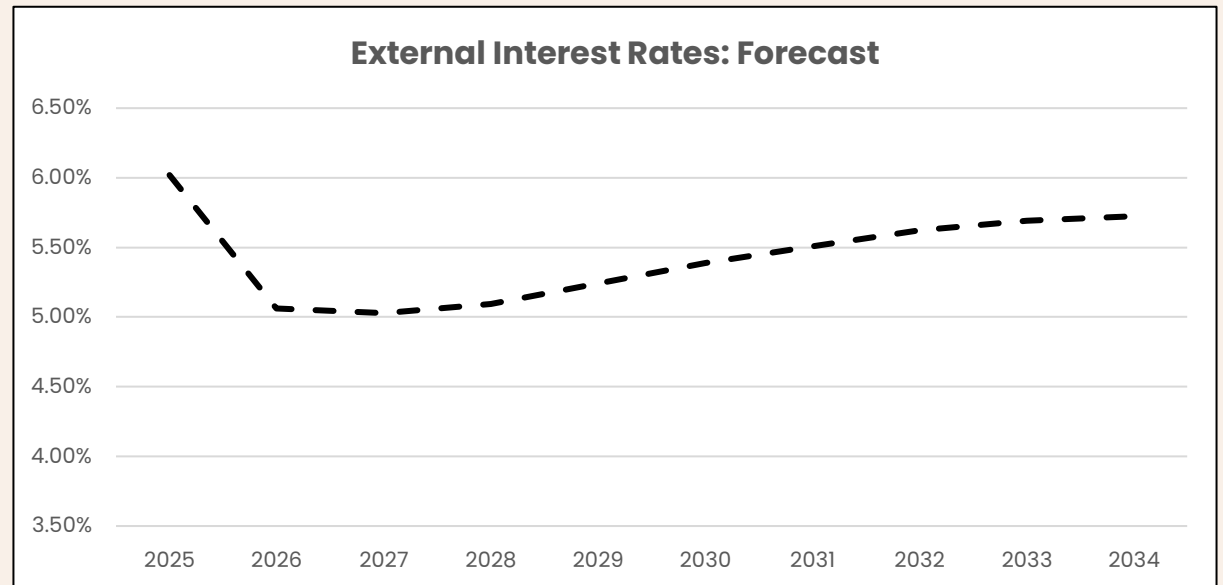


Figure 2: Bancorp External Interest Rate Forecast

# Proposed rates over the next 10 years

It is important that we can achieve the community's aspirations in a fiscally responsible way, through balancing delivery of services that people want, with the community's ability to pay for these services. The planned average rates increase across the district is included in Figure 3.

We've set rates increase limit in the Financial Strategy that is equal to the average LGCI of the 10 years of the LTP of 2.49% plus 6.5%. The first two years exceed the average LGCI of the LTP of 2.49% plus 6.5%, however they remain within the strategy as the limit is set on an average over 10 years.

The current measure used to describe rates affordability is the Rates Affordability Benchmark (Figure 4). The Financial Strategy sets in place the limits that this benchmark is assessed against. Council meets the rate affordability benchmark if:

- its planned rates income equals or is less than each quantified limit on rates,
- its planned rates increases are equal or less than each quantified limit on rates increases.

Consultation on the LTP helps assess the community's willingness to pay the rate increases (to achieve the delivery of services). Then Council determines the appropriate level of increase that ratepayers could absorb. Rates income is limited to a maximum of 80% of total revenue, with the balance derived from other sources. Council is required to include a disclosure statement in the Annual Report on the financial performance of these benchmarks.

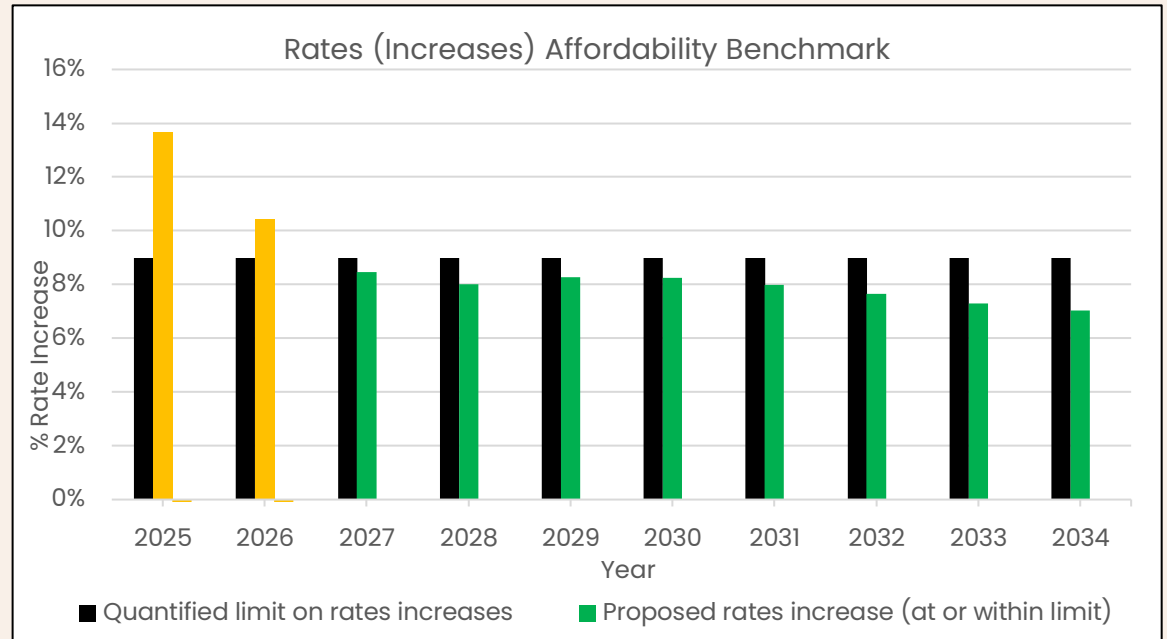


Figure 3: Rates increases 2024-2034

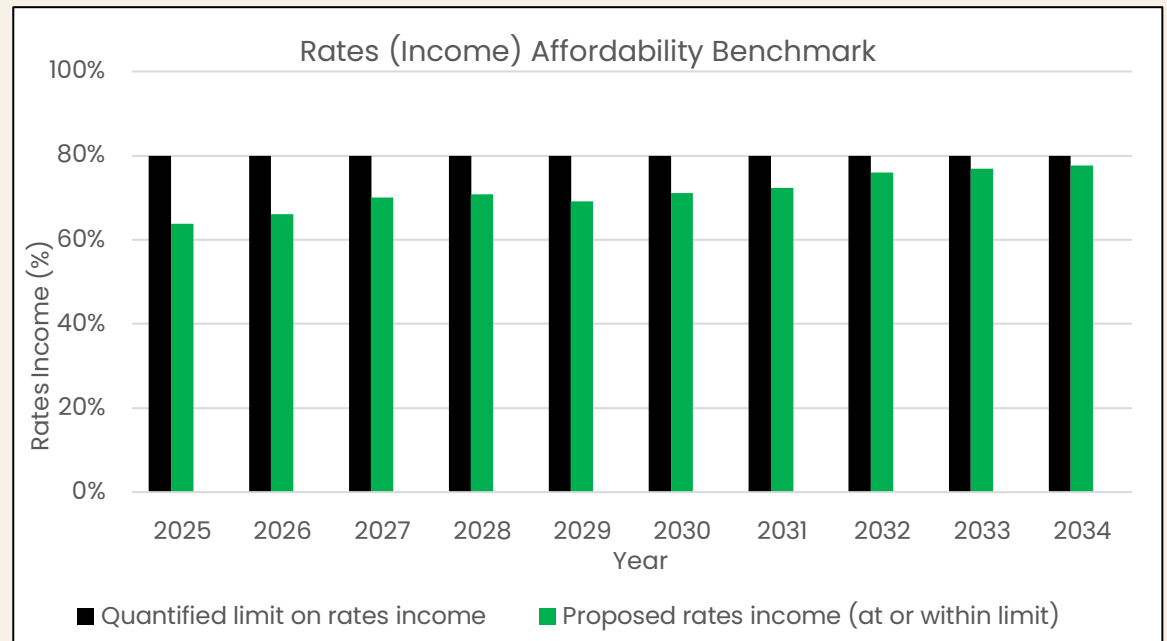


Figure 4: Maximum Rates Income Limit



Council is required to ensure that its planned income for the year is matched against its planned expenditure for that year (i.e. achieving a balanced budget). We have been able to achieve this across the full ten years of the LTP as shown in Figure 5.

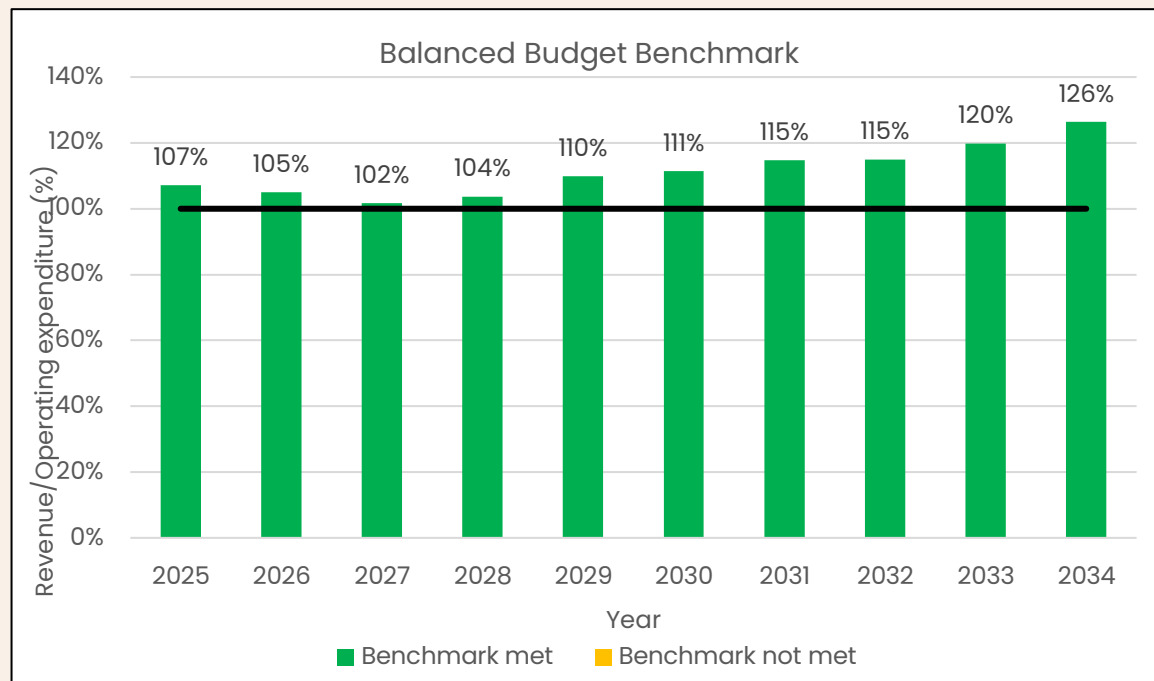


Figure 5: Balanced Budget Benchmark

## Proposed debt over the next 10 years

Debt spreads the costs of an asset across its lifetime, meaning that all those that benefit from it contribute - today's communities and tomorrow's communities paying their share. This is key to intergenerational wellbeing. Debt affordability benchmarks are set through quantified limits on borrowing.

In this Financial Strategy, Council has increased the debt limit from 180% to 200% (based on net debt to revenue). This is a prudent approach given that our forecast debt profile over the term of this LTP anticipates the significant impact of inflation and interest rate increases, while at the same time allowing some headroom to respond to unplanned events and emergency events, should this be required (Figure 6).

Our loan funding is sourced from the Local Government Funding Agency (LGFA)<sup>1</sup>. Loans are sourced based on our Standard and Poors rating as discussed in the interest rate assumption section of this strategy.

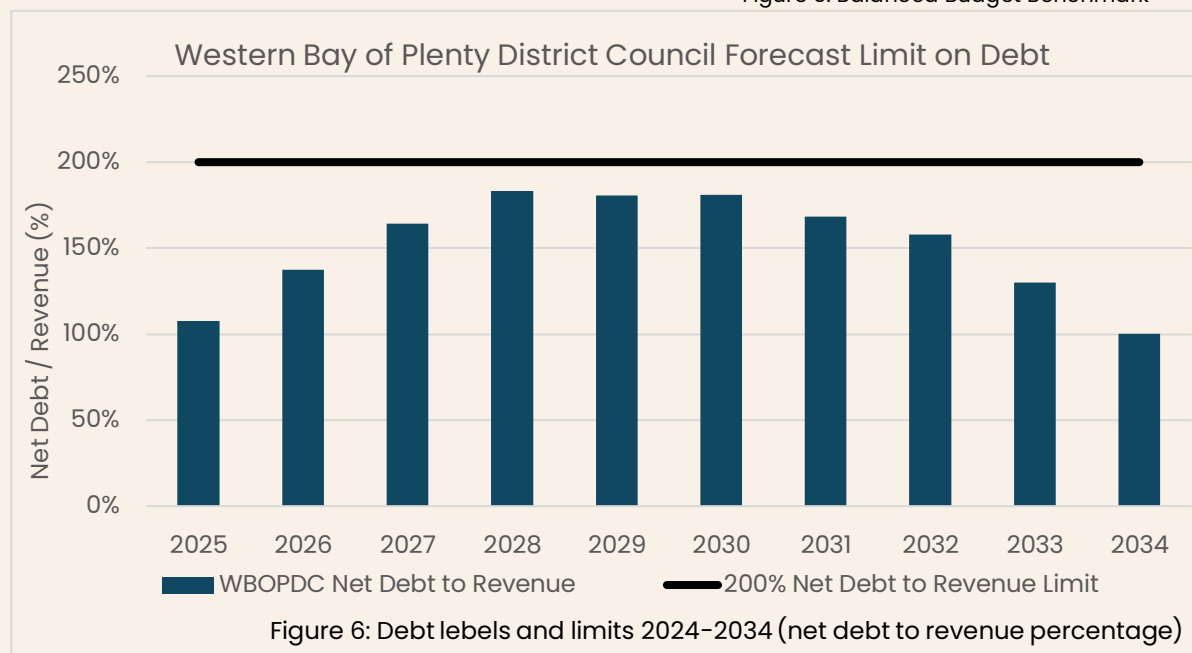
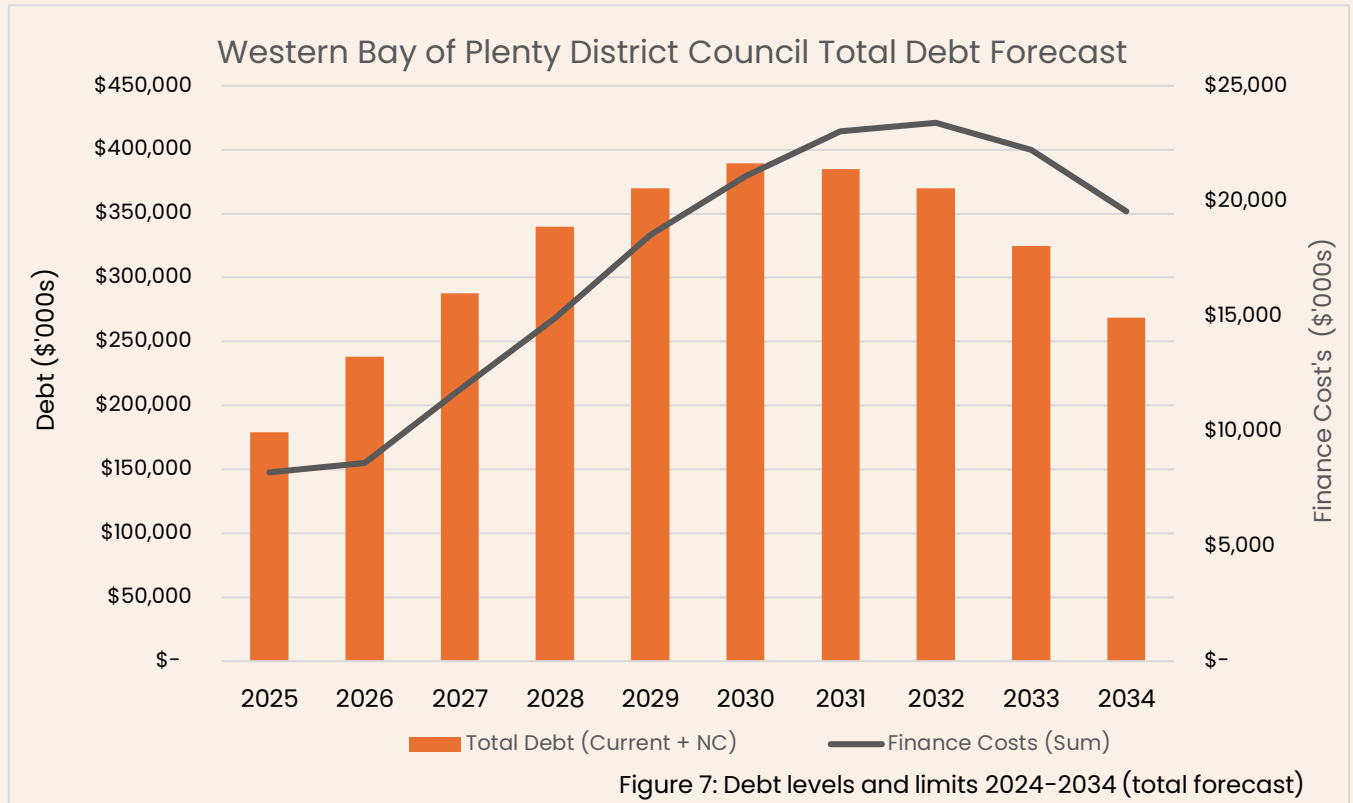


Figure 6: Debt levels and limits 2024-2034 (net debt to revenue percentage)

<sup>1</sup> The Local Government Funding Agency currently sets a limit of net debt at 300% for local authority borrowers.

Debt levels are projected to peak in 2030 (Figure 7) largely due to key infrastructure projects being delivered, such as the Te Puke Wastewater Treatment Plant and the Katikati outfall upgrade, the reasons for which are reflected in our Infrastructure Strategy and Wastewater Asset Management Plan.

Our debt profiles and length of loans are determined by the anticipated life of an asset. For example, the loan term for most roading projects is 10 years, 50 years for most buildings and 25 years for most other infrastructure categories. As debt is fully repaid, this provides the capacity to take on loans relating to renewals.



# How the money will be spent

Figure 8 shows the Council capital expenditure from 2024-2034 broken into growth, levels of service and renewals. This highlights the importance of having sufficient funding in place for the renewal of assets when required. The capital (and associated operational) expenditure enables Council to continue to maintain and deliver on existing levels of service over time, and to meet additional demands for services within the rates and debt limits. Transportation and wastewater activities have the largest levels of expenditure over the LTP period.

As a Council we are focused on delivering our Capital Programme. There are many constraints relating to the timing of the delivery of our capital projects including the availability of contractors, resourcing, and consent requirements. We are working through how we mitigate some of these challenges, and making improvements to this by working with longer lead times to ensure that our planned financial spend aligns with physical delivery. For this reason, and for cash flow and financial purposes, for this LTP we are assuming 80% delivery in year 1, 90% delivery in year 2 and full delivery by year 3 to demonstrate the effectiveness of the project management changes we will implement. Over the life of the LTP we are expecting \$39.1m will not be delivered, however it will be addressed outside the 10 year period of the Long Term Plan. These are all growth projects that are expected to be delivered over the next 30 years.

For a further breakdown of the infrastructure expenditure components of these graphs, please refer to the Infrastructure Strategy.

## Further funding considerations

At the time of writing the Financial Strategy, and after the change in government, there were factors such as the Funding Assistance Rates (FAR) for Roading that were still in progress with Waka Kotahi. For agreed work programmes, a FAR rate of 51% is assumed and will be monitored and amended as required before we finalise our plans.

Council has commenced a comprehensive review of the growth related funding for infrastructure. This includes a review of our approach to financial contributions.

Rangiuru Business Park (RBP) - Quayside Ltd provides all the infrastructure within the park itself. Council's role is provision of water and sourcing new bores for additional water supply which will also provide additional capacity for growth in Te Puke. The portion of costs attributable to the RBP development are funded from Quayside Ltd.

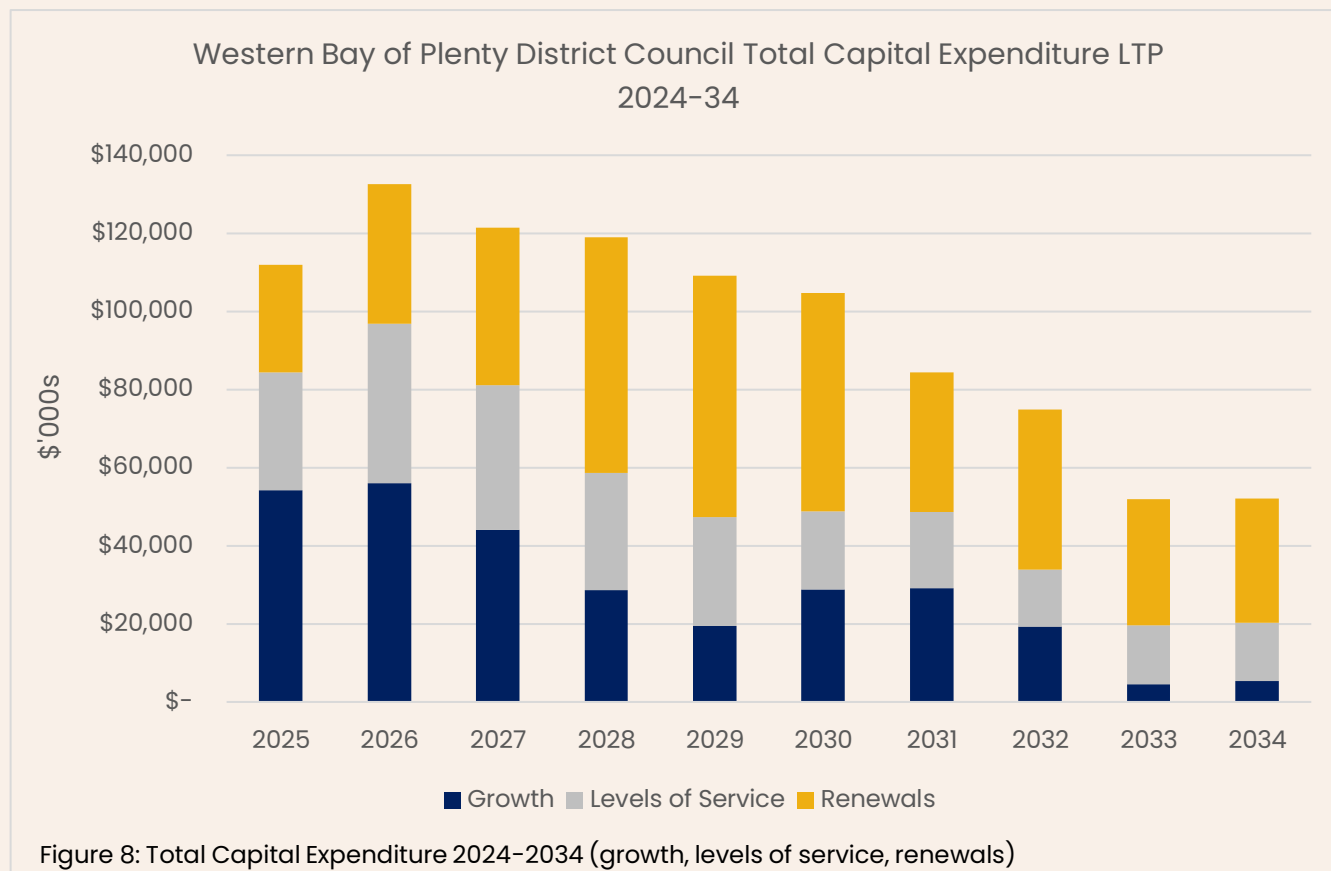


Figure 8: Total Capital Expenditure 2024-2034 (growth, levels of service, renewals)

We also have self funding activities like elder housing which means we don't need to draw down on rates to operate and maintain elder housing. Instead, we fund it from the rental income from these properties and external funding where possible.

### How we are delivering on our strategic priorities

Tracking LTP investment against our strategic priorities highlights the different roles Council has across these priorities (Figure 9). Council is a lead provider of infrastructure in the district, and this comes at a significant cost. For other priorities such as housing and empowering communities Council is an enabler, with funding that helps to support communities to achieve their aspirations. Climate change costs are integrated across these priorities, with direct funding largely relating to projects that increase our understanding of the impacts of climate change on our assets and communities.

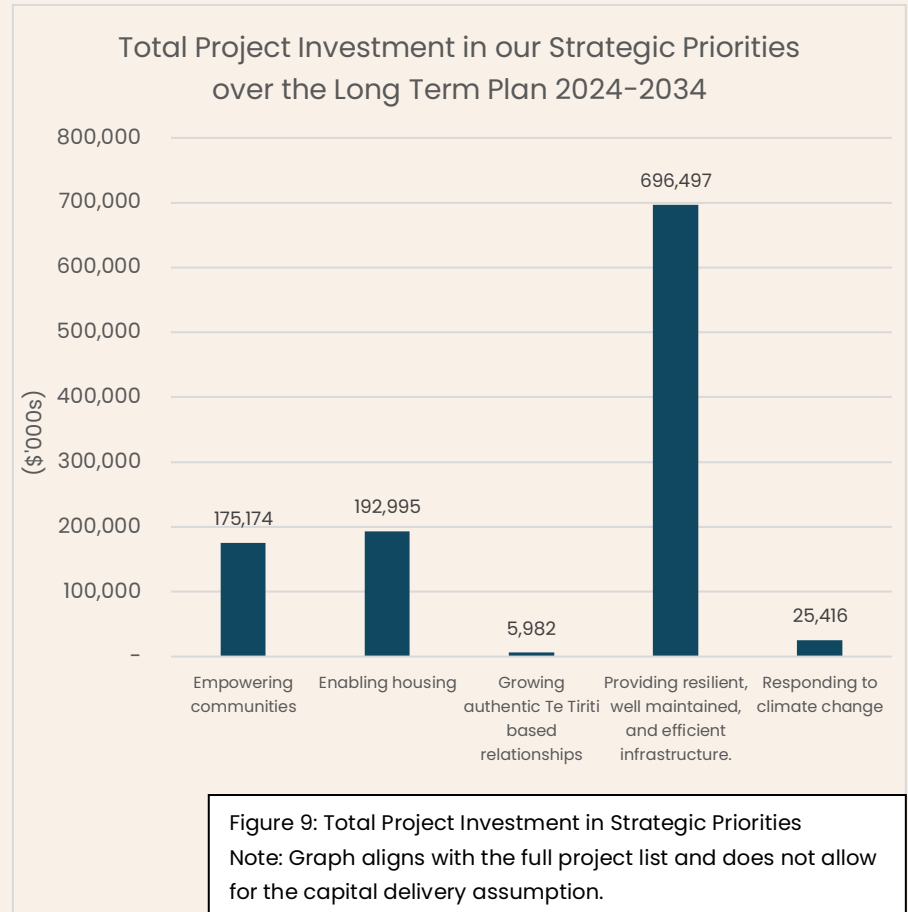


Figure 10. Total Operational Expenditure

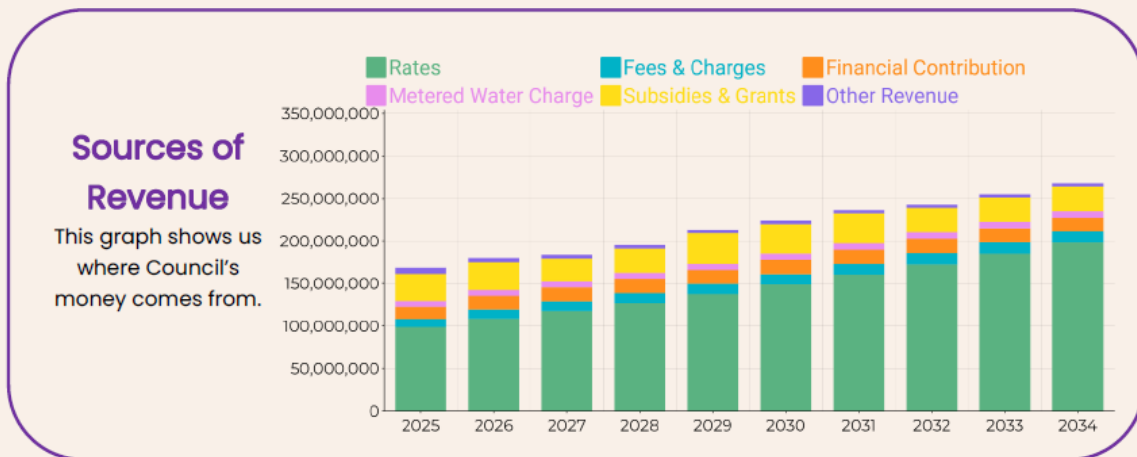
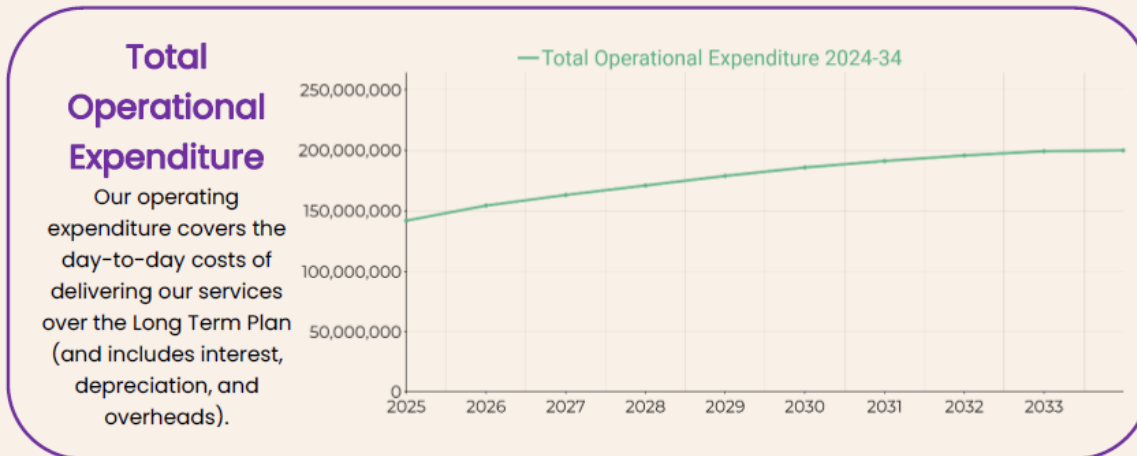


Figure 11. Sources of Revenue

# Prudent management of our finances

This section outlines what we are doing to manage costs in a sustainable, fair, equitable and prudent way to ensure compliance with legislation, to be transparent and to provide the community understanding and confidence in our financial approach.

## Funding growth

We fund growth-related infrastructure in a number of ways. Developers are charged financial contributions under the Resource Management Act 1991 (a 'growth pays for growth' principle where possible) and we use rates, targeted rates and user charges.

We plan to manage our spending so that the timing of infrastructure projects is matched to income from financial contributions. In some cases, such as park and reserve development, the projects can be undertaken in stages, timed to match revenue from growth as it occurs (i.e. the 'just in time' principle).

Difficulties arise with projects like wastewater schemes, which are typically designed for a large capacity, so they are financially viable. In such cases it is more difficult to match expenditure to income because it is not practical to construct the project in stages, so decisions are based on assumptions of growth for many years ahead. For example, our Ōmokoroa wastewater scheme was built to cater for an eventual projected population of over 12,000 residents in 2054 (3,504 people in 2018). If growth expectations are subsequently reduced, we have to find other funding sources to meet the interest and capital repayments on loans raised to pay for the development.

## Use of debt

As we have no significant reserves, we rely on loans to finance infrastructure development, for example for wastewater schemes. By using loans (debt) to pay for assets with a long life, we can recover the cost from ratepayers over the life of the asset. In this way the cost is allocated fairly between current and future ratepayers, and better provides for intergenerational equity. The portion of interest and loan repayments relating to growth is generally funded through financial contributions, however in periods of low growth they may be funded from rates. The remaining interest and loan repayments are funded by annual rates or charges.

We acknowledge that the interest on loans increases the overall cost of services, but we believe that this disadvantage is offset by the advantages of a more equitable allocation. We need to ensure that future ratepayers pay their fair share of the cost of infrastructure developed for their eventual use, rather than costs being met only by current ratepayers.

The roading, sewerage, stormwater and potable water extensions and upgrades that we have invested in through loan funding have long lives and will continue to be used over the next 20-50 years.

For transportation infrastructure, we have traditionally used less debt to finance capital expenditure. Where the capital development programme is more evenly spread over time and the users of the service are less easy to identify individually, we have primarily used rates to finance capital expenditure with loans used to a lesser degree. Council is also consulting on a proposal to increase the differential from 2 to 4 for the roading rate for industrial/commercial/post-harvest activities to recognise the increased wear and tear from heavy vehicle use. A differential rate is used to ensure that every ratepayer makes a reasonable contribution to the rate burden.

## Funding renewals and replacement of assets

Prudent financial management requires organisations to plan for the replacement or renewal of their assets when they reach the end of their useful lives to maintain the service they provide. The intergenerational equity principle suggests that, ideally, today's ratepayers should pay for the 'asset-life' they are consuming, and likewise future generations should pay for their share of the asset's life. This provides for the intergenerational wellbeing of our communities.

There are three ways this can be achieved:

Approach	Details
1. Pay as you go	Capital funded annually by rating existing ratepayers to cover the expenses incurred in that year. Suitable when capital expenditure is evenly spread over the years, so there is less risk that today's ratepayers are not paying their fair share when compared to future ratepayers.
2. Saving for asset replacement (charge rates over the life of the asset – spend later)	Ratepayers are rated annually to fund depreciation, which builds up in a reserve account to fund future replacements of assets. Unsuitable if ratepayers are already servicing debt incurred to acquire the existing asset. If debt was incurred, today's ratepayers would be paying twice for the asset, once through debt repayments and interest, and again through financing the depreciation.
3. Borrowing to fund asset replacement (spend now – charge rates over the life of the asset)	Ratepayers are rated annually to fund interest and capital repayments on loans matched to the life of the asset. The future replacement of the asset would be financed in the same way. Suitable if our overall level of debt can accommodate the required borrowing

We use a mix of these approaches to fund the replacement and renewal of our assets, choosing an approach that best suits each type of asset. We do not keep individual reserves to repay loans. We either fund loan repayments from rates, financial contributions and other income in the year repayments are due, or we refinance the loan.

Below is the approach we usually take for different asset types.

Type of asset	Approach
Water, wastewater and stormwater reticulation, treatment plants and buildings, waste minimisation	Borrowing to fund asset replacement. Pay as you go. Central Government waste subsidies
Computer systems, office furniture and equipment, motor vehicles, library books, cemetery, coastal marine, telemetry, District reserves (including Huharua Sub Regional Park and TECT Park), swimming pools.	Saving for asset replacement.
Roads and bridges	Pay as you go. Borrowing to fund asset replacement. Central Government Waka Kotahi funding where possible
Other buildings	Borrowing to fund asset replacement Sale of council property – All sale of Council property to go through to property reserve account for future property purchases (or other purchases/spend at the discretion of Council). This means we don't need to put annual money away for this purpose. We will continue to focus on sourcing funding from external sources for projects (e.g. Elder Housing) when these funds are available.

There is no legal requirement for councils to accumulate dedicated depreciation reserves, however the Local Government Act 2002 (LGA) requires councils to have a balanced budget, which means that revenue must be greater than operating expenditure (which includes depreciation). Council does not have a policy for funding depreciation and how that relates to capital expenditure, in particular capital expenditure to renew existing assets. However, in order for Council to focus on the long-term sustainability of the asset base and how it is maintained and renewed, the funding of depreciation is an integral part of creating intergenerational equity and ensuring that depreciation expenditure is put to good use. Where we are not fully funding our depreciation, we will look at debt to fund replacement assets.

As the balanced budget test is conducted at the local authority level it is considered acceptable and within the bounds of prudence to run an operating deficit on one activity and a surplus on another. This means that we are not required to retain revenue on an annual basis in dedicated depreciation reserves, if we can show through our Financial Strategy that future rates revenue is adequate to fund infrastructure renewals when they are needed.

### **Reliability of asset data that renewal forecasts are based on**

Asset renewals are a big cost to Council but are necessary to look after our assets and get the most out of them. It's like taking your car for a regular service and WOF so that it keeps performing in a safe, reliable and efficient manner. Renewals are informed by the expected life of an asset and a regular assessment of the condition of an asset over time to see how well it's performing.

Assessment of overall asset condition data is reasonably complete and accurate, particularly in the transportation activity, due to the nature of the previous performance-based contract. Wastewater and stormwater assets are relatively young however recent issues with the Katikati outfall where sections of the pipe are failing much earlier than the design life indicate the need to ensure we continue to monitor asset condition data. In some cases, such as reserves and community facilities, there is still data to be obtained and this is a focus moving forward to ensure asset condition data is captured as required. This information will improve future investment decisions.

Council has a good degree of confidence in the reliability of asset information, however regular analysis is undertaken to identify opportunities for improvement. One of the key tools is implementation of our asset management systems and resourcing to improve asset data and modelling, and to provide technical advice and support to managers. Recent work on exposure and risk assessments for the most at risk assets has increased our understanding on the resilience of our assets to climate change however further work is required as to how we respond to the outcomes of these assessments.

### **Long term financial information for some activities**

From a long term planning perspective, there is good information in place for Three Waters and transport to determine a financial capital and operational programme of expenditure and highlight any forecast issues over a 30-year period as required by the Infrastructure Strategy. There are some unknowns around the delivery of our Three Water services in the future with the introduction of the new governments "Local Water Done Well" initiative. We will continue to reflect any changes as they become known.

Recreation and open space, solid waste and community facility activities currently only have robust financial information for the next 10 years to 2034. A review of the asset management plan framework and approach is underway in 2024 and will seek to align these activities with the 30-year approach taken for other activities.

### **Effect of changes in land use on service demand**

Demand for infrastructure services (roads, water supply, wastewater, stormwater, reserves, facilities) increases where development occurs. Development may be subdivisions for housing, new commercial or industrial areas or intensification of existing development. For our District, growth is mainly driven by housing development.

Within the rural sector, land use changes could affect service demand, especially for water supply and roading. For example, if an area serviced by the water supply network changed from a dry land crop to a crop requiring irrigation there could be an increase in demand for water. Likewise, for roading, if the land use changed from forestry to lifestyle blocks, the pattern of road use would change.

The monitoring frameworks we have in place are important to understand actual growth and future growth projections for residential and other land use activities. The annual Development Trends report and our reporting requirements against the National Policy Statement on Urban Development are key ways that we can inform our infrastructure planning processes.

### **Current accounts**

Council operates an internal borrowing system for funding infrastructure improvements as well as funding current accounts. Use of our current accounts is a way of smoothing out the peaks and managing our internal debt to provide an overall better outcome. The use of current accounts to smooth rates applies to the total rates collected by Council.

The Council has smoothed the planned growth in total rates required from the district over the 10 years of this LTP through our current accounts. This is a deliberate strategy to manage our expenditure within this plan.

# How we will manage the unexpected

There may be unexpected situations that could affect our financial strategy. We need to consider what the implications might be of a change to our assumptions and how we might need to respond.

## Lower than expected growth

Growth forecasts can be affected by external factors outside of our control, such as what happens in overseas financial markets, or how the world responds to a global pandemic. We have been conservative in our approach to ensure that, should growth not meet expectations, we will still be in a good position to cover the interest costs on our debt (although we may not be able to make repayments on the principal).

If growth is substantially less than forecast, the shortfall can be managed. Our general approach would be to:

- Promote development in areas where there is existing capacity in infrastructure.
- Consider reductions in levels of service.
- Sell assets that are not essential to operations and are easiest to sell.
- Sell and lease back operational land.
- Seek Central Government assistance where practical.
- Avoid adding to our debt until levels of growth improve.

Council is reluctant to defer maintenance of assets or reduce maintenance standards, as this may end up being more costly in the long run. Borrowing to cover an income shortfall would be our last resort because this would make the problem worse in later years.

Our strategy to use rates to service our growth-related debt where appropriate, will be reviewed each year. We will look at growth rates and interest rates, to determine if a rates contribution is necessary. Any significant or material changes to the level of rates used to repay debt will be publicly consulted on through the Annual Plan process for that year.

## Cost of debt and access to refinancing

There is a risk that access to borrowing may become more difficult. When existing debt matures, refinancing may be harder to obtain, particularly if financial markets deteriorate due to ongoing global impacts. We considered what might happen if markets deteriorated and borrowing becomes difficult in New Zealand. While we believe this is unlikely, we have considered how we would respond. The situation would arise without notice and the severity of the immediate situation would depend on the maturity profile of our debt at the time. At the time of writing this strategy, the Local Government Funding Agency is well placed in its ability to access funds from the market, so access to finance is not considered a risk.

Courses of action could include:

- Seek Central Government assistance to meet immediate commitments.
- Raise income through an emergency rate increase.
- Aggressively sell land and other liquid assets.
- Postpone the start of all projects not already committed.

## Contingency and disaster management

We considered how we might respond if there was a failure in major infrastructure that demanded significant unplanned expenditure. This might occur because of a natural disaster, accident or other event.

Council is part of the Bay of Plenty Lifelines Group which contributes to joint initiatives to reduce the vulnerability of utilities to hazards.

We have built up a Disaster Contingency Fund which currently sits at \$9.3m (30 June 2023) and have insurance that covers some of our assets. However, in the event of major infrastructure failure this amount would not cover the total cost of replacement or repair.

Our initial approach is to:

- Use financial investments to provide ready cash flow
- Use debt capacity to access borrowing
- Use insurance payouts where available
- Utilise the self-funding disaster contingency fund
- Seek Central Government assistance
- Sell assets not essential to operations that are easiest to sell.

In the longer term, our recovery strategy would be to increase rates to top-up reserves or to provide increased insurance cover on underground assets.



# Financial policies and investment holdings

## Financial instruments

We hold financial investments such as term deposits, as part of managing our cash flow to finance expenditure on operations, for example to:

- Provide ready cash in the event of a natural disaster. This cash is intended to bridge the gap between the disaster and the reinstatement of normal income streams and assets.
- Invest amounts allocated to accumulated surplus, Council-created and restricted reserves, sinking funds and general reserves.
- Invest funds allocated for approved future expenditure, to implement strategic initiatives or to support inter-generational allocations.
- Invest proceeds from the sale of assets.
- Invest surplus cash and working capital funds.

Our main aim when investing is the protection of our investment so only creditworthy counterparties are acceptable. We also seek to:

- Maximise return on our investment
- Ensure investments are liquid
- Manage potential capital losses due to interest rate movements if investments need to be liquidated before maturity.

We also invest in interest rate swaps and forward foreign exchange contracts, for the purpose of managing the risks of movements in exchange rates and interest rates. These financial instruments are used as hedging tools rather than to earn a return on the investment.

## Te Tumu investment

In 2007 Tauranga City Council and Western Bay of Plenty District Council jointly acquired a block of land in Pāpāmoa, referred to as Te Tumu. This land was purchased with the condition of providing the vendor the option to acquire it sometime between December 2016 and December 2026 by repaying the loan and interest to Tauranga City Council and Western Bay of Plenty District Council.

Our objective in purchasing the land was to ensure development of the land was consistent with SmartGrowth objectives. Neither council intended to be the developer of this land or retain ownership in the long-term.

In November 2020 Western Bay of Plenty District Council disposed of its interest in Te Tumu to Tauranga City Council, to allow Tauranga City Council to negotiate directly with the developer rather than through a tripartite agreement involving both councils. This disposal involved a loan agreement between Western Bay of Plenty District Council and Tauranga City Council. The \$13m loan will be paid to Western Bay of Plenty District Council in 2027 (Year 4 of the LTP) and be used to offset debt.

## Equity securities

We do not currently hold equity securities (shares) for the primary purpose of earning a return on our investment. There are no plans to invest in equity securities during the term of this plan. Below is a list of the companies in which we currently hold shares and details of the objective for holding the equity securities and a target rate of return.

Another option if times get tough is to sell shares in case of emergency.

Company	Objective of holding equity	Target rate of return
New Zealand Local Government Funding Authority (LGFA) – 8% shareholding.	<ul style="list-style-type: none"> <li>To obtain a return on investment</li> <li>To ensure that the LGFA has sufficient capital to become and remain viable so that it continues as a source of debt funding for us.</li> </ul>	≥0%
Bay of Plenty Local Authority Shared Services – 1/9th holding.	To provide the Bay of Plenty region councils with an umbrella vehicle to investigate, procure, develop and deliver shared services.	≥0%
Co-Lab – Waikato Local Authority Shared Services holding – 1 share	To provide Council with shared services opportunities and efficiencies, and procurement panels	≥0%
Western Bay of Plenty Tourism and Visitors' Trust – 50% holding.	To facilitate the establishment and governance of a regional tourism organisation, Tourism Bay of Plenty, which is a not-for-profit entity established to promote the economic welfare and development of the western Bay of Plenty region and its citizens through marketing, management and other activities that impact the region as a visitor and tourism destination.	≥0%
NZ Local Government Insurance Company Limited (Civic Assurance) – 16,142 shares or 0.3% holding.	Civic Assurance is a mutual fund, so a prescribed number of shares is held proportionate to our interest in the fund.	≥0%
Zespri Group Limited – 17,660 shares.	Shares were acquired as a result of purchasing of land under kiwifruit orchards. They are incidental to the main reason for buying the land, which is for future infrastructure development.	≥0%
Seeka shares – 11,247 shares	Shares were acquired as a result of purchasing of land under kiwifruit orchards. They are incidental to the main reason for buying the land, which is for future infrastructure development.	≥0%

## Security for Council borrowing

Council's Treasury Policy guides its approach for borrowing and investments. Proposed changes to the policy have been minor for this LTP and have arisen as a result of increased levels of spend and alignment to appropriate delegations.

Our Treasury Policy includes the following statement regarding offering security for Council borrowing:

Council's borrowings and interest-rate risk management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. The utilisation of special funds and reserve funds and internal borrowing of special funds/reserve funds and other funds will be on an unsecured basis.

Under the Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Rating Act, excluding any rates collected by Council on behalf of any other local authority. The security offered by Council ranks equally or 'Pari Passu' with other lenders.

Council offers deemed rates as security for general borrowing programs. From time to time, with prior Council approval, security may be offered by providing a charge over one or more of Council's assets. 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. an operating lease, or 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 Debenture Trust Deed.

Council very rarely makes purchases in foreign exchange except for the occasional purchase of equipment or services. Our Treasury Policy precludes the use of foreign exchange risk management products, except to hedge significant commitments (i.e. those over \$100,000). As a result of its limited use of foreign exchange, Council has little direct risk of changes in currency exchange rates.

# Activities

To mātou mahi



# Activities

## To mātou mahi

Representation

Planning for the Future

Community Building

Libraries and Service Centres

Community Facilities

Recreation and Open Space

Regulatory Services

Stormwater

Transportation

Water Supply

Natural Environment and Sustainable Living

Wastewater

Solid Waste

Economic Development

Support Services

# Representation

## Māngai

This Activity has two areas of focus. It includes running the process to provide the District with a democratically elected Mayor, Councillors and Community Board members and the governance of the District by these elected members. This involves the organising and preparation of Council meetings, and organising civic events such as citizenship ceremonies. The activity also includes Māori representation arrangements and collaborative processes with other councils.

### What we provide

#### **One Mayor**

#### **Eleven Councillors**

#### **Five Community Boards**

- Waihi Beach
- Katikati
- Ōmokoroa
- Te Puke
- Maketu

#### **Two Māori Representation Forums**

### Why we provide this activity

#### **Our Community Outcomes:**

- Leaders are effective, informed and inclusive
- We have authentic Te Tiriti based relationships with tangata whenua

# Representation

## Overview

As our communities become increasingly diverse, the need for effective representation and participation in decision making becomes more important. The activity reflects a desire by residents for greater participation in local government and in matters that affect their lives and communities.

We have three wards (Kaimai Ward, Katikati-Waihi Beach Ward and Maketu-Te Puke Ward), a Mayor, and 11 councillors. We also have five community boards representing Ōmokoroa, Katikati, Waihi Beach, Te Puke and Maketu.

There are three Community Forums made up of elected members appointed by Council, which represent our wards' interests for both urban and rural areas. Community Forums make recommendations to Council or committees on community development plans and community issues; consider matters referred by Council; encourage community participation and communicate with community organisations within their ward.

We have two Partnership Forums, Te Kāhui Mana Whenua o Tauranga Moana and Te Ihu o te Waka o Te Arawa. Council will work with each Forum to develop and implement strategic plans that outline how Council will work with iwi and hapū to address issues of significance, and progress mutually agreed work programme actions.

We will continue to strengthen relationships with iwi and hapū and develop emerging leadership structures, so that opportunities for collaboration and partnership continue for the benefit of the whole community. We will continue to work with iwi and hapū to provide for their representation aspirations.

In August 2023, Council voted to establish Māori wards for the 2025 and 2028 triennial local government elections. This decision will be progressed as part of our Representation Review in 2024.

Our region is unique in that it has already developed a number of initiatives to encourage a collaborative response to improve the wellbeing of its residents. For example, the SmartGrowth initiative is a shared response to managing growth in the Western Bay of Plenty sub-region (see Planning for the Future chapter).

We want to ensure that our District has the most effective local government structure in place.

We need to ensure that the community has a say about the preferred structure of local government and preparing for any change that may occur.

### **Our representation activity includes:**

- The leadership and direction provided to the organisation and wider community by the Mayor, councillors, community boards and ward forums.
- Māori representation arrangements ensuring Tangata Whenua perspectives on issues and making recommendations to Council and its committees.
- The support provided to Council and its committees by the democracy services activity.

## How we will achieve our community outcomes

Goal	Our approach
We have effective representation arrangements for our communities.	<ul style="list-style-type: none"> <li>• Consider options relating to the future structure of this Council.</li> <li>• Enable citizens to elect their representatives every three years.</li> </ul>
We engage with our communities, listen well, lead effectively and make well informed decisions.	<ul style="list-style-type: none"> <li>• Hold Council meetings in communities more often, where appropriate.</li> <li>• Increase Councillor presence in communities by increasing the number of Councillor facilitated meetings.</li> <li>• Increase Councillor participation in community organisations, boards and co-governance structures.</li> <li>• Provide opportunities for elected members to strengthen their leadership and governance skills.</li> </ul>
We actively seek and consider the full range of residents views on our plans, policies and projects.	<ul style="list-style-type: none"> <li>• Offer communities a wide range of opportunities to participate in our processes and decisions.</li> <li>• Effectively communicate ways our communities can connect with us and participate in matters that affect them.</li> <li>• Regularly engage with residents about upcoming decisions and communicate the outcomes of these decisions.</li> <li>• Listen to and consider the range of views communicated to make better decisions.</li> <li>• Better understand and improve the ways in which decisions are informed by the range of views communicated to us.</li> <li>• Engage with the community to develop, consult on and implement an Annual Plan and Long Term Plan in line with the requirements of the Local Government Act 2002.</li> </ul>
We have strong relationships with Tangata Whenua and work together in a range of ways so that Tangata Whenua perspectives inform our decisions.	<ul style="list-style-type: none"> <li>• Provide for the on-going involvement of Tangata Whenua in our decision-making.</li> <li>• Strengthen relationships with iwi and hapū by identifying and supporting agreed projects that will better meet the needs of Tangata Whenua.</li> <li>• Provide opportunities for elected members to increase their knowledge of the Treaty of Waitangi, tikanga Māori and te reo Māori.</li> </ul>
Our strategic relationships at all levels are maintained and strengthened.	<ul style="list-style-type: none"> <li>• Represent and advocate for our District at local, regional and central government committees, sub-regional strategies, networks and forums.</li> </ul>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
236801	Representation Review - Triennially	-	-	22,140	-	-	23,540	24,000	-	-	-
250401	Triennial Elections	140,815	125,614	-	159,262	133,726	-	168,978	141,721	-	178,553
284801	Elected Members induction	-	75,880	-	-	80,780	-	-	85,610	-	-
296101	Recruitment of CEO	-	83,576	-	-	-	-	92,520	-	-	-
315901	Waihi Beach Community Board Grants	5,140	5,572	5,690	5,813	5,932	6,050	6,168	6,286	6,404	6,518
316001	Katikati Community Board Grants	8,000	8,672	8,856	9,048	9,232	9,416	9,600	9,784	9,968	10,144
316101	Omokoroa Community Board Grants	12,645	14,249	15,382	16,563	17,852	19,179	20,514	21,886	23,294	24,529
316201	Te Puke Community Board Grants	13,475	16,143	17,408	18,674	19,960	21,284	22,644	23,842	24,419	24,850
316301	Maketu Community Board Grants	5,000	5,420	5,535	5,655	5,770	5,885	6,000	6,115	6,230	6,340

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Representation activity.



## How we will track progress

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
<p>We have effective representation arrangements and will consider residents views on our plans, policies and projects.</p> <p>We have strong relationships with Tangata Whenua and work together in a range of ways so that Tangata Whenua perspectives inform our decisions.</p> <p>Our strategic relationships at all levels are maintained and strengthened.</p> <p>Representation will be provided by:</p> <ul style="list-style-type: none"> <li>• One Mayor</li> <li>• 11 councillors</li> <li>• Five Community Boards</li> <li>• Three Community Forums</li> <li>• Two Māori representation forums</li> </ul>	<p>Percentage of meetings attended by Elected Members (Mayor and councillors) and Community Board members.</p> <ul style="list-style-type: none"> <li>• Elected Members at Council and committee meetings.</li> <li>• Community Board Members at Community Board meetings.</li> </ul>	97%	>80%	>80%	>80%	>80%	>80%
		93%	>80%	>80%	>80%	>80%	>80%
	<p>Number of meetings and workshops held per annum with Te Kāhui Mana Whenua o Tauranga Moana and Te Ihu o te Waka o Te Arawa</p>	New measure	>5	>5	>5	>5	>5

## Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Improved ability for the public to participate and influence Council decision making.</li> <li>Improved participation in decision making reduces a range of social issues for disadvantaged groups.</li> <li>Working with local, sub-regional, regional and national networks and agencies is vital in keeping informed and advocating for the needs of our District.</li> <li>Improved participation increases the community's satisfaction with decisions made by Council.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of knowledge and/or interest in Council activities and processes present barriers to residents participating in and influencing our decision-making.</li> <li>The views expressed by the public are not always in agreement with each other which can lead to some residents believing their views have not been taken into account.</li> <li>Working with other agencies can be time consuming and the outcomes are not always tangible.</li> </ul>	<ul style="list-style-type: none"> <li>Efforts are made to ensure Council information is readily available and everyone has the opportunity to participate.</li> <li>Projects will be undertaken to improve public participation and influence over our decision making.</li> <li>Council meetings will be held in the community to encourage local community attendance.</li> <li>Selective involvement in a range of local, sub-regional, regional and national networks.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Provision for Tangata Whenua representation, for example through the two Partnership Forums.</li> <li>Increased opportunities for co-governance and co-management of assets.</li> </ul>	<ul style="list-style-type: none"> <li>Our formal processes for decision making and consultation may unintentionally discourage minority and disadvantaged groups within the community from taking part.</li> <li>The perception of many Tangata Whenua that there is insufficient Māori representation in Council.</li> </ul>	<ul style="list-style-type: none"> <li>A variety of engagement methods are considered when formulating consultation plans for major projects.</li> <li>We developed Te Ara Mua: The Pathway, which is a strategy that sets out actions undertaken by Council in partnership with the Partnership Forum.</li> <li>We work with Tangata Whenua on projects and ensure we meet Treaty of Waitangi (Tiriti o Waitangi) obligations.</li> <li>We provide training for councillors in the Treaty of Waitangi (Te Tiriti o Waitangi), tikanga Māori and te reo Māori.</li> <li>We use Council's Tangata Whenua engagement guidelines.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Effective representation ensures our decision-making protects and improves the environment.</li> </ul>	<ul style="list-style-type: none"> <li>None identified.</li> </ul>	<ul style="list-style-type: none"> <li>Leadership and governance training for councillors.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>A strong local economy is a key part of a robust, attractive, sustainable community.</li> </ul>	<ul style="list-style-type: none"> <li>Increased costs of providing more opportunities for the public to participate.</li> </ul>	<ul style="list-style-type: none"> <li>Continually monitoring costs and endeavouring to balance the amount and type of engagement we undertake with the costs of engagement processes.</li> </ul>

# Planning for the Future

## Mahere ki Raurangi

Planning for the future includes the development of this Long Term Plan and other strategic plans, policies and bylaws to support the health, safety and general wellbeing of our communities.

### What we provide

#### Policy and Planning

- Bylaws
- Policies
- Strategies
- S17A reviews
- Advocacy

#### Environmental Planning

- District Plan
- Structure Plans
- Growth Strategies
- Monitoring

### Why we provide this activity

#### Our community outcomes

- Leaders are effective, informed and inclusive
- We have authentic Te Tiriti based relationships with tangata whenua

# Planning for the Future

## Overview

Our District is constantly changing and continues to experience rapid population growth and a consequent increase in housing, plus shifts in social and ethnic make-up. We inform our future planning through monitoring our demographic changes, development trends, the state of our environment and customer satisfaction.

Council maintains and develops strategic plans, policies and bylaws to support the health, safety and general wellbeing of communities. This involves responding to legislative changes, updating and developing new strategies, monitoring the impact of growth and development in our District, undertaking community engagement and working with key stakeholders and other agencies to plan for our future.

**Planning for the future includes resource management planning and local government policy and planning. More particularly these activities help us to:**

- Understand the characteristics of our District, the trends that are occurring and the pressures it is facing.
- Work with our communities to understand their aspirations for the future and ensure they have a voice in matters that affect their lives.
- Identify and respond to the resource management issues facing our District, including improvements in urban design quality and revitalisation of our town centres, maintaining rural production and amenity and protection of the environment.
- Develop policies and bylaws to support the health, safety and general wellbeing of our communities.
- Advocate for our communities, residents and District.

## SmartGrowth – an overview

SmartGrowth is the growth management strategy for the western Bay of Plenty sub-region, comprising both the Western Bay of Plenty District and Tauranga City. This area has experienced population growth since the 1950s.

SmartGrowth is a collaboration between Western Bay of Plenty District Council, Tauranga City Council, Bay of Plenty Regional Council, Waka Kotahi NZ Transport Agency and Tangata Whenua. We work in partnership with Central Government, businesses, education groups, industry and the community.

The SmartGrowth strategy was developed in 2004 to outline a plan for sustainable urban and rural growth management. Fundamental to this management plan was the protection of versatile (productive) soils. SmartGrowth identifies future land supply needs and sequences its release and development according to demand and the ability for it to be serviced by appropriate infrastructure and equitable funding. This is important as our District has a large land area and several distinct urban centres, so providing infrastructure is more expensive compared to a compact, single settlement like a city.

The SmartGrowth strategy is anchored through the Regional Policy Statement (RPS) and the Long Term Plans and District Plans of the partner councils, and is an effective channel for securing Central Government funding to progress the Western Bay of Plenty sub-region.

Council will continue to work with Tangata Whenua to develop and implement strategic plans for our two Partnership Forums, Te Kāhui Mana Whenua o Tauranga Moana and Te Ihu o te Waka o Te Arawa.

These plans provide a framework for identifying issues of significance to Māori in line with the aspirations Tangata Whenua have and the clear statutory obligations Council has to Māori. The plans also outline an annual work programme to drive actions that address those issues of significance.

## How we will achieve our community outcomes

Goal	Our approach
<p>Develop, monitor, review and advocate policy and plans that support the achievement of our vision for the District, our community outcomes and the direction provided by SmartGrowth.</p>	<p><b>Our people and communities</b></p> <ul style="list-style-type: none"> <li>• Undertake our planning collaboratively to ensure people have a voice in matters that affect their lives.</li> <li>• Make it easier for people to understand our processes and how to participate in them (for example Annual Plan, Long Term Plan and District Plan processes).</li> <li>• Recognise, plan and advocate for the needs of diverse groups within our communities, to support people from different cultures, older people, younger people and people with disabilities to meet their social needs, maximise their potential for development and enhance their wellbeing.</li> <li>• Build the capacity of Tangata Whenua to support the development of comprehensive Iwi and Hapū Management Plans.</li> <li>• Improve capability and capacity to engage with and respond to Tangata Whenua.</li> </ul>
	<p><b>Resource management planning</b></p> <ul style="list-style-type: none"> <li>• Ensure an operative District Plan is in place and kept up to date.</li> <li>• Manage growth by implementing the SmartGrowth Strategy based on the following principles: <ul style="list-style-type: none"> <li>- Residential growth centres to accommodate most additional population growth and provide for a range of urban living opportunities.</li> <li>- Employment growth centres to provide for employment opportunities of local and regional significance.</li> <li>- Rural development opportunities that protect the productive land resource while also allowing for rural lifestyles.</li> <li>- Transport corridors linking the region internally and externally.</li> <li>- Ideally, costs of development are to be met by the developer and not by the community.</li> </ul> </li> </ul>
	<p><b>Strategic planning</b></p> <ul style="list-style-type: none"> <li>• Ensure a Long Term Plan is in place and review it every three years.</li> <li>• Develop and review our strategies.</li> </ul>
	<p><b>Community planning</b></p> <ul style="list-style-type: none"> <li>• Work with communities to develop and monitor Community Development Plans (environmental, social, economic, cultural and infrastructural) for each of our District's communities.</li> <li>• Promote improvements in design and urban design quality in our District.</li> <li>• Support crime prevention through environmental design plans.</li> <li>• Plan to support town centre revitalisation.</li> <li>• Understand the social infrastructure requirements of our communities to support individuals, families, groups and communities to meet their social needs, maximise their potential for development and enhance their wellbeing.</li> </ul>
	<p><b>Infrastructure planning</b></p> <ul style="list-style-type: none"> <li>• Undertake investigations and feasibility studies to provide information for decision making on infrastructure projects.</li> </ul>
	<p><b>Policy and bylaw development</b></p> <ul style="list-style-type: none"> <li>• Develop policies and bylaws to support the health, safety and general wellbeing of communities.</li> <li>• Review our bylaws and policies in accordance with legislative requirements.</li> </ul>

Goal	Our approach
Develop, monitor, review and advocate policy and plans that support the achievement of our vision for the District, our community outcomes and the direction provided by SmartGrowth (continued).	<p><b>Monitoring and review</b></p> <ul style="list-style-type: none"> <li>• Monitor, review and report progress towards community outcomes.</li> <li>• Monitor trends and changes in legislation to determine the impact on our activities.</li> <li>• Monitor the state of the environment and effectiveness of our District Plan.</li> </ul> <p>Monitor the impacts of growth and development on our District in accordance with District and sub-regional monitoring frameworks.</p>
	<p><b>Collaboration and advocacy</b></p> <ul style="list-style-type: none"> <li>• Work with key stakeholders and other agencies to take a collaborative approach to planning for the future.</li> <li>• Influence legislation and national policy.</li> <li>• Advocate for our communities, residents and District.</li> </ul>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
151102	Reserve Management Plans - Te Puke/Maketu	-	-	-	-	-	-	1,260	-	-	-
151103	Reserve Management Plans - Katikati/Waihi Beach	-	-	-	1,175	-	-	-	-	-	-
151105	Reserve Management Plans - Kaimai	1,000	-	-	-	-	-	-	-	-	1,342
151107	Policy & Planning - Reserve Concept Plans	8,000	8,920	9,160	9,400	9,632	9,856	10,080	10,296	10,520	10,736
175602	Policy & Planning - Management of LTP review	-	111,500	114,500	-	120,400	123,200	-	128,700	131,500	-
175910	Policy & Planning - Policy Development and Review	10,330	11,518	11,828	12,138	12,437	12,727	13,016	13,295	13,584	13,863
287702	Solid Waste/Joint WMMP Action Plan Review	-	-	-	1,175	1,204	-	-	-	1,315	1,342
288702	Strategy Review	-	23,036	-	-	24,875	-	-	26,589	-	-
293002	Policy & Planning - Bylaw Review and Development	5,165	5,759	5,914	6,069	6,219	6,363	6,508	6,647	6,792	6,931
296301	Monitoring Reports - Annual Residents Survey	51,650	57,590	59,139	60,689	62,187	63,633	65,079	66,474	67,920	69,314
252208	Planning - SmartGrowth Implementation coordination share	160,000	178,400	183,200	188,000	192,640	197,120	201,600	205,920	210,400	214,720
346401	Natural Hazards Collaborative Planning	75,000	83,625	85,875	88,125	90,300	-	-	-	-	-
354101	Spatial Planning	150,000	167,250	171,750	176,250	180,600	184,800	189,000	193,050	197,250	201,300
354901	Eastern Centre (Te Kainga) Business Case Development	100,000	111,500	-	-	-	-	-	-	-	-
LTP25/34-12	Resource Management Reform	100,000	111,500	114,500	-	-	-	-	-	-	-
LTP25/34-13	Plan Changes / Structure Planning	100,000	111,500	114,500	117,500	120,400	123,200	126,000	128,700	131,500	134,200

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Planning for the Future activity.





## Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Engaging communities in planning and policy development processes enables them to have a voice in matters that affect their lives.</li> <li>Community safety is enhanced by plans that adopt Crime Prevention through Environmental Design principles.</li> <li>Community planning processes assist in defining community identity, encourage community leaders to emerge and provide a framework for realising community aspirations.</li> <li>Engagement processes enable community members to hear and appreciate views different from their own.</li> <li>Ensuring appropriate and timely social infrastructure is available to meet new communities' social needs, maximize their potential for development and enhance their wellbeing.</li> </ul>	<ul style="list-style-type: none"> <li>Communities may not have the capacity for engagement on all plans and policies.</li> <li>Policies and plans can be of advantage to some individuals or groups at the expense of others.</li> </ul>	<ul style="list-style-type: none"> <li>Using innovative approaches for connecting with communities to enhance planning and policy development.</li> <li>Ensuring equal opportunities exist for different stakeholder groups to make submissions and access information.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Identifying and protecting cultural heritage sites.</li> <li>Community development approaches recognise the diversity of their cultural and ethnic make-up.</li> <li>Better understanding of the cultural traditions and heritage of people living within our District.</li> <li>Engaging Tangata Whenua in planning and policy development enables their input into matters that affect their lives.</li> <li>Supporting Hapū Management Plans assists iwi and hapū in improving resource management, as well as progressing their social and economic development.</li> </ul>	<ul style="list-style-type: none"> <li>None identified</li> </ul>	
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Protection of significant landscape features and sites of ecological significance. Improvements in the quality of the natural environment (for example waterways, air, native flora and fauna).</li> <li>Protecting versatile soils.</li> <li>Protecting amenity values.</li> </ul>	<ul style="list-style-type: none"> <li>Environment Court appeal processes are costly for all parties.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring robust pre-engagement processes are undertaken to minimise the risk of appeal or challenge.</li> </ul>

Wellbeing	Positive	Negative	How we are addressing these effects
	<ul style="list-style-type: none"> <li>Enhanced understanding of how well our natural environment can adapt to change and absorb the impact of human activities.</li> <li>Minimising adverse environmental effects of our decision making protects and improves the environment.</li> </ul>		
<b>Economic</b>	<ul style="list-style-type: none"> <li>Land use and transport planning are more integrated.</li> <li>Areas for business growth are identified and planned for to provide a range of quality employment opportunities.</li> <li>Sensitivity issues that arise from incompatible activities being side-by-side are avoided.</li> <li>Well-planned town centres and a quality-built environment present an attractive investment proposition.</li> </ul>	<ul style="list-style-type: none"> <li>Some policy decisions take time to consult upon and may take months (or even years) to develop.</li> <li>Environment Court appeal processes are costly for all parties.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring robust pre-engagement processes are undertaken to minimise the risk of appeal or challenge.</li> </ul>

# Community Building

## Paihere Hapori

Our Community Building activity involves working with our communities and local organisations to achieve social and cultural wellbeing.

### What we provide

**Community support through grants and service delivery contracts that contribute to achieving social and cultural wellbeing:**

- Events funding and support
- Safer Communities
- Welcoming Communities that embrace diversity
- Age-friendly and child/youth friendly, inclusive communities
- Genuine Te Tiriti based partnerships with tangata whenua
- support for participation in active communities – sport and recreation.
- support to enable housing outcomes.

### Why we provide this activity

**Our community outcomes**

Our communities are vibrant and welcoming to all.

We have authentic Te Tiriti based relationships with tangata whenua

# Community Building

## Overview

Our way of working recognises that the knowledge of what makes a great community, sits within that community.

We focus on supporting local initiatives and local action. We support local organisations to work together to deliver on their community's aspirations.

### Our core programmes include:

- **Welcoming Communities**

We are an accredited 'Established Welcoming Community' – a community that welcomes newcomers and creates an inclusive environment for all ethnicities. We support delivery of the Western Bay of Plenty Welcoming Plan through funding and direct engagement with our migrant communities.

- **Enabling Housing**

We have established housing networks in Te Puke and Katikati. These networks have developed housing systems plans, and work together to drive the implementation of those plans.

- **Genuine Te Tiriti based partnerships with Tangata Whenua**

We continue to grow our partnerships with tangata whenua to achieve their aspirations. We provide funding for iwi / hapū management plans, Marae sustainability, Papakainga development planning support and support for local iwi / hapū-led initiatives.

- **Community Matching Fund**

We provide grants funding to community and local organisations that are contributing to achieving community outcomes.

- **Events Funding and Support**

We recognise that events contribute to achieving social, cultural and economic outcomes. We support events through direct funding and through a dedicated Council resource.

- **Community capacity building**

We support community planning processes, local networks, and local programmes which bring communities together to understand their strengths and develop shared outcomes, goals and actions.

We work with 'umbrella' entities that coordinate delivery of agreed strategies and actions in local communities and across the Western Bay. These include Sport Bay of Plenty, Creative Bay of Plenty, Western Bay Museum and Katikati Community Centre. We work with our service providers to understand local community aspirations and needs and to focus on local actions that address these needs.

Under the Civil Defence Emergency Management Act, we are part of the Bay of Plenty Civil Defence and Emergency Management Group. Council has a legislative role to play in supporting communities through emergencies, and ensuring critical services get up and running as soon as possible after an emergency event. We support communities and Marae to develop local response plans that contribute to safer, more resilient communities.

**Over the next three years we will focus on inclusive practices that build community capacity and foster genuine Te Tiriti based partnerships with tangata whenua. We will continue to have a focus on addressing the 'digital divide' for youth and older people, and on events (including arts and cultural events and activities) that celebrate our diversity, are welcoming to all and encourage participation.**

## How we will achieve our community outcomes

Goal	Our approach
<p>The District has strong collaborative networks, delivering agreed strategies and programmes that contribute to social and cultural wellbeing.</p>	<p>Provide funding support and engage in core programmes that achieve our community outcomes, including:</p> <ul style="list-style-type: none"> <li>• Welcoming Communities</li> <li>• Local community network support and capacity building</li> <li>• Working with local organisations on community safety</li> </ul> <p>Provide funding support and engage with 'umbrella' organisations that deliver on agreed strategies and actions, including:</p> <ul style="list-style-type: none"> <li>• Creative Bay of Plenty, the Arts Incubator, Western Bay Museum and Tauranga Art Gallery</li> <li>• Sport Bay of Plenty</li> <li>• Socialink</li> </ul>
<p>Communities host and deliver events that bring the community together and contribute to a sense of belonging.</p>	<ul style="list-style-type: none"> <li>• Fund and support events and activities that promote social and cultural wellbeing.</li> </ul>
<p>Tangata Whenua are supported to achieve their aspirations and to build capacity to contribute to decision making.</p>	<ul style="list-style-type: none"> <li>• Fund and support the development of iwi / hapū management plans and arrangements that enable participation in decision making.</li> <li>• Fund and support Marae and papakainga development, through the Marae Sustainability Initiatives Fund (Marae) and Joint Agency Group (Papakainga).</li> <li>• Fund and support events and activities that promote social and cultural wellbeing.</li> </ul>
<p>Council is contributing to improving access to adequate housing.</p>	<ul style="list-style-type: none"> <li>• Fund and support delivery of actions set out in the Housing Action Plan, including the Regional Healthy Housing programme, support for Papakainga development, and innovative approaches to improving the supply of social and affordable housing.</li> </ul>
<p>Council's Civil Defence and emergency management functions are maintained.</p>	<ul style="list-style-type: none"> <li>• Maintain the Western Zone Emergency Operations Centre, including site and staffing management (including staff training).</li> <li>• Fund and participate in the Bay of Plenty Lifelines Group.</li> <li>• Support local community response and marae preparedness planning.</li> </ul>
<p>Communities have the capacity to deliver their own initiatives that achieve their goals.</p>	<ul style="list-style-type: none"> <li>• Through the Community Matching Fund, provide funding support to organisations that deliver local services and coordinate actions to achieve local community aspirations.</li> <li>• Fund and support strengths based community planning processes to assist communities to have agreed common outcomes, goals and actions.</li> <li>• Support delivery of events through facilitation and funding.</li> <li>• Use service delivery contracts to deliver local actions that contribute to achieving agreed goals and outcomes.</li> </ul>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
355302	Communities - CCTV	53,867	58,392	59,631	-	-	-	-	-	-	-
148805	Community - Grant Katikati Open Air Art Grant (Murals)	13,000	14,092	14,391	14,703	15,002	15,301	15,600	15,899	16,198	16,484
148809	Community Matching Fund	110,000	119,240	121,770	124,410	126,940	129,470	132,000	134,530	137,060	139,480
148813	Community Arts - The Incubator Creative Hub	23,000	24,932	25,461	26,013	26,542	27,071	27,600	28,129	28,658	29,164
148815	Community Action Plans	45,000	48,780	49,815	50,895	51,930	52,965	54,000	55,035	56,070	57,060
148818	Community Services Contract - Age Friendly Communities	22,000	23,848	24,354	24,882	25,388	25,894	26,400	26,906	27,412	27,896
148901	Community Services Contract - Citizens Advice Bureau	25,000	27,100	27,675	28,275	28,850	29,425	30,000	30,575	31,150	31,700
149001	Community Services contract - Creative Bay of Plenty	106,953	115,937	118,397	120,964	123,424	125,884	128,344	130,804	133,263	135,616
149102	Community Services Contract - Sport Recreation & Disability Inclusion	105,000	113,820	116,235	118,755	121,170	123,585	126,000	128,415	130,830	133,140
299901	Community Development - Crime Prevention Projects	17,000	18,428	18,819	19,227	19,618	20,009	20,400	20,791	21,182	21,556
303901	Community Services Contract - Katikati Community Centre	44,000	47,696	48,708	49,764	50,776	51,788	52,800	53,812	54,824	55,792
315602	Bay of Plenty Local Authority Shared Services	41,120	44,574	45,520	46,507	47,452	48,398	49,344	50,290	51,236	52,140
326701	Arts and Culture contract - Tauranga Art Gallery	44,000	47,696	48,708	49,764	50,776	51,788	52,800	53,812	54,824	55,792
336101	Community Services Contract - Museum Operations	225,000	243,900	249,075	254,475	259,650	264,825	270,000	275,175	280,350	285,300
340901	Community Development - Safer Communities Programme	31,457	34,099	34,823	35,578	36,301	37,025	37,748	38,472	39,195	39,887
341001	Policy & Planning - Regional Healthy Housing Programme	61,680	66,861	68,280	69,760	71,179	72,597	74,016	75,435	76,853	78,210
341002	Housing Action Plan Implementation	30,000	32,520	33,210	33,930	34,620	35,310	36,000	36,690	37,380	38,040
345501	Community Development - Welcoming communities	41,120	44,574	45,520	46,507	47,452	48,398	49,344	50,290	51,236	52,140
345502	Community Development - Migrant Support Grant	15,728	17,050	17,411	17,789	18,151	18,512	18,874	19,236	19,598	19,944
347901	Community Development - COLAB & SocialLink	61,680	66,861	68,280	69,760	71,179	72,597	74,016	75,435	76,853	78,210
353801	Planning - Wellbeing Plan implementation of agreed actions	180,000	200,700	206,100	211,500	216,720	221,760	226,800	231,660	236,700	241,560
355001	Community Events Support	123,360	133,722	136,560	139,520	142,357	145,195	148,032	150,869	153,707	156,420
LTP25/34-4	Service Delivery Contract - Live Well Waihi Beach	30,000	32,520	33,210	33,930	34,620	35,310	36,000	36,690	37,380	38,040
300301	Kaupapa Maori - Cultural kaupapa	30,000	32,520	33,210	33,930	34,620	35,310	36,000	36,690	37,380	38,040
323201	Kaupapa Maori - Papakainga Development	100,000	108,400	110,700	113,100	115,400	117,700	120,000	122,300	124,600	126,800
331001	Kaupapa Maori - Supporting Iwi and Hapu Plan Implementation	77,100.00	83,576.40	110,700.00	113,100.00	115,400.00	117,700.00	120,000.00	122,300.00	124,600.00	126,800.00
334801	Kaupapa Maori - Marae Sustainability funding	60,000	65,040	66,420	67,860	69,240	70,620	72,000	73,380	74,760	76,080
346201	Te Ara Mua Implementation	20,660	23,036	23,656	24,276	24,875	25,453	26,032	26,589	27,168	27,726
156302	Lifeline Facilities study	10,280	11,144	11,380	11,627	11,863	12,100	12,336	12,572	12,809	13,035

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Community Building activity.

## How we will track progress

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
We fund and support collaborative networks, programmes and community led initiatives.	Number of projects receiving funding from Community Matching Fund that are successfully delivered.	98%	>90%	>90%	>90%	>90%	>90%
We engage with and fund Tangata Whenua to build capability and achieve aspirations.	Percentage of deliverables in service delivery contracts that are met.	100%	>90%	>90%	>90%	>90%	>90%
	Number of Iwi, hapu and marae benefitting from projects delivered from the Marae Sustainability Initiatives fund, the Iwi Hapu Plan fund, the Papakainga Development fund and the Cultural Events fund.	New measure	>10%	>10%	>10%	>10%	>10%
We support and fund implementation of Council's Housing Action Plan.	Number of homes in the Western Bay of Plenty assessed and upgraded through the Regional Healthy Housing Programme.	197	>60	>60	>60	>60	>60
We will maintain capability to effectively respond to an emergency and provide education to raise public awareness	The city/district/region is prepared for and can effectively respond to an emergency.	Achieved	Advancing	Advancing	Advancing	Advancing	Advancing
	Percentage of rostered staff that are trained in emergency management	New measure	>80%	>80%	>80%	>80%	>80%

## Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>• Activities are targeted at improving the wellbeing of communities in our District.</li> <li>• Community building activities encourage participation and build tolerance and inclusiveness.</li> <li>• Community organisations are supported.</li> <li>• Improves safety in communities.</li> <li>• Building capacity and capability within communities and with Tangata Whenua assist in achieving local aspirations and supports good decision making.</li> </ul>	<ul style="list-style-type: none"> <li>• Difficulties in engaging with some groups in the community can mean the 'voice' of some parts of the community is not included in decision making.</li> <li>• Unable to prevent natural disasters causing human suffering and trauma on a large scale.</li> </ul>	<ul style="list-style-type: none"> <li>• Effective use of technology and emerging tools to engage with our communities.</li> <li>• Facilitation and support to collaborate with all sectors of the community.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>• Local heritage is preserved and promoted.</li> <li>• Events and programmes that support inclusiveness and ensure cultural diversity is celebrated, help to achieve wider social and cultural wellbeing.</li> <li>• Use of Marae to support Civil Defense.</li> </ul>	<ul style="list-style-type: none"> <li>• Management of the effects of a natural disaster may significantly impact on Tangata Whenua relationships to the land, sea and rivers.</li> <li>• Emergency events and shocks can negatively community connections and relationships.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with hapū and iwi to build their readiness to reduce hazards, respond and recover from disaster.</li> <li>• Work with local communities to build resilience to shocks, stresses and emergencies.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>• Identification of hazards and appropriate steps taken to reduce and manage the risks associated with those hazards.</li> </ul>	<ul style="list-style-type: none"> <li>• Events or activities that are not well managed can cause local environmental effects, such as noise, traffic congestion.</li> <li>• Disasters can cause varying levels of damage to the environment.</li> <li>• Damage to lifelines (e.g. electricity, water supplies) causing wide-spread health and safety issues.</li> </ul>	<ul style="list-style-type: none"> <li>• Support and facilitation role from Council to ensure events and activities are well organised and communicated.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>• Arts, culture and events can encourage and support the creative economy, supporting entrepreneurs and businesses to our District.</li> <li>• Lifeline infrastructure, such as water, wastewater and electricity, is managed to ensure continuous supply.</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritisation of essential services in a disaster may have negative consequences to those communities not receiving emergency care.</li> </ul>	<ul style="list-style-type: none"> <li>• Building the capability of local not-for-profit organisations.</li> <li>• The Recovery component of Civil Defense and Emergency Management aims to rebuild and rehabilitate the District damaged as a result of the disaster.</li> </ul>



# Libraries and Service Centres

## Wharepukapuka me Papa Ratonga

Our libraries and service centres sit at the heart of our community. They provide welcoming and inclusive spaces where people can connect and access knowledge. Our libraries empower people through literacy, learning and free access to information and resources. Reading, digital fluency, free computer access and training are all central to our libraries. They also house our local heritage, stories and history. Our libraries and service centres belong to everyone and contribute to connected communities where lifelong learning opportunities thrive.

### What we provide

- **One** Head office and Contact Centre (key service centre)
- **Four** libraries and service centres in Waihi Beach, Katikati, Ōmokoroa and Te Puke
- **One** Digital Hub as part of The Centre - Pātuki Manawa in Katikati

### Why we provide this activity

#### Our community outcome

- Our communities are vibrant and welcoming to all.

# Libraries and Service Centres

## Overview

The core role of libraries has remained constant over time but the way libraries deliver services to meet community demand has changed. Our libraries still house and provide physical and unique resources but the reasons for people to visit libraries has changed.

People are now seeking an `experience`, creativity, face-to-face connectivity, one-on-one guidance and expertise. Libraries with digital technology provide multi-channel access to collections and services. They are a conduit to government services and information. For people with no IT/internet services in their home, libraries provide the technology they require.

Council's libraries help empower our communities by providing information, community connection, learning and creative experiences for a wide audience

## **In the Western Bay our libraries include Council service centres, providing a 'one-stop shop' for information and access to Council services.**

### **The Centre – Pātuki Manawa in Katikati**

Is an example of a modern library, service centre and purpose-built community space that is used for delivery of library programmes and for community use. In line with priorities for libraries to progress digital literacy, Council has partnered with Central Government to establish a Regional Digital Hub. Council will continue to provide digital technology and deliver programmes that make the best use of the opportunities technology provides.

### **Ōmokoroa**

Council has opened an interim space for the library in Ōmokoroa. This space will act as a holding space until a new library and service centre is provided in the new town centre.

### **Waihī Beach and Te Puke**

The next 10 years will see the rebuild of the Waihī Beach Library and the Te Puke library and service centre. The rebuilds will ensure the libraries and service centres sit at the heart of the community and provide multi-use community space. Council will look for partnership opportunities to ensure these spaces respond to local community needs and aspirations.

From community feedback we know the public has a high level of satisfaction with the library service, however they would like to have increased digital access and increased 'people' spaces for activities such as study areas, children's events, community displays and technology enabled hubs.

## How we will achieve our community outcome

Goal	Our approach
<p>Our network of libraries and service centres are safe, welcoming, inclusive, flexible spaces for community connection.</p>	<p>Our libraries and service centres will be located within our town centres as a key community space that is easily accessible for local communities.</p> <p>We will design our libraries to provide flexible spaces that can be used for a range of different purposes, including learning, creativity, community and business development opportunities.</p>
<p>Our libraries enable access to information and knowledge.</p>	<p>At the core of our library service is our collection of books, magazines, e-content and other resources. We will maintain and enhance this collection to support our wider goals of improving literacy, reducing inequities in access to information and to support lifelong learning.</p> <p>We will maintain and enhance access to our local heritage collection as a key repository for local heritage and local stories, supporting a sense of belonging and connection to our place.</p> <p>We will also continue to provide access to key resources for research, such as newspapers, magazines, databases and journals. Our staff are trained to navigate a wide range of topics.</p> <p>We will continue to provide access to Council services and information through a shared service model in our libraries, to ensure access to services is available within local communities.</p>
<p>Our libraries are places to share and enhance learning, knowledge, and creativity.</p>	<p>We will continue to provide programmes that focus on early literacy, teens and youth, and services for older people.</p> <p>We will work to enhance our partnerships with Tangata Whenua.</p> <p>We will enhance our digital literacy programmes by providing facilities that are technology enabled and will partner with Central Government and local communities on specific programmes that aim to bridge the digital divide.</p>
<p>Our libraries collaborate with the community. We host, connect and facilitate.</p>	<p>We will continue to operate Western Bay Community Archive and work with volunteers to enhance our local heritage collection. We will enhance our community outreach through supporting local community event and through using our digital platforms to create connections.</p> <p>We will work with local organisations, including arts, culture and heritage provider and schools to deliver programmes that meet the needs of our communities and to expand our services. We will focus on connecting with youth, Māori, and migrant populations.</p> <p>For new builds, we will look for opportunities to partner with other providers and local community groups to ensure what's provided is sustainable and meets community needs.</p>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
318401	Reconfiguring the public reception area Barkes Corner	-	-	-	46,507	-	-	-	-	-	-
332101	Waihi Beach Library Building	775,000	4,340,336	399,627	-	-	-	-	-	-	-
332301	Te Puke Library Building	-	-	1,706,994	10,982,010	2,308,000	-	-	-	-	-
282103	Libraries – Book Purchases Renewals	359,895	399,879	418,572	438,339	447,253	456,167	465,081	473,995	482,909	491,435
282105	Libraries – Book Purchases New	56,208	62,757	66,011	69,465	70,877	72,290	73,703	75,115	76,528	77,879
318501	District Libraries Security Tags	-	-	56,900	-	-	60,498	-	-	64,044	-
LTP25/34-10	Maketu Community Hub	-	-	-	-	346,200	1,588,950	1,620,000	-	-	-
LTP25/34-41	Omokoroa Library and Service Centre	-	-	-	-	-	-	-	-	373,800	380,400
330902	Libraries – Aotearoa Peoples Network Kaharoa Operational costs	24,672	27,859	28,450	29,067	30,844	31,459	32,074	32,688	33,303	33,891

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Libraries and Service Centres activity.

## How we will track our progress

What we do	How we track progress	Result	Target				
		2023	2025	2026	2027	2028-30	2031-34
We provide a network of libraries and service centres that provide safe, welcoming, inclusive, and flexible spaces for community connection.	Number of library and service centre providing multi-use community spaces. Aim is one in each of the four urban centres (Te Puke, Katikati, Waihi Beach and Ōmokoroa).	1 centre	1 centre	1 centre	2 centres	2 centres	4 centres
We provide access to free WiFi technology and programmes that meet community needs.	Number of physical visits to libraries and service centres per annum.	253,441	>270,000	>270,000	>270,000	>290,000	>290,000
	Number of people attending events and programs.	New measure	7,000	7,000	7,000	7,000	7,000
We provide access to and maintain collections, including heritage collections, that meet customer needs.	Number of library items (books and e-books) available per person *(LIANZA std 3 per resident).	New measure	2	2	2	2	2
We provide programmes and events that cater for community needs and aspirations.	Percentage of customer satisfaction with service provided by frontline staff based on real time survey.	New measure	90%	90%	90%	90%	90%
We provide customer services that are responsive to the needs of the community							

# Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Libraries provide public space for social interaction and participation in community life.</li> <li>Increases digital access for communities.</li> <li>Provides a range of community-based educational opportunities for people of all types and ages.</li> <li>Supports education and skill development.</li> <li>Contributes to people's sense of belonging to an area.</li> <li>Provides information about available community services, may improve access to those services.</li> </ul>	<ul style="list-style-type: none"> <li>None identified</li> </ul>	<ul style="list-style-type: none"> <li>Effectively utilizing existing space to support the range of needs of library users.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Provides a mechanism to showcase, communicate and preserve cultural knowledge.</li> <li>Provides a connection to our heritage and to the heritage of others.</li> <li>Provides digital access.</li> <li>Promotes empathy and understanding between different cultures.</li> <li>Reduces social isolation and celebrates cultural diversity.</li> </ul>	<ul style="list-style-type: none"> <li>Having insufficient resources and knowledge to effectively cater to and reflect the range of cultures in our communities.</li> </ul>	<ul style="list-style-type: none"> <li>Cultural diversity training for staff.</li> <li>Seeking knowledge and expertise from those in our communities from across all cultures.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Raises awareness of environmental issues through displays.</li> <li>Allows access to knowledge about environmental issues.</li> <li>Library buildings can be showcases for sustainability and eco-design.</li> </ul>	<ul style="list-style-type: none"> <li>None identified.</li> </ul>	<ul style="list-style-type: none"> <li>Planning for new libraries incorporates sustainability and eco-design features.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Enables individuals to gain knowledge, up-skill and become computer literate.</li> <li>Helps individuals who are unable to access information technology elsewhere.</li> <li>Provides an anchor for downtown developments.</li> <li>Supports employers, e.g. referring potential employees.</li> </ul>	<ul style="list-style-type: none"> <li>User fees and charges for some services may be a barrier to access.</li> </ul>	<ul style="list-style-type: none"> <li>Planning for new libraries will include consideration of information communications technology.</li> <li>User fees and charges are reviewed annually.</li> </ul>

# Community Facilities

## Hanga ā-Hapori

As part of the Communities Group of activities, community facilities include community halls, elder housing, and cemeteries. Community facilities contribute to achieving social and cultural wellbeing. They contribute to having communities where people are connected and feel they belong, have access to adequate housing, and have spaces where they can be active and healthy and learn and contribute.

### What we provide

- elder housing
- cemeteries
  - Katikati
  - Maketu
  - Oropi
  - Te Puke (Old and New)
- help support community halls.

### Why we provide this activity

#### Our community outcomes

- We can all enjoy a healthy and safe lifestyle
- Our communities are vibrant and welcoming to all.

# Community Facilities

## Overview

### **Community halls**

The importance of community halls is reflected in local community ownership of 19 halls across our District. Council provides the land for 15 of these halls. Council has a Halls Policy which guides the operational relationship between Council and hall committees. Under the Community Halls Policy condition assessments are completed for each hall every six years. The condition assessments inform the 10-year work programmes for each hall and are used to set the rates based on maintenance and agreed capital development requirements.

A wide range of activities and events are held in halls which support recreation, learning and social interaction within our communities.

### **Elder housing**

Access to affordable housing is a significant challenge in the District. Older people requiring rental accommodation face particular challenges, as they often have fixed incomes and the housing stock is not well suited to their needs. There is a growing number of older people in the district who are seeking good quality, affordable rental accommodation.

Council is working in partnership with central government and local providers to ensure more housing options are available. Council's elder housing provides much needed affordable rental housing for older people with limited financial means. Council will continue to provide elder housing as it does now and will work to redevelop the stock over time so the housing is fit for purpose and more can be provided. Council has an operational policy for elder housing which including eligibility criteria and sets rents at an affordable level.

### **Cemeteries**

Cemeteries provide families, friends, and visitors a place to remember their loved ones. We are legally required to provide cemeteries to ensure the needs of our District are met now, and in the future. We are confident that our cemeteries have sufficient capacity to meet current and future demand.

Attitudes to burial and remembrance are changing, with people seeking different options including natural burials and remembrance gardens. Council has earmarked space for natural burials within the Te Puke cemetery.





## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Community Facilities activity.

## How we will track progress

What we do	How we track progress	Result					
		2023	2025	2026	2027	2028-30	2031-34
We will provide cemeteries at Katikati, Maketu, Oropi and Te Puke that cater for the burial needs of the community.	Number of cemeteries where plot availability is >30% of annual plot requirements or 5 plots at any one time.	4	4	4	4	4	4
	Areas for natural burials provided in the District.	0	1	1	1	2	2
We provide dedicated areas for memorialisation across the District.	Areas dedicated to memorialisation (either within a cemetery or in a reserve) provided in each ward of the District.	2	2	2	3	3	4
Partnerships with hall committees will be maintained.	Number of 10-year maintenance programmes in place with existing hall committees.	14	>14	>14	>14	>14	>14
We provide affordable rental housing for older people with limited financial means.	Number of units provided across the District. (Aim is to increase stock over time)	59	76	76	82	87	87

## Significant effects of providing this activity - community meeting places

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Halls and Marae provide an important public space for social interaction, recreation and learning.</li> </ul>	<ul style="list-style-type: none"> <li>Halls may be in locations that are not accessible for some residents.</li> <li>Difficulty encouraging people to join hall committees.</li> <li>All ratepayers in the hall area are required to pay for hall maintenance but may not all use the hall.</li> </ul>	<ul style="list-style-type: none"> <li>Work with hall committees to assist them in promoting the use of halls.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Provides venues for cultural and art events.</li> </ul>	<ul style="list-style-type: none"> <li>May not provide appropriate facilities for certain types of cultural and art events</li> </ul>	<ul style="list-style-type: none"> <li>Collection of rates on behalf of hall committees to support the capital development and maintenance of halls.</li> <li>Establishment of the Marae maintenance fund to contribute to the maintenance of Marae.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Provides a cost-effective venue for events and recreation activities.</li> </ul>	<ul style="list-style-type: none"> <li>Difficulty in raising funds and encouraging the use of halls to support ongoing maintenance and capital development costs.</li> </ul>	<ul style="list-style-type: none"> <li>Collection of rates on behalf of hall committees to support the capital development and maintenance of halls.</li> </ul>

## Significant effects of providing this activity - housing for older people

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Many of the units are located in areas where residents are able to access cultural and art events.</li> </ul>	<ul style="list-style-type: none"> <li>Occupancy does not reflect the ethnic make-up of our District's population.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure Māori and people from other cultures are aware of the availability of housing for older people.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Housing is affordable to low income older residents.</li> <li>Provision of housing is self-funding not requiring ratepayer funding.</li> </ul>	<ul style="list-style-type: none"> <li>Council will not be able to meet the demand for housing.</li> </ul>	<ul style="list-style-type: none"> <li>Liaison with social housing providers and Kainga Ora should existing funding arrangements change.</li> </ul>

## Significant effects of providing this activity - cemeteries

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Meets community needs for cemeteries.</li> </ul>	<ul style="list-style-type: none"> <li>Māori provide their own cemeteries, i.e. urupa.</li> <li>May not meet the burial needs of our increasingly culturally diverse population.</li> <li>Potential for increased demand due to the increasing proportion of older residents</li> </ul>	<ul style="list-style-type: none"> <li>Consideration of the cultural diversity of the population when reviewing cemetery capacity.</li> <li>Projected population ageing figures are considered in the planning of cemeteries.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Preservation of history.</li> </ul>	<ul style="list-style-type: none"> <li>Inability to meet some very specific cultural requirements may lead to customer dissatisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>Social infrastructure planning guidelines require consideration of cultural diversity when planning for cemeteries</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Relevant legislative and industry health and safety standards are complied with.</li> </ul>	<ul style="list-style-type: none"> <li>Potential health effects</li> </ul>	<ul style="list-style-type: none"> <li>We adhere to the legal, health and safety requirements to minimise the environmental impact of cemeteries.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Primarily funded by those requiring the service</li> </ul>	<ul style="list-style-type: none"> <li>There may be some people or their families who struggle to pay to use the cemetery</li> </ul>	<ul style="list-style-type: none"> <li>While the majority of cost is funded by the users of the service we contribute some funding to public cemeteries</li> </ul>

# Recreation and Open Space

## Rēhia me Papa Wātea

Our recreation and open space network plays an important role in contributing to the social, environmental, cultural and economic wellbeing of our community.

### What we provide

This activity includes all recreation and open space assets owned and administered by Council. Among other things, recreation includes leisure, organised sport, informal sports activity and passive recreation such as walking.

Activities such as arts and culture, facilities such as libraries and community halls and the natural environment aspects of open space are included in other Activity Plans within this LTP.

- walking and cycling networks
- neighbourhood reserves
- camp grounds
- esplanade and coastal reserves
- swimming pools
- indoor recreation centre (with Katikati College)
- water access – boat ramps, wharves and jetties, pontoons
- coastal erosion protection structures (seawalls)
- playgrounds
- heritage, natural and cultural reserves
- skate parks
- dog parks
- public toilets
- sport and recreation parks
- sub-regional parks (TECT park and Huharua Park)

### Why we provide this activity

#### Our community outcome

- We can all enjoy a healthy and safe lifestyle
- Our environment is clean, green and valued.
- Our communities are vibrant and welcoming to all.

# Recreation and Open Space

## Overview

The benefits of an active, healthy community, particularly as the population ages, are well known. Our network of public open space and facilities provides opportunities for people to interact socially and improve their health as well as contributing to the protection of cultural, landscape and ecological values.

As the population increases, additional demand is placed on our recreation and open space network. We need to ensure we keep pace with this demand so that it continues to meet the needs of the distinct communities located across the District.

In common with other councils across the country we remain aware of the need to balance effective development and management of our recreation and open space network with the community's ability to pay for it.

All councils in the Bay of Plenty have worked together to develop a regionally focused Spaces and Places Strategy and fund its implementation over the next several years. Across the region we are seeing better coordination of facility development and improved relationship building where partnership/collaborative approaches may form part of the solution. We are also aware of the need to meet community aspirations and to manage competing demands for open space and facilities from different user groups.

Our ongoing programme of reserve management plan reviews provides the opportunity to work with each ward to identify local community aspirations and put in place a plan for how these can be responded to through development and management of parks and reserves. This ensures that we continue to provide fit-for-purpose places and spaces for our existing and

We will also continue to focus on understanding barriers to participation in sport and recreation activities, continuing to enhance our open space network through our reserve management planning processes and working with Tauranga City Council and other organisations to ensure our joint sub-regional parks approach continues to respond to growth, recreation and environmental needs of the western Bay of Plenty sub-region

## Our focus for this activity

### Pools

Council will continue to work with the community to identify options for a new swimming pool development in Te Puke. Provision is also made for upgrade work to the Dave Hume Swimming Pool and future replacement (2040+) and the purchase of land in Ōmokoroa for future swimming pool development.

### Reserves

We have a clear approach to determine our requirements for local neighbourhood reserves in new growth areas, across the District and for dog parks and sport and recreation parks.

### Sports Centres

We will continue to work in partnership with Katikati College to ensure the community access agreement for the Katikati Action Centre is maximised to best meet the needs of local communities. Any other proposals for similar types of facilities will be assessed on a case-by-case basis and in accordance with the BOP Spaces and Places Strategy.

### Walking and Cycleways

Our Walking and Cycling Action Plan enables us to continue to build on the significant achievements to date and to continue to work with neighbouring councils, local community support and private funders to further develop cycleway network as well as advocate for further government funding to develop our network.

### Boat Ramps

A review of all previous information on boat ramp use over the last 10–20 years has identified that all-tide or 'premier' boat ramps within the District and western Bay of Plenty region will continue to come under pressure from growth. Council needs to plan for this through a mix of capacity upgrades and new provision.

# How will we achieve our community outcomes

Goal	Our approach
<p>Provide appropriate opportunities to access the recreation and open space network.</p> <p>Note: Access can mean physical access, affordable access, disabled access, geographic access etc</p>	<ul style="list-style-type: none"> <li>• Continue to apply adopted levels of service to the provision of the recreation and open space network, including the provision of facilities to a 'basic' standard with a requirement for the community to fund any higher level of service.</li> <li>• Apply adopted levels of service for swimming pools, indoor recreation centres, neighbourhood parks and sport and recreation parks.</li> <li>• Improve monitoring of facility use in community partnership agreements to ensure utilisation is maximised where appropriate and meeting the needs of local communities.</li> <li>• Recognise the need to achieve a balance between enhancing accessibility to the open space network, while protecting areas where there are important natural, cultural and environmental values.</li> </ul>
<p>Connect our spaces and places to each other and to destinations such as schools and community gathering places</p>	<ul style="list-style-type: none"> <li>• Continue to implement the Walking and Cycling Action Plan, working with neighbouring councils, local communities, and private funders as well as advocating for further government funding to develop our network.</li> </ul>
<p>Protect and enhance important environmental, cultural and heritage values.</p>	<ul style="list-style-type: none"> <li>• Continue to enhance the open space network to achieve environmental and cultural objectives where possible in existing and new reserves and reflect the heritage values of the area.</li> <li>• Continue to carry out riparian planting programmes with the community, secure esplanade reserves for conservation and recreational values and apply the Coastal Erosion Responses Policy to existing coastal assets and future planning.</li> </ul>
<p>Provides spaces and places that our community are proud of, that are safe, accessible and that encourage participation.</p>	<ul style="list-style-type: none"> <li>• Apply Crime Prevention Through Environmental Design Principles (CPTED) to our open space network development and management approach.</li> <li>• Support meaningful partnerships which increase opportunities for affordable access to recreation facilities and open space networks.</li> <li>• Understand barriers to participation in recreation activities. Utilise existing community research and locally based engagement to assist in identifying options to remove these barriers.</li> <li>• Encourage use of the recreation and open space network for activities that appeal to a diverse range of people and that bring communities together.</li> </ul>
<p>Collaborate and partner with Tangata Whenua and the community to provide recreation and open space experiences.</p>	<ul style="list-style-type: none"> <li>• Use open space network plans and iwi/hapū management plans to identify potential sites that require protection in the future.</li> <li>• Work in partnership to identify the potential to secure land that protects cultural and environmental values where these may be at risk of development. Consider alongside subregional parks approach.</li> <li>• Continue to engage with the community, including on new or upgraded facility development, walking and cycleway development, reserve management planning processes and concept plan/reserve development processes.</li> </ul>
<p>Proactively plan for future recreation and open space needs taking into consideration the range of factors that influence this including growth, current provision, changing trends, access and environmental factors.</p>	<ul style="list-style-type: none"> <li>• Continue to review and update Reserve Management Plans so that they remain relevant, reflect local community needs and future challenges and trends.</li> <li>• Develop and implement open space network plans to enable a clear set of priorities to assist with future planning. Align with green blue network plans to ensure an integrated approach.</li> <li>• Ensure recreation and open space networks are an integral part of development of structure plans for future growth areas and implement agreed levels of service through these plans.</li> <li>• Work with Tauranga City Council and other parties to ensure our joint sub-regional parks approach continues to respond to growth, recreation and environmental needs of the western Bay of Plenty sub-region.</li> <li>• Apply the New Zealand Recreation Association (NZRA) reserve categories to our open space network to ensure we have clearly defined role and functions of different types of open space and to assist with benchmarking against other councils.</li> </ul>



289861	Reserves – TECT All Terrain Park Ngawaro Road Crossing	-	65,040	-	-	-	-	-	-	-	-
289863	Reserves – TECT All Terrain Park Te Matai Sealed Driver Training Area – Forestry	-	-	455,198	-	-	-	-	-	-	-
289865	Reserves – TECT All Terrain Park Motorsport Shared Training/Administration Build	10,000	271,000	276,750	-	-	-	-	-	-	-
289864-A	Reserves – TECT All Terrain Park Inclusive Adventure Playground	102,804	-	-	-	2,253,993	-	-	-	-	-
345701-A	Placeholder: Sub-regional Coastal Park – Council contribution	-	-	-	-	593,156	-	-	-	-	-
213404	Reserves – Asset Management Improvement Programme	75,000	81,300	83,025	58,133	59,316	60,498	61,680	62,862	64,044	65,175
249201	Reserves – Facilities in the community fund	56,540	61,289	62,590	63,947	65,247	66,548	67,848	69,148	70,449	71,693
260522	Otamarakau / Rogers Rd – planting & weed spraying	-	-	11,949	-	-	-	-	-	-	-
312502	Reserves – District Signage Operating	10,280	11,144	11,380	11,627	11,863	12,100	12,336	12,572	12,809	13,035
336701	Reserves – Matakana Island Service Delivery Contract Funding	5,140	5,572	5,690	5,813	5,932	6,050	6,168	6,286	6,404	6,518
353702	Reserves – Dog Parks Maintenance	6,000	6,504	6,642	6,786	6,924	7,062	7,200	7,338	7,476	7,608
361201	Arawa Road concept plan	-	-	-	13,572	4,616	4,708	4,800	4,892	4,984	5,072
163503	Te Puke Aquatic Centre Service Delivery Contract	318,680	345,449	352,779	-	-	-	-	-	-	-
165401	Reserves – Pools Katikati Service Delivery Contract	300,000	650,400	664,200	678,600	692,400	706,200	720,000	733,800	747,600	760,800
326105	Reserves – Pools Te Puke repairs and maintenance	35,000	37,940	38,745	-	-	-	-	-	-	-
326108	Pools – Te Puke New Indoor Pool Facility	-	-	-	1,162,668	1,186,312	1,209,956	1,233,600	1,257,244	1,280,888	1,303,504
289835	Reserves – TECT All Terrain Park Plans and Assessments	10,280	11,144	11,380	11,627	11,863	12,100	12,336	12,572	12,809	13,035

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Recreation and Open Space activity.

# How we will track progress

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
We provide safe, attractive and well-maintained facilities and amenities to our community.  We continue to provide quality experiences that meet the needs of our community through ongoing engagement, planning, development and management of the recreation and open space network.	The percentage of recreational facilities that have an average to excellent grading of equal to or less than 3 ( <b>1 excellent, 5 very poor</b> ) as defined in the NZ Park and Recreation Asset Grading manual).	94%	>90%	>90%	>90%	>90%	>90%
	The best practice score for strategic planning is comprised of 10 measures including parks strategy development, use of provision and distribution of levels of service, and development of activity strategies (% compared to peer group NZ wide)	New measure	>67%	>67%	>67%	>67%	>67%
We provide a fit-for-purpose, future-proofed swimming pool network that meets the needs of local communities.	Increasing user numbers at Dave Hume Swimming Pool and Te Puke Memorial Pool.						
We provide safe, attractive and well-maintained facilities and amenities to our community.	- Katikati	18,008	>25,000	>25,000	>30,000	>30,000	>30,000
	- Te Puke	2,935	>25,000	>25,000	>25,000	>25,000	>30,000
	Note: When pools are closed for development target is 0.						
We provide an accessible network of reserves within urban areas for recreation and amenity purpose.	Neighbourhood reserves (or a suitable equivalent experience e.g. sport and recreation parks) are located within 400 meters (5-10 minute walk) of urban/town residential properties.	99%	>85%	>85%	>85%	>90%	>95%
We provide a safe and connected walking and cycling network that leads to improved transport choices and provides a variety of recreational experiences through and beyond our District.	Walking and cycling track counters identify increasing use over time.	164,942	>105,000	>110,000	>115,000	>120,000	>125,000



# Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Provides space for physical activity, recreation and play; helps to provide for a healthy and interactive community.</li> <li>A higher level of facilities and managed open space creates an attractive place to visit/live and a higher level of social/cultural wellbeing.</li> <li>Fosters a sense of civic pride.</li> <li>The open space network provides a smoke-free environment.</li> </ul>	<ul style="list-style-type: none"> <li>Potential for negative impact on privacy, noise and loss of views.</li> <li>Some uses affect neighbouring properties.</li> <li>May attract anti-social behaviour (graffiti, drinking alcohol, bullying).</li> <li>Managing community expectations for local recreation opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Providing a process of public consultation through reviews of Reserve Management Plans on a regular basis.</li> <li>Design active reserve space to meet anticipated uses and minimise impact on surrounding area.</li> <li>Apply best practice urban design principles to minimise impacts of new development.</li> <li>Apply Crime Prevention Through Environmental Design (CPTED) principles in planning for reserve space.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Provides a location for community events</li> </ul>	<ul style="list-style-type: none"> <li>Congestion and over-use of destination parks and facilities.</li> <li>Increased traffic congestion around peak activity periods.</li> </ul>	<ul style="list-style-type: none"> <li>Providing a process of public consultation through reviews of Reserve Management Plans on a regular basis.</li> <li>Design active reserve space to meet anticipated uses and minimise impact on surrounding area.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Provides places of respite, retreat and connection to the natural environment.</li> <li>Encourages community groups to work collectively on environment restoration projects (eg Coast care).</li> <li>Protects areas of cultural, historic and environmental value.</li> </ul>	<ul style="list-style-type: none"> <li>Littering and discarded rubbish.</li> <li>Chemical use on parks (e.g. spraying weed killers).</li> <li>Increased traffic congestion around peak activity periods.</li> </ul>	<ul style="list-style-type: none"> <li>Signage is used to inform users of the chemical use regime.</li> <li>Manage accessibility to protect areas of significance.</li> <li>Providing a process of public consultation through reviews of Reserve Management Plans on a regular basis.</li> <li>Design active reserve space to meet anticipated uses and minimise impact on surrounding area.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Attracts tourism to our District.</li> </ul>	<ul style="list-style-type: none"> <li>Congestion and over-use of destination parks and facilities.</li> <li>Increased traffic congestion around peak activity periods.</li> </ul>	<ul style="list-style-type: none"> <li>Providing a process of public consultation through reviews of Reserve Management Plans on a regular basis.</li> <li>Design active reserve space to meet anticipated uses and minimise impact on surrounding area.</li> </ul>

# Regulatory Services

## Ratonga Waeture

As a regulator we are required to take a balanced response to decision making by considering the competing rights of individuals and groups to undertake particular activities.

### What we provide

- parking services
- animal control services
- resource consent
- building consent processing and inspections
- licencing for food and alcohol
- noise control
- dog shelters
- Building Act, RMA and bylaw compliance monitoring
- BWOFF
- Fencing and swimming pool audits
- LIMS and PIMS

### Why we provide this activity

- We can all enjoy a healthy and safe lifestyle
- Our environment is clean, green and valued

# Regulatory Services

## Overview

### **Our decisions on these activities are influenced by:**

- Legislation, regulations and national standards that we are required to comply with.
- The opportunities we take to develop local policies, plans and bylaws to regulate local issues.

Our Regulatory Services group of activities includes protecting people and the environment by regulating and licensing aspects of commercial services and private behaviour where wellbeing issues arise. These activities include:

- resource consent services (*including Land Information Memorandum*)
- animal control services
- building services
- community protection (*such as bylaw compliance, alcohol licencing, food licencing, parking, etc.*)

**Overall, we aim to provide high quality regulatory services in a fair and impartial manner, ensuring that customers are kept fully informed at key stages in the service delivery process.**

## Regulatory services group of activities

### **Resource Consent Services (including Land Information Memorandum)**

Since 2015, the District has experienced a high level of growth and unprecedented demand for residential properties, which has had direct impact particularly on Council's consenting and inspecting functions. The challenge for us remains to ensure we meet statutory requirements such as processing time, and have sufficient resourcing with the right technical expertise to enable us to meet the needs of our customers.

### **Animal Control Services**

There have also been effects of growth on other areas of service delivery that may be less obvious. For example, with the population growth the District has experienced, the number of dogs in the District has also increased. This presents challenges meeting existing levels of service such as response times for dog control service requests and complaints, managing the registration process and following up registration of known dogs.

### **Online services**

We know customer expectations are changing and there is demand for us to deliver more of our services online. We launched online Building Consents in 2017, Resource Consents in 2019, an electronic District Plan in 2021 and moved to a new and improved online Building Consent system in early 2023.

### **Building Consents**

Changes to the Building Act 2004 in 2020 impacted the way we work and the decisions we can make. Looking forward, we need to ensure that we continue to provide efficient and cost-effective services to our communities in line with any revised legislative requirements.

**Other issues we know are important to our communities include our response to issues such as littering, dog control, unsafe or illegal buildings and car parking. We will continue to ensure that our responses and any actions are well balanced and fair.**

## How we will achieve our community outcome

Goal	Our approach
<p><b>Animal Control Services</b></p> <p>Provide a safe environment for the public through promoting responsible dog ownership.</p>	<p><b>To achieve our goal we engage with the community to manage dog safety concerns by:</b></p> <ul style="list-style-type: none"> <li>• Ensuring we have a Dog Control Policy and Bylaw in place at all times to set out how we will manage dogs within our District and the compliance approaches we may take.</li> <li>• Maintaining a register of dogs within our District and having a process for unregistered dogs.</li> <li>• Providing for the impounding and care of stray and seized dogs.</li> <li>• Providing a complaint resolution service in relation to roaming dogs, barking dogs, sub-standard care and dog attacks.</li> <li>• Monitoring dogs in public spaces.</li> <li>• Promoting responsible dog ownership through education and community dog events.</li> <li>• Actively re-homing suitable dogs and fostering these dogs until an appropriate home can be found.</li> <li>• Responding to reports of livestock wandering in public places.</li> </ul>
<p><b>Building Services</b></p> <p>Building work is regulated to ensure the health and safety of people and sustainability in design and construction methods.</p>	<p><b>To achieve our goal we administer the requirements of the Building Act 2004 ('the Act') and other related legislation by:</b></p> <ul style="list-style-type: none"> <li>• Maintaining our accreditation as a Building Consent Authority.</li> <li>• Providing information to the public regarding the Act, Building Code and building consent process.</li> <li>• Processing building consents applications to ensure compliance with the Act and Building Code and issuing consent approvals.</li> <li>• Processing Project Information Memoranda (PIMs)</li> <li>• Inspecting building work to ensure that the work complies with the Act and Building Code and issue Code Compliance Certificates where appropriate.</li> <li>• Administering processes to enable issuance of Compliance Schedules, Certificates of Acceptance and building warrants of fitness.</li> <li>• Investigating complaints and breaches of the Act.</li> <li>• Issuing Notices to Fix and, where appropriate, infringement notices pursuant to the Act.</li> <li>• Identifying earthquake-prone buildings and issuing earthquake-prone building notices to strengthen or demolish unsafe buildings.</li> <li>• Lodging complaints to the Building Practitioners Board in relation to misconduct of Licensed Building Practitioners or non-licensed builders undertaking restricted building work.</li> <li>• Ensuring that we have a policy in place detailing our approach for managing dangerous and insanitary buildings.</li> <li>• Undertaking requirements and obligations for earthquake-prone buildings pursuant to the Act.</li> <li>• Processing of building consent applications for swimming pool fencing to ensure compliance with the Act.</li> <li>• Inspecting of swimming pool fencing to ensure compliance with the Act and issue Code Compliance Certificates or certificates of periodic inspection where appropriate.</li> <li>• Responding to claims on weather-tightness for dwellings and multi-unit dwellings.</li> <li>• Responding to and administering the process where applications for Determinations are submitted to the Ministry of Business, Innovation and Employment.</li> </ul>
<p><b>Resource Consent Services</b></p> <p>The quality of the environment is maintained and enhanced through effective decision-making on resource consents.</p>	<p><b>To achieve our goal we administer the requirements of the Resource Management Act 1991 and other related legislation by:</b></p> <ul style="list-style-type: none"> <li>• Providing information to people about how the rules in our District Plan may impact on activities they wish to undertake, the activities undertaken by neighbouring properties and in relation to the preparation of resource consent applications.</li> <li>• Processing resource consent applications for land use and subdivision.</li> <li>• Processing Land Information Memoranda (LIMs).</li> <li>• Monitoring compliance with conditions of consent and District Plan rules and taking enforcement action where appropriate.</li> <li>• Provide District Plan (planning) advice in relation to Project Information Memoranda (PIMs)</li> </ul>

Goal	Our approach
<p><b>Community Protection</b> Improve, protect and preserve the environment and public health and safety by minimising risks from nuisances and offensive behaviour.</p>	<p><b>To achieve our goal we undertake the following functions:</b></p> <p><b>Environmental health</b></p> <ul style="list-style-type: none"> <li>• Meeting the accreditation requirements of a Food Verification Agency.</li> <li>• Working with businesses to assist them in meeting the requirements of the Food Act 2014.</li> <li>• Registering and inspecting/verifying food premises, hairdressers, camping grounds and mortuaries.</li> <li>• Investigating noise complaints on a 24 hour/day basis and take compliance action as required.</li> <li>• Investigating reported methamphetamine contaminated properties and require appropriate remediation.</li> </ul>
	<p><b>District Licensing Committee</b></p> <ul style="list-style-type: none"> <li>• Deliver District Licensing Committee activities as required by the Sale and Supply of Alcohol Act 2012, including processing applications for alcohol licences and monitoring the performance of licensed premises to ensure compliance with this Act.</li> <li>• Minimising harm through effective decision making on alcohol licences.</li> </ul>
	<p><b>Hazardous substances</b></p> <ul style="list-style-type: none"> <li>• Providing information and support for the public on hazardous substances.</li> <li>• Managing hazardous substances in public places.</li> <li>• Responding to hazardous substances incidents in public places and on private property.</li> </ul>
	<p><b>Parking enforcement</b></p> <ul style="list-style-type: none"> <li>• Enable maximum car park availability in the Katikati and Te Puke town centres (and seasonally at Waihi Beach) during working/shopping hours by checking adherence to parking restrictions, ensuring vehicles are registered and display current warrants of fitness, ensuring that car parks (e.g. mobility and vehicle loading parks are used appropriately) and issuing infringement notices where appropriate.</li> </ul>
	<p><b>General</b></p> <ul style="list-style-type: none"> <li>• Provide a customer contact service for matters covered by a number of bylaws and undertake compliance actions in order to minimise nuisance to the public</li> </ul>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
358601	Compliance - Seasonal Bylaw compliance & monitoring	72,775	78,815	80,562	82,236	83,910	85,511	87,112	88,786	90,387	91,988

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Regulatory Services group of activities.

## How we will track progress

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
<b>Resource Consent Services</b> The quality of the environment is maintained and enhanced through effective decision making on resource consents.	Average number of days to process each category of Resource Consent application.	New measure	22	22	22	22	22
	Dog attack allegations will be actioned within 2 hours of Council being notified.	New measure	<2 hours	<2 hours	<2 hours	<2 hours	<2 hours
<b>Animal Control Services</b> Provide a safe environment for the public through promoting responsible dog ownership. Known dogs in our District are registered and microchipped.	Percentage of known dogs in our District that are registered.	96%	96%	98%	98%	98%	98%
	Average number of days to process building consent applications (Statutory timeframe is 20 working days).	New measure	<20 days	<20 days	<20 days	<20 days	<20 days
<b>Building Services</b> Building work is regulated to ensure the health and safety of people and sustainability in design and construction methods.	Complaints are actioned (either through compliance or enforcement action).	New measure	>95%	>95%	>95%	>95%	>95%
	Average time to acknowledge noise complaints.	New measure	30 mins	30 mins	30 mins	30 mins	30 mins
	Hours that parking is being monitored per day	New measure	>4 hours	>4 hours	>4 hours	>4 hours	>4 hours
<b>Community Protection</b> Improve, protect and preserve the environment and public health and safety by minimising risks from nuisances and offensive behaviour.	Average number of days to issue PIMs	New measure	<10 days	<10 days	<10 days	<10 days	<10 days
	Percentage of LIMs issued within requested timeframe.		100%	100%	100%	100%	100%
Food business are regularly monitored and assessed. Parking is monitored within Te Puke and Katikati town centres and largely on a seasonal basis at Waihī Beach.							
Land Information Memoranda (LIM) and Project Information Memoranda (PIM) will be processed within the statutory timeframe (10 days for PIMS).							

## Significant effects of providing this activity – Animal Control

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Provision of public places where both dog owners and other people can interact safely are important for community wellbeing.</li> <li>We can manage the use of areas where the risk to public safety from uncontrolled access by dogs is too great.</li> <li>Provides resources to deal with dog complaints which, if left unmanaged, can negatively impact upon community safety and wellbeing.</li> <li>Registration of dogs enables lost dogs to be identified and returned to owners.</li> </ul>	<ul style="list-style-type: none"> <li>May be perceived by some members of the community as over-regulation in terms of their own social choices.</li> </ul>	<ul style="list-style-type: none"> <li>Balance the needs of dog owners with the need for public safety.</li> <li>Undertake a balanced compliance approach to enforcement of the Dog Control Bylaw, provisions of the Dog Control Act 1996.</li> <li>Respond to complaints and investigate compliance with the Dog Control Bylaw and the Act.</li> <li>Education and community interaction through dog events and a range of communication tools.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Enables dogs and their owners to be directed towards using less culturally sensitive areas.</li> <li>Different groups in the community have varying expectations on the management of dogs.</li> </ul>	<ul style="list-style-type: none"> <li>Dogs not under control impact upon sensitive cultural areas.</li> </ul>	<ul style="list-style-type: none"> <li>Limiting access to culturally sensitive areas but accepting the need to provide recreational areas for owners to exercise their dogs.</li> <li>Providing educational material to increase understanding of our philosophy behind dog restriction areas.</li> <li>Within the scope of regulation, we adapt our compliance approach to be sensitive to the needs of each community.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Protects the environment by directing dog owners to use recreation areas with minimal ecological impact.</li> </ul>	<ul style="list-style-type: none"> <li>Dogs that are not under control can impact upon sensitive ecological areas/environments</li> </ul>	<ul style="list-style-type: none"> <li>We limit dog access to sensitive ecological areas/environments while accepting the need to provide recreational areas for owners to exercise their dogs.</li> <li>Provide educational material to increase understanding of our philosophy behind dog restriction areas.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Enforcement of dog restriction areas in some of our popular tourism areas, for example Waihi Beach, retains the appeal and therefore continued use by visitors of these locations.</li> <li>Council is seen as dog-friendly and encourages positive dog interaction, which is appealing to residents and visitors.</li> </ul>	<ul style="list-style-type: none"> <li>Responsible dog owners and people without dogs contribute towards the dog control activity which primarily deals with a small number of non-complying/irresponsible dog owners.</li> <li>Public consultation costs associated with policy review/ development project.</li> </ul>	<ul style="list-style-type: none"> <li>Effectively manage staffing levels.</li> <li>Review policy and bylaw when necessary and make a balanced response.</li> <li>The most effective, balanced policy decisions require appropriate public inputs.</li> </ul>

## Significant effects of providing this activity – Building services

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Ensures that buildings and structures are safely constructed, healthy and maintained.</li> <li>Ensuring buildings are fit to meet future demands.</li> <li>Complaint investigation and resolution addresses community concerns.</li> </ul>	<ul style="list-style-type: none"> <li>Community expectations not met in relation to our ability to demand action on behalf of private property owners.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring that dangerous and insanitary buildings are assessed to enable mitigation of the dangerous/ insanitary condition.</li> <li>Processing of building consent applications and inspection of swimming pool fencing to improve safety outcomes for our community.</li> <li>Ensuring that buildings accessible by the public are compliant for access and facilities for persons with disabilities as required by the Building Act.</li> <li>Ensuring buildings are adequately upgraded for fire protection and accessibility when they are altered or a change of use occurs.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Buildings can be sympathetic to or complement our cultural heritage.</li> </ul>	<ul style="list-style-type: none"> <li>No significant negative effects of the building services activity on cultural wellbeing have been identified.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriately applying the Building Act and Building Code when assessing culturally significant buildings.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>We notify Heritage New Zealand where a listed building has applied for building consent.</li> <li>Modern building construction techniques and materials encourage more sustainable buildings particularly in the efficient use of energy.</li> <li>We can provide information that assists in improving sustainability within new building projects, e.g. energy and water usage.</li> </ul>	<ul style="list-style-type: none"> <li>Increased restrictions on redevelopment of listed heritage buildings may impact on their future use, and therefore continued sustainability of some buildings.</li> </ul>	<ul style="list-style-type: none"> <li>Providing advice and referral relating to the sustainability of buildings, for example energy efficiency.</li> <li>Ensuring dwellings are equipped with adequate wastewater disposal and potable water supply.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Ensure that consents and Code Compliance Certificates are processed within statutory timeframes so that applicants are not financially compromised by delays.</li> <li>Ensure inspections can be undertaken within a reasonable timeframe.</li> <li>Ensure reasonable guidance is provided to inform private decision making relating to development and building projects.</li> </ul>	<ul style="list-style-type: none"> <li>Consent fees are a recognised cost of building.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure building consent processes are efficient.</li> <li>Review of fee structures to ensure cost effectiveness and appropriate funding source.</li> <li>Review of resourcing to ensure capability to deliver service.</li> </ul>



# Significant effects of providing this activity – Resource Consents

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>The current planning framework (outlined within our District Plan and supporting guidance documents) recognises the need to provide safe homes, streets and public spaces.</li> <li>A healthy and safe community is one which is planned with long-term sustainability in mind.</li> <li>A well-planned district is one with supporting infrastructure, facilities and services. Our planning framework recognises this and identifies provision of these elements.</li> <li>Resource consent process enables those deemed affected to participate in the determination process.</li> </ul>	<ul style="list-style-type: none"> <li>Individuals may have conflicting opinions on what constitutes the best outcomes.</li> <li>Planning decisions may restrict an individual's options for use of their land.</li> </ul>	<ul style="list-style-type: none"> <li>Our planning framework and Structure Plans have been developed in accordance with SmartGrowth principles. These recognise the importance of sustainable communities including the need for healthy, safe and accessible communities.</li> <li>Resource consent application decisions give effect to these planning frameworks.</li> <li>We are willing to work with stakeholders to assist in planning and provision of supporting community services, e.g. recreational facilities, community halls.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Planning frameworks provide for iwi/hapū aspirations. This includes recognising the cultural connection of Māori to their land, water, sites and wāhi tapu.</li> <li>Our District Plan offers an opportunity to ensure the historical and cultural heritage of all citizens is recognised.</li> <li>Iwi/Hapū Management Plans assist Council in taking account of iwi and hapū aspirations.</li> </ul>	<ul style="list-style-type: none"> <li>Requires Tangata Whenua to reveal cultural heritage sites which they may be reluctant to do.</li> <li>Developers and iwi/ hapū may have conflicting opinions on what constitutes the best outcomes for protecting cultural heritage.</li> </ul>	<ul style="list-style-type: none"> <li>Our District Plan recognises the importance of historically and culturally significant sites.</li> <li>Resource consent assessments give consideration to known sites of cultural significance and provides the matter to the appropriate iwi/ hapū for direction on their views and future involvement in the matter.</li> <li>District Plan review process enables Council to collaborate with Tangata Whenua on the identification of cultural heritage sites within our District.</li> <li>The resource consent process is a component of the Papakainga Toolkit, which supports hapū /whānau to realise their housing aspirations.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Our District Plan provides planning controls to enable protection of the natural and physical environment.</li> <li>Structure planning promotes development in a controlled manner.</li> </ul>	<ul style="list-style-type: none"> <li>The resource consent activity should maintain and enhance environmental wellbeing.</li> </ul>	<ul style="list-style-type: none"> <li>In reviewing our District Plan we will give ongoing regard to maintaining and enhancing the natural and physical environment and promote development in a controlled manner.</li> <li>The District Plan identifies areas of significant landscape and ecological value.</li> <li>We monitor compliance of resource consent conditions, including the provision of protection lots.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Our planning framework supports our local economy, recognises and provides for quality development and enables the uniqueness of our District and individual towns.</li> <li>The provision of information held by Council on a property file can inform the viability of development and/or investment decisions.</li> </ul>	<ul style="list-style-type: none"> <li>Resource consent application decisions (and associated conditions) may be considered onerous by applicants and may impact on the economic viability of some proposals.</li> <li>Our District Plan and other supporting planning documents do not always support the desires of all individual businesses/commercial interests.</li> <li>Resource consent fees are an additional cost to development.</li> </ul>	<ul style="list-style-type: none"> <li>Resource consent decisions reflect assessment of the level of effect and alignment to the objectives and policies in the District Plan. Conditions are attached to mitigate the impact of proposals.</li> <li>The resource consent process may require a contribution from the consent holder towards the provision of infrastructure for wider community benefit. This is prescribed by legislation and Council's District Plan.</li> <li>We seek to respond to the needs of local businesses through zoning changes and adapting plan provisions as appropriate.</li> <li>Our District Plan has been developed to provide a rule-based framework for managing the growth of our District. It gives effect to legislation, the Regional Policy Statement and SmartGrowth principles.</li> </ul>

## Significant effects of providing this activity – Community Protection

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Ensures provision of safe public spaces.</li> <li>Benefits the community by supporting provision of safe, reliable infrastructure and resources.</li> <li>Minimises risks from nuisances and offensive behaviour.</li> <li>Protects and preserves public health.</li> </ul>	<ul style="list-style-type: none"> <li>Limits placed on some social activities can cause tensions.</li> </ul>	<ul style="list-style-type: none"> <li>Responding to community concerns and complaints and investigating to ensure compliance with relevant standards. Intervening only when necessary.</li> <li>Providing educational material to improve general understanding of the community protection activity.</li> <li>Working with businesses to ensure that they provide safe food for our communities.</li> <li>Working with our communities to determine appropriate local responses.</li> <li>Educating our communities in terms of our legislative abilities in dealing with reported issues, e.g. noise control, public place drinking.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Ensures clear standards and safe environments for all ethnic groups in their preparation of food.</li> </ul>	<ul style="list-style-type: none"> <li>Differences in food regulations may be complex for new immigrant food operators.</li> </ul>	<ul style="list-style-type: none"> <li>We support businesses to understand and implement new standards.</li> <li>Implementation of food legislation enables recognition of different ethnic groups undertaking the role of food operators.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Protects and preserves the environment.</li> <li>Minimise the effects of nuisances.</li> </ul>	<ul style="list-style-type: none"> <li>More regulation, for example through the development of bylaws may frustrate some people in the community and create resentment at perceived over-regulation.</li> </ul>	<ul style="list-style-type: none"> <li>Enforcing bylaws to help protect the environment - for example, from littering.</li> <li>Working with other agencies to resolve matters beyond the scope of our services.</li> <li>Community engagement processes ensure community interests inform the development of policies.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Provides a benchmark for health and safety standards within food and liquor premises, engenders customer trust in establishments.</li> </ul>	<ul style="list-style-type: none"> <li>Business operators don't like receiving infringement notices.</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring that standards are upheld in food and liquor licensed premises.</li> <li>We review levels of service within this activity and will consider all options for efficient service provision.</li> </ul>

# Stormwater

## Waiāwhā

Council's stormwater network is designed to manage the risk of flooding and coastal erosion to buildings and property, in a way that avoids negative impacts on the environment. The stormwater network includes watercourses, open channels, swales, pipes and structures that channel stormwater to a final discharge point. It includes primary and secondary overland flow paths, stormwater detention and stormwater treatment.

### What we provide

- **231.05**km stormwater pipes
- **3,320** manholes
- **16** soakholes
- **2** dams
- **10** pump stations
- **663** utility catchpits
- **49** stormwater ponds
- **34.15**km of open drains
- **1.2**km of rising mains.

### Why we provide this activity

#### Our community outcomes

- We can all enjoy a healthy and safe lifestyle.
- Our environment is clean, green and valued.

# Stormwater

## Overview

Stormwater management will continue to be a high priority over the next 10 years. With climate change and urban growth, there is a focus on designing networks in urban areas that are resilient to changing weather patterns, while also contributing to improving water quality and enhancing ecological and cultural values. This requires an integrated approach that focuses on the receiving environment and sustainable management of water resources alongside the need to manage the risk of flooding. Documents such as Ngā Wai Manga – Urban Water Principles, produced by the Urban Water Working Group, provide guidance for implementing an integrated approach.

Legislative requirements regarding the quality and quantity of stormwater released must be met by Council.

Stormwater demand is indirectly linked to population growth. Demand for new or upgrade of existing stormwater infrastructure comes as a result of:

- Changes in land use
- Changes in rainfall patterns with climate change
- Regulatory changes which aim to improve the quality of stormwater discharges.

Following a number of extreme weather events in early 2023, Council is beginning to review district wide levels of service to explore whether levels of service should not only consider the affects of flood waters on habitable floors but also the flood hazard risk to people.

**The District has three stormwater management areas:**

### Urban growth areas

These are the main urban areas within our District planned for future urban development and expansion. They will have significant stormwater infrastructure and the greatest potential to affect receiving environments.

### Small settlements

These are small urban settlements with some stormwater infrastructure generally of low capital value when compared to the infrastructure in urban growth areas.

### Rural settlements

These areas include land zoned rural as well as rural villages that have fewer than 50 residential dwellings. These areas are provided for by the stormwater infrastructure that is supplied as part of the roading system.

<b>Urban</b>		<b>Rural</b>
<b>Urban growth areas</b>	<b>Small settlements</b>	<b>Rural settlements</b>
Katikati	Kauri Point	Little Waihi
Ōmokoroa	Maketu	Plummers Point
Te Puke	Minden	Pongakawa
Waihi Beach (including Island view, Pios Beach, Athenree).	Ongare Point Paengaroa Pukehina Beach Tanners Point Te Puna	Rogers Road Te Kahika Tuapiro <i>All other rural areas</i>

**Over the next 10 years we will continue to obtain and implement comprehensive stormwater consents for sub-catchments, based on an integrated catchment management planning approach. We will carry out monitoring and modelling work to ensure compliance with consent conditions.**

We will use structure planning processes to design integrated stormwater management networks in urban growth areas.

Extensive modelling has been completed and used to obtain comprehensive stormwater consents. This has resulted in:

**Specific District Plan rules for the Minden area.**

Overland flow paths are identified in the Minden Lifestyle Zone Structure Plan and new stormwater works may be proposed as a result of development in the future.

**Waihi Beach and Te Puke**

Identification of floodable areas and at-risk properties in Te Puke and Waihi Beach. A programme of work is in place to address flooding issues. We aim to protect 97% of existing urban growth areas and small settlement properties from having a habitable floor flooding incident in a 1:10 year rainfall event. It is important to understand that we are not aiming to stop flooding of non-habitable floor space such as garages, sheds or gardens. Communities can expect some surface flooding.

District Plan rules in Waihi Beach and Te Puke also future-proof flood mitigation by requiring all new dwellings to have habitable floor levels that protect properties against flooding in a 1:50 year rainfall event.

**We will continue to invest in our stormwater network to meet agreed levels of service and the conditions of our comprehensive stormwater consents.**

Under our Development Code and the resource consent process for subdivision, developers are required to make adequate provision for the collection and disposal of stormwater run-off from hard surfaces created through the development process. This may result in vesting of new stormwater infrastructure in Council, where appropriate.

As the need for stormwater management increases with the intensification of development and increasing frequency and intensity of rainfall events caused by climate change, so changes to the design of stormwater infrastructure are required in accordance with our level of service for stormwater.

Urban growth areas and small settlements that receive direct benefits from the stormwater network pay a targeted rate for stormwater management. Stormwater management also has a public good benefit in terms of public health and environmental benefits. As a result, 10% of stormwater funding is provided by the general rates levied on all rateable properties.

## How we will achieve our community outcomes

Goal	Our approach
<p>Use an integrated catchment-based management approach that:</p> <ul style="list-style-type: none"> <li>Reduces flood risk by upgrading infrastructure, identifying secondary flow paths and minimising runoff.</li> <li>Uses low-impact design to improve water quality, including maintaining natural flows as much as possible and reducing contaminants through systems that mimic natural processes.</li> <li>Minimises loss of habitat in receiving environments.</li> <li>Provides recreational opportunities and amenity values where possible.</li> <li>Recognises cultural values associated with local waterways.</li> </ul>	<ul style="list-style-type: none"> <li>We will continue work to obtain and implement comprehensive stormwater consents that are based on catchment management plans.</li> <li>We will progressively upgrade the public stormwater network in accordance with our asset management plan and the requirements of our comprehensive stormwater consents.</li> <li>We will use structure planning processes to develop integrated stormwater networks in urban growth areas</li> </ul>
Engage with communities and Tangata Whenua to build understanding about various approaches to stormwater management, including coastal erosion protection and ensure their views are sought and taken into account.	<ul style="list-style-type: none"> <li>We will engage with communities and Tangata Whenua through the process of obtaining comprehensive stormwater consents and in structure planning processes.</li> <li>We will carry out specific engagement in areas where upgrades to the existing network or options for coastal erosion protection are proposed.</li> </ul>
Undertake compliance and monitoring activities through a balanced approach, to ensure best practice use of the stormwater network.	<ul style="list-style-type: none"> <li>We will implement a monitoring and compliance programme in accordance with requirements of our comprehensive stormwater consents.</li> </ul>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
226332	Waihi Beach Pump Station Renewals	-	99,446	74,267	61,605	73,214	245,674	114,758	134,956	147,488	40,802
226353	Waihi Beach 2 Mile Creek West Bank	1,000,000	-	-	-	-	-	-	-	-	-
226355	Waihi Beach 1 Mile Creek Improved Flow Path	-	-	377,545	-	-	-	-	-	-	-
226356	Waihi Beach Diversion of Maranui Flood Water	-	596,425	1,429,101	-	-	-	-	-	-	-
226357	Waihi Beach Upper Catchment Attenuation/Darley Drain	-	-	-	-	-	832,401	-	-	-	-
226358	Waihi Beach 2 Mile Creek Upper Catchment Attenuation	200,000	973,319	2,228,023	381,067	-	-	-	-	-	-
226360	Waihi Beach Edinburgh Street Pipe Upgrade	140,082	-	-	-	-	-	-	-	-	-
226361	Stormwater - Waihi Beach Pio Shores	500,000	-	916,000	-	818,720	837,760	-	-	-	-
226364	Waihi Beach Earth Dam	-	-	996,150	881,250	-	-	-	-	-	-
226365	Stormwater - Waihi Beach Improvements various	1,811,126	1,976,285	608,342	187,256	90,300	353,894	3,118,500	96,525	1,084,875	100,650
226420	Katikati upgrades Belmont Rise, Grosvenor Place	-	-	-	-	-	-	544,844	-	-	-
226515	Omokoroa Upgrades Hamurana Road, Owen Pl	-	-	495,116	119,084	-	-	-	-	-	-
226523	Stormwater - Omokoroa Vivian Dr upgrade	-	-	662,360	-	-	-	-	-	-	-
226524	Omokoroa Stormwater Renewals	-	452,010	-	71,451	-	-	-	-	-	-
226602	Stormwater - Te Puke Area 3 Structure Plan	2,060,000	2,428,124	-	-	-	-	-	-	-	-
226620	Te Puke SW Upgrades for Growth	-	1,115,000	-	-	-	-	-	-	-	-
226636	Te Puke Upgrades Princess St, Saunders Pl	175,890	-	-	-	-	-	-	-	-	-
226638	Te Puke Upgrades Seddon St, Raymond, Dunlop, Bishoprick	361,550	-	-	-	-	-	-	-	-	-
226642	Te Puke Upgrades Williams Dr	-	-	263,350	-	-	-	-	-	-	-
226652	Te Puke Stormwater - King Street Outfall	-	446,000	-	-	-	-	-	-	-	-
226657	Stormwater - Te Puke Upgrades Tynan St	-	-	-	-	-	-	346,500	-	-	-
226658	Stormwater - Te Puke Upgrades Jellicoe St/ Dunlop Rd	-	-	-	-	-	492,800	-	-	-	-
317201	Omokoroa Structure Plan - Stormwater Industrial	4,138,866	557,500	243,718	-	-	3,113,332	-	-	-	-
319601	Stormwater - Comprehensive Stormwater Consents	250,000	278,750	274,800	235,000	301,000	308,000	315,000	321,750	328,750	335,500

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
331501	Waihi Beach Otawhiwhi Marae stormwater drain	500,00	671,486	-	-	-	-	-	-	-	-
340001	Stormwater – Small Communities Infrastructure Remediation	-	12,265	12,595	12,925	13,244	13,552	35,280	14,157	14,465	14,765
340101	Stormwater – District Wide Modelling	-	78,050	80,150	94,000	96,320	98,560	100,800	102,960	105,200	107,360
340201	Asset Management - Waihi Land Drainage District	25,000	-	-	29,375	-	-	-	-	-	33,550
344901	Omokoroa Stormwater- Harbour View Road Upgrade	-	602,100	-	35,250	-	-	-	-	-	-
345101	Omokoroa Stormwater – Upgrade Precious Reserve Pond	-	-	-	135,125	-	-	-	-	-	-
226525-A	Omokoroa Stormwater Upgrades	-	-	464,172	-	-	-	-	-	-	-
226651-A	Te Puke Upgrades Oxford Street/ Boucher Avenue	-	-	-	963,500	-	-	-	-	-	-
316601-A	Katikati Structure Plan Utilities Stormwater	432,457	2,047,357	1,145,000	-	48,160	609,066	-	-	-	-
345001-A	Omokoroa Stormwater – Upgrade for Omokoroa Road, Tory Way, Tralee Street	-	-	-	424,821	-	-	-	-	-	-
265413	Maketu Upper Catchment Attenuation	-	11,150	189,691	-	-	-	-	-	-	-
301832	Upgrades Pukehina Beach Rd stg 9	-	-	-	452,375	301,000	-	-	-	-	-
332614	Small Communities Stormwater Infrastructure rehabilitation	-	-	6,870	-	7,224	-	15,120	-	7,890	-
332616	Tanners Pt Upgrades Tanners Pt Road East Stg 2	-	-	137,400	-	-	-	-	-	-	-
332617	Tanners Pt Upgrades Tanners Pr Road North	-	133,800	103,050	223,250	-	-	-	-	-	-
332627	Stormwater – Kauri Point upgrades Stanley St	-	-	-	-	162,697	-	-	-	-	-
332635	Paengaroa Upgrades Halls Rd stg 1 & 2	-	-	-	-	565,880	837,760	-	785,070	299,820	897,798
352801	Stormwater – Ongare Point Improvements	-	-	-	-	-	86,240	340,200	-	-	-
332621-A	Kauri Point Upgrades	-	-	579,565	-	-	-	-	-	-	-
311302	Stormwater – Asset Validation	30,000	33,450	34,350	35,250	36,120	36,960	37,800	25,740	26,300	26,840
352901	Stormwater – Catchment Management Plans review and update	75,000	83,625	-	-	-	-	94,500	96,525	-	-
332630	Stormwater – Small Communities Annual Contribution to Waihi Drainage Society	-	5,575	5,725	5,875	6,020	6,160	6,300	6,435	6,575	6,710

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Stormwater activity.

## How we will track progress

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
We use an integrated catchment based management approach to provide a stormwater network that minimises risks of flooding events.	The number of times per annum flooding occurs outside identified flood-prone urban areas during a one-in-50year or less storm event.	1	<3	<3	<3	<3	<3
	The number of flooding events that occur within the Western Bay of Plenty District.	1.72	<30 (3%) per event	<30 (3%) per event	<30 (3%) per event	<30 (3%) per event	<30 (3%) per event
	For each flooding event (district-wide), the number of habitable floors affected (expressed per 1000 properties connected to Council's stormwater system).						
	For a one-in-ten year flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to Council's stormwater system).	Per event	Per event	Per event	Per event	Per event	Per event
	<ul style="list-style-type: none"> <li>Waihi Beach</li> <li>Katikati</li> <li>Ōmokoroa</li> <li>Te Puke</li> <li>Maketu</li> </ul>	0	<60 (6%)	<60 (6%)	<60 (6%)	<60 (6%)	<60 (6%)
		0	<10 (1%)	<10 (1%)	<10 (1%)	<10 (1%)	<10 (1%)
		0	<10 (1%)	<10 (1%)	<10 (1%)	<10 (1%)	<10 (1%)
		0	<30 (3%)	<30 (3%)	<30 (3%)	<30 (3%)	<30 (3%)
		0	<30 (3%)	<30 (3%)	<30 (3%)	<30 (3%)	<30 (3%)
We use an integrated catchment based management approach to provide a stormwater network that avoids impacts on water quality. We will carry out compliance and monitoring activities in a balance way to ensure best practice.	Compliance with Council's resource consents for discharge from our stormwater system, measured by the number of:						
	<ul style="list-style-type: none"> <li>Abatement notices</li> <li>Infringement notices</li> <li>Enforcement notices and</li> <li>Convictions</li> </ul>	0	0	0	0	0	0
		0	0	0	0	0	0
		0	0	0	0	0	0
	Received by Council in relation to those resource consents.	0	0	0	0	0	0
We will be responsive to customer's stormwater issues.	The median response to attend a flooding event, measured from the time that Council receives the notification to the time that service personnel reach the site.		<120 minutes	<120 minutes	<120 minutes	<120 minutes	<120 minutes
	<ul style="list-style-type: none"> <li>Urgent</li> </ul>	73 mins	<60 mins	<60 mins	<60 mins	<60 mins	<60 mins
	<ul style="list-style-type: none"> <li>Non-urgent</li> </ul>	17hrs 21mins	<24 hours	<24 hours	<24 hours	<24 hours	<24 hours
	The number of complaints received by Council about the performance of its stormwater system, expressed per 1000 properties connected to the Councils stormwater system.	23.8	<30	<30	<30	<30	<30



## Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>The stormwater network reduces the risk of damage from flooding to individual properties.</li> <li>The stormwater network provides a safe living environment for the whole community.</li> </ul>	<ul style="list-style-type: none"> <li>Disruption during the implementation of works.</li> <li>Individuals can affect the stormwater network and neighbouring properties by altering natural flowpaths.</li> <li>Flooding can affect public health and safety.</li> <li>Stormwater can cause public health issues through the bacterial contamination of beaches.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to advise landowners of potentially flood-prone areas.</li> <li>Monitor new developments to ensure natural flowpaths are maintained.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>The stormwater network can help in protecting sites of cultural and historical significance from erosion and flooding.</li> <li>Acknowledges the significance of the receiving waters and the need to improve the mauri of water bodies, which improves health and wellbeing.</li> </ul>	<ul style="list-style-type: none"> <li>Contamination of the receiving environment is unacceptable to Tangata Whenua.</li> </ul>	<ul style="list-style-type: none"> <li>Continuing to better identify sites of cultural significance.</li> <li>Continue to monitor discharges to comply with the consent conditions set by the Bay of Plenty Regional Council.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>The stormwater network reduces the potential for damage and erosion to property, essential utilities and transport infrastructure.</li> <li>The stormwater network can help prevent other contaminants from reaching sensitive environments.</li> </ul>	<ul style="list-style-type: none"> <li>Stream degradation through erosion by inadequately controlled discharges.</li> <li>Barriers for fish, contamination from sediment and pollutants.</li> <li>Beach erosion from stormwater outlets.</li> <li>Transfer of contaminants such as silt, nutrients, toxic substances.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to monitor discharges to comply with the consent conditions set by the Bay of Plenty Regional Council.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>The stormwater network reduces the potential for damage and erosion to property, essential utilities and transport infrastructure.</li> <li>Efficiencies are available through integrating stormwater activities with others such as land use, transportation and industrial development.</li> </ul>	<ul style="list-style-type: none"> <li>The cost of maintaining the stormwater network to ensure it is free from blockages before high rainfall events.</li> <li>Existing stormwater issues include costs associated with damage related to flooding, stream erosion and personal safety.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to promote value for money by integrating stormwater upgrades with other projects.</li> </ul>

# Transportation

## Rangawaka

Council's transportation activity aims to provide infrastructure that enables our communities to travel across our district safely and efficiently, that facilitates economic development and promotes multi-modal shift, and that is resilient to the impact of extreme weather events.

Our district is growing fast and our roading programme seeks to balance meeting this growth with the need to maintain affordable levels of service for our District's communities.

### What we provide

- 104 local roads that connect to State Highways
- 915 km sealed roads
- 157 km unsealed roads
- 177 km urban roads
- 895 km rural roads
- 248 bridges
- 117 culverts (greater than 1.4m diameter)
- 200 km hard surfaced footpaths
- 6 km metaled surfaced footpaths
- 4,081 streetlights
- 16,251 road signs
- 4,081 street trees
- 394 retaining walls
- 208 km railings

### Our community outcomes

- We can all enjoy a healthy and safe lifestyle
- Our environment is clean, green and valued
- Our economy is thriving

### Our goals

- Provide the appropriate infrastructure to enable our communities to travel across our transportation network safely and efficiently.
- Provide a transportation network that is inclusive, accessible and improves mobility enabling communities to live a healthy lifestyle and access housing, education, and employment.
- Provide infrastructure to support and promote the use of multi modal transport to reduce the transportation network's impact on the environment.
- Ensure network resilience to maintain access and respond to extreme weather events to reduce the impact of the environment on the transportation network.
- Our transportation network supports and promotes economic development and prosperity in our sub-region.
- Manage assets with an aim to minimise whole of life cost while providing agreed levels of service.

# Transportation

Our transportation activity seeks to guide the future development and management of the transportation network over the next 10 years. This activity supports the objectives of the National Land Transport Programme, Regional Land Transport Plan, Regional Policy Statement and SmartGrowth Strategy. Council continues to advocate for further Government investment in the district's strategic corridors, particularly Stage 2 of the Tauranga North Link (TNL). State Highway 29 provides a strategic freight link between the Bay of Plenty, the Waikato and Auckland and State Highway 2 provides a key link between Tauranga and Katikati and the Coromandel. Council will continue to advocate for improvements to these highways.

## Road widening

There are a significant number of roads in the District that are too narrow for the volume and type of traffic using them. These roads can be hazardous to road users when driver visibility is constrained or there is limited maneuverability for heavy vehicles. Council undertakes widening of these roads when pavement rehabilitation treatments are carried out as part of the Transportation asset renewal programme.

## Community Rooding Allocation Policy

Council allocates roading rate funding for community roading works in consultation with each community. The annual budgets are allocated according to the Council Community Rooding Allocation Policy. Typically the funds are spent on new kerb and channel, footpaths, town centre upgrades, cycleways and parking areas.

## Seal extension

Council is allocating approximately \$1.5 million per annum towards seal extension which will enable an additional 2-3km of unsealed road to be surfaced with chipseal each year. Seal extension delivery is based on Council's seal extension prioritisation list which ranks individual road sections based on several criteria.

## Walking and Cycling

Council's Walking and Cycling Action Plan, sets out Council's commitment to fund the construction of new footpaths, shared paths, and cycleways throughout the District. Paths are developed in response to community demand. New cycleways will contribute to the Tauranga Moana Coastal Cycle Trail which will extend from Waihi Beach around the Tauranga Harbour margin to Tauranga, onwards to Maketu and then inland to Paengaroa. Council takes a regional perspective on linking gateways such as Tauranga City, Hauraki and the Rotorua Lakes.

# Land Transport Programme - 2024 - 2027

Under the Land Transport Management Act 2003 (the Act) we are required to prepare a three-year Land Transport Programme detailing activities for which we want to receive financial assistance from the Waka Kotahi New Zealand Transport Agency (NZTA). We do this through our Transportation Activity Plan and in accordance with section 13 of the Act consult on this through the Long Term Plan 2024-34.

The Land Transport Programme submitted to Waka Kotahi represents only part of our total annual work programme which consists of both subsidised and unsubsidised projects and accounts for one third of Council's annual capital, renewal and operating expenditure. The subsidised maintenance programme includes maintenance, including renewals which are capital costs, minor safety works, preventative maintenance, emergency works and limited construction works. For other subsidised capital works we are required to follow the standard Waka Kotahi subsidy funding application process.

## The three-year Land Transport Programme can be summarised as follows:

Subsidised maintenance and capital programme	2024/25	2025/26	2026/27	Total \$
Gross anticipated expenditure 2024/25-2026/27*	50,833,392	46,509,421	44,199,621	141,542,434
Anticipated Waka Kotahi subsidy 2024/25-2026/27	11,391,809	13,935,442	15,060,399	40,387,649

*\*This amount includes projects that will not attract the Waka Kotahi/NZ Transport Agency subsidy.*

## All information from 2024-2027 includes an adjustment for inflation.

This programme reflects outcomes from various District and sub-regional transportation planning processes, for example SmartGrowth, Regional Land Transport Plan, Community Development Plans and individual road strategies.

Council notes the Waka Kotahi funding constraints and that this may affect Council's ability to deliver the programme if a Waka Kotahi subsidy is not available for some components.

Council also prepares an Activity Management Plan in line with Waka Kotahi guidance.

# How we will achieve our goals

<b>What we do</b>	Provide the appropriate infrastructure to enable our communities to travel across our transportation network safely and efficiently	Provide a transportation network that is inclusive, accessible and improves mobility enabling communities to live a healthy lifestyle and access housing, education, and employment.	Provide infrastructure to support and promote the use of multi modal transport to reduce the transportation network's impact on the environment.	Ensure network resilience to maintain access and respond to extreme weather events to reduce the impact of the environment on the transportation network.	Our transportation network supports and promotes economic development and prosperity in our sub-region.	Manage assets with an aim to minimise whole of life cost while providing agreed levels of service.
<b>Network and Asset Management</b>  Continue to work with strategic partners to optimise the efficiency of our District's transportation network to respond to both population and economic growth of the region.  <i>Asset Management</i> Set and deliver levels of service for maintenance of the local roading network that optimise the use of existing infrastructure and ensure land use and access relationships are managed to improve the efficiency of traffic flows on the local roading and state highway networks while ensuring best value for money over whole of life of the asset.	✓				✓	✓
<b>Road improvements</b>  <i>Road widening</i> Continue with network improvements to address the measured deficiencies in the network, accounting for ongoing traffic growth and continue to seek ways of improving network safety. Continue seal widening programme in association with rehabilitation projects achieving approximately the agreed levels of seal widening per year.  <i>Seal extension</i> Continue seal extension programme achieving the agreed levels of seal extension per year.	✓				✓	✓
<b>Road Safety</b>  Continue involvement in regional initiatives to improve the safety for users of the roading network. Develop increased network improvement programmes that attract funding from Waka Kotahi whilst having regard for future changes in government policy.  <i>Speed management plan</i> Implement our speed management plan for our local roading network. This plan identifies our priority areas for speed limit changes which are schools, town centres, marae and roads that the community support a change to the speed limit. The plan will guide the speed limits included in the National Speed Limit Register, which is the legal tool for setting speed limits, replacing the Speed Limits Bylaw.	✓	✓		✓		✓
<b>Walkways and cycleways</b>  Continue developing the district's walking and cycling network pursuant to the Walking and Cycling Action Plan as well as working to ensure that, where possible, proposed developments to the regional/sub-regional network will support provision for walking and cycling. Continue to develop work programmes for walkways and cycleways maintenance and renewals, taking into account the increasing length of these multi-modal assets across the district.		✓	✓			

<b>What we do</b>	Provide the appropriate infrastructure to enable our communities to travel across our transportation network safely and efficiently	Provide a transportation network that is inclusive, accessible and improves mobility enabling communities to live a healthy lifestyle and access housing, education, and employment.	Provide infrastructure to support and promote the use of multi modal transport to reduce the transportation network's impact on the environment.	Ensure network resilience to maintain access and respond to extreme weather events to reduce the impact of the environment on the transportation network.	Our transportation network supports and promotes economic development and prosperity in our sub-region.	Manage assets with an aim to minimise whole of life cost while providing agreed levels of service.
<b>Public Transport</b> Continue to work with partners to ensure that transport planning is undertaken in an integrated manner with Waka Kotahi and neighbouring territorial local authorities. We will continue to provide infrastructure for the Bay of Plenty Regional Council to support the availability of public transport services within our District while advocating for better public transport connections. We will continue to support for harbour and land-based public transport service options. These may vary and/or be extended to other identified growth areas according to community demand and willingness to pay.  <i>Transport Options</i> Continue to work with our communities to understand the demand for more transport options to access healthcare services, education and employment.	✓	✓	✓			
<b>Maintenance and renewals</b> Continue with deterioration modelling for sealed roads to understand the options for amended funding of maintenance, rehabilitation, and resurfacing work to adapt to increasing traffic volumes resulting from population growth in the district causing an increased rate of asset deterioration.	✓			✓	✓	✓
<b>Travel demand management and behaviour change</b> Work with other agencies including the Bay of Plenty Regional Council and adjoining territorial authorities to investigate initiatives that manage travel demand to improve the efficiency of transport networks in our District, the sub-region and region. This will include: <ul style="list-style-type: none"> <li>• Supporting initiatives that encourage greater use of rail to transport bulk produce over medium to long distances.</li> <li>• Supporting initiatives that recognise and provide for seasonal variations in tourist traffic flows and seasonal work force movements at harvest-time.</li> <li>• Plan for park and ride facilities including investigating suitable sites and securing land as appropriate.</li> </ul>			✓			
<b>Resilience improvements</b> Continue to manage the impact of climate change on our Transportation infrastructure through understanding what's at risk across our network through exposure assessments and undertaking risk assessments on assets where necessary.  Continue to respond to extreme weather events as necessary to maintain access across our transportation work.				✓		
<b>Local network development</b> Investigate and, where appropriate, develop local connections to improve the accessibility of key centres of economic activity in our District. This may include securing and developing key connector routes in residential growth areas and promoting alternative routes for heavy traffic to reduce congestion and improve accessibility in our District's main centres.  <i>Structure Planning</i> We will continue to review and update Structure Plans to consider District Plan changes and to respond to development proposals from landowners working with the District Plan.	✓	✓			✓	

What we do	Provide the appropriate infrastructure to enable our communities to travel across our transportation network safely and efficiently	Provide a transportation network that is inclusive, accessible and improves mobility enabling communities to live a healthy lifestyle and access housing, education, and employment.	Provide infrastructure to support and promote the use of multi modal transport to reduce the transportation network's impact on the environment.	Ensure network resilience to maintain access and respond to extreme weather events to reduce the impact of the environment on the transportation network.	Our transportation network supports and promotes economic development and prosperity in our sub-region.	Manage assets with an aim to minimise whole of life cost while providing agreed levels of service.
<b>Sub-regional network development</b> In partnership with key agencies, we will continue to investigate and, where appropriate continue to the development of sub-regional and regional connections to address congestion and improve the flow of goods, services and people. We will support and advocate for the improvement and upgrading of state highways which includes: <ul style="list-style-type: none"> <li>• Katikati bypass</li> <li>• Takitimu Northern Link Stages 1 and 2</li> <li>• Ōmokoroa/State Highway 2 intersection</li> <li>• State Highway 29 Tauriko Network Connections</li> <li>• State Highway 29 and State Highway 2 safety improvements</li> </ul>	✓	✓			✓	
<b>VKT/Vehicle Emissions</b> Continue to work alongside the regional partners to support the transition to a low emission transport system nationally through the Vehicle Kilometres Travelled (VKT) reduction programme while acknowledging the difficulty of achieving VKT reductions in the context of growth.  Continue to support the uptake of electric vehicles, including e-bikes, and consider facilitating the provision of EV charging infrastructure.		✓	✓			

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
283202	Transportation - Rural Rooding	-	270,232	276,182	282,628	288,826	294,776	300,726	306,924	312,874	319,072
282702	Transportation - Waihi Beach Community Rooding Funding	-	171,145	174,914	178,996	182,921	186,690	190,458	194,383	198,152	202,077
282802	Transportation - Katikati Community Rooding Funding	-	191,866	196,091	200,667	205,068	209,293	213,517	217,918	222,142	226,543
282902	Transportation - Omokoroa Community Rooding Funding	-	114,398	116,917	119,645	122,269	124,788	127,307	129,931	132,449	135,073
283002	Transportation - Te Puke Community Rooding Funding	-	342,289	349,826	357,991	365,841	373,378	380,915	388,765	396,302	404,153
283102	Transportation - Maketu Community Rooding Funding	-	79,402	81,150	83,044	84,866	86,614	88,362	90,183	91,932	93,753
302801-A	Waihi Beach rooding Structure Plan	200,000	586,622	480,134	786,395	374,905	-	-	-	-	-
302901	Marshall Road, Katikati Urbanisation	1,046,246	-	-	-	-	84,419	338,352	837,881	-	-
302902	Transportation - Katikati Structure Plan Funding	421,246	-	-	-	-	84,419	338,352	682,091	-	-
303001	Omokoroa Rooding Structure Plan - Catchment	5,324,015	741,200	3,878,485	3,677,640	605,800	2,513,546	11,590,458	10,894,400	-	-
303003	Ōmokoroa Rooding Structure Plan - Rural	-	43,600	538,387	-	23,300	451,820	10,894,400	-	-	-
303004	Omokoroa Rooding Structure Plan - Strategic	-	196,200	2,422,743	-	52,425	1,016,595	-	-	-	-
303005	Ōmokoroa Rooding Structure Plan - Rates	-	109,000	1,362,678	171,000	17,475	338,865	-	-	-	-
303009	Omokoroa Rooding Structure Plan - Catchment Cycle and Walkways	220,000	211,024	-	-	-	-	-	-	-	-
303012	CIPIA - Omokoroa Structure Plan - Prole Rd Urbanisation	3,000,000	-	-	-	-	-	-	-	-	-
303014	CIP2A - Western Ave Urbanisation - Omokoroa to north of Gane Pl	720,000	-	-	-	-	-	-	-	-	-
303015	CIP2B - Hamurana Rd Urbanisation Gane Pl to NE Western Ave	80,000	-	-	-	-	-	-	-	-	-
353901	Transportation - Public Transport Infrastructure (UFTI commitment)	-	109,000	111,400	114,000	116,500	118,900	121,300	123,800	126,200	128,700

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
354001-A	Transportation - Omokoroa Ferry Infrastructure (UFTI commitment)	-	-	-	-	-	1,783,500	1,819,500	-	-	-
357701-A	Transportation - Park and Ride Facilities Omokoroa	12,250	-	-	1,710,000	1,747,500	-	-	-	-	-
357702-A	Transportation - Park and Ride Te Puna	-	-	-	-	-	1,783,500	1,819,500	-	-	-
361001-A	Omokoroa Roundabout	13,384,000	11,580,160	-	-	-	-	-	-	-	-
303101-A	Transportation - Te Puke Structure Plan Urban Catchment	1,072,406	967,264	1,355,258	1,623,012	196,279	572,683	84,774	-	-	-
293201-A	Network Upgrades - JOG - Katikati Bypass	-	-	1,114,000	-	-	-	-	-	-	-
LTP25/34-29	Transportation and Reserves - Waiari Bridge Area Restoration	200,000	436,000	445,600	-	-	-	-	-	-	-
324004	Strategic Rooding - No 3 & SH2 & Rangiuu	1,000,000	-	-	-	-	-	-	-	-	-
279202	Transportation - Land Purchases	200,000	218,000	222,800	228,000	233,000	237,800	242,600	247,600	252,400	257,400
283408	Seal Extension	1,500,000	1,635,000	1,671,000	1,710,000	1,747,500	1,783,500	1,819,500	1,857,000	1,893,000	1,930,500
283423	Transportation - One Network Maintenance Contract Pavement Surfacing (Reseals)	4,354,431	5,356,730	5,474,676	5,602,451	5,725,312	5,843,258	5,961,205	6,084,066	6,202,012	6,324,873
283426	Transportation - One Network Maintenance Contract Pavement Unsealed Strengthening	700,000	763,000	779,800	798,000	815,500	832,300	849,100	866,600	883,400	900,900
283429	Transportation - One Network Maintenance Contract Pavement Rehabilitation	9,797,478	12,793,851	14,679,710	15,022,325	15,351,762	15,668,021	15,984,281	16,313,718	16,945,477	17,281,164
283432	Transportation - One Network Maintenance Contract Drainage Improvements	35,000	38,150	38,990	39,900	40,775	41,615	42,455	43,330	44,170	45,045
283435	Transportation - One Network Maintenance Contract Ancillary Improvements	18,000	19,620	20,052	20,520	20,970	21,402	21,834	22,284	22,716	23,166
283438	Transportation - District Capital Network Improvements	1,000,000	1,090,000	1,114,000	1,140,000	1,165,000	1,189,000	1,213,000	1,238,000	1,262,000	1,287,000
283441	Transportation - One Network Maintenance Contract Pavement Seal Widening	1,979,087	2,157,205	2,204,703	2,256,159	2,305,636	2,353,134	2,400,633	2,450,110	2,497,608	2,547,085
AP 24-4	Rangiuu Rooding	-	1,090,000	-	-	-	-	-	-	-	-
210413	Transportation - Minor Capital Rooding Improvements	3,600,000	3,924,000	4,010,400	4,104,000	4,194,000	4,280,400	4,366,800	4,456,800	4,543,200	4,633,200
356201	Opureora Marae Coastal Protection Works	-	218,000	-	-	-	-	-	-	-	-
307601	Transportation - Walking and Cycling	500,000	545,000	557,000	570,000	582,500	594,500	606,500	619,000	631,000	643,500
307604	District Walking - Off-road	51,600	56,244	57,482	58,824	60,114	61,352	62,591	63,881	65,119	66,409
324009	Transportation - Modelling	113,886	124,136	126,869	129,830	132,677	135,410	138,144	140,991	143,724	146,571
324013	Transportation - Service Relocations	153,747.00	167,584.23	171,274.15	175,271.58	179,115.25	182,805.17	186,495.10	190,338.77	194,028.71	197,872.38
152301	Transportation - Road Safety Operation	150,000	163,500	167,100	171,000	174,750	178,350	181,950	185,700	189,300	193,050

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Transportation activity.

# How we will track progress

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
Provide the appropriate infrastructure to enable our communities to travel across our transportation network safely and efficiently.  Provide a transportation network that is inclusive, accessible and improves mobility enabling communities to live a healthy lifestyle and access housing, education, and employment.  Provide infrastructure to support and promote the use of multi modal transport to reduce the transportation network's impact on the environment.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.						
	<ul style="list-style-type: none"> <li>Fatal crashes</li> </ul>	1	<0	<0	<0	<0	<0
	<ul style="list-style-type: none"> <li>Serious injury crashes</li> </ul>	-1	<0	<0	<0	<0	<0
	Number of road closed/lanes unavailable for more than 24 hours due to weather events or unplanned maintenance.	New measure	0	0	0	0	0
Annual maintenance cost per million vehicle kilometers traveled (\$/mvkt)  <i>vkt - measures use of roads on a per kilometer basis.</i>	New measure	<\$65,959	<\$66,576	<\$67,228	<\$68,555	<\$70,591	
Ensure network resilience to maintain access and respond to extreme weather events to reduce the impact of the environment on the transportation network.  Our transportation network supports and promotes economic development and prosperity in our sub-region.	The percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.	NA	>90%	>90%	>90%	>90%	>90%
	The increase in total length of cycleways and walkways within the District.	1,101m	>1,000m	>1,000m	>1,500m	>2,000m	>2,000m
We manage assets with an aim to minimise whole of life cost while providing agreed levels of service.  We are responsive to the needs of our communities.	The percentage of footpaths that fall within the level of service or service standard for the condition of footpaths as identified in the transportation asset management plan	97%	>95%	>95%	>95%	>95%	>95%
	The percentage of the sealed local road network that is resurfaced.	7.1%	>4%	>4%	>4%	>4%	>4%
We provide infrastructure to support and promote the use of multi modal transport to reduce the transportation network's impact on the environment	There are a number of potential defects in road pavement structure and its surface. The condition index is a weighted measure of the fault types. <b>Please note:</b> (0 = defect free; 5= unsatisfactory)	0.1	0.3	0.3	0.3	0.3	0.3
	<ul style="list-style-type: none"> <li>Sealed roads</li> <li>Unsealed roads</li> </ul>	1.9	3	3	3	3	3
We manage assets with an aim to minimise whole of life cost while providing agreed levels of service.	The average quality ride on a sealed local road network, measured by smooth travel exposure.	96.6%	>90%	>90%	>90%	>90%	>90%
	<i>Average age in years of renewed pavements</i>	New measure	<46%	<46%	<46%	<46%	<46%



## Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Enables safe and easy travel around our District.</li> <li>Roads connect communities.</li> <li>Provides access to community, recreation, and leisure facilities.</li> <li>Provides access to retail, commercial and professional services.</li> <li>Provides for transport options such as walking and cycling.</li> <li>Provides for integrated planning of the transport network and land use.</li> </ul>	<ul style="list-style-type: none"> <li>Transport emissions</li> <li>Traffic noise and vibration to properties from adjoining roads.</li> <li>Air pollution from traffic fumes affects health.</li> <li>Dust on unsealed roads may affect health.</li> <li>Poor design and use can result in dangers to people and high social cost from accidents.</li> <li>Main roads can divide communities.</li> <li>High traffic volumes can lead to a loss of amenity in urban areas.</li> </ul>	<ul style="list-style-type: none"> <li>Continue the road sealing programme.</li> <li>Continue the road widening programme.</li> <li>Continue to fund a road safety coordinator to work with the community.</li> <li>Continue to advocate for bypasses around urban centres.</li> <li>Continue to advocate for road safety improvements on the transportation network.</li> <li>Continue the programme of network improvements on local roads.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Provides access to sites of cultural and historical significance.</li> <li>Connects communities to cultural facilities (including Marae).</li> </ul>	<ul style="list-style-type: none"> <li>People access sites that are culturally sensitive.</li> <li>Road construction may disturb sites of cultural significance including wāhi tapu</li> </ul>	<ul style="list-style-type: none"> <li>Continue to identify sites of cultural significance and adhere to the requirements of the Heritage New Zealand Pouhere Taonga Act 2014.</li> <li>Continue to invest in good relationships with Tangata Whenua</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Land taken for roading but surplus to development requirements may be used for environmental enhancement such as the development of wetlands.</li> <li>Provides access to reserves and conservation areas.</li> </ul>	<ul style="list-style-type: none"> <li>Noise pollution especially from heavy freight vehicles.</li> <li>Air pollution from vehicle exhaust fumes.</li> <li>Contamination from pollutants running off the road surface during storms.</li> <li>Provides access for the illegal dumping of rubbish.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to investigate the use of sustainable roading materials.</li> <li>Continue to investigate the potential to reduce contaminants from roads entering the surrounding environment.</li> <li>Continue to provide roadside rubbish collection on key arterial routes servicing urban communities.</li> <li>Continue to provide infrastructure to support and promote the use of multi modal transport.</li> <li>Collaborate on and facilitate vehicle-kilometres travelled (VKT) growth rate reductions in the sub-region.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Provides routes for the delivery of goods and services.</li> <li>Provides a physical linkage between customers and businesses.</li> <li>Provides a corridor for utility services.</li> <li>Provides access to all commercial and residential properties</li> </ul>	<ul style="list-style-type: none"> <li>Loss of productive land resulting from the development of transport corridors and infrastructure.</li> <li>Cost of acquiring land for new roads and upgrades.</li> <li>Requires lengthy multi-agency designation.</li> <li>Cost of providing and maintaining roading infrastructure to limit loss of agricultural and horticultural production due to rough roads and dust from unsealed roads.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to advocate for government funding for strategic district roading improvement projects.</li> <li>Continue to achieve 'value for money' when awarding roading contracts through robust procurement procedures and performance criteria.</li> <li>Continue to work with national and sub-regional partners to ensure optimisation of the transportation network.</li> </ul>

# Water Supply

## Puna Wai / Kohinga Wai

We supply potable (drinking) water to over 16,000 properties in our District through water infrastructure operating in the Western, Central and Eastern supply zones. Our customer base includes residential, commercial, horticultural and agricultural users.

### What we provide

- Water reticulation operated in three zones:
- Western (*Waihī Beach, Katikati*)
- Central (*Ōmokoroa, Te Puna*)
- Eastern (*Te Puke, Maketu, Pukehina Beach, Paengaroa*)
- District-wide metering
- **26** booster pump stations
- **9** bore fields
- **9** water treatment plants
- **26** reservoirs and tank sites
- **915**km of watermains
- **17,880** watermain fronting properties are connected to Council's water supply.

### Why we provide this activity

#### Our community outcome

- We can all enjoy a healthy and safe lifestyle.

# Water Supply

## Overview

Water treatment, storage and distribution are provided in each of the supply zones. Through the operation and maintenance of the treatment plants, pumping stations, reservoirs and the reticulation network, water is delivered to our community through more than 17,800 connections.

Water is sourced from nine secure bore fields across our District. The change from surface supplies, which are prone to contamination, to secure groundwater supplies has enabled us to increase production capacities to meet growing demand. It has also improved the quality and reliability of supply, particularly during adverse conditions such as drought or floods.

Having completed the transition to secure groundwater sources, Council is obliged by a number of drivers to place greater emphasis on water conservation and future growth. These include environmental sustainability, compliance requirements (including resource consent conditions), statutory frameworks and policies, and legislative responsibilities.

## Key functions of this activity

### Reducing water

Reducing water demand has many advantages as it lengthens the life of existing treatment, storage and reticulation infrastructure and means we can defer some capital expenditure. Water conservation also provides additional environmental benefits to the community by reducing the volumes of wastewater and protecting the water resource itself.

Studies by the Bay of Plenty Regional Council have highlighted the need to carefully manage future demand for water, especially in the eastern area of our District where forecast and existing demand may exceed the volume available for allocation. The allocation of water outside our reticulation system is the role of the Regional Council. Both councils see water conservation as an important part of ensuring the social, cultural, economic and environmental wellbeing of our communities and we will assist and educate water consumers about this.

### District-wide metering

District-wide metering was completed in 2018 and assists customers in managing their usage in response to conservation initiatives and costs. Meters enable us to identify high volume users and system leaks. This is important for predicting future demand and to measure losses from the network. Water metering for all customers is an important part of our water supply activity and allows for the installation of backflow protection devices to all connections for the protection of customers in the event of a loss of pressure in the water main network. It also encourages conservative use of water as all customers pay for the water they use. Water conservation helps to ensure that sufficient water is available for all current users and provides for future generations.

### Drinking water

Supplying drinking water for the purpose of domestic, commercial, industrial and livestock use is a high priority within our water management strategy. In drought or emergency situations we may require certain customer groups to reduce their usage to ensure adequate domestic supplies are available.

### Non-standard connections (larger than 20mm)

Customers with non-standard connections (larger than 20mm) pay increased charges to reflect the greater demand such connections place on the network. These customers are mainly non-residential and may choose to reduce the additional charge by downsizing their connections. We will continue to work with this customer group to find the most practicable solutions to meet their water demands.

We have one uniform targeted rate for unmetered connections and one uniform volumetric charge across all three water supply zones.

## How we will achieve our community outcomes

Goal	Our approach
<p>Provide potable water of an appropriate standard and quality to meet the needs of consumers within the three supply zones.</p> <p>Sustainably manage our water resource, water supply infrastructure and consumer use of water across the three supply zones.</p>	<ul style="list-style-type: none"><li>• Maintain water treatment plants in compliance with the New Zealand Drinking Water Standards 2022.</li><li>• Maintain adequate storage and supply to meet the needs of normal domestic, commercial and industrial water use for the Western, Central and Eastern Supply zones in the event of a one-in-50 year drought, with reasonable restrictions in place.</li><li>• Maintain water storage systems to ensure a minimum of 24 hours average daily demand storage in all systems.</li><li>• The reticulated network is only extended when consistent with our policy on network extensions and water connections.</li><li>• When considering applications for new connections give priority to households, livestock (including dairy farms) and commercial and industrial uses (where land is zoned for these purposes) rather than for general agricultural irrigation.</li><li>• Water meters are used to charge according to volume for all consumers.</li><li>• Appropriate funding mechanisms are used to encourage equitable and sustainable use of water.</li><li>• Enable cross-boundary supply with Tauranga City subject to suitable agreements being in place.</li></ul>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
243622	Water - Western Katikati Structure Plan	261,901	-	401,379	-	-	-	-	-	-	-
243623	Waihi Beach Structure Plan - Water	-	-	33,377	-	-	-	-	-	-	-
243625	Water - Western TMP Plants Renewals and Improvements	350,000	390,250	383,575	205,625	78,260	113,344	44,100	366,795	26,300	26,840
243641	Water - WB Structure Plan B Funding	-	-	-	-	-	-	145,530	-	-	-
287203	Additional Reservoir Capacity Project	-	-	-	587,500	-	-	-	-	-	-
337201	Water - Western Reticulation Modelling	-	-	5,725	9,232	89,189	9,680	17,838	10,112	105,439	10,544
345201	Western Supply Zone - Additional Water Source	-	-	171,750	-	722,400	1,232,000	-	-	-	-
243619-A	Water - Western Reticulation Capital Improvements	150,000	748,165	326,325	873,613	2,630,138	2,186,307	1,292,760	405,405	230,125	422,730
343624-A	Water - Western Bulk Flow Meters	-	-	85,875	88,125	60,200	-	100,800	-	-	-
340801-A	Western Water - Reservoirs, Pumps & Controls Renewals	135,000	139,375	125,950	32,900	132,440	34,496	138,600	-	144,650	134,200
252603	Athenree & Wharawhara WTP Fluoridation	1,753,000	-	-	-	-	-	-	-	-	-
LTP25/34-16	WTPs UV Treatment All Plants	1,800,000	2,007,000	-	-	-	-	-	-	-	-
243307	Water - Omokoroa Structure Plan	1,569,589	-	793,485	607,798	-	939,154	-	-	-	-
243310	Water - Central Reticulation Improvements	745,000	1,683,650	1,625,900	1,621,500	1,984,192	1,171,632	790,020	1,208,236	621,995	440,176
243320	Water - Central Additional Bore	-	-	1,259,500	-	-	-	-	643,500	657,500	2,013,000
243335	Water - Central Additional Reservoir	1,600,000	-	-	235,000	1,926,400	1,971,200	642,600	-	-	-
243338	Water - Central source and storage improvements	117,000	294,360	369,835	213,850	157,724	-	-	-	-	-
243340	Water - Central WTP Renewals and Improvements	240,000	175,055	206,100	211,500	90,300	61,600	119,700	70,785	13,150	60,390
319001	District Wide Water Metering CSZ	-	-	59,139	63,791	-	-	-	-	-	-
340601	Water - Central Modelling	-	66,900	22,900	3,357	32,432	3,520	11,538	3,677	38,341	3,834
361101	Drinking Water Compliance	780,000	-	-	-	-	-	-	-	-	-
LTP25/34-22	Central - WTPs UV Treatment All Plants	-	-	1,030,500	-	-	-	-	-	-	-
243002	Water Eastern Reticulation Improvements	1,662,000	1,778,180	3,143,025	2,907,773	2,054,626	2,532,499	2,248,848	1,564,992	1,597,725	1,062,864
243029	Water - Eastern Treatment Plant Renewals and Improvements	668,850	337,818	34,350	105,750	36,120	110,880	37,800	115,830	39,450	120,780
243031	ESZ - Reservoir Imps	280,000	479,450	294,265	258,500	252,840	65,296	107,100	8,391,240	111,775	114,070
243034	Water - Muttons Treatment Plant - Renewal	-	575,898	-	-	-	-	-	-	-	-
287112	Water - Eastern Alternative Supply	200,000	55,750	1,087,750	1,292,500	-	-	-	-	-	-
287113	ESZ Bulk Flow Meters	75,000	83,625	85,875	88,125	96,320	98,560	63,000	-	-	-
287118	Water - Eastern Structure Plan Implementation	257,250	80,949	-	-	-	-	-	-	-	-
340701	Water - Eastern Reticulation Modelling	-	22,300	-	17,814	11,180	41,797	11,700	11,951	46,796	12,462
350026	Water Eastern Supply to Rangiuru Business Park	500,000	1,784,000	1,717,500	-	-	-	-	-	-	-
350027	Water - Eastern Rangiuru Business Park new pipeline	-	-	-	-	3,612,000	3,696,000	3,780,000	-	-	-
LTP25/34-23	Eastern - WTPs UV Treatment All Plants	450,000	501,750	-	-	-	-	-	-	-	-
243636	Water - Western Water Demand Management	25,000	61,325	62,975	29,375	-	30,800	-	32,175	-	33,550
243640	Western Water Consents and Compliance Renewals	50,000	55,750	125,950	47,000	48,160	49,280	-	77,220	-	-
310601	Water - Western Asset Validation	30,000	33,450	34,350	35,250	36,120	36,960	37,800	38,610	39,450	40,260
243333	Water - Central Water Demand Management	40,000	49,060	28,625	29,375	30,100	-	-	-	-	-
243341	Central Water Consents and Compliance Renewals	51,650	57,590	47,311	-	55,968	-	-	-	-	-
310701	Water - Central Asset Validation	10,330	23,036	11,828	24,276	12,437	25,453	13,016	-	-	-
243033	Eastern Water Consents and Compliance Renewals	51,650	57,590	-	30,344	-	-	-	-	-	-
287117	Water - Eastern Demand Management	50,000	55,750	57,250	-	60,200	-	94,500	160,875	26,300	26,840
310801	Water - Eastern Asset Validation	10,000	22,300	11,450	23,500	12,040	24,640	12,600	12,870	26,300	13,420

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Water Supply activity.

# How we will track progress

What we do	How we track progress	Result			Target						
		2023	2025	2026	2027	2028-30	2031-34				
Provide potable water of an appropriate standard and quality to meet the needs of consumers within the three supply zones.  Sustainably manage our water resource, water supply infrastructure and consumer use of water across the three supply zones.  We will provide good quality potable water to service growth within the three supply zones.	Ability of reservoirs to provide a minimum of 24-hour daily demand.	100%	100%	100%	100%	100%	100%				
	Percentage of year where reservoirs are maintained at a minimum of 50% full for 80% of the time, in accordance with Ministry of Health requirements.	99%	100%	100%	100%	100%	100%				
We will monitor sustainable delivery and effectively manage the risks associated with the quality and quantity of the public water supply.	Compliance with the Drinking Water Quality Assurance Rules: Bacterial compliance, and Protozoal compliance										
	<b>Distribution Zones (Yes or No)</b>	New measure	<b>B</b>	<b>P</b>	<b>B</b>	<b>P</b>	<b>B</b>	<b>P</b>	<b>B</b>	<b>P</b>	
	• Athenree		Y	Y	Y	Y	Y	Y	Y	Y	Y
	• Katikati		Y	Y	Y	Y	Y	Y	Y	Y	Y
	• Ōmokoroa Minden		Y	Y	Y	Y	Y	Y	Y	Y	Y
	• Pongakawa		Y	Y	Y	Y	Y	Y	Y	Y	Y
• Te Puke	Y		Y	Y	Y	Y	Y	Y	Y	Y	
We will monitor sustainable delivery and effectively manage the risks associated with the quality and quantity of the public water supply.	The percentage of real water loss from Council's networked reticulation system.	21.6%	<22%	<22%	<20%	<20%	<20%				
	To be monitored through the water metering system.										
	The average consumption of drinking water per day per resident within Council's district.	206 litres	<220 litres	<200 litres	<200 litres	<190 litres	<180 litres				
We will respond to customers issues with the water supply.	Where Council attends a callout in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: Attendance for callouts: from the time Council receives notification to the time service personnel reach the site:										
	• Urgent callouts	57 min	<60 min	<60 min	<60 min	<60 min	<60 min				
	• Non urgent callouts	24 hours 18 min	<24 hours	<24 hours	<24 hours	<24 hours	<24 hours				
	Resolution of callouts from the time Council receives notification to the time service personnel confirm resolution of the fault or interruption.										

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
	<ul style="list-style-type: none"> <li>Urgent callouts</li> </ul>	3 hours 17 min	<5 hours	<5 hours	<5 hours	<5 hours	<5 hours
	<ul style="list-style-type: none"> <li>Non urgent callouts</li> </ul>	32 hours 13 min	<28 hours	<28 hours	<28 hours	<28 hours	<28 hours
	<p>Total number of complaints received by Council about any of the following:</p> <ul style="list-style-type: none"> <li>Drinking water clarity</li> <li>Drinking water taste</li> <li>Drinking water odour</li> <li>Drinking water pressure or flow</li> <li>Continuity of supply and</li> <li>Council's response to any of these issues.</li> </ul> <p>Expressed per 1,000 connections to Council's networked reticulation system.</p>	8.1	<30	<30	<30	<30	<30

## Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Provides for a safe and convenient drinking water supply for residential properties' everyday needs.</li> <li>Provides water for a range of recreation and leisure activities, e.g. swimming pools.</li> <li>Provides the operational basis for the sewerage network.</li> </ul>	<ul style="list-style-type: none"> <li>Increasing the amount of water taken for public supply from groundwater bores means less groundwater is available for landowners wanting to develop private bores for irrigation.</li> </ul>	<ul style="list-style-type: none"> <li>These effects are monitored and controlled by the Bay of Plenty Regional Council through resource consents required to extract and use water.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Good quality water is available to residents which improves health and wellbeing.</li> </ul>	<ul style="list-style-type: none"> <li>Water abstraction from streams and rivers can have an adverse effect on the mauri of the water body.</li> </ul>	<ul style="list-style-type: none"> <li>Continuing to better identify the cultural significance of water catchments through resource consent conditions.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Treated water returned to the environment.</li> </ul>	<ul style="list-style-type: none"> <li>Water extraction from rivers and streams has the potential for negative impacts on ecological values as habitats for native species of plants and animals.</li> </ul>	<ul style="list-style-type: none"> <li>We are continuing to monitor and reduce water losses from the public supply system to reduce the amount of water we need to take.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Provides a reliable water supply for commercial and industrial users.</li> <li>Provides a reliable water supply for agriculture and horticulture.</li> </ul>	<ul style="list-style-type: none"> <li>Some people may find it difficult to pay for the water they use and will have to reduce their use.</li> <li>Businesses using large volumes of water may decide against locating in our District due to water costs.</li> </ul>	<ul style="list-style-type: none"> <li>We are continuing to install water meters for all customers in our District.</li> <li>We are making consumers aware of their water use by charging for water by volume used.</li> </ul>

# Natural Environment and Sustainable Living

## Taiao Māori me Nohonga Tautīnei

Council's Environment Strategy sets out Council's contribution to achieving a clean, green and valued environment.

### What we provide

- education programmes and initiatives.
- support for environmental service delivery providers.
- environmental programmes
- community group support
- liaison with the regional council and partners (with a focus on environmental issues.)

### Why we provide this activity

#### **Our community outcome**

Our environment is clean, green and valued.



# Natural Environment and Sustainable Living

## Overview

Council has a statutory obligation under the Local Government Act 2002 to promote environmental wellbeing for the benefit of today's and future generations. Under the Resource Management Act 1991 we have responsibilities to control the effects of land use on the environment including natural hazards and indigenous biodiversity.

Council provides incentives for landowners undertaking conservation and environmental restoration work, through protection lot rules in the District Plan. Council also supports environmental monitoring programmes, so that we have relevant data to understand the value of the work we're doing and ensure it is being maintained.

Our communities value their local green space and sites of natural and cultural significance. Parks and reserves can provide habitat for native species and connections to rivers, harbours and the ocean. Protecting and enhancing natural and cultural sites of significance not only preserves the sites, it enables the historical knowledge gained from those sites to be preserved and used to inform our present actions.

The Western Bay of Plenty is fortunate to have several large projects and programmes involving Bay of Plenty Regional Council, Department of Conservation, Tangata Whenua, landowners and community environmental groups, that aim to improve biodiversity and water quality. These projects have grown from the desire of local communities to protect and enhance the natural environment that they value so highly. Council supports these initiatives and will continue to collaborate with local communities on project delivery.

Protecting and enhancing our natural environment also contributes to our resilience to the impacts of climate change. Healthy natural habitats maintain our groundwater, sequester carbon and improve air and water quality.

Green 'corridors' through urban areas can have multiple functions and bring nature into our towns.

Iwi and Hapu have a strong connection to their whenua. It is important Iwi and Hapu are able to access and protect significant sites. Council will invest in projects led by mana whenua to enable this.

Fostering our connection to nature is essential, in particular in our towns. Council supports programmes that engage local communities in the environment around them and educates them about how their choices and actions affect the environment. The community is interested in having a lighter environmental footprint and Council supports programmes that engage individuals and communities in how to do this.

## Over the next three years Council will focus on:

### **Kaituna**

Supporting implementation of the Kaituna River Action Plan.

### **Education**

Continuing to fund programmes that build understanding and educate us about our unique natural environment, how we can protect it and how we can have a lighter environmental footprint.

### **Cultural heritage**

Investment into Iwi and Hapū led initiatives that restore and protect natural and cultural heritage sites.

### **Collaboration and funding support**

Continuing collaboration and funding support for existing projects and building relationships to support future projects.

Funding support to local environmental projects through the Community Matching Fund – Ecological Fund.

### **Biodiversity Opportunities**

We will investigate and implement opportunities to increase biodiversity on council land eg restoring an converting land to native habitat

### **Ecological Corridors**

We will support other agencies and the community to build, enhance and protect ecological corridors across the district

### **Biosecurity**

We will support agencies and the community to reduce biosecurity threats and deliver education.

## How we will achieve our community outcome

Goal	Our approach
Increasing indigenous biodiversity.	<ul style="list-style-type: none"> <li>We will align our funding and support with multi-agency collaborative projects involving Bay of Plenty Regional Council, Department of Conservation, local conservation and restoration groups, local landowners and Tangata Whenua. Our funding will contribute to identified local actions.</li> <li>We will support and fund action plans where Council is a partner agency, including Te Maru o Kaituna and the Tauranga Moana Harbour programme.</li> <li>We will continue to support the Coastcare programme.</li> </ul>
Connecting people with the natural environment and having a lighter footprint.	<ul style="list-style-type: none"> <li>We will support local environmental education programmes that engage communities and schools, in both urban and rural environments.</li> <li>We will continue to provide funding support to community led initiatives which connect residents to the natural environment.</li> <li>We will use the Community Matching Fund to support local environment projects that have both ecological and sustainable living outcomes.</li> </ul>
Protecting important natural and cultural areas.	<ul style="list-style-type: none"> <li>We will continue to use incentives, rules and monitoring to protect important natural and cultural areas. This includes the use of protection lot provisions. Council will continue to monitor protection lots to ensure they are maintaining and enhancing important ecological features.</li> <li>We will work with Tangata Whenua on mapping cultural heritage sites and methods for protection.</li> </ul>
Address the impacts of climate change.	<ul style="list-style-type: none"> <li>We will develop tools and use structure planning processes to develop gullies network plans.</li> <li>We will restore and protect dune systems to mitigate against the affects of climate change.</li> <li>We will investigate opportunities to increase biodiversity on council owned land.</li> <li>We will develop a sustainable procurement policy.</li> </ul>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
306902	Compliance – Environmental Monitoring Protection Lots	51,650.00	57,589.74	59,139.24	60,688.74	62,186.60	63,632.80	65,079.00	66,473.54	67,919.74	69,314.30
357901	Environmental Programmes - Multi-agency funded programmes	160,000.00	178,400.00	183,200.00	188,000.00	192,640.00	197,120.00	201,600.00	205,920.00	210,400.00	214,720.00
252302	Environmental Services Contract – Ecological Education	62,000	69,130	70,990	72,850	74,648	76,384	78,120	79,794	81,530	83,204
252306	Environmental Services Contract – Maketu Ongataro Wetland Society Education Programme	37,000	41,255	42,365	43,475	44,548	45,584	46,620	47,619	48,655	49,654
306403	Environmental Capacity Building - East	30,990	34,554	35,484	36,413	37,312	38,180	39,047	39,884	40,752	41,589
306405	Environmental Capacity Building - West	55,000	63,555	66,410	70,500	74,648	76,384	78,120	79,794	81,530	83,204
311701	Reserves – Ecological Financial Contributions Fencing	514	557	569	581	593	605	617	629	640	652
311702	Reserves – Ecological Financial Contributions Enhancement Plantings	925	1,003	1,024	1,046	1,067	1,089	1,110	1,131	1,153	1,173
311810	Grant – Tauranga Moana Biosecurity Capital	11,000	12,265	12,595	12,925	13,244	13,552	13,860	14,157	14,465	14,762
352201	Community Matching fund – Ecological projects	30,000	33,450	34,350	35,250	36,120	36,960	37,800	38,610	39,450	40,260
354801	Climate Change Responsiveness	100,000	107,700	82,500	84,150	85,800	87,375	88,950	90,600	92,175	93,750
356402	Environment – Kaituna River Action Plan Implementation	50,000	55,750	57,250	58,750	60,200	61,600	63,000	64,350	65,750	67,100
162401	Reserves – Esplanade Strips Compensation funding	10,330	17,277	17,742	18,207	24,875	25,453	26,032	26,589	27,168	27,726
244602	Reserves – Community Contract Coastcare	18,555.00	20,688.82	21,245.47	21,802.12	22,340.22	22,859.76	23,379.30	23,880.28	24,399.82	24,900.81
302302	Reserves – Pukehina Beach Protection funding	5,495	17,277	17,742	18,207	18,656	19,090	19,524	19,942	20,376	20,794

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Natural Environment and Sustainable Living activity.

## How we will track progress

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
We support multi-agency programmes and community-led programmes that increase indigenous biodiversity, improve water quality and protect significant natural habitats and cultural heritage sites, in both urban and rural environments.	Percentage of projects funded through Community Matching Fund that are completed.	91%	>90%	>90%	>90%	>90%	>90%
	Number of community groups supported who aim to improve environment outcomes.	New measure	>7%	>7%	>7%	>7%	>7%
We use incentives, rules and monitoring to increase protection of significant natural and cultural features.	Number of QE   covenants and protection lots monitored throughout the district.	New measure	>100	>100	>100	>100	>100
We support environmental education programmes that build our understanding of the natural environment and how we can have a lighter footprint and lead to action.  We use structure planning processes and assessment tools to develop blue/green networks that maintain and protect natural assets.	Number of environmental and sustainable living education initiatives.	11	>6	>6	>6	>6	>6

## Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Provides environmental education which is recognised as one of the most valuable methods of supporting the natural environment.</li> <li>The natural environment is a highly valued community asset. Everyone benefits from an enhanced natural environment.</li> <li>Residents and visitors use the natural environment as a community resource and for opportunities to socialise.</li> <li>Engagement of community members to create environmental community groups provides both social and environmental enhancement outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>There may be some community environmental groups who consider our work with the natural environment to be inappropriate (possibly by location or by method of remediation/enhancement).</li> </ul>	<ul style="list-style-type: none"> <li>We focus on education as a means of helping communities understand why we do this work, for example by targeting schools. Research indicates that developing an awareness of environmental sustainability early in life means that practices/understanding are embedded and often practiced in later years.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>The natural environment is a valued and significant cultural asset.</li> <li>Protection and enhancement of the natural environment and cultural sites supports local identity.</li> <li>Fosters respect for the cultural traditions and heritage of an area/environment.</li> </ul>	<ul style="list-style-type: none"> <li>Risk of cultural sites being seen as less important.</li> <li>Risk of the mauri or spiritual significance of a cultural site being diminished.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that staff have access to relevant information and are appropriately equipped with the knowledge and skills to share information relating to the cultural significance of our natural environment.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Helps support habitats for native flora and fauna.</li> <li>Helps to ensure that our use of the natural environment for farming practices is more sustainable into the future.</li> <li>Helps to sustain and enhance biodiversity within our District.</li> <li>Contributes to landscape character and visual amenity.</li> <li>Can be used to manage or mitigate natural hazards and the predicted impact of climate change.</li> </ul>	<ul style="list-style-type: none"> <li>There may be some members of the community who hold differing views on the methods by which we seek to improve our natural environment, for example clearing mangroves.</li> </ul>	<ul style="list-style-type: none"> <li>We work with communities, landowners and environmental groups to provide education and support regarding the work we are undertaking.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>A high quality natural environment is vital for continued commercial success across a range of businesses reliant on natural resources.</li> <li>Provision of funding support is a vital tool in ensuring the establishment and ongoing support for these environmental protection and enhancement projects.</li> </ul>	<ul style="list-style-type: none"> <li>Environmental restoration and protection projects may be perceived as impeding economic progress, for example land development.</li> <li>Our work may initiate projects which will require financial support long term. Groups unable to manage themselves effectively in the future may request further financial support at a later date.</li> </ul>	<ul style="list-style-type: none"> <li>We work with landowners and commercial businesses to help educate them in terms of both regulatory provisions and environmental best practice.</li> <li>We support groups and provide longterm advice about managing projects and sourcing longterm funding.</li> </ul>

# Wastewater

## Waipara

Council aims to ensure that wastewater treatment and disposal systems are sustainable and continue to meet environmental and health and safety standards. We will continue to encourage households to explore and implement measures that reduce wastewater volume per person.

### What we provide

- **Maketu:** 37.8km of pipes and **527** household pumps and **two** booster pumps.
- **Ōmokoroa:** 68.5km of pipes and **16** pump stations.
- **Te Puke:** 62.4km of pipes and **8** pump stations.
- **Katikati:** 64.7km of pipes and **14** pump stations.
- **Waihī Beach:** 70.3km of pipes and **25** pump stations.
- **Te Puna:** **129** household pumps.
- **Ongare Point:** 4.1km of pipes and **56** household pumps.

### Why we provide this activity

#### Our community outcome

- We can all enjoy a healthy and safe lifestyle.
- Our environment is clean, green and valued.

# Wastewater

## Overview

Increasing demand for wastewater services is driven by population growth, environmental degradation and public health issues. Waihi Beach experiences additional seasonal demand driven by holidaymakers. Developers pay financial contributions (subdivision fees) which are used to repay the costs of building future capacity into our District's wastewater schemes.

There is no need to increase the number of wastewater treatment plants in our District, however we will be continually upgrading the capacity of the existing plants to cope with future growth and also recognising the increased requirements of the quality of discharge to be met under the National Policy Statement (NPS).

We have five wastewater treatment plants at Katikati, Maketu/Little Waihi, Te Puke, Waihi Beach and Ongare Point and one wastewater treatment scheme in Omokoroa and one in Te Puna West. There are increased pressures on smaller communities to look at alternative treatment and disposal options, especially with regard to Regional Council's new discharge requirements.

### Urban Centres

- Katikati
- Maketu/Little Waihi
- Omokoroa
- Te Puke
- Waihi Beach.

By calculating residential flows we are able to measure the capacity of our existing treatment plants. The following method is used for this purpose:

- Population based on an average of 2.7 people per house or dwelling.
- Average dry weather flow of 220 litres per person per day in area water supply.

We are near to or at capacity for the Te Puke treatment plant which we are planning to upgrade by 2025. Katikati and Waihi Beach are also nearing capacity and will require upgrades in the next 10 years.

There are a number of households in each wastewater scheme that can be connected but have currently chosen not to. We have a programme to actively encourage these households to connect for public health reasons.

Levels of service relating to all the quality and quantity of discharges from treatment plants are prescribed by legislation and resource consent conditions. All our treatment plants comply with these service levels, to ensure ongoing compliance we are planning on upgrades to ensure sufficient capacity. We are currently undergoing a review of our water and sanitary services assessment, as the current was completed in 2008. However, there are no significant variations between the 2008 assessment of water and sanitary services and the wastewater activity.



### Omokoroa

The Omokoroa Peninsula is currently serviced with a reticulated network that discharges to a common storage chamber/pump station north of the railway line. The pump station is designed to cater for a population of 12,000 people. The collected wastewater is discharged via a 16km pipeline to Tauranga City Council wastewater network in Bethlehem. As development takes place in Omokoroa, new reticulated infrastructure will feed into this existing pump station.

### Te Puke

Due to growth, new consent condition requirements and the Rangiora Business Park Council will construct a new treatment plant for Te Puke to meet demand. Council are also continuing to explore alternative methods to discharge for the Te Puke Wastewater Treatment Plant.

### Katikati

The Katikati outfall which discharges treated effluent from the Katikati Wastewater Treatment Plant has had two recent failures. Early reports suggest the pipeline has less than 5 years of remaining useful life, and further failures can be expected in this time. Previous reports in 2019 suggested this pipe would not fail again before 2050. Council will be looking at renewing the pipeline or alternative options to discharge to reduce this risk. Any work will need to be considered in conjunction with the discharge consent renewal and any future treatment plant upgrades.

### Septic tank effluent pump station

The success of the pressurised scheme in Maketu/Little Waihī, using a grinder pump system to connect individual households to the treatment plant, resulted in a similar scheme being built in Te Puna West in 2017.

A new wastewater scheme was constructed for Ongare Point in 2018. This is a Septic Tank Effluent Pump System. It includes onsite holding tanks for the primary treatment of solids on each property, which will be owned and maintained by Council. The scheme allows for a smaller scale, more affordable treatment system and can be expanded through a series of modular upgrades to add capacity to connect the infill growth expected over the next 25 years.

### Small coastal communities

For areas of our District where a reticulated wastewater scheme is unavailable, wastewater must be managed onsite. The Bay of Plenty Regional Council is responsible for the consenting and management of onsite schemes.

We will continue to work with the Regional Council and our small coastal communities to investigate options for sustainable onsite wastewater treatment.

Our investigations have indicated that the communities at Kauri Point, Plummers Point and Tuapiro Point are compatible with the Regional Council's operative Onsite Effluent Treatment Plan (OSET), as individual properties are large enough to provide sufficient area for effective landbased treatment. At Tanners Point properties are within a maintenance zone in the OSET plan. This means properties within the zone are required to undertake more frequent maintenance on their tanks and provide feedback to the Regional Council. No further Council expenditure has been allocated for these coastal communities in this Long Term Plan. However, should Regional rules change, Council may be required to investigate options further with these communities.

### Rural communities

For rural areas of our District where reticulated schemes are unavailable, the Bay of Plenty Regional Council is responsible for the consenting and management of onsite wastewater schemes.

## How we will achieve our community outcomes

Goal	Our approach
All areas in our District served by Council's reticulated wastewater disposal systems meet acceptable health, safety and environmental standards.	<ul style="list-style-type: none"><li>• Ensure sludge disposal meets environmental and health standards by investigating new technology to reduce sludge, alternative uses and options for sludge disposal</li><li>• Ensure that the disposal of treated effluent meets environmental and health standards and is affordable.</li></ul>
Assist small urban communities along the Tauranga Harbour to ensure that the wastewater disposal options available to them meet health and safety requirements.	<ul style="list-style-type: none"><li>• In consultation with ratepayers advocate to the Bay of Plenty Regional Council to ensure that wastewater disposal systems, other than Council-owned systems, meet acceptable health, safety and environmental standards.</li></ul>

# What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
168603	Waihi Beach Wastewater Treatment	-	-	68,700	246,750	514,151	125,664	135,450	141,570	98,625	124,135
168604	Waihi Beach WWTP Fixed Generator	-	-	-	-	373,120	-	-	-	-	-
168605	Waihi Beach WWTP Mechanical Separator for Wetlands	-	-	801,500	-	-	-	-	-	-	-
226025	Waihi Beach Treatment Plant Upgrade	1,000,000	3,665,232	8,892,986	-	-	-	-	-	-	-
226031	Waihi Beach WWTP screw press	618,150	-	-	-	-	-	-	-	-	-
226032	Wastewater - Waihi Beach Network infrastructure renewals/Rehab	-	-	-	-	-	55,440	56,700	57,915	59,175	60,390
317001	Waihi Beach Structure Plan Utilities WW	-	172,932	622,508	40,068	-	-	-	-	-	-
340501	Wastewater - District Wide Reticulation Modelling	-	11,150	-	11,750	-	-	-	-	-	-
348702	Wastewater SCADA	-	55,750	-	11,750	-	12,320	-	12,870	-	13,420
226001-A	Wastewater - Waihi Beach Treatment Pump Station Renewal	-	138,260	226,710	227,950	235,081	188,373	240,030	228,121	194,291	178,822
225723	Wastewater - Katikati Pump Station	-	79,165	76,715	118,675	121,604	273,381	204,246	280,566	338,586	108,568
225724	Wastewater - Katikati Treatment Plant Emergency Storage	32,000	133,800	51,525	17,625	14,809	141,680	40,320	148,005	67,065	205,729
225743	Wastewater - Katikati Infrastructure Improvements	-	18,955	19,465	31,725	20,468	20,944	21,420	21,879	22,355	22,814
225744	Katikati WWTP Upgrades	2,500,000	-	-	3,466,250	-	-	-	-	-	-
225745	Wastewater - Katikati Treatment Plant fixed generator	-	278,750	-	-	-	-	-	-	-	-
225746	Wastewater - Katikati Grit/stone interceptor chamber prior to Wills Rd Pump Stn	211,550	167,250	-	-	-	-	-	-	-	-
316701	Katikati Structure Plan Utilities WW	-	-	148,850	1,549,238	-	-	-	-	-	-
342101	Katikati Wastewater Network Upgrades	-	-	-	-	-	379,210	574,560	1,760,616	-	-
LTP25/34-18	Katikati Ocean Outfall or Alternative Discharge	300,000	557,500	1,145,000	23,500,000	24,080,000	18,480,000	-	-	-	-
229815	Wastewater - Omokoroa Pumpstation Renewals	-	14,495	111,065	88,125	168,560	18,480	37,800	38,610	78,900	80,520
319803	Wastewater - Te Puna scheme renewals	-	-	-	-	18,060	-	-	-	20,576	-
336601	Wastewater - Omokoroa Manhole Repair	-	-	114,500	117,500	120,400	-	-	-	-	-
343901	Wastewater - Omokoroa reduce infiltration	120,000	105,925	-	17,625	18,060	123,200	-	257,400	-	-
317301-A	Omokoroa Structure Plan - Wastewater	3,063,930	3,568,000	-	-	120,400	1,722,336	1,008,000	1,287,000	332,546	-
225615	Wastewater - Te Puke Wastewater Pump Station Renewals and Access	30,000	137,145	153,430	208,563	92,106	243,936	185,850	230,373	110,460	114,070
295703	Wastewater - Te Puke Structure Plan	303,225	-	-	-	-	-	-	-	-	-
323603	Wastewater - Te Puke Infiltration Rehabilitation	-	-	-	117,500	-	-	-	-	-	-
344001	Te Puke Wastewater Treatment Plant Rock Filter	-	-	171,750	-	-	-	-	-	-	-
344101	Te Puke Wastewater Treatment Plant - wetlands decommissioning	-	-	171,750	-	-	-	-	-	-	-
353502	Wastewater - Te Puke Network Upgrades	-	-	-	117,500	1,324,400	67,760	504,000	128,700	131,500	134,200
225632-A	Te Puke Wastewater Treatment Plant Upgrade	5,141,946	17,728,500	13,350,700	4,763,513	-	-	-	-	-	-
225635-A	Rangiuru Business Park share of all the contribution towards the cost of the treatment plant upgrade	5,155,000	14,100,000	10,340,000	3,000,000	-	-	-	-	-	-
353501-A	Wastewater - Te Puke Infrastructure Rehabilitation	100,000	111,500	85,875	88,125	-	-	-	-	-	-
295803	Wastewater - Maketu Treatment Plant renewals	-	11,150	-	-	-	12,320	-	19,305	19,725	33,550
344301	Maketu Wastewater Pump Station Renewals	300,000	334,500	343,500	352,500	361,200	369,600	302,400	310,167	322,175	356,972
353601	Wastewater - Ongare WW Scheme Renewals	-	-	-	-	-	-	18,900	-	19,725	1,342
310902	Wastewater - Waihi Beach Asset Validation	10,000	11,150	11,450	11,750	12,040	12,320	12,600	12,870	13,150	13,420
319502	Waihi Beach Infiltration Investigation and Remedial Work	-	-	-	-	-	-	-	-	65,750	-
336301	Waihi Beach WWTP M- QMRA review	44,000	-	-	-	-	-	-	-	52,600	-
311002	Wastewater - Katikati Asset Validation	6,846	12,711	13,053	13,395	13,726	14,045	14,364	14,672	14,991	15,299
323402	Katikati Infiltration Investigation	50,000	55,750	57,250	58,750	-	61,600	-	-	65,750	-
323502	Omokoroa Infiltration Investigation	40,000	33,450	-	-	-	-	-	-	-	-
338601	Wastewater - Omokoroa Asset Validation	10,000	11,150	11,450	11,750	12,040	12,320	12,600	12,870	13,150	13,420
311102	Wastewater - Te Puke Asset Validation	10,000	11,150	11,450	11,750	12,040	12,320	12,600	12,870	13,150	13,420
323602	Wastewater - Te Puke Infiltration Investigations	-	-	34,350	35,250	-	-	-	-	-	-
335006	Wastewater - Maketu asset assessment	-	-	-	-	6,020	6,160	6,300	6,435	6,575	6,710



## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Wastewater activity.

## How we will track progress

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
All areas in our District served by Council's reticulated wastewater disposal systems meet acceptable health, safety and environmental standards.	Percentage compliance with resource consents for each wastewater scheme: <ul style="list-style-type: none"> <li>Katikati</li> <li>Maketu/Little Waihi</li> <li>Te Puke</li> <li>Waihi Beach</li> <li>Ongare Point</li> </ul>	98%	>90%	>90%	>90%	>93%	>95%
		89%	>94%	>96%	>96%	>98%	>99%
		100%	>90%	>90%	>90%	>93%	>95%
		100%	>97%	>97%	>97%	>97%	>98%
		100%	>95%	>95%	>95%	>95%	>95%
Maintain wastewater systems and have capacity to meet demand.	The number of dry weather sewage overflows from Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system. <i>Note: only applies when 1mm of rain has fallen in a 24hour period.</i>	1.45	<2	<2	<2	<2	<2
	Compliance with resource consents for discharge from the sewerage system measured by the number of: <ul style="list-style-type: none"> <li>Abatement notices</li> <li>Infringement notices</li> <li>Enforcement notices</li> <li>Convictions</li> </ul> received by Council in relation to those resource consents.	0	0	0	0	0	0
Provide wastewater services that meet customer need.	Where Council attends to sewage overflows resulting from a blockage or other fault in the Councils sewerage system, the following median response times measured: <b>Attendance time:</b> From the time Council receives notification to the time that service personnel reach the site. <b>Resolution time:</b> From the time Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.	56 minutes	<60 minutes	<60 minutes	<60 minutes	<60 minutes	<60 minutes
		3 hours 12 minutes	<5 hours	<5 hours	<5 hours	<5 hours	<5 hours
	The total number of complaints received by Council about any of the following: <ul style="list-style-type: none"> <li>Sewerage odour</li> <li>Sewerage system faults</li> <li>Sewerage system blockages</li> <li>Council's response to issues with sewerage system.</li> </ul> Expressed per 100 connections to the Council's sewerage system.	51.8	<40	<40	<40	<40	<40

# Wastewater connections

30 June 2023	
System	Number of connections
Katikati wastewater	2,292
Maketu/Little Waihi wastewater stage 1	600
Ōmokoroa wastewater	2,465
Te Puke wastewater	2,501
Waihi Beach wastewater	2,134
<b>Total</b>	<b>10,195</b>

## Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>Wastewater treatment schemes provide a safe disposal method for urban areas where smaller section sizes are unsuitable for onsite treatment.</li> <li>Wastewater treatment schemes decrease the risk of infection in the urban environment as there is no requirement for septic tanks.</li> </ul>	<ul style="list-style-type: none"> <li>The costs of providing, operating and maintaining the schemes is high due to energy requirements.</li> <li>Unless properly maintained there can be problems with foul odour.</li> <li>Creates an ongoing need for the disposal of sewage sludge.</li> </ul>	<ul style="list-style-type: none"> <li>We will continue to encourage households to reduce the amount of wastewater they produce, for example through re-use of grey water for garden irrigation.</li> <li>We will continue to investigate alternatives for the sustainable disposal of sewage sludge.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>Respects cultural sensitivity around receiving environments.</li> <li>Receiving environments are improved.</li> </ul>	<ul style="list-style-type: none"> <li>Receiving waters may be adversely affected if wastewater is not properly treated and, where overflows occur, could adversely affect health through consumption of contaminated shellfish and other kaimoana.</li> </ul>	<ul style="list-style-type: none"> <li>Council has opted for a land-based disposal approach with the Maketu/Little Waihi wastewater scheme.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Having wastewater treatment plants reduces the amount of untreated effluent entering the environment.</li> </ul>	<ul style="list-style-type: none"> <li>Ecosystems in the receiving environments may be adversely affected by spills or overflows of untreated sewage; smell and noises from the wastewater treatment plants and pumping stations may create nuisance or impact public health and the operation and maintenance of our assets.</li> <li>The operation and maintenance of our assets include the production of greenhouse gases through energy use, wastewater treatment processes and biosolids.</li> </ul>	<ul style="list-style-type: none"> <li>We continue to monitor treated effluent to ensure it meets the conditions of resource consents.</li> <li>Wetlands are used for effluent treatment to promote their retention and development as they are a rare ecosystem in the region.</li> <li>Environmental damage during the construction of new works is mitigated through resource consent conditions.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Allows for better use of the available developable land.</li> <li>Provides infrastructure to enable business development in the community.</li> <li>A wastewater system that is working well and meeting its levels of service, will increase property values and ensure our towns are good places for people to 'live, work, learn and play'.</li> </ul>	<ul style="list-style-type: none"> <li>Restricted capacity can result in constraints on development potential and business capacity.</li> <li>The cost of the investment in infrastructure.</li> <li>Significant costs and time to implement system upgrades and overflow reduction improvement.</li> </ul>	<ul style="list-style-type: none"> <li>We will continue to monitor our wastewater systems to ensure they are working well and meeting levels of service.</li> </ul>

# Solid Waste

## Paratotoka

This section sets out our sustainable development approach to the management of solid waste activities across our District. Human activity is inextricably linked to the health of our natural environment. A healthy environment is essential for overall wellbeing and prosperity. With our population growing, demands on our natural resources will increase. The challenge is to lessen our impacts on the environment and reduce consumption and waste.

### What we provide

- kerbside recycling, glass, food scraps and general waste services
- recycling and greenwaste centres - *Katikati, Te Puke, Athenree*
- greenwaste drop-off - *Ōmokoroa*
- waste minimisation education programmes
- ongoing monitoring of closed and capped landfills - *Athenree, Te Puke, Waihi Beach*
- monitor and remove illegal dumping (fly-tipping) across our District.

### Why we provide this activity

#### Our community outcome

- We can all enjoy a healthy and safe lifestyle
- Our environment is clean, green and valued

# Solid Waste

## Overview

The Solid Waste Activity aligns to Council's Waste Management and Minimisation Plan and its vision to reduce waste to landfill. The primary aim of this is to reduce the amount of waste produced by reducing, re-using, recycling and recovering waste going to landfill. We will do this through effective waste management practices that minimise waste to landfill and encouraging efficient use of resources to reduce environmental harm and work towards a circular economy.

## Our role in solid waste

### Kerbside collection

We launched our Council-contracted kerbside collection service in July 2021. This service is available for most households in our District and provides:

- Mixed recycling collection and separate glass collection
- Food scraps collection in urban areas
- Council-contracted user-pays rubbish collection.

Our approach and actions have been developed in response to the changing waste management environment and substantial community engagement on changes to kerbside waste.

### Rural recycling

Two recycling trailers travel between Pongakawa, Te Ranga and Omanawa on a fortnightly basis. This service was started in July 2022. The contents of each trailer is taken for consolidation at the recycling centres.

### Community Recycling Centres and Ōmokoroa Greenwaste

Free drop-off points for recyclable materials are provided at the Council-owned and operated community recycling centres at Athenree, Katikati and Te Puke. They accept a wide range of recyclables. We also offer greenwaste disposal services at the above sites and also Ōmokoroa at a fee. Greenwaste is collected from the drop-off points by contractors for composting.

### Closed Landfills

We maintain closed and capped landfills at Te Puke, Waihi Beach and Athenree in accordance with consent conditions.

We see our role continuing in planning for solid waste infrastructure, activities, education and enforcement to ensure individuals, households and businesses are dealing with their waste in the most responsible way.

Our "user pays" principle requires that those producing waste should pay the appropriate cost for its disposal and that by paying for its disposal, people are more likely to change their behaviour and attitudes towards waste minimisation. This has been reflected in the kerbside services through a pay-per-pick-up approach to rubbish collections, but rates-funded recycling and food scrap collection.

The Waste Minimisation Act 2008 puts a levy on all waste disposed of to landfills to generate funding to help local government, communities and businesses reduce the amount of waste. Territorial authorities currently receive 50% of the total money collected through the waste disposal levy and these payments are made on a population basis. The money must be spent on promoting or achieving waste minimisation in accordance with our Waste Management and Minimisation Plan.

## Future Focus

### Respond to national legislative change

We know that there is national legislative change underway that may impact Council's current approach to waste. Currently, the most clear direction is outlined by the New Zealand Waste Strategy 2023. By working to align with this strategy, Council will be best positioned to respond to further changes that are announced.

### Waste infrastructure planning

To meet the growing population we will need to consider other waste infrastructure needs, including a potential future transfer station for the District and approaches to construction and demolition waste. We will also replace the Ōmokoroa greenwaste facility with a new resource recovery facility and explore if the new site could also be used to recover additional resources. This aligns with our strategic priority to provide well maintained, resilient and efficient infrastructure.

We will continue to investigate suitable waste-related projects that could be either District-wide or benefit a specific area, subject to approval through the Annual Plan or Long Term Plan processes.

## How we will achieve our community outcomes

Goal	Our approach
Reduce and recover more waste	<p><b>Kerbside collections</b></p> <ul style="list-style-type: none"> <li>Council-contracted kerbside collections will improve the diversion of kerbside waste from landfill, through providing increased opportunities to recycle or compost material.</li> </ul> <p><b>Advocacy</b></p> <ul style="list-style-type: none"> <li>Advocate where possible for stronger responsibility by producers, brand owners, importers and retailers for the minimisation of waste accompanying their goods, e.g. packaging and product stewardship.</li> </ul> <p><b>Education and information</b></p> <ul style="list-style-type: none"> <li>Education and information are vital tools for changing attitudes and behaviours towards waste minimisation and management.</li> </ul> <p><b>Partners in providing education and distributing information</b></p> <ul style="list-style-type: none"> <li>Partner with organisations that specialise in waste matters, for example Tauranga City Council, the Bay of Plenty Regional Council, Bay of Plenty / Waikato Waste Liaison Forum, BOPLASS, Ministry for the Environment, Environmental Education for Resource Sustainability Trust, Waste Watchers, Para Kore, Zero Waste Education Ltd, Waste Free Living with Kate and waste service businesses to ensure a co-ordinated, consistent and up-to-date response to education and information needs.</li> </ul> <p><b>Schools</b></p> <ul style="list-style-type: none"> <li>Support the waste minimisation education programme in schools across our District.</li> <li>Advocate for central government to assume responsibility for waste minimisation education as a core part of the education curriculum.</li> </ul> <p><b>Community</b></p> <ul style="list-style-type: none"> <li>Assist in funding waste minimisation education programmes for the wider community, targeting community groups and organisations in the first instance, as well as community events.</li> </ul> <p><b>Business and rural sectors</b></p> <ul style="list-style-type: none"> <li>Support key business and rural sector groups to minimise business waste and maximise resources that each sector can own and sustain into the future.</li> </ul> <p><b>Communication</b></p> <ul style="list-style-type: none"> <li>Provide user-friendly access to waste services information available through our libraries and service centres, on our website and our regular media communications. We respond to waste services and information requests.</li> </ul> <p><b>Welcome pack</b></p> <ul style="list-style-type: none"> <li>Include information on weekly kerbside collections and drop-off facilities within the welcome pack we distribute to all new residents in our District.</li> </ul> <p><b>Signage</b></p> <ul style="list-style-type: none"> <li>Ensure that industry-standard signage is installed when required to deter fly-tipping and illegal dumping.</li> </ul> <p><b>Composting/worm composting</b></p> <ul style="list-style-type: none"> <li>Educate communities, households and workplaces on the benefits of composting organic waste and greenwaste.</li> <li>Provide greenwaste drop-off facilities that accept garden waste for composting off site.</li> </ul> <p><b>Recycling services</b></p> <ul style="list-style-type: none"> <li>Recycling drop-off facilities: We have two rural recycling trailers to assist households that don't receive a kerbside recycling service.</li> </ul> <p><b>Illegally dumped waste</b></p> <ul style="list-style-type: none"> <li>Change attitudes toward fly-tipping by ensuring people know where they can dispose of their waste safely</li> <li>Work with local communities to achieve clean roadsides and waterways</li> <li>Monitor public spaces where fly-tipping occurs</li> <li>Search for identification in dumped rubbish with a view to prosecution.</li> <li>Pursue infringements and prosecutions where there is sufficient information to support such action</li> </ul>

Goal	Our approach
Reduce and recover more waste (continued)	<p><b>Waste Management and Minimisation Bylaw</b></p> <p>Enforce the Waste Management and Minimisation Bylaw to ensure that all people in our District take responsibility for the proper disposal of their waste.</p>
Apply the latest proven and cost-effective waste management and minimisation approaches.	<p><b>Hazardous Waste Management</b></p> <ul style="list-style-type: none"> <li>Household hazardous waste will be accepted at hazardous waste collection events at the Athenree, Katikati and Te Puke recycling centres. A household hazardous waste declaration form must be completed before hazardous waste is presented at a recycling centre. The form can be obtained from Council's website.</li> </ul> <p><b>Landfills</b></p> <ul style="list-style-type: none"> <li>Continue with our aftercare responsibilities for closed landfills at Athenree, Strang Road, Te Puke and Waihi Beach as required by the conditions of resource consent. Transfer stations and user-pays drop-off sites for specific waste are provided by the private sector and other Councils.</li> </ul> <p><b>Trial and pilot schemes</b></p> <ul style="list-style-type: none"> <li>Working with local communities on community-led recycling/re-use opportunities, and other waste reduction initiatives.</li> </ul> <p><b>Kerbside services</b></p> <ul style="list-style-type: none"> <li>Food scraps collection (for urban areas) to divert from landfill the 'low-hanging fruit' biggest component (by weight) of household waste .</li> </ul>
To collect information to enable informed decision making.	<p><b>Solid Waste Analysis Procedure</b></p> <ul style="list-style-type: none"> <li>Undertake regular solid waste audit procedure which will follow the Ministry for the Environment (MfE) Solid Waste -Analysis Protocol (SWAP).</li> </ul> <p><b>Monitoring and target setting</b></p> <p>Set targets for:</p> <ul style="list-style-type: none"> <li>Approved/adopted Waste Minimisation programmes</li> <li>Kerbside services.</li> </ul> <p><b>Kerbside services</b></p> <ul style="list-style-type: none"> <li>Require accurate and regular data from the contractor on waste volumes, put-out rate, rates of contamination and other information as necessary.</li> </ul>
To create benefit for our community.	<p><b>Community waste initiatives</b></p> <p>(a) Provide grants to community groups interested in establishing local waste management initiatives that adopt environmentally sound practices.</p> <p>(b) Support community organisations in their applications to appropriate funding sources to establish new community waste initiatives.</p> <p><b>Events and promotions</b></p> <p><i>National promotions</i></p> <p>(a) Assist in the promotion of national campaigns that contribute to the goals for solid waste by providing community group contacts and local administrative support.</p> <p><i>Recognition of community actions</i></p> <p>(b) Advocate for the introduction of local awards to recognise outstanding contributions and innovations by communities and businesses to achieving our solid waste goals.</p> <p><i>Events Recycling</i></p> <p>(c) Provide event organisers with access to information/assistance to encourage waste reduction and recycling at major events in line with the Western Bay of Plenty Sub-regional Events Strategy.</p> <p><b>Design principles for new developments</b></p> <ul style="list-style-type: none"> <li>Eco-design principles result in well-planned, well-executed and sustainable developments. We support the application of eco-design principles in developments when opportunities are available and will consider the inclusion of these principles in Council plans.</li> </ul>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
344401-A	Solid Waste – Omokoroa Green Waste Facility / Recycling Centre	50,000	-	-	1,057,500	-	-	-	-	-	-
318601	District Solidwaste Waste Minimisation Funding Pool	144,620	161,251	165,590	169,929	174,122	178,172	182,221	186,126	190,175	194,080
319902	Wastewater – Tradewaste Bylaw Implementation	51,650	57,590	59,139	60,689	62,187	63,633	65,079	66,474	67,920	69,314
348501	Kerbside Collection	2,460,149	2,743,066	2,816,871	2,890,675	2,962,019	3,030,904	3,099,788	3,166,212	3,235,096	3,301,520
348502	Kerbside Waste – Cost of transferring refuse from recycling centres to other location	40,000.00	44,600.00	45,800.00	47,000.00	48,160.00	49,280.00	50,400.00	51,480.00	52,600.00	53,680.00
348503	Solid waste – Rural Recycling Drop Off Points	10,000	11,150	11,450	11,750	12,040	12,320	12,600	12,870	13,150	13,420
355101	Solid Waste – Community Re-use Facility	100,000	111,500	114,500	117,500	120,400	123,200	126,000	128,700	131,500	134,200

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Solid Waste activity.

## How we will track progress

What we do	How we track progress	Result	Target				
		2023	2025	2026	2027	2028-30	2031-34
Reduce and recover more waste.  Apply the latest proven and cost effective waste management and minimisation approaches.  To collect information to enable decision making.  To create benefit for our community.  All Council-owned solid waste facilities, including closed landfills, meet environmental standards.	Percentage of waste recycled or recovered through the kerbside collection service.	42%	>45%	>47%	>47%	>48%	>48%
	Total kerbside waste to landfill per household per annum (Council kerbside waste).	New measure	<250kg	<245kg	<240kg	<235kg	<230kg
	Number of greenwaste and/or recycling facilities provided.	4	>4	>4	>4	>4	>4

## Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>• Providing recycling services promotes environmental consciousness.</li> <li>• Community and school involvement in programmes.</li> <li>• Better awareness of waste minimisation methods fosters improved community health, safety and well-being.</li> <li>• Community participation in services and events provides positive social feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of recycling services may reduce personal responsibility to 'reduce' the amount of waste produced.</li> </ul>	<ul style="list-style-type: none"> <li>• We will provide an education programme to help people look to reduce their waste.</li> <li>• We have a Council-contracted Kerbside recycling and food scraps service and rural recycling drop-off points to encourage recycling and diversion.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>• Waste disposal services protect culturally sensitive Māori land and water resources.</li> </ul>	<ul style="list-style-type: none"> <li>• Waste entering water bodies affects the mauri of the environment.</li> </ul>	<ul style="list-style-type: none"> <li>• We will continue to take enforcement action against fly-tipping.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>• The hazardous waste collection removes household quantities potentially harmful substances.</li> <li>• Protection and enhancement of our District's environment.</li> <li>• Kerbside services enable the majority of the District to manage their waste effectively and divert material from landfill</li> </ul>	<ul style="list-style-type: none"> <li>• Landfill sites can create leachate that infiltrates groundwater and gases that are discharged into the environment.</li> <li>• Collection services can lead to visual pollution on roadsides.</li> </ul>	<ul style="list-style-type: none"> <li>• We will continue to manage and monitor the closed landfill sites to meet compliance with resource consent conditions.</li> <li>• We will not develop additional landfill sites.</li> <li>• We will continue to license and monitor waste collection operators.</li> <li>• We run a Council-contracted kerbside rubbish, recycling and food scraps collection service.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>• Provision of user-pay services ensures that the generator of waste pays for the provision of the service.</li> </ul>	<ul style="list-style-type: none"> <li>• User-pays can lead to illegal dumping of rubbish to avoid payment.</li> <li>• Financial cost of recycling and disposal services. The cost of recycling services is affected by the world markets for recyclable materials, for example glass and plastic.</li> </ul>	<ul style="list-style-type: none"> <li>• We monitor trends in these markets and revise the expected costs of our recycling services through the Annual Plan or Long Term Plan processes. These cost are weighed against the environmental benefits of recycling.</li> <li>• The provision of kerbside services and rural recycling trailers will make recycling more accessible.</li> </ul>



# Economic Development

## Whanake Taiōhanga

This activity focuses on Council's role in supporting economic development, tourism, promotions, events and town centre development.

### What we provide

- Town Centre Promotion
  - *Te Puke, Katikati, Waihi Beach*
- Support for external organisations, focused on strengthening our local and Western Bay of Plenty sub-regional economy
- Supporting economic development and tourism

### Why we provide this activity

#### Our community outcomes

- Our economy is thriving
- Our communities are vibrant and welcoming to all

#### Our Goals

- Create an environment that encourages and supports economic growth
- Support services that are committed to enhancing workforce development and skills training
- Promote tourism and destination development
- Promote sustainability and support the transition to a low carbon economy
- Proactively engage and partner with business, councils, SmartGrowth and Central Government to support economic development

# Economic Development

## Overview

Council sees its role as supporting and promoting economic development with an emphasis on:

- The interconnections between social, cultural and economic outcomes (e.g. adequate affordable housing for the workforce).
- Facilitating businesses and community organisations to learn from each other to improve economic, social and environmental outcomes.
- Continuing to support local organisations to promote vibrant town centres that service their communities, visitors and businesses.
- Encouraging innovation.
- Working with partner organisations in the government and business sectors to implement our sub-regional strategy.

## Where the money comes from

Please refer to 'Policies, Summaries & Statements' for the Revenue and Financing Policy for economic development.

# How we will achieve our community outcomes

Goal	Our approach
Proactively engage and partner with business, councils, SmartGrowth and Central Government to support economic development.	<ul style="list-style-type: none"> <li>• Collaborate with stakeholders. This includes engaging with industry, neighbouring councils, SmartGrowth, Central Government agencies, and community organisations.</li> <li>• Advocate to Central Government to fund economic initiatives in the District.</li> <li>• Recognise the importance of having sufficient affordable, healthy and safe housing to accommodate the workforce.</li> <li>• Work with iwi and hapū to support their economic development aspirations.</li> <li>• Work with educational institutions and relevant agencies to ensure all residents in the District, especially young people, have meaningful education, employment and training opportunities and are able to effectively participate in the workforce and community.</li> </ul>
Create an environment that encourages and supports economic growth.	<ul style="list-style-type: none"> <li>• Create a business-friendly environment by implementing policies and regulations which encourage economic development.</li> <li>• Investigate ways to encourage innovation internally including our approach to procurement.</li> <li>• Provide funding to support economic development initiatives which can show how they aim to achieve our goals and the wider sub-regional strategy.</li> <li>• Continue to automate and digitise Council services for a more efficient processing and interaction with businesses.</li> <li>• Continuing to advocate for and invest in cost-effective, sustainable and productive infrastructure such as reliable public transportation, roading upgrades, water, wastewater, stormwater, access to reliable Internet and other key infrastructure. Providing reliable infrastructure and amenities not only supports existing businesses but also attracts new investments and visitors to the region.</li> <li>• Advocate for and facilitate the establishment of an environment that builds the capacity and capability of our communities to effectively deliver services.</li> </ul>
Support services that are committed to enhancing workforce development and skills training.	<ul style="list-style-type: none"> <li>• Encourage and facilitate collaboration between sectors in the community, to create positive social and environmental outcomes.</li> <li>• Foster and recognise business innovation that incorporates economic, cultural, social and environmental benefits:</li> <li>• Recognise innovation by supporting awards for businesses that incorporate economic, cultural, social and environmental benefits.</li> <li>• Investigate ways in which Council could incentivise innovation which incorporates economic, cultural, social and environmental benefits.</li> <li>• Support organisations that are providing development or training and education programs that meet the needs of local businesses. <u>By supporting skill development and lifelong learning, we contribute to a highly skilled workforce that is attractive to businesses.</u></li> </ul>
Promote tourism and destination development.	<ul style="list-style-type: none"> <li>• Provide town centre promotion, support events and festivals and work with organisers to ensure successful event management within our towns and communities.</li> <li>• Develop the Western Bay of Plenty as a leading domestic and international tourist destination.</li> <li>• Investigate initiatives that recognise and support the cultural diversity of the Western Bay of Plenty District economy.</li> </ul>
Promote a circular economy and support the transition to a low carbon economy.	<ul style="list-style-type: none"> <li>• Recognise the increasing cultural diversity of our communities, workforce and employers and support their contribution to a sustainable District economy.</li> <li>• Encourage businesses to adopt sustainable business practices to improve community outcomes.</li> </ul>

## What are we planning to do

Project ID	Name	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
326804	Property – Katikati Town Centre Development Ward Funded	102,080	112,104	114,482	116,964	119,343	121,722	124,100	126,479	128,858	131,133
326805	Property – Town Centre Katikati	505,600	-	227,599	-	237,262	-	246,720	-	256,178	-
298901	Tourism Bay of Plenty CCO Services	268,000	379,400	359,775	367,575	375,050	382,525	390,000	397,475	404,950	412,100
299001	Sub-Regional Economic Services Contract Joint TCC / WBOPDC	250,000	271,000	276,750	282,750	288,500	294,250	300,000	305,750	311,500	317,000
299101	Economic Development – community capacity building	15,420	22,287	17,070	23,253	17,795	24,199	18,504	25,145	19,213	26,070
299301	Te Puke Promotion – Te Puke Economic Development Group	80,000	86,720	88,560	90,480	92,320	94,160	96,000	97,840	99,680	101,440
299302	Town Centre Promotion – EPIC Te Puke	55,000	59,620	60,885	62,205	63,470	64,735	66,000	67,265	68,530	69,740
299401	Economic Development Contract – Katch Katikati	125,000	135,500	138,375	141,375	144,250	147,125	150,000	152,875	155,750	158,500
336501	Economic Development – Waihi Beach Events and Promotions	67,000	72,628	74,169	75,777	77,318	78,859	80,400	81,941	83,482	84,956

## Where the money comes from

Please refer to 'Policies, Summaries and Statements' for the Revenue and Financing Policy for the Economic Development activity.

## How we will track progress

What we do	How we track progress	Result			Target		
		2023	2025	2026	2027	2028-30	2031-34
<ul style="list-style-type: none"> <li>• Create an environment that encourages and supports economic growth.</li> <li>• Support services that are committed to enhancing workforce development and skills training.</li> <li>• Promote tourism and destination development.</li> <li>• Promote a circular economy and support the transition to a low carbon economy.</li> <li>• Proactively engage and partner with business, Councils, SmartGrowth and Central Government to support economic development.</li> </ul>	Percentage of key performance indicators achieved within the service delivery contracts	New measure	>90%	>90%	>90%	>90%	>90%

# Significant effects of providing this activity

Wellbeing	Positive	Negative	How we are addressing these effects
<b>Social</b>	<ul style="list-style-type: none"> <li>A vibrant and viable town centre provides a focus for the community and provides jobs and services along with a destination for socialising and leisure.</li> <li>The social wellbeing of communities is affected by its residents' ability to access employment and a range of goods and services.</li> <li>Economic growth can stimulate provision of additional services and facilities so improving the social infrastructure on offer to our communities</li> </ul>	<ul style="list-style-type: none"> <li>Our role is limited and, while we can support provision of the 'right conditions' for economic development, we cannot control all aspects</li> </ul>	<ul style="list-style-type: none"> <li>Maximising what influence Council does have to support economic development.</li> </ul>
<b>Cultural</b>	<ul style="list-style-type: none"> <li>We support protection and enhancement of this asset and are also aware of the economic opportunities available from cultural and historic tourism.</li> <li>The Māori economy is significant in the District and has potential to grow and positively impact on the overall economy.</li> </ul>	<ul style="list-style-type: none"> <li>There is often tension between the protection of our cultural heritage and economic progress.</li> </ul>	<ul style="list-style-type: none"> <li>Council will support, as appropriate, the development of the Māori economy.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Supports innovation which maximises the use of local resources and minimises waste that occurs in the production of goods.</li> <li>Minimising the impact of economic growth on the environment while considering the benefits and need for such growth are important.</li> </ul>	<ul style="list-style-type: none"> <li>There is often a tension between environmental protection and economic progress.</li> </ul>	<ul style="list-style-type: none"> <li>We consider the impact of economic development on the environment.</li> <li>We resource community development staff to work with environmental care groups to enhance and improve the environment.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>A strong local economy is a key part of a robust, attractive, sustainable community.</li> <li>Supporting the provision of the right conditions for economic development, including land, accessible town centres, supporting infrastructure and a quality lifestyle, is vital.</li> <li>We provide visitor information facilities which encourage more visitors and more spending within the local economy.</li> </ul>	<ul style="list-style-type: none"> <li>The local economy is driven by many external factors. Our role is therefore limited and while we can seek to create desirable conditions for economic growth we cannot control the direct creation of employment opportunities and continuation of local economic development.</li> </ul>	<ul style="list-style-type: none"> <li>We understand the need to support economic development and are keen to improve those processes which have an impact on those delivering economic development, for example building and consent processes and our planning framework.</li> </ul>

# Support Services

Our Corporate Plan guides the activities that support our staff to produce their best work and deliver the highest standards of service to our customers.

## Overview

### Support services include:

- financial management
- human resources
- communications and community engagement customer service
- information technology
- asset management
- information management
- procurement
- risk management
- corporate assets and quality management

We follow a philosophy of continuous improvement which is implemented across the organisation. Every three years we develop a Corporate Plan which identifies the key improvement areas management will focus on, over and above business as usual. Our current organisational direction is to build on our understanding of what our current customers value and anticipate the services future customers will want. This means we will need to develop our capacity and capability to proactively manage change and make sound decisions about using technology effectively and strategically for the future.

To achieve our wider goals, we will need a workforce that is ready for the future, with appropriate skills, knowledge and confidence to make the most of change and opportunity. This will require effective engagement and good workforce planning which includes training and career development, effective reward and recognition programmes, equal opportunity, fair treatment, flexible policies and family friendliness.

## Where the money comes from

Please refer to 'Policies, Summaries & Statements' for the Revenue and Financing Policy for support services.

## Levels of service

These activities support the other activities of Council. These areas do not have external levels of service.

## Significant negative effects of providing this activity

There are no significant negative economic, environmental, cultural or social effects for providing this group of activities.

# Financials

## Ngā Ahumoni



## Financials

This chapter includes our Funding Impact Statement (including rates examples), prospective statements of financial position, changes in equity, reserve funds and structure plan maps and schedules for growth related projects.

Funding Impact Statements and other rating information

Prospective Financial Statements



# **Funding Impact Statements and other rating information**

Whakataua tahua me ētahi atu taipitopito

This statement shows the rate charges for 2024/25 as well as the basis for the charges.

# What rates are used for

## There are three main types of rates:

### General rate

This consists of:

- A rate in the dollar charged on capital value
- A Uniform Annual General Charge (UAGC), which is a flat amount levied on each rating unit.

The General Rate is used to fund our day-to-day operations and activities that are considered to be mainly for public benefit.

### Targeted Rates

Council uses targeted rates to collect funds over areas that benefit from a particular service. This rating tool is chosen where services are specific to a particular community or area within the District and it is not considered fair to charge all ratepayers. For example, charges for water, wastewater and town centre promotion.

### Roading Rate

This consists of:

- A rate in the dollar charged on land value
- The rural works charge, which is a fixed amount on every rural zoned property in the District.

The Roothing Rate is used to fund the building and maintenance of the roading network within the District.

To see what Council's rating approach could mean for your rates, we have put together a few examples of the effect on the rates of typical properties across the District.

**Each typical property type total rates examples were calculated across five areas of the District within the three wards:**

**Katikati/Waihī Beach Ward**

**Kaimai Ward**

**Maketu/Te Puke Ward**

There are a number of different ward-based or area of benefit charges that apply, which affect the total rates paid. Some properties are connected to services like reticulated water supply and wastewater, which also affect rates.

Please note that these examples do not include GST or Regional Council rates.

### Sample Rates for 2024-25

To view the sample rates see page 36 of the Consultation Document or visit [www.haveyoursay.westernbay.govt.nz/LTP](http://www.haveyoursay.westernbay.govt.nz/LTP)

# Funding Impact Statement – Rates

## Rate Funding Mechanisms 2024/25

### General Rate

General rates are set under section 13 of the Local Government (Rating) Act 2002 on a differential basis on the capital value of all rateable rating units for the District. General Rates consist of a rate in the dollar charged on capital value and a Uniform Annual General Charge (UAGC) which is a flat amount assessed on each rateable rating unit.

### Differential General Rate

Our policy is to have the same system for charging General Rates across the whole District. Our current differential rates policy is that all rateable rating units are charged at a differential of 1.0 for the General Rate. The objectives of the differential rate, in terms of the total revenue sought from each category are:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 General rate in the dollar of capital value GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Residential zoned areas	Zone	Capital value	9,272,592	0.000835935	9,903,138
Rural zoned areas	Zone	Capital value	18,175,261	0.000835935	19,411,197
Commercial/industrial zoned area/post-harvest zoned areas	Zone	Capital value	938,188	0.000835935	1,001,986
Forestry	Zone	Capital value	97,315	0.000835935	103,932
<b>Total general rates</b>			<b>28,483,356</b>		<b>30,420,254</b>

## Uniform Annual General Charge (UAGC)

A uniform annual general charge set under section 15 (1) of the Local Government (Rating) Act for all rateable land within the District. The size of the UAGC is set each year by Council and is used as a levelling tool in the collection of General Rates. The combined revenue sought from both the UAGC and targeted rates set on a uniform basis, is to be assessed close to but not exceeding 30% of the total rates revenue. If the Uniform Annual General Charge (UAGC) were set at zero the effect would be to increase the amount of General Rates assessed on capital value which would increase the share assessed on properties with higher capital values and decrease the share assessed on lower capital values. In setting the level of the UAGC, we consider the following;

- The impact of a high UAGC on those with low incomes and relatively low property values.
- The impact of a low UAGC on the relative share of rates levied on large rural properties.
- Fairness and equity and the social consequences of an unfair distribution of rates.

### Environmental Protection Targeted Rate

This is a uniform targeted rate set under section 16 (3) (a) of the Local Government (Rating) Act 2002. It was set as a fixed charge per rating unit for the District. It part funds the following activities: wastewater, environmental protection, recreation and leisure. It is now included as part of the UAGC.

### Library Services Rate

The library services rate is a differential targeted rate set under section 16 of the Local Government (Rating) Act 2002. It was set as a fixed charge per rating unit for the District. It part funds the library activity. It is now included as part of the UAGC.

### Heritage Museum

This is a targeted rate set in respect of all rating units in the district, as an amount per rating unit. It is now included as part of the UAGC.

### Roading Rate District wide

This is a targeted rate set in respect of all rating units in the district, as an amount per rating unit. It is now included as part of the UAGC.

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
UAGC	-	Fixed amount per rating unit	5,048,584	653.28	13,225,776
Environmental Protection Rate	All rateable land within the district	Fixed amount per rating unit	1,601,622	0.00	0
Library Services	All rateable land within the district	Fixed amount per rating unit	3,107,803	0.00	0
Heritage Museum	All rateable land within the district	Fixed amount per rating unit	73,243	0.00	0
Roading rate	All rateable land within the district	Fixed amount per rating unit	2,149,205	0.00	0
<b>Total UAGC</b>			<b>11,980,456</b>	<b>653.28</b>	<b>13,225,776</b>

### Roading Targeted Rates

The roading rates are differential targeted rates set under section 16 of the Local Government (Rating) Act 2002. The different categories of land are based on the use to which the land is put and where the land is situated. The roading targeted rates part fund the transportation activity. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor	2023/24 Annual Plan Revenue \$ GST Excl	2023/24 General rate in the dollar of land value Gst Incl	2024/25 Annual Plan Revenue \$ GST excl
Residential and Rural zoned	Zoning	Land value	12,133,763	0.000789268	15,426,229
Forestry zoned	Zoning	Land value	69,061	0.000789268	33,189
Commercial/Industrial or Post-harvest zoned properties	Zoning	Land value	702,512	0.003157084	1,764,902
Rural zoned	Zoning	Fixed amount per rating unit	3,541,311	430.89	3,845,185
<b>Total roading targeted rates</b>			<b>16,446,646</b>		<b>21,069,505</b>

### Community Board Targeted Rates

The community board rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. The community board rate part funds community board activity. The different categories of land are based on where the land is situated (location). The rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 General rate in the dollar of capital value GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Waihi Beach	Location	Fixed charge per rating unit	87,602	29.29	81,002
Katikati	Location	Fixed charge per rating unit	107,124	23.23	95,092
Omokoroa	Location	Fixed charge per rating unit	95,094	34.55	72,744
Te Puke	Location	Fixed charge per rating unit	128,090	31.37	114,509
Maketu	Location	Fixed charge per rating unit	72,513	183.77	80,377
<b>Total Community Board targeted rates</b>			<b>490,423</b>		<b>443,724</b>

**Community Halls Targeted Rates**

Community Hall rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. Community Hall targeted rates part fund Community Halls in defined areas of benefit. The targeted rates are on all rating units in defined areas of benefit. The categories of land are based on the location of land. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Katikati War Memorial Hall	Location of land and provision or availability of service	Fixed charge per rating unit	82,163	20.95	85,880
Te Puna War Memorial Hall	Location of land and provision or availability of service	Fixed charge per rating unit	9,510	7.39	9,561
Te Puna Community Centre	Location of land and provision or availability of service	Fixed charge per rating unit	64,988	50.49	65,314
Paengaroa Hall	Location of land and provision or availability of service	Fixed charge per rating unit	12,888	21.56	13,487
Pukehina Beach Community Centre	Location of land and provision or availability of service	Fixed charge per rating unit	33,842	41.52	33,294
Ohauti Hall	Location of land and provision or availability of service	Fixed charge per rating unit	13,595	60.35	14,275
Oropi War Memorial Hall	Location of land and provision or availability of service	Fixed charge per rating unit	26,201	49.82	27,661
Kaimai Hall	Location of land and provision or availability of service	Fixed charge per rating unit	9,298	26.48	9,740
Omokoroa Settlers Hall	Location of land and provision or availability of service	Fixed charge per rating unit	32,152	14.16	34,463
Omanawa Hall	Location of land and provision or availability of service	Fixed charge per rating unit	9,731	27.71	10,096
Te Ranga Hall	Location of land and provision or availability of service	Fixed charge per rating unit	6,579	30.80	7,043
Pyes Pa Hall	Location of land and provision or availability of service	Fixed charge per rating unit	22,096	53.58	23,017
Te Puke War Memorial and Settlers Hall	Location of land and provision or availability of service	Fixed charge per rating unit	149,491	39.42	158,410
Waihi Beach Community Centre	Location of land and provision or availability of service	Fixed charge per rating unit	48,746	18.48	51,115
Whakamarama Hall	Location of land and provision or availability of service	Fixed charge per rating unit	13,963	33.25	14,603
<b>Total Community Halls targeted rates</b>			<b>563,058</b>		<b>557,959</b>

**Promotion Targeted Rates**

Promotion rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. Promotion targeted rates part fund town centre promotion in defined areas of benefit. The categories of land are based on the location of land and zoning. The targeted rates are on all rating units in defined areas of benefit. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Waihi Beach Community board area	Location - community board area	Fixed amount per rating unit	43,230	18.17	50,250
Waihi Beach Commercial/industrial zoned area	Location of land and land use	Fixed amount per rating unit	14,535	321.04	16,750
Katikati Town Centre	Location of land	Fixed amount per rating unit	107,790	23.00	95,140
Katikati promotion	Location of land	Fixed amount per rating unit	39,997	16.77	68,750
Katikati Commercial/industrial zoned area	Location of land and land use	Fixed amount per rating unit	49,876	465.38	56,250
Omokoroa Town Centre	Location of land	Fixed amount per rating unit	-	-	-
Te Puke promotion	Location of land - Te Puke	Fixed amount per rating unit	55,097	17.25	62,937
Te Puke promotion	Location of land - Maketu	Fixed amount per rating unit	19,952	8.63	23,693
Te Puke Commercial/industrial zoned area	Location of land and land use	Fixed amount per rating unit	41,871	256.93	48,371
<b>Total promotion targeted rates</b>			<b>314,582</b>		<b>355,141</b>

**Development Fund Targeted Rates**

Development fund rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. Targeted rates part fund Pukehina development in defined areas of benefit. The different categories of land are based on land use and services provided by Council. The targeted rates are on all rating units in defined areas of benefit. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Residential	Land use	Fixed amount per rating unit	-	-	-
<b>Total Pukehina beach protection targeted rates</b>					

**Community Development and Grants Targeted Rates**

Community Development and Grants rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002, which part fund the communities activity. The different categories of land are based on location of land. The targeted rates are on all rating units in defined areas of benefit. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Katikati resource centre - Katikati	Location - community board area	Fixed amount per rating unit	26,132	8.05	33,000
Katikati resource centre - Waihi Beach	Location - community board area	Fixed amount per rating unit	8,598	3.98	11,000
<b>Total community development and grants targeted rates</b>			<b>34,730</b>		<b>44,000</b>

**Waihi Beach Coastal Protection Targeted Rates**

The Waihi Beach Coastal Protection rates are targeted rates set under section 16 and 17 of the Local Government (Rating) Act 2002. The Waihi Beach Coastal Protection targeted rates part fund coastal protection in Waihi Beach. The different categories of land are based on the the provision services by Council. The targeted rates are on all rating units in the Waihi Beach area or defined areas of benefit. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Rock revetment area of benefit - Operational	Location of land and provision or availability of service	Per rating unit	6,980	221.79	7,136
Rock revetment area of benefit - Capital	Location of land and provision or availability of service	Per rating unit	20,236	1,586.17	20,689
Rock revetment area of benefit capital lump sum (optional)*	Location of land and provision or availability of service	Per rating unit	0	13,381.86	0
- Ward area	Location of land and provision or availability of service	Per rating unit	45,395	17.03	47,108
- Dunes northern end area of benefit	Location of land and provision or availability of service	Per rating unit	15,429	788.74	15,775
- Dunes Glen Isla Place area of benefit	Location of land and provision or availability of service	Per rating unit	4,146	812.41	4,239
<b>Total Waihi Beach Coastal Protection targeted rates</b>			<b>92,186</b>		<b>94,947</b>

\*Lump sum contributions are invited in respect of Waihi Beach Rock revetment within the defined areas of benefit in lieu of future payments of the Rock revetment area of benefit – capital rate above. Offer letters are sent out each year inviting rate payers to make a lump sum.

**Pukehina Beach Protection Targeted Rates**

Pukehina Beach Protection rate is a targeted rate set under section 16 of the Local Government (Rating) Act 2002 and part funds Pukehina beach protection in defined areas of benefit. The different categories of land are based on location of land. The targeted rates are on all rating units in defined areas of benefit. The different categories of land and rates are outlined in the table below.

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Coastal	Location	Fixed amount per rating unit	12,240	64.18	14,844
Inland	Location	Fixed amount per rating unit	3,060	11.44	3,711
<b>Total Pukehina beach protection targeted rates</b>			<b>15,300</b>		<b>18,555</b>

**Western Water Targeted Rates**

The western water rates are targeted rates set under section 16 and a volumetric water rate set under section 19 of the Local Government (Rating) Act 2002. The western water targeted rate part funds the western water activity, this area approximates the Katikati/Waihi Beach ward. The different categories of land are based on the provision or availability of water supply services provided by Council on all rating units in the western water zone. Where a rating unit has the ability to but is not connected to the water supply an availability rate is charged. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Metered connection (standard 20mm)	Location of land and provision or availability of service	Per connection	2,767,542	437.11	2,763,286
Metered connection (additional to standard 20mm)	Location of land and provision or availability of service	Per connection	26,704	109.28	28,032
Metered connection (25mm)	Location of land and provision or availability of service	Per connection	4,744	244.78	4,683
Metered connection (40mm)	Location of land and provision or availability of service	Per connection	3,466	1,311.33	3,421
Metered connection (50mm)	Location of land and provision or availability of service	Per connection	22,238	2,294.82	21,950
Metered connection (100mm)	Location of land and provision or availability of service	Per connection	18,484	10,490.60	18,245
Metered connection (150mm)	Location of land and provision or availability of service	Per connection	0	24,150.33	0
Unmetered connection	Location of land and provision or availability of service	Per connection	2,005	569.12	1,980
Availability charge	Location of land and availability of service	Per rating unit	53,183	218.55	50,613
Consumption charge	Location of land and provision or availability of service	A fixed amount per cubic metre of water consumption	0	1.43	0
Woodland Road water supply extension (capital payment over time through rate)	Location of land in defined area of benefit and provision or availability of service	Per rating unit	1,055	606.48	1,055
Woodland Road water supply extension (one off capital repayment)	Location of land in defined area of benefit and provision or availability of service	Per rating unit	0	2,583.29	0
<b>Total western water targeted rates</b>			<b>2,899,420</b>		<b>2,893,265</b>



**Central Water Targeted Rates**

The central water rates are targeted rates set under section 16 and a volumetric water rate set under section 19 of the Local Government (Rating) Act 2002. The central water targeted rate part funds the western water activity. The area serviced is approximated by the Kaimai Ward area. The different categories of land are based on the the provision or availability of water supply services provided by Council on all rating units in the central water zone. Where a rating unit has the ability to, but is not connected to the water supply an availability rate is charged. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Metered connection (standard 20mm)	Location of land and provision or availability of service	Per connection	1,684,323	437.11	1,699,022
Metered connection (additional to standard 20mm)	Location of land and provision or availability of service	Per connection	21,323	109.28	22,236
Metered connection (25mm)	Location of land and provision or availability of service	Per connection	6,038	244.78	5,747
Metered connection (40mm)	Location of land and provision or availability of service	Per connection	0	1,311.33	0
Metered connection (50mm)	Location of land and provision or availability of service	Per connection	16,173	2,294.82	15,964
Metered connection (100mm)	Location of land and provision or availability of service	Per connection	0	10,490.64	0
Metered connection (150mm)	Location of land and provision or availability of service	Per connection	0	24,150.33	0
Unmetered connection	Location of land and provision or availability of service	Per connection	1,003	569.12	990
Availability charge	Location of land and availability of service	Per rating unit	43,690	218.55	35,086
Consumption charge	Location of land and provision or availability of service	A fixed amount per cubic metre of water consumption	0	1.43	0
<b>Total central water targeted rates</b>			<b>1,772,550</b>		<b>1,779,045</b>

**Eastern Water Targeted Rates**

The eastern water rates are targeted rates set under section 16 and a volumetric water rate set under section 19 of the Local Government (Rating) Act 2002. The eastern water targeted rate part funds the western water activity. The area serviced is approximated by the Maketu/Te Puke Ward area. The different categories of land are based on the the provision or availability of water supply services provided by Council on all rating units in the eastern water zone. Where a rating unit has the ability to, but is not connected to the water supply an availability rate is charged. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Metered connection (standard 20mm)	Location of land and provision or availability of service	Per connection	2,061,698	437.11	2,074,175
Metered connection (additional to standard 20mm)	Location of land and provision or availability of service	Per connection	22,618	109.28	21,475
Metered connection (25mm)	Location of land and provision or availability of service	Per connection	7,979	244.78	7,876
Metered connection (40mm)	Location of land and provision or availability of service	Per connection	5,776	1,311.33	5,701
Metered connection (50mm)	Location of land and provision or availability of service	Per connection	30,325	2,294.82	29,932
Metered connection (100mm)	Location of land and provision or availability of service	Per connection	18,484	10,490.60	18,245
Metered connection (150mm)	Location of land and provision or availability of service	Per connection	21,275	24,150.25	21,000
Unmetered connection	Location of land and provision or availability of service	Per connection	3,008	569.12	2,969
Availability charge	Location of land and availability of service	Per rating unit	46,124	218.55	43,831
Consumption charge	Location of land and provision or availability of service	A fixed amount per cubic metre of water consumption	0	1.43	0
Black Road water supply extension (capital repayment over time through rate)	Location of land in defined area of benefit and provision or availability of service	Per rating unit	2,929	587.96	1,023
Black Road water supply extension (one-off capital repayment)	Location of land in defined area of benefit and provision or availability of service	Per rating unit	0	2,515.92	0
Gibraltar water scheme	Location of land in defined area of benefit and provision or availability of service	Per rating unit	2,929	121.96	3,075
<b>Total eastern water targeted rates</b>			<b>2,223,145</b>		<b>2,229,302</b>

**Waihi Beach Wastewater Targeted Rates**

The Waihi Beach wastewater rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Waihi Beach wastewater targeted rate part funds the Waihi Beach wastewater activity. The different categories of land are based on the the provision or availability of wastewater services provided by Council. The targeted rates are on all rating units in the Waihi Beach wastewater area or in defined areas of benefit. Where a rating unit has the ability to, but is not connected to the wastewater system an availability rate is charged. A rating unit used primarily as a residence is deemed to only have one toilet. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Availability charge	Location of land and provision or availability of service	Per rating unit	68,049	580.91	70,012
Connection charge	Location of land and provision or availability of service	On each rating unit connected to the scheme	2,775,325	1,161.82	2,871,214
Multiple pan charge	Location of land and provision or availability of service	Per water closet or urinal after the first	331,055	987.55	349,506
Waihi Beach School	Location of land and provision or availability of service	Per rating unit	8,363	10,098.42	8,781
<b>Total Waihi Beach wastewater targeted rates</b>			<b>3,182,792</b>		<b>3,299,513</b>

**Katikati Wastewater Targeted Rates**

The Katikati wastewater rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Katikati wastewater targeted rate part funds the Katikati wastewater activity. The different categories of land are based on the provision or availability of wastewater services provided by Council. The targeted rates are on all rating units in the Katikati wastewater area or in defined areas of benefit. Where a rating unit has the ability to, but is not connected to the wastewater system an availability rate is charged. A rating unit used primarily as a residence is deemed to only have one toilet. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Availability charge	Location of land and provision or availability of service	Per rating unit	65,403	580.91	61,753
Connection charge	Location of land and provision or availability of service	On each rating unit connected to the scheme	2,384,643	1,161.82	2,464,071
Multiple pan charge	Location of land and provision or availability of service	Per water closet or urinal after the first	319,928	987.55	369,257
Katikati College	Location of land and provision or availability of service	Per rating unit	23,799	28,737.43	24,989
Katikati Primary	Location of land and provision or availability of service	Per rating unit	15,238	18,400.05	16,000
<b>Total Katikati wastewater targeted rates</b>			<b>2,809,011</b>		<b>2,936,070</b>

**Te Puna West Wastewater Targeted Rates**

The Te Puna West wastewater rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Te Puna West Wastewater targeted rate part funds the Te Puna wastewater activity and part funds the Te Puna West Wastewater wastewater activity. The different categories of land are based on the the provision or availability of wastewater services provided by Council. The targeted rates are on all properties in the Te Puna West wastewater area or in defined areas of benefit. Where a rating unit has the ability to, but is not connected to the wastewater system an availability rate is charged. A rating unit used primarily as a residence is deemed to only have one toilet. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Availability charge	Location of land and provision or availability of service	Per rating unit	5,934	580.91	5,557
Connection charge	Location of land and provision or availability of service	On each rating unit connected to the scheme	130,557	1,161.82	135,377
Multiple pan charge	Location of land and provision or availability of service	Per water closet or urinal after the first	35,598	987.55	36,067
Te Puna West lump sum	Location in defined area of benefit and provision or availability of service (either A or B is required to be paid).	A. Optional per rating unit (one-off capital repayment)	0	8,651.78	0
Te Puna West		B. Per rating unit	0	1,074.85	29,909
<b>Total Te Puna West wastewater targeted rates</b>			<b>172,089</b>		<b>206,910</b>

**Ōmokoroa Wastewater Targeted Rates**

The Omokoroa wastewater rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Omokoroa wastewater targeted rate part funds the Omokoroa wastewater activity. The different categories of land are based on the the provision or availability of wastewater services provided by Council. The targeted rates are on all rating units in the Omokoroa wastewater area or in defined areas of benefit. Where a rating unit has the ability to, but is not connected to the wastewater system an availability rate is charged. A rating unit used primarily as a residence is deemed to only have one toilet. The different categories of land and rates are outlined in the table below.

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Availability charge	Location of land and provision or availability of service	Per rating unit	107,315	580.91	97,997
Connection charge	Location of land and provision or availability of service	On each rating unit connected to the scheme	2,078,032	1,161.82	2,202,409
Multiple pan charge	Location of land and provision or availability of service	Per water closet or urinal after the first	233,483	987.55	247,316
Omokoroa Point School	Location of land and provision or availability of service	Per rating unit	6,939	4,189.66	7,286
Astelia Place	Location of land in Astelia Place and availability of service	Per rating unit	1,211	696.34	1,817
<b>Total Omokoroa wastewater targeted rates</b>			<b>2,426,980</b>		<b>2,556,825</b>

**Ongare Point Wastewater Targeted Rates**

The Ongare Point wastewater rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Ongare Point wastewater targeted rate part funds the Ongare Point Wastewater wastewater activity. The different categories of land are based on the provision or availability of wastewater services provided by Council. The targeted rates are on all rating units in the Ongare Point wastewater area or in defined areas of benefit. Where a rating unit has the ability to, but is not connected to the wastewater system an availability rate is charged. A rating unit used primarily as a residence is deemed to only have one toilet. The different categories of land and rates are outlined in the table below.

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Availability charge	Location of land and provision or availability of service	Per rating unit	1,484	580.91	1,515
Connection charge	Location of land and provision or availability of service	On each rating unit connected to the scheme	53,410	1,161.82	54,555
Multiple pan charge	Location of land and provision or availability of service	Per water closet or urinal after the first	808	987.55	859
Ongare Point Wastewater Scheme	Location of land in the Ongare Point area of benefit and provision or availability of service	A. Optional per rating unit (one-off capital repayment)	0	9,350.14	0
		B. Per rating unit	11,616	1,335.79	11,616
<b>Total Omokoroa wastewater targeted rates</b>			<b>67,317</b>		<b>68,545</b>

**Te Puke Wastewater Targeted Rates**

The Te Puke wastewater rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002 and part funds the Te Puke wastewater activity. The different categories of land are based on the the provision or availability of wastewater services provided by Council. The targeted rates are on all rating units in the Te Puke wastewater area or in defined areas of benefit. Where a rating unit has the ability to, but is not connected to the wastewater system an availability rate is charged. A rating unit used primarily as a residence is deemed to only have one toilet. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Availability charge	Location of land and provision or availability of service	Per rating unit	44,014	580.91	54,555
Connection charge	Location of land and provision or availability of service	On each rating unit connected to the scheme	2,822,800	1,161.82	2,903,543
Multiple pan charge	Location of land and provision or availability of service	Per water closet or urinal after the first	627,738	987.55	680,120
Te Puke High School	Location of land and provision or availability of service	Per rating unit	12,984	15,677.76	13,633
Te Puke Intermediate School	Location of land and provision or availability of service	Per rating unit	14,045	16,959.78	14,748
Te Puke Primary School	Location of land and provision or availability of service	Per rating unit	13,199	15,937.88	13,859
Fairhaven Primary School	Location of land and provision or availability of service	Per rating unit	11,858	14,318.94	12,451
Te Timatanga Hou Kohanga Reo	Location of land and provision or availability of service	Per rating unit	242	292.32	254
<b>Total Te Puke wastewater targeted rates</b>			<b>3,546,881</b>		<b>3,693,163</b>

**Maketu/Little Waihi Wastewater Targeted Rates**

The Maketu / Little Waihi wastewater rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Maketu / Little Waihi wastewater targeted rate part funds the Maketu / Little Waihi Wastewater wastewater activity. The different categories of land are based on the the provision or availability of wastewater services provided by Council. The targeted rates are on all rating units in the Maketu / Little Waihi wastewater area or in defined areas of benefit. Where a rating unit has the ability to, but is not connected to the wastewater system an availability rate is charged. A rating unit used primarily as a residence is deemed to only have one toilet. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Availability charge	Location of land and provision or availability of service	Per rating unit	23,402	580.91	23,449
Connection charge	Location of land and provision or availability of service	On each rating unit connected to the scheme	452,004	1,161.82	449,574
Multiple pan charge	Location of land and provision or availability of service	Per water closet or urinal after the first	89,677	987.55	38,643
Maketu School	Location of land and provision or availability of service	Per rating unit	3,066	3,702.15	3,219
<b>Total Maketu / Little Waihi Wastewater targeted rates</b>			<b>568,148</b>		<b>514,885</b>

**Land Drainage Targeted Rates**

Land Drainage rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. Land Drainage targeted rates part fund land drainage in Little Waihi defined areas of benefit. The categories of land liable for each rate are based on the provision of services by Council and the location of the land. The targeted rates are on all rating units in defined areas of benefit. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Waihi Land Drainage – drains class A	Location of land and provision or availability of service	Per hectare of each rating unit	239,685	68.17	257,930
Waihi Land Drainage – drains class B	Location of land and provision or availability of service	Per hectare of each rating unit	3,728	42.46	3,877
Waihi Pumping Drainage – pumps class A	Location of land and provision or availability of service	Per hectare of each rating unit	456,170	289.43	475,922
Waihi Pumping Drainage – pumps class B	Location of land and provision or availability of service	Per hectare of each rating unit	11,392	212.89	11,848
Waihi Pumping Drainage – pumps class C	Location of land and provision or availability of service	Per hectare of each rating unit	14,250	149.50	14,820
<b>Total Land Drainage targeted rates</b>			<b>725,225</b>		<b>764,397</b>

**Stormwater Targeted Rates**

Stormwater rates are targeted rates set under section 16 of the Local Government (Rating) Act 2002. The Stormwater targeted rate part funds stormwater in defined areas of benefit. The different categories of land are based on the provision services provided by Council. The targeted rates are on all rating units in defined areas of benefit. The different categories of land and rates are outlined in the table below:

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Waihi Beach	Location of land	Fixed amount per rating unit	1,330,333	551.40	1,525,162
Kauri Point	Location of land	Fixed amount per rating unit	14,977	219.26	15,634
Ongare Point	Location of land	Fixed amount per rating unit	10,959	219.26	11,439
Tanners Point	Location of land	Fixed amount per rating unit	20,273	219.26	21,163
Tuapiro Point	Location of land	Fixed amount per rating unit	4,566	219.26	4,766
Katikati	Location of land	Fixed amount per rating unit	945,916	551.40	1,078,834
Omokoroa	Location of land	Fixed amount per rating unit	1,004,479	551.40	1,161,784
Te Puna	Location of land	Fixed amount per rating unit	25,022	219.26	26,311
Te Puke	Location of land	Fixed amount per rating unit	1,291,564	551.40	1,499,579
Paengaroa	Location of land	Fixed amount per rating unit	54,793	219.26	57,388
Pukehina	Location of land	Fixed amount per rating unit	117,256	219.26	122,593
Maketu	Location of land	Fixed amount per rating unit	80,180	219.26	83,698
<b>Total Stormwater targeted rates</b>			<b>4,900,317</b>		<b>5,608,351</b>

**Omokoroa Greenwaste Targeted Rates**

The Omokoroa greenwaste rate is a targeted rate set under section 16 of the Local Government (Rating) Act 2002. The Omokoroa greenwaste targeted rate part funds greenwaste facilities. The targeted rate is on all properties in the Omokoroa community board defined area of benefit.

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
	Location	Fixed amount per rating unit	136,709	64.37	136,231
<b>Total Omokoroa greenwaste targeted rate</b>			<b>136,709</b>		<b>136,231</b>

**Solid Waste Targeted Rates**

The solid waste rates are a targeted rate set under section 16 (3) (b) of the Local Government (Rating) Act 2002. The solid waste rate part funds the solid waste activity (refuse that is non recyclable).

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Western	Location - Katikati/Waihi Beach ward	Fixed amount per rating unit	758,853	112.57	772,855
Eastern	Location - Maketu/Te Puke ward	Fixed amount per rating unit	620,541	77.33	494,305
<b>Total solid waste targeted rates</b>			<b>1,379,394</b>		<b>1,267,160</b>

**Kerbside Collection Targeted Rates**

The Kerbside collection rates are a targeted rate set under section 16 (3) (b) of the Local Government (Rating) Act 2002. This rate only applies to rating units provided with the service. The kerbside collection rate part funds the solid waste activity.

Categories	Matters	Factor of liability	2023/24 Annual Plan Revenue \$ GST Excl	2024/25 Amount (\$) GST Incl	2024/25 Annual Plan Revenue \$ GST excl
Partial Service	Service provision	Fixed amount per service (bins)	606,956	120.00	701,139
Full service	Service provision	Fixed amount per service (bins)	1,769,328	180.00	1,927,070
<b>Total Kerbside targeted rates</b>			<b>2,376,284</b>		<b>2,628,209</b>



# Prospective Financial Statements

## Whakataunga Tahua Torohū

### Cautionary note

The information in the prospective financial statements is uncertain and its preparation requires the exercise of judgement. Actual financial results achieved are likely to vary from the information presented and the variations may be material. Events and circumstances may not occur as expected and may or may not have been predicted or the Council may subsequently take actions that differ from the proposed course of action on which the prospective financial statements are based.

### Assumptions underlying prospective financial information

The financial information contained within these policies and statements is prospective information and has been prepared in compliance with PBE FRS 42: Prospective Financial Information. The purpose for which it has been prepared is to enable the public to participate in the decision-making processes as to the services to be provided by Western Bay of Plenty District Council over the financial years from 2021/22 to 2030/31 and to provide a broad accountability mechanism of the Council to the community. Refer to the Strategic Assumptions section in Informing our Planning from page 39 for details of underlying assumptions.

# Statement of Financial Position

	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Assets</b>										
<b>Current Assets</b>										
Cash and Cash Equivalents	15,137	15,137	15,137	15,137	15,137	15,137	15,137	15,137	15,137	15,137
Receivables	17,760	17,937	18,117	18,298	18,481	18,666	18,852	19,041	19,231	19,423
Prepayments and Accrued Income	263	263	263	263	263	263	263	263	263	263
Non Current Assets Held For Sale	-	-	-	-	-	-	-	-	-	-
Other Financial Assets	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>33,159</b>	<b>33,337</b>	<b>33,516</b>	<b>33,697</b>	<b>33,880</b>	<b>34,065</b>	<b>34,252</b>	<b>34,440</b>	<b>34,630</b>	<b>34,823</b>
<b>Non-Current Assets</b>										
Investment in CCOs and Other Similar Entities	5,552	7,131	8,545	10,026	10,950	11,604	11,604	11,604	11,604	11,604
Other Financial Assets	12,965	12,965	1,732	1,732	1,732	1,732	1,732	1,732	1,732	1,732
Investment in associates	512	512	512	512	512	512	512	512	512	512
Property, Plant & Equipment	2,062,243	2,217,400	2,330,028	2,475,128	2,633,867	2,726,634	2,846,062	2,977,454	3,016,466	3,114,119
Intangible Assets	5,495	5,485	5,254	5,338	5,106	5,063	4,832	4,941	4,710	4,684
Forestry Assets	8,349	8,432	8,516	8,602	8,688	8,775	8,862	8,951	8,951	8,951
Derivative Financial Instruments	2,580	2,580	2,580	2,580	2,580	2,580	2,580	2,580	2,580	2,580
<b>Total Non-Current Assets</b>	<b>2,097,696</b>	<b>2,254,506</b>	<b>2,357,168</b>	<b>2,503,917</b>	<b>2,663,435</b>	<b>2,756,900</b>	<b>2,876,185</b>	<b>3,007,775</b>	<b>3,046,556</b>	<b>3,144,183</b>
<b>Total Assets</b>	<b>2,130,855</b>	<b>2,287,842</b>	<b>2,390,684</b>	<b>2,537,614</b>	<b>2,697,315</b>	<b>2,790,965</b>	<b>2,910,436</b>	<b>3,042,215</b>	<b>3,081,186</b>	<b>3,179,005</b>
<b>Liabilities</b>										
<b>Current Liabilities</b>										
Creditors and Other Payables	24,544	24,696	24,850	25,006	25,163	25,322	25,482	25,644	25,807	25,972
Borrowings	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Employee Entitlements	4,367	4,472	4,570	4,671	4,778	4,883	4,990	5,105	5,218	5,332
Provisions	313	313	313	313	313	313	313	313	313	313
Derivative Financial Instruments	-	-	-	-	-	-	-	-	-	-
<b>Total Current Liabilities</b>	<b>44,224</b>	<b>44,481</b>	<b>44,733</b>	<b>44,989</b>	<b>45,254</b>	<b>45,518</b>	<b>45,785</b>	<b>46,062</b>	<b>46,338</b>	<b>46,618</b>
<b>Non-Current Liabilities</b>										
Employee Entitlements	20	21	21	22	22	23	23	24	24	25
Borrowings	164,088	228,827	286,780	347,496	385,387	412,217	410,120	395,469	346,456	284,745
Provisions	262	262	262	262	262	262	262	262	262	262
Derivative Financial Instruments	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>164,370</b>	<b>229,110</b>	<b>287,064</b>	<b>347,780</b>	<b>385,671</b>	<b>412,502</b>	<b>410,405</b>	<b>395,755</b>	<b>346,742</b>	<b>285,032</b>
<b>Total Liabilities</b>	<b>208,594</b>	<b>273,591</b>	<b>331,797</b>	<b>392,769</b>	<b>430,925</b>	<b>458,020</b>	<b>456,190</b>	<b>441,817</b>	<b>393,080</b>	<b>331,650</b>
<b>Total Net Assets</b>	<b>1,922,261</b>	<b>2,014,252</b>	<b>2,058,887</b>	<b>2,144,845</b>	<b>2,266,390</b>	<b>2,332,945</b>	<b>2,454,246</b>	<b>2,600,398</b>	<b>2,688,107</b>	<b>2,847,356</b>
<b>Equity</b>										
<b>Accumulated Funds</b>										
Retained Earnings	1,101,025	1,137,890	1,174,059	1,211,146	1,254,369	1,305,968	1,365,918	1,423,636	1,477,429	1,545,342
<b>Retained Earnings</b>	<b>1,101,025</b>	<b>1,137,890</b>	<b>1,174,059</b>	<b>1,211,146</b>	<b>1,254,369</b>	<b>1,305,968</b>	<b>1,365,918</b>	<b>1,423,636</b>	<b>1,477,429</b>	<b>1,545,342</b>
<b>Reserves</b>										
Council Created Reserves	(25,479)	(36,514)	(51,972)	(64,889)	(73,650)	(87,113)	(102,192)	(113,387)	(111,468)	(111,594)
Current Accounts	-	-	-	-	-	-	-	-	-	-
Restricted Reserves	(28)	(305)	(495)	(602)	(930)	(1,034)	(1,141)	(1,250)	(1,361)	(1,474)
Asset Revaluation Reserves	846,744	913,181	937,296	999,190	1,086,601	1,115,124	1,191,661	1,291,399	1,323,507	1,415,082
<b>Reserves</b>	<b>821,237</b>	<b>876,361</b>	<b>884,829</b>	<b>933,699</b>	<b>1,012,021</b>	<b>1,026,977</b>	<b>1,088,328</b>	<b>1,176,762</b>	<b>1,210,677</b>	<b>1,302,014</b>
<b>Total Equity</b>	<b>1,922,261</b>	<b>2,014,252</b>	<b>2,058,887</b>	<b>2,144,845</b>	<b>2,266,390</b>	<b>2,332,945</b>	<b>2,454,246</b>	<b>2,600,398</b>	<b>2,688,107</b>	<b>2,847,356</b>

# Statement of Comprehensive Revenue and Expense

	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Revenue and Expense</b>										
<b>Revenue</b>										
Rates	98,464	108,593	117,653	126,949	137,330	148,521	160,252	172,386	184,839	197,721
Metered water charges	6,693	6,815	6,940	7,067	7,197	7,329	7,463	7,600	7,740	7,882
Fees and Charges	9,833	10,830	11,210	11,586	11,969	12,335	12,712	13,094	13,438	13,773
Financial Contributions	14,261	15,828	16,357	17,017	16,487	16,763	16,501	17,315	16,428	15,209
Subsidies and Grants	31,864	32,845	26,840	28,069	36,379	34,620	35,210	28,123	28,829	29,397
Fines	309	342	352	355	358	366	375	384	392	400
Interest income	270	291	297	303	309	315	320	326	332	338
Rental income	787	1,073	1,290	1,335	1,371	1,398	1,425	1,456	1,480	1,506
Dividends	-	-	-	-	-	-	-	-	-	-
Petrol tax	412	443	453	462	471	480	488	497	506	515
Other revenue	3,355	842	847	1,107	1,075	1,646	1,139	953	972	989
Gain/(Loss) on vested assets	2,313	1,907	1,302	667	-	-	-	-	-	-
Gain/(Loss) on Financial Assets	-	-	-	-	-	-	-	-	-	-
Gain / (Loss) on Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Share of associates net surplus/deficit	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>168,559</b>	<b>179,809</b>	<b>183,539</b>	<b>194,918</b>	<b>212,946</b>	<b>223,774</b>	<b>235,886</b>	<b>242,135</b>	<b>254,955</b>	<b>267,730</b>
<b>Expenditure</b>										
Other Expenses	68,194	77,639	79,688	81,662	83,556	84,760	86,253	88,245	90,048	91,992
Personnel costs	35,739	36,597	37,224	37,969	38,748	39,493	40,238	41,017	41,763	42,508
Depreciation	29,399	31,157	34,035	36,047	37,714	40,134	41,336	42,792	45,039	45,737
Amortisation	266	266	271	271	272	272	274	274	275	272
Impairment expense	-	-	-	-	-	-	-	-	-	-
Finance costs	8,202	8,597	11,800	14,905	18,521	21,082	23,021	23,392	22,229	19,547
<b>Total Operating Expenditure</b>	<b>141,799</b>	<b>154,256</b>	<b>163,018</b>	<b>170,855</b>	<b>178,811</b>	<b>185,742</b>	<b>191,122</b>	<b>195,721</b>	<b>199,354</b>	<b>200,056</b>
<b>Operating Surplus / (Deficit)</b>	<b>26,760</b>	<b>25,553</b>	<b>20,521</b>	<b>24,063</b>	<b>34,135</b>	<b>38,031</b>	<b>44,764</b>	<b>46,414</b>	<b>55,601</b>	<b>67,674</b>
<b>Other Comprehensive Revenue and Expense</b>										
<b>Gain/(loss) on assets</b>										
Gain/(Loss) on Revaluation	29,766	66,437	24,115	61,894	87,411	28,523	76,537	99,738	32,108	91,575
<b>Total Gain/(loss) on assets</b>	<b>29,766</b>	<b>66,437</b>	<b>24,115</b>	<b>61,894</b>	<b>87,411</b>	<b>28,523</b>	<b>76,537</b>	<b>99,738</b>	<b>32,108</b>	<b>91,575</b>
<b>Other Comprehensive Revenue and Expense</b>	<b>29,766</b>	<b>66,437</b>	<b>24,115</b>	<b>61,894</b>	<b>87,411</b>	<b>28,523</b>	<b>76,537</b>	<b>99,738</b>	<b>32,108</b>	<b>91,575</b>
<b>Statement of Comprehensive Revenue Expenditure</b>	<b>56,525</b>	<b>91,990</b>	<b>44,636</b>	<b>85,958</b>	<b>121,545</b>	<b>66,555</b>	<b>121,301</b>	<b>146,152</b>	<b>87,709</b>	<b>159,249</b>

# Forecast Statement of Changes in Net Asset/Equity

	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Equity balance at 30 June</b>										
Equity balance at 1 July	1,865,736	1,922,261	2,014,252	2,058,887	2,144,845	2,266,390	2,332,945	2,454,246	2,600,398	2,688,107
Comprehensive income for year	56,525	91,990	44,636	85,958	121,545	66,555	121,301	146,152	87,709	159,249
<b>Equity balance at 30 June</b>	<b>1,922,261</b>	<b>2,014,252</b>	<b>2,058,887</b>	<b>2,144,845</b>	<b>2,266,390</b>	<b>2,332,945</b>	<b>2,454,246</b>	<b>2,600,398</b>	<b>2,688,107</b>	<b>2,847,356</b>
<b>Components of Equity</b>										
<b>Retained earnings 30 June</b>										
Retained Earnings at 1 July	1,057,066	1,101,025	1,137,890	1,174,059	1,211,146	1,254,369	1,305,968	1,365,918	1,423,636	1,488,324
Net Surplus/(Deficit)	26,760	25,553	20,521	24,063	34,135	38,031	44,764	46,414	55,601	67,674
Transfers to / (from) reserves	17,199	11,313	15,647	13,024	9,088	13,568	15,186	11,304	9,086	11,133
<b>Retained earnings 30 June</b>	<b>1,101,025</b>	<b>1,137,890</b>	<b>1,174,059</b>	<b>1,211,146</b>	<b>1,254,369</b>	<b>1,305,968</b>	<b>1,365,918</b>	<b>1,423,636</b>	<b>1,488,324</b>	<b>1,567,131</b>
<b>Revaluation Reserves 30 June</b>										
Revaluation Reserves at 1 July	816,978	846,744	913,181	937,296	999,190	1,086,601	1,115,124	1,191,661	1,291,399	1,323,507
Revaluation Gains	29,766	66,437	24,115	61,894	87,411	28,523	76,537	99,738	32,108	91,575
<b>Revaluation Reserves 30 June</b>	<b>846,744</b>	<b>913,181</b>	<b>937,296</b>	<b>999,190</b>	<b>1,086,601</b>	<b>1,115,124</b>	<b>1,191,661</b>	<b>1,291,399</b>	<b>1,323,507</b>	<b>1,415,082</b>
<b>Council created Reserves 30 June</b>										
Council Created Reserves at 1 July	(8,308)	(25,507)	(36,820)	(52,467)	(65,491)	(74,579)	(88,147)	(103,333)	(114,637)	(123,724)
Transfers to / (from) reserves	(17,199)	(11,313)	(15,647)	(13,024)	(9,088)	(13,568)	(15,186)	(11,304)	(9,086)	(11,133)
<b>Council created Reserves 30 June</b>	<b>(25,507)</b>	<b>(36,820)</b>	<b>(52,467)</b>	<b>(65,491)</b>	<b>(74,579)</b>	<b>(88,147)</b>	<b>(103,333)</b>	<b>(114,637)</b>	<b>(123,724)</b>	<b>(134,857)</b>
<b>Components of Equity</b>	<b>1,922,261</b>	<b>2,014,252</b>	<b>2,058,887</b>	<b>2,144,845</b>	<b>2,266,390</b>	<b>2,332,945</b>	<b>2,454,246</b>	<b>2,600,398</b>	<b>2,688,107</b>	<b>2,847,356</b>

# Funding Impact Statement

	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Surplus / (deficit) of operating funding</b>										
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	40,649	46,011	50,029	53,595	59,333	60,101	59,422	60,066	60,294	58,838
Targeted rates	64,508	69,398	74,563	80,421	85,194	95,749	108,293	119,920	132,286	146,765
Subsidies and grants for operating purposes	9,481	10,290	10,516	10,758	10,993	11,219	11,444	11,679	11,904	12,138
Fees and charges and other revenue	10,620	11,902	12,500	12,921	13,340	13,733	14,137	14,549	14,918	15,279
Interest and dividends from investments	270	291	297	303	309	315	320	326	332	338
Local authorities fuel tax, fines, infringement fees, and other receipts	4,075	1,627	1,651	1,924	1,903	2,492	2,002	1,834	1,870	1,904
<b>Total operating funding (A)</b>	<b>129,603</b>	<b>139,519</b>	<b>149,557</b>	<b>159,923</b>	<b>171,072</b>	<b>183,608</b>	<b>195,619</b>	<b>208,375</b>	<b>221,603</b>	<b>235,261</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	103,933	114,236	116,911	119,631	122,304	124,254	126,491	129,262	131,811	134,500
Finance costs	8,202	8,597	11,800	14,905	18,521	21,082	23,021	23,392	22,229	19,547
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>112,135</b>	<b>122,833</b>	<b>128,712</b>	<b>134,536</b>	<b>140,825</b>	<b>145,336</b>	<b>149,512</b>	<b>152,655</b>	<b>154,040</b>	<b>154,048</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>17,468</b>	<b>16,686</b>	<b>20,845</b>	<b>25,387</b>	<b>30,248</b>	<b>38,273</b>	<b>46,106</b>	<b>55,720</b>	<b>67,563</b>	<b>81,214</b>
<b>Surplus (deficit) of capital funding</b>										
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	22,382	22,555	16,324	17,311	25,386	23,402	23,766	16,445	16,924	17,260
Development and financial contributions	14,261	15,828	16,357	17,017	16,487	16,763	16,501	17,315	16,428	15,209
Increase (decrease) in debt	33,655	64,740	57,953	60,716	37,890	26,831	(2,098)	(14,651)	(38,119)	(50,816)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>70,298</b>	<b>103,122</b>	<b>90,634</b>	<b>95,044</b>	<b>79,764</b>	<b>66,996</b>	<b>38,169</b>	<b>19,109</b>	<b>(4,767)</b>	<b>(18,347)</b>
<b>Application of capital funding</b>										
Capital Expenditure	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	29,480	41,610	44,041	28,721	19,451	28,796	29,056	19,322	15,493	16,268
- to improve the level of service	30,122	40,936	37,121	29,915	27,848	20,087	19,614	14,518	15,029	14,836
- to replace existing assets	27,539	35,763	40,210	60,389	61,870	55,810	35,687	41,078	32,360	31,851
Increase (decrease) in reserves	(196)	(80)	(11,306)	(75)	(82)	(79)	(82)	(89)	(86)	(88)
Increase (decrease) in investments	821	1,579	1,413	1,481	924	654	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>87,766</b>	<b>119,808</b>	<b>111,479</b>	<b>120,431</b>	<b>110,011</b>	<b>105,268</b>	<b>84,276</b>	<b>74,829</b>	<b>62,796</b>	<b>62,866</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(17,468)</b>	<b>(16,686)</b>	<b>(20,845)</b>	<b>(25,387)</b>	<b>(30,248)</b>	<b>(38,273)</b>	<b>(46,106)</b>	<b>(55,720)</b>	<b>(67,563)</b>	<b>(81,214)</b>
<b>Funding Impact Statement</b>										



# Reconciliation of Summary Funding Impact Statement to Prospective Statement of Comprehensive Revenue and Expense

	2025 LTP Budget (000' s)	2026 LTP Budget (000' s)	2027 LTP Budget (000' s)	2028 LTP Budget (000' s)	2029 LTP Budget (000' s)	2030 LTP Budget (000' s)	2031 LTP Budget (000' s)	2032 LTP Budget (000' s)	2033 LTP Budget (000' s)	2034 LTP Budget (000' s)
<b>Revenue</b>										
<b>Prospective Statement of Comprehensive Revenue Expenditure</b>										
<b>Total Operating Revenue</b>										
Total Operating Revenue	168,559	179,809	183,539	194,918	212,946	223,774	235,886	242,135	254,955	267,730
<b>Total Operating Revenue</b>	<b>168,559</b>	<b>179,809</b>	<b>183,539</b>	<b>194,918</b>	<b>212,946</b>	<b>223,774</b>	<b>235,886</b>	<b>242,135</b>	<b>254,955</b>	<b>267,730</b>
<b>Prospective Statement of Comprehensive Revenue Expenditure</b>	<b>168,559</b>	<b>179,809</b>	<b>183,539</b>	<b>194,918</b>	<b>212,946</b>	<b>223,774</b>	<b>235,886</b>	<b>242,135</b>	<b>254,955</b>	<b>267,730</b>
<b>Summary Funding Impact Statement</b>										
<b>Sources of operating funding</b>										
Total sources of operating funding	129,603	139,519	149,557	159,923	171,072	183,608	195,619	208,375	221,603	235,261
<b>Sources of operating funding</b>	<b>129,603</b>	<b>139,519</b>	<b>149,557</b>	<b>159,923</b>	<b>171,072</b>	<b>183,608</b>	<b>195,619</b>	<b>208,375</b>	<b>221,603</b>	<b>235,261</b>
<b>Add sources of capital funding</b>										
Subsidies and grants for capital expenditure	22,382	22,555	16,324	17,311	25,386	23,402	23,766	16,445	16,924	17,260
Development and financial contributions	14,261	15,828	16,357	17,017	16,487	16,763	16,501	17,315	16,428	15,209
Gain disposal of assets	-	-	-	-	-	-	-	-	-	-
Vested assets	2,313	1,907	1,302	667	-	-	-	-	-	-
<b>Add sources of capital funding</b>	<b>38,956</b>	<b>40,290</b>	<b>33,982</b>	<b>34,995</b>	<b>41,874</b>	<b>40,165</b>	<b>40,267</b>	<b>33,760</b>	<b>33,352</b>	<b>32,469</b>
<b>Summary Funding Impact Statement</b>	<b>168,559</b>	<b>179,809</b>	<b>183,539</b>	<b>194,918</b>	<b>212,946</b>	<b>223,774</b>	<b>235,886</b>	<b>242,135</b>	<b>254,955</b>	<b>267,730</b>
<b>Expenditure</b>										
<b>Prospective Statement of Comprehensive Revenue Expenditure</b>										
<b>Total Operating Expenditure</b>										
Total Operating Expenditure	141,799	154,256	163,018	170,855	178,811	185,742	191,122	195,721	199,354	200,056
<b>Total Operating Expenditure</b>	<b>141,799</b>	<b>154,256</b>	<b>163,018</b>	<b>170,855</b>	<b>178,811</b>	<b>185,742</b>	<b>191,122</b>	<b>195,721</b>	<b>199,354</b>	<b>200,056</b>
<b>Prospective Statement of Comprehensive Revenue Expenditure</b>	<b>141,799</b>	<b>154,256</b>	<b>163,018</b>	<b>170,855</b>	<b>178,811</b>	<b>185,742</b>	<b>191,122</b>	<b>195,721</b>	<b>199,354</b>	<b>200,056</b>
<b>Summary Funding Impact Statement</b>										
<b>Application of operating fund</b>										
Total application of operating funding	112,135	122,833	128,712	134,536	140,825	145,336	149,512	152,655	154,040	154,048
<b>Application of operating fund</b>	<b>112,135</b>	<b>122,833</b>	<b>128,712</b>	<b>134,536</b>	<b>140,825</b>	<b>145,336</b>	<b>149,512</b>	<b>152,655</b>	<b>154,040</b>	<b>154,048</b>
<b>Add application of capital funding</b>										
Loss on disposal of asset	-	-	-	-	-	-	-	-	-	-
Loss on changes in fair value of investment property and revaluation	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in provisions	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation expense	29,664	31,423	34,307	36,319	37,986	40,406	41,610	43,066	45,314	46,009
<b>Add application of capital funding</b>	<b>29,664</b>	<b>31,423</b>	<b>34,307</b>	<b>36,319</b>	<b>37,986</b>	<b>40,406</b>	<b>41,610</b>	<b>43,066</b>	<b>45,314</b>	<b>46,009</b>
<b>Summary Funding Impact Statement</b>	<b>141,799</b>	<b>154,256</b>	<b>163,018</b>	<b>170,855</b>	<b>178,811</b>	<b>185,742</b>	<b>191,122</b>	<b>195,721</b>	<b>199,354</b>	<b>200,056</b>

# Policies, Summaries and Statements

Ngā kaupapa here, ngā  
whakarāpopototanga  
me ngā whakapuakanga





## Policies, Summaries and Statements

Ngā kaupapa here, ngā  
whakarāpopototanga me ngā  
whakapuakanga

Revenue and Financing Policy

Summary of specific rates policies

Significant accounting policies

Summary of Financial Contributions Policy

Treasury Policy

Significance and Engagement Policy

Statement on Council-Controlled Organisations

Activity Funding Impact Statements

Long Term Plan Disclosure Statement

Glossary

## **Revenue and Financing Policy**

This policy deals with the revenue and financing decisions taken at a “whole of Council” level. It documents our high level rating philosophy and summarises the rationale for the rating decisions taken.

## The revenue and financing policy describes how we will fund and finance our activities.

It sets out how we fund operating expenses and capital expenditure from the funding sources specified in section 103 of the Local Government Act 2002.

### Council's funding philosophy

Ratepayers have told us that fairness and equity in rating is very important to them. We try, wherever practical, to maintain a close relationship between the benefits received by groups of ratepayers and the rates they pay for those services, especially where communities within our District have differing levels of service. Where levels of service are more uniform or where it is impractical to identify groups of ratepayers that principally benefit, we use General Rates.

In principle, we seek to recover the maximum amount possible from the direct users of a service (the 'user-pays' principle) or from those that create the need for a service (the 'exacerbator-pays' principle), but also weigh this against the community benefit of services. The primary tools we use to achieve these principles are fees and targeted rates. We also seek to ensure that people pay for services at the time they consume them, (the 'inter-generational equity' principle). Costs of service include capital costs, direct and indirect operational costs, depreciation, interest and loan repayments. The tools we use to achieve inter-generational equity include loans, financial contributions and increases in the rating base resulting from growth.

### Policy considerations

We will select funding sources for each activity after having regard to the following:

- The community outcomes to which the activity primarily contributes, and
- The distribution of benefits, and
- The period over which benefits are expected to occur, and
- The extent to which the actions or inactions of particular individuals or groups contribute to the need to undertake the activity (referred to as exacerbator issues), and

- The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities and
- The overall impact of any allocation of liability for revenue needs on the current and future community.

### The Community Outcomes

The primary outcomes for each activity are included in the **tables below**.

### The distribution of benefits

We have taken the following general approaches to relate benefits to funding sources:

- Activities that are available to every person in the District are funded across the whole community (e.g. roading or parks and reserves)
- Services that we make available to specific areas are funded across those areas, on a District wide basis. This applies to services for water, wastewater, stormwater and rubbish and recycling.
- Fees and Charges are used as the funding source for individual or group benefits where either:
  - A direct relationship can be efficiently established between the provisions of a service and the charge, or
  - The benefits derived are beyond the level generally available to the general community, or
  - The individual or group causes us to incur additional costs beyond the level that would be required for the general community.

### Period over which benefits are expected to occur.

This consideration analyses the period in or over which the benefits of Council's activities are expected to accrue. This then indicates the period over which the operating and capital expenditure should be funded.

Generally operating costs are directly related to providing benefits in the year of expenditure. As such, they are usually funded on an annual basis from annual revenue.

Intergenerational equity applies to capital expenditure where assets have useful lives ranging from a few years through to many decades. One method

used to spread these costs over time is loan funding. This ensures that current ratepayers do not pay for benefits received by future ratepayers. Each year's ratepayers service the debt associated with this asset. This results in infrastructural costs being spread more evenly across the life of the asset and the different ratepayers who benefit from it.

### **User pays and exacerbator pays**

We encounter situations where the actions or inactions of individuals or groups cause us to utilise additional resources. Examples of this are:

- Non complying behaviour, for example, illegal waste disposal, wandering dogs, non-compliance with consent conditions.
- High cost activities – e.g. water supply, solid waste.

The principle suggests that Council should recover some costs directly from those causing demand for the service.

We will consider:

- The impact that these situations have on the overall activity.
- The level of additional cost incurred.
- The potential to realistically recover the additional costs.
- The effect on the activity outcomes.

We may then apply funding mechanisms that recover all or part of the additional costs incurred (e.g. fines).

### **Costs and benefits (of separate funding)**

We believe that transparency and accountability can be enhanced where the community can make a direct link between the services received and the charges we impose. User fees and charges and Targeted Rates are examples where we believe this connection can be made.

Targeted Rates are preferred where:

- Services are made available to some properties or communities and not others (e.g. solid waste, water supply, wastewater and stormwater).
- Local communities have a strong sense of identity and accountability for an activity (e.g. community halls, where the local communities fund and operate the halls; promotion rates).
- Activities that are intended to benefit a specific area (e.g. community halls).

There are administration costs associated with separate funding and these need to be weighed against any benefits of targeting specific beneficiaries/users of a service, including transparency and accountability. Transparency and accountability are most evident when an activity has one defined funding source. This allows ratepayers, or payers of user fees and charges to see exactly how much money is being raised and spent on the activity, and to assess whether or not the cost to them of the activity represents good value.

### **The overall impact of any allocation of liability for revenue needs on the current and future community.**

Once all the previous considerations have been taken into account, Council ensures that overall funding sources are not creating a disproportionate burden on a specific sector or part of the community.

## Rating policy

### Rating unit

Under the relevant legislation, we have the ability to set our unit of rating as a dwelling (or separately used inhabited part of a property) as opposed to a property. We have chosen to retain our rating unit as a property, consistent with our policy in previous years.

### Rating basis

The Local Government (Rating) Act 2002 allows us to choose from three rating systems (land value, capital value and annual value). There is no legislation prescribing the best type of rating system for each council. We will assess the General Rate and all other property value-based rates (except the roading rate) on capital value. The roading rate will be assessed on land value.

We show a land value and an improvement value on our property valuations. The improvement value reflects the added value given to the land by buildings or other structures, including fruit trees, vines, and landscaping. Capital value includes both the land value and the value of improvements. The improvement value excludes chattels, stock, crops, machinery, or trees other than fruit or nut trees, vines, berry-fruit bushes, and live hedges.

Regardless of the rating basis we use, the total amount of rates collected remains the same but the incidence of rating shifts. To illustrate the differences between the land and capital value rating systems for example, consider two identically valued pieces of land, one with a substantial dwelling on it and the other with no improvements. Under the land value rating system the two properties would pay the same rates. Under the capital value rating system the property with the substantial improvement would pay more than the property that was undeveloped.

## Water Supply

Water rates are charged using a metered or unmetered Uniform Targeted Rate (UTR). Our policy on water meters is that all properties connected to Council's water supply should be metered.

In establishing the criteria for water metering we recognised the environmental benefits that would result from water conservation if all users were metered and balanced that against the cost of installing meters on all properties and the affordability of such a strategy.

Where meters are in use charges are as follows:

- Each property will be charged the metered Uniform Targeted Water Rate for the first meter, and
- An additional Uniform Targeted Rate will be charged for every additional meter on the property. This covers the costs of reading, billing, maintenance, and future meter replacement.
- Connections larger than 20mm will be charged additional UTRs in proportion to the capacity of the connection.
- A charge based on water consumption per m<sup>3</sup> is also levied. This volumetric charge is recorded as a targeted rate.

Where unmetered connections are in place a single annual charge is levied. This charge is higher than the metered water annual charge to take into account water usage.

## Wastewater

Our policy on wastewater charges is:

**Uniform Targeted Rate:** All properties connected or available to be connected (within 30 metres of a public wastewater drain) will be charged a Uniform Targeted Wastewater Rate.

**Multiple connection charges:** We have a policy for charging properties with more than one toilet. It applies to all wastewater schemes.

- Each residential household will pay one standard connection charge to the wastewater scheme regardless of the number of toilets in the dwelling. This charge covers fixed and variable costs. Additional dwellings on a property will be liable for the multiple pan charge.

Non-residential properties with more than one toilet are liable for the multiple pan charge for each consecutive toilet.

Our intention is to achieve a fair allocation of the costs of the wastewater scheme based on the usage of capacity in the system. We acknowledge that in some instances additional toilets may be installed in non-residential properties for convenience which may not result in an increase in total usage.

The Council has a multiple pan remission policy to address instances where ratepayers / organisations would be charged unduly high amounts by the application of this policy.

## Schools

Although the Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001 was repealed, schools are charged for sewage disposal on the same basis as that envisaged by the Act but as a targeted rate for each individual school in our District. This is because schools by and large have accepted the levies charged.

## Funding Sources

Funding sources are either paying for operating costs or capital costs.

### Definition of funding sources

This section provides some simple definitions of the different sources that are available to fund Council's activities. An activity may be funded from one or more sources.

**General rates:** General rates are used to raise revenue for activities that are of public good or where recovery from users (private good) is not efficient or possible. It is our approach when an activity has a shortfall that shortfall is funded from general rates.

The general rate includes two portions. Part is set based on capital value (value of land plus improvements), and part is by a fixed amount per rating unit (Uniform Annual General Charge (UAGC)).

The size of the UAGC is set each year by the Council and is used as a levelling tool in the collection of General Rates. If the UAGC were set at zero, the effect would be to increase the amount of General Rates assessed on capital value which would increase the share levied on properties with higher capital

values and decrease the share levied on lower capital values. In setting the level of the UAGC, we consider the following issues:

- The impact of a high UAGC on those with low incomes and relatively low property values.
- The impact of a low UAGC on the relative share of rates levied on high value properties, for example large rural properties.
- Fairness and equity and the social consequences of an unfair distribution of rates.
- The collective effect of other flat charges on affordability for low income households.

Our policy is to have the same system for charging general rates across the whole District.

**Targeted rates:** We use targeted rates, as defined in the Local Government (Rating) Act 2002, to collect funds over areas of benefit. This rating tool is chosen where the services provided are specific to a particular community or area within our District and it is not considered fair to charge all ratepayers, e.g. charges for town centre promotion and community halls. Details of these rates are shown in the Funding Impact Statement. These rates may be collected on a uniform (or fixed) basis per property or on the capital value of each property.

**Roading rates:** We have the following roading rates:

- Roothing rate on land value,
- Rural works charge which is a fixed amount on every rural zoned property.

We use the rural works charge and the UAGC to reduce the share of roading rates levied on higher value properties. If these fixed charges were not included, large pastoral farms for example, would be liable for an unfairly large share of the revenue required for roading.

The roading rate on land value is calculated using the following differentials:

- |                                     |     |
|-------------------------------------|-----|
| • Residential zoned areas           | 1.0 |
| • Rural zoned areas                 | 1.0 |
| • Commercial/industrial zoned areas | 4.0 |
| • Post-harvest zoned areas          | 4.0 |

**Financial contributions:** To recover costs of infrastructure built to accommodate growth we use financial contributions. Our Financial Contributions Policy is set through our District Plan under the Resource Management Act 1991. The detail of the policy is published as part of the District Plan and is available on our website [www.westernbay.govt.nz](http://www.westernbay.govt.nz) and at our libraries and service centres. Our District Plan provides that waivers and reductions to financial contributions levied under the Resource Management Act 1991 are agreed through our Annual Plan process.

**User Fees and charges:** Fees, charges and the recovery of fines are used to raise revenue for services or activities that have a high component of private good and where the users of the service or the exacerbators are identifiable.

**Loans:** Borrowing both short term and long term is a funding tool and does not need a split between public and private good as it is only deferring the eventual charge.

**Proceeds from asset sales:** Proceeds from the sale of assets will be applied to reduce debt either within the activity from which the sale arose or by Council allocating the proceeds to retire debt in a specific activity.

**Subsidies and grants:** Income received from an external funding entity will be applied against the project for which the subsidy was acquired. These generally would be a public good, however this can depend on the purpose or source of the grant or subsidy. In some cases, financial assistance relates to a specific project and the ongoing management of the infrastructure e.g. Waka Kotahi (NZ Transport Agency) subsidise both capital costs, as well as contributing towards operational costs of the Transportation activity.

Grants, subsidies, and sponsorship have the potential to be used across all activities if available.

**Depreciation and current account deficit:** Replacement or renewal of assets relies on the principle of intergenerational equity in that today's ratepayers

should pay for the 'asset-life' they are consuming, and likewise future generations should pay for their share of the asset's life. Funding of depreciation (or not) is covered in the Financial Strategy.

**Any other source:** Other funding sources may be available from time to time to fund Council activities.

## How we fund our activities

The key below explains the extent of each funding source used. These ranges are expressed as a percentage of the cost of the activity. Council budgets will normally be set within these indicative ranges.

Name	% Range	Key
<b>Minimal</b>	0-15%	
<b>Low</b>	15-45%	
<b>Moderate</b>	40-75%	
<b>High</b>	75-95%	
<b>Most</b>	90-100%	
<b>Potential to be used</b>		✓

The Council's strategic capital delivery assumption of 80% in year 1 of the Long Term Plan and 90% in year 2 of the Long Term Plan, has skewed our capital budgets away from loan funding towards financial contributions. However, the model is consistent with the capital funding approach of our activities.

Activity	User Fees and Charges	General Rates (including UAGC)	Targeted Rates	Financial Contributions	Grants, Subsidies, Loans and Other Revenue
Representation	✓				
Planning for the Future				✓	✓
Community Building	✓				✓
Libraries and Service Centres - Operational					✓
Libraries and Service Centres - Capital				✓	
Community Facilities - Operational					✓
Community Facilities - Capital					
Recreation and Open Space - Operational			✓		
Recreation and Open Space - Capital		✓	✓		
Regulatory - Resource Consent					
Regulatory - Building Services					
Regulatory - Animal Services - Capital	✓	✓			✓
Regulatory - Animal Services - Operational					
Regulatory - Community Protection					
Stormwater - Capital					
Stormwater - Operational					
Transportation - Capital		✓	✓		
Transportation - Operational					
Water supply - Operational		✓			
Water supply - Capital	✓	✓	✓		
Natural Environment and Sustainable living					✓
Wastewater - Capital			✓		
Wastewater - Operational				✓	
Solid Waste - Operational					
Solid Waste - Capital					
Economic Development					✓
Support services*					

\*Support services are recovered through overhead allocation, general rate and user pays



# Activity Funding Needs Analysis Tables

## Representation

### Our community outcomes

- Leaders are effective, informed, and inclusive. • We have authentic Te Tiriti based relationships with tangata whenua. • We can all enjoy a healthy and safe lifestyle.
- Our environment is clean, green, and valued. • Our communities are vibrant and welcoming to all.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
The whole of the community benefits from this activity, while residents of each Community Board area also benefit from having a Community Board.	Benefit is expected to arise in the year funding is sourced.	The community.	<p>This activity is primarily funded by general rates.</p> <p>However, we can identify individuals who benefit directly from each Community Board so it is appropriate that this is funded separately through a targeted rate.</p>	<p><b>High</b> – General Rates <b>Minimal</b> – Targeted Rates (to cover the cost of community board activities)</p> <p><i>Note:</i></p> <p><i>In the event of resource consent hearings user fees and charges are used to fund up to 25% of elected member's expenses.</i></p>	<p>The activity supports the Council's democratic process and therefore it is appropriate to be funded from General Rates.</p> <p>As there is a direct benefit to those individuals who reside in a Community Board area, it is appropriate to have a targeted rate for those directly benefiting from Community Board area representation.</p> <p>When individuals can be identified then the private benefit is recovered by user fees and charges.</p>

# Planning for the Future

## Our community outcomes

- Leaders are effective, informed, and inclusive. • We have authentic Te Tiriti based relationships with tangata whenua.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
The wider community benefits from this activity.	Ongoing.	The community.	This activity is primarily funded from the general rate. However, when an individual can be identified, these are recovered through user fees and charges.	<p><b>Most</b> – General Rates</p> <p><b>Minimal</b> – User Fees and Charges, Targeted Rates</p> <p><b>Potential to be used</b> – Ecological Financial Contributions, Grants, and Loans.</p>	The wider community benefits from monitoring, infrastructure investigations, policy, and planning activities therefore it is appropriate that the activity is funded by general rates, except when individuals can be identified.

# Community Building

## Our community outcomes

- We have authentic Te Tiriti based relationships with tangata whenua. • Our communities are vibrant and welcoming to all.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
All members of the community benefit from this activity.	Benefit is expected to arise in the year funding is sourced.	The actions of most individuals and groups have a minor impact on this activity.	This activity is primarily funded from the general rate.	<p><b>Most</b> – General Rates</p> <p><b>Minimal</b> – Targeted Rates</p> <p><b>Potential to be used</b> – User Fees and Charges, Subsidies and Grants</p>	<p>The community building activity supports cohesive, resilient communities that are contributing to the current and future needs of the district. Emergency response planning ensures community readiness. As all members of the community benefit from these activities it is appropriate that general rates are used to fund the activity.</p> <p>Where individuals or groups who benefit from the activity can be identified, such as the Katikati Community Centre then a targeted rate is used.</p>

# Libraries and Service Centres

## Our community outcomes

- Our communities are vibrant and welcoming to all.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
<p>The primary benefit is to those that borrow and use library material, resources, and services.</p> <p>Benefits also accrue to the wider community through the availability of library resources including meeting spaces and community programmes.</p> <p>The wider community also benefits from our service centre activities accessing information and support.</p>	<p>Benefit is expected to arise in the year funding is sourced.</p> <p>However, the benefits of this activity will also accrue to future communities.</p>	<p>The community.</p>	<p>This activity is primarily funded from district-wide charges.</p>	<p><b>Operational:</b></p> <p><b>Most</b> – General Rates</p> <p><b>Minimal</b> – User Fees and Charges</p> <p><b>Potential to be used</b> – Subsidies and Grants</p> <p><b>Capital:</b></p> <p><b>Moderate</b> – Loans</p> <p><b>Minimal to Low</b> – General Rates, and Financial Contributions, Grants, and Subsidies</p> <p><b>Potential to be used</b> – Asset Sales</p>	<p>The community as a whole benefit from the access to libraries and service centres, and it is therefore appropriate to fund this activity through general rates.</p> <p>The private good component of the library and service centre activity is recovered through user fees and charges. High levels of user charging will in many cases restrict accessibility to those who currently benefit the most from the activity.</p> <p>Loans are generally used for the major development/redevelopment of library buildings.</p>

# Community Facilities

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle.
- Our communities are vibrant and welcoming to all.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
<p>The wider community by having access to community facilities including community halls.</p> <p>Individuals benefit from the services of the cemetery.</p> <p>Individual tenants in elder housing benefit from the service.</p> <p>The wider community benefit through the protection of public health and the maintenance of cemeteries and cemetery records for future generations to locate their ancestor's burial plot/site.</p>	Ongoing.	The actions of most individuals and groups have an impact on this activity.	<p>As we can identify the areas that benefit the most from Community Halls they are funded by way of a targeted rate.</p> <p>Those individuals who benefit directly from a service (such as cemeteries or elder housing) can be identified and this is reflected in the user fees and charges.</p>	<p><b>Operational:</b>  <b>Moderate</b> – User Fees and Charges including rental income  <b>Low</b> – General Rates, Targeted Rates  <b>Potential to be used</b> – Subsidies and Grants</p> <p><b>Capital:</b>  <b>High</b> – Loan  <b>Potential to be used</b> – Subsidies and Grants, General Rates</p> <p>Cemeteries is 65–75% user fees and charges with the remaining portion and any shortfall funded from General Rates.</p>	<p>As we can identify the area of benefit for the community halls, a targeted rate is appropriate that those who are more likely to receive benefit from the hall contribute to the ongoing costs.</p> <p>Some general rates are required for Council's operational costs to recognise the wider community benefit from halls.</p> <p>As tenants of Elder Housing receive a direct benefit, it is appropriate that all funding is obtained through rental income in our user fees and charges schedule. For capital projects external grant funding will be sought. Loans for Elder Housing Capital will be funded by rental income. Elder Housing is 100% funded by rental income over the LTP, unless external subsidies and grants are available for capital expenditure.</p> <p>Cemeteries are important to the community for cultural and social and environmental reasons. Whilst they do provide a private benefit there is a long term need to maintain them for an indefinite period of years. Individuals pay user charges for the initial acquisition and use of burial site.</p>

# Recreation and Open Space

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle.
- Our environment is clean, green, and valued.
- Our communities are vibrant and welcoming to all.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
<p>Our network of public open space and facilities provides opportunities for people to interact socially and improve their health as well as contributing to the protection of cultural, landscape and ecological values.</p> <p>Facilities are available for use by visitors and residents alike.</p>	Ongoing.	The community and visitors.	This activity is primarily funded from district-wide charges.	<p><b>Operational:</b></p> <p><b>High</b> – General Rates</p> <p><b>Minimal</b> – Grants, Subsidies and User Fees and Charges (including rental income), fines/infringements</p> <p><b>Potential to be used</b> – Targeted Rate, Other (sale of assets), Sponsorship</p> <p><b>Capital:</b></p> <p><b>Moderate</b> – Loan, Financial Contributions, and General Rates</p> <p><b>Minimal</b> – Grants, Subsidies and Other (sale of assets)</p>	<p>The community as a whole benefit from the access to recreation and open space, and it is therefore appropriate to fund this activity through general rates.</p> <p>It is also appropriate to fund the growth required component of providing this activity by way of financial contributions. Further, when areas or groups of individuals can be identified as receiving more of a benefit, than a targeted rate may be utilised, however this is infrequent.</p> <p>Loans are used to finance significant reserve land acquisition opportunities. Loans are serviced (repaid) through recreation and leisure financial contributions when related to growth or from general rates, as appropriate.</p>

# Regulatory Services – Animal Services

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
<p>Individuals such as dog and livestock owners.</p> <p>The wider community benefits from the district being safer in and around dogs and other animals.</p> <p>The wider community benefits from the effective management of the public nuisance that animals can cause.</p>	<p>Benefit occurs in the year funding is sourced.</p>	<p>Actions or inactions of individuals and groups have an impact on this activity.</p> <p>The negative impacts affect the whole community</p>	<p>Individuals who benefit directly can be identified and this is reflected in user fees and charges.</p>	<p><b>Operational:</b></p> <p><b>Moderate</b> – User Fees and Charges, General Rates or Reserves</p> <p><b>Potential to be used</b> – Infringements, fines, or loans.</p> <p><b>Capital:</b></p> <p><b>Potential to be used</b> – Loans, User Fees and Charges, General Rates, Grants, Subsidies and Other (sale of assets)</p>	<p>User fees and charges recognise that dog owners cause the need for this activity.</p> <p>The wider community benefits from Council's response to complaints about uncontrolled or nuisance animals, and monitoring. This includes responding to wandering stock and other animals (that aren't dogs).</p> <p>Capital works (for dog shelters and dog exercise areas) are generally largely funded by user fees and charges and general rates. A loan may be necessary to spread this over users to reflect the intergenerational life of the assets.</p>

# Regulatory Services – Building Services

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle. • Our environment is clean, green, and valued.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
Individuals that apply for consents and use the other services in this area. This activity also provides safety benefits to the public entering buildings and future owners and occupiers of the buildings. Information is supplied to public through inquiries. The wider community benefits from enhancing the safety of buildings.	Benefit occurs in the year funding is sourced.	Actions or inactions of individuals and groups have an impact on this activity.	Individuals who benefit directly can be identified and this is reflected in user fees and charges.	<p><b>Moderate</b> – User Fees and Charges (including infringements)</p> <p><b>Low</b> – General Rates or Reserves</p> <p><i>Note:</i> <i>Any shortfall is to be funded by General Rates</i></p>	<p>The public benefits from the assurance that building standards are being upheld. However, a private benefit can be attributed to an applicant for a building consent and the administration, processing and inspection costs charged accordingly.</p> <p>Public education and the monitoring and investigation of complaints improve safety and benefits the wider community. Complaint investigations incur costs that cannot always be attributed to a specific applicant or user so cannot be recovered.</p> <p>Public enquiries, including complaints and their investigation, are funded by general rates except where it is appropriate and practical to recover user or infringement fees. Where enforcement and legal action is taken, cost recovery will be sought, but any shortfall will be funded by general rates.</p>



# Regulatory Services – Resource Consents

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle.
- Our environment is clean, green, and valued.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
<p>Individuals who apply for resource consents and use the other services of this activity such as accessing information relating to planning issues.</p> <p>This activity also provides benefits to those other than the applicant such as occupiers of the building and future owners.</p> <p>The whole community benefit as this activity seeks to protect our unique environment and quality of life.</p>	Benefit occurs in the year funding is sourced.	Actions or inactions of individuals and groups have an impact on this activity.	Individuals who benefit directly can be identified and this is reflected in user fees and charges.	<p><b>Moderate</b> – User Fees and Charges (including infringements)</p> <p><b>Low</b> – General Rates or Reserves</p> <p><i>Note:</i></p> <p><i>Processing land use and subdivision consent applications, LIMS and PIMs are funded 100% user fees and charges with any shortfall funded from General Rates.</i></p> <p><i>Public enquiries and appeals to the Environment Court are 100% General Rate funded.</i></p>	<p>User fees and charges recognise that can readily identify those that directly benefit from this activity. For example, resource consents applicants/developers.</p> <p>There is public benefit in providing education and advice in relation to Resource Management Act and District Plan rules. The Duty Planner will discuss planning matters with customers to ascertain, for example, whether resource consent is required. Many of the queries attended to by the Duty Planner do not result in a resource consent being required. Therefore a “user” cannot be charged for this service.</p> <p>There is a public good component to the role Council plays as regulator, ensuring compliance with the Resource Management Act and District Plan. The public good components will be funded by the general rate to reflect the district-wide benefit.</p>

# Regulatory Services – Community Protection

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle.
- Our environment is clean, green, and valued.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
<p>The wider community benefits from the efficient monitoring of bylaws, licensing services and resource consent monitoring.</p> <p>The benefit of inspection and licensing of premises accrues mostly to the business owners; but there is also a wide public health benefit to the community from premises being appropriately licensed or registered.</p>	Benefit occurs in the year funding is sourced.	<p>The actions of most individuals and groups have a minor impact on this activity.</p> <p>However, those who breach, or complain about alleged breaches of, regulations contribute to the need for this activity.</p>	Individuals who benefit directly can be identified and this is reflected in user fees and charges.	<p><b>Moderate</b> – General Rates</p> <p><b>Low</b> – User Fees and Charges; Infringements, Fines, Reserves</p>	<p>User fees and charges are applied to those who primarily benefit from this activity (for example food premises, liquor outlets). In some instances, application fees are prescribed by legislation and not sufficient to meet the actual cost of the licensing service. General rates are necessary to meet this shortfall.</p> <p>The wider community benefits from ensuring that people comply with bylaws and District Plan requirements. A small proportion of this activity can be funded from infringement fines (where a breach of a bylaw has been established, for example).</p>

# Stormwater

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle.
- Our environment is clean, green, and valued.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
<p>Households and business benefit from the minimisation and removal of stormwater from properties.</p> <p>This extends to the wider community as stormwater is also removed from public places.</p>	Ongoing.	The actions of individuals and groups have an impact on this activity, or live in an area that is serviced by the network.	As we can identify the areas that benefit the most from stormwater they are funded by way of a targeted rate.	<p><b>Operational:</b></p> <p><b>High</b> – Targeted Rate</p> <p><b>Low</b> – General or Reserves</p> <p><b>Capital:</b></p> <p><b>Moderate</b> – Loan (serviced by 90% Targeted Rates and 10% General Rate)</p> <p><b>Low to moderate</b> – Financial Contributions for growth</p>	<p>Individuals benefit from the delivery of this service through the reduction in risk of damage due to flooding and/or erosion on their properties. A targeted rate allows us to identify those who are more likely to benefit.</p> <p>There is a public benefit, and this is recognised by using the General Rate.</p> <p>Developers benefit from the existence of excess capacity in the stormwater system. In some cases, stormwater assets and levels of service must be increased to enable development to proceed. Different communities may benefit from different levels of service for stormwater. This could be because of topographical conditions, for example steep slopes, unstable land, or density of settlement, i.e., urban versus rural densities of development. The use of targeted rates recognises the benefit all users receive from having stormwater infrastructure across the district. Financial contributions allow for growth to pay for growth.</p>

# Transportation

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle.
- Our environment is clean, green, and valued.
- Our Economy is thriving.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
Everyone in the community benefits from their personal use of the transport network and indirectly from the supply of goods and services to businesses.	Ongoing.	People and goods and services requiring transport from one place to another.	As we can identify the areas that benefit from the transportation activity, they are funded by way of a targeted rate or differential.	<p><b>Operational:</b>  <b>Moderate</b> – Targeted Rates  <b>Low</b> – Subsidies and Grants  <b>Minimal</b> – General Rates, User Fees and Charges</p> <p><b>Capital:</b>  <b>Moderate</b> – Subsidies and Grants  <b>Low</b> – Financial Contributions, Loans, Lump sum contributions  <b>Potential to be used</b> – General Rates, Targeted Rates</p>	<p>Both individuals and the community benefit from the efficient flow of goods, services, and people through the transport network. A targeted rate allows us to identify those who are more likely to benefit from the transportation network.</p> <p>Co-funding from other organisations, particularly Waka Kotahi, (that is funded from fuel excise tax, road user charges and licensing revenue) represents some element of user pays.</p> <p>The wider community benefits from the effective management of the environmental impacts of the transport network and therefore a district-wide charge is appropriate. For those areas we identify as receiving more benefit Council utilises a targeted rate.</p> <p>Commercial/Industrial and Post Harvest zoned properties are charged a differential for the roading rate based on land value. Those zoned areas which can be identified as having high volumes and heavy vehicles servicing these properties can cause the infrastructure to wear at a higher rate, therefore receive more benefit from Council services. Integrated planning creates time and cost efficiencies which benefit individual transport users.</p>

# Water Supply

## Our community outcome

- We can all enjoy a healthy and safe lifestyle.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
All those connected to the Western Bay of Plenty District's water supply system.	Ongoing.	People requiring potable water.	Separately funded with a mix of targeted rates, scheme based capital rates and a district wide meter operating rate.	<p><b>Operational:</b>  <b>Most</b> –Targeted Rates. (Note volumetric water charges are identified as a Targeted Rate)  <b>Potential to be used</b> – General Rates; User Fees and Charges</p> <p><b>Capital:</b>  <b>Moderate</b> – Loan  <b>Low</b> –Financial Contributions, Subsidies and Grants  <b>Potential to be used</b> – Targeted Rates, User Fees and Charges, and General Rates.</p>	<p>The activity is primarily undertaken for the benefit of the consumers. With limited wider public benefit, there is little general rate funding expected.</p> <p>Developers benefit from the existence of excess capacity in the water supply system. In some cases, water supply assets and levels of service must be increased to enable development to proceed. The use of financial contributions and targeted rates is appropriate.</p>

# Natural Environment and Sustainable Living

## Our community outcome

- Our environment is clean, green and valued

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
The community benefits from activities that contribute to protecting and enhancing the environment.	Ongoing.	The community and private landowners including developers requiring increased environmental enhancement.	As we can identify the areas that benefit from the activity they are funded by way of a targeted rate.	<b>Moderate</b> – Targeted rates, <b>Minimal</b> – Financial Contributions and General rates	<p>Private landowners may gain a specific benefit where increased environmental enhancement protects their properties from natural hazard risks such as coastal erosion and flooding. As we can identify the individuals who benefit, targeted rates may be appropriate.</p> <p>It is also appropriate, as a way of mitigating the negative impacts of growth on the environment, to fund some projects by way of financial contributions. There is a public good from this activity.</p> <p>Targeted rates fund the Pukehina beach protection and Waihi Land Drainage out of this activity.</p>

# Wastewater

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle.
- Our environment is clean, green, and valued.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
All households, organisations and businesses that are connected to Council's wastewater system.	Ongoing.	Individuals requiring reticulated wastewater.	As we can identify the areas that benefit the most from wastewater they are funded by way of a targeted rate.	<p><b>Capital:</b></p> <p><b>Most</b> – Loan</p> <p><b>Minimal</b> – Financial Contributions</p> <p><b>Potential to be used</b> – Targeted Rates, Subsidies and Grants</p> <p><b>Operational:</b></p> <p><b>Most</b> – Targeted Rates</p> <p><b>Minimal</b> – General Rates, User Fees and Charges</p> <p><b>Potential to be used</b> – Subsidies and Grants</p>	The activity is primarily undertaken for the benefit of the ratepayers connected to the schemes however there is a small public benefit arising from wastewater treatment protecting the environment.

# Solid Waste

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle. • Our environment is clean, green, and valued.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
The community	Benefit is expected to arise in the year funding is sourced. However, the benefits of this activity will also accrue to future communities.	The actions of some individuals and groups are likely to impact on this activity. For example, illegal dumping of waste and littering, or those that receive a Council kerbside collection.	Separately funded with a mix of user fees and charges, targeted rates and district-wide charges	<p><b>Operational:</b>  <b>High</b> – Targeted Rates  <b>Minimal</b> – General Rate, User Fees and Charges, Subsidies, and Grants</p> <p><b>Capital:</b>  <b>High</b> – Grants, Loans (serviced from Targeted Rates)</p>	<p>User fees and charges and the implementation of targeted rates recognise the benefits to people disposing of waste.</p> <p>District-wide charging is the appropriate funding source as it recognises the wider community benefit of the solid waste activity.</p>



# Economic Development

## Our community outcomes

- Our Economy is thriving. • Our communities are vibrant and welcoming to all.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
<p>Benefits accrue to the district from the efforts to grow the economy.</p> <p>Specific sectors may have a higher degree of benefit, for example commercial, industrial and post-harvest operators.</p>	<p>Benefit is expected to arise in the year funding is sourced. However, the benefits of this activity will also accrue to future communities.</p>	<p>The actions of most individuals and groups have a minor impact on this activity.</p>	<p>Separately funded with a mix of targeted rates and district-wide charges</p>	<p><b>Moderate</b> – General Rates and Targeted Rates</p> <p><b>Potential to be used</b> – Subsidies and Grants</p>	<p>The promotion of the region as a desirable place to work and do business, and the facilitation of investment and training opportunities in the district, provides benefits to the whole District.</p> <p>This activity benefits the whole district, but the commercial, post-harvest and industrial zones recognised through the targeted rates.</p>

# Support Services

## Our community outcomes

- We can all enjoy a healthy and safe lifestyle. • Our environment is clean, green, and valued. • Our communities are vibrant and welcoming to all.
- Leaders are effective, informed, and inclusive. • We have authentic Te Tiriti based relationships with tangata whenua. • Our economy is thriving.

Who benefits?	When?	Creates need?	Separate funding	Funding source and proportion	Rationale
The wider community benefits as support services enable all other Council activities to provide services to the community.	Benefit is expected to arise in the year funding is sourced.	Limited impact from the actions or inactions of individuals.	<p>This activity is primarily funded through overheads from across the business.</p> <p>This is funded through general rates, targeted rates and user fees and charges.</p>	<p><i>Note:</i> <i>All costs are recovered either on a user-pays basis, through overhead allocation, or allocation of the General Rate.</i></p> <p><b>High</b> - General Rates</p> <p><b>Minimal</b> – User Fees and Charges, Other Revenue</p> <p><b>Potential to be used</b> - Loans, Sale of Assets, Grants and Subsidies.</p>	Support services are largely recovered through the other activities when individuals can be identified through user fees and charges and any shortfall from the general rate. This recognises the wider community benefit from the support services activity.

# Summary of specific rates policies

In addition to Council's overall rating policies, specific policies have also been established over time to accommodate individual ratepayer circumstances that have been identified as requiring a specific approach. By having these specific policies available Council considers it provides a more equitable and fair rating system.

## Council's specific rates policies

- Discount for early payment of rates in current financial year.
- Rates remission for covenanted land.
- Remission of rates penalties.
- Rates remission on Māori freehold land.
- Rates postponement for financial hardship.
- Rates postponement for homeowners aged over 65.
- Rates remission for re-zoned land.
- Rates remission for contiguous land.
- Rates remission for land used for sport and games.
- Rates remission of wastewater charges.
- Rates remission for natural disaster and emergencies.
- Early payment of rates for subsequent years
- Multiple Pan wastewater remissions.

The policies can be viewed on Council's website [www.westernbay.govt.nz/policiesandbylaws](http://www.westernbay.govt.nz/policiesandbylaws)

## **Significant Accounting Policies**

This section includes financial statements and information. The Local Government Act 2002 requires Council to include forecast financial statements for the local authority within the Long Term Plan (LTP). The main purpose of providing prospective financial statements is to enable stakeholders (residents and ratepayers, other local authorities, business community groups and government regulatory bodies etc.) to make decisions regarding Council and how it conducts its business.

## **Prospective Statement of Comprehensive Revenue and Expense**

The Prospective Statement of Comprehensive Revenue and Expense shows all of Council's prospective revenue earned and expenses incurred for the years ended 30 June 2024 to 30 June 2034. Revenue includes revenue received from rates and other revenue such as investment revenue, rent and fees while expenses paid includes costs such as operating costs, interest payments and depreciation.

This Prospective Statement shows how total comprehensive revenue and expense is arrived at. Total comprehensive revenue and expense is then added or subtracted from Council's equity as shown in the Prospective Statement of Changes in Equity.

## **Prospective Statement of Changes in Equity**

This Prospective Statement provides information about the nature of changes in Council's equity for the years ended 30 June 2024 to 30 June 2034.

## **Prospective Statement of Financial Position**

The Prospective Statement of Financial Position shows the assets and liabilities of the Council as at 30 June each year from 2024 to 2034.

Assets include cash, accounts receivable (money owed to Council but not yet received), investments and buildings, operational and infrastructural assets. Current assets are amounts owed to Council that are expected to be received within the next 12 months while current liabilities are Council's debts that are due to be paid within the next 12 months. Investments are Council funds held in revenue earning securities while property, plant and equipment are of a permanent nature and are held for the benefit of the community.

Non-current liabilities represent money owed by Council that does not have to be paid within the next 12 months.

## **Prospective Statement of Cash Flows**

This Prospective Statement covers all the inflows and outflows of cash during the year covered by the Prospective Statement of Comprehensive Revenue and Expense. The Prospective Statement of Cash Flows identifies the sources and application of cash in respect of Council's operating, investing, and financing activities.

## **Prospective Proposed Statement of Accounting Policies**

These explain the basis upon which the prospective financial Prospective Statements are prepared. They explain the methods adopted by Council used to measure the transactions incorporated into the financial Prospective Statements above.

## **Prospective Funding Impact Statement**

The Prospective Funding Impact Statements ("PFIS") have been prepared in accordance with the Local Government (Financial Reporting) Regulations 2011, which came into effect 11 July 2011. This is a reporting requirement unique to local government and the disclosures contained within and the presentation of these statements is not prepared in accordance with generally accepted accounting practice (GAAP).

The purpose of these statements is to report the net cost of services for significant groups of activities (GOA) of Council and are represented by the revenue that can be attributed to these activities less the costs of providing the service. They contain all the funding sources for these activities and all the applications of this funding by these activities. The GOA PFIS includes internal transactions between activities such as internal overheads and charges applied and or recovered and internal borrowings.

The PFIS is also prepared at the whole of Council level summarising the transactions contained within the GOA PFIS, eliminating internal transactions, and adding in other transactions not reported in the GOA statements. These items include but are not limited to gain and/or losses on revaluation and vested assets.

They also depart from GAAP as funding sources are disclosed within the PFIS as being either for operational or capital purposes. Revenue such as subsidies received for capital projects, development contributions and proceeds from the sale of assets are recorded as capital funding sources. Under GAAP these are treated as revenue in the Prospective Statement of Comprehensive Revenue and Expense

# Proposed Statement of Accounting Policies for Prospective Financial Statements

## Reporting entity

Western Bay of Plenty District Council (Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operate in New Zealand. The relevant legislation governing Council's operations includes the LGA and the Local Government (Rating) Act 2002.

Council provides local infrastructure, local public services, and performs regulatory functions to the community. Council does not operate to make a financial return.

Council has designated itself and the group as public benefit entities (PBEs) for the purposes of complying with generally accepted accounting practice.

The prospective financial statements of Council are for the 10 year period ending 30 June 2034. The financial statements of Council for each year within the Long Term Plan (LTP) are to be authorised for issue by Council.

## Basis of preparation

These set of prospective financial statements have been prepared in accordance with NZ GAAP and opening balances for the year ended 30 June 2024. Estimates have been restated accordingly if required. No actual financial results have been incorporated within the prospective financial statements.

Council and management of Council accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and other required disclosures.

Council, who are authorised to do so, believe the assumptions underlying the Prospective Financial Statements are appropriate and as such, have adopted the Consultation Document and have approved it for distribution on 9 May 2024.

The prospective financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout.

## Statement of compliance

The prospective financial statements of Council have been prepared in accordance with the requirements of the LGA, which include the requirement to comply with NZ GAAP. The prospective financial statements of the Council have been prepared in accordance with the requirements of the LGA and the Local Government (Financial

Reporting and Prudence) Regulations 2014, which include the requirement to comply with NZ GAAP.

The prospective financial statements have been prepared in accordance with Tier 1 PBE accounting standards. These prospective financial statements comply with PBE Standards.

## Measurement base

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

## Presentation currency and rounding

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

## Critical accounting estimates and assumptions

In preparing these prospective financial statements, Council has made estimates and assumptions concerning the future, these are outlined in the Informing our Planning section. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

## Cautionary note

The information in the prospective financial statements is uncertain and the preparation requires the exercise of judgement. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material. Events and circumstances may not occur as expected or may not have been predicted or Council may subsequently take actions that differ from the proposed courses of action on which the prospective financial statements are based.

The information contained within these prospective financial statements may not be suitable for use in another capacity.

## Changes in accounting policies

At the time of preparation of this Plan there were no expected significant changes in the accounting policies to those applied in the preparation of these Prospective Financial Statements.

## Assumption underlying prospective financial information

The financial information contained within these policies and statements is prospective information and has been prepared in compliance with PBE FRS 42: Prospective Financial Information. The purpose for which it has been prepared is to enable the public to participate in the decision-making processes as to the services to be provided by Council over the financial years from 2024/25 to 2034/35 and to provide a broad accountability mechanism of the Council to the community.

## Significant accounting policies

### Revenue

Revenue is measured at fair value.

### Rates revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivable and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usages, as a result of unread meters at year-end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its Rates Remission Policy.
- From 1 July 2022 Council no longer collects rates on behalf of Bay of Plenty Regional Council.

### Financial contributions

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

### Waka Kotahi NZ Transport Agency roading subsidies

The Council receives funding assistance from Waka Kotahi NZ Transport Agency, which subsidises part of the cost of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

### Other grants received

Other grants received are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if the conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when the conditions of the grant are satisfied.

### Building and resource consent revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

### Entrance fees

Entrance fees are fees charged to users of the Council's local facilities, such as pools. Revenue from entrance fees is recognised upon entry to such facilities.

### Landfill fees

Fees for disposing of waste at the Council's landfill are recognised upon waste being disposed of by users.

### Provision of commercially based services

Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to stage of completion at balance date. Generally, this is determined by the proportion of costs incurred to date bearing to the estimated total costs of providing the service.

### ***Sales of goods***

Revenue from the sale of goods is recognised when a product is sold to the customer.

### ***Infringement fees and fines***

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The revenue recognised is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines over the 2-year period.

### ***Vested or donated physical assets***

For assets received for no nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (for example, land must be used as a recreation reserve), the Council immediately recognizes the fair value of the asset as revenue. A liability is recognised only if the Council expects that it will need to return or pass the asset to another party.

### ***Donated and bequeathed financial assets***

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability is released to revenue as the conditions are met (for example, as the funds are spent for the nominated purpose).

### ***Interest and dividends***

Interest revenue is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

Dividends are recognised in surplus or deficit unless the dividend clearly represents a recovery part of the cost of the investment.

### ***Construction contracts***

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract at the balance date. The stage of completion is measured by reference to the contract costs incurred up to the balance date as a percentage of total estimated costs for each contract.

Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract and an allocation of overhead expenses incurred in connection with Council's construction activities in general.

An expected loss on construction contracts is recognised immediately as an expense in the statement of comprehensive revenue and expense.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Construction work in progress is stated at the aggregate of contract costs incurred to date plus recognised profits less recognised losses and progress billings. If there are contracts where progress billings exceed the aggregate costs incurred plus profits less losses, the net amounts are presented under other liabilities.

### ***Finance costs***

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

### ***Grant expenditure***

The Council's grants awarded have no substantive conditions attached. Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as an expense when an application that meets the specified criteria for the grant has been received. Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as an expense when approved by the Council and the approval has been communicated to the applicant.

### ***Foreign currency transactions***

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into New Zealand Dollars (the functional currency) using the spot exchange rate at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

### ***Tax***

Council does not pay income tax as Section CW39 of the Income Tax Act 2007 specifically exempts income that is derived by a local authority from income tax, unless that income is derived from a Council Controlled Organisation, a port related undertaking, or as a trustee.



## **Leases**

### ***Finance leases***

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

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

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

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

Council does not currently have any finance leases trustee.

### ***Operating leases***

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense of the term of the lease.

## **Assets**

### ***Cash and cash equivalents***

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

### ***Receivables***

Receivables are recorded at their face value, less any provision for impairment.

### ***Derivative financial instruments and hedge accounting***

Derivative financial instruments are used to manage exposure to foreign exchange arising from Council's operational activities and interest rate risk arising from Council's financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance date.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

Council has elected not to hedge account.

The associated gains or losses on derivatives that are not hedge accounted are recognised in the surplus or deficit.

### ***Other financial assets***

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories;

- Amortised cost
- Fair value through other comprehensive revenue and expense (FVTOCRE); and
- Fair value through surplus and deficit (FVTSD)

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council's model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are solely payments of principal and interest (SPPI) on the principal outstanding and is held within a management model managing them.

A financial asset is classified as subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, Council may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

### **Subsequent measurement of financial assets at amortised cost**

Financial assets classified at amortised cost are subsequently measured using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans and loans to subsidiaries and associates.

### **Subsequent measure of financial assets at FVTOCRE**

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except ECL and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus or deficit. Instruments in this category include Council listed bonds.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council designate into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

### **Subsequent measurement of financial assets at FVTSD**

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit. Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Other than derivatives, the Council has no instruments in this category.

### **Investment in associate**

An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint arrangement.

The Council's associate investment is accounted for using the equity method. The investment in an associate is initially recognised at cost and the carrying amount in the group financial statements is increased or decreased to recognise the group's share of the surplus or deficit of the associate after the date of acquisition.

Distributions received from an associate reduce the carrying amount of the investment in the group financial statements.

If the share of deficits of an associate equals or exceeds its interest in the associate, the group discontinues recognising its share of further deficits.

After the group's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the group will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

### **Property, plant and equipment**

Property, plant, and equipment consist of:

**Operational assets** – These include land, buildings, landfill post-closure, library books, plant and equipment, and motor vehicles.

**Restricted assets** – These are mainly parks and reserves owned by the Council that provide a benefit or service to the community and cannot be disposed of because of legal and other restrictions.

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

**Land (operational and restricted)** – Is measured at fair value, and buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are measured at fair value, less accumulated depreciation, and impairment losses.

All other asset classes are measured at cost, less accumulated depreciation, and impairment losses.

### **Depreciation**

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the asset to their estimated residual values over their useful lives.

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

<b>Buildings</b>		
Buildings	2 – 100 years	Straight line
Land	-	Not depreciated
Plant and equipment	4 – 10 years	Diminishing value
Office equipment and furnishings	4 – 10 years	Diminishing value
Computer systems	2 – 5 years	Diminishing value
Motor vehicles	4 – 5 years	Diminishing value
Library books	10 – 15 years	Straight line
<b>Infrastructural assets</b>		
Roading network		
Top surface (seal)	5 – 60 years	Straight line
Pavements (base course)		
- Seal	5 – 60 years	Straight line
- Unsealed	3 – 5 years	Straight line
Other	5 – 70 years	Straight line
Formation	-	Not depreciated
<b>Bridges</b>		
Bridges	50 – 100 years	Straight line
<b>Reticulation</b>		
- Water	15 – 80 years	Straight line
- Sewerage	40 – 100 years	Straight line
- Stormwater	70 – 120 years	Straight line
- Treatment plant and equipment	15 – 80 years	Straight line
<b>Other structures</b>		
- Reservoirs	80 – 100 years	Straight line
- Dams	100 years	Straight line
- Bores	100 years	Straight line
- Coastal Structures	5 – 75 years	Straight line

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

### **Revaluation**

Land and buildings (operational and restricted) library books, and infrastructural assets (with the exception of land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years.

Revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in surplus or deficit.

Any subsequent increase on revaluation that reverses a previous decrease in value recognised in surplus or deficit will be recognised first in surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expenses.

### **Additions**

The cost of an items of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

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

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

### **Disposals**

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

### **Impairment of property, plant, and equipment**

Property, plant, and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

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

For assets not carrying a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

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

## **Intangible assets**

### **Initial recognition and subsequent measurement**

Purchased intangible assets are initially recognised at cost. For internally generated intangible assets, the cost includes direct employee costs, a reasonable portion of overhead and other direct costs that are incurred in the development phase of the asset.

Intangible assets acquired at no cost are initially recognised at fair value where they can be reliably measured. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses, if any

### **Easements**

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

### **Carbon credits**

Purchased carbon credits are recognised at cost on acquisition. Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

### **Amortisation**

The carrying value of an intangible asset with a finite life is amortised based the Diminishing Value method over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follow:

Computer software	3 to 5 years	20% to 33.3%
Resource consents	Life of the asset	5%
Property subdivision rights	19 years	3% to 5%

### **Impairment of intangible assets**

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

For further details, refer to the policy for impairment of property, plant, and equipment. The same approach applies to the impairment of intangible assets.

### **Forestry assets**

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Gains or losses arising on initial recognition of forestry assets at fair value less costs to sell and from a change in fair value less costs to sell are recognised in surplus or deficit.

Forestry maintenance costs are recognised in surplus or deficit when incurred.

## **Payables and deferred revenue**

Short-term creditors and other payables are measured at the amount payable.

## **Borrowings and other financial liabilities**

Borrowings on normal terms are initially recognised at the amount borrowed plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

## **Employee entitlements**

### ***Short-term employee entitlements***

Employee benefits that are expected to be settled wholly within twelve months after end of the year in which the employee provides the related service are measured and based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where the Council or group has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

### ***Long-term employee entitlements***

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information; and
- The present value of the estimated future cash flows.

### ***Presentation of employee entitlements***

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

## **Provisions**

A provision is recognised for future expenditure of uncertain amount or timing when:

- There is a present obligation (either legal or constructive) as a result of a past event;
- It is probably that an outflow of future economic benefits will be required to settle the obligation and
- A reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation and discounted using market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash flows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

## **Equity**

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- Accumulated funds
- Restricted reserves
- Property revaluation reserve
- Fair value through other comprehensive revenue and expense reserve.

## **Restricted reserves**

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

Restricted reserves include those subjects to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

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

**Property revaluation reserve**

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

**Fair value through other comprehensive revenue and expense reserve**

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

**Goods and services tax**

Items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST- inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from the IRD, including the GST relating to investing and financing activities, is classified as operating cashflow in the statement of cashflows.

Commitments and contingencies are disclosed exclusive of GST.

**Cost allocation**

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

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

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

## **Summary of Financial Contributions Policy**

Council is required under sections 102(4) (d) and 106 of the Local Government Act 2002 (LGA) to have either a Development Contribution Policy under the LGA 2002 or a Financial Contribution Policy under section 108(9) of the Resource Management Act 1991 (RMA).

# General position statement

**Council's Financial Contributions Policy has been operative since 1991. The full policy is contained in the Western Bay of Plenty District Council District Plan.**

## **Criteria**

Protection of the natural and physical environment and social, economic, cultural, and environmental wellbeing of the people and communities from the potential adverse effects of new or intensified development.

- The provision of adequate funding for and efficient utilisation of the District's infrastructure.
- A financial contributions strategy which ensures that financial contributions are charged on the basis of covering the community's costs of providing infrastructure.
- A financial contributions strategy which is responsive to the social, environmental, cultural, and economic needs of the community.
- Timing of development commensurate with the ability to make appropriate provision for infrastructure.

## **Summary of Financial Contributions Policy**

### **Introduction**

Growth in the District places significant pressure on Council to provide infrastructure at the appropriate levels of service. If growth is not managed in an integrated manner along with the provision of infrastructure, then the levels of service will fall short of the demands of growth and/or Council could be forced to develop infrastructure in an unplanned, ad hoc and inefficient manner.

Integration of Council's funding strategy with growth management is critical to ensure that funds are spent in the most effective manner possible. Part of the funding strategy is to ensure that those who require the expenditure pay accordingly. Financial contributions from development are seen as a key part of that strategy to make sure that new development is not subsidised by existing ratepayers where possible.

While it is acknowledged that development in the District has positive effects, it also has the potential to adversely affect the environment, including people and communities, in a range of ways. Some of these effects cannot be adequately avoided or mitigated on a site-by-site basis. Rather, they can best be addressed through the provision of new or improved infrastructure. In some parts of the District the community has already provided infrastructure ahead of development and measures to avoid or mitigate future effects are thus already in place. The types of adverse effects on the environment associated with the new development that are best addressed through integrated provision of infrastructure include:

### **Wastewater**

Effects on the environment including property, people and their health, amenity, social and cultural values through pollution of soil, ground and surface water, the coastal area including beaches and seafood and through odour.

### **Stormwater**

Effects on property, human life and health and amenity and cultural values through flooding, siltation, erosion and pollution of waterways and coastal waters.

### **Water supply**

Effects on health, fire safety, amenity, economic and cultural wellbeing through adequacy and quality of supply.

### **Transportation and Roading**

Effects on access, mobility and safety, social, cultural, and economic wellbeing through inadequate standards for the level of use.



## ***Recreation and Leisure***

Effects on wellbeing of people and communities and cultural and amenity values through inadequate or inappropriate provision of open space and facilities.

New development may also have adverse effects on indigenous vegetation and habitats of indigenous fauna through inadequate protection of and, provision for, biodiversity.

Alternative means of funding the necessary additional infrastructure, such as by rates levied on existing properties and/or loans taken out by Council can place a disproportionate burden on the existing community, which is, in effect, being asked to subsidise growth and change. This may adversely affect the economic well-being of the existing community and may be unsustainable. Conversely new development should not subsidise activities that primarily benefit existing users. There needs to be an equitable sharing of costs between existing residents and new development.

## ***Integrated growth management (statutory context)***

While Council's financial contributions policy is determined as part of the District Plan process, the schedules of works and consequent amounts payable can be updated each year through the Long Term Plan or Annual Plan process. This is to ensure that amounts charged reflect up to date costs, including actual expenditure and any necessary changes in timing or patterns of growth. Financial contributions can also be reviewed through a plan change through the RMA process. Implementation and monitoring are carried out through separate processes such as the Annual Plan and Annual Report.

## ***General approach to calculating financial contributions***

Financial contributions in the District Plan are based on a buy-in to the surplus capacity of existing infrastructure and/or the payment of a contribution to development programmes involving the upgrading of existing infrastructure or the provision of new infrastructure, both of which allow for future development. Infrastructure financial contributions are calculated in accordance with formulae set out in the District Plan and are based on approved development programmes. Some of these programmes will be established through urban growth structure plans (water, wastewater, stormwater and urban roading) which include schedules of works to be undertaken, timing and funding (particularly the split between developer and Council funding). For areas not covered by structure plans, e.g. rural areas, geographic spread and the unpredictability of the location of growth makes it difficult to implement planned infrastructure development programmes. Rather than restrict

growth, Council wishes to provide for it in a responsive manner. Development of rural areas roading will be subject to financial contributions that have been developed on a broader catchment or District-wide basis.

Infrastructure provision or upgrades will be implemented through approved infrastructure development programmes that are based on criteria that are triggered by estimated growth.

The level of financial contribution is generally calculated by projecting growth for various parts of the District, establishing the need for and, capital costs of, a service or facility for the planning period (including costs which have already been incurred in anticipation of growth) to service that growth and then determining an equitable contribution. Specifically, financial contributions for recreation, transportation and ecological protection are based on future capital expenditure requirements. Financial contributions for water, wastewater and stormwater are based on recovery of the value of existing surplus capacity, plus the value of additional capacity for future dwellings.

The financial contributions for ecological protection can only be reviewed through a change to the District Plan.

Subdivision is generally a precursor to further development and intensification of the use of land, so financial contributions are generally assessed at the time that a resource consent for a subdivision, development or new activity is granted and are paid directly to Council as the relevant condition of consent provides.

Financial contributions may also apply to land use changes where the new activity has a potential future impact on infrastructure.

As part of its Annual Plan process, Council may resolve to reduce or waive any particular financial contribution that would normally be charged during that year.

A disclosure table identifying growth capital accompanies the Annual Plan, Long Term Plan and updated annually.

For the 2024/25 financial year consultation on Financial Contributions is planned to take place between 1 June to 1 July 2024.

We are undertaking a historical review of all projects to consider whether there is any residual unfunded growth debt. Any changes to our current approach will be subject to future consultation with the community.

## Treasury Policy

The purpose of the Treasury Policy is to outline approved policies and procedures in respect of all treasury activity to be undertaken by Western Bay of Plenty District Council.

The formalisation of such policies and procedures will enable treasury risks within Council to be prudently managed.

## 1.0 INTRODUCTION

### Policy purpose

The purpose of the Treasury Policy is to outline approved policies and procedures in respect of all treasury activity to be undertaken by Western Bay of Plenty District Council (Council). The formalisation of such policies and procedures will enable treasury risks within Council to be prudently managed.

As circumstances change, the policies and procedures outlined in this policy will be modified to ensure that treasury risks within Council 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 a Council the size and type of Council.
- The risk bearing ability and tolerance levels of the underlying planning, revenue, and cost drivers.
- The effectiveness and efficiency of the Treasury Policy and treasury management function to recognise, measure, control, manage and report on WBOPDC’s financial exposure to market interest rate risks, funding risk, liquidity, investment risks, counterparty credit risks and other associated risks.
- The operation of a proactive 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 Council in achieving strategic objectives relating to ratepayers.

It is intended that the policy be distributed to all personnel involved in any aspect of the Council’s financial management. In this respect, all staff must be familiar with their responsibilities under the policy.

## 2.1 Scope

- This document identifies the policies of Council in respect of treasury management activities.
- The policy has not been prepared to cover other aspects of Council's operations, particularly, systems of internal control (excluding segregation of duties related to Treasury activities) and financial management. Other policies and procedures of Council cover these matters.
- Planning tools and mechanisms are also outside of the scope of this policy.

## 2.2 Objectives

The objective of this Treasury Policy is to control and manage costs and investment returns that can influence operational budgets and public equity. Specifically:

### Statutory objectives

- All borrowing, investments and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet the requirements of the Local Government Act 2002 and the Liability Management Policy and the Investment Policy.
- WBOPDC is governed by the following relevant legislation:
  - Local Government Act 2002, in particular Part 6, including sections 101, 101A, 102, 104, 105 and 113.
  - Local Government (Financial Reporting and Prudence) Regulations 2014, in particular Schedule 4.
  - Trustee Act 1956. When acting as a trustee or investing money on behalf of others, the Trustee Act highlights that trustees have a duty to invest prudently and that they shall exercise care, diligence, and skill that a prudent person of business would exercise in managing the affairs of others. All projected external borrowings are to be approved by Council as part of the Annual Plan (AP) or the Long Term Plan (LTP) process, or resolution of Council before the borrowing is affected.
- All projected borrowings are to be approved by Council as part of the AP process or the LTP process or resolution of Council before the borrowing is affected.
- All new legal documentation in respect to borrowing and financial instruments will be approved by Council's solicitors 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 the Council itself.
- 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 \$500,000.
- Other – Instruments not specifically referred to in this policy may only be used with specific Council approval.

## General objectives

- To manage investments to optimise returns in the long term whilst balancing risk and return considerations.
- Minimise Council's costs and risks in the management of its borrowings.
- Minimise Council's 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 Council approved Treasury Policy so as to protect Council's financial assets and costs.
- Arrange and structure long term funding for Council at the lowest achievable interest margin from debt lenders always operating within the parameters of the Treasury Policy. Optimise flexibility and spread of debt maturity within the funding risk limits established by this policy statement.
- Monitor and report on financing/borrowing covenants and ratios under the obligations of Council's lending/security arrangements.
- Comply with financial ratios and limits stated within this policy.
- Monitor Council's 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 within Council to meet known and reasonable unforeseen funding requirements.
- To minimise exposure to credit risk by dealing with and investing in creditworthy counterparties.
- Ensure that all statutory requirements of a financial nature are adhered to.
- To ensure adequate internal controls exist to protect Council's financial assets and to prevent unauthorised transactions.
- Develop and maintain relationships with financial institutions, the Local Government Funding Agency Limited (LGFA), credit rating agencies, investors and investment counterparties.

In meeting the above objectives Council is, above all, a risk averse entity and does not seek risk in its treasury activities. Interest rate risk, liquidity risk, funding risk, default or 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.

## 2.3 Policy setting and management

Council approves Policy parameters in relation to its treasury activities. The Chief Executive Officer (CEO) has overall financial management responsibility for the Council's borrowing, investments, and related activities.

The Council exercises ongoing governance over its subsidiary companies (CCO/CCTO), through the process of approving the Constitutions, Statements of Intent, and the appointment of Directors/Trustees of these organisations.

## 3.0 MANAGEMENT RESPONSIBILITIES

### 3.1 Council

The Council has ultimate responsibility for ensuring that there is an effective policy for the management of its risks. In this respect the Council decides the level and nature of risks that are acceptable, given the underlying objectives of WBOPDC.

The Council is responsible for approving the Treasury Policy in accordance with public consultation obligations. While the policy can be reviewed and changes recommended by other persons, the authority to make or change policy cannot be delegated. In this respect, the Council has responsibility for:

- approving the long-term financial position of WBOPDC through the 10 year LTP and the adopted AP.
- approving new debt through the adoption of the AP, specific Council resolution and approval of this policy.
- approving the Treasury Policy incorporating the following delegated authorities
- approving budgets and high level performance reporting
- delegate authority to the Audit, Risk and Finance Committee, CEO and other officers
- ensuring effective controls over treasury management and segregation of duties controls are in place.

The Audit, Risk and Finance Committee should ensure that:

- it receives regular information from management on funding and interest rate risk exposures and the utilisation of financial instruments.
- issues raised by auditors (both internal and external) in respect of any significant weaknesses in the treasury function are resolved in a timely manner.
- submissions are received from management requesting approval for one-off transactions falling outside policy guidelines.
- it receives and review the quarterly treasury report.
- it recommends the treasury policy (or changes to existing policy) to the Council.
- it receives recommendations from the CFO and making submissions to the Council on all treasury matters requiring Council approval.
- it approves facilities and instruments as delegated by Council
- it will take recommendations from the Treasury Management Committee (TMC), which is formed by the CFO, the FM, the FA, and an independent treasury advisor. The TMC will meet monthly and discuss the management of treasury related risks the council faces.

### 3.2 Council consideration of Treasury matters

The Council will consider treasury matters as part of regular meeting cycles (and informally as required). Either one of the CEO or CFO must be present, i.e. an Acting CEO and the alternative for CFO cannot act together).

### 3.3 Chief Executive Officer (CEO)

While the Council has final responsibility for the policy governing the management of Council's risks, it delegates overall responsibility for the day-to-day management of such risks to the CEO.

In respect of treasury management activities, the CEO's responsibilities include:

- ensuring the Treasury policies comply with existing and new legislation.
- approving the opening and closing of Council bank accounts.
- approving electronic banking signatories.
- approving new counterparties and counterparty limits.
- approving new borrowing undertaken in line with Council resolution and approved borrowing strategy.
- receiving advice of breaches of Treasury Policy and significant treasury events from the CFO, Finance Manager or Financial Analyst.
- approving treasury transactions in accordance with delegated authority.
- approving all amendments to Council records arising from checks to counterparty confirmations.
- delegating treasury operation responsibilities to management through the Treasury Management Operations Schedule.

### 3.4 Chief Financial Officer (CFO)

In respect of treasury management activities, the CFO's responsibilities include:

- management for borrowing, investment and cash management activities.
- recommending Policy changes to the Audit, Risk and Finance subcommittee for evaluation.
- ongoing risk assessment of borrowing and investment activity including procedures and controls.
- liaison with S&P Global Ratings ("S&P") in regard to maintaining the Councils external credit rating.
- overseeing relationships with financial institutions.
- approving new borrowing undertaken in line with Council resolution and approved borrowing strategy.
- approving re-financing of existing debt.
- authorising the use of Audit, Risk and Finance Committee approved interest rate risk management instruments within discretionary authority.
- negotiating new and maturing borrowing facilities.
- approving all amendments to the Council's records arising from checks to counterparty confirmations.
- authorising all interest rate hedging transactions with bank counterparties to change the fixed: floating mix to re-profile the Council's interest rate risk.

- proposing new funding requirements to the Audit, Risk and Finance Committee for consideration and submission to the Council.
- reviewing and making recommendations on all aspects of the Treasury Policy to the Audit, Risk and Finance Committee.
- overseeing the annual and triennial review of the Treasury Policy, treasury procedures and all dealing and counterparty limits.
- ensuring that all borrowing and financing covenants to lenders are adhered to.
- analysing the most cost-effective financing options to minimise borrowing costs.
- negotiating all new or rollover funding facilities.
- monitoring and reviewing the overall performance of the treasury function.
- monitor treasury exposure on a regular basis, including current and forecast cash position, interest rate exposures and borrowings.
- approving deal tickets for treasury transactions.
- reviewing Treasury reports to Audit, Risk and Finance Committee.

### 3.5 Financial Analyst (FA)

In respect of treasury management activities, the FA's responsibilities include:

- providing regular short term and long-term cash flow and debt projections to the CFO.
- negotiating treasury transactions in accordance with set limits and CFO authority.
- alongside Council's treasury advisors, reviewing the Treasury Policy annually to ensure that it aligns with Council's current situation.
- managing the operation of all bank accounts and other account features.
- monitoring all treasury exposures daily.
- managing daily cash management.
- updating treasury spreadsheets and management software for all new, re-negotiated and maturing transactions.
- monitoring borrowing and investment settlements and arranging for approval by authorised signatories.
- preparing short term cash flow forecasts.
- reconciling monthly summaries of outstanding financial contracts from banking counterparties to internal records.
- checking compliance against limits and prepare reports on an exception basis.
- monitoring credit rating of approved counterparties.
- ensuring all financial instruments are valued and accounted for correctly in accordance with current best practice standards.
- managing all administrative aspects of bank counterparty agreements and documentation such as loan agreements and swap documents.
- checking all treasury deal confirmations against deal documentation and report any irregularities immediately to the CEO. Account for all treasury transactions in accordance with legislation and generally accepted accounting principles and the Council's accounting policy.
- reviewing month end variance analysis to ensure reasonableness of borrowing and investment accounts.
- reviewing and approving borrowing and investment system and spreadsheet reconciliation to general ledger.
- delivering daily and weekly reports to the CFO covering cash/liquidity, interest rate risk position, borrowings schedule, counterparty exposure, transaction activity and performance.



### 3.6 Delegation of authority and authority limits

Treasury transactions entered into without the proper authority are difficult to cancel given the legal doctrine of “apparent authority”. Also, insufficient authorities for a given bank account or facility may prevent the execution of certain transactions (or at least cause unnecessary delays).

To prevent these types of situations, the following procedures must be complied with:

- All delegated authorities and signatories must be reviewed at least annually to ensure that they are still appropriate and current.
- A comprehensive letter must be sent to all bank counterparties at least annually to confirm details of all relevant current delegated authorities empowered to bind the Council.

Whenever a person with delegated authority on any account or facility leaves Council, all relevant banks and other counterparties must be advised in writing in a timely manner to ensure that no unauthorised instructions are to be accepted from such persons.

The Council has the following responsibilities, either directly itself, or via the delegated authorities detailed in appendix 1.

## 4.0 LIABILITY MANAGEMENT POLICY

The Council's liabilities comprise borrowings and various other liabilities. Council maintains borrowings in order to:

- fund the balance sheet as a whole, including working capital requirements.
- raise specific debt associated with projects and capital expenditures.
- fund assets whose useful lives extend over several generations of ratepayers.

### 4.1 Debt ratios and limits

Debt will be managed within the following macro limits.

Ratio	WBOPDC Max Policy Limits	LGFA Max Policy Limits
Net Debt as a percentage of Total Revenue	<200%	<280%
Net Interest as a percentage of Total Revenue	<20%	<20%
Net Interest as a percentage of Annual Rates Income (debt secured under debenture)	<25%	<30%
Liquidity (external term debt + committed loan facilities + available liquid short-term financial investments to existing external debt)	>110%	>110%

- Total Revenue is defined as cash 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 debt less liquid short-term financial assets and investments.
- Liquidity is defined as external term debt plus committed loan facilities plus available liquid short-term financial investments divided by existing external debt. Liquid investments are financial assets defined as being:
  - o Overnight bank cash deposits.
  - o Wholesale/retail bank term deposits no greater than 30 days.
  - o Bank issued RCD's less than 181 days.
  - o Wholesale/ retail bank term deposits linked to pre-funding of maturing term debt exposures.
- 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).

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

Disaster recovery requirements are to be met through the liquidity ratio.

## 4.2 Asset management plans

In approving new debt, the Council considers the impact on its borrowing limits as well as the economic life of the asset that is being funded and its overall consistency with Council's LTP.

## 4.3 Borrowing mechanisms

WBOPDC is able to borrow through a variety of market mechanisms including issuing bonds, Commercial Paper (CP) and debentures, direct bank borrowing, accessing the short and long-term wholesale and retail capital markets, and the Local Government Funding Agency Limited directly or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the CFO takes into account:

- available terms from banks, LGFA, debt capital markets and bond issuance.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue or rollover time.
- prevailing interest rates and margins relative to the term for bond issuance, LGFA, debt capital markets and bank borrowing.
- the market's outlook on future credit margin and interest rate movements as well as WBOPDC's own outlook.
- the implied finance terms and conditions within the specific debt (e.g. project finance) are evaluated in terms such as cost/tax/risk limitation compared to the terms and conditions WBOPDC could achieve in its own right.
- the legal documentation and financial covenants together with security and credit rating considerations.
- that internally funded projects have finance terms for those projects that are at similar terms to those from external borrowing.
- alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration ownership, redemption value and effective cost of funds.

Council's ability to readily attract cost effective borrowing is largely driven by its ability to rate, maintain a strong financial standing and manage its relationships with its investors, LGFA, financial institutions/brokers and maintain a strong credit rating.

The Council has the ability to pre-fund up to 18 months of forecast debt requirements including re-financing. This is to enhance liquidity and to assist in maintaining its credit rating.

## 4.4 Security

The Council's borrowings and interest-rate risk management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. The utilisation of special funds and reserve funds and internal borrowing of special funds/reserve funds and other funds will be on an unsecured basis.

Under the Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government (Rating) Act 2002, excluding any rates collected by Council on behalf of any other local authority. The security offered by Council ranks equally or 'Pari Passu' with other lenders.

Council offers deemed rates as security for general borrowing programs. From time to time, with prior Council approval, security may be offered by providing a charge over one or more of Council's assets.

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. an operating lease, or project finance).
- the Council considers a charge over physical assets to be appropriate.
- the pledging of physical assets comply with the terms and conditions contained within the Debenture Trust Deed.

#### **4.5 Debt repayment**

The funds from all asset sales and operating surpluses will be applied to the reduction of debt and/or a reduction in borrowing requirements, unless the Council specifically directs that the funds will be put to another use.

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

The Council will manage debt on a net portfolio basis and will only externally borrow when it is commercially prudent to do so.

#### **4.6 Guarantees/contingent liabilities and other financial arrangements**

Council may act as guarantor to financial institutions on loans or enter into incidental arrangements for organisations, clubs, trusts, or business units, when the purposes of the loan are in line with Council's strategic objectives.

Council is not allowed to guarantee loans to Council Controlled Trading Organisations under Section 62 of the Local Government Act.

Financial arrangements include advances to community organisations.

Council will ensure that sufficient funds or lines of credit exist to meet amounts guaranteed. Guarantees given will not exceed an amount agreed by Council or an appropriate Council Committee in aggregate. The CFO monitors outstanding guarantees and reports to the Council quarterly.

## 4.7 Internal borrowing

Council uses its reserves to internally fund new capital projects. The CFO is responsible for administering the Council's internal loan portfolio. Loans are set up within the portfolio based on planned loan funded capital projects or operational expenditure as approved by Council resolution as part of the AP and LTP.

The primary objective in funding internally is to use reserves and external borrowing effectively, by establishing a portfolio that provides funding to internal activity centres. This creates operational efficiencies through not paying fees or margins and other costs associated with raising external borrowing. In addition to external borrowing the following specific reserves are used for internal borrowing purposes:

- Special Fund Reserves.
- General Accumulated Reserves.

All internal borrowing activities are consistent with the principles and parameters outlined throughout the Liability Management and Investment Policies:

- Council firstly seeks to utilise internal reserve funds and if insufficient reserves are available utilises external borrowing.
- A notional internal loan is set up for all new capital or operational expenditure purposes and allocated in the internal loan portfolio to the activity centre incurring the obligation.
- Interest received is allocated into the general account and offset against general rate requirements.

For operational lending the following specific parameters apply:

- The term of the loan is limited to a maximum of one year with the loan to be fully repaid by the second anniversary of the loan.
- Interest is set based on a margin above the 90-day floating BKBM mid interest rate at the beginning of the calendar quarter. If external debt is used the weighted average cost of external borrowing plus a margin. The margin can include a credit margin and other treasury related costs.
- Interest is paid quarterly in arrears.

For capital lending the following specific parameters apply:

- The Council approves lending for capital purposes through the AP and LTP. These are ratified by the Council subsequent to the AP being approved.
- Interest on internally funded loans is charged annually in arrears, on year-end loan balances at the agreed three-year fixed interest rate. Except where a specific rate has been approved for particular circumstances, the three-year rate is set annually at the start of the financial year, based on the three-year swap rate plus the credit margin on three-year bonds and other related treasury costs. The margin is determined by that of the LGFA three-year credit curve for a non-credit rated non-guaranteeing Council borrower.
- If external debt is used the weighted average cost of external borrowing (including credit margin and other related costs).

#### 4.8 New Zealand Local Government Funding Agency Limited (LGFA)

Despite anything earlier in this Policy, the Council may borrow from the 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.

## 5.0 INVESTMENT POLICY AND LIMITS

### 5.1 Investment policy objectives

Council is currently a net borrower and is likely to remain so for the foreseeable future. Investments are maintained to meet specified business reasons.

Such reasons can be:

- for strategic purposes consistent with Council's LTP.
- to reduce the current ratepayer burden.
- the retention of vested land.
- holding short term investments for working capital and liquidity requirements.
- holding investments that are necessary to carry out Council operations consistent with Annual Plans, to implement strategic initiatives, or to support inter-generational allocations.
- provide funding through the provision of committed bank facilities in the event of a natural disaster, the use of which is intended to bridge the gap between the disaster and the reinstatement of normal income streams and assets.
- invest amounts allocated to accumulated surplus, Council created restricted reserves and general reserves.
- invest proceeds from the sale of assets.

Council recognises that as a responsible public authority all investments held should be low risk. Council also recognises that low risk investments generally mean lower returns.

In its financial investment activity, Council's primary objective is the protection of its investment capital and that a prudent approach to risk and return is always applied within the confines of this policy. Accordingly, only approved creditworthy counterparties are acceptable.

### 5.2 General investment policy

The Council's general policy on investments is that the Council:

- may hold financial, property, forestry, and equity investments if there are strategic, commercial, economic or other valid reasons (e.g. where it is the most appropriate way to administer a Council function).
- will keep under review its approach to all major investments and the credit rating of approved financial institutions.
- will review its policies on holding investments at least once every three years.

### 5.3 Acquisition of new investments

With the exception of financial investments, acquisition and management of medium to long-term investments are managed in accordance with goals, objectives and provisions of the LTP and AP's. However, the Council may from time to time deem it appropriate, in terms of prudent financial management, to modify its investment mix. Such a change would be entered into only through specific Council resolution and in compliance with the provisions of the Local Government Act 2002. The authority to acquire financial investments is delegated to the CFO and reported to Council on a quarterly basis.

### 5.4 Investment mix and related policies

Council may maintain investments in the following assets from time to time:

- equity investments, including investments held in CCO /CCTO and other shareholdings.
- property investments incorporating land, buildings, a portfolio of ground leases and land held for development.
- forestry investments
- financial investments
- LGFA investments
- community loans and advances

#### 5.4.1 Equity investments

It may be appropriate to have limited investment(s) in equity (shares) when Council wishes to invest for strategic, economic development or social reasons. Council will approve equity investments on a case-by-case basis, if and when they arise.

Generally such investments will be in (but not limited to) infrastructural companies and/or local government joint ventures (including CCTO's) to further District, or regional economic development. Council does not invest in overseas companies.

Council reviews performance of these investments as part of the annual planning process to ensure that their stated objectives are being achieved.

Any disposition of these investments if the market value exceeds \$50,000 requires approval by Council. For investments equal to or less than \$50,000, the decision is made by the CEO. Acquisition of new equity investments requires Council approval. The Council decides on the allocation of proceeds from the disposition of equity investments on a case-by-case basis.

All income, including dividends, from the Council's equity investments is included in general revenues in the Statement of Financial Performance.

Equity investments exclude those investments that are not held for strategic or economic development or social reasons.

The TMC will monitor WBOPDC's equity investments and report any significant events relative to these investments to Council on a quarterly basis.



#### 5.4.2 Property investments

Council's overall objective is to only own property that is necessary to achieve its strategic objectives. As a general rule, Council will not maintain a property investment where it is not essential to the delivery of relevant services, and property is only retained where it relates to a primary output of Council. Council reviews property ownership through assessing the benefits of continued ownership in comparison to other arrangements which could deliver the same results. This assessment is based on the most financially viable method of achieving the delivery of Council services. Council generally follows similar assessment criteria in relation to new property investments.

Council reviews the performance of its property investments on a regular basis.

All income, including rentals and ground rent from property investments is included in the consolidated revenue account.

#### 5.4.3 Forestry

Forestry assets are held as long term investments on the basis of net positive discounted cashflows, factoring in projected market prices and annual maintenance and cutting costs.

All income from forestry is included in the consolidated revenue account.

Any disposition of these investments requires Council approval. The proceeds from forestry disposition are used firstly to repay related borrowings and then included in the relevant consolidated capital account.

#### 5.4.4 Financial investments

##### **Financial investment objectives**

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 covered in section 6.5. Credit ratings are monitored and reported quarterly to Council.

Council may invest in approved financial instruments as set out in section 6.4. 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 financial investments as follows:

- liquid investments must be restricted to a term that meets future cash flow and capital expenditure projections.
- interest income from financial investments is credited to general funds, except for income from investments for special funds, reserve funds and other funds where interest may be credited to the particular fund.
- internal borrowing will be used wherever possible to avoid external borrowing.

### **Special funds, sinking funds, reserve and endowment funds**

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

### **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 Trusts investment policy is not specified, then this policy should apply.

### **5.4.5 New Zealand Local Government Funding Agency Limited investment**

Despite anything earlier in this Policy, the Council may invest in shares and other financial instruments of the 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 become and remain viable, meaning that it continues as a source of debt funding for the Council.

Because of these dual objectives, the Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments. Notwithstanding the counterparty credit risk limits (set out in Section 6.3 of this policy), Council may invest in financial instruments issued by the LGFA up to a maximum of \$15 million (i.e. borrower notes). If required in connection with the investment, the Council may also subscribe for uncalled capital in the LGFA and be a Guarantor.

Proceeds from share sales will go to repay existing debt, unless Council specifically directs that the funds be put to another use.

### **5.4.6 Loans, Advances and Investments in Community Projects**

From time to time, the Council makes loans to other parties. All loans are secured and all loan advances are reviewed as part of the annual planning process to ensure that interest and principal repayments are made in accordance with the loan agreement.

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

At various times, groups within the community request loans, advances or guarantees for projects that will be of benefit to a significant proportion of the community. As these investments are with groups that the Council would not normally invest with, Council needs to debate the suitability of any loan application. During this process, Councillors pay particular regard to the ability of the applicant to service the debt and repay principal.

Council will be responsible for authorising any such loans, advances or guarantees.

Advances to charitable trusts and community do not have to be on a fully commercial basis. Where advances are made to 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. The CFO monitors loan advances monthly and reports to Council quarterly.

## 6.0 RISK MANAGEMENT

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

### 6.1 Interest rate risk

#### 6.1.1 Risk recognition

Interest rate risk is the risk that investment returns or financing costs will materially fall short of or exceed projections included in the LTP and AP due to adverse movements in market interest rates, thus adversely impacting revenue projections, cost control and capital investment decisions, returns, and feasibilities.

The primary objective of interest rate risk management is to reduce uncertainty relating to interest rate movements through fixing of investment returns or financing costs. Certainty around financing costs is to be achieved through the active management of underlying interest rate exposures.

#### 6.1.2 Interest rate risk control limits

Exposure to interest rate risk is managed and mitigated through the risk control limits below. Council's forecast core external debt should be within the following fixed/floating interest rate risk control limit.

Core external debt is defined as gross external forecast debt. When approved forecasts are changed, the amount of fixed rate cover in place may have to be adjusted to ensure compliance with the Policy minimums and maximums.

<b>Debt Interest Rate Policy Parameters (calculated on a rolling monthly basis)</b>		
<b>Period</b>	<b>Minimum Fixed</b>	<b>Maximum Fixed</b>
0 – 2 Years	<u>40%</u>	100%
2 – 5 Years	<u>20%</u>	80%
5 –10 Years	<u>0%</u>	60%

“Fixed Rate” is defined as an interest rate repricing date beyond 3 months forward on a continuous rolling basis.

“Floating Rate” is defined as an interest rate repricing within 3 months.

The percentages are calculated on the rolling projected core debt level calculated by management (signed off by the CFO).

A fixed rate maturity profile that is outside the above limits, however self-correct within 90-days is not in breach of this Policy.

- Any interest rate derivatives or fixed interest rate borrowing with a maturity beyond 10 years must be approved by Council.
- Hedging outside the above risk parameters must be approved by Council.

## 6.2 Liquidity and funding risk

### 6.2.1 Risk recognition

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of cash, 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 financial or 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.

### 6.2.2 Liquidity and funding risk control limits

External term loans and committed debt facilities together with available short-term liquid investments must be maintained at an amount exceeding 110% of projected peak debt over the ensuing 12 month period.

Alternative funding mechanisms such as Public Private Partnerships or leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration ownership, redemption value and effective cost of funds.

Council has the ability to pre-fund up to 18 months forecast debt requirements including re-financings. Debt refinancing that has been prefunded, will remain included within the funding maturity profile until their maturity date.

The CEO has the discretionary authority to re-finance existing debt on more acceptable terms. Such action is to be reported and ratified by the Council at the earliest opportunity.

To minimise the risk of large concentrations of external debt maturing or being reissued in periods where credit margins are high for reasons within or beyond the Council's control, delegated staff ensure external debt maturities are generally spread widely over a band of maturities.

Specifically, total committed funding in respect to all external debt/loans and committed facilities is controlled by the following system:

<b>PERIOD</b>	<b>MINIMUM</b>	<b>MAXIMUM</b>
0 to 3 years	<u>15%</u>	60%
3 to 7 years	<u>20%</u>	85%
7 years plus	<u>0%</u>	60%

A funding maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this Policy. However, a maturity schedule outside these limits requires specific Council approval.

### **6.3 Foreign exchange rate risks**

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

All commitments for foreign exchange greater than \$100,000 are hedged using foreign exchange contracts once the expenditure is approved. Both spot and forward foreign exchange contracts can be used by Council.

Council shall not borrow or enter into incidental arrangements, within or outside New Zealand, in currency other than New Zealand currency.

Council does not hold investments denominated in foreign currency.

All foreign currency hedging must be approved by the CFO.

## 6.4 Approved financial instruments

Dealing in interest rate products must be limited to financial instruments approved by the Council. Approved financial instruments are as follows:

Category	Instrument
Cash management and borrowing	Bank overdraft. Committed cash advance and bank accepted bill facilities (short term and long term loan facilities). Uncommitted money market facilities. Bond issuance <ul style="list-style-type: none"> <li>• Floating Rate Note (FRN)</li> <li>• Medium Term Note (MTN)</li> </ul> (CP / Bills / Promissory notes / Finance Leases)
Investments	Term bank deposits. Bank certificates of deposit (RCDs). NZ Government, LGFA, Local Authority bonds or State Owned Enterprise (SOE) bonds and FRNs (senior). Corporate bonds (senior). Corporate Floating Rate Notes (senior). Promissory notes/ CPaper (senior). Corporate/SOE/Other Local Authority Bonds. LGFA Borrower Notes. Bank term deposits linked to pre-funding maturing debt.
Interest rate risk management	Forward rate agreements ("FRAs") on: <ul style="list-style-type: none"> <li>• Bank bills.</li> <li>• Government bonds. Interest rate swaps</li> </ul> including: <ul style="list-style-type: none"> <li>• Forward start swaps and collars.</li> <li>• Amortising swaps (whereby notional principal amount reduces).</li> <li>• Swap extensions and shortenings.</li> </ul> Interest rate options on: <ul style="list-style-type: none"> <li>• Purchased caps and one for one collars.</li> </ul> Fixed rate bank debt, Capital markets debt including the LGFA.

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.

All investment securities must be senior in ranking. The following types of investment instruments are expressly excluded:

- structured debt where issuing entities are not a primary borrower or issuer.
- subordinated debt (other than Borrower Notes subscribed from the LGFA), junior debt, perpetual notes and hybrid notes such as convertibles.

Interest rate options must not be sold outright. However, one for one 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, only the sold side of the collar can be closed out (i.e. repurchased) otherwise, both sides must be closed simultaneously. The sold option leg of the collar structure must not have a strike rate “in-the-money”. Interest rate options with a maturity date beyond 3 months that have a strike rate (exercise rate) higher than 1.00% above the appropriate swap rate, cannot be counted as part of the fixed rate hedge percentage calculation.

## 6.5 Counterparty credit risk

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument to which 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.

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

Counterparties and limits can only be approved on the basis of long-term credit ratings (S&P Global, Fitch or Moody's) being A and above or short term rating of A-1 or above.

Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

Refer to Appendix 2

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

- Investments (e.g. Bank Deposits) – Transaction Notional x Weighting 100%. (Unless a legal right of set-off over corresponding borrowings exists whereupon a 0% weighting may apply).
- Interest Rate Risk Management (e.g. swaps, FRAs) – Transaction Notional x Maturity (years) x 3%.
- Foreign Exchange – Transactional principal amount x the square root of the Maturity (years) x 15%.

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

Individual counterparty limits are kept in a spread sheet by management and updated on a day to day basis. Credit ratings should be reviewed by the FA on an on-going basis and in the event of material credit downgrades; this should be immediately reported to the CFO and assessed against exposure limits. Counterparties exceeding limits should be reported to the Council.



Investments are normally held to maturity date. Where investments are liquidated before the legal maturity date, approval is obtained from the CEO, who also approves guidelines for a minimum acceptable sale price. The CFO evaluates quotes based on these instructions and proceeds with the transaction.

## 6.6 Segregation of Duties

As there are a small number of people involved in the treasury activities, adequate segregation of duties among the core functions of deal execution, confirmation, settling and accounting/reporting is not always strictly achievable. Duties within the Treasury function is segregated to ensure that no one individual can carry out key functions independently and without scrutiny. This requirement will be reflected in the design of key processes. Specifically, this risk will be minimised by the following process:

- A 'two authorisations' process is strictly enforced for all funds transfers; except for the approved Treasury Delegated Authorities as stipulated in Attachment 1.
- The officer(s) responsible for negotiating the treasury management transactions (i.e. interest rate swaps, loan drawdowns etc.) is separate from officer(s) authorising the transactions.
- The officer(s) responsible for reconciliation and reporting on treasury management operations is separate from the officer(s) who authorise treasury related transactions.
- The CFO reports directly to the GM5, and indirectly to the CEO, as control over the transactional activities of the FA.
- The Financial Accountant, who indirectly reports through the Financial Manager to the CFO, has review and approval responsibility for the general ledger reconciliations performed by the FA; and
- There is a documented approval and reporting process for borrowing, investment, interest rate and liquidity management activities.

## 6.7 Legal risk

Legal and regulatory risks relate to the unenforceability of a transaction due to an organisation not having the legal capacity or power to enter into the transaction, usually because of prohibitions contained in legislation. While legal risks are more relevant for banks, Council may be exposed to such risks that it is unable to enforce its rights due to deficient or inaccurate documentation.

Council will seek to minimise this risk by adopting policy regarding:

- the use of standing dealing and settlement instructions (including bank accounts, authorised persons, standard deal confirmations, contacts for disputed transactions) to be sent to counterparties.
- the matching of third party confirmations and the immediate follow-up of anomalies.
- the use of expert advice.

### **6.7.1 Agreements**

Financial instruments can only be entered into with banks that have in place an executed ISDA Master Agreement with Council.

Council's appointed legal counsel must sign off on all documentation for new loan borrowings, re-financings and investment structures.

### **6.7.2 Financial covenants and other obligations**

Council must not enter into any transactions where it would cause a breach of financial covenants under existing contractual arrangements.

Council must comply with all obligations and reporting requirements under existing funding facilities and legislative requirements.

## **7.0 REPORTING**

### **7.1 Quarterly Funding and Debt Profile Report**

This report forms the basis for the reporting of the Council's funding and associated interest rate risk management activity and provides the elected members and management with details about the Council's borrowing activities. The report shall contain the following:

- total debt facility utilisation, including any debt sourced from a bank, the capital markets and the LGFA.
- interest rate maturity profile against percentage hedging limits.
- new hedging transactions completed and interest rate risk management.
- weighted average cost of funds.
- funding profile against the policy limits.
- liquidity profile against the policy limits.
- exception reporting as required.
- summary of any unresolved exception reports.
- statement of policy compliance.

### **7.2 Quarterly Investment Report**

This report forms the basis for the reporting of the Council's financial market investment activities and provides the elected members and management with details about the Council's financial market investment activities. The report shall contain the following:

- total nominal value of the investment portfolio.
- details of individual investments.
- asset class percentages.
- credit rating profile.
- maturity profile.
- weighted average yield of the portfolio.
- statement of policy compliance.

### **7.3 Benchmarking**

In order to determine the success of the Council's treasury management function, the following benchmark has been prescribed.

The actual funding cost for the Council taking into consideration the entering into of interest rate risk management transactions should be below the budgeted interest cost.

When budgeting forecast interest costs, the actual physical position of existing loans and swaps must be incorporated together with all fees.

Management is granted discretion by the Council to manage debt and interest rate risk within specified limits of this policy, the actual funding rate achieved must be compared against an appropriate external benchmark interest rate that assumes a risk neutral position within existing policy. In this respect, a risk neutral position is always precisely at the mid-point of the minimum and maximum percentage control limits specified within the policy. Given current fixed/floating risk control limits and fixed rate maturity profile limits as defined in this policy, the market benchmark (composite) indicator rate will be calculated as follows:

- 30% Average 90 day bill rate for reporting month.
- 10% 2 year swap rate at end of reporting month.
- 10% 2 year swap rate, 2 year ago.
- 10% 5 year swap rate at end of reporting month.
- 10% 5 year swap rate, 5 years ago.
- 15% 10 year swap rate at end of reporting month.
- 15% 10 year swap rate, 10 years ago.

The actual reporting benchmark is the 12-month rolling average of the monthly calculated benchmarks using the above parameters. This is compared to the actual cost of funds, excluding all credit margins and fees.

## 8.0 POLICY REVIEW

This Treasury Policy is to be formally reviewed on a triennial basis.

The CEO and CFO have the responsibility to prepare a review report that is presented to the Council or Council sub-committee. The report will include:

- recommendations as to changes, deletions and additions to the policy.
- an overview of the treasury management function in achieving the stated treasury objectives, including performance trends in actual interest cost against budget (multi-year comparisons).
- a summary of breaches of policy and one-off approvals outside policy to highlight areas of policy tension.
- an analysis of bank and lender service provision, share of financial instrument transactions etc.
- comments and recommendations from Council's external auditors on the treasury function, particularly internal controls, accounting treatment and reporting.
- an annual audit of the treasury spreadsheets and procedures should be undertaken.
- total net debt servicing costs and debt should not exceed limits specified in the covenants of lenders to Council.

The Council receives the report, approves policy changes and/or reject recommendations for policy changes.

## Appendix 1 - Delegated Authorities

All management delegated limits are authorised by the CEO.

Activity	Delegated Authority	Limit
Approving and changing Policy	The Council	Unlimited
Borrowing new debt	The Council	Unlimited (subject to legislative and other regulatory limitations)
Acquisition and disposition of Investments other than financial investments	The Council	Unlimited
Approval for charging assets as security over borrowing	The Council	Unlimited
Approving transactions outside policy	The Council	Unlimited
Appoint Debenture Trustee	The Council	N/A
Approving new debt and/or new facilities -approved AP/LTP	CEO (delegated by Council)	Per Council-approved AP/LTP
Arranging new debt as set out in Council-approved AP/LTP	CFO (delegated by Council)	Per Council-approved AP/LTP
Authorizing list of signatories	CEO (delegated by Council)	Unlimited
Opening/closing bank accounts	CEO (delegated by Council)	Unlimited
Overall day-to-day risk management	CEO (delegated by Council) CFO (delegated by Council) FM (delegated by Council) FA (delegated by Council)	Overall day-to-day risk management
Re-financing existing debt	CEO (delegated by Council) CFO (delegated by Council)	Re-financing existing debt
Adjust net debt or net investment interest rate risk profile	CEO (delegated by Council) CFO (delegated by Council) FM (delegated by Council)	Per risk control limits
Managing funding and investment maturities in accordance with Council approved risk control limits	CEO (delegated by Council) CFO (delegated by Council) FM (delegated by Council)	Per risk control limits
Maximum daily transaction amount (borrowing, investing, interest rate risk management and cash management) excludes roll-overs on floating rate investments and interest rate roll-overs on swaps	The Council CEO (delegated by Council) GM5 (delegated by Council) CFO (delegated by Council) FM (delegated by Council)	Unlimited \$20 million \$15 million \$15 million \$5 million
Triennial review of policy	CFO FM FA	N/A
Ensuring compliance with policy	CEO CFO FM FA	N/A

## Appendix 2

Authorised Asset Classes	Overall Portfolio Limit as a Percentage of the Total Portfolio	Approved Financial Market Investment Instruments (must be denominated in NZ dollars)	Credit Rating Criteria – S&P Global (or Moody's or Fitch equivalents)	Limit for each issuer
New Zealand Government	100%	Government Stock/Treasury Bills	Not applicable	Unlimited
Supranationals	50%	Bonds/MTNs/FRNs	AAA	Maximum of \$10 million
New Zealand Registered Banks	100%	Call/Deposits/Bank Bills/Commercial Paper Bonds/MTNs/FRNs	Short term S&P rating of A-1+ Short term S&P rating of A-1 Short term S&P rating of A+ or better	Maximum of \$35 million Maximum of \$10 million Maximum of \$10 million
Rated Local Authorities ("RLA")	50%	Commercial Paper/ Bonds/MTNs/FRNs	Minimum short term S&P rating of A-1 or Minimum short term S&P rating of A+	Maximum of \$10 million
State Owned Enterprises ("SoE")	50%	Commercial Paper/ Bonds/MTNs/FRNs	Short term S&P rating of A-1+ or long term rating of A+ or better Short term S&P rating of A-1 or long term rating of BBB to A	Maximum of \$10 million Maximum of \$5 million
Corporates	30%	Commercial Paper/ Bonds/MTNs/FRNs	Short term S&P rating of A-1+ or long term rating of A+ or better Short term S&P rating of A-1 or long term rating of BBB to A	Maximum of \$7 million Maximum of \$3 million
Financials	30%	Commercial Paper/ Bonds/MTNs/FRNs	Short term S&P rating of A-1+ or long term rating of A+ or better Short term S&P rating of A-1 or long term rating of BBB to A	Maximum of \$5 million Maximum of \$2 million

The combined holdings of entities rated BBB to A shall not exceed \$10 million.

The combined holdings of corporates and financials shall not exceed \$10 million.

# Significance and Engagement Policy

Council is required to have a Significance and Engagement Policy under Section 76AA of the Local Government Act 2002 (LGA).

The LGA sets out requirements to consult the community when making decisions. It gives Council some flexibility over how it chooses to meet those requirements. The Significance and Engagement Policy is the guide to how Council uses that flexibility.



1.	<p><b>Relevant legislation</b> Local Government Act (LGA) 2002.</p>
2.	<p><b>Purpose of policy</b> The purpose of this Policy is to let both Council and the community identify the level of significance of particular proposals or decisions, and to understand when and how the community will be engaged in making decisions. This Policy is one of the inputs into Council's approach to sustainable decision making. The approach to sustainable decision making is set out in Schedule 1 to this Policy.</p>
3.	<p><b>Policy objective</b> 3.1 To set out how the level of significance of a proposal or decision is determined. 3.2 To set out how Council will engage with the public about particular proposals or decisions, depending on its level of significance.</p>
4.	<p><b>Policy</b> 4.1 Council will take into account the following matters when determining the level of significance of a proposal or decision:</p> <ul style="list-style-type: none"> <li>• Whether there is a legal requirement to engage with the community and what that requirement is (see policy 4.4 and 4.5).</li> <li>• Whether the proposal or decision affects the level of service of a significant activity.</li> <li>• The level of financial consequence of the proposal or decision.</li> <li>• Whether the proposal or decision affects a large part of the community, and the extent to which they are affected.</li> <li>• The likely impact on future and present interests of the community, recognising Maori cultural values and their relationship to land and water.</li> <li>• Whether community interest in the proposal or decision is high, and /or there are divided community views.</li> <li>• Whether community views are already known from previous engagement processes.</li> <li>• Whether the decision is reversible.</li> </ul> <p>4.2 In general, if a proposal or decision is affected by a number of the above matters, the higher its level of significance, and greater the need for community engagement.</p> <p>4.3 Council will decide early in each process the appropriate level of engagement to support decision making and will apply the principles of engagement set out in Part 5.</p> <p>4.4 In some instances legislation requires Council to follow either the Special Consultative Procedure (SCP) set out in Section 83 of the LGA 2002, or the principles of consultation set out in Section 82 of the LGA 2002, regardless of the level of significance of a proposal or decision.</p> <p>4.5 In accordance with Section 97 of the LGA 2002, some decisions will only be taken if they have been consulted on and provided for in a Long Term Plan. This includes a decision to alter significantly the intended level of service of a significant activity, and a decision to transfer the ownership or control of a strategic asset to or from a local authority. Council's strategic assets are listed in Schedule 2 to this policy.</p> <p>4.6 For all other proposals or decisions Council will determine the appropriate level of engagement on a case-by-case basis, applying the engagement principles set out in Part 5 of this policy.</p> <p>4.7 Engagement will be informed by Council's Community Engagement Guidelines and Tangata Whenua Engagement Guidelines and Protocols. A summary of the engagement spectrum and tools is provided in Schedule 3 to this policy.</p> <p>4.8 Council, through its Tangata Whenua Engagement Guidelines and Protocols, recognises the specific obligations set out in Section 81 of the LGA 2002 to establish and maintain processes to provide opportunities for Maori to contribute to Council decision-making processes.</p> <p>4.9 If Council makes a decision that is inconsistent with this policy, the steps identified in Section 80 of the LGA 2002 will be followed.</p>
5.	<p><b>Principles of engagement</b> Engagement will be:</p> <ul style="list-style-type: none"> <li>• <b>Meaningful</b> - based on an open mind and willingness to listen.</li> <li>• <b>Respectful</b> - with the aim of building council-community relationships.</li> <li>• Supported by the provision of information, which is balanced, sufficient and in plain language.</li> <li>• Inclusive and endeavour to reach all those affected.</li> <li>• Flexible and tailored to the needs of those who are being engaged.</li> <li>• Coordinated across Council departments to minimise duplication and engagement fatigue.</li> </ul>

- Pragmatic, efficient and value for money.

## 6. Policy procedures

- 6.1 Council will use an internal significance checklist, alongside each report to Council / Committee, to ensure the proposal or decision has been assessed against the matters set out in Policy 4.1.
- 6.2 Each Council report will include a section on Significance, detailing the level of significance of the particular proposal or decision and the rationale for why that level has been determined.
- 6.3 Each report seeking a decision will detail the level of engagement appropriate to the proposal or decision, and tools that will be used to engage. The Community Engagement Guidelines and Tangata Whenua Engagement Guidelines and Protocols will be used to inform engagement decisions.
- 6.4 The following financial thresholds will guide analysis of the level of financial consequence of a proposal or decision. Proposals or decisions above these thresholds will be considered to be of high significance:
- Decisions or proposals in excess of \$8 million or which would result in a 5% or more increase in the annual District rates.
  - Decisions or proposals which would result in a new or increased targeted rate of more than 10% of existing rates per property.
  - Decisions or proposals relating to capital expenditure in excess of \$6 million (total project cost) which has not been provided for in the 3-year term of the current long term plan.

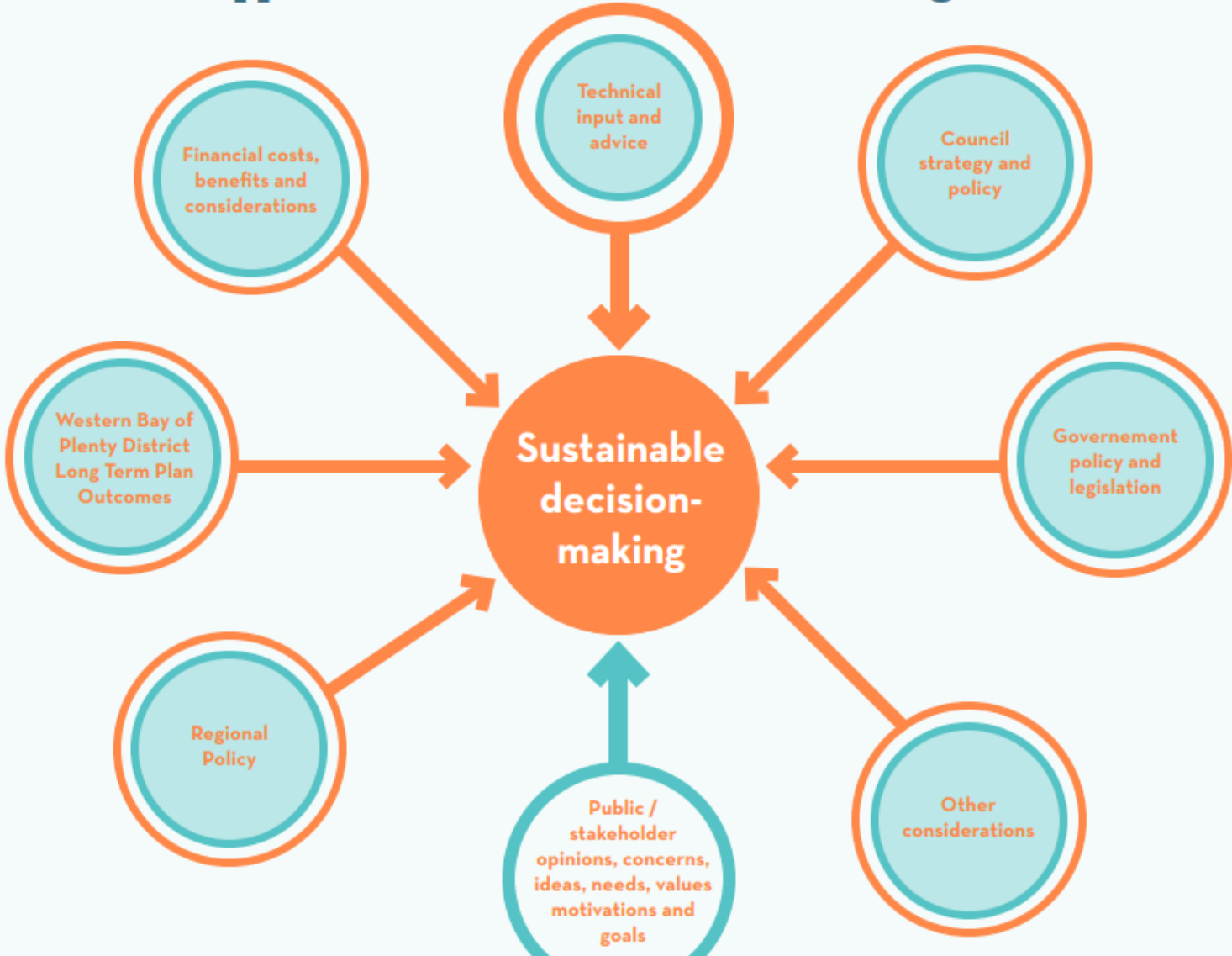
## 7. Definitions

Community	A group of people living in the same place or having a particular characteristic in common. Includes interested parties, affected people and key stakeholders.
Decisions	Refers to all the decisions made by or on behalf of Council including those made by officers under delegation. (Management decisions made by officers under delegation during the implementation of Council decisions will not be deemed as significant).
Engagement	A term used to describe the process of seeking public input to inform decision making. There is a continuum of community engagement (see Section 3 in Schedule 2 of this policy).
Significance	As defined in Section 5 of the LGA 2002 this 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: <ul style="list-style-type: none"> <li>a) the district or region:</li> <li>b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:</li> <li>c) c. the capacity of the local authority to perform its role, and the financial and other costs of doing so.</li> </ul>
Significant	Significant means that the issue, proposal, decision, or other matter is assessed as having a high degree of significance against the criteria of this policy.
Strategic asset	As defined in Section 5 of the LGA 2002 "in relation to the assets held by a local authority, means 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: <ul style="list-style-type: none"> <li>a) any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and</li> <li>b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and</li> <li>c) any equity securities held by the local authority in: <ul style="list-style-type: none"> <li>i. a port company within the meaning of the Port Companies Act 1988:</li> <li>ii. an airport company within the meaning of the Airport Authorities Act 1966".</li> </ul> </li> </ul> Council's strategic assets are listed in Schedule 2.

## 8. Policy review

- 8.1 This Policy will be reviewed every 3 years following the commencement of a new triennium.

# Schedule 1 - Council's approach to sustainable decision making



Community and stakeholder engagement (including consultation) - for example: Stakeholder meetings and workshops, reference and advisory groups, surveys, focus groups, feedback forms

## Schedule 2 – list of strategic assets

For the purposes of sections 5 and 76AA(3) of the Local Government Act 2002, Council considers the following assets to be strategic assets:

- The roading network as a whole
- Reserves listed and managed under the Reserves Act 1997 excluding:
  - a. Reserves identified for investigation for disposal in an adopted Reserve Management Plan
  - b. Local Purpose Reserves
- Land held under other Acts or as fee simple but listed as reserves or considered as reserves.
- Water reticulation network as a whole
- Wastewater plant and network as a whole
- Stormwater reticulation network as a whole
- Library network
- Elder housing network.

## Schedule 2 – community engagement levels and methods of engagement

Spectrum level	Community participation goal	Promise to the community	Example techniques to consider
<b>Inform Whakamōhio</b> <i>Council led – this level is just as important as the other levels.</i>	To provide balanced and objective information to assist the community in understanding the problem, alternatives, opportunities and/or solutions.	We will keep you informed.	<ul style="list-style-type: none"> <li>• Have Your Say Western Bay/Social media</li> <li>• Open days/drop-in sessions/Maori initiated events</li> <li>• Media (Maori and mainstream)</li> </ul>
<b>Consult Whakauiuia</b> <i>Council led – this is the standard Council role.</i>	To obtain feedback on analysis, alternatives and/or decisions.	We will keep you informed listen to and acknowledge concerns and aspirations and provide feedback on how your input influenced the decision.	<ul style="list-style-type: none"> <li>• Feedback forms/surveys</li> <li>• Focus groups</li> <li>• Public meetings/Marae/community hui</li> </ul>
<b>Involve Whakaura</b> <i>Council led – this is where we invest in our stakeholder relationships.</i>	To work directly with the community throughout the process to ensure concerns and aspirations are consistently understood and considered.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how your input influenced the decision.	<ul style="list-style-type: none"> <li>• Community workshops</li> <li>• Partnership Forums</li> <li>• Hapu/Iwi Management Plans</li> </ul>
<b>Collaborate Mahi ngatāhi</b> <i>Co-led – make sure you mean it. This is our partnerships, working together in collaboration.</i>	To partner with the community in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	We 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.	<ul style="list-style-type: none"> <li>• Citizen Advisory Committees</li> <li>• Partnership Forums</li> </ul>
<b>Empower Whakamanahia</b> <i>Community led – most under used role. This is where Council can take a step back and our communities can step up and take responsibility.</i>	To place final decision making in the hands of the community.	You will decide and we will implement what you decide.	<ul style="list-style-type: none"> <li>• Citizen juries</li> <li>• Ballots</li> <li>• Treaty settlement legislation</li> </ul>

## Statement on Council- Controlled Organisations

Council-Controlled Organisations (CCOs) are companies, trusts, or other types of organisations in which a local authority holds 50% or more of the voting rights or has the power to appoint 50% or more of the directors. CCOs that operate for the purpose of making a profit are known as Council-Controlled Trading Organisations (CCTOs).

**Western Bay of Plenty District Council is a member of the following Council-Controlled Organisations (CCOs):**

- New Zealand Local Government Funding Agency (LGFA) – a CCTO
- Bay of Plenty Local Authority Shared Services Limited (BOPLASS)
- Western Bay of Plenty Tourism and Visitors Trust (Tourism Bay of Plenty)
- CoLAB Limited.

These organisations have signed a Statement of Intent that is agreed with us and the other member councils.

**The Statement of Intent specifies:**

- the objectives or purpose of the organisation; and
- the nature and scope of the activities to be delivered; and
- the performance targets and other measures by which the performance of the organisation may be judged in relation to its objectives.

The Statement of Intent is a public document that can be supplied on request.

**The tables overleaf provide the information stated above:**

Council-Controlled Organisation	Purpose
<p><b>New Zealand Local Government Funding Agency Limited, known as the 'LGFA'.</b></p> <p>The principal shareholder councils of the LGFA are made up of 31 local and regional authorities including:</p> <ul style="list-style-type: none"> <li>• Auckland Council</li> <li>• Bay of Plenty Regional Council</li> <li>• Christchurch City Council</li> <li>• Gisborne District Council</li> <li>• Hamilton City Council</li> <li>• Hastings District Council</li> <li>• Taupo District Council</li> <li>• Tauranga City Council</li> <li>• Wellington City Council</li> <li>• Wellington Regional Council</li> <li>• Western Bay of Plenty District Council</li> <li>• Whangarei District Council</li> <li>• and</li> <li>• His Majesty The King acting by and through the Minister of Local Government and the Minister of Finance</li> </ul>	<p>The LGFA is a partnership between Participating Local Authorities and the Government which enables Councils to secure funding at lower interest margins and to make longer-term borrowings. The LGFA raises debt on behalf of local authorities through domestic and offshore sources, at a rate that is more favourable than that which would be secured if the council was to raise debt directly.</p> <p><b>Primary Objective</b></p> <p>The LGFA will operate with the primary objective of optimising the debt funding terms and conditions for participating Local Authorities.</p> <p>Among other things this includes:</p> <ul style="list-style-type: none"> <li>• Providing savings in annual interest costs for all Participating Local Authorities on a relative basis to other sources of funding.</li> <li>• Offering more flexible lending terms to Participating Local Authorities.</li> </ul> <p><b>Additional objectives</b></p> <p>The LGFA has a number of additional objectives which complement the primary objective. These objectives are to:</p> <ul style="list-style-type: none"> <li>• the Shareholders agree that the Company shall carry on its business with a view to making a profit sufficient to pay a dividend in accordance with the Dividend Policy</li> <li>• exhibit a sense of social and environmental responsibility by having regard to the interests of the community which it operates and by endeavoring to accommodate or encourage these when able to do so.</li> <li>• be a good employer and conduct its affairs in accordance with sound business practice. Ensure compliance with the Health and Safety at Work Act 2015.</li> <li>• ensure its products and services are delivered at a cost that does not exceed the forecast for issuance and operating expenses.</li> <li>• maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.</li> <li>• achieve the financial forecasts (excluding the impact of AIL) set out in its Statement of Intent.</li> </ul>

Council-controlled organisation	Purpose
<p><b>New Zealand Local Government Funding Agency Limited, known as the 'LGFA'</b></p>	<p><b>The LGFA has the following performance targets:</b></p> <p>LGFA's net interest income for the period to:</p> <ul style="list-style-type: none"> <li>• 30 June 2025 will be greater than \$28.3 million.</li> <li>• 30 June 2026 will be greater than \$28.3 million.</li> <li>• 30 June 2027 will be greater than \$27.0 million.</li> </ul> <p>LGFA's annual issuance and operating expenses (excluding AIL) for the period to:</p> <ul style="list-style-type: none"> <li>• 30 June 2025 will be less than \$10.4 million.</li> <li>• 30 June 2026 will be less than \$10.8 million.</li> <li>• 30 June 2027 will be less than \$11.2 million.</li> </ul> <p>Total lending to participating Borrowers at:</p> <ul style="list-style-type: none"> <li>• 30 June 2021 will be at least \$22,086 million.</li> <li>• 30 June 2022 will be at least \$24,456 million.</li> <li>• 30 June 2023 will be at least \$26,053 million.</li> </ul> <ul style="list-style-type: none"> <li>• LGFA will conduct an annual survey of Participating Borrowers who borrow from LGFA and achieve at least an 85% satisfaction score as to the value added by LGFA to the borrowing activities.</li> <li>• Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.</li> <li>• Achieve 80% market share of all council borrowing in New Zealand.</li> <li>• Review each Participating Borrower's financial position, its headroom under LGFA policies and arrange to meet each Participating Borrower at least annually.</li> <li>• No breaches of Treasury Policy, any regulatory or legislative requirements including the Health and Safety at Work Act 2015.</li> <li>• Successfully refinance all existing loans to councils and LGFA bond maturities as they fall due.</li> </ul>



<b>Council-controlled organisation</b>	<b>Purpose</b>
<p><b>Bay of Plenty Local Authority Shared Services Limited known as 'BOPLASS'</b></p> <p>The nine shareholding councils of BOPLASS are:</p> <ul style="list-style-type: none"> <li>• Bay of Plenty Regional Council</li> <li>• Gisborne District Council</li> <li>• Kawerau District Council</li> <li>• Opotiki District Council</li> <li>• Rotorua District Council</li> <li>• Taupo District Council</li> <li>• Tauranga City Council</li> <li>• Western Bay of Plenty District Council</li> <li>• Whakatane District Council</li> </ul>	<p>BOPLASS is a company owned by nine councils in the Bay of Plenty/Gisborne regions, which investigates, develops and delivers shared services, and undertakes joint procurement where this is appropriate.</p> <p><b>Primary objectives</b></p> <p>Working together to provide benefits to councils and their stakeholders through improved levels of service, reduced costs, improved efficiency and / or increased value through innovation.</p>
<b>Council-controlled organisation</b>	<b>Performance targets and measures from statement of intent 2024/27</b>
<p><b>Bay of Plenty Local Authority Shared Services Limited known as 'BOPLASS'</b></p>	<p><b>Over the next three years, the targets are to:</b></p> <p><b>Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.</b>  Measure: Contracts reviewed annually to test for market competitiveness. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.</p> <p><b>Investigate new joint procurement initiatives for goods and services for BOPLASS councils.</b>  Measure: A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils</p> <p><b>Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.</b>  Measure: Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.</p> <p><b>Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.</b>  Measure: Increase usage of the Collaboration Portal by providing support and training material for new and existing users. Proactively market the benefits to councils. Number of active users to increase by 5% per year.</p> <p><b>Communicate with each shareholding council at appropriate levels.</b>  Measure: Information provided to elected members, and feedback sought, on BOPLASS projects, benefits to local communities, and value added to each council.</p> <p><b>Ensure current funding model is appropriate.</b>  Measure: Performance against budgets reviewed quarterly. Company remains financially viable.</p>

Council-controlled organisation	Purpose
<p data-bbox="62 247 571 363"><b>Western Bay of Plenty Tourism and Visitors Trust, trading as Tourism Bay of Plenty (TBOP).</b></p> <p data-bbox="62 368 571 518">This is a joint council-controlled Organisation of Western Bay of Plenty District Council and Tauranga City Council.</p>	<p data-bbox="571 247 2170 402">Tourism Bay of Plenty purpose is to promote the economic welfare and development of the western bay region and its citizens through destination marketing, destination management, and other related activities which impact on the region as a visitor destination. TBOP is also responsible for providing visitor information services in the region.</p> <p data-bbox="571 406 2170 450"><b>Additional objectives</b></p> <p data-bbox="571 454 2170 566">TBOP takes the lead role in the sustainable growth of the visitor economy and destination management of Te Moananui ā Toi   the Coastal Bay of Plenty. TBOP’s purpose is ‘to lead the prosperity of our people and place through tourism’. As such, our principal objectives are to:</p> <ol data-bbox="604 571 2170 1013" style="list-style-type: none"> <li data-bbox="604 571 2170 646">1. Help manage and promote the reputation of Tauranga and the wider coastal region nationally and internationally, to increase awareness and appeal.</li> <li data-bbox="604 651 2170 726">2. Create, identify, and support opportunities for tourism to have positive economic, social, cultural, and environmental outcomes for the region and residents.</li> <li data-bbox="604 730 2170 805">3. Share positive visitor sector stories to engage communities and to demonstrate the value of tourism to local residents (i.e., maintaining social license).</li> <li data-bbox="604 810 2170 885">4. Provide leadership, advocacy, and engagement across the visitor economy, in areas such as events, cruise, conferencing, destination management, destination marketing, and storytelling.</li> <li data-bbox="604 890 2170 1013">5. Participate in conversations with both councils and in their subsequent workstreams, in relation to the development of their strategic directions. This includes contributing to Long-Term Plan conversations, the Te Manawataki o Te Papa project, and other similar large-scale council projects or reviews.</li> </ol> <p data-bbox="571 1018 2170 1093">Ensure the TBOP business continuity plan is up to date and that it includes contingency strategies, being mindful of relevant health and safety legislation whenever we’re providing services to support the wellbeing of our communities.</p>

Performance targets and measures from statement of intent 2024 – 2026	Target by June 2024	Target by June 2025	Target by June 2026
<p><b>Economic Wellbeing:</b> Grow the value of tourism to the western bay economy.</p>	<p>Increased visitor spend in the western bay compared to YE June 2023.</p>	<p>Increased visitor spend in the western bay compared to YE June 2024.</p>	<p>Increased visitor spend in the western bay compared to previous YE.</p>
<p><b>Social Wellbeing:</b> Enhance the value of tourism to our community (according to the community) via a residents satisfaction survey. Residents provide a rating of 1 to 10, where 1 is strongly disagree and 10 is strongly agree.</p>	<p>Western Bay of Plenty District Residents: 72%</p>	<p>Western Bay of Plenty District Residents: 72%</p>	<p>Western Bay of Plenty District Residents: 72%</p>
<p><b>Cultural Wellbeing:</b> Improving the cultural wellbeing of the community through tourism.</p>	<p>Incorporated Tauranga cultural history and stories into digital storytelling wayfinding platforms managed by TBOP.</p>	<p>Incorporated Western Bay of Plenty District cultural history and stories into digital storytelling and wayfinding platforms managed by TBOP.</p>	<p>Supported a minimum of 3 Māori tourism operators to connect their experience offering to a digital platform.</p>
<p><b>Environmental Wellbeing:</b> Improving the environmental wellbeing of the region via environmental sustainability and regeneration projects.</p>	<p>A total of 100 visitor sector organisations in the western bay have implemented sustainability initiatives and improved their sustainability literacy after completing The Green Room programme.</p>	<p>Key opportunities identified to support climate change mitigation and adaptation projects relating to tourism (connecting with the Tauranga Climate Change Action and Investment Plan, where relevant).</p>	<p>Key actions and programmes are in place which build on climate change mitigation and adaptation progress relating to tourism (connecting with the Tauranga Climate Change AIP, where relevant).</p>
<p><b>TBOP Organisational Wellbeing:</b> Enhance TBOP's ability to achieve its goals through high staff engagement.</p>	<p>Employee Engagement score of ≥80%.</p>	<p>Employee Engagement score of ≥80%.</p>	<p>Employee Engagement score of ≥80%.</p>

**Performance targets and measures from statement of intent 2024 - 2026**

<b>Destination Management &amp; Marketing</b>	Elevate the region's cycling proposition.	Develop, update, and promote informative material on cycle trail options in the western bay.
	Build operator capability to enhance the quality of the region's tourism offering.	Provide opportunities for western bay operators to train or upskill in sales, marketing and trade capability areas while also gaining, retaining, or achieving higher Qualmark rated certification.
	Coordinate activity that attracts key business events to the western bay region.	Facilitate leads and bids for business events in the region.
	Elevate the region's food story and proposition.	Promote and support the delivery of the Flavours of Plenty Festival to draw visitors to the Coastal Bay of Plenty region.
	Promotion of the western bay region to key target markets (cultural explorers, surf & beach lovers, outdoor adventurers, and eco-travellers).	Annual development and delivery of marketing campaigns that incorporate our key DNA™ pillars that reach and convert the travel intentions of our target markets to visit, stay and spend in the region.

Council-controlled organisation	Purpose
<p><b>CoLAB Limited</b> CoLAB Limited is a non-profit owned by 12 Councils.</p> <p><b>Shareholding Councils</b></p> <ul style="list-style-type: none"> <li>• Hamilton City Council</li> <li>• Hauraki District Council</li> <li>• Matamata-Piako District Council</li> <li>• Otorohanga District Council</li> <li>• Rotorua Lakes Council</li> <li>• South Waikato District Council</li> <li>• Thames-Coromandel District Council</li> <li>• Waikato District Council</li> <li>• Waikato Regional Council</li> <li>• Waipa District Council</li> <li>• Waitomo District Council</li> <li>• Western Bay District Council</li> </ul> <p><b>Other Councils</b> Taupo District Council</p>	<p>CoLAB exists to help its Councils maximise community wellbeing by identifying and realising shared opportunities through collaboration</p> <p><b>Primary objectives</b></p> <p>CoLAB provides its Council's with the ability to participate in the strategic planning and direction of shared services offerings.</p> <p>This ensures opportunity benefits are realised and provide services that meet the needs of Councils and foster cross-council collaboration.</p>

Council-controlled organisation	Performance targets and measures from statement of intent 2024/2027		
CoLab Limited	Strategic Goal	3-year Objective	Annual KPI
	Shareholding councils understand we provide them value	<p>The value CoLAB provide its shareholders has improved by 15% by 30 June 2027  <i>* (baseline y/e 30 June 23).</i></p> <ul style="list-style-type: none"> <li>By 30 June 2027, 80% of shareholders agree they get value from CoLAB.</li> <li>All shareholders take up at least one additional shared service.</li> </ul> <p><i>*Based on the regional benefits of collaboration (not an individual councils' benefits from collaboration).</i></p>	<ul style="list-style-type: none"> <li>Year-on-year increase in the value CoLAB provides to its councils.</li> <li>80%+ of council survey respondents believe those CoLAB services they received meet or exceed their expectations evidenced by an annual survey).</li> <li>Year-on-year increase in the utilisation of services CoLAB provide to councils.</li> </ul>
	Deliver value by growing the scale of CoLAB's shared service function.	Expand the utilisation of CoLABs shared services by a minimum of 24 customers, by June 2027 <i>(baseline y/e 30 June 23)</i>	<ul style="list-style-type: none"> <li>Year-on-year increase in the utilisation of services CoLAB provide to its councils.</li> <li>Year on Year increase in the number of services available to councils.</li> </ul>
Diverse, talented and motivated people work for CoLAB.	<ul style="list-style-type: none"> <li>Staff engagement increases by 5% by 30 June 2027.</li> <li>Staff turnover is less than 15%.</li> <li>CoLAB's vacancies are filled by suitable candidates within 3 months.</li> </ul> <p>All baselined y/e 30 June 23)</p>	<ul style="list-style-type: none"> <li>Year-on-year increase in staff engagement.</li> <li>Staff turnover is less than 15%.</li> <li>Vacancies are filled by suitable candidates within 3 months.</li> </ul>	

# Activity Funding Impact Statements

These statements show where each Council activity receives its funding from, and where the funding is applied.

## Capital expenditure classifications

- **Growth** is used to describe new projects identified in structure plans for the urban growth areas and funded (either wholly or partially) from financial contributions.
- **Level of service (LOS)** is used to describe projects that deliver on Council's adopted level of service and are not growth related or renewals. It is not about new levels of service or any specific change in levels of service.
- **Renewals** are used to describe projects that replace or upgrade existing assets.

## Communities

	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Surplus / (deficit) of operating funding</b>										
<b>Sources of operating funding</b>										
General rates, uniform annual general charges, rates penalties	5,093	6,217	6,846	6,923	6,999	7,831	7,935	7,290	7,878	7,978
Targeted rates	5,610	5,981	6,135	6,297	6,780	6,867	6,912	7,029	7,115	7,179
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Fees and charges and other revenue	743	971	1,165	1,193	1,214	1,238	1,263	1,290	1,311	1,334
Internal charges and overheads recovered	1,638	1,796	1,969	2,047	2,214	2,254	2,291	2,339	2,377	2,409
Local authorities fuel tax, fines, infringement fees, and other receipts	5	5	6	6	6	6	6	6	6	6
<b>Total operating funding (A)</b>	<b>13,090</b>	<b>14,971</b>	<b>16,121</b>	<b>16,466</b>	<b>17,214</b>	<b>18,197</b>	<b>18,407</b>	<b>17,955</b>	<b>18,687</b>	<b>18,907</b>
<b>Applications of operating funding</b>										
Payments to staff and suppliers	8,445	9,083	9,238	9,430	9,624	9,812	9,960	10,152	10,713	10,903
Finance costs	(32)	22	206	280	834	944	918	891	852	805
Internal charges and overheads applied	4,193	4,767	4,802	4,927	4,932	4,883	4,990	5,117	5,232	5,333
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>12,606</b>	<b>13,872</b>	<b>14,245</b>	<b>14,637</b>	<b>15,390</b>	<b>15,639</b>	<b>15,868</b>	<b>16,159</b>	<b>16,796</b>	<b>17,041</b>
<b>Surplus (deficit) of operating funding (A - B)</b>	<b>484</b>	<b>1,099</b>	<b>1,875</b>	<b>1,829</b>	<b>1,824</b>	<b>2,558</b>	<b>2,540</b>	<b>1,795</b>	<b>1,891</b>	<b>1,866</b>
<b>Surplus (deficit) of capital funding</b>										
<b>Sources of capital funding</b>										
Subsidies and grants for capital expenditure	138	-	810	-	1,096	794	1,770	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	1,704	7,159	1,661	12,476	1,335	(1,847)	(1,895)	(2,030)	(2,049)	(2,163)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,842</b>	<b>7,159</b>	<b>2,471</b>	<b>12,476</b>	<b>2,432</b>	<b>(1,052)</b>	<b>(125)</b>	<b>(2,030)</b>	<b>(2,049)</b>	<b>(2,163)</b>
<b>Application of capital funding</b>										
Capital Expenditure	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	635	4,195	3,459	11,464	3,302	133	1,052	75	141	78
- to improve the level of service	204	58	60	160	462	1,589	1,620	-	-	-
- to replace existing assets	737	483	504	526	536	547	558	568	579	589
Increase (decrease) in reserves	750	3,522	324	2,157	(44)	(763)	(815)	(878)	(878)	(964)
Increase (decrease) in investments	-	-	-	-	-	-	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>2,323</b>	<b>8,258</b>	<b>4,347</b>	<b>14,306</b>	<b>4,256</b>	<b>1,506</b>	<b>2,415</b>	<b>(234)</b>	<b>(158)</b>	<b>(297)</b>
<b>Surplus (deficit) of capital funding (C - D)</b>	<b>(484)</b>	<b>(1,099)</b>	<b>(1,875)</b>	<b>(1,829)</b>	<b>(1,824)</b>	<b>(2,558)</b>	<b>(2,540)</b>	<b>(1,795)</b>	<b>(1,891)</b>	<b>(1,866)</b>
<b>Funding Impact Statement</b>										





























# Long Term Plan Disclosure Statement

The purpose of this statement is to disclose the Council's 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.

## What is the purpose of the Long Term Plan disclosure statement

The purpose of this statement is to disclose the Council's 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.

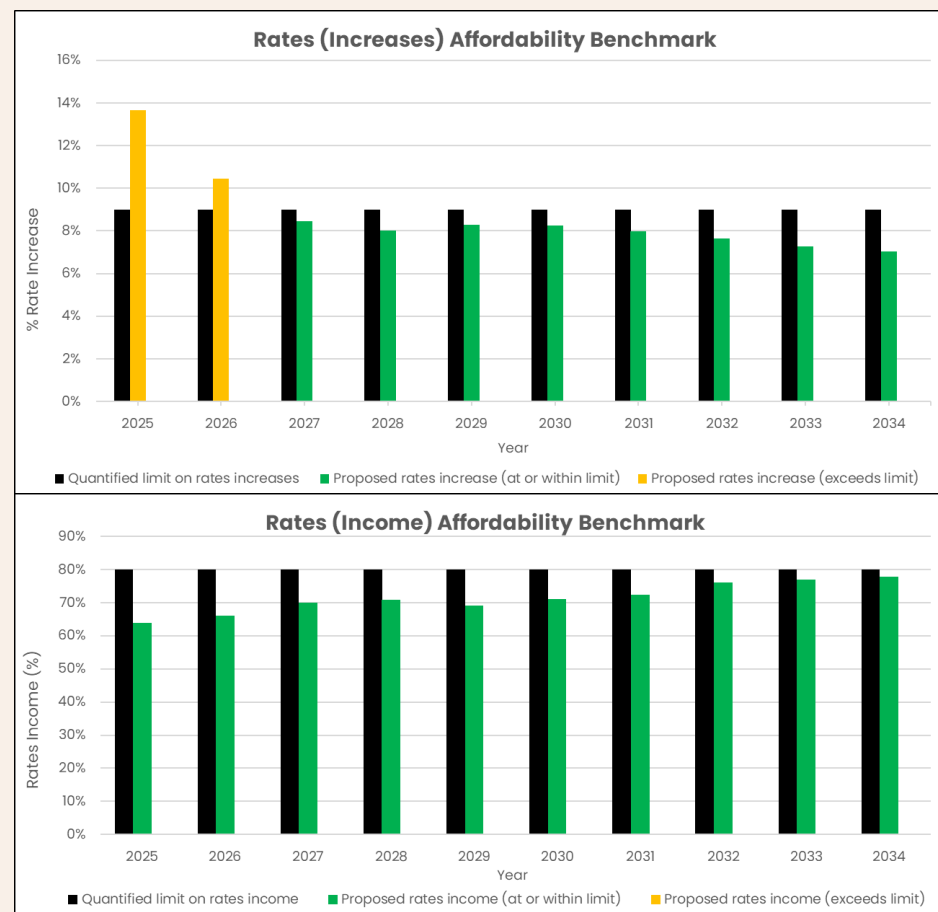
The Council meets the rates affordability benchmark if:

- 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 increase.

### Rates (Increases) Affordability Benchmark

This graph compares the Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in the long term plan.

The quantified limit is equal to the average LGCI of the 10 years of the LTP of 2.49% plus 6.5%.



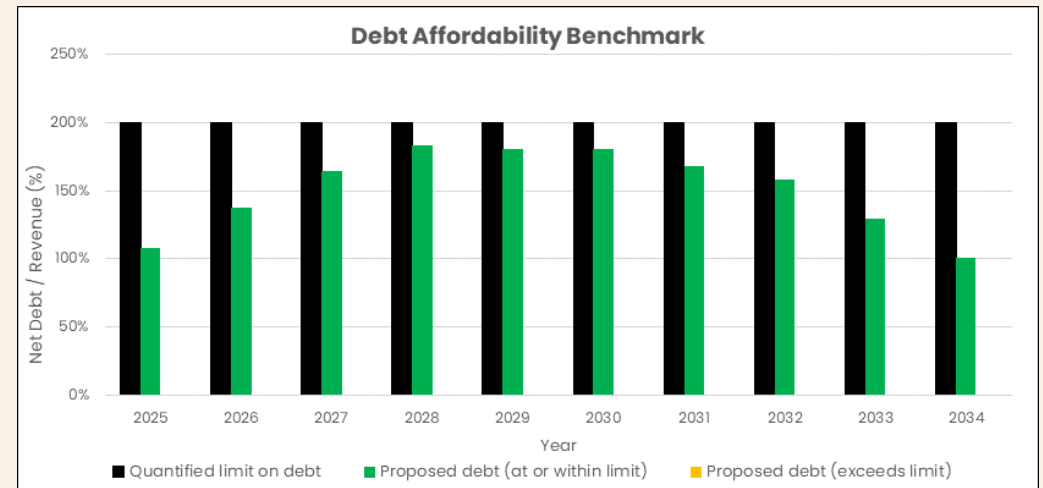
### Rates (Income) Affordability Benchmark

This graph compares the council's planned rates income with a quantified limit on rates contained in the financial strategy included in the long term plan. The quantified limit is that rates will be no more than 80% of revenue. Revenue is defined as total revenue as per the Statement of Comprehensive Revenue and Expenditure less Financial Contributions, Gains and Vested Assets.

## Debt Affordability Benchmark

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

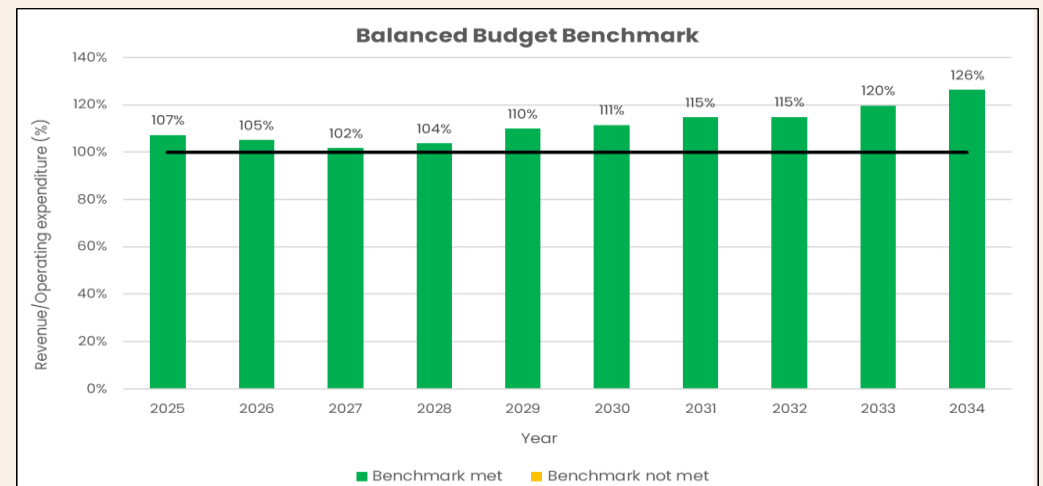
This graph compares the Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this long term plan. The quantified limit is that debt will not exceed 200% of revenue (excluding financial contributions and vested assets) during 2025 - 2034.



## Balanced budget benchmark

This 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).

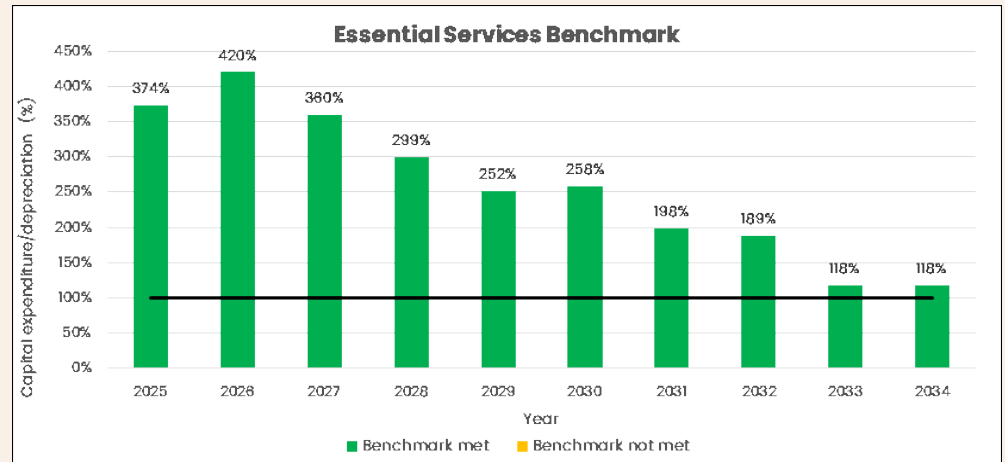
The Council meets this benchmark if its planned revenue equals or is greater than its planned operating expenses.



### Essential services benchmark

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

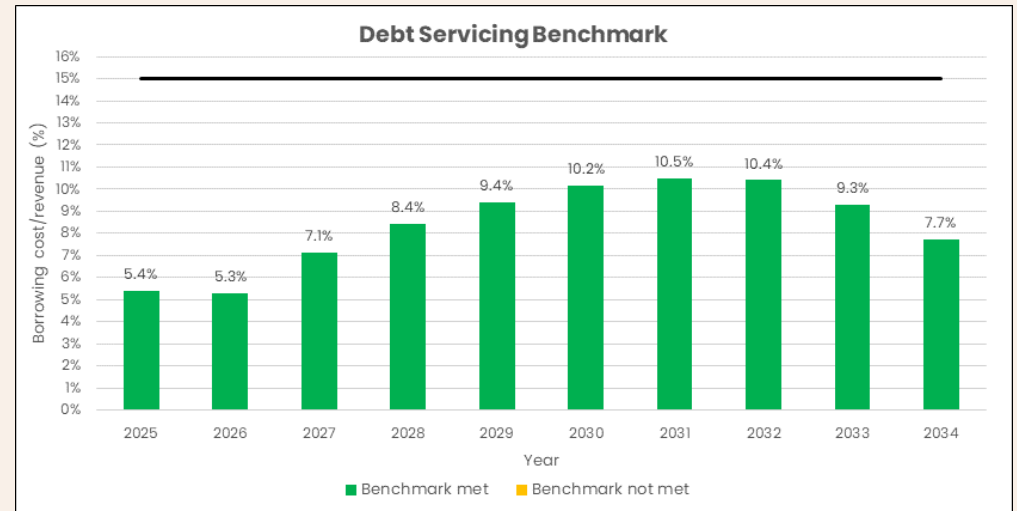
The Council meets this benchmark if its planned capital expenditure on network services (being; transportation, water, wastewater and Stormwater) equals or is greater than expected depreciation on network services.



### Debt servicing benchmark

This 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 faster than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.





# Glossary

## Asset Management Plan

A plan which sets out all the asset management actions and costs required to maintain, renew and/or add to an asset, or combination of assets, to achieve an agreed level of service.

## Community Boards

Community Boards are constituted under the Local Government Act 2002 (Section 49) to:

- a) Represent and act as an advocate for the interests of its community; and
- b) Consider and report on all matters referred to it by the territorial authority or any matter of interest or concern to the Community Board; and
- c) Maintain an overview of services provided by the territorial authority within the community; and
- d) Prepare an annual submission to the territorial authority for expenditure within the community; and
- e) Communicate with community organisations and special interest groups within the community; and
- f) Undertake any other responsibilities that are delegated to it by the territorial authority.

## Community Development

Community Development describes processes and activities that build capacity within communities to enable people to take control of their lives.

## Community Development Plan

A strategic plan that sets out for a particular geographical community, matters relating to that community's future.

The plans include a profile of environment, social, cultural, economic and infrastructural matters, all Council plans and programmes and may include other matters identified by that community. Each plan is developed by the community and other organisations and agencies that have planning or service delivery roles within that community. Implementation of the plan is shared between Council, the community and other participating organisations.

## Community Outcomes

Key statements describing the Community's vision for the future of the District.

## Concept Plans

Concept plans graphically illustrate the proposed development on a particular reserve.

They are agreed with the community through an informal consultation process and then formally agreed upon through the reserve management plan process.

## Council Outcomes

Council Outcomes describe what Council wants to achieve for a group of activities in the long term.

## Council's Roles

Council has determined the role it will take in achieving a particular strategy. Council's roles are defined as:

Lead agency	Council is the principal decision-making authority
Partner	Council will fund and carry out activities in formal partnership (including contracts) with other agencies
Advocate	Council will promote the interests of the community to other decision-making authorities
Facilitator	Council will encourage others to be involved by bringing together interested parties
Research and Monitoring	Council will undertake research and monitoring in order to promote informed decision-making

## District Plan

Required by the Resource Management Act 1991. Provides mechanisms to enable the sustainable management of the District's natural and physical resources.

## Funding Sources

**General Rate** – this consists of:

- A rate in the dollar charged on capital value; and
- A Uniform Annual General Charge (UAGC), which is a flat amount levied on each rating unit.

The General Rate is used to fund the day-to-day operations of Council and activities that are considered to be mainly for public benefit.

**Roading Rate** – this consists of:

- A rate in the dollar charged on land value
- The roading charge, which is a flat amount levied on each rating unit
- The rural works charge, which is a fixed amount on every rural zoned property in the District.

The Roothing Rate is used to fund the building and maintenance of the property network within the District.

**Targeted Rate** – this consists of:

Council uses targeted rates to collect funds over areas of benefit. This rating tool is chosen where the services are specific to a particular community or area within the District and it is not considered fair to charge all ratepayers e.g. charges for water, wastewater and town centre promotion.

Details of the specific targeted rates that apply to your property can be found in the Funding Impact Statements

## Infrastructure

The physical structures required to supply services to the community for example water supply network.

## Local Government

Means a Regional Council or territorial authority. Section 10 of the Local Government Act 2002 defines the purposes of local government as:

- a. To enable democratic local decision-making and action by and on behalf of communities; and
- b. To promote the social, economic, environmental and cultural wellbeing of communities, in the present and for the future.

## Local Government Funding Agency Limited (LGFA)

The Local Government Funding Agency (LGFA) is a council-controlled trading organisation.

The LGFA raises debt funding either domestically and/or offshore and provides debt funding to New Zealand local authorities in New Zealand dollars. Western Bay of Plenty District Council is a principal shareholder in the LGFA. The LGFA will operate with the primary objective of optimising the debt funding items and conditions for participating local authorities.

## Long Term Plan (LTP)

A 10-year plan prepared under Section 93 of the Local Government Act 2002. The purpose of the Long Term Plan is to:

- a. Describe the activities of Council.
- b. Describe the Community Outcomes of the District.
- c. Provide integrated decision-making, co-ordination of resources and a long-term focus for the decisions and activities of Council.
- d. Provide a basis for accountability of Council to the community.
- e. Provide an opportunity for participation by the public in decision making processes undertaken by Council.

## Planning

Formulating or organising a way by which something is to be done, e.g:

Strategic Planning	Formulating a way by which actions are to be identified, co-ordinated and resourced over an extended period of time in order to achieve a desired outcome.
Financial Planning	Formulating a way to fund actions.
Resource Management Planning	Formulating a way to manage environmental effects of activities and development in accordance with the Resource Management Act 1991.
Annual Planning	Formulating a way by which actions for the forthcoming year are identified, prioritised and resourced

## Reserve Management Plans

Reserve Management Plans are required by the Reserves Management Act 1977 and prepared for each ward. They combine the recreational vision for the ward with the generic and specific policies for each reserve within the ward. Where appropriate, concept plans are prepared in conjunction with the Reserve Management Plan.

## Strategic Areas

The Strategic Areas identify the four Key Response Areas setting out how Council will contribute to achieving the Community Outcomes.

## Strategies

The Strategies outline how Council will achieve the Council Outcomes. These Strategies trigger specific actions.

## Structure Plan

Structure plans define for each community where infrastructure will be organised over time.

## Sub-region

Area covered by Western Bay of Plenty District and Tauranga City.

## Sustainable Development

Sustainable development means meeting the needs of the present, without compromising the ability of future generations to meet their own needs. It means developing economies and lifestyles which improve people's quality of life, within the carrying capacity of the life support systems of human societies. It is closely related to the Māori values of 'kaitiakitanga - stewardship.

## Sustainable Management

Sustainable management is defined by Section 5(2) of the Resource Management Act 1991 as managing the use, development and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic and cultural wellbeing and for their health and safety while:

- a. Sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and
- b. Safeguarding the life-supporting capacity of air, water, soil and ecosystems; and
- c. Avoiding, remedying or mitigating any adverse effects of activities on the environment.

## Ward

Every territorial authority may be divided into wards for electoral purposes (Section 3 Local Government Act 2002). The Local Government Commission determines the numbers and boundaries of wards. The Western Bay of Plenty District is divided into three wards:

- Katikati/Waihi Beach Ward
- Kaimai Ward
- Maketu/Te Puke Ward