Kaipara te Oranganui

KAIPARA DISTRICT

Two Oceans Two Harbours

Kaipara District Council Long Term Plan Briefing Agenda

Date:	Wednesday, 20 January 2021
Time:	10.00 a.m.
Location:	Mangawhai Domain 75 Moir Street Mangawhai
Elected Members:	Mayor Dr Jason Smith Deputy Mayor Anna Curnow Councillor Victoria del la Varis-Woodcock Councillor Karen Joyce-Paki Councillor Jonathan Larsen Councillor Mark Vincent Councillor Peter Wethey Councillor David Wills Councillor Eryn Wilson-Collins

For any queries regarding this meeting please contact the Kaipara District Council on (09) 439 7059

LTP Capital Programme Update – January 2021

Meeting: **Council Briefing**
Date of meeting: **20 January 2021**
Reporting officer: **Jim Sephton, GM Infrastructure Services**

Purpose/Ngā whāinga

The purpose of this update is to highlight key changes to the proposed 2021 Long Term Plan (LTP) Capital Programme since it was first presented to Elected Members in July 2020.

Context/Horopaki

Long Term Plan development

A paper on Strategic Asset Management Plans was presented to Elected Members at the LTP Briefing on the 8th July. This set out a budget needed to deliver all community and stakeholder expectations. Including the desired capital programme in the LTP would result in an increase of circa $42m over the next 30 years above that indicated in the 2018 LTP and would result in rate increases which may not be affordable.

Values	Column Labels Stormwater	Wastewater	Water	Reserves and OS	Land Drainage	Solid Waste	Transport	Transport/ Rese	Grand Total
2021/22	$1,968,000	$896,460	$2,093,000	$6,775,000	$750,000	$520,000	$23,850,300	$60,000	$36,912,760
2022/23	$4,130,000	$770,312	$12,676,500	$5,100,000	$4,250,000	$2,920,000	$17,350,300		$47,197,112
2023/24	$6,465,000	$354,312	$1,645,000	$3,715,000	$3,750,000	$620,000	$21,145,300		$37,694,612
2024/25	$2,305,000	$1,843,000	$9,650,000	$3,666,000	$4,150,000	$670,000	$16,177,017		$38,461,017
2025/26	$3,895,000	$2,022,916	$2,165,000	$2,880,000	$3,250,000	$970,000	$16,452,017		$31,634,933
2026/27	$2,065,000	$1,411,000	$2,302,000	$2,686,000	$2,650,000	$620,000	$20,877,017		$32,611,017
2027/28	$1,215,000	$2,430,000	$2,400,000	$1,890,000	$750,000	$620,000	$20,861,967		$30,166,967
2028/29	$965,000	$2,740,699	$12,200,000	$1,640,000	$1,050,000	$20,000	$22,946,967		$41,562,666
2029/30	$815,000	$375,000	$1,400,000	$890,000	$3,600,000	$20,000	$24,111,967		$31,211,967
2030/31	$815,000	$375,000	$1,400,000	$890,000	$30,700,000	$20,000	$19,535,000		$53,735,000
2031/32 to 40/41	$6,410,000	$10,388,029	$18,765,000	$8,650,000	$64,000,000	$700,000	$193,300,000		$302,213,029
2041/42 to 50/51	$4,595,000	$6,151,910	$9,000,000	$8,750,000	$7,000,000	$700,000	$209,170,000		$245,366,910
Total	**$35,643,000**	**$29,758,638**	**$75,696,500**	**$47,532,000**	**$125,900,000**	**$8,400,000**	**$605,777,850**	**$60,000**	**$928,767,988**
10 year total	$24,638,000	$13,218,699	$47,931,500	$30,132,000	$54,900,000	$7,000,000	$203,307,850	$60,000	$381,188,049

It should be noted that this paper focused purely on Infrastructure Capital Projects (e.g. water, waste, transport etc) however all analysis going forward includes all capital projects which includes District Leadership (E.g. IT) and other Community Activities such as Civic Buildings.

A Council Workshop was held in October (PEX) which provided officers with direction with regards to reducing the resulting rate to an affordable level.

At the 14th October LTP Briefing, a paper, 'Long Term Plan post workshop financial alterations' was presented together with a revised capital programme. Further direction was again provided by Elected Members and this was taken into account in the development of a final programme to be included in the Drat 2021 LTP.

External funding

In parallel to the LTP development, Council applied for external funding through the Crown Infrastructure Shovel Ready Programme as well as the Three Waters Reform Programme. This has impacted on the projects included in the Draft 2021 LTP in terms of both projects which were excluded from the LTP list but ultimately did not get funded, as well as projects which did receive funding and therefore the level of subsidy has increased.

Discussion/Ngā kōrerorero

The Capital Programme included in the Draft 2021 LTP is included at Appendix A. A summary of this programme and a comparison of the position in August is provided in Table 1 below.

It is noted that the previous LTP briefings did not include carry overs from the current LTP. The Draft LTP Programme includes a carry over of $18 m which is predominantly associated with externally funded projects including Kaipara Kickstart, Shovel Ready and 3 Waters.

Allowing for the inclusion of carry over projects, a reduction in costs over the ten years of the LTP of circa $16m is proposed.

This has been achieved through;

- Reduction in the extent of growth projects in Kaiwaka and Maungaturoto including roading, water supply and waste water
- Reductions in parks and recreation projects, particularly Premier Parks
- Pushing out flood protection works (notably stopbanks) beyond the ten-year timeframe
- Removal of double ups in the transport budget
- The removal of a centralised recycling facility

Some capital projects have been added to the programme;

- Commencement of improvements to the Mangawhai Community Waste Water Scheme within the ten year period following the adoption of the Spatial Plan for Mangawhai
- Extension of the Dargaville Waste Water Scheme to allow future growth areas and areas with operational issues to be included

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Table 1 - Comparison of Draft 2021 LTP Programme against August Draft

August 2020												Total
Community Activities		4,025,000	3,030,000	1,575,000	2,056,000	1,725,000	1,916,000	1,925,000	2,350,000	1,650,000	1,550,000	21,802,000
District Leadership, Finance and Internal Services		930,000	400,000	620,000	1,450,000	650,000	900,000	500,000	650,000	400,000	400,000	6,900,000
Flood Protection and Control Works		4,500,000	100,000		12,230,000	5,160,000			10,003,000	10,080,000	10,340,500	52,413,500
Regulatory Management												0
Sewerage and the Treatment and Disposal of Sewage		2,070,000	700,000	285,000	1,258,000	3,059,956	3,345,000	8,035,000	6,568,136	591,000	4,025,000	29,937,092
Solid Waste		495,000	470,000	20,000	870,000	2,320,000	620,000	670,000	20,000	20,000	620,000	6,125,000
Stormwater Drainage		239,000	345,000	270,000	810,000	3,660,000	2,471,000	4,700,000	5,540,000	2,275,000	1,825,000	22,135,000
The Provision of Roads and Footpaths		22,161,202	23,593,202	18,198,202	15,289,919	15,059,919	15,584,919	18,904,869	14,994,005	16,414,005	20,007,039	180,207,280
Water Supply		1,553,000	6,130,000	5,345,000	4,178,900	2,003,000	2,050,000	2,300,000	7,940,000	2,030,000	1,400,000	34,929,900
Grand Total		35,973,202	34,768,202	26,313,202	38,142,819	33,637,875	26,886,919	37,034,869	48,065,141	33,460,005	40,167,539	354,449,772
Draft LTP - January 2021												
Community Activities		2,938,000	1,918,000	5,768,000	3,838,000	4,306,000	2,121,000	1,636,000	1,616,000	916,000	616,000	25,673,000
District Leadership, Finance and Internal Services		4,526,000	340,000	510,000	630,000	420,000	330,000	430,000	330,000	330,000	330,000	8,176,000
Flood Protection and Control Works		6,060,000	160,000	60,000	7,290,000	220,000	60,000	60,000	10,063,000	10,140,000	10,400,500	44,513,500
Regulatory Management		100,000										100,000
Sewerage and the Treatment and Disposal of Sewage		4,451,000	800,000	345,000	1,758,000	2,559,956	3,405,000	11,675,000	3,166,136	375,000	3,025,000	31,560,092
Solid Waste		0	0	250,000	750,000	400,000	1,100,000	550,000			900,000	3,950,000
Stormwater Drainage		939,000	345,000	470,000	1,410,000	3,260,000	1,775,000	4,100,000	5,140,000	1,875,000	425,000	19,739,000
The Provision of Roads and Footpaths		27,892,519	16,934,519	17,534,519	17,059,319	15,209,319	20,071,846	26,322,825	13,802,927	15,222,927	17,868,949	187,919,667
Water Supply		1,334,068	3,380,000	1,145,000	1,560,000	1,625,000	1,780,000	1,400,000	1,400,000	2,030,000	1,400,000	17,054,068
Grand Total		48,240,587	23,877,519	26,082,519	34,295,319	28,000,275	30,642,846	46,173,825	35,518,063	30,888,927	34,965,449	338,685,327
Difference												
Community Activities		-1,087,000.00	-1,112,000.00	4,193,000.00	1,782,000.00	2,581,000.00	205,000.00	-289,000.00	-734,000.00	-734,000.00	-934,000.00	3,871,000.00
District Leadership, Finance and Internal Services		3,596,000.00	-60,000.00	-110,000.00	-820,000.00	-230,000.00	-570,000.00	-70,000.00	-320,000.00	-70,000.00	-70,000.00	1,276,000.00
Flood Protection and Control Works		1,560,000.00	60,000.00	60,000.00	-4,940,000.00	-4,940,000.00	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	-7,900,000.00
Regulatory Management		100,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100,000.00
Sewerage and the Treatment and Disposal of Sewage		2,381,000.00	100,000.00	60,000.00	500,000.00	-500,000.00	60,000.00	3,640,000.00	-3,402,000.00	-216,000.00	-1,000,000.00	1,623,000.00
Solid Waste		-495,000.00	-470,000.00	230,000.00	-120,000.00	-1,920,000.00	480,000.00	-120,000.00	-20,000.00	-20,000.00	280,000.00	-2,175,000.00
Stormwater Drainage		700,000.00	0.00	200,000.00	600,000.00	-400,000.00	-696,000.00	-600,000.00	-400,000.00	-400,000.00	-1,400,000.00	-2,396,000.00
The Provision of Roads and Footpaths		5,731,317.00	-6,658,683.00	-663,683.00	1,769,400.00	149,400.00	4,486,927.00	7,417,956.33	-1,191,078.67	-1,191,078.67	-2,138,090.00	7,712,386.99
Water Supply		-218,932.00	-2,750,000.00	-4,200,000.00	-2,618,900.00	-378,000.00	-270,000.00	-900,000.00	-6,540,000.00	0.00	0.00	-17,875,832.00
Grand Total		12,267,385.00	-10,890,683.00	-230,683.00	-3,847,500.00	-5,637,600.00	3,755,927.00	9,138,956.33	-12,547,078.67	-2,571,078.67	-5,202,090.00	-15,764,445.01

The LTP includes a ten-year horizon however in this paper we will include a focus on the first three years and in particular Year 1.

Draft LTP - January 2021	2022	2023	2024
Community Activities	2,938,000	1,918,000	5,768,000
District Leadership, Finance and Internal Services	4,526,000	340,000	510,000
Flood Protection and Control Works	6,060,000	160,000	60,000
Regulatory Management	100,000		
Sewerage and the Treatment and Disposal of Sewage	4,451,000	800,000	345,000
Solid Waste	0	0	250,000
Stormwater Drainage	939,000	345,000	470,000
The Provision of Roads and Footpaths	27,892,519	16,934,519	17,534,519
Water Supply	1,334,068	3,380,000	1,145,000
Grand Total	48,240,587	23,877,519	26,082,519

Why is Year 1 so large?

The capital spend in 18/19 was $20.5m and in 19/20 $17.6m (Impacted by Covid). Therefore, an annual spend of $48.2m in the first year is a significant increase.

A large part ($26m) is Externally Funded and includes work which has already commenced in 2020/21, e.g. Pouto Road and 3 Waters Projects.

- Of the $26m, $19m is currently being procured or is contracted;
- And $6m relates to Stopbanks which are not yet funded. Designs are complete and procurement ready to go if we do get the funding through MBIE.

Property (notably the Dargaville Office) accounts for circa $1m and this is integrated with the NRC project timeline.

Business as Usual accounts for $20m of the programme;

- The bulk ($12.3m) is transport work which is contracted and delivered through maintenance contracts. It is relatively routine and delivered
- $7.7m remains with Infrastructure Services and currently the balance of work is at Business Case stage – a large proportion of which relates to renewals. The focus for the remaining 2020/21 calendar is to progress these works to completion of design.

We believe the target for capital programme expenditure can be achieved and the key factors supporting this are;

- There is a greater proportion of work which is shovel ready - the bulk of work will be in progress before the year starts
- Framework Contracts are now in place in the 3 Waters Space for design and construction.

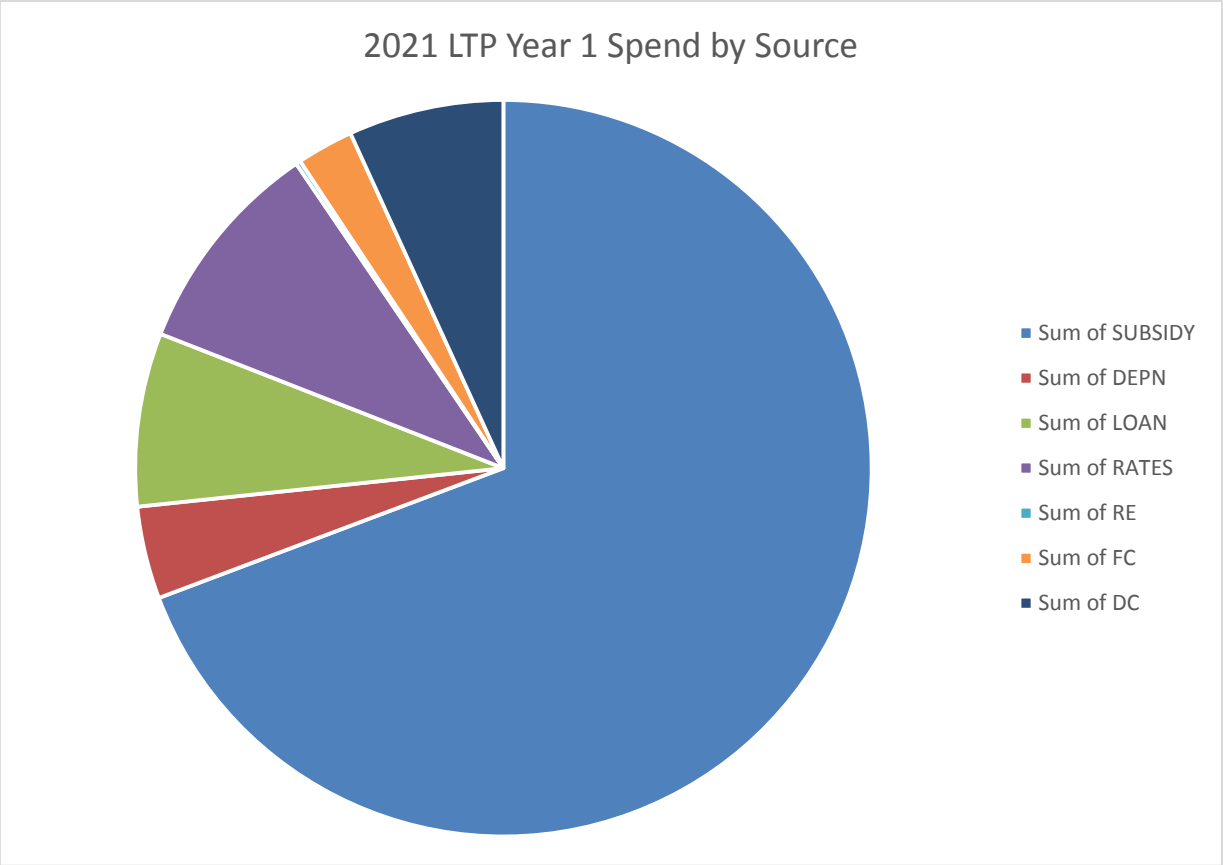
The key risks which would affect delivery of the programme relate to;

- External factors – e.g. Covid, weather
- Resource – noting the high levels of construction activity in Northland
- Preparedness – noting the levels of BAU which are still at Business Case stage

Is year 1 affordable?

External funding (subsidy) accounts for nearly 70% of the capital budget in Year 1.

Only $4.7m relates to Rates



This paper addresses the following by activity;

- Key projects in the next 3 years and in the ten-year horizon
- Projects excluded to achieve an affordable rate increase
- Significant changes since the October Briefing
- Possible changes to be made following consultation

Community Activities

Following a significant investment in Parks & Reserves through the previous LTP (including the externally funded Redeployment Package $1.6m), it has been agreed to significantly reduce the budget for the first three years.

The majority of projects will be funded through Financial Contributions (where available) or Subsidy (Externally Funded).

The most significant addition to the programme is the inclusion of the Mangawhai Library with design in Year 1 and construction in Year 2.

Projects continuing from this year

- Kai Iwi Campground ($150k) – completion of security improvements.
- Alamar Reserve Car Park ($500k) – Upgrade to parking at boat ramp.

New projects in the next three years

Year 1	Year 2	Year 3
Car Park Sealing ($550k)		
Environmental protection and enhancement ($150k)		
Rangiora Road Reserve ($240k)		
Kaiwaka Bush Kauri Path ($550k) – *Ext funded*		New Playgrounds ($100k)
Pahi Toilet Replacement ($250k)		
	Mangawhai Library ($5m)	
	Mangawhai Coastal Walkway($500k)	

Annual renewals / replacements;

- Renewals of parks, playgrounds and hard surfacing - $210k per year
- Library Book replacements - $58k per year

Community led projects are included as they will be developed in partnership with Council and staff time will be allowed for and included as some aspects of work likely to be vested in Council.

- Browns Road Parking ($900k fully subsidised)
- MAZ Skate Bowl ($800k – 50% FC funded, 50% externally funded)

Projects excluded to achieve affordable rates

- Northern Wairoa Hall – Demolition of existing building has been excluded from the LTP
- Biodiversity ramp (est $250k) has been removed. Discussions with NRC will be held regarding possible alternative funding sources.
- Te Kopuru BMX Track ($60k) – direction that all community projects are expected to raise funds through external funding sources or FCs (where available)
- Rangiora Park Development (reduced from $650k to $240k)
- Mangawhai Coastal Walkway (reduced from $7.5m to $3.35m)
- Mangawhai Heads Carpark (removed $500k) – noted that investment in public transport and walking/cycling to reduce demand is preferred
- Mangawhai Community Park – Implement RMP (removed $990k)
- Ancient Kauri Coast – Track Upgrades (Removed $525k)
- Ancient Kauri Coast – Environmental upgrades (reduced from ($1m to $500k)
- Premier Parks – Kai Iwi Lakes (reduced from $2.287m to $1m)
- Premier Parks – Harding Park (reduced from $905k to $620k)

A reduction from $21.6 million to $16.3 Million (excluding Mangawhai Libraries projects) in the 10-year period of the LTP.

District Leadership, Finance and Internal Services

This activity includes Economic Development, IT and Council Offices.

Our investment in digital services allowed us to respond to the impacts of Covid19 with minimal business impact. The Kaipara community is changing in age and in expectation. To meet these expectations and to achieve better outcomes, KDC should continue with a program of innovation through digital transformation. Investment in LTP is focused on completing this programme and preparing for the move into the new Dargaville Office.

Projects continuing from this year

- Kaipara Wharfs $2.1m (Economic Development)

New projects in the next three years

Year 1	Year 2	Year 3
Information Services		
Cybersecurity ($170k)		Data analytics ($100k)
HRIS ($140k)		
Smart Forms and Te Aka ($100k)		
Replace MagiQ ERP ($200k)		
WiFi Refrest and Rebuild ($100k)		
Council Offices		
Dargaville Office Fitout ($1.2m)		

Annual renewals / replacements;

- Replacement vehicles - $210k per year
- New and replacement IT - $120k per year

Projects excluded to achieve affordable rates

- Fully replace MagiQ
- Scada water system
- Public wifi
- Internet of things
- Digital Twin City/Region
- Smart Cities

By cutting investment in these programs, KDC run the risk of placing themselves in the wrong side of the 'digital-divide' and unable to bridge the gap between what the community expects, and what we can deliver. Without an innovation program we will lack the ability to offer digital services, to automate and integrate the collected data, to make evidential based decisions off the data, and then to use it to optimise the delivery of our resources. Innovative technologies act as a service and quality multiplier. The future is automation, smart-cities (regions) and 24/7 omni-channel customer access to services. KDC does not need to lead, but we should be on the journey.

As a responsible organization KDC needs to secure its critical digital assets and manage digital risk by ensuring there is always a forward plan and an exit strategy. Especially for a mission-critical service (MAGIQ), where the product is dated, has limited capability and the vendor's financial security is an unknown. Knowing how KDC can pivot from Magiq will save KDC future pain and enable us to proactively respond to any vendor supply issues.

Flood Protection and Control Works

This activity primarily relates to land drainage.

New projects

Through the Crown Infrastructure programme, KDC have applied for $6m funding for the Te Kopuru and Raupo Stopbanks. This application is still in discussion with MBIE and therefore the project has been left in at this stage. **A presentation on this project will be provided at the briefing.**

New projects in the next three years

Year 1	Year 2	Year 3
Te Kopuru Stop Bank Upgrades – $3.5 Million Yr 1 (100% Subsidy)		
	Raupo Flood Gates $100k	
Raupo Internal Stop Banks - $2.5 Million Yr 1 (100% Subsidy)		

Annual renewals / replacements;

- District wide improvements - $60k per year

Projects excluded to achieve affordable rates

- None – funding submissions have been made to MBIE for funding. At this stage all potential projects are assumed to be 100% subsidised.

Total reduction of projects from $51.414 million to $44.513 Million over a 10-year period.

Regulatory Management

This activity includes Dog Control.

An opportunity to reduce operation costs by re-establishing the Dargaville dog pound and reduce use of Whangarei Pound is currently proposed.

New projects in the next three years

Year 1	Year 2	Year 3
Dog pound ($100k)		

Sewerage and the Treatment and Disposal of Sewage

KDC received $4.7m through the first round of 3 Waters funding and these works will be completed in the current financial year and first year of the LTP.

The focus for this activity is renewals and progressively increasing the capacity of the Mangawhai scheme.

Projects continuing from this year

- Mangawhai Wastewater Treatment Plant Balance Tank - $619k
- Dargaville WW Renewals - $263k
- Kaiwaka WW Renewals - $228k

Projects introduced / altered since last briefing

MCWWS

The 2018 LTP included $7.6m for the enhancement of the MCWWS plant. In preparation for the 2021 LTP, WSP were engaged to assist in the development of a road map.

The Infrastructure Strategy provides a direction which is to focus on a circular economy and reduce waste. This has assisted in the development of a preferred way forward for the purpose of this LTP.

A Road Map to Reuse is being developed and this aligns with Option “5.2” of the WSP Report (included at Appendix B). **A presentation on this option will be provided at the briefing.**

Essentially the current limitation on the plant are the sand filters. Rather than replacing or extending this technology, it is proposed that we transition to a Membrane Filter. The benefit of this approach is that it will provide treated wastewater which is more readily useable in a wider range of applications currently employed internationally.

Disposal options being considered include golf course irrigation, farm (dry stock) irrigation, construction watering, emergency water and parks irrigation.

The impact on the LTP is $10.3 Million over 10 years – an additional $2.3m.

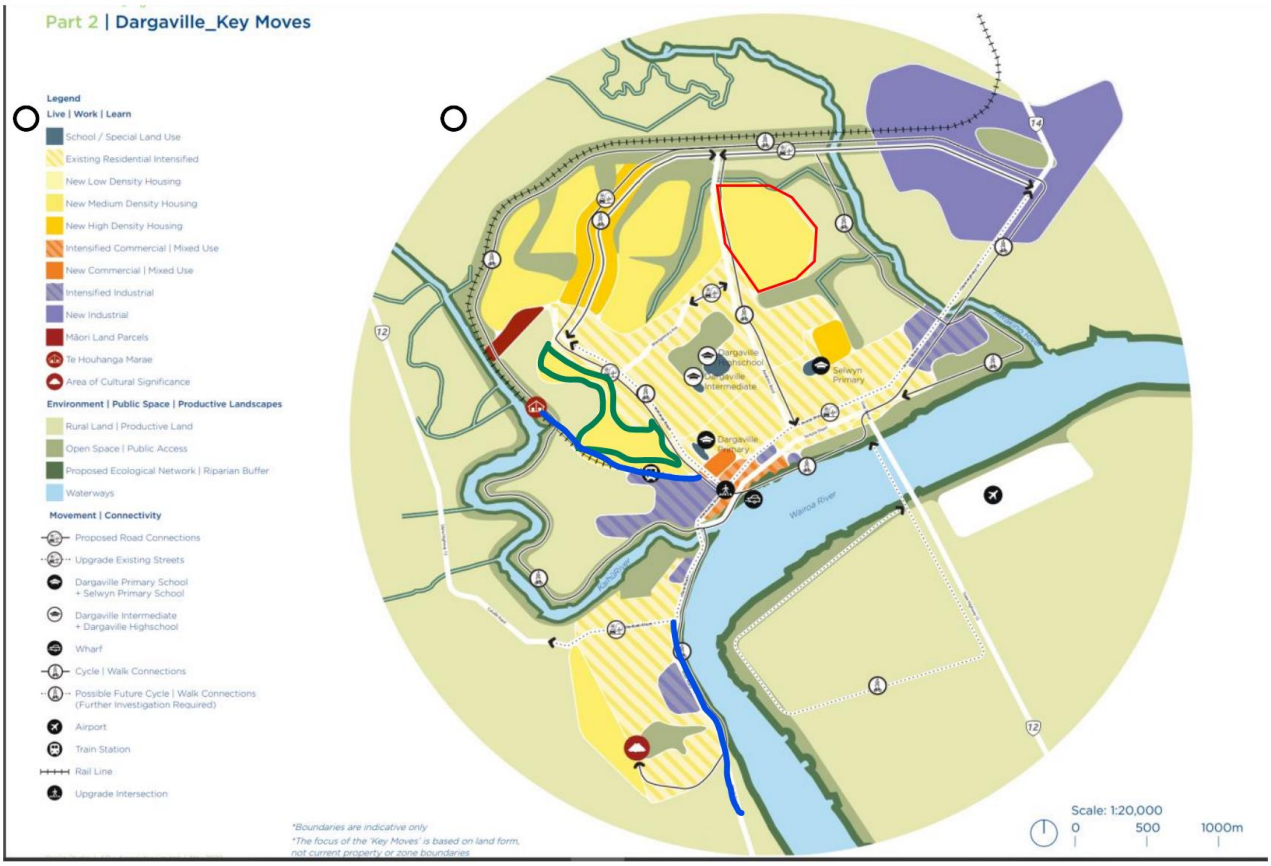
Extension of the Dargaville Waste Water Scheme

Council has previously been briefed on two areas where existing private waste treatment systems are failing and cannot be addressed on site.

Applications for funding through the Three Waters Reform have been unsuccessful as the grant focuses on existing Council owned assets. Therefore, these projects need to be included as part of the Long Term Plan considerations.

- The Station Road extension will enable new growth areas (green) to be brought online and will therefore be funded partly through Development Contributions. $200k
- The Spring Street extension is primarily a Level of Service improvement $200k

Both projects will enable adjacent landowners to connect to the scheme at a cost to be determined.



The impact on the LTP is an additional $400k in the first year.

New projects in the next three years

Year 1	Year 2	Year 3
Dargaville WW - $1.103m	Dargaville WW - $200k	Dargaville WW - $200k
Kaiwaka WW - $278k	Kaiwaka WW - $350k	
Maungaturoto WW - $125k	Maungaturoto WW - $150k	Maungaturoto WW - $60k
	Glinks Gully WW - $15k	
Mangawhai WW - $3.035m	Mangawhai WW - $85k	Mangawhai WW - $85k

What has been excluded to achieve an affordable rate increase

- Mangawhai WWTP upgrade - $10m pushed out beyond 10 years.
- Paparoa Wastewater System – removed $500k – No Community Wastewater Schemes have been included in this LTP although it is acknowledged that there is an environmental issue for many of our coastal communities.
- Dargaville Growth Project $500k
- Maungaturoto Growth projects reduced by $360k
- Kaiwaka Growth Projects removed - $1 million
- Ruawai WW investigation and implementation removed $1 million.

Total reduction of projects from $36.329 million to 31.56 Million over a 10-year period

Stormwater

Stormwater investment has been significantly reduced. The original programme included $7.5m over the first three years. This has been reduced to circa $1.5m.

Projects continuing from this year

- Chases Gorge ($250k)
- Eveline Street ($150k)
- Mangawhai Wood Street (300k)

New projects in the next three years

Year 1	Year 2	Year 3
		Pahi $30k
Mangawhai Stormwater $700k		
TK $50k		
Maungaturoto Paparoa $160k		

What has been excluded to achieve an affordable rate increase

- Mangawhai Storm water reduced from $11.16 million
  - Catchment 13 - $2.08 million
  - Mangawhai Town Plan - $3.796 million
  - Lincoln Street - $1.22 million
- Dargaville Storm water reduced from $6.085 million
  - Climate Change resilience $1 million
  - Urban Stop banks - $1.4 million
  - Dargaville floodgates and flood protection - $1.4 million.

Total reduction of projects from $20.735m to $19.74m over a 10 year period.

Transport

Transport continues to be the dominant area of funding. In this LTP, there will be a focus in year 1 of completing the externally funded projects as well as delivering business as usual.

Projects continuing from this year

- Kaihu Valley Trail $2m
- Unsealed Road Improvements $4m
- Mangawhai Shared Path $17.4m
- Pouto Road Phase 1 $3.2m
- Kaiwaka Footbridges $500k

New projects in the next three years

Year 1	Year 2	Year 3
Mangawhai / Kaiwaka Area speed management plan $500k	Ruawai / Maungaturoto speed management plan $500k	Dargaville / Tangiteroria speed management plan $500k
LED infill lighting programme $1m		Pouto Road Second Coat Sealing $500k
Bridge Replacements $3m		
Structure components $3m		
Unsealed road metalling $9m		
Associated improvements for Rehab and Reseals $750k		
District wide road safety improvements $1.5m		
Drainage improvement programme $250k		
Slip Repairs $1.5m		
Footpath improvements $600k		
DESIGN ONLY		
		Dargaville River Path $100k
	Cove Road to Mangawhai Central $250k	

Annual renewals / replacements

- Drainage Renewals - $625k per year
- Sealed Road Resurfacing - $2m per year
- Sealed Road Rehab - $1.3m per year

What has been excluded to achieve an affordable rate increase

The desired slip repair and safety budgets have been halved to reduce the burden on rates. The impact of this is that we will not be able to significantly reduce the number of slip sites or address as many safety risks as possible. Although this is not desirable, it does not increase the risk on the network.

Township Improvement Projects have been delayed except for parts of the Dargaville Township Improvement Plan which align with other works.

Water Supply

This LTP focuses on water security for Dargaville in the first three years which aligns with the anticipated Tai Tokerau Water Storage opportunity.

Whilst funding for water security projects in Mangawhai, Kaiwaka and Maungaturoto have been removed from this LTP, Elected Members have directed officers to investigate any opportunities which might arise through developments.

Funding through the three waters has affected.

Significant projects

Continuing from this year;

- Dargaville water Storage $2.1m
- 3 Waters Reform Projects

New projects in the next three years

Year 1	Year 2	Year 3
Dargaville water supply $1.45m		
Maungaturoto Water supply $1.29 m		
Mangawhai Water Supply $83k		
Ruawai Water Supply $646k		
Glinks Gully Water supply $210k		

What has been excluded to achieve an affordable rate increase

The removal of growth projects has reduced the programme however it is likely that current opportunities with regards to the provision of a water supply in Mangawhai will need to be reconsidered post consultation.

- Mangawhai Water supply design and construction – removed $6.35 million
- Maungaturoto Growth projects reduced from $1.46m to $270k
- Maungaturoto security of water supply - $6million pushed out past 10 years.
- Kaiwaka Water supply and reticulation removed - $4.73 million
- Te Kopuru Water supply investigation removed - $25k
- Dargaville water storage project reduced from $4.1 million to $2.1 million
- Dargaville Growth projects reduced from $2.23 million to $790k

Total reduction of projects from $39.684m to $17.054m over a 10 year period.

Next steps/E whaiake nei

Consultation on the Draft Long Term Plan be undertaken, and officers will respond to feedback and make alterations to the capital programme where appropriate.

Attachments/Ngā tapiritanga

	Title
A	Draft 2021 Long Term Plan - Capital Projects

Attachment A - Draft 2021 LTP Capital Programme

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
Community Activities	2,938,000	1,918,000	5,768,000	3,838,000	4,306,000	2,121,000	1,636,000	1,616,000	916,000	616,000	**25,673,000**	**39,173,000**
District Leadership, Finance and Internal Services	4,526,000	340,000	510,000	630,000	420,000	330,000	430,000	330,000	330,000	330,000	**8,176,000**	**8,176,000**
Flood Protection and Control Works	6,060,000	160,000	60,000	7,290,000	220,000	60,000	60,000	10,063,000	10,140,000	10,400,500	**44,513,500**	**85,958,500**
Regulatory Management	100,000										**100,000**	**100,000**
Sewerage and the Treatment and Disposal of Sewage	4,451,000	800,000	345,000	1,758,000	2,559,956	3,405,000	11,675,000	3,166,136	375,000	3,025,000	**31,560,092**	**66,588,031**
Solid Waste	0	0	250,000	750,000	400,000	1,100,000	550,000			900,000	**3,950,000**	**6,400,000**
Stormwater Drainage	939,000	345,000	470,000	1,410,000	3,260,000	1,775,000	4,100,000	5,140,000	1,875,000	425,000	**19,739,000**	**25,994,000**
The Provision of Roads and Footpaths	27,892,519	16,934,519	17,534,519	17,059,319	15,209,319	20,071,846	26,322,825	13,802,927	15,222,927	17,868,949	**187,919,667**	**498,763,092**
Water Supply	1,334,068	3,380,000	1,145,000	1,560,000	1,625,000	1,780,000	1,400,000	1,400,000	2,030,000	1,400,000	**17,054,068**	**51,224,468**
Grand Total	**48,240,587**	**23,877,519**	**26,082,519**	**34,295,319**	**28,000,275**	**30,642,846**	**46,173,825**	**35,518,063**	**30,888,927**	**34,965,449**	338,685,327	**782,377,091**

Capex Funding (WoC)

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
COST	48,240,587	23,877,519	26,082,519	34,295,319	28,000,275	30,642,846	46,173,825	35,518,063	30,888,927	34,965,449	**338,685,327**	**782,377,091**
DC	-3,792,528	-2,669,219	-3,344,969	-1,765,251	-2,935,001	-4,447,800	-20,318,706	-3,712,194	-1,325,945	-3,471,250	**-47,782,863**	**-79,289,263**
DEPN	-2,078,568	-2,288,000	-1,878,000	-3,886,500	-2,672,456	-2,561,000	-2,378,500	-2,550,136	-2,344,550	-2,551,500	**-25,189,210**	**-55,639,450**
FC	-1,260,723	-2,048,857	-1,911,357	-1,730,000	-1,215,000	-2,643,711	-1,349,067	-548,317	-610,817	-100,000	**-13,417,849**	**-15,855,349**
LOAN	-4,175,625	-1,298,500	-3,205,250	-3,366,250	-6,314,500	-2,312,250	-6,079,250	-4,778,500	-1,283,499	-1,352,250	**-34,165,874**	**-65,441,874**
RATES	-4,394,541	-4,478,541	-5,073,541	-5,374,541	-5,503,541	-5,703,541	-5,862,150	-5,305,101	-5,489,901	-5,454,701	**-52,640,099**	**-169,838,811**
RE	-100,000										**-100,000**	**-100,000**
SUBSIDY	-32,438,602	-11,094,402	-10,669,402	-18,172,777	-9,359,777	-12,974,544	-10,186,152	-18,623,815	-19,834,215	-22,035,748	**-165,389,434**	**-396,212,352**

Attachment A - Draft 2021 LTP Capital Programme

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
Capex Funding (Activity groups)	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**Total 10 Years**	**Grand Total 30 Years**
Community Activities												
COST	2,938,000	1,918,000	5,768,000	3,838,000	4,306,000	2,121,000	1,636,000	1,616,000	916,000	616,000	**25,673,000**	**39,173,000**
DC	0	-75,000	-2,425,000	-75,000	-75,000	-75,000	-37,500	-37,500	-37,500	-37,500	**-2,875,000**	**-3,625,000**
DEPN	-278,000	-268,000	-268,000	-1,250,000	-346,000	-406,000	-306,000	-446,000	-306,000	-306,000	**-4,180,000**	**-9,480,000**
FC	-740,000	-700,000	-562,500	-1,730,000	-1,215,000	-1,262,500	-720,000	-300,000	-362,500	-100,000	**-7,692,500**	**-10,130,000**
LOAN	-750,000	-75,000	-2,462,500	-498,000	-2,370,000	-57,500	-400,000	-660,000	-37,500	0	**-7,310,500**	**-7,573,000**
RATES	-70,000	-50,000	-50,000	-285,000	-300,000	-320,000	-172,500	-172,500	-172,500	-172,500	**-1,765,000**	**-5,615,000**
SUBSIDY	-1,100,000	-750,000	0		0						**-1,850,000**	**-2,750,000**
District Leadership, Finance and Internal Services												
COST	4,526,000	340,000	510,000	630,000	420,000	330,000	430,000	330,000	330,000	330,000	**8,176,000**	**8,176,000**
DEPN	-640,000	-290,000	-290,000	-540,000	-290,000	-290,000	-390,000	-290,000	-290,000	-290,000	**-3,600,000**	**-3,600,000**
LOAN	-1,726,000	-10,000	-180,000	-50,000	-90,000	0	0	0			**-2,056,000**	**-2,056,000**
RATES	-60,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	**-420,000**	**-420,000**
SUBSIDY	-2,100,000										**-2,100,000**	**-2,100,000**
Flood Protection and Control Works												
COST	6,060,000	160,000	60,000	7,290,000	220,000	60,000	60,000	10,063,000	10,140,000	10,400,500	**44,513,500**	**85,958,500**
DEPN		-100,000		-230,000	-160,000			-3,000	-80,000	-340,500	**-913,500**	**-1,158,500**
LOAN											**0**	**-15,000,000**
RATES	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000	**-600,000**	**-1,800,000**
SUBSIDY	-6,000,000	0		-7,000,000	0			-10,000,000	-10,000,000	-10,000,000	**-43,000,000**	**-68,000,000**
Regulatory Management												
COST	100,000										**100,000**	**100,000**
LOAN	-100,000										**-100,000**	**-100,000**
Sewerage and the Treatment and Disposal of Sewage												
COST	4,451,000	800,000	345,000	1,758,000	2,559,956	3,405,000	11,675,000	3,166,136	375,000	3,025,000	**31,560,092**	**66,588,031**
DC	-3,231,250	-125,000	-25,000	-1,025,000	-2,025,000	-2,775,000	-10,021,250	-2,275,000	-25,000	-2,675,000	**-24,202,500**	**-43,329,500**
DEPN	-345,000	-505,000	-305,000	-561,500	-513,956	-465,000	-482,500	-711,136	-320,000	-320,000	**-4,529,092**	**-8,279,032**
LOAN	-383,750	-170,000	-15,000	-171,500	-21,000	-165,000	-1,171,250	-180,000	-30,000	-30,000	**-2,337,500**	**-14,488,500**
SUBSIDY	-491,000										**-491,000**	**-491,000**
Solid Waste												
COST	0	0	250,000	750,000	400,000	1,100,000	550,000			900,000	**3,950,000**	**6,400,000**
DC	0	0		0	0						**0**	**0**
LOAN	0	0	-175,000	-725,000	-350,000	-900,000	-550,000			-900,000	**-3,600,000**	**-3,650,000**
RATES											**0**	**-2,400,000**
SUBSIDY	0	0	-75,000	-25,000	-50,000	-200,000					**-350,000**	**-350,000**
Stormwater Drainage												
COST	939,000	345,000	470,000	1,410,000	3,260,000	1,775,000	4,100,000	5,140,000	1,875,000	425,000	**19,739,000**	**25,994,000**
DC	-64,000	-93,750	-68,250	-220,000	-400,000	-481,250	-1,338,000	-1,247,500	-560,000	-93,750	**-4,566,500**	**-5,624,000**
DEPN	-122,000	-50,000	-150,000	-50,000	-50,000	-195,000	-100,000	0	-195,000	-195,000	**-1,107,000**	**-3,752,000**
LOAN	-713,000	-161,250	-211,750	-1,100,000	-2,770,000	-1,068,750	-2,632,000	-3,862,500	-1,090,000	-106,250	**-13,715,500**	**-16,008,000**
RATES	-40,000	-40,000	-40,000	-40,000	-40,000	-30,000	-30,000	-30,000	-30,000	-30,000	**-350,000**	**-610,000**
SUBSIDY				0	0	0	0	0	0	0	**0**	**0**
The Provision of Roads and Footpaths												
COST	27,892,519	16,934,519	17,534,519	17,059,319	15,209,319	20,071,846	26,322,825	13,802,927	15,222,927	17,868,949	**187,919,667**	**498,763,092**
DC	-319,153	-1,045,469	-826,719	-445,251	-435,001	-846,550	-8,921,956	-152,194	-152,195	-665,000	**-13,809,488**	**-13,809,488**
FC	-520,723	-1,348,857	-1,348,857			-1,381,211	-629,067	-248,317	-248,317		**-5,725,349**	**-5,725,349**
LOAN	-456,000	-107,250	-81,000	-816,750	-701,000	-116,000	-1,326,000	-76,000	-125,999	-316,000	**-4,121,999**	**-5,641,999**
RATES	-4,164,541	-4,088,541	-4,683,541	-4,649,541	-4,763,541	-4,953,541	-5,259,650	-4,702,601	-4,862,201	-4,852,201	**-46,979,899**	**-151,380,411**
RE	-100,000										**-100,000**	**-100,000**
SUBSIDY	-22,332,102	-10,344,402	-10,594,402	-11,147,777	-9,309,777	-12,774,544	-10,186,152	-8,623,815	-9,834,215	-12,035,748	**-117,182,934**	**-322,105,852**
Water Supply												
COST	1,334,068	3,380,000	1,145,000	1,560,000	1,625,000	1,780,000	1,400,000	1,400,000	2,030,000	1,400,000	**17,054,068**	**51,224,468**
DC	-178,125	-1,330,000	0	0	0	-270,000	0	0	-551,250		**-2,329,375**	**-12,901,275**
DEPN	-693,568	-1,075,000	-865,000	-1,255,000	-1,312,500	-1,205,000	-1,100,000	-1,100,000	-1,153,550	-1,100,000	**-10,859,618**	**-29,369,918**
LOAN	-46,875	-775,000	-80,000	-5,000	-12,500	-5,000					**-924,375**	**-924,375**
RATES	0	-200,000	-200,000	-300,000	-300,000	-300,000	-300,000	-300,000	-325,200	-300,000	**-2,525,200**	**-7,613,400**
SUBSIDY	-415,500											**-415,500**

Attachment A - Draft 2021 LTP Capital Programme

					2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
Capex Projects					**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**		**Grand Total**
Community Activities																
100 Kai Iwi Lakes - Camp Ground																
11055 Kai Iwi Camp ground facilities	**100**	0	**0**													
				COST	150,000											150,000
				FC	-150,000											-150,000
122 Mangawhai Public Toilet Amenities																
9999 122 Wood Street development toilets	**50**		**50**													
				COST			0	200,000								200,000
				FC			0	-200,000								-200,000
155 District Halls																
9999 155 Mangawhai Library	**50**		**50**													
				COST			0									0
				DC			0									0
				LOAN			0									0
	54		**46**													
				COST		150,000	4,850,000									5,000,000
				DC		-75,000	-2,425,000									-2,500,000
				LOAN		-75,000	-2,425,000									-2,500,000
9999 155 Northern Wairoa Hall			**100**													
				COST				0								0
				LOAN				0								0
166 District Parks & Reserves																
12113 Rangiora Rd Reserve development	**100**	0	**0**													
				COST	40,000											40,000
				FC	-40,000											-40,000
9999 166 Carpark sealing			**100**													
				COST		0		0								0
				LOAN		0		0								0
	100															
				COST	50,000	250,000	250,000	250,000	250,000	250,000	250,000					1,550,000
				FC	-50,000	-250,000	-250,000	-250,000	-250,000	-250,000	-250,000					-1,550,000
9999 166 Coastal Structures as per wharves programme	**100**															
				COST			0									0
				SUBSIDY			0									0
9999 166 Coastal structures renewals		100														
				COST						100,000		100,000				2,200,000
				DEPN						-100,000		-100,000				-2,200,000
9999 166 Environmental protection and enhancement			**100**													
				COST	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		2,100,000
				RATES	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000		-2,100,000
9999 166 Kaiwaka bush kauri path			**100**													
				COST	550,000											550,000
				SUBSIDY	-550,000											-550,000
9999 166 Kaiwaka Rangiora Rd park development	**100**															
				COST	0	200,000										200,000
				FC	0	-200,000										-200,000
9999 166 New playgrounds	**100**															
				COST			100,000			100,000			100,000			1,000,000
				FC			-62,500			-62,500			-62,500			-625,000
				LOAN			-37,500			-37,500			-37,500			-375,000
9999 166 Parks hard surface renewals		100														
				COST	70,000	70,000	70,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000		1,360,000
				DEPN	-70,000	-70,000	-70,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000		-1,360,000
9999 166 Parks infrastructure renewals		100														
				COST	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000		2,200,000
				DEPN	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000		-2,200,000
9999 166 Playground renewals		100														
				COST	50,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000		1,210,000
				DEPN	-50,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000		-1,210,000
9999 166 Te Kopuru BMX track			**100**													
				COST	0											0
				LOAN	0											0
9999 166 Te Kopuru parks			**100**													
				COST				50,000	50,000							100,000
				LOAN				-50,000	-50,000							-100,000

Attachment A - Draft 2021 LTP Capital Programme

					2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
9999 166 Track upgrades			**100**													
				COST				0	0	0	0	0	0	0		0
				RATES				0	0	0	0	0	0	0		0
	100															
				COST				50,000	50,000	50,000	75,000	100,000	100,000	100,000		2,525,000
				FC				-50,000	-50,000	-50,000	-75,000	-100,000	-100,000	-100,000		-2,525,000
SR112 Kaiwaka footbridges	**100**	0	**0**													
				COST	0											0
				SUBSIDY	0											0
172 District Public Toilet Amenities																
9999 172 Pahi toilet replacements		100														
				COST	250,000											250,000
				LOAN	-250,000											-250,000
9999 172 Parks wastewater renewals		100														
				COST					100,000			100,000				700,000
				DEPN					-20,000			-20,000				-540,000
				LOAN					-80,000			-80,000				-160,000
183 Libraries																
9999 183 Library - Dargaville and Community building			**100**													
				COST					2,000,000							2,000,000
				LOAN					-2,000,000							-2,000,000
				SUBSIDY					0							0
9999 183 Library - Mangawhai	**50**		**50**													
				COST			0	0								0
				DC			0	0								0
				LOAN			0	0								0
9999 183 Library replacements (Books and equipment)		100														
				COST	58,000	58,000	58,000	58,000	58,000	58,000	58,000	58,000	58,000	58,000		580,000
				DEPN	-58,000	-58,000	-58,000	-58,000	-58,000	-58,000	-58,000	-58,000	-58,000	-58,000		-580,000
9999 183 Mangawhai Library book replacements			**100**													
				COST					58,000	58,000	58,000	58,000	58,000	58,000		348,000
				DEPN					-58,000	-58,000	-58,000	-58,000	-58,000	-58,000		-348,000
9999 183 Mangawhai Library Initial book inventory			**100**													
				COST				290,000								290,000
				LOAN				-290,000								-290,000
9999 183 Mangawhai Library RFID			**100**													
				COST				50,000								50,000
				LOAN				-50,000								-50,000
9999 183 Mobile library/digital service			**100**													
				COST					0							0
				LOAN					0							0
9999 183 RFID for libraries (tagging system with security and self se			**100**													
				COST				90,000								90,000
				LOAN				-90,000								-90,000

Attachment A - Draft 2021 LTP Capital Programme

					2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
194 Mangawhai Parks & Reserves																
11006 Stage 1 Walkway Sellars reserve to Wintle Street (Pearl St)	**100**	0	**0**													
				COST	50,000											50,000
				FC	-50,000											-50,000
11085 Mangawhai Coastal Tracks - links to existing network	**100**	0	**0**													
				COST	50,000											50,000
				FC	-50,000											-50,000
9999 194 Alamar car park			**100**													
				COST	500,000											500,000
				LOAN	-500,000											-500,000
9999 194 Alamar Cres - improved boat parking	**30**		**70**													
				COST			0									0
				FC			0									0
				LOAN			0									0
9999 194 Browns Road Mountain Bike track	**100**															
				COST	150,000	750,000										1,800,000
				FC	0	0										0
				SUBSIDY	-150,000	-750,000										-1,800,000
9999 194 Mangawhai Coastal Walkway			**100**													
				COST	0	0	0	0	0	0	0	0	0	0		0
				LOAN	0	0	0	0	0	0	0	0	0	0		0
	100															
				COST		250,000	250,000	750,000	750,000	750,000	200,000	200,000	200,000			3,350,000
				FC		-250,000	-250,000	-750,000	-750,000	-750,000	-200,000	-200,000	-200,000			-3,350,000
9999 194 Mangawhai Community Park			**100**													
				COST		0		0	0	0	0					0
				LOAN		0		0	0	0	0					0
	100															
				COST	0	0	0	480,000	165,000	150,000	195,000					990,000
				FC	0	0	0	-480,000	-165,000	-150,000	-195,000					-990,000
9999 194 Mangawhai Heads Carpark	**100**															
				COST	0											0
				FC	0											0
9999 194 MAZ Skate Bowl			**100**													
				COST	800,000											800,000
				FC	-400,000											-400,000
				SUBSIDY	-400,000											-400,000
9999 194 Moir Street historic wharf			**100**													
				COST			0									0
				FC			0									0

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			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
199 Dargaville Halls														
9999 199 Reclad hall	100													
		COST				1,000,000								1,000,000
		DEPN				-1,000,000								-1,000,000
9999 199 Town hall remediation - allowance for design		**100**												
		COST	20,000											20,000
		RATES	-20,000											-20,000
209 Taharoa Domain														
9999 209 Premier parks - Kai Iwi Lakes	**37.5**	**62.5**												
		COST	0	0	0	200,000	200,000	200,000	100,000	100,000	100,000	100,000		3,000,000
		DC	0	0	0	-75,000	-75,000	-75,000	-37,500	-37,500	-37,500	-37,500		-1,125,000
		RATES	0	0	0	-125,000	-125,000	-125,000	-62,500	-62,500	-62,500	-62,500		-1,875,000
214 Dargaville Public Toilet Amenities														
9999 214 Dargaville toilet replacements	100													
		COST				20,000	200,000			200,000				420,000
		DEPN				-2,000	-20,000			-20,000				-42,000
		LOAN				-18,000	-180,000			-180,000				-378,000
240 Harding Park														
9999 240 Premier parks - Pou tu te Rangi		**100**												
		COST				110,000	125,000	145,000	60,000	60,000	60,000	60,000		1,620,000
		RATES				-110,000	-125,000	-145,000	-60,000	-60,000	-60,000	-60,000		-1,620,000
249 Dargaville Parks & Reserves														
9999 249 Memorial Park drainage		**100**												
		COST							250,000	250,000				500,000
		LOAN							-250,000	-250,000				-500,000
9999 249 Selwyn Park Drainage		**100**												
		COST						20,000	150,000	150,000				320,000
		LOAN						-20,000	-150,000	-150,000				-320,000
9999 249 Selwyn Park improvements		**100**												
		COST					60,000							60,000
		LOAN					-60,000							-60,000

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				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
District Leadership, Finance and Internal Services															
105 Economic Development															
PGF107 Kaipara Wharves Physical works	**0**	0	**100**												
			COST	2,100,000											2,100,000
			SUBSIDY	-2,100,000											-2,100,000
157 Information Services															
11015 Replacement Equipment	**0**	100	**0**												
			COST	50,000											50,000
			DEPN	-50,000											-50,000
9999 157 CAPEX increase for new IT equipment			**100**												
			COST	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000		400,000
			RATES	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000	-40,000		-400,000
9999 157 CAPEX increase for replacement IT equipment		100													
			COST	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000		800,000
			DEPN	-80,000	-80,000	-80,000	-80,000	-80,000	-80,000	-80,000	-80,000	-80,000	-80,000		-800,000
9999 157 Chat bots and AI			**100**												
			COST			20,000									20,000
			LOAN			-20,000									-20,000
9999 157 CRM			**100**												
			COST				50,000								50,000
			LOAN				-50,000								-50,000
9999 157 Customer journey on line			**100**												
			COST					90,000							90,000
			LOAN					-90,000							-90,000
9999 157 Cybersecurity CIS control implementation			**100**												
			COST	170,000											170,000
			LOAN	-170,000											-170,000
9999 157 Data analytics (predictive analytics)			**100**												
			COST			100,000									100,000
			LOAN			-100,000									-100,000
9999 157 Digital Twin (city/region)			**100**												
			COST								0				0
			LOAN								0				0
9999 157 HRIS			**100**												
			COST	140,000											140,000
			LOAN	-140,000											-140,000
9999 157 Internet of Things smart-sensors			**100**												
			COST						0						0
			LOAN						0						0
9999 157 New Equipment	**0**	0	**100**												
			COST	30,000											30,000
			LOAN	-30,000											-30,000
9999 157 Public access WiFi			**100**												
			COST	0	0	0	0	0	0	0	0	0	0		0
			RATES	0	0	0	0	0	0	0	0	0	0		0
9999 157 Replace MagiQ ERP			**100**												
			COST		0		0								0
			LOAN		0		0								0
		100													
			COST	200,000	0		0								200,000
			DEPN	-200,000	0		0								-200,000
9999 157 Smart City pilot			**100**												
			COST				0								0
			LOAN				0								0
9999 157 Smart City project			**100**												
			COST					0							0
			LOAN					0							0
9999 157 Smart Forms			**100**												
			COST	50,000											50,000
			LOAN	-50,000											-50,000
9999 157 Smart Forms, Customer Experience and Workplace Transf			**100**												
			COST	70,000											70,000
			LOAN	-70,000											-70,000
9999 157 Te Aka			**100**												
			COST	50,000											50,000
			LOAN	-50,000											-50,000

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			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
9999 157 Upgrade and renew SCADA		**100**												
		COST	0			0								0
		LOAN	0			0								0
	100													
		COST				250,000								250,000
		DEPN				-250,000								-250,000
9999 157 Website analytics		**100**												
		COST		10,000										10,000
		LOAN		-10,000										-10,000
9999 157 Website rebuild		**100**												
		COST							0					0
		LOAN							0					0
	100													
		COST							100,000					100,000
		DEPN							-100,000					-100,000
9999 157 WiFi refresh and rebuild		**100**												
		COST			0									0
		LOAN			0									0
	100													
		COST	100,000											100,000
		DEPN	-100,000											-100,000
9999 157 Workplace transformation		**100**												
		COST			60,000									60,000
		LOAN			-60,000									-60,000
181 Rural Fire														
9999 181 Mangawhai Land Acquisition		**100**												
		COST				0								0
		LOAN				0								0
204 Council Vehicles														
9999 204 New vehicle (CE)		**100**												
		COST	0											0
		LOAN	0											0
9999 204 Replacement vehicles (7 p.a.)	100													
		COST	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000		2,100,000
		DEPN	-210,000	-210,000	-210,000	-210,000	-210,000	-210,000	-210,000	-210,000	-210,000	-210,000		-2,100,000
244 Council Offices - Dargaville														
9999 244 Dargaville offices - Hard fitout		**100**												
		COST	623,000											623,000
		LOAN	-623,000											-623,000
9999 244 Dargaville offices - Soft fitout		**100**												
		COST	593,000											593,000
		LOAN	-593,000											-593,000
9999 244 Dargaville offices refurbishment - allowance for design		**100**												
		COST	20,000											20,000
		RATES	-20,000											-20,000

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			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
Flood Protection and Control Works														
109 Land Drainage - District Wide														
9999 109 District Wide LD - Awakino East Stopbanks		**100**												
		COST				7,000,000								7,000,000
		SUBSIDY				-7,000,000								-7,000,000
9999 109 District Wide LD - Eastern Wairoa Stopbanks		**100**												
		COST								5,000,000	5,000,000	5,000,000		30,000,000
		SUBSIDY								-5,000,000	-5,000,000	-5,000,000		-30,000,000
9999 109 District Wide LD - Kaihu stopbanks		**100**												
		COST								5,000,000	5,000,000	5,000,000		20,000,000
		SUBSIDY								-5,000,000	-5,000,000	-5,000,000		-20,000,000
9999 109 District Wide LD - LD Improvements District Wide		**100**												
		COST	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000		1,800,000
		RATES	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000	-60,000		-1,800,000
9999 109 District Wide LD - Te Kopuru Stopbank		**100**												
		COST	3,500,000	0		0	0							8,500,000
		SUBSIDY	-3,500,000	0		0	0							-8,500,000
9999 109 District Wide LD- General Flood Protection		**100**												
		COST										0		0
		RATES										0		0
124 Horehore Land Drainage Scheme														
9999 124 Hore Hore floodgate replacement	100													
		COST										103,500		103,500
		DEPN										-103,500		-103,500
137 Mititai Land Drainage Scheme														
9999 137 Mititai Floodgate 1	100													
		COST										82,000		82,000
		DEPN										-82,000		-82,000
144 Oruariki Land Drainage Scheme														
9999 144 Oruariki Stream floodgate	100													
		COST				130,000								130,000
		DEPN				-130,000								-130,000
168 Aratapu Village Land Drainage Scheme														
9999 168 Charity Hill Road Floodaate	100													
		COST									50,000			50,000
		DEPN									-50,000			-50,000
170 Mangatara Land Drainage Scheme														
9999 170 Mangatara Floodgate replacment	100													
		COST												60,000
		DEPN												-60,000

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				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
179 Raupo Land Drainage Scheme															
9999 179 Bellamy FG 48		100													
			COST		65,000										65,000
			DEPN		-65,000										-65,000
9999 179 Double Gate FG 44		100													
			COST		35,000										35,000
			DEPN		-35,000										-35,000
9999 179 Raupo Gent Gate		100													
			COST		0										0
			DEPN		0										0
9999 179 Raupo Land Drainage stop banks			**100**												
			COST												15,000,000
			LOAN												-15,000,000
9999 179 Raupo LD - water storage project	**100**														
			COST	0											0
			SUBSIDY	0											0
9999 179 Raupo LD Internal Stopbanks			**100**												
			COST	2,500,000											2,500,000
			SUBSIDY	-2,500,000											-2,500,000
9999 179 Raupo Northash Thompson		100													
			COST				100,000								100,000
			DEPN				-100,000								-100,000
9999 179 Raupo Whitcombe gate		100													
			COST					80,000							80,000
			DEPN					-80,000							-80,000
187 Awakino Valley Land Drainage Scheme															
9999 187 Awakino District Floodgate replacements		100													
			COST									30,000	30,000		90,000
			DEPN									-30,000	-30,000		-90,000
189 Notorious Land Drainage Scheme															
9999 189 Notorious Floodgate Number 6		100													
			COST										50,000		50,000
			DEPN										-50,000		-50,000
212 Awakino Point Land Drainage Scheme															
9999 212 Awakino Point Floodgate replacements		100													
			COST										25,000		50,000
			DEPN										-25,000		-50,000
217 Owairangi Land Drainage Scheme															
9999 217 Owairangi floodgate replacement		100													
			COST										50,000		50,000
			DEPN										-50,000		-50,000
218 Tatarariki No 1 Land Drainage Scheme															
9999 218 Tatarariki No1 Floodgate		100													
			COST					80,000							80,000
			DEPN					-80,000							-80,000
261 Tatarariki No 3 Land Drainage Scheme															
9999 261 Tatarariki No 3 Floodgate		100													
			COST								3,000				133,000
			DEPN								-3,000				-133,000
Regulatory Management															
254 Dog Control															
9999 254 New dog pound			**100**												
			COST	100,000											100,000
			LOAN	-100,000											-100,000
Sewerage and the Treatment and Disposal of Sewage															
165 Te Kopuru Wastewater Scheme															
9999 165 Te Kopuru Wastewater Renewals		100													
			COST					9,000							59,000
			DEPN					-9,000							-59,000
9999 165 Te Kopuru Wastewater Treatment Upgrade	**37.5**	50	**12.5**												
			COST							350,000					350,000
			DC							-131,250					-131,250
			DEPN							-175,000					-175,000
			LOAN							-43,750					-43,750

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					2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
202 Dargaville Wastewater Scheme																
11020 Pipe Renewal from Condition assessment	**0**	100	**0**													
				COST	200,000											200,000
				DEPN	-200,000											-200,000
13044 Dargaville Wastewater Renewals		100														
				COST	263,000											263,000
				SUBSIDY	-263,000											-263,000
9999 202 Dargaville growth design	**80**		**20**													
				COST	100,000											100,000
				DC	-100,000											-100,000
9999 202 Dargaville growth projects	**20**		**80**													
				COST								0		0		11,500,000
				LOAN								0		0		-11,500,000
9999 202 Dargaville wastewater growth - 1800m Wastewater line fror	**80**		**20**													
				COST	50,000						765,000					815,000
				DC	-50,000						-765,000					-815,000
9999 202 Dargaville Wastewater Renewals		100														
				COST	0	200,000	200,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000		2,600,000
				DEPN	0	-200,000	-200,000	-260,000	-260,000	-260,000	-260,000	-260,000	-260,000	-260,000		-2,600,000
9999 202 Dargaville wastewater treatment plant upgrade	**20**		**80**													
				COST							2,000,000					2,000,000
				DC							-1,250,000					-1,250,000
				LOAN							-750,000					-750,000
9999 202 Spring St reticulation			**100**													
				COST	200,000											200,000
				LOAN	-200,000											-200,000
9999 202 Station Rd reticulation	**50**		**50**													
				COST	0											0
				DC	0											0
				LOAN	0											0
	62.5		**37.5**													
				COST	200,000											200,000
				DC	-125,000											-125,000
				LOAN	-75,000											-75,000
207 Mangawhai Wastewater Scheme																
9999 207 Managawhai Wastewater minor pump replacements		100														
				COST	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000		1,350,000
				DEPN	-45,000	-45,000	-45,000	-45,000	-45,000	-45,000	-45,000	-45,000	-45,000	-45,000		-1,350,000
219 Kaiwaka Wastewater Scheme																
13045 Kaiwaka Wastewater Renewals		100														
				COST	228,000											228,000
				SUBSIDY	-228,000											-228,000
9999 219 Kaiwaka wastewater growth	**100**															
				COST		100,000					0					3,100,000
				DC		-100,000					0					-3,100,000
9999 219 Kaiwaka wastewater renewals		100														
				COST	0	250,000		250,000		250,000		250,000				1,320,580
				DEPN	0	-100,000		-100,000		-100,000		-100,000				-720,580
				LOAN		-150,000		-150,000		-150,000		-150,000				-600,000
9999 219 Pipe Renewals from Condition assessment	**0**	100	**0**													
				COST	50,000											50,000
				DEPN	-50,000											-50,000

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					2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
232 Maungaturoto Wastewater Scheme																
9999 232 Connect Maungaturoto Rail Village to Maungaturoto	**60**		**40**													
				COST							600,000					600,000
				DC							-375,000					-375,000
				LOAN							-225,000					-225,000
9999 232 Maungaturoto wastewater growth - Bickerstaff to Judd	**100**															
				COST							360,000					720,000
				DC							-225,000					-450,000
				LOAN							-135,000					-270,000
9999 232 Maungaturoto wastewater growth - connection to south an	**100**															
				COST	75,000							0				477,000
				DC	-75,000							0				-477,000
9999 232 Maungaturoto wastewater growth - Judd Road extension	**100**															
				COST									0			216,000
				LOAN									0			-216,000
9999 232 Maungaturoto Wastewater Renewals		100														
				COST	50,000	150,000	60,000	150,000	193,956	60,000		291,136				2,834,451
				DEPN	-50,000	-150,000	-60,000	-150,000	-193,956	-60,000		-291,136				-2,834,452
253 Glinks Gully Wastewater Scheme																
9999 253 Glinks Gully Wastewater discharge consent		100														
				COST		5,000										15,000
				DEPN		-5,000										-15,000
9999 253 Glinks Gully Wastewater Renewals		100														
				COST		10,000		13,000	12,000		5,000	30,000	30,000	30,000		340,000
				DEPN		-5,000		-6,500	-6,000		-2,500	-15,000	-15,000	-15,000		-275,000
				LOAN		-5,000		-6,500	-6,000		-2,500	-15,000	-15,000	-15,000		-65,000
280 Mangawhai WW development																
11041 Upgrade Existing Reticulation	**87.5**		**12.5**													
				COST	750,000											750,000
				DC	-656,250											-656,250
				LOAN	-93,750											-93,750
13028 Extend Reticulation (8years)	**100**	0	**0**													
				COST	400,000											400,000
				DC	-400,000											-400,000
9999 280 Capacity upgrades to 5000 connections	**100**															
				COST	300,000			1,000,000	2,000,000	2,000,000	5,000,000	0	0			20,300,000
				DC	-300,000			-1,000,000	-2,000,000	-2,000,000	-5,000,000	0	0			-20,300,000
9999 280 Extensions to reticulation including new disposal system	**100**															
				COST	1,500,000	0		0		750,000	2,250,000	2,250,000		2,650,000		14,400,000
				DC	-1,500,000	0		0		-750,000	-2,250,000	-2,250,000		-2,650,000		-14,400,000
9999 280 Mangawhai Wastewater small extensions right of ways	**100**															
				COST	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000		1,200,000
				DC	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000		-750,000
				LOAN	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000		-450,000
9999 280 Plant upgrades	**100**															
				COST	0	0	0	0	0	0		0				0
				DC	0	0	0	0	0	0		0				0
				LOAN	0	0	0	0	0	0		0				0

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				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
Solid Waste															
227 District Closed Landfills															
9999 227 Dargaville Landfill Wetland Renewal (to be reviewed every		**100**													
			COST										300,000		300,000
			LOAN										-300,000		-300,000
9999 227 Dargaville Sdw - Composting Plant	**75**	**25**													
			COST	0	0	150,000									150,000
			DC	0	0										0
			LOAN	0	0	-75,000									-75,000
			SUBSIDY	0	0	-75,000									-75,000
9999 227 Dargaville Transfer Station	**75**	**25**													
			COST	0											0
			DC	0											0
			LOAN	0											0
9999 227 Glinks Gully Landfill Cap renewal		**100**													
			COST					300,000							300,000
			LOAN					-300,000							-300,000
9999 227 Hakaru Landfill		**100**													
			COST						600,000						600,000
			LOAN						-600,000						-600,000
9999 227 Kaipara Solid Waste - Climate Change Upgrades to closed		**100**													
			COST			100,000	500,000		100,000	500,000			600,000		4,200,000
			LOAN			-100,000	-500,000		-100,000	-500,000			-600,000		-1,800,000
			RATES												-2,400,000
9999 227 Kaiwaka closed landfill		**100**													
			COST	0	0				350,000						350,000
			LOAN	0	0				-175,000						-175,000
			SUBSIDY	0	0				-175,000						-175,000
9999 227 Maungaturoto SdW and Paparoa Transfer Station	**75**	**25**													
			COST				0	0							0
			DC				0	0							0
			LOAN				0	0							0
9999 227 Maungaturoto SdW Centralised Recycling Centre - First St	**75**	**25**													
			COST				0	0							0
			DC				0	0							0
			LOAN				0	0							0
			SUBSIDY				0	0							0
9999 227 Solar powered compacting		**100**													
			COST	0	0	0	50,000	100,000	50,000						200,000
			LOAN	0	0	0	-25,000	-50,000	-25,000						-100,000
			SUBSIDY	0	0	0	-25,000	-50,000	-25,000						-100,000
9999 227 Transfer Sation sound proofing		**100**													
			COST				200,000			50,000					300,000
			LOAN				-200,000			-50,000					-300,000

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				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
Stormwater Drainage															
101 Dargaville Stormwater Scheme															
9999 101 Dargaville SW - climate change network upgrades		100													
			COST												2,000,000
			DC												-370,000
			LOAN												-1,630,000
9999 101 Dargaville SW - Urban Floodgates upgrades		50	**50**												
			COST				0	0	0	0	0	0	0		0
			SUBSIDY				0	0	0	0	0	0	0		0
9999 101 Dargaville SW - Urban Stopbank upgrades		50	**50**												
			COST				0	0	0	0	0	0	0		0
			SUBSIDY				0	0	0	0	0	0	0		0
9999 101 Dargaville SW Growth	**100**														
			COST						50,000	200,000	100,000	100,000	50,000		1,500,000
			DC						-31,250	-125,000	-62,500	-62,500	-31,250		-937,500
			LOAN						-18,750	-75,000	-37,500	-37,500	-18,750		-562,500
9999 101 Dargaville SW Renewals		100													
			COST	50,000	50,000	50,000	50,000	50,000	195,000	1,000,000	950,000	195,000	195,000		5,080,000
			DEPN	-50,000	-50,000	-50,000	-50,000	-50,000	-195,000			-195,000	-195,000		-3,130,000
			LOAN	0	0	0	0	0	0	-1,000,000	-950,000	0	0		-1,950,000
110 Kaiwaka Stormwater Scheme															
9999 110 Kaiwaka SW growth Capital Works	**100**														
			COST							50,000	500,000	500,000			1,050,000
			DC							-31,250	-312,500	-312,500			-656,250
			LOAN							-18,750	-187,500	-187,500			-393,750
9999 110 Kaiwaka SW renewals		100													
			COST			50,000				50,000					200,000
			DEPN			-50,000				-50,000					-200,000
131 Baylys Stormwater Scheme															
12037 Chases Gorge	**6**		**94**												
			COST	250,000											250,000
			DC	-15,000											-15,000
			LOAN	-235,000											-235,000
9999 131 Baylys Beach SW - Cynthia Place Stormwater upgrades	**70**		**30**												
			COST				20,000	100,000	100,000						220,000
			DC				-5,000	-25,000	-25,000						-55,000
			LOAN				-15,000	-75,000	-75,000						-165,000
9999 131 Baylys SW renewals		100													
			COST			50,000				50,000					200,000
			DEPN			-50,000				-50,000					-200,000
171 Other Stormwater Scheme															
9999 171 Maungaturoto Paparoa SW growth Capital Works	**100**														
			COST						50,000	1,000,000	1,000,000				2,050,000
			DC						-31,250	-625,000	-625,000				-1,281,250
			LOAN						-18,750	-375,000	-375,000				-768,750
9999 171 Maungaturoto Paparoa SW renewals and LoS			**100**												
			COST	40,000	40,000	40,000	40,000	40,000	30,000	30,000	30,000	30,000	30,000		610,000
			LOAN	0	0	0	0	0	0	0	0	0	0		0
			RATES	-40,000	-40,000	-40,000	-40,000	-40,000	-30,000	-30,000	-30,000	-30,000	-30,000		-610,000
9999 171 Pahi SW network improvements			**100**												
			COST			30,000	100,000								130,000
			LOAN			-30,000	-100,000								-130,000

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					2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
246 Mangawhai Stormwater Scheme																
11093 Eveline Street	**6**	24	**70**													
				COST	150,000											150,000
				LOAN	-150,000											-150,000
13022 Mangawhai SW	**6**	24	**70**													
				COST	300,000											300,000
				DC	-18,000											-18,000
				DEPN	-72,000											-72,000
				LOAN	-210,000											-210,000
9999 246 Managwhai SW - Pohutukawa Place SW Pond			**100**													
				COST							50,000	410,000				460,000
				LOAN							-50,000	-410,000				-460,000
9999 246 Mangawhai SW - North of Mangawhai Heads road Wetland	**100**															
				COST												250,000
				LOAN												-250,000
9999 246 Mangawhai SW - 130-138 Mangawhai Heads road redirectic	**80**		**20**													
				COST	50,000	200,000										250,000
				DC	-18,750	-75,000										-93,750
				LOAN	-31,250	-125,000										-156,250
9999 246 Mangawhai SW - Catchment 9 stormwater network link Ti T			**100**													
				COST							50,000	1,000,000				1,050,000
				LOAN							-50,000	-1,000,000				-1,050,000
9999 246 Mangawhai SW - Jack Boyd drive SW resilience	**80**		**20**													
				COST				80,000	1,000,000	1,000,000						2,080,000
				DC				-30,000	-375,000	-375,000						-780,000
				LOAN				-50,000	-625,000	-625,000						-1,300,000
9999 246 Mangawhai SW Coastal outfalls upgrade- Olsen St, Wharfd			**100**													
				COST				50,000	1,800,000							1,850,000
				LOAN				-50,000	-1,800,000							-1,850,000
9999 246 Mangawhai SW Growth	**100**															
				COST							100,000	100,000		100,000		400,000
				DC							-62,500	-62,500		-62,500		-250,000
				LOAN							-37,500	-37,500		-37,500		-150,000
9999 246 Mangawhai SW Lincoln and Cheviot street new stormwater			**100**													
				COST						50,000	1,170,000					1,220,000
				DC						-18,750	-438,750					-457,500
				LOAN						-31,250	-731,250					-762,500
9999 246 Mangawhai SW Secondary Flow path to outlet 38 North ave			**100**													
				COST		25,000										25,000
				LOAN		-25,000										-25,000
9999 246 Mangawhai SW Taranui culvert capacity upgrade	**20**		**80**													
				COST	49,000											49,000
				DC	-12,250											-12,250
				LOAN	-36,750											-36,750
9999 246 Mangawhai SW Taranui increase upstream capacity and in	**20**		**80**													
				COST		30,000	50,000									80,000
				DC		-18,750	-31,250									-50,000
				LOAN		-11,250	-18,750									-30,000
9999 246 Mangawhai Town Plan Wood St and surrounds stormwater	**50**		**50**													
				COST			200,000	1,000,000		0	300,000	1,000,000	1,000,000	0		3,500,000
				DC			-37,000	-185,000		0	-55,500	-185,000	-185,000	0		-647,500
				LOAN			-163,000	-815,000		0	-244,500	-815,000	-815,000	0		-2,852,500
257 Te Kopuru Stormwater Scheme																
9999 257 Te Kopuru SW - Open drain upgrades -fix Walker St system		100														
				COST	50,000											50,000
				DEPN	0											0
				LOAN	-50,000											-50,000
9999 257 Te Kopuru SW Open drain upgrades		100														
				COST				50,000	250,000	250,000						550,000
				DEPN				0	0	0						0
				LOAN				-50,000	-250,000	-250,000						-550,000
9999 257 Te Kopuru SW Renewals		100														
				COST				20,000	20,000	50,000	50,000	50,000	50,000	50,000		440,000
				DEPN				0	0	0	0	0	0	0		-150,000
				LOAN				-20,000	-20,000	-50,000	-50,000	-50,000	-50,000	-50,000		-290,000

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			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
The Provision of Roads and Footpaths														
106 Bridges and Structures														
9999 106 BOB TAYLOR ROAD	100													
		COST							1,800,000					1,800,000
		RATES							-684,000					-684,000
		SUBSIDY							-1,116,000					-1,116,000
9999 106 bridge replacements	100													
		COST	1,000,000	650,000	389,000	334,000	650,000	1,000,000			1,000,000	790,000		25,813,000
		RATES	-380,000	-247,000	-147,820	-126,920	-247,000	-380,000			-380,000	-300,200		-9,808,940
		SUBSIDY	-620,000	-403,000	-241,180	-207,080	-403,000	-620,000			-620,000	-489,800		-16,004,060
9999 106 MAMARANUI ROAD	100													
		COST								1,080,000				1,080,000
		RATES								-410,400				-410,400
		SUBSIDY								-669,600				-669,600
9999 106 MONTEITH RD	100													
		COST		350,000										350,000
		RATES		-133,000										-133,000
		SUBSIDY		-217,000										-217,000
9999 106 OMANA ROAD	100													
		COST			311,000									311,000
		RATES			-118,180									-118,180
		SUBSIDY			-192,820									-192,820
9999 106 PUKEHUIA ROAD	100													
		COST			300,000									300,000
		RATES			-114,000									-114,000
		SUBSIDY			-186,000									-186,000
9999 106 Structures component replacements	100													
		COST	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,030,000	1,030,000	1,030,000		32,023,501
		RATES	-380,000	-380,000	-380,000	-380,000	-380,000	-380,000	-380,000	-391,400	-391,400	-391,400		-12,168,930
		SUBSIDY	-620,000	-620,000	-620,000	-620,000	-620,000	-620,000	-620,000	-638,600	-638,600	-638,600		-19,854,570
9999 106 SWAMP ROAD	100													
		COST										210,000		210,000
		RATES										-79,800		-79,800
		SUBSIDY										-130,200		-130,200
9999 106 TAIPUHA ROAD	100													
		COST				666,000								666,000
		RATES				-253,080								-253,080
		SUBSIDY				-412,920								-412,920
9999 106 WAOKU ROAD	100													
		COST					350,000							350,000
		RATES					-133,000							-133,000
		SUBSIDY					-217,000							-217,000
120 Road Works - Unsealed														
9999 120 Unsealed road metalling	100													
		COST	3,044,000	3,044,000	3,044,000	3,044,000	3,044,000	3,044,000	3,044,000	3,135,320	3,135,320	3,135,320		97,479,538
		RATES	-1,156,720	-1,156,720	-1,156,720	-1,156,720	-1,156,720	-1,156,720	-1,156,720	-1,191,422	-1,191,422	-1,191,422		-37,042,226
		SUBSIDY	-1,887,280	-1,887,280	-1,887,280	-1,887,280	-1,887,280	-1,887,280	-1,887,280	-1,943,898	-1,943,898	-1,943,898		-60,437,314

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			2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
135 Road Works - Minor Improvements														
9999 135 ALCAM Report of all crossings		**100**												
		COST	20,000											20,000
		SUBSIDY	-20,000											-20,000
9999 135 Associated improvements for Rehab and Reseals	100													
		COST	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000		7,500,000
		RATES	-95,000	-95,000	-95,000	-95,000	-95,000	-95,000	-95,000	-95,000	-95,000	-95,000		-2,850,000
		SUBSIDY	-155,000	-155,000	-155,000	-155,000	-155,000	-155,000	-155,000	-155,000	-155,000	-155,000		-4,650,000
9999 135 Cycle friendly sumps		**100**												
		COST	0			0			0					0
		RATES	0			0			0					0
		SUBSIDY	0			0			0					0
9999 135 Dargaville / Tangiteroria speed management plan		**100**												
		COST			500,000									500,000
		RATES			-190,000									-190,000
		SUBSIDY			-310,000									-310,000
9999 135 District wide road safety improvements		**100**												
		COST	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000		15,000,000
		RATES	-190,000	-190,000	-190,000	-190,000	-190,000	-190,000	-190,000	-190,000	-190,000	-190,000		-5,700,000
		SUBSIDY	-310,000	-310,000	-310,000	-310,000	-310,000	-310,000	-310,000	-310,000	-310,000	-310,000		-9,300,000
9999 135 Drainage improvement programme		**100**												
		COST	50,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000		2,950,000
		RATES	-19,000	-38,000	-38,000	-38,000	-38,000	-38,000	-38,000	-38,000	-38,000	-38,000		-1,121,000
		SUBSIDY	-31,000	-62,000	-62,000	-62,000	-62,000	-62,000	-62,000	-62,000	-62,000	-62,000		-1,829,000
9999 135 Mangawhai / Kaiwaka Area speed management plan		**100**												
		COST	500,000											500,000
		RATES	-190,000											-190,000
		SUBSIDY	-310,000											-310,000
9999 135 Modify & improve delineation		**100**												
		COST	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000		50,000
		RATES	-1,900	-1,900	-1,900	-1,900	-1,900	-1,900	-1,900	-1,900	-1,900	-1,900		-19,000
		SUBSIDY	-3,100	-3,100	-3,100	-3,100	-3,100	-3,100	-3,100	-3,100	-3,100	-3,100		-31,000
9999 135 Ruawai / Maungaturoto speed management plan		**100**												
		COST		250,000										250,000
		RATES		-95,000										-95,000
		SUBSIDY		-155,000										-155,000
9999 135 Slip repair		**100**												
		COST	500,000	500,000	500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	2,000,000	2,000,000		53,000,000
		RATES	-190,000	-190,000	-190,000	-570,000	-570,000	-570,000	-570,000	-570,000	-760,000	-760,000		-20,140,000
		SUBSIDY	-310,000	-310,000	-310,000	-930,000	-930,000	-930,000	-930,000	-930,000	-1,240,000	-1,240,000		-32,860,000

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				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
164 Emergency Works and Preventative Maintenance															
9999 164 Emergency works (Provision for local share only)		**100**													
			COST	100,000	0	0	0	0	0	0	0	0	0		100,000
			RATES	0	0	0	0	0	0	0	0	0	0		0
			RE	-100,000											-100,000
252 Road Works - Drainage															
9999 252 Drainage renewals	100														
			COST	625,319	625,319	625,319	625,319	625,319	625,319	625,319	644,079	644,079	644,079		20,024,900
			RATES	-237,621	-237,621	-237,621	-237,621	-237,621	-237,621	-237,621	-244,750	-244,750	-244,750		-7,609,467
			SUBSIDY	-387,698	-387,698	-387,698	-387,698	-387,698	-387,698	-387,698	-399,329	-399,329	-399,329		-12,415,433
267 Roading Regional Development															
9999 267 Dargaville River Path		**100**													
			COST			100,000	2,000,000	0							2,100,000
			LOAN			-5,000	-100,000	0							-105,000
			SUBSIDY			-95,000	-1,900,000	0							-1,995,000
9999 267 Dargaville to Maungaturoto HR		**100**													
			COST				200,000	200,000	200,000	200,000	200,000	200,000			1,200,000
			LOAN				0								0
			RATES				-10,000	-10,000	-10,000	-10,000	-10,000	-10,000			-60,000
			SUBSIDY				-190,000	-190,000	-190,000	-190,000	-190,000	-190,000			-1,140,000
9999 267 Hokianga St improvements		**100**													
			COST				200,000	500,000	1,000,000	1,000,000					2,700,000
			RATES				-76,000	-190,000	-380,000	-380,000					-1,026,000
			SUBSIDY				-124,000	-310,000	-620,000	-620,000					-1,674,000
9999 267 Kaihu Valley Rail Trail		**100**													
			COST	0	0	0				0	0				0
			SUBSIDY	0	0	0				0	0				0
9999 267 Mangawhai to Waipu Cove Trail		**100**													
			COST									800,000	2,900,000		3,700,000
			LOAN									-40,000	-145,000		-185,000
			SUBSIDY									-760,000	-2,755,000		-3,515,000
9999 267 Maungaturoto to Mangawhai HR		**100**													
			COST									200,000			200,000
			LOAN									-10,000			-10,000
			SUBSIDY									-190,000			-190,000
9999 267 Unsealed Road Improvements	100														
			COST	4,003,000											4,003,000
			SUBSIDY	-4,003,000											-4,003,000
9999 267 Waiuku Coach Trail		**100**													
			COST						800,000						800,000
			LOAN						-40,000						-40,000
			SUBSIDY						-760,000						-760,000
9999 267 Whole Network Cycleways		**100**													
			COST												30,000,000
			LOAN												0
			RATES												-3,000,000
			SUBSIDY												-27,000,000
272 Road Works - Sealed Resurfacing															
9999 272 Sealed road resurfacing	100														
			COST	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,060,000	2,060,000	2,060,000		64,047,003
			RATES	-760,000	-760,000	-760,000	-760,000	-760,000	-760,000	-760,000	-782,800	-782,800	-782,800		-24,337,860
			SUBSIDY	-1,240,000	-1,240,000	-1,240,000	-1,240,000	-1,240,000	-1,240,000	-1,240,000	-1,277,200	-1,277,200	-1,277,200		-39,709,140
275 Road Works - Sealed															
9999 275 Sealed road pavement rehabilitation	100														
			COST	1,300,000	1,300,000	1,300,000	1,800,000	1,800,000	1,800,000	1,800,000	1,854,000	1,854,000	1,854,000		56,142,302
			RATES	-494,000	-494,000	-494,000	-684,000	-684,000	-684,000	-684,000	-704,520	-704,520	-704,520		-21,334,080
			SUBSIDY	-806,000	-806,000	-806,000	-1,116,000	-1,116,000	-1,116,000	-1,116,000	-1,149,480	-1,149,480	-1,149,480		-34,808,230

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				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
278 Roading Infrastructure - New and Improved															
9999 278 Cove Rd / Mangawhai Heads Roundabout	**50**	**50**													
			COST										0		0
			DC										0		0
			LOAN										0		0
			SUBSIDY										0		0
9999 278 Cove Road Connection to Mangawhai Central	**100**														
			COST		250,000					10,000,000					10,250,000
			DC		-218,750					-8,750,000					-8,968,750
			LOAN		-31,250					-1,250,000					-1,281,250
9999 278 Dargavillie Community Plan		**100**													
			COST				0	0	0	0	0	0	0		0
			LOAN				0	0	0	0	0	0	0		0
			SUBSIDY				0	0	0	0	0	0	0		0
9999 278 Kaihu Valley Trail		**100**													
			COST	2,000,000											2,000,000
			SUBSIDY	-2,000,000											-2,000,000
9999 278 Kaiwaka Eastern Network Growth	**100**														
			COST					300,000					0		300,000
			DC					-150,000					0		-150,000
			LOAN					-150,000					0		-150,000
9999 278 Kaiwaka Oniriri Road Intersection Upgrade	**80**	**20**													
			COST				250,000					0			250,000
			DC				-93,750					0			-93,750
			LOAN				-156,250					0			-156,250
9999 278 Kaiwaka township improvement plan	**50**	**50**													
			COST				0	0	0	0	0	0	0		0
			DC				0	0	0	0	0	0	0		0
			LOAN				0	0	0	0	0	0	0		0
			SUBSIDY				0	0	0	0	0	0	0		0
9999 278 LED Infill lighting programme	**50**	**50**													
			COST	1,000,000											1,000,000
			LOAN	-380,000											-380,000
			SUBSIDY	-620,000											-620,000
9999 278 Mangawahai – Improved access to Alamar Boat Ramp	**60**	**40**													
			COST				200,000						2,000,000		2,200,000
			DC				-66,500						-665,000		-731,500
			LOAN				-9,500						-95,000		-104,500
			SUBSIDY				-124,000						-1,240,000		-1,364,000
9999 278 Mangawhai Community Plan Implementation	**100**														
			COST										0		0
			LOAN										0		0
			SUBSIDY										0		0

Attachment A - Draft 2021 LTP Capital Programme

				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
9999 278 Mangawhai Shared Path - Wood Street to Village (MBIE Fu	**38**		**62**												
			COST	3,700,000											3,700,000
			SUBSIDY	-3,700,000											-3,700,000
9999 278 Mangawhai SP	**80**		**20**												
			COST	2,210,200	5,725,200	5,725,200	0	0	5,862,527	1,053,978	1,053,978	1,053,978	0		22,685,060
			DC	-319,153	-826,719	-826,719	-1	-1	-846,550	-152,194	-152,194	-152,195	0		-3,275,726
			FC	-520,723	-1,348,857	-1,348,857			-1,381,211	-248,317	-248,317	-248,317			-5,344,599
			LOAN	0	0	0	0	0	0	0	0	1	0		1
			SUBSIDY	-1,370,324	-3,549,624	-3,549,624	1	1	-3,634,766	-653,467	-653,467	-653,467	0		-14,064,737
9999 278 Mangawhai SP 2027-2028	**80**		**20**												
			COST							1,053,978					1,053,978
			DC							-19,762					-19,762
			FC							-380,750					-380,750
			SUBSIDY							-653,466					-653,466
9999 278 Network Wide Footpath Projects	**100**														
			COST	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000		6,000,000
			LOAN	-76,000	-76,000	-76,000	-76,000	-76,000	-76,000	-76,000	-76,000	-76,000	-76,000		-2,280,000
			SUBSIDY	-124,000	-124,000	-124,000	-124,000	-124,000	-124,000	-124,000	-124,000	-124,000	-124,000		-3,720,000
9999 278 Pouto Road Second Coat Sealing			**100**												
			COST			500,000	0								500,000
			RATES			-500,000	0								-500,000
			SUBSIDY			0	0								0
9999 278 Wood Street Urban Improvements	**80**		**20**												
			COST				2,000,000	2,000,000							4,000,000
			DC				-285,000	-285,000							-570,000
			LOAN				-475,000	-475,000							-950,000
			SUBSIDY				-1,240,000	-1,240,000							-2,480,000
PGF108 Pouto Road Phase 1 (Physical works)			**100**												
			COST	3,200,000											3,200,000
			SUBSIDY	-3,200,000											-3,200,000
SR112 Kaiwaka footbridges			**100**												
			COST	500,000											500,000
			SUBSIDY	-500,000											-500,000
281 Traffic Services															
9999 281 Traffic services renewals		100													
			COST	185,000	185,000	185,000	185,000	185,000	185,000	190,550	190,550	190,550	190,550		5,953,810
			RATES	-70,300	-70,300	-70,300	-70,300	-70,300	-70,300	-72,409	-72,409	-72,409	-72,409		-2,262,448
			SUBSIDY	-114,700	-114,700	-114,700	-114,700	-114,700	-114,700	-118,141	-118,141	-118,141	-118,141		-3,691,362

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					2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
Water Supply																
127 Dargaville Water Supply																
12003 WTP	**0**	100	**0**													
				COST	240,000											240,000
				DEPN	-240,000											-240,000
12011 Dargaville raw watermain river crossing Stage 1 of 2	**0**	100	**0**													
				COST	70,000											70,000
				DEPN	-70,000											-70,000
13003 Dargaville raw watermain river crossings Stage 2	**0**	100	**0**													
				COST	60,000											60,000
				DEPN	-60,000											-60,000
9999 127 Dargaville Water Storage	**20**		**80**													
				COST	100,000	2,000,000										2,100,000
				DC	-62,500	-1,250,000										-1,312,500
				LOAN	-37,500	-750,000										-787,500
9999 127 Dargaville Water Treatment Upgrades - Investigation, Design a	**80**	20														
				COST		80,000										2,080,000
				DC		-80,000										-2,080,000
9999 127 Dargaville Watermain Loop Large Diameter for Subdivision Co	**80**	20														
				COST												765,000
				DC												-612,000
				DEPN												-122,400
				RATES												-30,600
9999 127 Dargaville watermain renewals		100														
				COST	0	500,000	500,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000		23,000,000
				DEPN	0	-400,000	-400,000	-800,000	-800,000	-800,000	-800,000	-800,000	-800,000	-800,000		-18,400,000
				RATES	0	-100,000	-100,000	-200,000	-200,000	-200,000	-200,000	-200,000	-200,000	-200,000		-4,600,000
9999 127 Dargaville Watermain Upgrade - Hokianga Rd to Outer Dargav	**80**	20														
				COST									630,000			630,000
				DC									-551,250			-551,250
				DEPN									-53,550			-53,550
				RATES									-25,200			-25,200
9999 127 Dargaville Watermain Upgrade to Awakino Plant 2km	**80**	20														
				COST	80,000						0					980,000
				DC	-50,000						0					-612,500
				DEPN	-30,000						0					-331,500
				RATES							0					-36,000
9999 127 Dargaville Watermain Upgrade to Awakino Rd to Awakino Rive	**80**	20														
				COST								0				540,000
				DC								0				-432,000
				DEPN								0				-86,400
				RATES								0				-21,600

Attachment A - Draft 2021 LTP Capital Programme

				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 10 Years	Grand Total 30 Years
154 Maungatoroto Water Supply															
13041 Maungaturoto Water Reservoir Replacement		100													
			COST	120,000											120,000
			SUBSIDY	-120,000											-120,000
13042 Maungaturoto Water Truck Filler & Main Upgrade		50	**50**												
			COST	157,000											157,000
			SUBSIDY	-157,000											-157,000
13043 Maungaturoto Hurndall Street Watermain Renewal		100													
			COST	138,500											138,500
			SUBSIDY	-138,500											-138,500
9999 154 Maungaturoto Bickerstaff to Judd Watermain - 1.2km	**100**														
			COST						270,000						540,000
			DC						-270,000						-540,000
9999 154 Maungaturoto Brooklands Dam Options and Capacity Upgrade	**100**														
			COST	0			0				0				6,150,000
			DC	0			0				0				-6,150,000
9999 154 Maungaturoto Gorge road block connection, upgrade diameter	**100**														
			COST					0							378,000
			DC					0							-378,000
9999 154 Maungaturoto Judd Rd Extension Watermain -360m	**100**														
			COST				0								167,400
			DC				0								-167,400
9999 154 Maungaturoto South, South Valley, Bickerstaff Rd 670m Water	**100**														
			COST	75,000			0								75,000
			DC	-65,625			0								-65,625
			LOAN	-9,375			0								-9,375
9999 154 Maungaturoto water renewals		100													
			COST	0	150,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000		11,350,000
			DEPN	0	-50,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000	-300,000		-8,450,000
			RATES		-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000	-100,000		-2,900,000
9999 154 Maungaturoto Water Reservoirs on Griffin Rd specifically to be		100													
			COST		250,000										250,000
			DEPN		-250,000										-250,000
158 Mangawhai Water Supply															
9999 158 Mangawhai Distribution Watermain from 115 Old Waipu Road	**100**														
			COST	0			0								0
			DC	0			0								0
9999 158 Mangawhai Water Growth - Watermain 180mm PE 2.8km, Boo	**100**														
			COST				0								0
			DC				0								0
9999 158 Mangawhai water renewals		100													
			COST	18,000		65,000		50,000							133,000
			DEPN	-18,000		-65,000		-50,000							-133,000
9999 158 Mangawhai Water storage project	**100**														
			COST	0		0									0
			DC	0		0									0
161 Ruawai Water Supply															
12001 WTP and reservoir	**0**	100	**0**												
			COST	275,568											275,568
			DEPN	-275,568											-275,568
9999 161 Ruawai water renewals		100													
			COST	0	350,000	20,000	150,000	150,000	100,000						770,000
			DEPN	0	-350,000	-20,000	-150,000	-150,000	-100,000						-770,000
239 Glinks Gully Water Supply															
9999 239 Glinks Gully water renewals		100													
			COST		50,000	160,000	10,000	25,000	10,000						255,000
			DEPN		-25,000	-80,000	-5,000	-12,500	-5,000						-127,500
			LOAN		-25,000	-80,000	-5,000	-12,500	-5,000						-127,500

LTP Post Workshop Financial Alterations

Meeting: **Council Briefing**
Date of meeting: **20 January 2021**
Reporting officer: **Sue Davidson, GM Sustainable Growth & Investment**

Purpose/Ngā whāinga

To report on changes made to Activity Budgets following the LTP Workshop in December 2020.

Context/Horopaki

The Long Term Plan (LTP) is going to be the blueprint for our community's futures. It is the strategic document for future projects that are going to occur, sets service levels, and also confirms the financial budgets for the 10 years. The LTP needs to balance the 'needs' of the community alongside what it can 'afford'.

Elected members have had one workshop where all the projects needed, and aspirations of Council were included in the plans.

The second workshop involved discussing the impact on general rates, and targeted rates. The financial strategy was also discussed in tandem.

Further changes have been made to the figures and are based on the desire to have some plans being developed to go forward with for growth and to support the need to invest in our aging infrastructure.

Rates are now an average of 2.98% over the 10 years which is in line with the Financial Strategy.

Debt is within our limits set by banks and the LGFA, however Council had expressed a desire to cap at $60 million. This is breached 3 years in the LTP but is below this limit in 2031. Graphs in the Financial Strategy show that the debt per rateable property has actually decreased.

Discussion/Ngā kōrerorero

Overview

The overall rates increase is now forecast to be an average of 2.98% over the 10 years which is in line with the Financial Strategy. This is after growth of 1% being used, which is slightly more conservative than the 1.23% overall growth. Some smoothing of rises has occurred in outer years.

Debt is within our limits set by banks and the LGFA, however Council had expressed a desire to cap at $60 million. This is breached 3 years in the LTP but is below this limit in 2031. Graphs in the Financial Strategy show that the debt per rateable property has actually decreased.

Financial Contributions

Over the next 10 years we have forecast funds to be received from financial contributions of $16.2 million. (uninflated). For the last 5 years income has been an average of $1.9m pa so this better reflects actual income. There are also far more reserves projects being funded from these financial contributions than in the past.

The largest risk is the proposed increase in subdivision for areas. If this doesn't occur as anticipated, then projects will have to be deferred till the contributions come in.

Should the financial contributions for Dargaville increase as predicted there will be the potential to fund some future reserve projects e.g. Harding Park from financial contributions. At this stage projects in the West are forecast to come directly from rates. In the past investment in priority parks was funded solely from financial contributions.

Development Contributions

DCs have now been calculated annually based on growth There will be a larger deficit in the development contribution reserves as we build infrastructure ahead of growth. This is the norm for Councils who are growth Councils. The deficit could grow from 24.7 million to just over 60 million. The largest risk is that the development doesn't happen as quickly as forecast and Council has built the infrastructure.

Activity Income

Income increases fairly evenly over the 10 years.

In 2024 $8million has been provided as money raised by the trust and then paid out for construction of the Dargaville Civic Centre. After further discussion this is an error and will need to be altered but has to come out of both income and expenditure but does not impact on rates as the funds are in and out in the same year.

Expenditure

We made budget allowances to demolish the existing Dargaville offices of $500k and $400k for the demolition of the War Memorial Hall and allowed $1.4m for recladding. The seismic upgrade has been deferred.

Council has provided $250k seed money for the trust that will be seeking $8m in funds to build a Dargaville civic centre.

Changes made to the Capital Expenditure list

Firstly, carry forwards that have been put into the capital expenditure table or projects approved during year that won't be completed have been added to the LTP year. These total approximately $18m.

No new offices have been provided at this stage for Mangawhai staff,

- the assumption is made that we approach NRC to build. The decision will be considered at the next LTP,
- or we are a bit more proactive and we provide for land over the next 3 years as this is a scarce resource.

Other items changed or added are as follows:

	Project	**$000**	**Funding**
Community 3.4m	Car Park Sealing - now 1.55m (increased to this figure over a number of years)	750	Financial Contributions
	Kaiwaka Bush Path – Could not be funded through the Redeployment Package as it did not meet criteria. Will be submitted for alternative funding.	550	Subsidy
	Mangawhai Coastal Walkway - Improve tracks at access points down to the harbour/estuary. Reduced from 7.5m to 3.3m	1 250	FC
Stormwater	Gent Gate - Removed and replaced with Bellamy (Gent Gate is currently being constructed and has been deleted in the latest LTP Programme)	100	Depn
Sewerage 13.5m	Station Rd marae Spring Rd, Dargaville	200 200	Loan, part DC Loan
Solid Waste	Take out Maungaturoto Recycling Centre	(3200)	DC loan
Roading	Reduction - double counting	(2000)	Subsidy, rates

	Hokianga Road Improvements (Year 4) - Township Improvements removed and specific projects (aligned with NZTA projects) included.	2.7m	Subsidy, rates

Rating Impact

QV revaluation has not as yet been approved by the Valuer General and these are key to understanding what will happen to rates as these are based on the revaluations. QV are still scheduled to be at the meeting on the 20th of January to present the changes to Council.

However, they have advised that they are unable to provide the figures to us at this time. Therefore, the rating impact in unable to be calculated.

Next steps/E whaiake nei

Staff need direction on the financials and any further changes to be made. It is hoped these will be minimal as it takes time to process the changes, update all the narrative and documentation and then put them through Deloitte audit team.

Attachments/Ngā tapiritanga

	Title
A	Draft Prospective Statement of Comprehensive Revenue and Expense
B	Draft Statement of Financial Position

Sue Davidson, 13 January 2021

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000

Prospective Statement of Comprehensive Revenue and Expense

Revenue											
Rates	38,780	41,173	43,430	45,515	47,659	49,654	51,210	52,964	54,949	56,810	58,221
Subsidies and grants	19,890	37,693	17,021	16,764	25,650	16,379	21,130	18,435	29,824	32,332	36,278
Activity income	6,114	6,176	6,507	6,740	6,794	16,025	7,441	7,751	7,923	7,896	8,293
Contributions	3,046	3,884	4,587	4,659	4,626	4,696	4,714	4,745	4,796	4,523	4,596
Investments and other income	340	372	381	389	397	406	414	423	431	440	448
Total revenue	68,169	89,298	71,926	74,067	85,127	87,160	84,910	84,318	97,924	102,000	107,837
Expenses											
Activity costs	24,022	25,886	28,118	28,301	30,026	38,815	29,979	30,490	31,931	32,346	32,967
Employee benefits	13,152	14,462	14,576	14,896	15,661	16,037	16,422	16,783	17,169	17,547	17,951
Finance Costs	2,860	2,734	2,734	2,734	2,734	2,734	2,734	2,734	2,734	2,734	2,734
Depreciation	10,825	11,026	11,957	12,643	13,426	14,336	15,301	16,334	17,554	18,458	19,380
Total expenses	50,859	54,107	57,384	58,574	61,848	71,922	64,436	66,341	69,388	71,085	73,031
Surplus/(deficit) for the period	17,311	35,191	14,542	15,493	23,279	15,238	20,474	17,977	28,536	30,915	34,805
Other comprehensive revenue and expense (Items that will not be reclassified subsequently to surplus or deficit)											
Gain/(loss) on revaluation	13,268	0	0	0	0	0	0	0	0	0	0
Total comprehensive revenue and expense for the period	30,579	35,191	14,542	15,493	23,279	15,238	20,474	17,977	28,536	30,915	34,805

Statement of Financial Position

As at	Annual Plan	Operative Budget	Operative Budget	Operative Budget	Operative Budget	Operative Budget	Operative Budget	Operative Budget	Operative Budget	Operative Budget	Operative Budget
30 June	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Accumulated comprehensive revenue and expense	480,913	462,795	475,892	489,703	511,151	523,435	543,950	579,265	603,803	627,603	657,431
Asset revaluation reserves	239,769	281,950	281,950	281,950	281,950	281,950	281,950	281,950	281,950	281,950	281,950
Restricted reserves	5,772	5,845	5,973	6,105	6,233	6,364	6,497	6,634	6,767	6,902	7,040
Council created reserves	-18,167	-18,741	-17,424	-15,873	-14,171	-11,348	-11,522	-28,997	-25,131	-18,151	-13,312
Total net assets/equity	**708,287**	**731,849**	**746,391**	**761,884**	**785,163**	**800,401**	**820,876**	**838,852**	**867,389**	**898,304**	**933,109**
represented by											
Current assets											
Cash and cash equivalents	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926	1,926
Trade and other receivables	8,317	8,317	8,317	8,317	8,317	8,317	8,317	8,317	8,317	8,317	8,317
Accrued revenue	1,641	1,641	1,641	1,641	1,641	1,641	1,641	1,641	1,641	1,641	1,641
Other financial assets	115	115	115	115	115	115	115	115	115	115	115
Non current assets held for sale	186	186	186	186	186	186	186	186	186	186	186
Total current assets	**12,185**	**12,185**	**12,185**	**12,185**	**12,185**	**12,185**	**12,185**	**12,185**	**12,185**	**12,185**	**12,185**
less											
Current liabilities											
Trade and other payables	11,219	11,219	11,219	11,219	11,219	11,219	11,219	11,219	11,219	11,219	11,219
Provisions - Current	135	135	135	135	135	135	135	135	135	135	135
Employee entitlements	905	914	914	914	914	914	914	914	914	914	914
Public debt	1,973	-1,109	-3,203	-3,621	-6,984	-2,441	-7,151	-4,973	-569	-739	659
Total current liabilities	**14,232**	**11,159**	**9,064**	**8,647**	**5,284**	**9,827**	**5,117**	**7,295**	**11,699**	**11,528**	**12,927**
Working capital /(deficit)	**-2,047**	**1,026**	**3,120**	**3,538**	**6,901**	**2,357**	**7,067**	**4,890**	**485**	**656**	**-742**
plus											
Non current assets											
Property, plant, equipment	768,355	791,713	804,450	819,588	843,784	861,279	881,961	921,654	948,141	968,987	995,531
Biological assets	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045
Cash and cash equivalents - non current	704	704	704	704	704	704	704	704	704	704	704
Derivative financial assets	0	0	0	0	0	0	0	0	0	0	0
Other financial assets - non current	279	279	279	279	279	279	279	279	279	279	279
Total non current assets	**770,383**	**793,741**	**806,478**	**821,616**	**845,812**	**863,307**	**883,989**	**923,682**	**950,169**	**971,014**	**997,559**
less											
Non current liabilities											
Public debt	49,346	51,418	51,254	50,864	54,693	51,953	56,418	75,503	68,597	58,496	48,634
Derivative financial liabilities	5,995	5,995	5,995	5,995	5,995	5,995	5,995	5,995	5,995	5,995	5,995
Provisions - non current	4,859	5,504	5,957	6,410	6,862	7,315	7,768	8,220	8,673	8,876	9,078
Total non current liabilities	**60,201**	**62,918**	**63,207**	**63,269**	**67,550**	**65,263**	**70,181**	**89,719**	**83,266**	**73,367**	**63,707**
Net assets	**708,135**	**731,849**	**746,391**	**761,884**	**785,163**	**800,401**	**820,876**	**838,852**	**867,389**	**898,304**	**933,109**

Changes proposed to Development Contributions Policy for inclusion in draft Long Term Plan 21-31

Meeting: **Council Briefing**
Date of meeting: **20 January 2021**
Reporting officer: **Sue Davidson, GM Sustainable Growth and Investment**

Purpose/Ngā whāinga

To discuss further proposed changes to the draft Development Contributions Policy for inclusion in the draft Long Term Plan which will go out for consultation

Executive summary/Whakarāpopototanga

The original policy has been divided into two sections, the first a simple explanation of development contributions, particular policy decisions and how they are applied and the second part being the more technical and detailing the legislation, method of calculation of contribution amounts and supporting information. Figures for development contributions have now been calculated. These have increased on the previous years as Council are going to invest in more growth areas.

Context/Horopaki

The charging of development contributions ensures that those responsible for the growth pay towards the amenities required to sustain the additional growth. Development Contributions Policy is reviewed every 3 years in line with the LTP. This means capital projects identified as required in each LTP can also be considered against the criteria for growth and whether these should be included in the calculations to be charged as development contributions for new subdivisions. The development contributions will assist with funding of roads, library and wastewater items which the spatial plan envisages.

Discussion/Ngā kōrerorero

The Development Contributions Policy has been written in two sections with the policy decisions and practical applications in the first section followed by the more technical information – the legislation and the mechanics of the calculation in Section 2.

New items for discussion since our last briefing:

There are new development contributions which will need to be advised to developers when adopted. The calculation basis is consistent with previous years, however there are far more of these as a result of growth in various areas.

Proposed Development Contributions schedule from 1 July 2021 (excluding GST, but including interest):

Table 1 - SCHEDULE OF DEVELOPMENT CONTRIBUTIONS 2021-2031						
MAIN PRICE	Stormwater	Wastewater treatment	Water supply	Roading	Community	TOTAL
Mangawhai	$ 419	$ 24,766	$ -	$ 2,364	$ 496	**$ 28,045**
Dargaville	$ 216	$ 1,887	$ 1,690	$ 90	$ 496	**$ 4,379**
Te Kopuru	$ -	$ 2,271	$ -	$ 90	$ 496	**$ 2,858**
Maungatoroto	$ 2,531	$ 1,524	$ 860	$ 90	$ 496	**$ 5,502**
Kaiwaka	$ 2,032	$ 1,465	$ -	$ 2,364	$ 496	**$ 6,357**
Baylys Beach	$ 6,865	$ -	$ 1,690	$ 90	$ 496	**$ 9,142**
Glinks Gully	$ -	$ -	$ -	$ 90	$ 496	**$ 587**
Ruawai	$ -	$ -	$ -	$ 90	$ 496	**$ 587**
District	$ -	$ -	$ -	$ 90	$ 496	**$ 587**
Roading East	$ -	$ -	$ -	$ 2,273	$ 496	**$ 2,769**

Current development contributions are:

Table 1 - SCHEDULE OF DEVELOPMENT CONTRIBUTIONS 2018-2028					
MAIN PRICE	Stormwater	Wastewater treatment	Water Supply	Roading	TOTAL
Mangawhai	$ 444	$ 22,113	$ -	$ 799	$ 23,357
Kaiwaka	$ -	$ -	$ -	$ 799	$ 799
Baylys Beach	$ 312	$ -	$ -	$ 106	$ 419
Rest of District	$ -	$ -	$ -	$ 106	$ 106
Roading East	$ -	$ -	$ -	$ 693	$ 693

The higher development contributions reflect a high number of capital projects and higher revenue over the 10 years.

Development Contributions	Revenue from Development Contributions $000	Total cost of Projects associated with Growth $000	Growth Portion $000	Detail
Mangawhai Stormwater	692	7,779	2,247	Jack Boyd Drive Lincoln Street/ Cheviot Street Taranui Place Wood Street Town Plan
Mangawhai Wastewater	20,803	21,250	21,006	Reticulation Reticulation New Disposal Area

Development Contributions	Revenue from Development Contributions $000	Total cost of Projects associated with Growth $000	Growth Portion $000	Detail
Dargaville Stormwater	57	500	312	
Dargaville wastewater	491	3,115	2,290	Treatment Plant Upgrade Growth Design 1800m Reticulation Station Road Reticulation
Dargaville / Baylys Beach Water Supply	544	2,890	1,993	Water Storage Treatment Upgrade Reticulation
Baylys Beach Stormwater	91	470	70	Cynthia Place Chases Gorge
Maungaturoto Stormwater	201	2,050	1,281	
Maungaturoto Water Supply	90	345	336	Bickerstaff to Judd 1.2 km reticulation
Maungaturoto wastewater	134	1,035	675	Railway Village Reticulation Extension Reticulation Extensions Bickerstaff to Judd
Kaiwaka Wastewater	49	100	100	
Kaiwaka Stormwater	72	1,050	656	
Te Kopuru Wastewater	20	350	131	Upgrade Treatment Plant

Development Contributions	Revenue from Development Contributions $000	Total cost of Projects associated with Growth $000	Growth Portion $000	Detail
Roading East and District	2,285	39,684	13,809	Access Alamar Boat Ramp Cove Road Kaiwaka/ Oneriri Intersection Kaiwaka Network Growth Wood Street Mangawhai Shared Path
Community Infrastructure	1,403	6,000	2,875	Library Building Taharoa Domain
Total	$26,902	$86,618	$47,781	

The current balance of the development contribution reserve as at 30 June 2020 is $24.7 million in deficit, as infrastructure has been built ahead of growth. This means the new balance will be further in deficit- approximately $63.0 million as the Council will be paying for infrastructure up front which is the norm.

Council has reduced the original proposed schedule for growth however this is still an extremely ambitious capital programme to support growth. The risk is confidence in the growth. If development doesn't occur as forecast there is a risk that Council may have spent funds on capital projects that won't be funded until further into the future.

There needs to be a clear message to the community if Council decides on this programme as the community will be concerned that the revenue does fall behind the cost of building the infrastructure.

Key items discussed and noted in previous Council meetings in Section 1 of the Development Contributions Policy are:

1. There are new categories that we will levy a development contribution for supporting Council growth
   - Dargaville Water supply
   - Maungaturoto Water supply
   - Dargaville Wastewater
   - Maungaturoto Wastewater
   - Kaiwaka Wastewater
   - Te Kopuru Wastewater
   - Dargaville Stormwater
   - Maungaturoto Stormwater
   - Kaiwaka Stormwater

- Community Infrastructure - Investment in Library Network

2. Clause 1.6.1 The approach to growth has changed. Previously, Council welcomed growth in selective areas. It is now widening the scope on the back of the spatial plan.
3. Clause 2.2.2 Assumption that Council won't want to charge community infrastructure development contributions on business development.
4. Clause 2.3.1 Use of district wide catchments for solid waste and community infrastructure activities, but only community infrastructure proposed to be utilised.
5. Clause 2.3.1 Continued use of Roading East catchment due to some large-scale roading spending proposed at Mangawhai.
6. Clause 2.8.3 Exception of past Mangawhai Community Waste Water Scheme (MCWWS) interest incurred for the construction projects in the past is shared between growth and existing users.
7. Clause 2.10.6 New clause to allow Council to consider position with regard to warehouses as generating less demand on waters infrastructure.

There are no key areas to note in Section 2 of the Development Contributions Policy. This states the legislation and details the calculation methodology.

Policy and planning implications

This is a policy required to be reviewed by the Local Government Act 2002.

In July 2020, the Government launched the Three Waters Reform Programme - a three-year programme to reform local government three waters service delivery arrangements. This reform programme builds on the progress made through the Three Waters Review and establishment of Taumata Arowai. Council needs to signal its intention as to growth areas that need to be supported by this policy.

Financial implications

The proposed changes to the Development Contributions Policy will impact on the charges for additional subdivisions as the amenities required, and the future estimate of rating units, have been reviewed. The current program for growth is far larger than before but follows the new growth areas designated in the spatial plans adopted by Council.

Risks and mitigations

The biggest risk is that growth does not occur as anticipated and Council has to take out increased debt to fund the difference.

Council needs to be able to substantiate the projects and the share charged to growth. Council must ensure it has good justification for the percentage of new capital projects it allocates to growth as there is a risk that developers could challenge the calculations.

Significance and engagement/Hirahira me ngā whakapāpā

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

Consultation will occur as part of the draft Long Term Plan consultation.

Next steps/E whaiake nei

These changes and specific consultation issues will be included in the draft Long Term Plan.

Attachments/Ngā tapiritanga

	Title
A	Attachment A - Development Contributions Policy - Section 1 (Draft)
B	Attachment B - Development Contributions Policy - Section 2 (Draft)

Sue Davidson, 07 January 2021

1

Kaipara District Development Contributions Policy – 2021-31

This development contributions policy is in two sections. **Section 1** gives context to the policy and sets out the decisions the Council has taken in making the policy. It goes on to describe the steps to be followed when applying the policy to development applications.

Section 2 sets out the legislative matters the Council has had to consider, the method of calculating the contributions, significant assumptions, a summary of financial contributions and other supporting material.

Section 1 – Introduction, policy decisions and practical application

This policy is operative from 1 July 2021 and is based on capital expenditure proposed in the 2021-31 Long Term Plan (LTP). It takes direction from Council's Revenue and Financing Policy on which activities are to be funded by development contributions. **Part 1** sets out the purpose of the policy, provides the growth and infrastructure context and compares development and financial contributions. **Part 2** sets out the decisions the Council has taken in making this policy, following the legislative considerations required of it and set out in more detail in **Section 2** - **Part 4**.

Part 3 sets out the way the policy will be applied in practice, also ensuring compliance with the legislative matters in **Part 4**.

Part 1 - Introduction

1.1 Purpose

1.1.1 The Kaipara Development Contributions Policy 2021 is one of a number of financial policies the Council uses to meet its funding needs. The Council has made this policy under the Local Government Act 2002 (the Act). It is based on capital expenditure proposed in the 2021-31 Long Term Plan (LTP) and is adopted as one of the source documents that will form part of the LTP.

1.1.2 The purpose of this policy is to:

a) provide predictability and certainty to developers that the Council can give them the infrastructure they need to support their investments;
b) ensure developers know what they are paying for and that development is not discouraged by high infrastructure costs; and
c) ensure the existing community is not burdened by the costs of growth but does contribute to growth infrastructure when it provides a clear benefit to them by improving their existing levels of service, renewing aging assets or helping them meet new legislative standards.

1.2 Why have this policy?

1.2.1 When population and business growth take place, new development takes place to accommodate it. The extra traffic, water consumption, wastewater generation and stormwater run-off from development, all use up spare *capacity* in Council's infrastructure.

Unless provision is made, that capacity can be used up over time and networks start to fail. Traffic congestion, low water pressure or quality, wastewater overflows and flooding can all signal a failure to keep up with growth. In some cases, parks, libraries and other public amenities can become crowded as the capacity they were designed for is used up.

1.2.2 To avoid this, the Council plans ahead and puts capital spending in its budgets to provide more *capacity* to service growth when it is needed. It also takes stock of what spare capacity is has in existing networks that it can assign to growth.

1.2.3 Existing spare capacity and planned capacity come at a cost and need to be funded. While existing residents may welcome growth, they should not be expected to fund extra infrastructure particularly when they are already at the right levels of service.

1.2.4 In New Zealand, financial and development contributions are the two main sources of growth funding available to Council.

1.3 Financial contributions

1.3.1 Financial contributions are usually used for local infrastructure directly associated with a new development – that is, within, nearby or linking it to wider public networks. Council will not normally get involved financially with this local infrastructure. It expects developers to provide it and vest it with Council once it is completed to the right standard. No financial contribution will be needed in such a case although reserve contributions will still be required.

1.3.2 In some situations though, it may be best for Council to become financially involved. It can decide to enable development by building a piece of local infrastructure and then charging financial contributions to recover its costs. Typically, this happens where multiple developers are involved, and it is not fair or practical for one developer to provide local infrastructure ahead of others who will also benefit from it. Financial contributions are a good funding source in this situation and Chapter 22 of the Kaipara District Plan allows Council to levy them when needed.

1.4 What are development contributions used for?

1.4.1 By comparison, *development contributions* are a good way of funding *public network and bulk infrastructure* that Council has already provided or plans to provide to support growth. Councils typically provide trunk sewers, water mains, wastewater and water supply treatment plants, collector and arterial roads, public transport assets, libraries, sports fields, parks and other public amenities.

1.4.2 These are usually of such a scale and cost that no one developer can fund them alone even where they need them to make their development viable and marketable.

1.4.3 Development contributions provide the ideal funding tool to collect money from large and small-scale developments and pool them to fund 'big ticket' infrastructure.

1.5 Development agreements

1.5.1 In some cases, developers may be able to build large items of public infrastructure, that Council would normally provide itself but is not yet ready to. Developers may also offer the Council land it wants to acquire for public projects.

1.5.2 To enable a development to go ahead, the Council can enter into a *development agreement* with the developer. Commitments can be made to offset development contributions or reimburse the developer directly once the infrastructure is built to standard or land is transferred to Council.

1.6 The approach to growth in our District

1.6.1 Kaipara District is growing steadily and, in some places, strongly. The Council welcomes and encourages growth but wants to ensure that this does not become a burden on the existing community.

1.7 How is our District growing?

1.7.1 Kaipara District has grown strongly in recent years, particularly in and around Mangawhai and with growth staring to strengthen in the other main centres. Infometrics[1] projects the resident population to grow from 24,100 in 2019 to nearly 32,600 in 2051. This will be accompanied by strong dwelling growth. Infometrics[2] also expects strong employment growth after 2022, moderating after 2030.

1.8 The infrastructure response

1.8.1 In response to recent growth and the strong growth outlook, a number of capital projects have been identified and costed. There are a number of projects in the capital programme essential to enable and support growth. These include:

a) Specific water supply upgrades and extensions at Dargaville and Maungaturoto, not previously required;
b) Surplus capacity in the existing network at Mangawhai and additional wastewater capacity projects at Mangawhai, Dargaville, Kaiwaka and Maungaturoto;
c) Stormwater upgrades and extensions at Dargaville, Kaiwaka, Mangawhai;

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[1] Infometrics. Population Projections 2018-2051 Kaipara District Council, October 2020, p4.

The population of Kaipara District has grown strongly over the past 15 years, and growth has been particularly strong in the past five years, reaching a population of 24,100 in 2019. As a consequence of COVID-19, population growth is projected to slow over 2020 and 2021 with softer international net migration and a decline in employment. Population growth is projected to pick up from 2022 onwards, with the district growing steadily to reach a population of 32,600 in 2051.

The ageing population of the district, combined with trends of greater life expectancy and smaller families, means that the average household size of the district is projected to ease from 2.37 to 2.14 over the projection period. The effect of this is to spread the same population over a greater number of households. Accordingly, household numbers are projected to grow faster than the population, from 10,000 in 2019 to 14,600 in 2051.

Historically, the majority of Kaipara's population and household growth has taken place in the Mangawhai area. This pattern is expected to continue in future, particularly as further improvements to State Highway 1 reduce travel times into Auckland, thus improving the attractiveness of Mangawhai for commuting workers. The population in Kaiwaka and Maungaturoto is expected to grow strongly as these towns are expected to gain from reduced travel times into Auckland, as well as local employment growth. The Dargaville area is projected to grow steadily, with lesser growth in the Kaipara Coastal area.

[2] Infometrics. Population Projections 2018-2051 Kaipara District Council, October 2020, p9.

Employment in Kaipara District grew steadily over the past decade, at nearly 2% per annum. Employment growth is expected to turn negative in 2020 and 2021 because of COVID-19 and the resultant economic shock. Strong employment

d) Roading projects including the Cove Road link, Wood Street improvements and the shared path at Mangawhai and major projects at Kaiwaka; and
e) Community infrastructure projects including Mangawhai Library.

Part 2 - Policy decisions

2.1 Requiring development contributions for 'development'

2.1.1

The Council using its powers under the Act[3] has decided that it may require development contributions at the times set out[4] for its activities in the geographic areas described in this policy. It will only do this when 'development' as defined in the Act[5], occurs. Development is any activity that generates demand for reserves, network infrastructure or community infrastructure. In so doing it requires new or additional assets, or assets of increased capacity, and causes the Council to incur capital expenditure. Once it collects contributions, the Council will use them for the purposes specified in the areas collected[6].

2.1.2 Before assessing and requiring a development contribution, under **Part 3**, the Council will apply a test to ensure the activity for which a consent or authorisation has been applied for, meets the definition of 'development'.

2.1.3 The Council has determined that it will not seek development contributions for any existing lots or development already legally established on the site. It will deem all existing lots and development to have paid a contribution. It will not require the applicant to show that a development contribution, financial contribution or any other capital charge has been paid in the past.

2.1.4 When calculating a development contribution, the Council will assess the extent of lots or development on completion of the development and deduct the extent of existing lots or development when granting the consent or authorisation for a service connection.

2.1.5 This allowance is still subject to conditions set out in **Part 3**.

2.2 Activities

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growth is expected for the remainder of the 2020's as the district recovers from the economic shock and returns to its prior growth path. During the 2030s, more stringent environmental regulation is expected to result in higher carbon prices and greater regulation related to freshwater quality. Coupled with greater uptake of automation technology across the economy, this is expected to reduce the rate of employment growth, particularly in agriculture.

[3] Section 199(1) of the LGA 2002
[4] Section 198 and s200(4) of the LGA 2002
[5] Section 197(1) of the LGA 2002
[6] Section 197AB(1)(d) of the LGA 2002

2.2.1 The activities funded by development contributions contribute both directly and indirectly to the following community outcomes set out in the Councils Long Term Plan 2018-2028.

a) Climate Smart
b) Celebrating Diversity
c) Vibrant Communities
d) Healthy Environment
e) Prosperous Economy.

2.2.2 The Council has met its obligations under the Act[7] when making its Revenue and Financing Policy and has determined that development contributions are an appropriate source of funding to meet the growth-related component of capital expenditure on the following activities:

a) Roading;
b) Water supply;
c) Wastewater;
d) Stormwater;
e) Community infrastructure activities including libraries, sports fields, and public toilets.

2.2.3 The Council has also decided, in relation to activities to be funded by development contributions that:

a) no community infrastructure contributions will be payable on any commercial or industrial development; and
b) until such time as Council adopts an acquisition and development programme for local reserves, it will not require a reserves development contribution under this policy. It may still rely on the provision of these reserves by developers as conditions of resource consent or by way of a financial contribution.

2.3 Catchments

2.3.1 The Council has considered the grouping of developments into catchments[8] and has determined to:

a) minimise the use of district-wide catchments for the recovery of development contributions, but use district-wide catchments for roading and for any community infrastructure activities serving the whole District;
b) use one separate sub-district catchment for roading where capital expenditure is not expected to benefit the whole Kaipara community specifically the Roading East catchment covering the area from Kaiwaka to Mangawhai. The Roading East catchment includes projects specifically benefiting Kaiwaka and Mangawhai; and
c) use scheme-by-scheme wastewater treatment, water supply and stormwater catchments because it considers it unreasonable to transfer costs between schemes, but equally it is impractical and inefficient to divide the areas of benefit of these types of asset into smaller geographic areas.

[7] Section 101(3)(a) and (b) of the LGA 2002
[8] Section 197AB(1)(g) of the LGA 2002

2.3.2 Development contributions will be payable only where the service is available and, in the case of water supply and wastewater treatment, only by those new households, businesses or other developments connecting to the networks concerned or with the ability to connect to the network.

2.3.3 The catchments (funding areas) used in this policy are summarised in **Appendix 1**.

2.4 Limitations on costs included

2.4.1 The Council will ensure that any project going forward for inclusion in the development contribution meets the 'test' under section 197(AB(a) of the Act that additional capacity has or will be provided and as a result, Council has or will incur capital spending..

2.4.2 The Council has decided to retain its policy on financial contributions. This policy and the methodology to calculate contributions makes it clear that the Council will not require financial and development contributions on the same development for the same purpose[9].

2.5 Asset capacity provided in the past

2.5.1 The Council has considered its past capital spending and identified a number of assets provided in recent years in anticipation of development[10]. Where there is capacity in the assets created or land acquired, the Council has decided that it may seek to recover a fair proportion of the costs of those assets through development contributions by including the value of surplus capacity in its calculations.

2.5.2 Based on the year the asset was provided, and the year at which its capacity is expected to be fully used, the value of the remaining 'surplus capacity' can be calculated. This value will be allocated to development expected in the remaining years of 'capacity life' in the asset.

2.6 Period of benefits

2.6.1 The Council considers that capital expenditure on infrastructure during the LTP period should be recovered over the full take-up period of each asset, from all development that created the need for that expenditure or will benefit from capacity it provides, including development occurring after the LTP period[11].

2.6.2 The Council has determined that:

a) new development occurring in the LTP period will contribute only to that proportion of additional asset capacity that it is expected to consume;
b) future development occurring after the LTP period will contribute toward the remaining surplus capacity in assets at the end of that period.

2.6.3 In keeping with its policy (above) to include the value of any *past surplus capacity* in assets that is expected to be consumed by new development, the Council will only consider capital expenditure on assets provided after 1 July 2002 (includes initial consultants work on the Mangawhai Community Wastewater Scheme).

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[9] Section 200(1)(a) of the LGA 2002.
[10] Section 199(2) of the LGA 2002
[11] Section 197AB(1)(b) and Schedule 13 of the LGA 2002

2.7 Cost allocation

2.7.1 With its capital projects for the next 10 years listed in the Long Term Plan, the Council has identified[12]:

a) projects that are needed to meet the needs of the existing community to improve its levels of service, meet newly legislated standards or renew aging assets;
b) capital projects that will service both new development and the existing community; and
c) capital projects that will be done purely to meet the demands new development.

2.7.2 The Council has decided that only projects with a clear connection to growth in 2.7.1 b) and c) above, will go forward for possible funding by development contributions.

2.7.3 Each project's cost is shared between those parties *causing* the project to be undertaken and those *benefitting* from the projects. In some cases, while growth may *cause* a project to be carried out, the existing community may also *benefit* from it in some way. In other cases, the existing community may *cause* a project to be built to replace an old asset but, in doing the project, new development can *benefit* from any additional capacity provided.

2.7.4 The Council will:

a) work out the share of cost that will serve new development. This is commonly called the 'growth cost' or 'additional capacity (AC) cost', the balance to be funded by the existing community, by subsidies or other sources;
b) share the 'growth cost' among all development expected in the next 10, 20 or 30 years, depending on the 'capacity life' of the project; and
c) work out a cost that each unit of development projected in coming years needs to meet by way of a development contribution.

2.8 Interest and inflation

2.8.1 The Council has decided to include[13]:

a) provision for inflation in the development contribution amounts; and
b) provision for interest on capital spending on projects in the LTP and on expenditure already incurred on some projects in the past, to be recovered through those contributions.

2.8.2 This is to ensure that Council recovers the total cost of capital necessary to service growth over the long term.

2.8.3 With the exception of the Mangawhai Community Wastewater Scheme (MCWWS), part of the interest incurred for projects carried out in the past in anticipation of growth has already been incurred and has been funded as an operating expense by rates on the existing

[12] Section 197AB(1)(c) of the LGA 2002
[13] Section 197AA of the LGA 2002

community. Council has been unable to recover this past interest from development or financial contributions. In relation to the Mangawhai Community Wastewater Scheme, the interest and finance costs incurred during construction of the scheme have been included as part of the total cost of the scheme to be funded from existing users and growth- up to 50%

2.8.4 With the exception MCWWS past spending, the Council does not intend to recover past interest that has been funded from rates from development contributions and has not included it in the development contribution calculation.

2.9 Development contribution amounts

2.9.1 **Table 1** shows the schedule of development contributions payable for each activity type in each part the of district. The amounts exclude GST[14].

TABLE 1 - SCHEDULE OF DEVELOPMENT CONTRIBUTIONS 2021-2031

MAIN PRICE	Stormwater	Wastewater treatment	Water supply	Roading	Community	TOTAL
Mangawhai	$ 419	$ 24,766	$ -	$ 2,364	$ 496	**$ 28,045**
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Glinks Gully	$ -	$ -	$ -	$ 90	$ 496	**$ 587**
Ruawai	$ -	$ -	$ -	$ 90	$ 496	**$ 587**
District	$ -	$ -	$ -	$ 90	$ 496	**$ 587**
Roading East	$ -	$ -	$ -	$ 2,273	$ 496	**$ 2,769**

2.9.2 **Table 2** of this policy summarises growth-related capital expenditure that Council expects to incur or has incurred in the past and the proportion of that expenditure to be funded from various sources including development contributions.

TABLE 2 - CAPITAL EXPENDTURE IDENTIFIED TO MEET INCREASED DEMAND RESULTING FROM GROWTH AND SOURCES OF FUNDING BY ACTIVITY

	2021-2031 LTP					SURPLUS CAPACITY			
	TOTAL CAPTIAL LTP COSTS	DEVELOPMENT CONTRIBUTIONS (NEW)	DEVELOPMENT CONTRIBUTIONS (FUTURE)	RATES/ LOAN	SUBSIDIES/ GRANTS	TOTAL CURRENT VALUE OF SURPLUS CAPACITY PROJECTS	DEVELOPMENT CONTRIBUTIONS (NEW)	DEVELOPMENT CONTRIBUTIONS (FUTURE)	RATES/ LOAN
ROADING	$ 199,699,979	$ 1,808,213	$ 7,550,372	$ 62,859,217	$ 127,482,177	$ 13,523,287	$ 318,968	$ 325,305	$ 12,879,013
WASTEWATER TREATMENT	$ 37,577,068	$ 8,256,622	$ 15,995,191	$ 13,325,255	$ -	$ 69,227,087	$ 10,815,071	$ 17,368,489	$ 41,043,527
STORMWATER	$ 23,845,385	$ 937,270	$ 4,883,897	$ 18,024,218	$ -	$ 1,535,223	$ 135,642	$ 159,386	$ 1,240,195
WATER SUPPLY	$ 19,878,415	$ 563,103	$ 2,045,231	$ 17,270,081	$ -	$ 1,382,993	$ 544	$ 427	$ 1,382,021
COMMUNITY	$ 50,161,943	$ 1,106,455	$ 1,977,911	$ 35,425,073	$ 11,652,504	$ -	$ -	$ -	$ -
LAND DRAINAGE	$ 54,377,054	$ -	$ -	$ 53,332,610	$ 1,044,444	$ -	$ -	$ -	$ -
TOTAL	**$ 385,539,844**	**$ 12,671,663**	**$ 32,452,602**	**$ 200,236,454**	**$ 140,179,125**	**$ 85,668,589**	**$ 11,270,225**	**$ 17,853,606**	**$ 56,544,757**

2.10 Units of demand

[14] Section 197AB(1)(e) and (f), section 201 and section 202 of the LGA 2002

2.10.1 The Council has considered a range of development types that it expects to see in the District.

2.10.2 It has determined that units of demand generated by different land use types will be those reflected in **Table 3** of this policy. **Table 3** shows the demand expected from a range of different residential types including demand expected from accommodation units and the retirement sector[15].

2.10.3 The different *units of demand* generated by a unit of commercial or industrial activity, as compared with a unit of residential activity, arise mainly from the scale and nature of activity. This Policy uses *gross business area* in the case of business development as a proxy for assessing the different *units of demand* on services, likely to be generated respectively by residential and business activity.

2.10.4 The policy assumes that business activity has the potential to place greater demands on services as compared to residential activity, (e.g. as a result of higher and heavier traffic volumes, higher *impervious area*. This Policy incorporates multipliers (*unit of demand* factors) that are intended to take account of the likely additional effect of business activity on service infrastructure.

2.10.5 **Table 3** does not distinguish between different types of commercial and industrial development. This is based on the principle that the active business area or impervious area (for stormwater) of any business development will, in most cases, reflect the demand it is expected to place on infrastructure. Once a development contribution is paid, no further contribution will be required, if the nature of business activity changes over time. If further development occurs on the site a however, another contribution may be required.

2.10.6 Although Council will not distinguish between business types in **Table 3**, to comply with the Act, it will allow applicants to apply for a remission or reduction under the policy if they consider their business developments vary significantly in capacity demand from other business activities. This will be solely at Council's discretion to grant.

2.10.7 **Table 3** lists certain activities that fall outside the definition of 'development' in the Act[16], as generating zero units of demand on one or more infrastructure types.

2.10.8 It also allows the demand from activities not specifically listed in **Table 3** to be dealt with by **special assessment.**

2.11 When are development contributions paid?

2.11.1 The Council is aware that if developers are made to pay at times allowed for in the Act. It recognises though that it can be sometime between consenting and development being completed and able to generate revenue. The Council has decided to bring contribution payment timings closer to the point when a development generates revenue[17].

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[15] Schedule 13 2 of the LGA 2002

[16] Section 197(1) of the LGA 2002

[17] Section 198(1)(a), (b) and (c) and section 198(4A) of the LGA 2002

2.11.2 The Council's policy is to invoice development contributions at the following times when applying this policy:

a) in the case of a resource consent for land use, at the time of notification of commencement or commencement of the consent, whichever is the earlier;
b) in the case of a subdivision consent, at the time of application for a certificate under section 224(c) of the Resource Management Act 1991;
c) in the case of a building consent, at the time the first building inspection is carried out;
d) in the case of a service connection, at the time of authorisation of a service connection; and
e) in the case of a certificate of acceptance, at the time of granting the certificate.

2.11.3 These times of payment may also be postponed in accordance with conditions and criteria in **Part 3.**

2.11.4 Regardless of when it requires a development contribution, the contribution amounts must be consistent with the policy in force at the time the application for the consent or service connection was accepted[18].

2.12 Remissions, postponements and refunds

2.12.1 In addition to the rights to reconsideration and objection provided for in the Act, the Council will consider applications for remission, reduction or postponement of development contributions when it applies this policy. This will be subject to the conditions and criteria[19] in **Part 3.**

2.13 Development agreements

2.13.1 The Council recognises the benefits that development agreements can provide for both developers and the Council itself. To enable development, it intends to enter into agreements from time to time with developers for the provision, supply, or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in the district or any part of it.

2.13.2 In entering into a development agreement, the Council will comply with all the requirements under the Act[20] and ensure that:

a) all normal procurement procedures are complied with;
b) works carried out or land provided by a developer represent good value for money and could not be provided by the Council itself or any third party at a lower cost;
c) works carried out or land provided by a developer and used to offset development contributions are ones that:
    a. would normally be provided by the Council;
    b. are included in the Council's capital programme; and

[18] Section 198(2A) of the LGA 2002
[19] Section 199A, section 199B and section 199C of the LGA 2002

[20] Section 207A to section 207F of the LGA 2002

c. are included in the amount of development contributions in this policy.

Part 3 – Practical application

Part 3 sets out the steps the Council will take when processing consents or authorisations for development and requiring development contributions. The steps reflect policies adopted by the Council in **Part 2** on matters such as activities, catchments, units of demand, timing of payment, remissions, reductions and postponements.

3.1 Requirement for development contributions – test for 'development' - issuing an assessment

3.1.1 When granting:

a) a resource consent under the Resource Management Act 1991;
b) a building consent under the Building Act 1991;
c) an authorisation for a service connection;
d) a certificate of acceptance under section 98 of the Building Act 2004;

Council will first determine whether the activity to which the consent or authorisation relates is a 'development' under the Act, that:

a) has the effect of requiring new or additional assets or assets of increased capacity (including assets which may already have been provided by Council in anticipation of development); and
b) as a consequence, requires (or has required) Council to incur capital expenditure to provide appropriately for those assets; and
c) that capital expenditure is not otherwise funded or provided for.

3.1.2 Once it has determined that the activity is a 'development', Council may require a development contribution to be made towards the activity associated with that development, according to the *activity-funding areas* in which the development is located, including:

(a) Roading;
(b) Wastewater treatment;
(c) Water supply;
(d) Stormwater;
(e) Community infrastructure; and
(f) Solid waste management.

3.1.3 Council will calculate the Development Contribution payable at the time of granting the consent or authorisation and **issue an assessment** of the amounts payable.

3.1.4 That assessment must be consistent with the contents of the policy in force at the time the application for resource consent, building consent, or service connection was accepted[21].

3.2 Determining units of demand

3.2.1 The Council has decided to use a standard table to determine units of demand for most common types of development. This is to ensure practicality and administrative efficiency in attributing

[21] Section 198(2A) of the LGA 2002

demand to particular developments or types of development, and that this is done on a consistent and equitable basis[22].

3.2.2 Council has determined that *units of demand* generated by different types of development are those set out in **Table 3**.

3.2.3 Demand for infrastructure capacity may come from:

a) new *lots* (*lot units of demand*) that are required to be serviced in advance of their occupation; and
b) the use and development of *lots* (*activity units of demand*), including the intensification or expansion of activity on those *lots*.

3.2.4 The assumptions used in this policy to derive the unit of demand factors for business development in **Table 3**, are described in **Appendix 4** of this Policy.

[22] Schedule 13 2 of the LGA 2002

Table 3 Units of Demand Generated by Subdivision and Development	
Lot Unit of Demand	**Units of demand**
One residential or rural lot.	1.0
One mixed-use residential/commercial lot.	1.0
One commercial or industrial lot with an area of less than 1,000m^2	Lot area divided by 1,000 per square metre.
One commercial or industrial lot with an area of 1,000m^2 or more.	1.0
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any existing *legally established lot* not connected to either the water supply network or the wastewater network as the case may be, excluding any existing *legally established lot* in the Mangawhai Community Wastewater Scheme area for which a targeted rate to fund capital costs for the scheme has or will be paid.	0
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any proposed *lot* not to be connected to either the water supply network or the wastewater network as the case may be.	0
One s*erviced site.*	Special assessment
One *lot*: ▪ wholly covenanted in perpetuity as provided for by section 22 of the Queen Elizabeth the Second National Trust Act 1977 ▪ the title of which prevents any form of development on the *lot.*	0
Activity Unit of Demand	**Units of demand**
One *dwelling unit* (including any *accommodation unit*) of two or more *bedrooms* per unit	1.0
One commercial or industrial unit including the commercial part of any activity but excluding any part that comprises accommodation units	The *gross business* area on the *lot* (or in the case of calculating contribution for stormwater, the *impervious area*) multiplied by the applicable *unit of demand* factors in this table.
Any *dwelling unit* or *accommodation unit* of one or fewer *bedrooms* per unit	0.5
Any *retirement unit* for purposes of calculating the roading contribution only	0.3
Any *retirement unit* for purposes of calculating the water supply and wastewater contributions only	0.5
Any *aged care room* for purposes of calculating the roading contribution only	0.2
Any *aged care room* for purposes of calculating the water supply and wastewater contributions only	0.4
Any development including *dwelling units* or *accommodation units*, situated in attached or multiple storey complexes of more than three units and any retirement unit or aged care room	For stormwater ONLY, the *impervious area* multiplied by the applicable *unit of demand* factor in this table.
Other activity (Activity not specified elsewhere in this table).	Special assessment
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any existing *legally established* development not connected to either the water supply network or the wastewater network as the case may be, excluding any existing *legally established* development in the Mangawhai	0

Table 3 Units of Demand Generated by Subdivision and Development	
Community Wastewater Scheme area for which a targeted rate to fund capital costs for the scheme has or will be paid.	
For the purposes of calculating water supply and wastewater Development Contributions ONLY, any proposed development not to be connected to either the water supply network or the wastewater network as the case may be.	0
Network infrastructure, including pipes, lines and installations, roads, water supply, wastewater and stormwater collection and management systems	0
Farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crop production.	0
Unit of Demand Factors Commercial or Industrial Development	**Calculated in Appendix 4**
Roading	0.0020 per square metre of *gross business area* on the lot used principally for commercial or industrial purposes.
Water Supply	0.00446 per square metre of gross business area on the lot used principally for commercial or industrial purposes.
Sewerage	0.00446 per square metre of *gross business area* on the *lot* used principally for commercial or industrial purposes.
Stormwater	0.00278 per square metre of the *impervious area* on the lot.

3.3 Special assessments

3.3.1 When in **Table 3**, a special assessment is required, the Council will consider the nature and scale of the development and its relative demand on infrastructure capacity under any Council activity, as compared to other development types listed in **Table 3** and the *units of demand* attributed to them.

3.4 Amount of contribution

3.4.1 In keeping with its policy in **Part 2**, the Council not seek development contributions for any existing lots or development already legally established on the application site. It deems all existing lots and development to have paid a contribution. The formula below deducts the demand already generated by any existing lots or development on the application site from the demand expected after the consented development is completed.

3.4.2 The total amount of development contribution payable when issuing any consent or authorisation for subdivision or development, will be the sum of the development contribution payable for each activity, calculated as:

[(a) X [Sum of (n) – Sum of (x)]] + GST

Where:

(a) = the applicable development contribution amount per *unit of demand* determined from **Table 1** and the *activity-funding area* for each type of community facility in which the subdivision or development lies.
(n) = for each *lot* **at the completion of the consent or authorisation application**, the total *lot units of demand* OR the total *activity units of demand*, determined by **Table 3**, whichever is the greater.
(x) = for each *lot* **in existence** (or for which a section 224 certificate under the Resource Management Act 1991 has been issued) **prior to the date of the consent or authorisation application**, the total *lot units of demand* OR the total *activity units of demand* for the existing development, determined by **Table 3**, whichever is the greater.

3.5 Invoicing

3.5.1 In keeping with its policy in **Part 2** of requiring payment as close as possible to the time development occurs, the Council will invoice a development contribution at the following times:

a) in the case of a resource consent for subdivision, at the time of application for a certificate under section 224(c) of the Resource Management Act 1991, with payment required prior to the issue of the certificate;
b) in the case of a resource consent for land use, at the time of notification of commencement or commencement of the consent, whichever is the earlier, with payment required prior to commencement of the consented activity;
c) in the case of a building consent, at the time the first building inspection is carried out with payment required no later than 60 days of the issue of the invoice;
d) in the case of a service connection, at the time of approval of the service connection with payment prior to connection; and
e) in the case of granting a certificate of acceptance under section 98 of the Building Act 2004.

3.5.2 A development contribution may be paid at any time from **the date of assessment** up to the date when the contribution is required to be paid as a result of the Council issuing an invoice.

3.6 Remissions, reductions, postponements and refunds

Nothing in this policy diminishes from the rights of reconsideration or objection provided for by the Act[23]. In addition to these rights, the Council will consider applications for the remission, reduction or postponement of development contributions.

3.6.1 Remissions and reductions

3.6.1.1 The Council may, at the request of an applicant:

[23] Section 199A, section 199B and section 199C of the LGA 2002

a) consider allowing remissions for particular community infrastructure works, such as those undertaken by schools or charitable organisations. Applications for remissions will be considered on a case by case basis.

b) review the contribution payable and grant a remission or reduction of the development contribution where ***the applicant has provided and/or funded the same infrastructure*** that a development contribution has been required for. That remission or reduction will be limited to the cost of infrastructure provided or funded and be subject to Council procurement procedures. In cases where the cost of infrastructure provided or funded exceeds the development contribution payable, the Council will meet the excess costs by separate agreement with the applicant, also subject to the Council's procurement procedures.

3.6.1.2 If it grants a remission or reduction, the Council may do so on whatever terms it thinks fit.

3.6.2 Postponements

3.6.2.1 Council will consider applications for and may grant a postponement of the payment of a Development Contribution in the case of resource consent for land use only, where a building consent is required to give effect to that resource consent. At the discretion of the Council, the payment of a development contribution on the resource consent may be postponed. If postponement is granted the Council will only issue an invoice at the time of the first building inspection.

3.6.2.2 Council will consider applications for a postponement of the payment of a Development Contribution in the case of a subdivision consent. If it grants a postponement it may do so on whatever terms the Council thinks fit, including that it may:

(a) issue a certificate under section 224(c) of the Resource Management Act 1991, prior to the payment of a Development Contribution; and

(b) register the Development Contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the Development Contribution was required.

3.6.2.3 In registering a statutory land charge, the Council will require payment of the development contribution when each lot in the subdivision is transferred.

3.6.3 Requests for review

3.6.3.1 An applicant may formally request Council to review the development contribution required and remit, reduce or postpone the development contribution payment.

3.6.3.2 Any such request will be made in writing no later than 15 working days after the date on which Council issues an invoice, setting out the reasons for the request.

3.6.3.3 Prior to accepting any such request for review, Council will require the applicant to provide specific details of the manner in which its proposals qualify for a remission, reduction or postponement.

3.6.3.4 In undertaking the review, Council or a Committee of Council or an officer so delegated (Chief Executive):

(a) will, as soon as reasonably practicable, consider the request;
(b) may determine whether to hold a hearing for the purposes of the review and if it does, give at least five working days' notice to the applicant of the date, time and place of the hearing;
(c) may at its discretion uphold, remit in whole or in part or postpone (as the case may be) the original Development Contribution required and will advise the applicant in writing of its decision within ten working days of making that decision;
(d) may charge such fee as determined in its annual schedule of fees, to consider the request.

3.6.4 Refunds

3.6.4.1 The Council will refund development contributions in accordance with the requirements of sections of the relevant sections of the Act[24]. The Council may retain any portion of a development contribution, to a value equivalent to the costs incurred by it in relation to a development or building, in the case where a development is discontinued and the Council is required to refund the development contribution[25].

3.7 Reconsideration process

3.7.1 An applicant who is required to make a development contribution may request a reconsideration of that requirement if they believe that:

a) the development contribution was incorrectly calculated or assessed under this policy; or
b) the Council incorrectly applied this policy; or
c) the information used to assess the applicant's development against this policy, or the way the Council has recorded or used it when requiring the development contribution, was incomplete or contained errors[26].

3.7.2 Any request for reconsideration will be made in writing, no later than 10 working days after the date on which the applicant receives notice from the Council of the level of development contribution required.

3.7.3 Any request for review must include the reasons for reconsideration and provide sufficient information to enable the Council to reconsider the development contribution.

3.7.4 The Council (or a Committee of Council or an officer so delegated) will limit its considerations to matters set out in the Act[27] and will within 15 working days of receiving the request and all relevant information, advise the applicant of the outcome[28].

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[24] Section 209 and section 210 of the LGA 2002
[25] Section 209(2) of the LGA 2002
[26] Section 202A and section 199A of the LGA 2002
[27] Section 199A of the LGA 2002
[28] Section 199B(1) of the LGA 2002

3.8 Contributions not paid

3.8.1 If contributions are not paid at the times required, the Council may[29]:

(a) withhold a certificate under section 224(c) of the Resource Management Act 1991 in the case of a subdivision;
(b) prevent the activity commencing in the case of a land use consent;
(c) withhold a code compliance certificate in the case of a building consent;
(d) withhold a service connection to the development;
(e) withhold a certificate of acceptance under section 98 of the Building Act 2004;
(f) in each case register a charge on the land under the Statutory Land Charges Registration Act 1928.

3.8.2 If, after exercising its powers to prevent a development proceeding, any development contribution remains unpaid, the Council may take debt recovery action to recover that development contribution. A development contribution is recoverable as a debt[30].

3.8.3 If a grantee of consent is in possession of two Development Contribution invoices for different consents relating to the same lot, both invoices will continue to have effect until payment is made of one of those invoices. When the first invoice is paid, the second invoice will be withdrawn and a reassessment of Development Contributions payable for the subdivision or development, as the case may be, relating to the second invoice will be made.

3.8.4 If any Development Contribution is payable on re-assessment, a new invoice will be issued.

3.8.5 Except as provided for in no consented activity or building work will commence prior to the payment of the Development Contribution and where such activity or work has commenced prior to such payment, Council will require this to cease until payment has been made.

3.9 Information requirements

3.9.1 The applicant for any consent or authorisation will provide all information necessary for Council to calculate the amount of a development contribution, including the *gross business area* and the *impervious area* of the development if required for purposes of an assessment under **Table 3**.

3.9.2 If required, the applicant will be responsible for providing proof of the legal establishment of existing *units of demand* for purposes of an assessment under **Table 3.**

3.9.3 Existing *units of demand* may include *legally established* buildings and structures existing when this policy became operative on 1 July 2021, but since demolished.

3.10 Statement on GST

[29] Section 208 of the LGA 2002
[30] Section 252 of the LGA 2002

3.10.1 Any development contribution referred to in this policy or in the accompanying development contributions model and any development contribution required in the form of money, pursuant to this Policy, is exclusive of Goods and Services Tax.

Kaipara District Development Contributions Policy – 2021-31

This development contributions policy is in two sections. **Section 1** gives context to the policy and sets out the decisions the Council has taken in making the policy. It goes on to describe the steps to be followed when applying the policy to development applications.

Section 2 sets out the legislative matters the Council has had to consider, the method of calculating the contributions, significant assumptions, a summary of financial contributions and other supporting material.

Section 2 – Legislation, method of calculation of contribution amounts and supporting information

Part 4 - Legislation

4.1 General

4.1.1 This policy is made under the Local Government Act 2002 (the Act). It takes into account the principles in section 197AB of the Act in the way the Council requires, determines and uses development contributions, and allocates the costs of assets.

4.1.2 The Council, in addition to determining matters of content in the policy has determined that:

a) the decision to adopt the development contributions policy is a significant decision for consultation under sec 82;
b) it believes it has met its decision making and consultation obligations under the Act to the extent required.

4.2 Requiring development contributions for development

4.2.1 A development contribution may be payable under section 199(1) when development, defined in section 197(1) of the Act, is carried out and the effect of this is the need for new or additional assets, or assets of increased capacity, causing the Council to incur capital expenditure.

4.2.2 In accordance with sections 198 and 200(4)-increased scale and intensity) of the Act, the Council can require a development contribution of money or land, or both, to be made by the grantee or the owner of land on the issuing of the following consents or authorisations,

(a) a resource consent under the Resource Management Act 1991;
(b) a building consent under the Building Act 2004;
(c) an authorisation for a service connection;
(d) the granting of a certificate of acceptance under section 98 of the Building Act 2004.

4.2.3 In keeping with the principles set out in section 197AB(1)(d) of the Act, development contributions will be used:

(a) for or towards the purpose of the activity or the group of activities for which the contributions were required; and

(b) for the benefit of the district or the part of the district that is identified in the development contributions policy in which the development contributions were required.

4.2.4 Under section 198(2)(a), a development contribution must be consistent with the content of the policy that was in force at the time that the application for a resource consent, building consent, or service connection was submitted, accompanied by all required information.

4.2.5 The Council's policies for requiring development contributions are set out in **Part 2**. The way in which it will apply the policy to developments is set out in **Part 3**.

4.3 Activities

4.3.1 The Council incurs capital works expenditure in order to:

a) provide additional capacity in assets to cater for new development;
b) improve the level of service to existing households and businesses;
c) meet environmental and other legislative requirements; and
d) renew assets to extend their service life.

4.3.2 Section 101(3)(a) of the Act states that the funding needed to meet these expenditure requirements must be met from sources that Council determines to be appropriate, following a consideration in relation to each activity, of a number of matters set out under sections 101(3)(a)(i) to (v) and 101(3)(b) of the Act. The activities for which development contributions will be applied is set out in **Part 2.**

4.4 Catchments

4.4.1 In keeping with the principle in section 197AB(1)(g) of the Act, the Council can group together certain developments by geographic area or land use, so that the cost of growth-related infrastructure is distributed fairly and equitably. Grouping development into catchments should avoid District-wide catchments where practical but the Council has discretion to balance fairness and equity with considerations of practical and administrative efficiency. The catchments to be used by Council when requiring contributions are set out in **Part 2** and **Appendix 1**.

4.5 Calculation of development contributions

4.5.1 The Council has to deal with several matters when calculating development contributions. Section 201(1)(a) of the Act requires this policy to contain an explanation and justification for the way in which development contributions are calculated. The method of calculation to ensure compliance with the Act is set out in **Part 5**.

4.5.2 Section 201(1)(b) requires this policy to contain the significant assumptions underlying the calculation of the schedule of development contributions, including an estimate of the potential effects, if there is a significant level of uncertainty as to the scope and nature of the effects. The significant assumptions are set out in **Appendix 2**.

4.6 Limitations on costs included

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4.6.1 In keeping with principle in section 197AB(1)(a) of the Act, no project can be considered for inclusion in a development contribution, unless the effects or cumulative effects of developments will create or have created a requirement for the Council to provide or to have provided the project to create new or additional assets or assets of increased capacity:

4.6.2 Section 200(1) of the Act prevents the Council from requiring a development contribution for a reserve, network infrastructure, or community infrastructure to the extent it is funded by a financial contribution, by the developer, by a development contribution already required for the same purpose or by a third party. Any amount from these or other sources are deducted from the project costs being considered for funding by development contributions. The Council's policies on limitations to costs included in the policy are set out in **Part 2.**

4.7 Asset capacity provided in the past

4.7.1 As well as assets to be provided in the LTP, section 199(2) of the Act allows the Council to require development contributions to be used to fund capital expenditure already incurred in anticipation of development, prior to the adoption of this policy. The Council's policies on surplus asset capacity are set out in **Part 2.**

4.8 Period of benefits

4.8.1 In keeping with the principle in section 197AB(1)(b) of the Act, the Council has considered the period over which the benefits of capital expenditure for new development are expected to occur.

4.8.2 Under Schedule 13 1(2) of the Act, Council may identify capital expenditure for the purposes of calculating development contributions in respect of assets or groups of assets that will be built after the period covered by the long-term plan and that are identified in the development contributions policy. The Council's policy position on the period of benefits is set out in **Part 2.**

4.9 Cost allocation

4.9.1 In keeping with principle in section 197AB(1)(c) of the Act, the cost of any project or work identified in the LTP will, be allocated between:

a) the costs for improving levels of service to existing households and businesses by bringing assets up to the *service standard* and/or by providing additional service life, to be expressed as the *ILOS cost*; and
b) the costs for providing additional capacity to service the development of new households and businesses, to be expressed as the *AC cost*.

4.9.2 The Council's method of calculation is set out in **Part 5**.

4.10 Interest and inflation

4.10.1 In keeping with section 197AA of the Act, the purpose of development contributions is to enable the Council to recover the total cost of capital necessary to service growth over the long term. This enables the Council to include interest and inflation in the amounts of

development contributions. The Council's policy position on interest and inflation is set out in **Part 2** and the way in which these are calculated is described in **Part 5**.

4.11 Explanation of development contribution calculation

4.11.1 Section 201(1)(a) of the Act requires this policy to include in summary form an explanation of, and justification for, the way each development contribution in the schedule required by subsection (2) is calculated. The calculation summary is set out In **Part 5.**

4.12 Development contribution amounts

4.12.1 In keeping with principles in section 197AB(1)(e) and (f) and in accordance with:

a) Section 201 and section 202 of the Act, **Table 1** of this policy shows the schedule of development contributions payable for each activity type in each part the of district. The amounts exclude GST.
b) **Table 2** of this policy summarises capital expenditure in the LTP that Council expects to incur to meet the increased demand for community facilities resulting from growth and the proportion of that expenditure to be funded from various sources including development contributions.
c) Section 201A of the Act, **Appendix 5** contains a schedule of assets for which development contributions will be used.

4.13 Units of demand

4.13.1 In accordance with Schedule 13 2 of the Act, the Council, in determining the maximum development contribution that may be required for a particular development or type of development, must demonstrate in its methodology that it has attributed units of demand to particular developments or types of development on a consistent and equitable basis. The Council's policy in determining units of demand is set out in **Part 2 and Table 3**.

4.14 When are development contributions paid?

4.14.1 Under section 198(1)(a), (b) and (c) and section 198(4A) of the Act, a development contribution may be required at the time the Council grants:

a) a resource consent for subdivision or development;
b) a building consent;
c) an authorisation for service connection;
d) a certificate of acceptance under section 98 of the Building Act 2004.

4.14.2 The Council's policy position on the time it will require payment is set out in **Part 2** and this is also set out in **Part 3 - Practical application.**

4.15 Remissions, postponements and refunds

4.15.1 In accordance with section 201(1)(c) of the Act, this policy must include conditions and criteria that will enable Council to consider remissions, postponements and refunds to development contributions. The Council's conditions and criteria are set out in **Part 3.**

4.16 Reconsiderations

4.16.1 Section 202A of the Act, requires this policy to set out the process for requesting reconsideration of a requirement for a development contribution under section 199A of the Act. The process for reconsideration must set out:

a) how the request can be lodged with the Council; and
b) the steps in the process that the territorial authority will apply when reconsidering the requirement to make a development contribution.

4.16.2 In accordance with section 199B(1) of the Act, the Council must, within 15 working days after the date on which it receives all required relevant information relating to a request, give written notice of the outcome of its reconsideration to the applicant who made the request. The process for reconsideration of a request is set out in **Part 3**.

4.17 Development agreements

4.17.1 Sections 207A of the Act enables the Council and developers to enter into development agreements. The provisions of sections 207A to 207F apply to such agreements. The Council's policy in respect of development agreements is set out in **Part 2**.

4.18 Powers of recovery and refunds

4.18.1 Sections 208 and 209 of the Act set out the Council's powers of recovery when development contributions are not paid and when it is required to refund development contributions. These are referred to in **Part 3**.

4.19 Related Council policies/strategies/bylaws or guidelines

4.19.1 Nothing in this policy will diminish from an applicant paying any charges required under the Council's bylaws or any policy on fees and charges.

4.19.2 The Council is able to charge financial contributions on any consent under the Resource Management Act 1991, where additional infrastructure is required for that development. This is provided for in Chapter 22 of the Kaipara District Plan, of which a summary of provisions is contained in **Appendix 6,** as required by section 106(2)(f) of the Act.

4.19.3 This policy does not diminish from any requirements under the Kaipara District Plan (such as landscaping conditions and parking requirements) which impose works or financial contributions to avoid, remedy or mitigate the adverse effects of any development on the environment.

4.19.4 Nothing in this policy, including the amounts of development contributions payable in **Table 1**, will diminish from any other legal requirement to make a payment for community facilities other than a development contribution, including connection fees or any other fee required to be paid by agreement with the Council.

4.19.5 No expenditure by the developer on works or assets to avoid, remedy or mitigate the adverse effects of any development on the environment, or required by agreement in addition to a development contribution, such as roading, water supply, wastewater, urban stormwater and community infrastructure (even where this may at some stage vest in the Council), will be included in the calculation of development contributions under this policy).

4.19.6 The value of assets vested or expenditure made by a developer, in accordance with a requirement under the Resource Management Act 1991, will not be used to offset development contributions payable on development, unless all or a portion of such assets or expenditure can be shown to avoid or reduce the need for the Council to incur costs providing an asset that is included in its capital works programme, for which development contributions are sought.

4.19.7 The value of assets vested, or expenditure made voluntarily by a developer to enhance a development will not be used to offset development contributions payable on development.

Part 5 – Calculating the development contributions

This part is required by section 201(1)(a) of the Act. The calculation of the separate development contribution amounts in **Table 1**, is carried out using the following methodology.

5.1 Listing projects and information required

5.1.1 Every project in the capital works programme of the LTP for the activities for which the Council intends to require development contributions is listed in the Project Allocation Schedule of the Development Contributions Model which may be examined on request at any office of the Council.

5.1.2 Every surplus capacity project is listed in the Surplus Capacity Schedule.

5.1.3 Where possible, distinct stages of a project or distinct parts of a project are listed in the schedules as separate components and separate calculations carried out for each.

5.1.4 For each project in the schedules, the following information is provided:

a) the year in which the project or component is to be carried out in the LTP, or in the case of each *surplus capacity project (SC project)*, the year it was completed;
b) the total project cost;
c) the amount of any subsidy or grant toward each project or from any other source, which is deducted from the total project cost to give the net project cost;
d) the *activity-funding area* (catchment) that the project will serve.

5.1.5 Each project in the Project Allocation Schedule is categorised *"Yes"* or *"No"* in answer to the question – *"Is this capital expenditure required at least partly to provide appropriately for new or additional assets or assets of increased capacity in order to address the effects of development?"* By answering:

a) *"No"* - the project is treated as a pure renewal or level of service project and the cost of the project is removed from the Development Contribution calculation;
b) *"Yes"* - the project is treated as either a *combined project (AC/ILOS project)* or an *additional capacity for growth project (AC project)* and is subject to further analysis.

5.1.6 For each project in the Project Allocation Schedule, where the answer to the question above is *"Yes"*, the following information is provided:

a) the expected distribution of benefits of the project between the existing community as a whole or identified parts of it or individuals;
b) the period over which benefits of the project are expected to occur, determined by stating the year in which capacity take up is expected to start and the year in which the project capacity is expected to be fully consumed;
c) the cause of the project;
d) any supporting information or reference to information describing the reasons for the project.

5.1.7 Each project in the Surplus Capacity Schedule is categorised *"Yes"* or *"No"* in answer to the question – *"Was capital expenditure on this project incurred, at least partly, in anticipation of development?*" By answering:

a) *"No"* - the project is treated as a pure renewal or level of service project and the cost of the project is removed from the Development Contribution calculation;
b) *"Yes"* - the project is treated as either a *combined project (AC/ILOS project)* or an *additional capacity for growth project (AC project)* and is subject to further analysis.

5.2 Analysis of combined and additional capacity for growth projects

5.2.1 Using the information provided on *combined projects (AC/ILOS projects)* and *additional capacity for growth projects (AC projects)* in the project schedules, a cause/benefits matrix analysis is carried out by which it is required to state for each project:

a) the degree, on a scale of 0 to 1 to which growth creates the need for the project to be undertaken;
b) the degree on a scale of 0 to 1 to which the growth community will benefit from the project being undertaken.

5.2.2 The value is chosen in each case from the cause/benefits matrix in the model which produces an estimated percentage of cost attributable to growth.

5.2.3 The matrix generates fifty different cause/benefit combinations. The percentage derived is applied to the net project cost to determine the *AC cost*. The remainder of the net project cost is the *ILOS cost.*

5.3 AC cost allocation between new and future units of demand

5.3.1 Using information provided on the year in which capacity take up of a project is expected to start and the year in which the project capacity is expected to be fully consumed, the *AC cost* of the project is divided between new *units of demand (N)* arriving in the *activity-funding area* in the LTP period and future *units of demand (F)* arriving after the end of the LTP period, as follows:

a) the AC cost to F is the AC cost determined above, multiplied by the years of capacity take up after the LTP period divided by total years of capacity take-up;
b) the AC cost to N is the AC cost less the AC cost to F.

5.3.2 For *surplus capacity projects (SC projects),* the *AC cost to N* from the previous long term plan is adjusted for any development contributions received in the three years since adoption of the last long term plan and for any additional *AC cost to N* expenditure incurred in those 3 years. The total is adjusted for interest.

5.3.3 For each *activity-funding area,* the combined *AC cost to N* from all projects in the LTP period and combined *AC cost to N* from all Surplus Capacity projects is divided by the projected new *units of demand (N)* that will consume capacity in those projects in the LTP period to give the development contribution amounts in **Table 1.**

5.3.4 The *AC Cost to F* from the previous Long Term Plan is adjusted for any additional *AC Cost to F* expenditure in the last 3 years and is adjusted for interest.

5.3.5 To deal with asset capacity life requirements in the Act, the assumption is that *surplus capacity projects (SC projects)* have capacity for 30 years for all infrastructure except Mangawhai Wastewater projects which have a capacity for 40 years, noting however that when doing the calculations above, if development contributions received exceed the cost of surplus capacity, then the asset will be assumed to have been consumed and play no further part in the calculation.

5.4 Growth Assumptions

5.4.1 In order to calculate the amount of new development to which the growth related portion of capital expenditure (*AC costs*) for infrastructure will be attributed, area-by-area projections of new and future *units of demand* for services in the period 2021 to 2051 are required.

5.4.2 Council maintains a detailed rating database that provides the numbers of Rating Units for all parts of the district.

5.4.3 The numbers of Rating Units provide a close correlation with numbers of *lots* in the district and the number of multiple units of activity on any *lot* where this is the case. They are considered to provide a reasonably sound measure of the *units of demand* for infrastructure and services.

5.4.4 The growth projection worksheet of the Development Contributions Model, *Projections Schedule,* contains the number of Rating Units *(units of demand)* for each activity type existing at the time of the 2020/2021 rates year. Rating data is available for the whole district, parts of it and each of the water supply, wastewater and stormwater scheme areas.

5.4.5 LTP assumptions have been used to determine the expected annual increase in the numbers of Rating Units and hence *units of demand* to 2031, in each of these areas.

5.4.6 The *Projections Schedule* also provides long-term estimates for future Rating Units *(units of demand)* after the Long Term Plan period to 2051, in order to ensure that any portion of remaining surplus capacity at the end of the period can be attributed to future development.

5.4.7 On the basis of decisions made by Council in Part 1 on the development contribution *activity-funding areas* (catchments) that will apply to each activity type, *Projections Schedule* provides Rating Units at 2021 and projected Rating Units for each *activity-funding area* to 2051.

5.4.8 For calculation of the Mangawhai Wastewater Development Contribution, projections of new and future connections to the wastewater scheme are used as the measure of the *units of demand* for that infrastructure. Adjustments are also made to deduct - from total projected new and future connections - new connections on properties for which a development contribution has already been paid or for which a rate to fund capital costs for the scheme has or will be paid.

5.5 Interest and Inflation

5.5.1 The Development Contributions Model includes interest on growth related capital expenditure and inflation in the calculation of the Development Contribution amounts, in accordance with the Council's policies in Part 1.

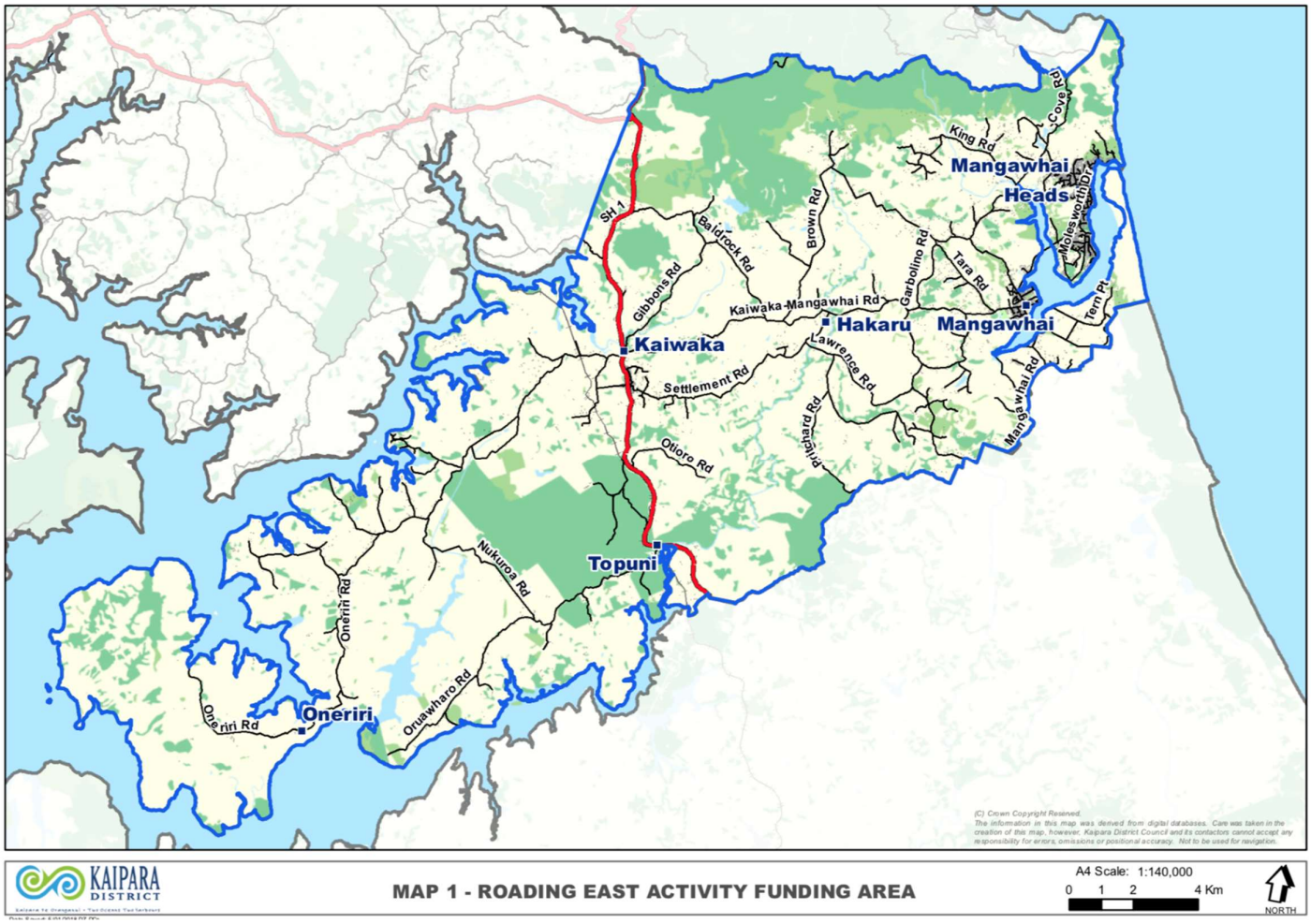
5.5.2 The Council is trying to recover all interest by the end of the development contribution calculation period.

5.5.2 Interest estimates can be prepared based on the amount of outstanding (growth related) debt over time and the ongoing reduction of that debt by Development Contribution revenue.

5.5.3 The Development Contributions model uses the inflated capital costs in the Long Term Plan to calculate Development Contributions.

Appendix 1 – Development Contribution Activity-Funding Areas

Community Facility	Activity-Funding Areas	Development to which Development Contribution Applies
Roading	District	Development anywhere in the District
Community infrastructure	District	Development anywhere in the District
Roading	Roading East	Development in the area indicated in **Map 1**
Wastewater Treatment	Mangawhai Community Wastewater Scheme area	Development at Mangawhai where the service is available
Wastewater Treatment	Dargaville, Kaiwaka, Glinks Gully, Te Kopuru and Maungaturoto Scheme areas	Development in any separate wastewater scheme
Water Supply	Dargaville/Baylys, Glinks Gully, Ruawai, Mangawhai and Maungaturoto Scheme areas	Development in any separate water supply scheme
Stormwater Management	Mangawhai, Dargaville, Te Kopuru, Maungaturoto, Kaiwaka and Baylys Scheme areas	Development in any separate urban stormwater scheme


Mangawhai Heads
King Rd
Cove Rd
Moir Point
Mangawhai
Tara Rd
Garbolino Rd
Brown Rd
Baldrock Rd
SH 1
Gibbons Rd
Kaiwaka-Mangawhai Rd
Hakaru
Mangawhai
Tern Pt
Kaiwaka
Lawrence Rd
Settlement Rd
Mangawhai Rd
Pritchard Rd
Otioro Rd
Topuni
Nukuroa Rd
Oneriri Rd
Oruawharo Rd
Oneriri
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KAIPARA DISTRICT
MAP 1 - ROADING EAST ACTIVITY FUNDING AREA
A4 Scale: 1:140,000
0 1 2 4 Km
NORTH

Appendix 2 – Assessment of Significant Assumptions

Assumption	Level of Uncertainty	Potential Effects
The rate, level and location of growth will occur as forecast in the rating growth projections accompanying the Long Term Plan	High	Lower than forecast growth will result in a significant under-recovery of Development Contributions revenue
Capital expenditure will be in accordance with the capital works programme in the Long Term Plan	Moderate	In current circumstances significant changes to the capital programme are unlikely
No significant changes to service standards are expected to occur other than those planned for in the Asset Management Plans	Low	No significant effects anticipated
The level of third-party funding (such as NZ Transport Agency subsidies) will continue at predicted levels for period of the Long Term Plan	Low	No significant effects anticipated
There will be no significant variations to predicted rates of interest and inflation to those set out in the Long Term Plan	Moderate/High	Significant past spending on the Mangawhai Community Wastewater Scheme through loans, presents a significant risk for a number of years to come if interest rates rise

Appendix 3 – Glossary of Terms

"AC cost" means the cost for providing additional capacity to service the development of new households and businesses.

"Accommodation units" has the meaning given to it in section 197(2) of the Local Government Act 2002 (See definitions below).

"Activity-funding area" means the whole or any part of the District as defined in this Policy, which will be served by a particular activity type.

"Activity unit of demand" means the demand for a community facility generated by development activity other than subdivision.

"Additional capacity project" or "AC project" means a capital project in the Long Term Plan intended only to provide additional capacity to service new and future households and businesses.

"Aged care room" means any residential unit in a "rest home" or "hospital care institution" as defined in section 58(4) of the Health and Disability Service (Safety) Act 2001.

"Allotment" or "lot" has the meaning given to the term "allotment" in section 218(2) of the Resource Management Act 1991. (See definitions below).

"Bedroom" means a room used for sleeping, normally accommodating no more than three persons.

"Combined project" or "AC/ILOS project" means a project in the Long Term Plan intended to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the *service standard* and/or by providing additional service life, and to provide capacity for further growth.

"Commercial" for the purposes of this Policy, means the provision of goods, services and travellers accommodation principally for commercial gain, including camping grounds, caravan/trailer home parks, a depot for the maintenance, repair and storage of vehicles, machinery, equipment and materials and the storage and use of hazardous substances but does not include stalls or produce markets or farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crops production.

"Community infrastructure" has the meaning given to it in section 197 of the Local Government Act 2002 (See definitions below).

"Development" has the meaning given to it in section 197 of the Local Government Act 2002. (See definitions below).

"Development contributions calculation period" means the period between 1 July 2018 and a date 30 years after the date of adoption of this Policy.

"Dwelling unit" means any building or group of buildings or any part of those buildings, used or intended to be used solely or principally for residential purposes and occupied or intended to be occupied by not more than one household – and includes a minor household unit, a utility building or any unit of commercial accommodation.

"Gross business area" means:

(a) the *gross floor area* of any building, including the gross floor area of all floors of a multi-storey building; plus

(b) the area of any part of the *lot* used solely or principally for the storage, sale, display or servicing of goods or the provision of services on the *lot* but not including permanently designated vehicle parking, manoeuvring, loading and landscaping areas, the conversion of which to another use would require resource consent.

The *gross business area* excludes the area of network infrastructure including pipes, lines and installations, roads, water supply, wastewater and stormwater collection and management systems, but includes the area of buildings occupied by network service providers, including offices, workshops, warehouses and any outside areas used for carrying out their normal business.

"ILOS cost' means the cost of improving levels of service to existing households and businesses by bringing assets up to the *service standard* and/or by providing additional service life.

"Impervious Area" means that part of the *lot* which is already covered or is to be covered by any impermeable artificial surface but excludes any impervious areas created without a building or resource consent.

"Improved level of service project" or "ILOS project" means a capital project in the Long Term Plan intended only to deal with shortfalls in levels of service to existing households and businesses by bringing assets up to the *service standard* and/or by providing additional service life.

"Industrial" means for the purposes of this Policy, any land, building or part of a building used for the processing, assembly, servicing, testing, repair, packaging, storage or manufacture of a product or produce, including the maintenance, repair and storage of vehicles, machinery, equipment and materials, and the storage of hazardous substances associated with the activity, but does not include mineral extraction or farm buildings associated with normal farming operations including sheds, barns, garages and buildings for indoor poultry livestock and crops production.

"Legally established" means, in relation to any *lot* or development, any *lot* for which a title has been issued, or any dwelling, commercial or industrial unit for which a code compliance certificate has been issued. *Legally established* development includes buildings and structures that can be shown to have been in existence when this policy became operative on 1 July 2018 but have since been demolished.

"Lot unit of demand" means the demand for a community facility generated by the creation of lots through subdivision.

"Past surplus capacity" means capacity in assets provided as a result of capital expenditure made in anticipation of development since 1 July 2001.

"Remaining surplus capacity" means the estimated remaining capacity in capital assets at the end of the Long Term Plan period, available to service future development occurring after the Long Term Plan period.

"Retirement unit" means any residential unit other than an aged care room, in a "*retirement village"* as defined in section 6 of the Retirement Villages Act 2003.

"Serviced Site" means any site dedicated for the location of a vehicle or tent for the accommodation of persons, which is provided with utility services such as water supply, wastewater disposal, solid waste disposal, electricity or gas, either directly to the site or in the immediate vicinity.

"Service standard" means a level of service for any Council activity set by Council and stated in the Asset Management Plan for the activity concerned, (available for inspection on request at any office of the Council) having due regard to one or more of the following factors:

(a) demand data based on market research;
(b) widely accepted and documented engineering or other minimum standards;
(c) politically endorsed service levels based on community consultation;
(d) safety standards mandated by local or central government;
(e) environmental standards mandated by local or central government;
(f) existing service levels, where these are recognised by all concerned parties to be adequate but have no formal ratification;
(g) efficiency considerations where the *service standard* must take account of engineering and economic efficiency requirements which require a long-term approach to optimality.

"Surplus capacity project" or "SC project" means a past capital expenditure project carried out since 1 July 2001 in anticipation of new development and providing surplus capacity for further development.

"Unit of demand" is a unit of measurement by which the relative demand for an activity, generated by different types of development (existing or proposed), can be assessed. A *unit of demand* may be expressed as a *lot unit of demand* or an *activity unit of demand*.

"**Utility Building"** is a structure containing facilities (such as toilet, shower, laundry, hot water cylinder, laundry tub) that make the site habitable prior to or during the erection of a dwelling.

Definitions Under Acts

"Accommodation units" is defined in section 197(2) of the Local Government Act 2002 to mean *"units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation."*

"Allotment" is defined under section 218(2) of the Resource Management Act 1991 as follows:

"(a) any parcel of land under the Land Transfer Act 1952 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not:

(i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or

(ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or

(b) any parcel of land or building or part of a building that is shown or identified separately—

(i) on a survey plan; or

(ii) on a licence within the meaning of Part 7A of the Land Transfer Act 1952; or

(c) any unit on a unit plan; or

(d) any parcel of land not subject to the Land Transfer Act 1952."

"Community infrastructure" is defined under section 197 of the Local Government Act 2002 to mean "*the following assets when owned, operated, or controlled by a territorial authority:*

(a) community centres or halls for the use of a local community or neighbourhood, and the land on which they are or will be situated:

(b) play equipment that is located on a neighbourhood reserve:

(c) toilets for use by the public."

"Development" is defined under section 197 of the Local Government Act 2002 as follows:

"(a) any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but

(b) does not include the pipes or lines of a network utility operator."

Appendix 4 – Demand Factors for Business Development

D.1. Roading

Assumptions

Average business site size = 1,500m^2

Gross business area is 60% of site = 1,000m^2

Employees per hectare of business = 30 FTEs per ha (FTE (Full Time Equivalent). Employment figures may be amended subject to further sampling)

Average Household Unit Trip generation = 9 trips per day = 1 *Unit of Demand*

Sites per net hectare = 5 (7,500m^2 sites, 2,500m^2 roads)

Gross business area per hectare = 5 X 1,000 = 5,000m^2

Each site of 1,500m^2 and each 1,000m^2 of *gross business area* has = 30/5 FTE's = 6 FTE's

Minimum trip generation = 3 trips per FTE per day = 18 trips per day

Unit of Demand Factor = 18/9 = 2 per 1,000m^2 of business area OR 0.002 per m^2 of business area.

D.2 Water Supply and Wastewater Treatment

Assumptions:

Residential consumption 200 litres per person per day = 1 *Unit of Demand*

Average household occupancy = 2.8 persons

Average business water consumption = 15,000 litres per hectare of business land per day (Consumption figures may be amended subject to further sampling)

1 Household Unit uses 200 litres X 2.8 = 560 litres per day = 1 *Unit of Demand*

1,000m^2 business land area uses 15,000 litres / 10 = 1,500 litres per day

Unit of Demand Factor = 1,500/560 = 2.67 per 1,000m^2 land area

Assume gross business area is 60% of land area i.e. 1,000m^2 site has 600m^2 gross business area and uses 1,500 litres per day.

Unit of Demand factor = 1,500/560/600 = 0.00446 per m^2 of gross business area.

Unit of Demand factor is 4.46/1,000m^2 of gross business area for water and wastewater OR 0.00446 per m^2 of gross business area.

D.3 Stormwater

Assumptions

Average residential site = 600m^2

Runoff co-efficient for greenfields = 0.40[i] = C_1

Runoff co-efficient for residential areas = 0.55[ii] = C_2

Runoff co-efficient for business use = 0.65[iii] = C_3

Unit of Demand Factor for business land

$$= \frac{C_3-C_1}{C_2-C_1} \times \frac{1{,}000m^2}{600m^2}$$

$$= \frac{0.65-0.40}{0.55-0.40} \times \frac{1{,}000m^2}{600mm^2}$$

= 2.78 per 1,000m2 site OR 0.00278 per m^2 of *impervious area*.

Surface Water, Building Industry Authority, December 2000, Table 1, Run-off Co-efficients

[i] Heavy clay soil types – pasture and grass cover.

[ii] Residential areas in which *impervious area* is 35% to 50%.

[iii] Industrial, commercial, shopping areas and town house developments.

Appendix 5 – Schedule of Assets with associated proportion % recovered through Development Contributions:

Appendix 5: Schedule of Assets with associated proportion % recovered through Development Contributions:

Activity	Rating area code.	Project name	Year Complete	Project Source	Growth %	Project Cost
COMMUNITY	Mangawhai	Mangawhai Library	2024	LTP2021-2031	50%	$5,295,010
COMMUNITY	Mangawhai Total					$5,295,010
COMMUNITY	Kai iwi	Premier parks - Kai Iwi Lakes	2025	LTP2021-2031	38%	$1,164,961
COMMUNITY	Kai iwi Total					$1,164,961
ROADING	District Roading	10058 Estuary Drive	2016	surplus capacity 2016-2018	50%	$242,207
ROADING	District Roading	10069 Estuary Drive	2016	surplus capacity 2016-2018	50%	$19,835
ROADING	District Roading	10071 Estuary Road- Seal Extension	2016	surplus capacity 2016-2018	50%	$333,442
ROADING	District Roading	10085 Jack Boyd	2016	surplus capacity 2016-2018	50%	$23,794
ROADING	District Roading	10130 Moir Point Road - Seal widening	2016	surplus capacity 2016-2018	50%	$154,577
ROADING	District Roading	10235 Settlement Road	2018	surplus capacity 2016-2018	50%	$164,156
ROADING	District Roading	10237 Settlement Road - Seal Extension	2018	surplus capacity 2016-2018	50%	$8,295
ROADING	District Roading	10548 Settlement Road Seal Extension 2017/18	2018	surplus capacity 2016-2018	50%	$757,563
ROADING	District Roading	11063 KDC client request projects 25%G	2019	surplus capacity 2019-2021	25%	$34,987
ROADING	District Roading	11116 Drainage Improvements (kaipara network)	2019	surplus capacity 2019-2021	6%	$21,432
ROADING	District Roading	11129 Kelly Str. RP0-388 - new footpaths SP1	2019	surplus capacity 2019-2021	31%	$96,060
ROADING	District Roading	211 Renewals|Unsealed Road Metaling	2012	surplus capacity 2002-2014	6%	$325,984
ROADING	District Roading	211 Renewals|Unsealed Road Metaling	2013	surplus capacity 2002-2014	6%	$419,468
ROADING	District Roading	211 Renewals|Unsealed Road Metaling	2014	surplus capacity 2002-2014	6%	$1,767,000
ROADING	District Roading	212 Renewals|Reseals (Chip Seals & Thin AC Surfacing)	2012	surplus capacity 2002-2014	6%	$981,202
ROADING	District Roading	212 Renewals|Reseals (Chip Seals & Thin AC Surfacing)	2013	surplus capacity 2002-2014	6%	$700,494
ROADING	District Roading	212 Renewals|Reseals (Chip Seals & Thin AC Surfacing)	2014	surplus capacity 2002-2014	6%	$1,062,000
ROADING	District Roading	213 Renewals|Drainage Renewals- (Major Drainage Control)	2012	surplus capacity 2002-2014	6%	$354,551
ROADING	District Roading	213 Renewals|Drainage Renewals- (Major Drainage Control)	2013	surplus capacity 2002-2014	6%	$245,917
ROADING	District Roading	213 Renewals|Drainage Renewals- (Major Drainage Control)	2014	surplus capacity 2002-2014	6%	$723,000
ROADING	District Roading	214 Renewals|Sealed Road Pavement Rehabilitation	2012	surplus capacity 2002-2014	6%	$1,150,221
ROADING	District Roading	214 Renewals|Sealed Road Pavement Rehabilitation	2013	surplus capacity 2002-2014	6%	$1,246,333
ROADING	District Roading	214 Renewals|Sealed Road Pavement Rehabilitation	2014	surplus capacity 2002-2014	6%	$7,494,400
ROADING	District Roading	215 Renewals|Structures Strengthening	2012	surplus capacity 2002-2014	6%	$174,534
ROADING	District Roading	215 Renewals|Structures Strengthening	2013	surplus capacity 2002-2014	6%	$101,575
ROADING	District Roading	215 Renewals|Structures Strengthening	2014	surplus capacity 2002-2014	6%	$400,000
ROADING	District Roading	222 Renewals|Signs and markings renewals	2012	surplus capacity 2002-2014	6%	$19,533
ROADING	District Roading	222 Renewals|Signs and markings renewals	2013	surplus capacity 2002-2014	6%	$58,075
ROADING	District Roading	222 Renewals|Signs and markings renewals	2014	surplus capacity 2002-2014	6%	$257,000
ROADING	District Roading	231 Renewals|Associated Improvements	2012	surplus capacity 2002-2014	6%	$97,035
ROADING	District Roading	231 Renewals|Associated Improvements	2013	surplus capacity 2002-2014	6%	$489,888
ROADING	District Roading	231 Renewals|Associated Improvements	2014	surplus capacity 2002-2014	6%	$1,102,000
ROADING	District Roading	241 Renewals|Emergency Works (Preventative maintenance)	2012	surplus capacity 2002-2014	6%	$8,118
ROADING	District Roading	241 Renewals|Emergency Works (Preventative maintenance)	2013	surplus capacity 2002-2014	6%	$162,749
ROADING	District Roading	241 Renewals|Emergency Works (Preventative maintenance)	2014	surplus capacity 2002-2014	6%	$570,000
ROADING	District Roading	322 Improvements|Bridge Replacements	2012	surplus capacity 2002-2014	6%	$39,947
ROADING	District Roading	322 Improvements|Bridge Replacements	2013	surplus capacity 2002-2014	6%	$423,000
ROADING	District Roading	341 Improvements|Minor Improvements & Safety Projects	2012	surplus capacity 2002-2014	6%	$322,046
ROADING	District Roading	341 Improvements|Minor Improvements & Safety Projects	2013	surplus capacity 2002-2014	6%	$725,566
ROADING	District Roading	341 Improvements|Minor Improvements & Safety Projects	2014	surplus capacity 2002-2014	6%	$1,792,000
ROADING	District Roading	4324 Improvements|Road reconstruction -Otamatea Ward DC	2012	surplus capacity 2002-2014	6%	$893,178
ROADING	District Roading	4324 Improvements|Road reconstruction -Otamatea Ward DC	2013	surplus capacity 2002-2014	6%	$1,560
ROADING	District Roading	4324 Improvements|Road reconstruction -Otamatea Ward DC	2014	surplus capacity 2002-2014	6%	$994,000
ROADING	District Roading	13004 New Footpath 20/21	2021	surplus capacity 2019-2021	38%	$59,500
ROADING	District Roading	13006 Paths; Walkways and Cycleways 20/21	2021	surplus capacity 2019-2021	38%	$949,700
ROADING	District Roading Total					$27,967,924
ROADING	Roading East	11122 Insley Street Shared Path	2019	surplus capacity 2019-2021	38%	$14,131
ROADING	Roading East	11125 Insley/Moir Intersection (Intersection 1)	2019	surplus capacity 2019-2021	38%	$25,072
ROADING	Roading East	11125 Insley/Moir Intersection (Intersection 1)	2020	surplus capacity 2019-2021	38%	$103,317
ROADING	Roading East	11125 Insley/Moir Intersection (Intersection 1)	2021	surplus capacity 2019-2021	38%	$436,683
ROADING	Roading East	11144 Moir Street Shared Path	2019	surplus capacity 2019-2021	38%	$30,257
ROADING	Roading East	11144 Moir Street Shared Path	2020	surplus capacity 2019-2021	38%	$602,293
ROADING	Roading East	11146 Moir/Molesworth Intersection (Intersection 2)	2019	surplus capacity 2019-2021	38%	$24,997
ROADING	Roading East	11146 Moir/Molesworth Intersection (Intersection 2)	2020	surplus capacity 2019-2021	38%	$72,416
ROADING	Roading East	11146 Moir/Molesworth Intersection (Intersection 2)	2021	surplus capacity 2019-2021	38%	$467,584
ROADING	Roading East	12000 Wood Street - Mainstreet redevelopment	2020	surplus capacity 2019-2021	38%	$7,868
ROADING	Roading East	12034 MCP Paths; Walkways and Cycleways 19/20	2020	surplus capacity 2019-2021	38%	$11,574
ROADING	Roading East	Cove Road Connection to Mangawhai Central	2028	LTP2021-2031	88%	$12,326,846
ROADING	Roading East	Kaiwaka Eastern Link Road Growth	2027	LTP2021-2031	50%	$340,613
ROADING	Roading East	Kaiwaka Oniriri Road Intersection Upgrade	2025	LTP2021-2031	38%	$275,042
ROADING	Roading East	Mangawahai – Improved access to Alamar Boat Ramp	2031	LTP2021-2031	88%	$2,865,260
ROADING	Roading East	Mangawhai Shared Path	2022	LTP2021-2031	38%	$25,025,752
ROADING	Roading East	Wood Street Urban Improvements	2025	LTP2021-2031	38%	$4,471,090
ROADING	Roading East Total					$47,100,795
STORMWATER	Baylys Beach stormwater	11082 Chases Gorge Investigation	2019	surplus capacity 2019-2021	38%	$20,000
STORMWATER	Baylys Beach stormwater	11082 Chases Gorge Investigation	2020	surplus capacity 2019-2021	38%	$3,450
STORMWATER	Baylys Beach stormwater	12037 Chases Gorge	2020	surplus capacity 2019-2021	38%	$41,000
STORMWATER	Baylys Beach stormwater	12037 Chases Gorge	2021	surplus capacity 2019-2021	38%	$256,000
STORMWATER	Baylys Beach stormwater	5.2.3.1.1|Cap Dev (Los Enh)|Piped Network|Baylys Beach|Upgrade Reticulation	2014	surplus capacity 2002-2014	6%	$44,000
STORMWATER	Baylys Beach stormwater	Baylys Beach SW - Cynthia Place Stormwater upgrades	2027	LTP2021-2031	25%	$256,681

Activity	Rating area code.	Project name	Year Complete	Project Source	Growth %	Project Cost
STORMWATER	Baylys Beach stormwater	Chases Gorge	2022	LTP2021-2031	25%	$250,000
STORMWATER	Baylys Beach stormwater Total					$871,131
STORMWATER	Dargaville stormwater	11098 Dargaville SW	2020	surplus capacity 2019-2021	38%	$89,704
STORMWATER	Dargaville stormwater	3.1.2|Ren|Piped Network|Dargaville	2012	surplus capacity 2002-2014	6%	$19,220
STORMWATER	Dargaville stormwater	3.1.2|Ren|Piped Network|Dargaville	2013	surplus capacity 2002-2014	6%	$21,425
STORMWATER	Dargaville stormwater	3.1.2|Ren|Piped Network|Dargaville	2014	surplus capacity 2002-2014	6%	$211,000
STORMWATER	Dargaville stormwater	Dargaville SW Growth	2029	LTP2021-2031	63%	$631,374
STORMWATER	Dargaville stormwater Total					$972,722
STORMWATER	Kaiwaka stormwater	Kaiwaka SW Growth Capital works	2029	LTP2021-2031	63%	$1,352,773
STORMWATER	Kaiwaka stormwater Total					$1,352,773
STORMWATER	Mangawhai stormwater	11093 Mangawhai SW	2020	surplus capacity 2019-2021	19%	$64,243
STORMWATER	Mangawhai stormwater	5.1.4.1|Cap Dev (Los Enh)|Compliance|Mangawhai|Stormwater Dsicharge Consent Renewal	2012	surplus capacity 2002-2014	31%	$58,000
STORMWATER	Mangawhai stormwater	5.2.1.1.4.1.5|Cap Dev (Los Enh)|Network Improvements|Asset Man Dev|Mangawhai Stormwater Management Plan	2012	surplus capacity 2002-2014	31%	$169,000
STORMWATER	Mangawhai stormwater	5.2.3.4.2|Cap Dev (Los Enh)|Piped Network|Mangawhai|Upgrade Reticulation	2014	surplus capacity 2002-2014	6%	$169,000
STORMWATER	Mangawhai stormwater	Mangawhai Stormwater Discharge Consent Renewal	2003	surplus capacity 2002-2014	31%	$58,000
STORMWATER	Mangawhai stormwater	Mangawhai SW	2022	LTP2021-2031	63%	$300,000
STORMWATER	Mangawhai stormwater	Mangawhai SW - 130-138 Mangawhai Heads road redirection of flow and culvert upgrade	2023	LTP2021-2031	38%	$258,200
STORMWATER	Mangawhai stormwater	Mangawhai SW - Jack Boyd drive SW resilience	2025	LTP2021-2031	38%	$2,433,250
STORMWATER	Mangawhai stormwater	Mangawhai SW Growth	2028	LTP2021-2031	63%	$385,542
STORMWATER	Mangawhai stormwater	Mangawhai SW Lincoln and Cheviot street new stormwater system	2028	LTP2021-2031	38%	$1,496,411
STORMWATER	Mangawhai stormwater	Mangawhai SW Taranui culvert capacity upgrade	2022	LTP2021-2031	25%	$49,000
STORMWATER	Mangawhai stormwater	Mangawhai SW Taranui increase upstream capacity and install wetland at 10 Taranui Place	2023	LTP2021-2031	63%	$85,050
STORMWATER	Mangawhai stormwater	Mangawhai Town Plan Wood St and surrounds stormwater upgrade	2027	LTP2021-2031	19%	$4,279,423
STORMWATER	Mangawhai stormwater	13022 Mangawhai SW	2021	surplus capacity 2019-2021	31%	$276,757
STORMWATER	Mangawhai stormwater Total					$10,081,875
STORMWATER	Maungaturoto stormwater	Maungaturoto Paparoa SW growth Capital Works	2028	LTP2021-2031	63%	$2,557,431
STORMWATER	Maungaturoto stormwater Total					$2,557,431
WASTEWATER TREATMENT	Dargaville wastewater	Dargaville growth design	2022	LTP2021-2031	100%	$100,000
WASTEWATER TREATMENT	Dargaville wastewater	Dargaville wastewater growth - 1800m Wastewater line from Bower St to Awakino area to PS1	2028	LTP2021-2031	100%	$989,445
WASTEWATER TREATMENT	Dargaville wastewater	Dargaville wastewater treatment plant upgrade	2028	LTP2021-2031	63%	$2,456,064
WASTEWATER TREATMENT	Dargaville wastewater	Station Road reticulation	2022	LTP2021-2031	63%	$200,000
WASTEWATER TREATMENT	Dargaville wastewater Total					$3,745,509
WASTEWATER TREATMENT	Kaiwaka wastewater	Kaiwaka wastewater growth	2023	LTP2021-2031	100%	$104,100
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA|New Assets - Council Funded|Additional Capacity for Growth - Council Contribution	2012	surplus capacity 2002-2014	44%	$7,733
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA|Renewals|All Asset Groups	2012	surplus capacity 2002-2014	6%	$2,063
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA|Renewals|All Asset Groups	2013	surplus capacity 2002-2014	6%	$2,825
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA|Renewals|All Asset Groups	2014	surplus capacity 2002-2014	6%	$12,000
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA|Renewals|AMP Improvements	2012	surplus capacity 2002-2014	6%	$3,193
WASTEWATER TREATMENT	Kaiwaka wastewater	KAIWAKA|Renewals|AMP Improvements	2013	surplus capacity 2002-2014	6%	$278
WASTEWATER TREATMENT	Kaiwaka wastewater Total					$132,192
WASTEWATER TREATMENT	Mangawhai wastewater	10059 Effluent Discharge Options	2018	surplus capacity 2016-2018	75%	$165,158
WASTEWATER TREATMENT	Mangawhai wastewater	10413 Additional Capacity for Growth-Council Contribution 2015/16	2016	surplus capacity 2016-2018	100%	$16,797
WASTEWATER TREATMENT	Mangawhai wastewater	10462 Wastewater Reticulation Extension 2015/2016	2016	surplus capacity 2016-2018	100%	$176,372
WASTEWATER TREATMENT	Mangawhai wastewater	10515 Estuary Drive Pumping Station	2016	surplus capacity 2016-2018	75%	$8,400
WASTEWATER TREATMENT	Mangawhai wastewater	10769 Upgrade PS-VA	2018	surplus capacity 2016-2018	100%	$79,710
WASTEWATER TREATMENT	Mangawhai wastewater	10769 Upgrade PS-VA	2019	surplus capacity 2019-2021	63%	$188,898
WASTEWATER TREATMENT	Mangawhai wastewater	10769 Upgrade PS-VA	2020	surplus capacity 2019-2021	63%	$244,260
WASTEWATER TREATMENT	Mangawhai wastewater	11040 Upgrade WWTP	2019	surplus capacity 2019-2021	63%	$184,630
WASTEWATER TREATMENT	Mangawhai wastewater	11040 Upgrade WWTP	2020	surplus capacity 2019-2021	63%	$676,658
WASTEWATER TREATMENT	Mangawhai wastewater	11040 Upgrade WWTP	2021	surplus capacity 2019-2021	63%	$660,000
WASTEWATER TREATMENT	Mangawhai wastewater	11041 Upgrade Existing Reticulation	2019	surplus capacity 2019-2021	100%	$20,187
WASTEWATER TREATMENT	Mangawhai wastewater	11041 Upgrade Existing Reticulation	2020	surplus capacity 2019-2021	100%	$64,200
WASTEWATER TREATMENT	Mangawhai wastewater	11041 Upgrade Existing Reticulation	2021	surplus capacity 2019-2021	100%	$1,000,000
WASTEWATER TREATMENT	Mangawhai wastewater	11072 Extend Irrigation System	2019	surplus capacity 2019-2021	63%	$371,278
WASTEWATER TREATMENT	Mangawhai wastewater	11072 Extend Irrigation System	2020	surplus capacity 2019-2021	63%	$95,481
WASTEWATER TREATMENT	Mangawhai wastewater	ABN facility establishment fee	2012	surplus capacity 2002-2014	38%	$587,500
WASTEWATER TREATMENT	Mangawhai wastewater	Additional certifier cost	2012	surplus capacity 2002-2014	38%	$500
WASTEWATER TREATMENT	Mangawhai wastewater	Additional costs - 1/7/2009 - 30/6/2010 - as per transaction listing BECA costs	2012	surplus capacity 2002-2014	38%	$612,792
WASTEWATER TREATMENT	Mangawhai wastewater	Additional costs - 1/7/2009 - 30/6/2010 - as per transaction listing Other costs	2012	surplus capacity 2002-2014	38%	$1,561
WASTEWATER TREATMENT	Mangawhai wastewater	Additional costs - 1/7/2010 - 30/6/2011- as per transaction listing BECA costs	2012	surplus capacity 2002-2014	38%	$22,893
WASTEWATER TREATMENT	Mangawhai wastewater	Additional costs - 1/7/2010 - 30/6/2011- as per transaction listing Other costs	2012	surplus capacity 2002-2014	38%	$8,975
WASTEWATER TREATMENT	Mangawhai wastewater	Additional costs - 1/7/2010 - 30/6/2011- as per transaction listing Wharehine Contractors	2012	surplus capacity 2002-2014	38%	$181,857
WASTEWATER TREATMENT	Mangawhai wastewater	Additional payments - as per contract Additional financier legal fees	2012	surplus capacity 2002-2014	38%	$42,000
WASTEWATER TREATMENT	Mangawhai wastewater	Additional payments - as per contract Payment to KDC for costs	2012	surplus capacity 2002-2014	38%	$800,000
WASTEWATER TREATMENT	Mangawhai wastewater	B11034 Additional Capacity for Growth - Council Contribution	2019	surplus capacity 2019-2021	100%	$6,602
WASTEWATER TREATMENT	Mangawhai wastewater	B11034 Additional Capacity for Growth - Council Contribution	2020	surplus capacity 2019-2021	100%	$21,448
WASTEWATER TREATMENT	Mangawhai wastewater	Capacity upgrades to 5000 connections	2022	LTP2021-2031	63%	$12,241,573
WASTEWATER TREATMENT	Mangawhai wastewater	Committed fees capitalised - as per Mikes workpaper sent by Bruce	2012	surplus capacity 2002-2014	38%	$497,902

Activity	Rating area code.	Project name	Year Complete	Project Source	Growth %	Project Cost
WASTEWATER TREATMENT	Mangawhai wastewater	Earth Tech Direct Costs Commissioning	2012	surplus capacity 2002-2014	38%	$2,776
WASTEWATER TREATMENT	Mangawhai wastewater	Earth Tech Direct Costs Construction Project Management	2012	surplus capacity 2002-2014	50%	$3,786,398
WASTEWATER TREATMENT	Mangawhai wastewater	Earth Tech Direct Costs Detailed design (original scope)	2012	surplus capacity 2002-2014	38%	$679,261
WASTEWATER TREATMENT	Mangawhai wastewater	Earth Tech Direct Costs Investigation Costs - New Subdivisions & Disposals	2012	surplus capacity 2002-2014	38%	$206,799
WASTEWATER TREATMENT	Mangawhai wastewater	Earth Tech Direct Costs Management of Surveyors, etc.	2012	surplus capacity 2002-2014	38%	$79,053
WASTEWATER TREATMENT	Mangawhai wastewater	Earth Tech Direct Costs Project Development Management	2012	surplus capacity 2002-2014	38%	$246,556
WASTEWATER TREATMENT	Mangawhai wastewater	Earth Tech Direct Costs Resource Consents	2012	surplus capacity 2002-2014	38%	$128,100
WASTEWATER TREATMENT	Mangawhai wastewater	Extend Reticulation (8years)	2022	LTP2021-2031	100%	$400,000
WASTEWATER TREATMENT	Mangawhai wastewater	Extensions to reticulation including new disposal system	2022	LTP2021-2031	100%	$11,611,923
WASTEWATER TREATMENT	Mangawhai wastewater	Farm purchase	2012	surplus capacity 2002-2014	50%	$7,222,178
WASTEWATER TREATMENT	Mangawhai wastewater	Financer fees	2012	surplus capacity 2002-2014	38%	$300,000
WASTEWATER TREATMENT	Mangawhai wastewater	Finanical year 2008/09	2009	surplus capacity 2002-2014	38%	$473,365
WASTEWATER TREATMENT	Mangawhai wastewater	General Tools and equipment	2012	surplus capacity 2002-2014	38%	$209,699
WASTEWATER TREATMENT	Mangawhai wastewater	Hedging Close Out Cost Drawn - as per Mikes workpaper sent by Bruce	2012	surplus capacity 2002-2014	38%	$45,000
WASTEWATER TREATMENT	Mangawhai wastewater	Initial drawdown - as per contract ABN commitment fees to 6 December	2012	surplus capacity 2002-2014	38%	$268,643
WASTEWATER TREATMENT	Mangawhai wastewater	Initial drawdown - as per contract Certifier costs	2012	surplus capacity 2002-2014	38%	$5,000
WASTEWATER TREATMENT	Mangawhai wastewater	Initial drawdown - as per contract ET funding costs	2012	surplus capacity 2002-2014	38%	$228,176
WASTEWATER TREATMENT	Mangawhai wastewater	Initial drawdown - as per contract Financier legal fees	2012	surplus capacity 2002-2014	38%	$145,000
WASTEWATER TREATMENT	Mangawhai wastewater	Interest capitalised - as per Mikes workpaper sent by Bruce	2012	surplus capacity 2002-2014	38%	$2,117,828
WASTEWATER TREATMENT	Mangawhai wastewater	Legal fees	2012	surplus capacity 2002-2014	31%	$25,000
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai Wastewater small extensions right of ways	2022	LTP2021-2031	63%	$469,719
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai|LOS Improvement|Treatment Plant Modifications	2013	surplus capacity 2002-2014	6%	$11,004
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai|LOS Improvement|Treatment Plant Modifications	2014	surplus capacity 2002-2014	6%	$280,000
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai|New Assets - Council Funded|Additional Capacity for Growth	2012	surplus capacity 2002-2014	31%	$240,000
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai|New Assets - Council Funded|Additional Capacity for Growth - Council Contribution	2012	surplus capacity 2002-2014	44%	$14,155
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai|New Assets - Council Funded|Additional Capacity for Growth - Council Contribution	2013	surplus capacity 2002-2014	44%	$20,978
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai|New Assets - Council Funded|Additional Capacity for Growth - Council Contribution	2014	surplus capacity 2002-2014	44%	$143,000
WASTEWATER TREATMENT	Mangawhai wastewater	Miscellaneous Bidding, Legal etc	2012	surplus capacity 2002-2014	38%	$379,954
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 1 Jack Boyd Drive	2012	surplus capacity 2002-2014	50%	$1,067,260
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 10 Nautical Heights	2012	surplus capacity 2002-2014	38%	$9,267
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 13 Ruby Lane & Heron's Keep	2012	surplus capacity 2002-2014	38%	$101,320
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 14 Hermes Stage 1	2012	surplus capacity 2002-2014	38%	$35,715
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 18 Quail Way	2012	surplus capacity 2002-2014	38%	$33,784
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 2 Dune View Drive	2012	surplus capacity 2002-2014	38%	$73,863
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 20 Grinder Number Change	2012	surplus capacity 2002-2014	38%	$2,087,428
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 21 Storage and Irrigation to Client Risk (see above)	2012	surplus capacity 2002-2014	50%	$4,639,532
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 26 Walters Estate	2012	surplus capacity 2002-2014	38%	$70,127
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 27 Estates Design	2012	surplus capacity 2002-2014	38%	$344,736
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 3 House Connection Design	2012	surplus capacity 2002-2014	38%	$346,675
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 4 Thelma Road Upgrade	2012	surplus capacity 2002-2014	38%	$128,579
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 5 Anchorage Development	2012	surplus capacity 2002-2014	38%	$35,953
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 6 Butlers Development	2012	surplus capacity 2002-2014	38%	$55,406
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Mod 9 Norfolk Drive	2012	surplus capacity 2002-2014	38%	$10,088
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Sands and Molesworth invoice as per EPS	2012	surplus capacity 2002-2014	38%	$77,273
WASTEWATER TREATMENT	Mangawhai wastewater	Modifications (As per EPS) Share of contingency	2012	surplus capacity 2002-2014	38%	$173,553
WASTEWATER TREATMENT	Mangawhai wastewater	Reticulation Construction subcontract	2012	surplus capacity 2002-2014	50%	$12,782,443
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Agronomic Assessment of Reuse Site	2012	surplus capacity 2002-2014	38%	$21,756
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Assessment of Disposal Options	2012	surplus capacity 2002-2014	38%	$79,828
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Detailed Reticulation Survey	2012	surplus capacity 2002-2014	38%	$72,392
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Geotec at new WWTP Site	2012	surplus capacity 2002-2014	38%	$14,129
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Geotec at original WWTP Site	2012	surplus capacity 2002-2014	38%	$22,823
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Geotec Reticulation Area	2012	surplus capacity 2002-2014	38%	$43,544
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Geotechnical Investigation of Storage Site	2012	surplus capacity 2002-2014	38%	$51,238
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Hydro Geological Investigation at Farm	2012	surplus capacity 2002-2014	38%	$39,187
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Noise Specialist	2012	surplus capacity 2002-2014	38%	$2
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees NRC Application Fee	2012	surplus capacity 2002-2014	38%	$65,871
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Resource Consent Planner	2012	surplus capacity 2002-2014	38%	$197,360
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Site Clearing at original WWTP Site	2012	surplus capacity 2002-2014	38%	$590
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Survey - Retic & Reuse	2012	surplus capacity 2002-2014	38%	$13,440
WASTEWATER TREATMENT	Mangawhai wastewater	Specialist Subconsultants & Fees Survey for new WWTP Site	2012	surplus capacity 2002-2014	38%	$13,432
WASTEWATER TREATMENT	Mangawhai wastewater	Transfer Pipeline Construction subcontract	2012	surplus capacity 2002-2014	50%	$2,865,400
WASTEWATER TREATMENT	Mangawhai wastewater	Transfer Pipeline Design Costs - Transfer Pipeline	2012	surplus capacity 2002-2014	38%	$38,097
WASTEWATER TREATMENT	Mangawhai wastewater	Transfer Pipeline Survey - Transfer Main	2012	surplus capacity 2002-2014	38%	$14,350
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Civil Works & Building	2012	surplus capacity 2002-2014	50%	$4,224,364
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Electrical Works	2012	surplus capacity 2002-2014	50%	$1,610,465
WASTEWATER TREATMENT	Mangawhai wastewater	Treatment Mechanical Works	2012	surplus capacity 2002-2014	50%	$3,194,828
WASTEWATER TREATMENT	Mangawhai wastewater	Upgrade exisiting reticulation	2022	LTP2021-2031	63%	$750,000
WASTEWATER TREATMENT	Mangawhai wastewater	10543 MCWWS Resource Consent Variation 2016/17	2021	surplus capacity 2019-2021	19%	$81,000
WASTEWATER TREATMENT	Mangawhai wastewater	13028 Extend Reticulation (8years)	2021	surplus capacity 2019-2021	100%	$650,000
WASTEWATER TREATMENT	Mangawhai wastewater	B11034 Additional Capacity for Growth- Council Contribution	2021	surplus capacity 2019-2021	100%	$40,000
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai Wastewater -Financial year 2002/03	2003	surplus capacity 2002-2014	38%	$173,927
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai Wastewater -Financial year 2003/04	2004	surplus capacity 2002-2014	38%	$225,499
WASTEWATER TREATMENT	Mangawhai wastewater	Mangawhai Wastewater -Financial year 2004/05	2005	surplus capacity 2002-2014	38%	$81,500

Activity	Rating area code.	Project name	Year Complete	Project Source	Growth %	Project Cost
WASTEWATER TREATMENT	**Mangawhai wastewater**	Mangawhai Wastewater -Financial year 2005/06	**2006**	surplus capacity 2002-2014	38%	$241,273
WASTEWATER TREATMENT	**Mangawhai wastewater**	Mangawhai Wastewater -Financial year 2006/07	**2007**	surplus capacity 2002-2014	38%	$427,831
WASTEWATER TREATMENT	**Mangawhai wastewater**	Mangawhai Wastewater -Financial year 2007/08 (Less costs reimbursed by ABN AMRO)	**2008**	surplus capacity 2002-2014	38%	$1,154,862
WASTEWATER TREATMENT	**Mangawhai wastewater**	Reticulation Pumps	**2012**	surplus capacity 2002-2014	50%	$177,025
WASTEWATER TREATMENT	**Mangawhai wastewater**	Steel sleeves at estuary crossings in lieu fibreglass	**2012**	surplus capacity 2002-2014	38%	$126,395
WASTEWATER TREATMENT	**Mangawhai wastewater**	Archaelogical Survey Monitoring	**2012**	surplus capacity 2002-2014	38%	$10,798
WASTEWATER TREATMENT	**Mangawhai wastewater**	IWI Monitoring	**2012**	surplus capacity 2002-2014	38%	$10,193
WASTEWATER TREATMENT	**Mangawhai wastewater Total**					**$87,523,595**
WASTEWATER TREATMENT	**Maungaturoto wastewater**	Connect Maungaturoto Rail Village to Maungaturoto	**2028**	LTP2021-2031	63%	$736,819
WASTEWATER TREATMENT	**Maungaturoto wastewater**	Maungaturoto wastewater growth - Bickerstaff to Judd	**2028**	LTP2021-2031	63%	$442,092
WASTEWATER TREATMENT	**Maungaturoto wastewater**	Maungaturoto wastewater growth - connection to south and south valley, Bickerstaff Rd 670m growth and renewal	**2022**	LTP2021-2031	100%	$75,000
WASTEWATER TREATMENT	**Maungaturoto wastewater Total**					**$1,253,911**
WASTEWATER TREATMENT	**Te Kopuru wastewater**	Te Kopuru Wastewater Treatment Upgrade	**2028**	LTP2021-2031	38%	$429,811
WASTEWATER TREATMENT	**Te Kopuru wastewater Total**					**$429,811**
WATER SUPPLY	**Dargaville/Baylys water supply**	DARGAVILLE & BAYLYS|New Assets - Council Funded|Additional Capacity for Growth - Council Contribution	**2012**	surplus capacity 2002-2014	44%	$2,079
WATER SUPPLY	**Dargaville/Baylys water supply**	DARGAVILLE & BAYLYS|New Assets - Council Funded|Additional Capacity for Growth - Council Contribution	**2013**	surplus capacity 2002-2014	44%	$4,515
WATER SUPPLY	**Dargaville/Baylys water supply**	Dargaville Water Storage	**2023**	LTP2021-2031	63%	$2,182,000
WATER SUPPLY	**Dargaville/Baylys water supply**	Dargaville Water Treatment Upgrades - Investigation, Design and Construction	**2023**	LTP2021-2031	100%	$83,280
WATER SUPPLY	**Dargaville/Baylys water supply**	Dargaville Watermain Upgrade - Hokianga Rd to Outer Dargaville Plateau 1.4km	**2030**	LTP2021-2031	88%	$827,163
WATER SUPPLY	**Dargaville/Baylys water supply**	Dargaville Watermain Upgrade to Awakino Plant 2km	**2022**	LTP2021-2031	63%	$80,000
WATER SUPPLY	**Dargaville/Baylys water supply Total**					**$3,179,038**
WATER SUPPLY	**Mangawhai water supply**	Mangawhai|New Assets - Council Funded|Additional Capacity for Growth - Council Contribution	**2012**	surplus capacity 2002-2014	44%	$1,094
WATER SUPPLY	**Mangawhai water supply Total**					**$1,094**
WATER SUPPLY	**Maungaturoto water supply**	Maungaturoto Bickerstaff to Judd Watermain - 1.2km	**2027**	LTP2021-2031	100%	$321,911
WATER SUPPLY	**Maungaturoto water supply**	Maungaturoto South, South Valley, Bickerstaff Rd 670m Watermain Connection Renewal and Growth	**2022**	LTP2021-2031	88%	$75,000
WATER SUPPLY	**Maungaturoto water supply Total**					**$396,911**
Grand Total						**$194,026,683**

Figures: Actual costs in prior LTP years Ans estimated inflated figures for LTP

Draft Financial Strategy – January 2021

Meeting: **Council Briefing**
Date of meeting: **20 January 2021**
Reporting officer: **Sue Davidson, GM Sustainable Growth & Investment**

Purpose/Ngā whāinga

To give feedback on the draft Financial Strategy.

Executive summary/Whakarāpopototanga

The key messages are that Council needs to invest in its infrastructure to clear the backlog and ensure it can afford its renewal programme in the future. The population is continuing to grow at a rapid rate and there has to be more investment in the infrastructure to accommodate the growth.

Context/Horopaki

A Financial Strategy must be adopted as part of the Long Term Plan. It is to facilitate prudent financial management and is to provide a context for financial decision making, it must detail the issues that the Council has taken into account.

Discussion/Ngā kōrerorero

The financial strategy sets out how Council plans to fund its operations to meet its community outcomes for the next 10 years and what the impact will be on rates, debt and level of service. It is transparent to enable the community to see that Council is demonstrating prudent financial management as is required by its community.

Policy and planning implications

This is a strategy required to be written in conjunction with the infrastructure strategy as provided by the Local Government Act 2002.

Financial implications

The proposed Financial Strategy states what Council is proposing and how it is being funded and the financial figures of the LTP will reflect the narrative in both the infrastructure strategy and financial strategy.

Risks and mitigations

The risks to the Financial Strategy are detailed in the strategy.

Significance and engagement/Hirahira me ngā whakapāpā

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

Consultation will occur as part of the draft Long Term Plan consultation.

Next steps/E whaiake nei

QV figures had not been confirmed by the Valuer General at the time of writing this report and therefore are not included.The document will go out for consultation.

Attachments/Ngā tapiritanga

	Title
A	Financial Strategy

Sue Davidson, 11 January 2021

DRAFT FINANCIAL STRATEGY

The financial strategy sets out how Council plans to fund its operations to meet its community outcomes for the next 10 years and what the impact will be on rates, debt and level of service. It is transparent to enable the community to see that Council is demonstrating prudent financial management as is required by its community.

Every Council has varying challenges and aspirations that must be considered and these have now changed from where we were at the last LTP when a new Council had been appointed after being governed by Commissioners for 4 years.

Since this time Council has agreed upon community outcomes to give a future direction:

- Climate Smart
- Celebrating Diversity
- Vibrant Communities
- Healthy Environment
- Prosperous Economy

Of key importance has been the development of improved asset management plans (AMPs). This has allowed both the Infrastructure and Financial strategy to be developed through a number of iterations, such that the infrastructure strategy can be supported by an affordable and sustainable financial strategy.

ACKNOWLEDGING THE PAST

Kaipara District Councils key objective at the development of the last two Long Term Plans was to repay debt as debt had climbed to $83 million at its peak in 2011 paid for by a population of 18,700 (rateable properties totalled 12,310) so that the key challenge was to reduce risk through the reduction of debt. Service levels were kept at a base level and depreciation was not able to be funded for most assets. This meant that there was always going to be a backlog of renewals as the Council had not accumulated sufficient funds to ensure its aging infrastructure could be repaired and renewed as necessary.

As well as this the district was growing specifically in the east at Mangawhai, and financial contributions collected on subdivisions were predominantly held in reserves to counter debt rather than being utilised to provide for new amenities for the growing community, both permanent and holiday.

Council did not have good data on its assets condition which meant asset management plans were not robust. This was a limiting factor as well as high debt, and not being able to fund needed capital and renewal programs. Councils key driver was to improve financial resilience, reduce debt, have a balanced budget and as much as possible affordable rates.

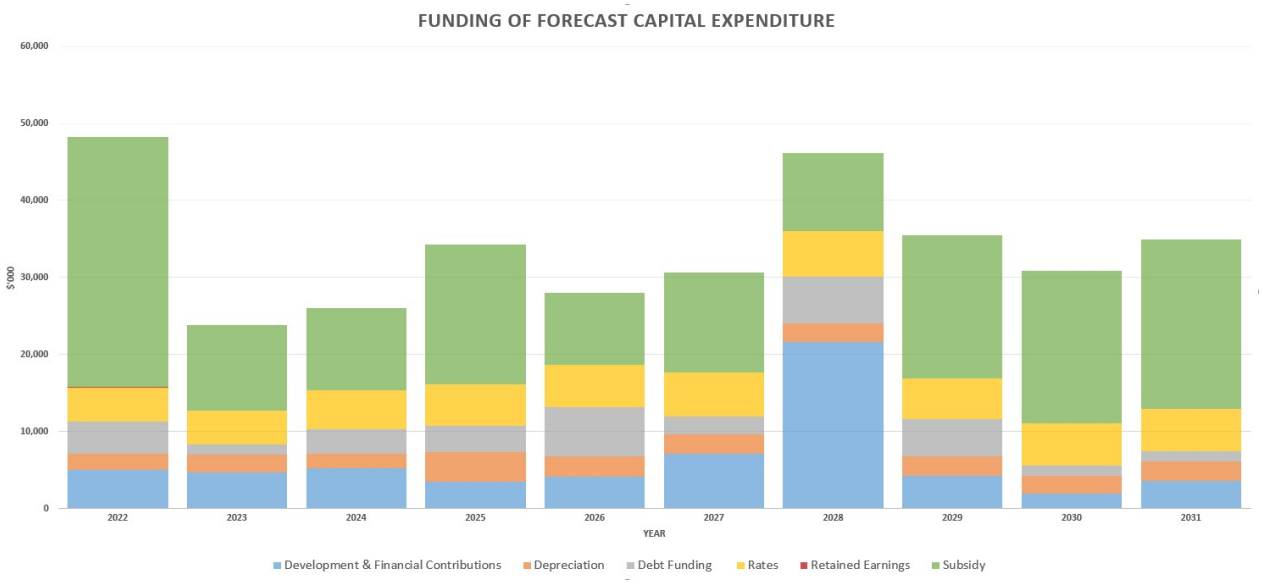
STRATEGIC DIRECTION 2021-2031

The Council has a number of projects and programmes proposed over the next 10 years to meet the 2021-2031 Community Outcomes.

Our 10-Year Plan incorporates an ambitious capital expenditure programme. A programme that focuses on building resilience of our infrastructure, investing in planning in the areas of future growth, and in developing adaptation plans to combat climate change. It also ensures we continue to do the basics well; we maintain and renew our assets across the existing transport and waters networks.

Council agreed the largest priority was providing for renewals to reduce the annual maintenance cost in the future and to ensure its current infrastructure is fit for purpose. The community has told us it wants the Council to continue with a new District Plan so this will be continued at pace and funded from general rates. New library facilities are planned for Mangawhai in 2024. A new facility for the Dargaville library will be part of a larger civic development and is dependent on being transferred to a trust which would then raise funds to build the centre. Service levels will be maintained at current levels except with the provision of additional investment in cycling and walking tracks with the largest investments being the Kaihu Valley Trail and Mangawhai Shared Path.

A key proposition of this plan is that substantial funding is relied upon for a variety of projects and will only be undertaken if grants or financial contributions are received as planned. Many of these subsidised projects will increase the level of service, the largest projects being those relating to flood protection works.



Council has a larger than normal budget for the first year of the LTP due to investment by Central Government initially as a result of applications to the Provincial Growth Fund and then further investment in Shovel Ready Projects. This has meant some headway has been able to be made in renewals and other projects that previously may not have been assessed as a priority.

KEY POINTS OF THE FINANCIAL STRATEGY 21-31

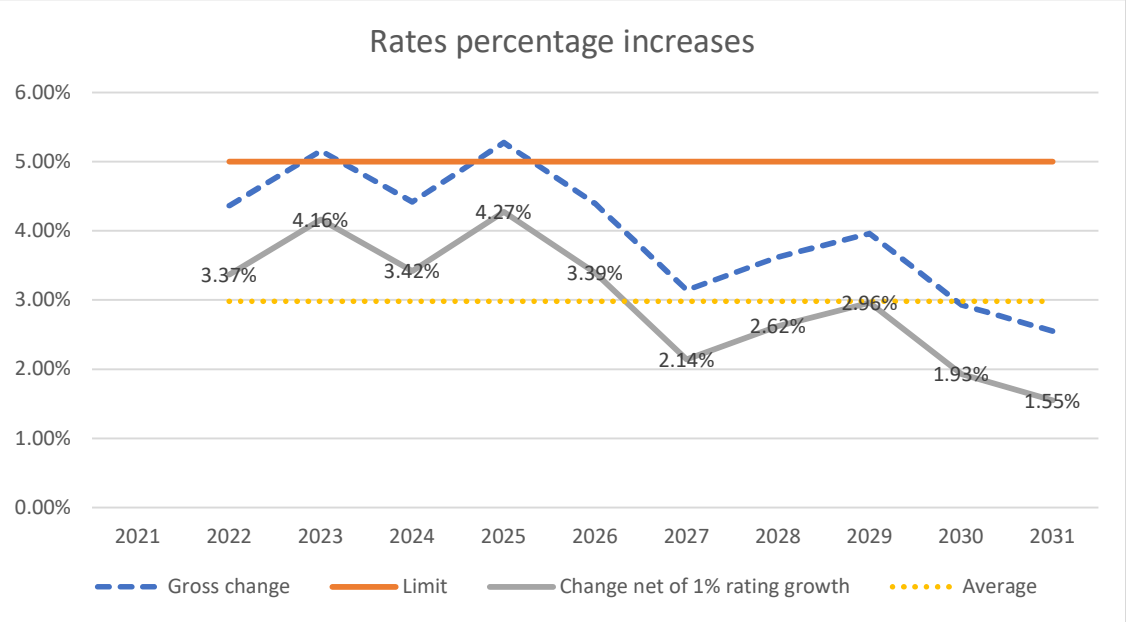
The financial strategy aims:

- To maintain a balanced budget.
- To balance affordability with financial prudence (Rates increases are no higher than an average 5% over the life of LTP (General and Targeted) after allowing for an allowance for annual growth in rateable properties. (Water by meter is excluded from this calculation.
- To manage debt to achieve intergenerational equity.
- To have net external debt capped at $60 million.
- To ensure increased funding of depreciation of all assets with the exception of transportation assets to 100% so that renewals can be funded.

- To maintain and provide for renewal of our existing assets is an important focus of our Infrastructure strategy and this is likely to result in higher rates in the early years of this LTP to get to the correct base level of expenditure.
- To ensure Development Contributions are set to recover the cost of growth.
- To use other sources of revenue to fund projects. There are many projects that are budgeted to be funded by grants, subsidies and financial contributions.

Rates Revenue and Forecast Movements

Rates movements 2.98% pa over the life of the LTP, and together with fees and subsidies will generate sufficient income to cover ongoing future expenditure.



Annual Rates Revenue and Forecast Movements ($000's):

	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
General Rates	25,480	27,134	28,610	29,962	31,785	33,462	34,302	35,377	36,926	37,661	38,496
Targeted Rates	9,154	9,012	9,401	9,729	9,999	10,156	10,687	11,241	11,538	12,222	12,659
Total Rates	34,634	36,146	38,011	36,691	41,784	43,618	44,989	46,618	48,464	49,883	51,155
Rates Increase after 1% growth	3.97%	3.37%	4.16%	3.42%	4.27%	3.39%	2.14%	2.62%	2.96%	1.93%	1.55%
Water by Meter	3,145	4,027	4,397	4,779	4,808	4,946	5,109	5,211	5,328	5,745	5,862

Rates increase	2.9%	28.02%	9.2%	8.71%	0.61%	2.86%	3.29%	2%	2.23%	7.84%	5%

Council has managed to maintain affordable rate increases which will also provide a more sustainable funding base through increasing renewal expenditure. This means financial resilience is increased and debt is steadily retired over the 10-year period. The step change for water in the first year is required to maintain and renew our existing network. An increase in debt is required to fund growth projects in 2028 relating to construction of Cove Road and increased capacity at the Mangawhai Wastewater Plant.

Prudent financial management
Council will ensure its decisions over rates income are used effectively, and efficiently delivered to meet both the current and future infrastructure requirements under the Act. Council will monitor its income and expenditure on a monthly basis to ensure expenditure meets budget.

Council will ensure it has a balanced operating budget however it won't be till 2025 that Council is fully funding depreciation expense. This will allow a catch up on our renewals so Council can provide good stewardship of its infrastructure assets.

Council will monitor its income and expenditure on monthly basis and has appointed additional staff to ensure our capital projects can be delivered to the anticipated timeframe and within budget.

Council will ensure it complies with legislative limits and benchmarks for financial reporting and prudence and report on these to Council and as part of the Annual Plan and Annual Report process. Debt will continue to be kept at a level well within the many debt ratios.

Affordability of Rates
Rates affordability is particularly an issue because we have a fast-growing population but a great deal of the community are at retirement age and on a fixed pension. Council recognises that it has not provided for the appropriate renewal expenditure in the past and is rectifying this in this Long Term Plan. This means the targeted rates and water by meter may be problematic for sectors of our community. Council will look to limiting rates increases to an average of 5% over the 10 years (after providing for growth).

Council will smooth the rates by only increasing the funding of depreciation in a stepped manner and by looking to share the costs of providing many services across the District. The Council provides services such as water by meter, wastewater and community service, parks and reserves. In order to make the rates more affordable to those less populated communities Council has spread the costs of similar services across a greater base to ensure ratepayers benefit from economic benefits of scale.

Council will continue to maximise government funding sources to transfer the burden from rates where possible.

As well as the revised Long Term Plan being produced in this year, property valuations are also carried out by Quotable Value (QV) for rating purposes every three years. The relative changes in property values between different areas and different types of property causes fluctuations in the incidence of rates between different ratepayers. QV has given us preliminarily advise of the following movement in valuations which can ultimately impact on

affordability.
None received as at 14 January

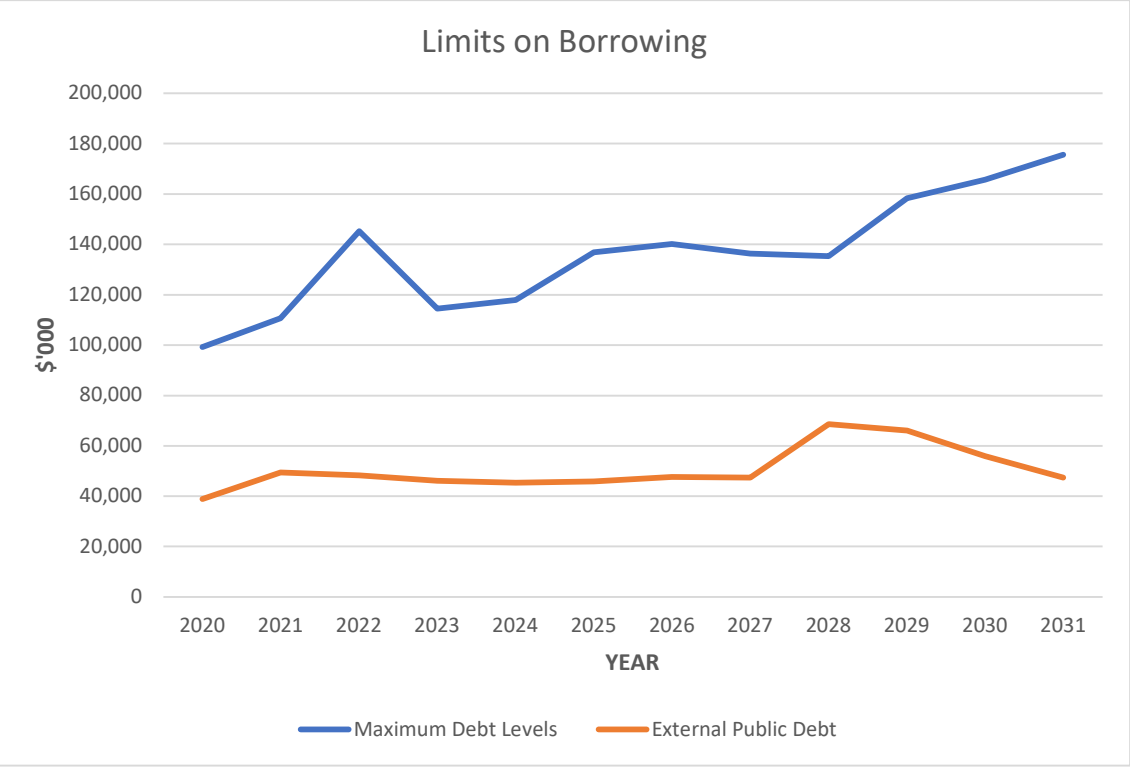
Over the next 3-year period Council will look at the potential for using capital value system for rates allocation as a fairer system.

Use of Debt
The previous LTPs focus on repayment of debt has meant that Council is now well within its allowable maximum debt levels, as projected debt was reduced.

A key funding stream for investment in infrastructure is by way of borrowings/debt.
The use of debt allows the costs of infrastructure to be spread over the life of the asset and paid for by all users of the asset across generations. The management of debt to ensure sustainable financial management still presents a major challenge, however with a growing population costs are better shared to aid with affordability.

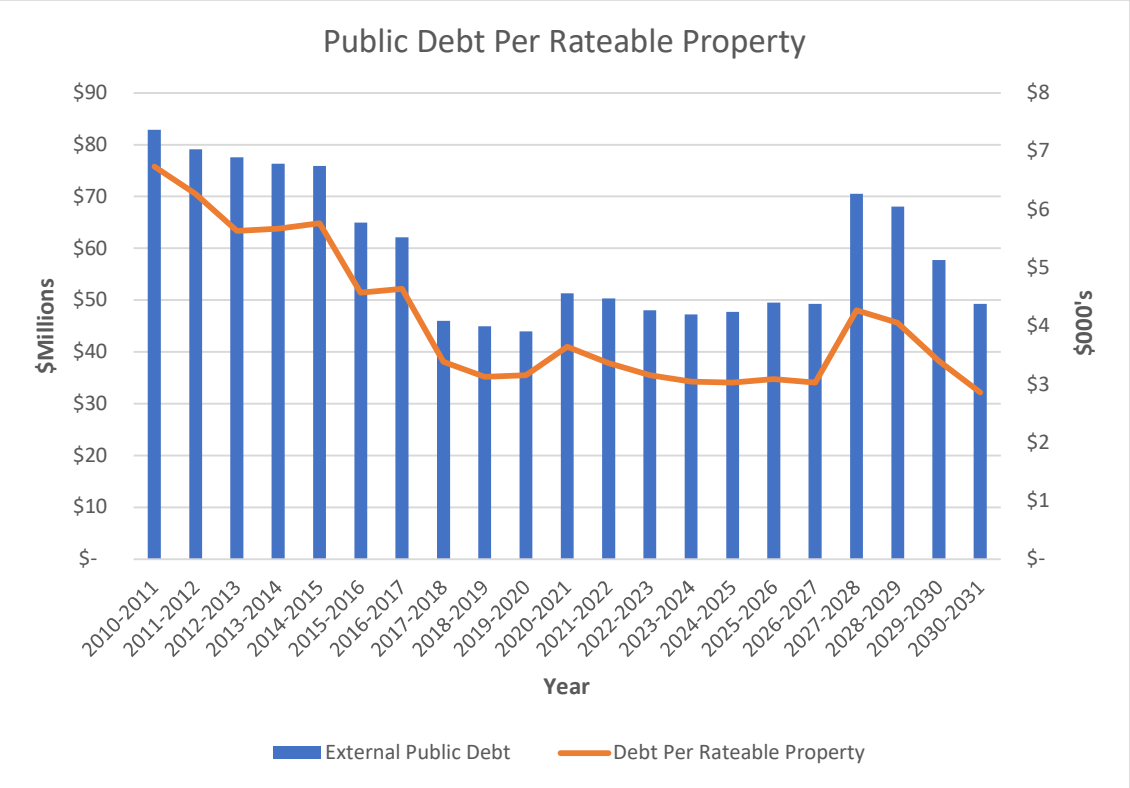
Many parks and reserves projects are funded by financial contributions. As at 30 June 2020 Council had a future obligation of just over $7 million in reserve contributions to spend. Council ensures throughout the plan that contributions received are expensed on qualifying projects as per the Reserves Policy and the future obligation which offsets any debt should reduce to $5 million.

Operational surpluses in the past have resulted because we have not been able to deliver all of our capital works programme. The capital programme being underspent has meant Council has not had to borrow as much as planned. Even though the Council is well within its debt ratios throughout the 10 years Council has indicated it would prefer the balance of debt to not exceed $60 million as this is a more conservative and prudent level relative to the community's expectations.



Over the next 10 years this level of $60 million is exceeded as a result of investment in growth projects in 3 of the 10 years.

The table below shows that as a result of growth, even though the debt is increasing over the life of the LTP the actual debt per rateable property has decreased.



Council's approach to manage this challenge is to ensure forecasting is carried out and debt that is needed to fund assets is primarily borrowed from LGFA which has been set up to provide cheaper debt financing to local government organisations.

Council also has committed facilities of up to $10 million with registered banks in addition to the LGFA facility.

Council secures its borrowings against rates income as provided in its Debenture Trust Deed.

During the course of the Long Term Plan 2021/2031, debt projections are generally lower than the debt requirement because of internal borrowing. Council may temporarily use reserve funds for a different purpose from that for which they were received. However, the debt requirement and therefore capacity is needed for the time that these funds are called on. As a result, the ratios are calculated on debt requirements rather than debt projections. The difference between the two is shown in the table below.

Public debt projections compared to public debt requirements 2021/2031 ($ millions)

Year End June	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Public Debt projections	51.2	50.3	48.1	47.2	47.7	49.5	49.3	70.5	68.0	57.8	49.3
Future Reserve Obligations	13.0	16.5	18.8	22.1	23.8	27.9	30.9	36.1	42.6	49.3	56.8
Debt Requirement	**64.2**	**66.8**	**66.9**	**69.3**	**71.5**	**77.4**	**80.2**	**106.6**	**110.7**	**107.1**	**106.1**

The future reserve obligations include funded depreciation reserves, which Council could choose to use to reduce public debt.

FACTORS EXPECTED TO HAVE A SIGNIFICANT IMPACT ON THE COUNCIL FOR THE NEXT 10 YEARS

Population Growth:
Census figures from 2018 showed Kaipara is one of fastest growing districts in terms of population growth in NZ. The Census data for population in 2018 was 22,869. The forecast shows the population rising from 24,600 in 2021 to 28,524 in 2031.

The good news for Kaipara is that more people are moving to the District, primarily as a result of the close proximity of Auckland and the lifestyle opportunities. As part of the Council's District Plan Review Council developed spatial plans after discussion with the community. These are blueprints for various towns in our District, plans as to what areas should be allocated for development, which in turn provides guidance for the district plan review.

A particular characteristic of Mangawhai is that approximately 57% (2018 54%) of the ratepayers reside outside of Mangawhai.

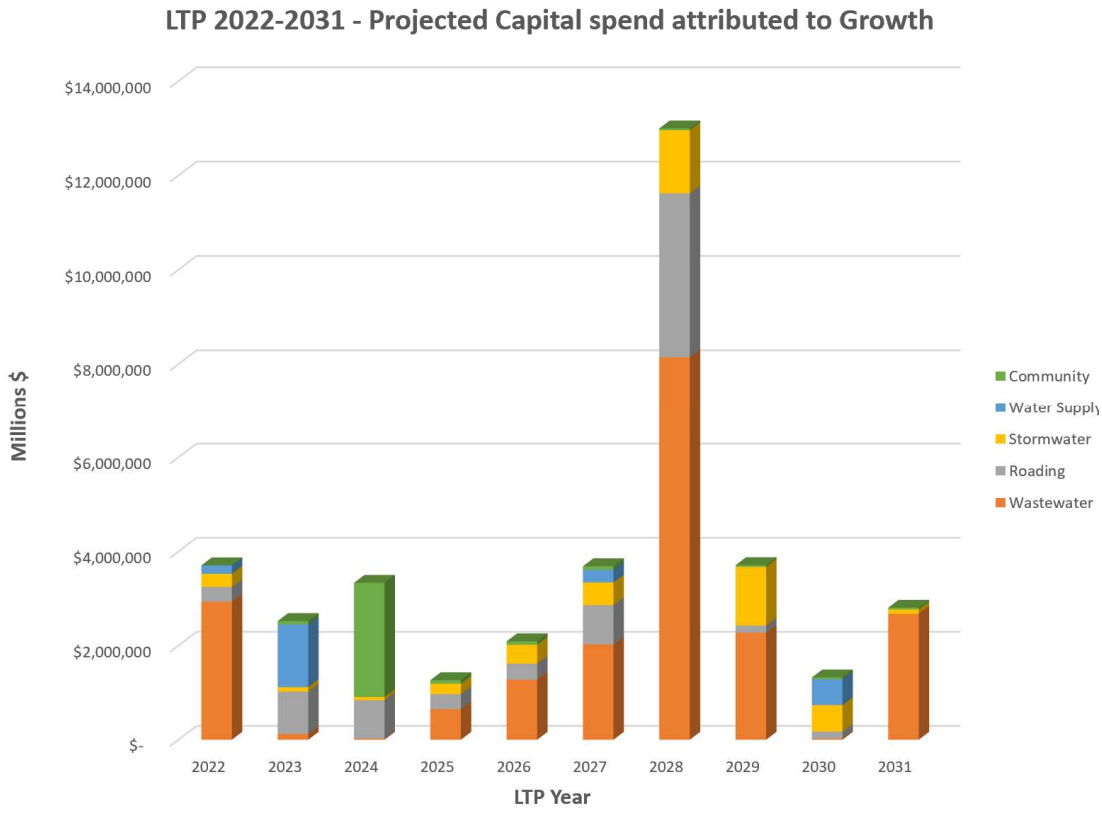
Annual Population growth forecasts 2021-2031:

Area	Forecast Population 2026	Years 1-5 Growth	Forecast Population 2031	Years 6-10 Growth
Dargaville	5,540	1.48%	5,764	0.8%
Kaiwaka	2,403	1.45%	2,520	0.9%
Mangawhai	7,630	4.63%	9,040	3.4%
Maungaturoto	1,459	1.85%	1,539	1.0%
Ruawai/ Matakohe	2490	0.1%	2,474	-0.1%
Rest of District	7,317	-0.01%	7,187	-0.36%
Kaipara District Total	26,839	1.76%	28,524	1.23%

The ongoing projected population and housing growth creates demand for additional capacity in our infrastructure. Over these 10 years, Council is estimating there will be a further 2,077 households in the District.

Council Response:
The infrastructure team through the infrastructure strategy have begun to look at what this means for transportation routes, three waters infrastructure (particularly reticulation), and where investment will be necessary by Council. There is still disparity in growth areas with the eastern part of the District growing significantly faster than in the west and the north.

The recently adopted spatial plans provide the blueprint for sustainable growth not only in Mangawhai but also in new areas developing in Kaiwaka, Maungaturoto and Dargaville. Some funding has been provided to ensure growth is supported. The cost to ratepayers has been minimised as much as possible by the use of development contributions to fund new infrastructure capital costs. This is a measured approach as Council wanted to avoid the risk of investing well ahead of the predicted growth.



As can be seen from the graph above there are large upgrades planned on the Mangawhai Wastewater Plant in 2028 to improve capacity of the plant to meet growth. In addition, Cove Road will be extended through Mangawhai Central.

Council is currently in the process of undertaking a full review of the District Plan, which will result in the notification of a new District Plan. One of the key strategic objectives of the new plan will be to provide a range of suitably zoned residential and business land to meet the needs of our growing population.

Additionally, the spatial plans have identified a need for various types of development opportunities throughout our district in the short, medium and long-term. In response (and to ensure that planned development occurs in the right places), council has commenced work on a 're-zoning' plan change to the operative District Plan. The intention is to publicly notify this plan change before the end of the year. As well as this, we are expecting that Estuary Estates (Mangawhai Central) will start to be populated with commercial and residential properties as the chapter 16 of the current District Plan allows. Each new subdivision improves income collected from both financial and development contributions, which also means new amenities can be funded for our growing population. For the Mangawhai Wastewater Plant where a greater investment was made in capacity in 2010, funding costs continue to be well ahead of development contributions received. Debt is used to fund growth related infrastructure and development contributions are used to repay this debt.

Risks:
There is a risk that the growth will not increase as forecast and Council will need to be able to reduce associated capital projects associated with growth.

Another risk is judging when to meet additional demands. If the cost to service the debt is used to fund the asset, and growth does not occur as planned, then the costs will fall disproportionately on the existing ratepayers. This is because much of the growth costs are not solely attributed to future properties and the general ratepayer pays part of the future interest cost on the Mangawhai Wastewater Plant. Note that the loan initially allocated to general rates has now been repaid.

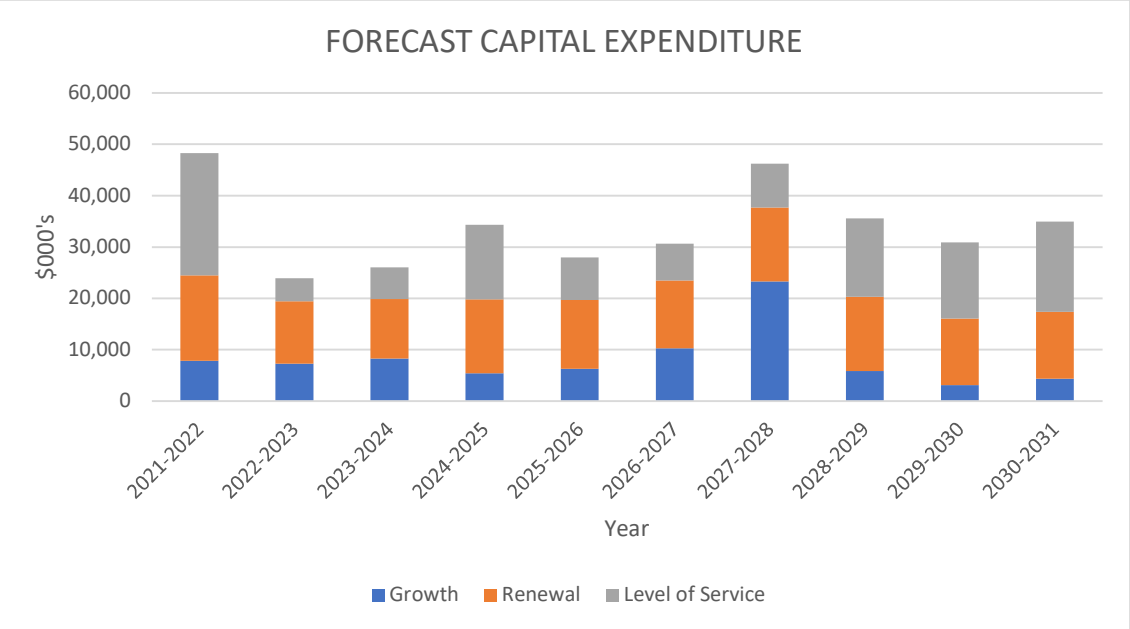
Aging Infrastructure:
This year the base information for the Infrastructure Strategy came from improved asset data which has enabled Council to better predict what needs to be spent on both our transportation and water networks.

The community has told us that it is most important to look after the current assets so that the level of service can be maintained.

A lot of the infrastructure was built in the mid-1900s and limited funds rated for its replacement e.g. bridges - this will have a financial impact on the community through rates as the renewals occur.

Councils response:
The data clearly showed us that ongoing breakages were occurring and that many parts of the network had not been replaced when it should have been, due to historical underinvestment. Council now needs to get the balance more aligned over this LTP, in replacing key assets when needed, rather than constant maintenance as can be seen from the poor condition and constant breakages in our reticulation systems and reservoirs as examples.

Provision has been made for an increased backlog of renewals so that critical assets are not run to failure.



Activity Group	Growth $000's	Renewal $000's	Level of Service $000's	10 Year Total $000's
Community Activities	$ 11,280	$ 4,620	$ 9,773	$ 25,673
District Leadership, Finance and Internal Services	$ -	$ 3,600	$ 4,576	$ 8,176
Flood Protection and Control Works	$ -	$ 913	$ 43,600	$ 44,513
Regulatory Management	$ -	$ -	$ 100	$ 100
Sewerage and the Treatment and Disposal of Sewage	$ 23,439	$ 5,685	$ 2,435	$ 31,559
Solid Waste	$ 112	$ -	$ 3,837	$ 3,949
Stormwater Drainage	$ 7,735	$ 3,983	$ 8,020	$ 19,738
The Provision of Roads and Footpaths	$ 38,167	$ 103,210	$ 46,541	$ 187,918
Water Supply	$ 1,397	$ 13,898	$ 1,758	$ 17,053
Total	$ 82,130	$ 135,909	$ 120,640	$ 338,679

Risks:
Our population is aging which will increase concerns about rates affordability particularly amongst those with lower fixed incomes, so this needs to be balanced with the need to clear the backlog to the renewals program.

Depreciation to be fully rated for
In previous LTPs a large amount of the renewals had been funded by debt. The Council had started progressing each year increased funding of depreciation to fund renewals. Stormwater, water and wastewater activities have been only partially funded for depreciation which means renewals have not been able to be carried out to the optimum level as Council traded this off against affordability for so many years.

Councils response:
Funded depreciation will be provided for by 2022 with the exception of the Mangawhai wastewater system which will be fully funded by 2025. This means that by funding depreciation, we will have the capacity to fund the asset renewals that are forecast in the future years of the 30-year infrastructure strategy. Council had thought it was unaffordable to residents to charge for both a loan and depreciation charge, so the impact has been staggered. The Commissioners began the initiative of rating for depreciation and this has been a required but a steep curve of new costs each year. This means funding will build up in depreciation reserves in the longer term.

The activities related to Flood Protection, Council Property and Community activities already have fully funded depreciation through the rates calculation. Roads are an exception and are funded by rates and Waka Kotahi (NZTA) subsidies (62%).

Unfunded depreciation ($000's):

	21/22	**22/23**	**23/24**	**24/25**	**25/26**	**26/27**	**27/28**	**28/29**	**29/30**	**30/31**
Wastewater	490	307	214	111						
Stormwater	124									
Water Supply	66									
Total	**$680**	**$307**	**$214**	**$111**						

Risks:
There is a risk that the large renewal projects are higher than the depreciation being funded however they will be funded by debt in this case. In he 10 years water renewals are higher than the depreciation being funded. There is also cross subsidisation of schemes within the water and wastewater activity which isn't a consideration with the equalisation of water and wastewater schemes.

Investment in our Communities

The Council has a large capital expenditure program to progress which will continue to be challenging to complete. Much of the programme is for renewals and there is some provision for new initiatives and growth. Central government has been supportive of its regions and Council has been successful in applying for capital projects to be fully subsidised. Many of these programmes of subsidised work do not start or will be constructed in the early years of the Long Term Plan.

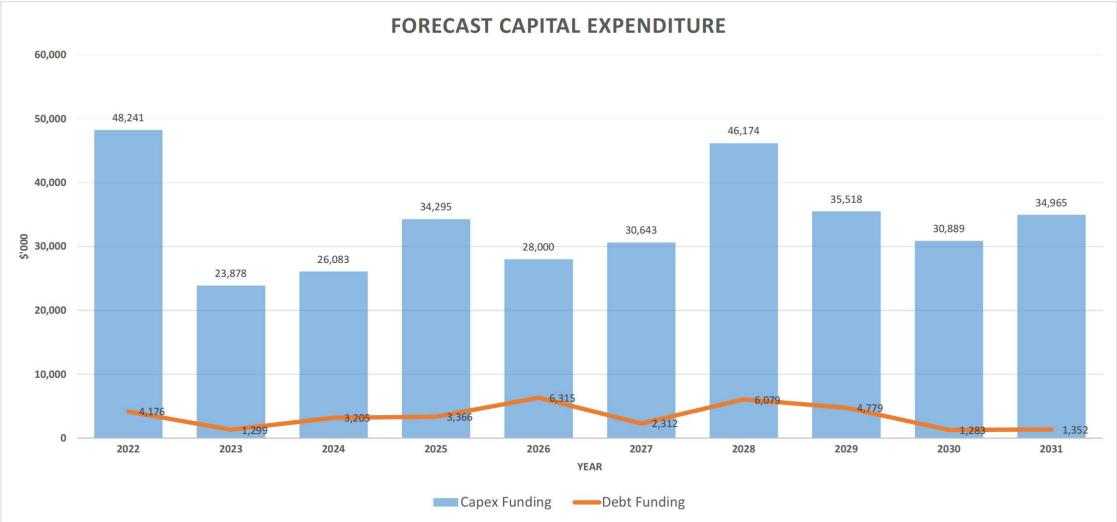
There are also many future projects that are budgeted to be funded by grants, subsidies and financial contributions in the later years of the plan.

Councils response:
Council has improved its monitoring of projects and has a programme manager taking an overview of all externally funded projects, reporting to a newly created Externally Funded Projects Committee. Council has appointed a specific project manager and resources coordinator to the larger projects to ensure construction of and expenditure on these projects occurs as anticipated.

Council has thought strategically about future third party funded projects it may require, and these are detailed in the Long Term Plan. If the funding sources are not confirmed, then the associated projects won't be completed in the stated year and will be deferred until funding can be obtained.

The 10 years capital programme for capital expenditure ($000's):

	21/22	**22/23**	**23/24**	**24/25**	**25/26**	**26/27**	**27/28**	**28/29**	**29/30**	**30/31**
Open Spaces and Facilities	2,938	1,918	5,768	3,838	4,306	2,121	1,636	1,616	916	616
District Leadership, Finance and Internal Services	4,526	340	510	630	420	330	430	330	330	330
Flood Protection and Land Drainage	6,060	160	60	7,290	220	60	60	10,063	10,140	10,400
Regulatory Managemen t	100	0	0	0	0	0	0	0	0	0
Wastewater	4,451	800	345	1,758	2,559	3,40	11,675	3,166	375	3,025
Waste Minimisation	0	0	250	750	400	1,100	550			900
Stormwater	939	345	470	1,410	3,260	1,775	4,100	5,140	1,875	425
Roads	27,892	16,934	17,534	17,059	15,209	20,071	26,322	13,802	15,222	17,868
Water Supply	1,334	3,380	1,145	1,560	1,625	1,780	1,400	1,400	2,030	1,400
Total	**48,240**	**23,877**	**26,082**	**34,295**	**27,999**	**27,237**	**46,173**	**35,517**	**30,888**	**34,964**



Risk:
This Long Term Plan is not without risk in being able to deliver as there are a number of projects relating to construction of stop banks and cycling trails being dependent on grants, subsidies or financial contributions.

Impact of COVID 19 on our District
Northland and specifically Kaipara have not been as affected as other Councils because of the reliance on agriculture and construction industries. In 2020 Council introduced specific hardship grants for businesses. The tail end of these will be taken up in 2021 but no further aid is provided for by Council.

Kaipara's changing climate
Kaipara's climate is changing. A changing climate means rising temperatures, rising sea levels, more extreme weather and increasing natural hazards, like drought, flooding, and coastal flooding and erosion. The impacts of climate change are wide-ranging and will intensify over time. We will experience increasing impacts on our health and wellbeing, our businesses and primary industries, our homes and properties, our infrastructure services and amenities, our community and recreation spaces, and the natural environment and ecosystems. Council has certain responsibilities to manage risks and help our communities adapt and grow their resilience. We also have certain responsibilities to measure our emissions and help transition to a low emissions future.

Council response:
Council will develop a climate change work programme over the next 10 years to ensure a strategic, aligned approach to meeting climate change responsibilities. The climate change work programme includes policy to set standards on how we identify, understand and consider and report on climate change throughout Council, climate action plan/s (including emissions targets), adaptive pathways projects with priority communities, and improved communications and engagement. The costs of this are set out at $1.5m over 10 years. This work meets our current and expected statutory responsibilities and is the minimum we are required to do. Requirements around climate change planning and response come from our resource management, natural hazards and risk management obligations. Some of the legislation that determines these obligations include the Resource Management Act 1991,

Local Government Act 2002, Building Act 2004, Civil Defence Emergency Management Act 2002 and Climate Change Response Act 2002.

Adaptation response decisions and priority actions determined in this climate change work programme will require consultation with the communities as to timing, cost and then ascertaining what grants if any would be available to help with funding.

Council will need to make challenging decisions on how best to allocate resources towards resilience and adaptation projects. We acknowledge communities' calls for protection responses and investment in further protection works. We recognise the importance of water resilience and increasing water security. Council also recognises that large-scale, infrastructure resilience projects will cost more than our ratepayers can afford. External funding is imperative. Access to external funding from central government to accelerate the building of priority stop banks has been provided for in this LTP. Council will also provide better security of water source for Takiwira - Dargaville by connecting to Tai Tokerau water storage facilities in the early years of the LTP. These climate resilience activities are also in our Infrastructure Strategy.

Climate-related risks:
Like many other councils across Aotearoa New Zealand, Kaipara District Council is currently working to better identify and understand risk. We recognise that a strong understanding of risks, impacts and implications is a foundational first step towards developing robust and strategic management response.

Some climate-related financial risks we anticipate, and will work to better understand over the upcoming years, include:

- Increase costs to maintain, repair and/or improve infrastructure assets;
- Increased costs for low emissions, adaptive design/locations for asset renewals;
- Likely increase costs of insurance and impacts on insurance availability for exposed assets;
- Impacts on property value, costs to rate payers for maintenance, repair and protection;
- Impacts on rate affordability, lower rates revenue, and/or decreased development contributions revenue;
- Liability and litigation costs due to lack of decisive action from Council or due to resistance to required adaptation changes;
- Impacts on carbon-intensive Council activities and increased resources to reporting on and reducing emissions to meet anticipated national carbon budgets and targets;
- Increase costs of carbon and increased costs to offset emissions;
- Regulatory pressure and compliance.

(Note: The Forecasting Assumptions discuss these risks in more detail, see page **X**)

Over the next three years Council will develop accurate and thorough information regarding which Council services will be impacted and the degree of impact, chief of which is infrastructure services. Council will identify which assets are exposed, assess the degree of urgency regarding exposure, and analyse impacts on levels of service. Council will also identify values of exposed assets, anticipated costs associated with climate change impacts, and anticipated costs of adaptation response options. We commit to applying the best available, quality science and climate change projections to identify climate-related risks. Council also commits to transparent, accessible and consistent disclosure of these financial risks as they are identified and better understood. Our upcoming Climate Smart Policy will establish practices on climate-related risk disclosure.

Although we are in the early stages of our climate change response journey, managing financial risk is not new to Council. Where possible, we will apply current risk management processes and risk management systems. We will examine how current revenue and financing policies support or hinder strong climate change response and identify opportunities for implementation.

There is already pressure on Council to protect private property and invest in protection works. Council will need to make hard decisions on what can be provided as there will be a number of impacts to various communities and on Councils own assets. Access to external funding from central government to accelerate the building of stop banks has been provided for in this Long term Plan.

Council will provide better security of water source for Dargaville through connecting to Tai Tokerau water storage facilities in the early years of the Long Term Plan.

Council is at the stage where it has appointed a specialist policy adviser who is working at a regional level to identify the local impacts of climate change on the community.

Specific Financial Risks:

- Climate change will have many environmental changes (sea rise, raised ground water, flood risk, temperature rise, drought, fire, landslides etc). These changes will lead to increased costs to maintain infrastructure services (increased costs of maintenance, repair, low emissions and adaptive design etc).
- Due to the physical risks to assets, insurance premiums will substantially increase, or insurance cover will not be available for assets in locations known to be vulnerable. These trends are already happening throughout NZ.
- Increasing physical risks could lead to property value reduction, decreased insurability and increased cost to, increased compliance and design costs, reduced ability to develop property and restrictions on land use, and increased costs of repair and protection. These impacts could lead to inability for community to afford rates, lower rates revenue, decreased or development contributions revenue.
- Communities locally and throughout the world are using legal processes to challenge councils and governments about their climate actions. If Council does not act decisively or fails to bring the community on the climate transition journey, it is likely that this will result in litigation from people resistant to proposed changes and/or from people frustrated by a lack of progress.
- If more natural disasters occur, it is likely to affect how the market views our suitability for investment. Climate risk equals credit risk for the Kaipara and Council.
- Physical changes and the need to adapt will result in significant costs. However, the cost of carbon (currently $35 per tonne in NZ) will also dramatically increase over time, as NZ and the world introduce market pricing to drive the needed economic transformations. The IPCC report prices of approximately $150 per tonne will be needed to reach the science-based goals (much higher than current cost of carbon in NZ). Carbon needs to be considered alongside cash as a constraint for all activities.
- Carbon pricing, potential disruption of long-haul supply chains and an immature marketplace (i.e. poorly positioned to adopt the sustainable practices required from our Council procurement requirements) may make it more difficult and costly to secure supplies and suppliers. Council will need to improve local supply chains so they are better able to meet our sustainability requirements and help us achieve our emission reduction goals (e.g. a zero-carbon supply chain will be needed to help us achieve our goals).
- Council has yet to set emissions targets or reduction plans, or adaptation response support for the organisation or the district. Failure to establish strong adaptation and mitigation action could expose Council to political and reputational risk.

- Government have established the Climate Change Response Act which places obligations on sectors to manage and report emissions. Government is about to introduce 5 yearly carbon budgeting for key sectors that would require the disclosure of emissions and will set 5 yearly targets for sectors to reach. This will impact on the carbon intensive aspects of Councils activities and holding companies and the economic activity in the region.

Consultation document and engagement update

Meeting: **Council Briefing**
Date of meeting: **20 January 2020**
Reporting officer: **Gillian Bruce, Communications, Community and Engagement Manager**

Purpose/Ngā whāinga

To update on progress with the consultation document and engagement events.

Context/Horopaki

Auditors and Elected Members have given a first round of feedback, which has been incorporated into the document. This new version has been provided to Audit for further review and is available at **Attachment A**.

Discussion/Ngā kōrerorero

The document has undergone substantial change since it was last presented to elected members.

Financial information has been added to set the scene and inform on the impacts on the rates.

For each key consultation topic, focus is on:

- Clarifying what the issue is and why we are making these proposals
- Structuring the information and questions consistently
- Providing sufficient information for the community to provide informed feedback.

Engagement Events

Currently, webinars are planned for the first two weeks of March 2021, hosted by an elected member, joined by staff to present the thinking and information provided around our key LTP topics.

These events would be run as a staff and elected member led Q&A, streamed to social media and You Tube, and would be publicised so we can gather questions from the community to answer on the night.

We will also run some broader education on topics such as Roading, which our community has told us is important to them.

All of these events will be supported by four drop-in style sessions with an educational focus, taking place the week of 15 March 2021. The planned locations are Te Kopuru, Dargaville, Paparoa and Mangawhai, with some of them possibly market based.

The engagement events will be supplemented by a promotional campaign using social media, our website, radio and traditional media.

Next steps/E whaiake nei

- After further feedback from the Auditors and Elected Members the consultation document will be finalised for adoption.
- A detailed communications campaign will be finalised and implemented.

Attachments/Ngā tapiritanga

	Title
A	Attachment A Consultation Document Draft 14012021

Contents

The past to present / Te wā o mua ki ēnei rā

Kaipara District is changing. Since our last Long Term Plan (LTP) we have a newly elected Council and delivered significant projects for our community. We have grown in size, reputation and confidence which shows in the significant Government investment we have attracted to the district in the last two years. Our small Council has similar growth challenges as many other mid-sized councils and some additional challenges resulting from a previous lack of investment in infrastructure.

Vision

In 2020 Council adopted a new vision to set the tone for Kaipara District Council; Growing a better Kaipara". This builds the holistic wellbeing of our district; our social, economic, cultural and environmental wellbeing that will enable our district and our communities to thrive.

Kaipara District is an attractive place for more and more people who want to call Kaipara home. A key part of our vision is to enable growth in a way that is sustainable, to retain what's special about everything between our two oceans and two harbours.

The vision seeks to enhance the aspects of Kaipara that communities love, while addressing the more aspirational goals and future challenges we're set to face. Future consideration is needed for climate change, waste and recycling, tourism and population growth.

Our Future and a path forward / Te tirohanga me te ara whakamua

Our district has moved on from its chequered past. Although the memory of what happened may still be fresh for some of you, we can report that Kaipara District Council has been steadily building a positive reputation disproportionate to its size within Northland and nationally.

We are attracting support from Government and have attracted a capable team of staff with the necessary skills to deliver our progressive work programme. That's the benefit of a having a good reputation and offering great work in a beautiful district!

Although those times are well and truly behind us, we still carry a legacy from that extended period when there was little investment in infrastructure. We cannot address many years of underinvestment all at once.

For the next three years we're proposing to focus on getting right the basics of what Council should do. We want to commit to investing in maintenance and infrastructure so we can rely on our services without risk of failure.

Climate change is the biggest environmental challenge and one of the most significant issues we face today. Kaipara is already feeling the effects of a changing climate. We have experienced cyclones and heavy rainfall, flooding, coastal inundation and erosion, and seasonal rainfall changes and drought. Extreme weather events and natural hazards impact our homes, villages and towns, our amenities and infrastructure, our work and our primary industries, our health and wellbeing, and the nature, land and water that surrounds us. These impacts are projected to become more severe and more frequent as the climate continues to change and as sea levels rise.

Here are the main changes and their impacts and implications.

{Infographics here}

Through the Long Term Plan 2021-2031 we seek to become a Climate Smart District. This means setting the foundation for communities to adapt and thrive in a changing climate. We are seeking your input on how Council can best build this foundation over the next ten years. Page X reviews a proposed climate change work programme and outlines different options to develop Council's climate change response.

You've told us roading is a priority. We're rolling out an unsealed roads strengthening and improvements programme funded by the provincial growth fund (PGF), which will be completed by the end of the first year of the new LTP (June 2022). Council will be fixing or replacing bridges and providing other transport services like shared paths, cycleways and new footpaths that will give you the opportunity to safely move around the district and to do things that make Kaipara a great place to live, such as walking and cycling to the shops or taking the kids to the park or beach.

Next, we want to tackle some of the big challenges that feel like they are on the horizon but could be closer than we anticipate. Along with climate change, critical issues of waste minimisation and waters (water supply, wastewater and stormwater) need to be addressed. Although we cannot completely address everything at once, the sooner we make a start and make more progress on these issues, the better prepared we will be to face the future.

The big question is “Who should pay for this?”. Every service carries a cost and many individuals and businesses in our community have been affected by COVID-19, an added challenge in the current times. Should separate communities pay the full cost of the services they alone receive, placing higher burdens on small communities, or should the cost be shared by all across the District who receive a comparable service? We ask this question in this Consultation Document and look forward to your feedback.

Our overarching plan for the next 10 years is to;

- Deliver the planned work on unsealed network, bridges and footpaths,
- Maintain and renew current aging infrastructure,
- Provide for, and accommodate, growth in our infrastructure, such as water and sewerage systems
- Continue to find / seek additional sources of income through grants and partnerships, enabling us to keep rates affordable
- Where possible, spread the impacts of financial decisions

The projects detailed in this document contain pathways to meet these goals, where we would like your feedback.

Comment: Intro signed by CE and Mayor as forward

The Money / Te Pūtea

Rates/Income

The graph shows our increase in revenue from rates over the last five years. We forecast we'll need to increase our revenue from rates every year. To deliver the first year of our plan we are looking at a 3.37% average increase, which allows for 1 percent growth. The projects and proposals we're consulting on with this document will add to the amount we need to collect, depending on consultation, and what the community would like to see us work towards.

A 3.37% increase in rates revenue doesn't mean everyone will receive a 3.37% increase on their rates bill. An increase in rates may affect properties differently, depending on their location and changes in land value. For example, a property where the increase in land value is higher than the average for the district may pay more in rates than others where the increase in land value is lower.

The amount you pay will depend on the rates and services your property is charged for, the type and value of your property, and the recent revaluation that was done in November 2020.

{Insert Rates graphic showing components of rates NRC, Council fixed and variable (qualitative, not quantitative)}

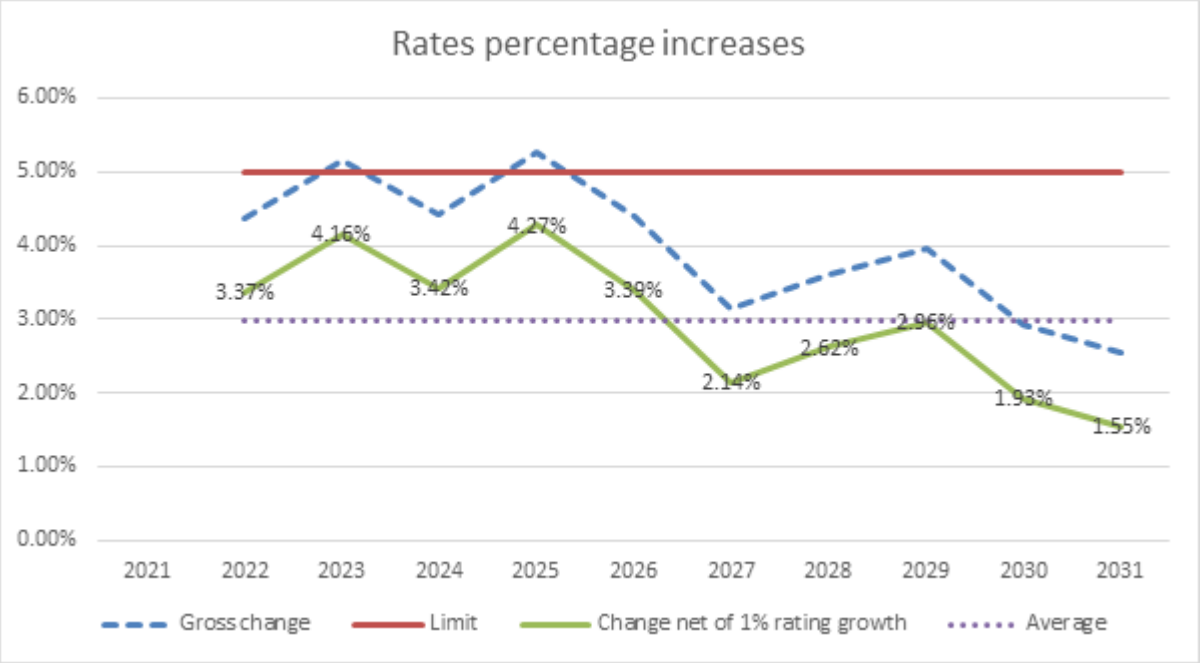
{Insert graphic showing value of rates for land values of $200K, $500K and $1,000K}

Financial Strategy

The financial strategy sets the financial direction of Council and guiding decisions, and shows how the decisions will impact on rates, debt and Council services.

The financial strategy aims to:

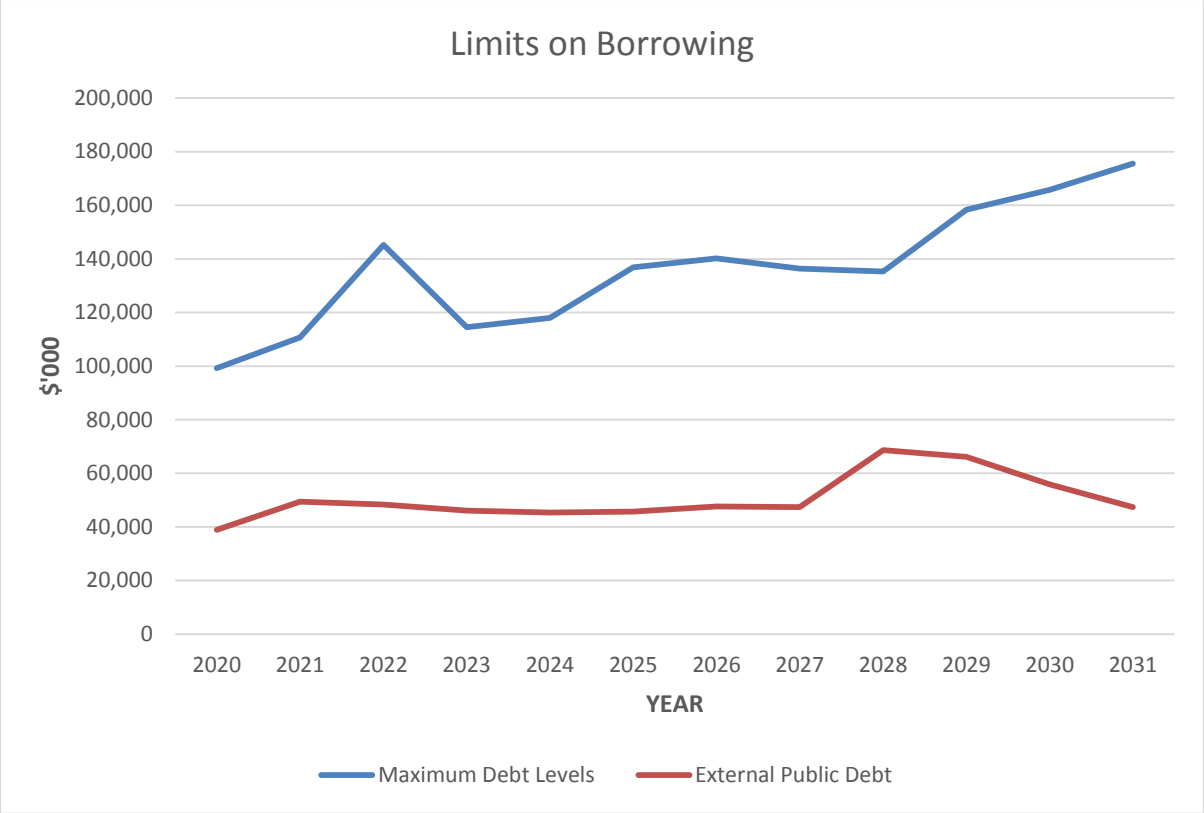
- maintain a balanced budget.
- balance affordability with financial prudence (Rates increases are no higher than an average 5% over the life of LTP (General and Targeted) after allowing for an allowance for annual growth in rateable properties. Water by meter is excluded.
- manage debt to achieve intergenerational equity.
- have net external debt capped at $60 million.
- ensure increased funding of depreciation of all assets with the exception of transportation assets to 100% so that renewals can be funded.
- maintain and provide for renewal of our existing assets is an important focus of our Infrastructure strategy and this is likely to result in higher rates in the early years of this LTP to get to the correct base level of expenditure.
- ensure Development Contributions are set to recover the cost of growth.
- use other sources of revenue to fund projects. There are many projects that are budgeted to be funded by grants, subsidies and financial contributions.



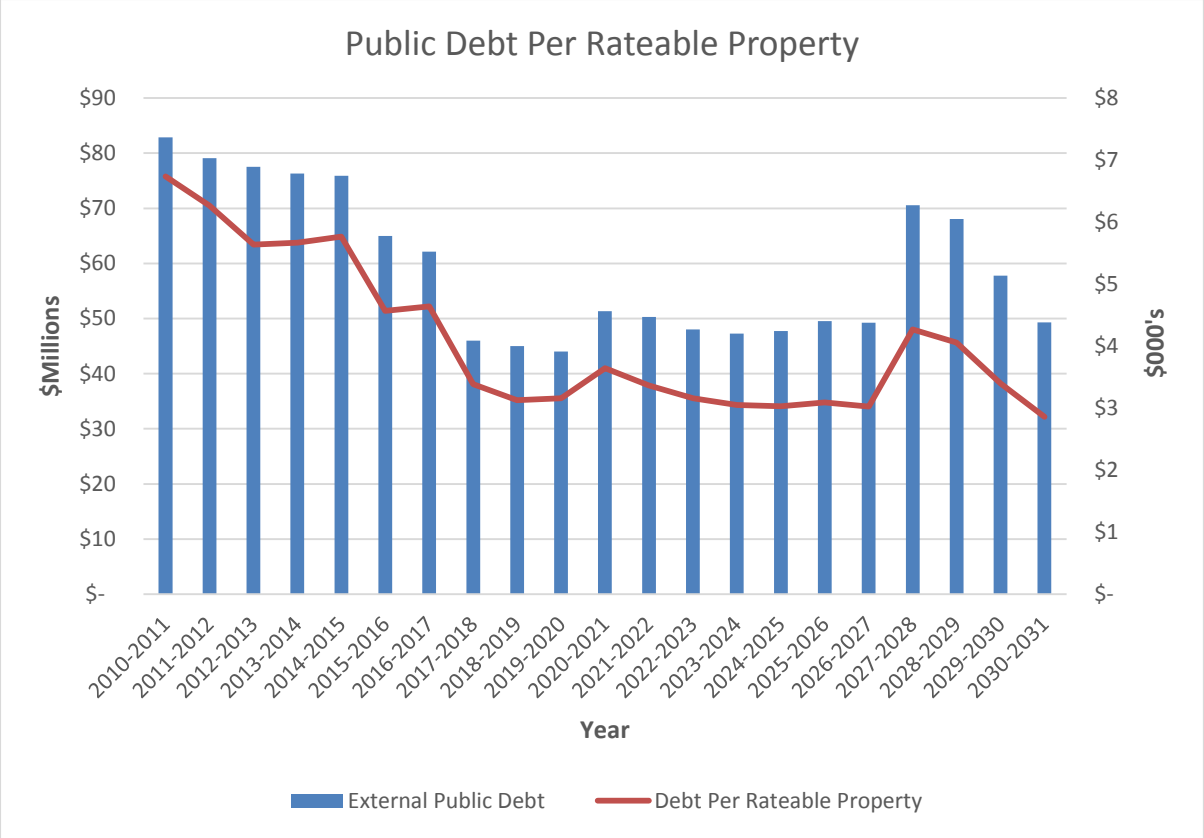
A rates limit of 5% is set by Elected Members in the Financial Strategy.

Debt

All councils set debt limits, which caps total borrowing. The limit is benchmarked by comparing the net debt to total revenue ensuring adherence to the maximum of 170 per cent.



The graph shows the projected debt tracking over the next 10 years, and its ratio to the debt limit, set by Council and our lending institutions. As you can see, we plan to remain well within our limits, being prudent so we have financial headroom capacity for emergencies or “a rainy day”. Council has more recently stated it prefers to remain within $60 million debt level. That level is forecast to be exceeded in 2 of the 10 years caused by funding for growth but is rectified by 2031.



The increasing population means there are more ratepayers and greater ability to sustain debt than previously. The graph above shows that as a result of growth, even though the debt is increasing over the life of the LTP the actual debt per rateable property has decreased.

During the course of the Long Term Plan 2021/2031, debt projections are generally lower than the debt requirement because of internal borrowing. Council may temporarily use reserve funds for a different purpose from that for which they were received. However, the debt requirement and therefore capacity is needed for the time that these funds are called on. As a result, the ratios are calculated on debt requirements rather than debt projections. The difference between the two is shown in the table below.

Public debt projections compared to public debt requirements 2021/2031 ($ millions)

Year End June	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Public Debt projections	51.2	50.3	48.1	47.2	47.7	49.5	49.3	70.5	68.0	57.8	49.3
Future Reserve Obligations	13.0	16.5	18.8	22.1	23.8	27.9	30.9	36.1	42.6	49.3	56.8
Debt Requirement	**64.2**	**66.8**	**66.9**	**69.3**	**71.5**	**77.4**	**80.2**	**106.6**	**110.7**	**107.1**	**106.1**

Factors impacting on the Council to consider

Annual Population growth forecasts 2021-2031

Area	Forecast Population 2026	Years 1-5 Growth	Forecast Population 2031	Years 6-10 Growth
Dargaville	5,540	1.48%	5,764	0.8%

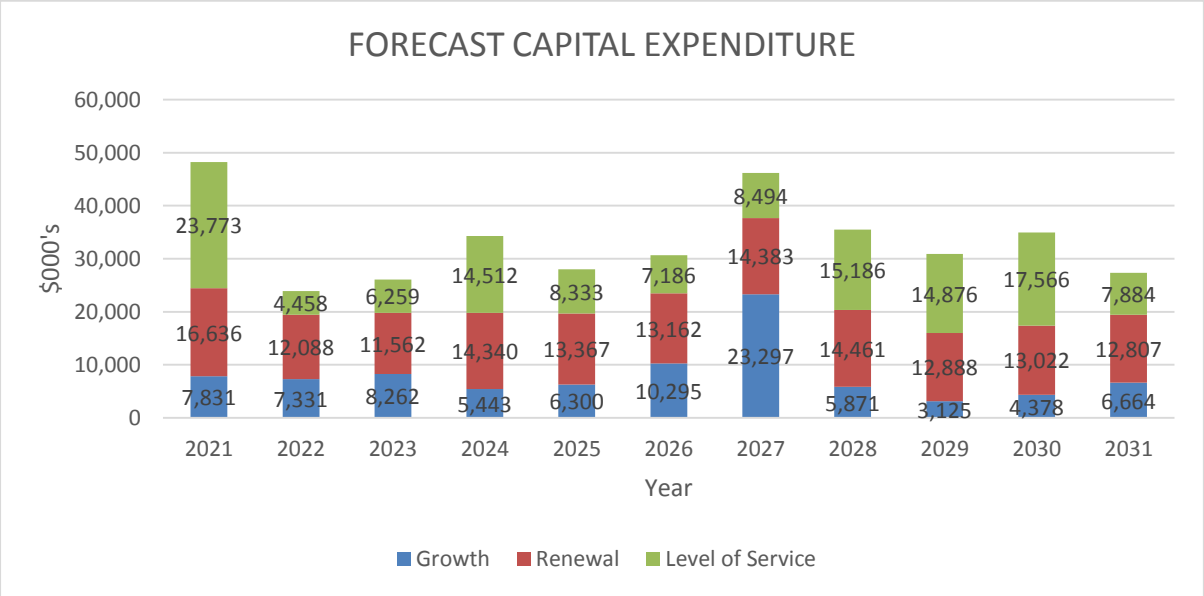
Kaiwaka	2,403	1.45%	2,520	0.9%
Mangawhai	7,630	4.63%	9,040	3.4%
Maungaturoto	1,459	1.85%	1,539	1.0%
Ruawai/ Matakohe	2490	0.1%	2,474	-0.1%
Rest of District	7,317	-0.01%	7,187	-0.36%
Kaipara District Total	26,839	1.76%	28,524	1.23%

The ongoing projected population and housing growth creates demand for additional capacity in our infrastructure. Over these 10 years, Council is estimating there will be a further 2,077 households created.

The community has told us that it is most important to look after the current assets so that the level of service can be maintained.

Ongoing breakages were occurring in many parts of the network where renewals had not occurred when scheduled. This LTP provides for reinvestment in existing infrastructure at higher levels than in the past to address this historical underinvestment and improve services to meet community expectations.

Provision has been made for an increased renewals work programme to progress projects not undertaken in the past, so that in future critical assets are not run to failure.



{graph will be reformatted, removing numbers and including table}

The Council has a large capital expenditure program to progress which will continue to be challenging to complete. Much of the programme is for renewals and there is some provision for new initiatives and growth. Central government has been supportive of its regions and Council has been successful in applying for capital projects to be fully subsidised. Many of these subsidised work programmes will be constructed in the early years of the Long Term Plan 2021-31.

There are also many future projects that are budgeted to be funded by grants, subsidies and financial contributions over the life of this LTP.

If the funding sources are not confirmed, then the associated projects won't be completed in the stated year and will be deferred until funding can be obtained.

Funded depreciation of Council assets will be provided for by 2022 with the exception of the Mangawhai wastewater system which will be fully funded by 2025.

Climate-related risks:

Like many other councils across Aotearoa New Zealand, Kaipara District Council is currently working to better identify and understand climate-related risks to finance and revenue (the risks climate change presents to our finance and revenue activities). A strong understanding of risks, impacts and implications is a first step towards developing a management response. We recognise that climate-related risks will likely exists for Council revenue and for our operational and capital works cost, and will increase as respond to climate-related risks. Council will also develop a disclosure process to ensure transparency and accountability.

Revenue and Financing policy

Our updated Revenue and Financing policy simplifies and clarifies how the Council apportions rates and makes the process more transparent.

Changes proposed to the policy from LTP 2018-2028

1. Wastewater Targeted rate. The percentage of funding attributed to private individuals by way of targeted rate has reduced from 100% to 95%. This was to recognise that all those living in the District have the benefit of a nice clean harbour, and public toilets through having Council owned wastewater systems.

2. Mangawhai Community Plan Targeted rate. The previous LTP 2018-28 provided for a differential on the general rate charged to those in Mangawhai to reflect the planning, development, and construction work being carried out as part of the Mangawhai Community Plan. This is proposed to be changed as many projects throughout the District can directly be funded from financial contributions, and those that can't will be funded through the general rate. Much of the Mangawhai Community Plan will be funded by financial contributions.

3. The funding analysis categories split have been changed from broad percentage catagorisation (eg 0-33% Low,34-66% Medium 67-100%) to an exact percentage with actuals needed to come in at minus or plus 10% of the percentage.

4. Other Changes will be made to the Revenue and Financing Policy to reflect potential new targeted rates discussed elsewhere in this consultation document:
    a. Recycling Targeted Rate
    b. Safer Communities Targeted Rate
    c. One Bucket System for Wastewater (Equalisation)
    d. One Bucket System for Water (Equalisation)

- See page XX for more info on Rates and sample property impacts

For more information on this see our draft Revenue and Financing Policy at kaipara.govt.nz/ltp

{Include more info on QV and property revaluation and it's impacts once that has been decided}

Key Decisions / Ngā Whakatau

[Callout} For each initiative we've tried to show what impact it will have on rates. For variable rates (general rates) the cost will be different for each ratepayer, depending on the value of your land. For that reason we have described the impact as a percent. You can use the following table to estimate what the cost impact may be for you.

For example, if your land is worth $200,000, for every percent of rates rise, the cost will be approximately $12.90. If the percent rates rise is 2.5% the increase in rates will be $32.25 (2.5 x $12.90)

Your land value ($)	Dollars relating to each 1% percent rate rise
200,000	$12.90
500,000	$32.25
1,000,000	$64.51

Waste minimisation

Background

Two years ago, we sought feedback from the community about the way we collect rubbish and recycling and found there is appetite for change.

Kaipara has a poor track record for recycling. Currently recycling bags cost less than blue rubbish bags, but that has not sufficiently incentivised people to recycle.

Issue

We're looking at ways to reduce household waste by making recycling easier across the District.

Providing crates for recycling has proven impacts in reducing the amount of household waste that goes into waste and rubbish facilities, as bins make it easier and more accessible for people to recycle.

There is a wider global issue around recycling, and how we deal with our waste. Central government is looking at creating a set of standards for every Council to follow around what materials must be collected. Government is also proposing to increase the cost to landfill operators. This cost would be passed on to users to incentivise them to reduce the amount of waste they produce.

What we're proposing

Option 1: Recycling crates

We're proposing every household would get two crates for recycling (one for glass, one for cans and plastic with paper bundled separately), that would be collected kerbside (or if you're in a rural area, from a dedicated collection point). This would be paid for through a targeted rate across all ratepayers. As part of this change, recycling could also be taken to any transfer station free of charge (removing the current per load fee).

{picture included for size comparison}

The recycling service would be funded by an average targeted rate across the Kaipara District of $146 per household per year. The first year will cost $156, dropping to $126 in year 2 and increasing over 10 years to $164.

Costs would include two supplied crates, one for glass and one for other recycling and the operational costs of collection. This is proposed for year two of the Long Term Plan (2022/2023).

Households would save on the current cost of recycling bags. At a rate of one bag per week, that would be a cost saving of $78 per year.

{insert graphic showing estimated reduction to landfill of not sending recycling to waste}

Option 2: Status Quo

Currently household rubbish is collected in user-pays blue bags, which will continue.

Ratepayers would continue to buy their own yellow recycling bags, depending on use. Charging at transfer stations would continue. Those that do not recycle would continue to pay over twice that amount to dispose of their recycling in rubbish bags. Charging at transfer stations would continue.

Question

How should Council manage its waste collection?

1. Option 1 Recycling crates (preferred).
2. Option 2 Status Quo.

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE (RECYCLING CRATES)	Average increase $146/year (range $126 in year 2 to $164 in year 10)	$600,000 – $700,000 over 5-7 years for bin purchase	Increased through introduction of recycling bins, and no cost to use transfer station for recycling	Easier to recycle, resulting in reduced waste to landfill. Cost saving of yellow bags ($78 at 1 bag per week)
OPTION TWO (STATUS QUO)	No impact	No impact	No change	Ratepayers continue to pay for yellow bags (or additional blue bags) for recycling or pay to take their waste to transfer station. Potential increased costs of waste management from Central Government.

{Key Documents Icon}

For more information on this visit kaipara.govt.nz/ltp

- Infrastructure strategy
- Waste Minimisation Plan

Water supply and wastewater rates equalisation

Background

The Council provides drinking water and wastewater systems to parts of the district, which is paid for by ratepayers who receive that service.

The 5 water supply networks service 3446 households, or 34 percent of the district and 6 wastewater networks service 5142 households, or 51 percent. There are an estimated 10,098 households.

Having clean rivers and waterways is important for the community's health and is part of the attraction of Kaipara. Maintaining our waterways benefits all our communities.

Currently, the capital costs to build and upgrade each network are paid for by those serviced by the scheme, and the operating costs (including the cost of desludging, which is akin to a capital cost) are shared across all schemes, except for those on the Te Kopuru wastewater scheme, which is treated differently. Te Kopuru pays for the entire capital and operational costs of their scheme. This will not be not an option in future.

Those who are serviced by a network but who are not connected to it pay 75% of the service fee to contribute to the network supply costs. Having the potential to connect to drinking water or wastewater systems adds value to a property and the opportunity for owners to benefit from the service if they wish to. Charging for properties that are capable of connecting spreads the cost of supply across those who can and those who do benefit from it.

Issue

Rates for drinking water and wastewater management are inconsistent across the district. Connected households receive the same level of service for their treated drinking water and wastewater management, but pay different amounts for the service, depending on where they live and the work required on their system.

Currently, drinking water and wastewater are not charged consistently across the district and is complex and costly to administer. Te Kopuru is managed differently from other schemes, and desludging, which is akin to a capital cost (large cost occurs every 15 years) is paid collectively by ratepayers of all the schemes.

Only those receiving wastewater services pay for them, although everyone enjoys the benefits of a clean environment.

If charges were not to be equalised, only people in Mangawhai would pay for future expansions to their wastewater scheme. Likewise, only ratepayers on the Dargaville drinking water scheme would pay to connect to the water storage currently planned by the Te Tai Tokerau Water Trust. Those on small schemes, such as Te Kopuru, would incur a high cost for maintenance because its spread would be limited to a small group of Te Kopuru ratepayers, which would place a heavy burden on a small community. In a future without equalisation any system development would be paid for only by the people it directly services.

What we're proposing

Option 1: Rates equalisation

We're proposing to equalise the costs of operating water supply and wastewater across those who are connected to, or are capable of being connected to, the networks. This would allow for a more even share of costs and benefits and reduce 6 current targeted rates for wastewater to one. Water will be charged by volume, instead of through separate rates for each of the five schemes.

{Infographic}

We're proposing the same, single fixed cost for wastewater and volumetric rate for water for anybody connected to, or capable of being connected to, our council supplied network. Everyone who is connected would continue to get the service they do now when they turn on the taps or flush the toilet. Paying the same connected yearly rate (which pays for the plant and overhead costs) and paying a uniform supply amount (based on how much water you use as a household) would even out the cost of maintaining the service for those connected to the network.

It means the cost of increasing the capacity or reliability of the schemes would be shared by everyone and reduce the significant burden of maintenance to those on small schemes.

There will be some financial impacts to align everyone. Smaller networks will have a larger cost jump initially but will enjoy greater benefit when renewals and maintenance are costed across the wider pool of people in later years when renewals are required. This proposal spreads the increase of these initial changes for the smaller networks over a three-year period.

Option 2: Ringfenced option

The ringfenced option (option two) is to entirely ringfence every network. Ringfencing would put all connected users of a network, either water supply or wastewater, being financially responsible for the work needed to maintain and operate that system.

The users connected would have to pay for any costs needed to bring a system up to standard to meet its consents or for any materials that need to be repaired or replaced.

While the council would manage the plant, all associated costs, both from the overheads of the system and the metered supply costs of water, would be paid by the direct users. This means, in some years, expenses could jump significantly, depending on what needs to be repaired and replaced or what work is needed to meet the standards.

Question

Water Supply

How should Council charge for drinking water supply to networked houses?

1. Option One Equalised rate (Preferred)
2. Option Two – Ringfence every network

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE **EQUALISED**	Change depends on location More detail below	No impact	No impact	More even spread of costs over time and across ratepayers. Everyone pays same amount for same service.
OPTION TWO **RINGFENCED**	Change depends on location More detail below	No impact	No impact	Disproportionate costs across ratepayers, and costs that fluctuate, depending on work needed on each system.

{insert table with water rates}

Wastewater

How should Council charge for wastewater services to networked houses?

1. Option One Equalised rate (Preferred and used in this LTP targeted rate calculations)
2. Option Two – Ringfence every network

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE **EQUALISED**	Change depends on location More detail below	No impact	No impact	More even spread of costs over time and across ratepayers. Everyone pays same amount for same service
OPTION TWO	Change depends on location	No impact	No impact	Disproportionate costs across ratepayers, and

RINGFENCED	More detail below	costs that fluctuate depending on work needed on each system.

These are the current costs, compared with the proposed costs for each of the schemes.

Option A Equalised	**Current**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
All schemes	(see below)	1,044	1,084	1,125	1,166	1,193	1,236	1,307	1,398	1,449	1,494

Option B Ring fenced		**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**
Dargaville	920	665	703	715	726	709	723	767	857	883	908
Glinks	1,298	3,130	3,785	3,345	3,409	3,544	3,681	3,761	3,684	3,856	4,038
Kaiwaka	1,150	1,675	1,551	1,572	1,543	1,647	1,684	1,738	1,786	1,898	1,945
Mangawhai	1,356	1,253	1,322	1,397	1,480	1,536	1,607	1,701	1,779	1,850	1,914
Mangaturoto	1,258	1,507	1,412	1,445	1,427	1,466	1,509	1,600	1,806	1,855	1,882
Te Kopuru	667	860	898	938	949	973	998	1,036	1,123	1,152	1,183

{Key Documents Icon}

For more information on this visit kaipara.govt.nz/ltp

- Infrastructure strategy

Securing Water supplies

Background

The water supply to Dargaville and Baylys Beach is drawn from the Kaihu river that reduces flow in summer. The Council is unable to draw extra additional water from the river without compromising the environment. A new solution must be sought.

We want to ensure our future generations have access to drinking water even during times of drought. To do this we are looking at partnering with the Tai Tokerau Water Trust water storage project based in Te Kopuru, benefiting Dargaville.

In Maungaturoto we have been able to plan a tanker-filling water station using central Government funds, which will service the eastern side of the district. There is also a need for tanker filling facilities in the west.

Issue

Increasingly dry summers continue to put pressure on drinking water supplies, resulting in ongoing water shortages for Dargaville and Baylys Beach.

With heavy demand on Auckland and Whangarei water supplies, councils are restricting water supply access to those outside their districts. This will affect Kaipara residents if there is another drought like 2019/2020.

What we're proposing

Option 1 Connecting to water storage

This proposal involves connecting to a water storage dam created by the Tai Tokerau Water Trust for raw water supply. The Council would build and connect a small-scale water treatment plant near Te Kopuru and connect the treated water to the existing water network across Dargaville and Baylys Beach. Although the work has not yet been designed, connecting this supply is estimated to cost $2.1 million. There will also be costs to buy this water, but this is unknown and hasn't been included in the LTP.

Ability to access a supplementary water source during the summer drought months would help to keep Dargaville and Baylys Beach residents and businesses supplied with water. It wouldn't end the restrictions but would allow us to lengthen the time before moving to the next water restriction level during a summer period.

There is also a public good element to this plan. Dargaville services a broad range of people in the district with larger shops and businesses, including the Silver Fern Farms freezing works. Providing secure water supply is fundamental for business, and it can provide opportunities that would not otherwise be available. Sharing the costs of maintaining these networks keeps businesses operating and provides confidence for new places to open.

Depending on the decision around water rates equalisation, the cost may be paid by the district as a whole, or by Dargaville and Baylys Beach residents.

For water carriers, Dargaville could continue to provide water to service our rural areas.

Option 2: Status quo

Dargaville will continue to be affected by water shortages, likely to become more severe over time. Tank water will need to be trucked across the district.

Question

Should users of Council's water supply systems pay for a connection to the Tai Tokerau Water Storage solution, and the development of a water treatment plant in Te Kopuru?

1. Option One: Connection to water storage (Preferred)
2. Option Two: Status quo

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS	
OPTION ONE **CONNECTION TO WATER STORAGE**	From 2024 $0.22 per m³ for Dargaville ratepayers or $0.19 per m³ if equalised across all scheme ratepayers	Average $688,500 per annum across 20 years	Improved security of supply easing the need for water restrictions.	Increased community and business confidence.	
OPTION TWO **STATUS QUO**	Minimal	None		Increasing water restrictions during times of drought.	Reduced community and business confidence.

{Key Documents Icon}

For more information on this visit kaipara.govt.nz/ltp

- Infrastructure strategy

Climate change

Background

In 2019, Council decided Mayor Smith should sign the New Zealand Local Government Leaders' Climate Change Declaration. As a Council we are committed within our financial and legal limits to do what we can to understand, plan for and respond to climate change.

We commit to identify and manage climate risks, to adapt to change sustainably, and to build resilience. This is our adaptation response.

We are also committed to measuring, reporting and managing Council emissions footprint. This is part of our mitigation response.

Issue

Although we are committed to climate change action, Council has not yet carried out strong and strategic adaptation and mitigation.

What we're proposing

We propose a series of climate change works to ensure Council meets its climate change responsibilities. This work will enable us to understand impacts and implications at a local level and to provide strong leadership and community support.

The work will develop in phases over the next ten years and includes:

- Climate Smart Policy, 2021-2022: Setting clear direction and standards on how we identify, understand and consider climate change throughout Council.
- Climate Action Plan/s, 2021-2024: Real actions across Council to address climate change and support community. Created with Mana Whenua, communities and district wide stakeholders.
- Regional Adaptation Strategy, 2021-2031: 'Adaptive pathways' decisions on adaptation with communities, Mana Whenua, stakeholders, and businesses. Regional collaborative work to increase resilience and the District's ability to adapt to change.
- Communications Platform, 2021-2024: Improved communications around climate change projections, impacts, risk and response.

We have identified three different options for how we may do this work and we need to hear from you. How strong would you like Council's climate change response to be?

There are three options: Option 1 Baseline, Option 2 Climate Smart, Option 3 Climate Smart Plus.

Option 1: Baseline

Currently included in this long term plan is Option 1 Baseline, and built into the $3.37% rates increase planned (so does not add further to the base rate). This work sets Council up to meet current and anticipated legislative requirements. It is the minimum work required to carry out our climate change responsibilities and requirements, which come from our resource management, natural hazards and risk management obligations. Some of the legislation that determines these obligations include the Resource Management Act 1994, Local Government Act 2002, Building Act 2004, Civil Defence Emergency Management Act 2002 and Climate Response Act 2002.

Baseline includes a Climate Smart Policy, a single Climate Action Plan, improved climate change communications, and 'adaptive pathways' adaptation decision-making with two prioritised localities in the district. The 'adaptive pathways' locations will be decided in 2021 by Council through a district-wide risk assessment process. The costs of the Baseline programme is set out at $1.5m over 10 years.

Council has already commenced laying the groundwork for stronger, more informed climate change planning and response. Our two major strategy and planning documents, the current 2018-2028 Long Term Plan and the operative District Plan identify potential major impacts due to climate change and sea level rise.

We are part of the Climate Adaptation Te Tai Tokerau regional staff group and will participate in a Joint Climate Change Adaptation Committee. This is an official Te Tai Tokerau-Northland committee made up of elected members and Mana Whenua representatives, formed to help guide regional climate change adaptation.

We are underway with our first baseline emissions measurement and Council footprint report, looking back at our 18/19 financial year. The footprint report will be made publicly available and will show what Council activities produce the most emissions.

There is no budget dedicated to climate change strategic planning and response in the current 2018-2028 Long Term Plan. Council has yet to resource further climate change action until the start of the 2021 Long Term Plan.

Option 2: Climate smart

Involves stronger climate action. Expands a single Climate Action Plan into three Climate Action Plans, one on adaptation, one plan on mitigation and one plan on sustainability. Increased work with

communities and more community engagement events. The ‘adaptive pathways’ adaptation decision - making process remains at two locations, decided by Council in 2021 through a district-wide risk assessment process. $1.8m over 10 years.

Option 3: Climate smart plus

This is the strongest action on adaptation. Expands the ‘adaptive pathways’ adaptation decision-making process across the district to three locations instead of two. The three locations will be decided by Council in 2021 through a district-wide risk assessment process. Increased staff dedicated to climate change planning and action. $3m over 10 years.

Question

How much should Council commit to climate change planning and response?

1. Option One: Baseline, $1.5m over 10 years (preferred)
2. Option Two: Climate Smart, $1.8m over 10 years.
3. Option Three: Climate Smart Plus, $3m over 10 years.

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE - BASELINE	Average of 0.6% already included in 3.37% average rates increase.	No impact	Increase in mitigation and adaptation planning and response services. Will help Council respond to and plan for climate change with our roads, water supply, wastewater, stormwater and flood protection and drainage services.	Increased community engagement on climate change. Changes to Council business to support resilience, adaptation and to transition to low emissions.

OPTION TWO - CLIMATE SMART	Average of 0.7%, which is 0.2% above the baseline level	No impact	Substantial increase in mitigation and adaptation planning and response services. Will help Council respond to and plan for climate change with our roads, water supply, wastewater, stormwater and flood protection and drainage services.	Substantial increase in community engagement on climate change. Changes to Council business to support resilience, adaptation and to transition to low emissions.
OPTION THREE – CLIMATE SMART PLUS	Average of 1.1% , which is 0.5% above the baseline level	No impact	Largest increase in mitigation and adaptation planning and response services. Largest area of coverage for climate change response and planning around to and plan for climate change with our roads, water supply, wastewater, stormwater and flood protection and drainage services.	Increased community engagement on climate change. Changes to Council business to support resilience, adaptation and to transition to low emissions.

{Key Documents Icon}

For more information on this visit kaipara.govt.nz/ltp

Dargaville Civic Precinct

Background

There are four Council-operated buildings within the Dargaville town centre: the main Council building, the Municipal Chambers, the Northern Wairoa War Memorial Hall, and the Dargaville Public Library. The condition of these building's ranges from decent to poor.

Issue

- The Dargaville Civic Precinct is an important space as it houses one of Dargaville's biggest employers the Kaipara District Council, and the primary arts, cultural and community facility in the Northern Wairoa War Memorial Hall and Municipal Chambers.

Council's current assets within the Dargaville Civic Precinct are currently in a sorry state.

- The Municipal building (1923), which houses the cinema, needs seismic upgrade.
- War Memorial Hall (1950s) or Town Hall is sound but connected on three sides by an annex which is not sound.
- The 1990s annex that links the Municipal Building and War Memorial Town Hall is not weather tight and is growing toxic mould. Since late 2020 large parts of the building have been sealed off and are not usable. The spaces are not well designed and consequently are not well used. It is not economic to remediate this extension as the costs are expected to be over $5 million. The cost of upgrade would be a further $10-12 million.
- The Council office building would require substantial upgrade to remain in service. The 1990 extension is not weather tight and rain leaks inside, it contains asbestos, there is no ventilation or heating, there are no lifts and the office spaces are small. The cost of remediating and upgrading the offices would be $7.5 – 10 million, which is uneconomic. The Northland Regional Council is constructing a new building to be partly leased by Kaipara District Council for operational staff.
- The library space is inadequate to provide the level of service needed by Dargaville and surrounding areas.

{insert images of buildings}

If we do not demolish or remediate the civic buildings they will continue to deteriorate and eventually be closed as they will become unsafe.

This proposal addresses these issues through smart and proactive planning to develop a revitalised Dargaville civic precinct.

What we're proposing

Part A: Civic Precinct

Option 1: Develop a Civic Precinct

We're proposing to form a trust to develop a 'civic precinct' to co-locate compatible people-attracting activities.

In addition to a new library and protecting the Northern Wairoa War Memorial Hall and Municipal building, which includes the cinema; the civic precinct would seek to leverage opportunities to create office space for other professional services and cultural facilities. This facility will be multi-use and therefore also be suitable for holding Council meetings/ceremonies.

Council offices often attract professional service businesses to locate their premises nearby. Because the stock of quality offices in Dargaville is limited there is an opportunity to bring in other service businesses that require quality offices.

In addition, the lack of an identifiable cultural facility to showcase Kaipara's rich tangata whenua stories is another attraction that could be developed in the civic precinct.

The idea of a community-led 'civic precinct' is one that is well-documented and has gained traction as a means to reflect the character of communities, while providing key services and generating positive social activity. A successful example is the Te Ahu centre in Kaitaia where a community-led trust partnered with the Council to develop a community space.

A trust would be established that could attract funding Council cannot access. This would fund the precinct development at no cost to ratepayers.

The current Council offices would be demolished and a temporary green space park developed, as part of the overall civic precinct. The land would be retained by the Council for possible future expansion of the civic precinct, or some other public or community use in future.

Under this proposal:

- The existing Municipal Building and Northern Wairoa War Memorial Hall annex would be demolished ($0.4 million). The Municipal Building and Northern Wairoa War Memorial Hall would be reclad and reinstated as separate buildings ($1.1 million).
- A trust would be established to oversee the building of a new library/civic complex.
- Council offices would be demolished and land retained for future use ($0.5 million).

Option 2: Status Quo

The focus for the Dargaville Civic precinct has been to

- Protect the Municipal building
- Focus on minimising the impact on the cinema (in municipal building)

- Continue to operate the library in its current location

This approach is not sustainable in the long term.

Part B: Council land

Option 1: Retain land for future use

It is uneconomic for the Council to remediate and modernise the current Council building for new functions.

The Council proposes to demolish the existing building following relocation of Council staff to the Kaipara Service Centre, currently being built by Northland Regional Council at 32 Hokianga Road. The vacated area will be turned into a park, providing green space as part of the civic precinct. The Land would be retained and made available for future use, such as a new public or community development.

Option 2: Sell for development

The council could sell the building to a developer. The poor condition of the building and old interior mean it is unlikely to bring much return, estimated at around $0.5 million.

Questions

Question 1

Should the Council demolish the 1990s leaky annex at 37 Hokianga Road and repair and reinstate the two, separate older buildings (Northern Wairoa War Memorial Hall and Municipal building)?

Option 1 Yes (preferred)

Option 2 No

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE **YES**	1.4% for demolition	$1.1 million increase in debt to reclad hall building	Increased library offering	Provides space for purpose-built building
OPTION TWO	None immediately, however	None immediately however building will eventually		Progressive loss of use of buildings over

NO	building will eventually need to be demolished.	need to be demolished.		time with demolition likely at some stage to maintain public safety. Loss of opportunity for future use of land near civic precinct.

Question 2

Do you support development of a new building adjacent to the War Memorial Hall and Municipal Building to house the Library and a community Hub.

Option 1 Yes (preferred)

Option 2 No

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE YES	No impact	No impact	New library and community-designed spaces available for public use	Temporary site for library required
OPTION TWO **NO**	No impact	No impact	Ongoing insufficient Library services Fewer venues available for public use	Ongoing rent for council meetings venue

Question 3

Do you support the Council retaining the land at 42 Hokianga Road, that the council office building is currently on, for future use?

Option 1: Demolish Council Offices and retain land (preferred)

Option 2: Sell the office block

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE **DEMOLOSH COUNCIL OFFICES AND RETAIN LAND**	1.7% for demolition	No impact	No impact	
OPTION TWO **SELL OFFICE BLOCK**	No impact	Reduction in debt by amount of sale	No impact	

Mangawhai Library Relocation

Background

Mangawhai is Kaipara District's fastest growing town and surrounding rural area, with the population growing from 3,144 in 2013 to 5,031 in 2018 - representing a 60% increase (Census 2018). The population forecasts are to grow to 9,041 in 2031 through to 12,718 in 2051.This population increase has supported the viability of a proposed large commercial development and the possibility of extending the residential and commercial zoning in Mangawhai Heads and Mangawhai Village.

This has required a corresponding growth in access to Council services and accommodation for Council functions.

Issue

Existing civic facilities in Mangawhai, such as the library, are currently inadequate to meet the practical needs of their current and future community. The existing community-run library, an annex building next to the Mangawhai Hall has limited space, media capabilities and hours available for the growing Mangawhai community. The projected growth in permanent population across the Mangawhai area will result in more pressure on the existing community infrastructure. This signals the need for new and larger public amenities.

The draft Mangawhai Spatial Plan has identified need to assess options for enhanced Council facilities in the future; a secondary school, library and sports field, starting with the library.

What we are proposing

Option 1: New library site

The Council is proposing steps to establish a new library for Mangawhai. Over the next three years that may include securing a site for the library and planning the development.

Council has recently looked at potential locations for a new library in Mangawhai. While a number of options such as Wood Street and Mangawhai Community Park were considered, Council believes the two locations that provide the best outcome for now and the future to be either in Mangawhai Village or at Mangawhai Central.

The land acquisition and building of a new Library would be funded from a variety of sources; loans, development contributions and financial contributions, anticipated to cost around $5 million.

Option 2: Status Quo

The Mangawhai library continues to operate as a community-run library next to the Mangawhai Hall.

Questions

Question 1

Do you support the Council securing a site and building a new library in Mangawhai?

Option 1 (preferred) Yes.

Option 2 No

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE	Average of 0.6% from year 4 of this plan onwards	Debt increases by $5 million	New library will improve facilities. Securing site is first step in improving library service	
OPTION TWO	No impact	No impact	Ongoing need for improved service	

Question 2

If the Council develops a new library where would it best be located?

Option 1 Mangawhai Village

Option 2 Mangawhai Central

Regional Economic Development CCO

Background

One of Council's strategic priorities is to enable the sustainable economic development of the District. Northland Inc is the Regional Development Agency for Northland encompassing the Regional Tourism Organisation and central government's Regional Business Partner Network.

Currently, Northland Regional Council is the 100% shareholder of Northland Inc (a Council-controlled organisation (CCO)).

Issues

Kaipara benefits from the economic development of the Northland region. Tourists that come to Northland move between districts, and when one district thrives there is a flow-on to other districts.

Currently, economic development is siloed within districts. We think there is opportunity to take a more holistic look at development of the whole Northland region.

What we are proposing

Option 1: Invest in Northland Inc

A proposal we have considered and budgeted for is to invest in our regional economic development agency, Northland Inc. This will inject renewed energy and resource into Kaipara's economic development so appropriate initiatives are identified and taken forward.

The Kaipara District Council has an opportunity to provide funds to the Investment and Growth Reserve (IGR). This reserve is used to fund Northland Inc's operations and supports wider regional economic development.

For Kaipara, the benefits of the proposal are better representation and improved access to expertise and resources to support the sustainable development of the region's economy.

Under this proposal, Northland Inc will become a regional Council-controlled organisation jointly owned by Northland Regional Council, Kaipara District Council and the Far North District Council. Whangārei District Council will be able to join the initiative later if they choose.

These amounts are already budgeted and included in the average budgeted rates rise of 3.37%.

Advantages

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1. Shared governance of Northland Inc, with the other Councils, would give us a say in how the operating budget was allocated and it would strengthen the delivery and visibility of Northland Inc's services across the whole region.

2. Ensures better alignment between Northland Inc and the Councils, resulting in more efficient delivery of economic services across the region and increasing opportunity to make the most of central government funding.

3. A wider leadership and governance function for economic development will provide greater opportunity, at the right level, for engagement and/or partnering with Māori/Iwi organisations.

4. Increases the amount of funding available that can be used to support more significant projects and an increased level of support for our key sector businesses, especially in a post-Covid recovery period over the next 3 to 5 years.

5. Regional leadership and advocacy for economic development, especially with Central Government, for matters that affect us all.

6. Creates an opportunity for Councils to have a say in setting Northland Inc's strategic priorities and direction, including, for example emphasis on economic growth leading to improved community wellbeing.

Disadvantages

- Some costs are involved in switching to this new model.
- New Increased costs on some participating councils (e.g. committee involvement and servicing, possible resourcing).

Northland's Inc's regional mandate will be reinforced when discussing matters that affect us all, especially with central government.

There are some costs involved and our contributions to the Investment and Growth Reserve will be $29,000 in year 2021/22, the first year of the Long Term Plan 2021-31. This will increase to $61,000 in year two, $89,000 in year three, and incrementally increase to $180,000 in year 2026/27.

Option 2: Status Quo

In the 20/21 Annual Plan we contributed $25k towards Northland Inc as a first step in this process which allows input into future decision-making processes. Status quo would mean that council will have no influence over Northland Inc's priorities and initiatives.

Question

Which of the following options do you prefer?

1. Option 1: (preferred) Become a shareholder in Northland Inc and contribute to the wider Investment and Growth Reserve Fund.
2. OPTION 2: Kaipara District Council does not become a shareholder in Northland Inc

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE	Average increase of 0.4%, ranging from 0.1% in year 1 to 0.5% in year 10.	No impact	Increased service and better representation for Kaipara	Greater share in economic development opportunities in Kaipara, including tourism
OPTION TWO	No impact	No impact	No impact	Less ability to realise potential economic growth

Closed Circuit Television (CCTV)

Background

As part of its role, Council supports community led action. The Dargaville Community Development Board (DCDB) approached Council asking for us to collect a targeted rate on their behalf to pay for the ongoing costs and expansion and maintenance of the close circuit television network in Dargaville and expanding to Ruawai.

Issue

The DCDB advise that this project will improve safety and reduce crime in Dargaville and Ruawai. It will also improve business confidence and provide social and emotional benefits to the wider community. Having a secure funding source will reduce reliance on grant funding (that isn't available for operational expenses) and provide longevity to the current network in place for Dargaville. If this proposal is supported by the community, the funding collected will be provided to the DCDB to install the cameras and deliver the service.

What Council is proposing

Based on information from DCDB the Council is proposing a targeted rate of $10 per rating unit (for most people a rating unit would be a household, business or farm.) per year for the Dargaville, West Coast/Central wards and for 452 units (as at December 2020) of the Otamatea ward around Ruawai/Tokatoka – the same households that currently pay a targeted rate for the Ruawai Tokatoka War Memorial Hall.

The Ruawai local business association has asked that Ruawai be included in this project.

Question

Which of the following options do you prefer?

1. Option 1: (preferred) Become a shareholder in Northland Inc and contribute to the wider Investment and Growth Reserve Fund.
2. OPTION 2: Kaipara District Council does not become a shareholder in Northland Inc

Do you support Council collecting this charge on behalf of the Dargaville Community Development Board?

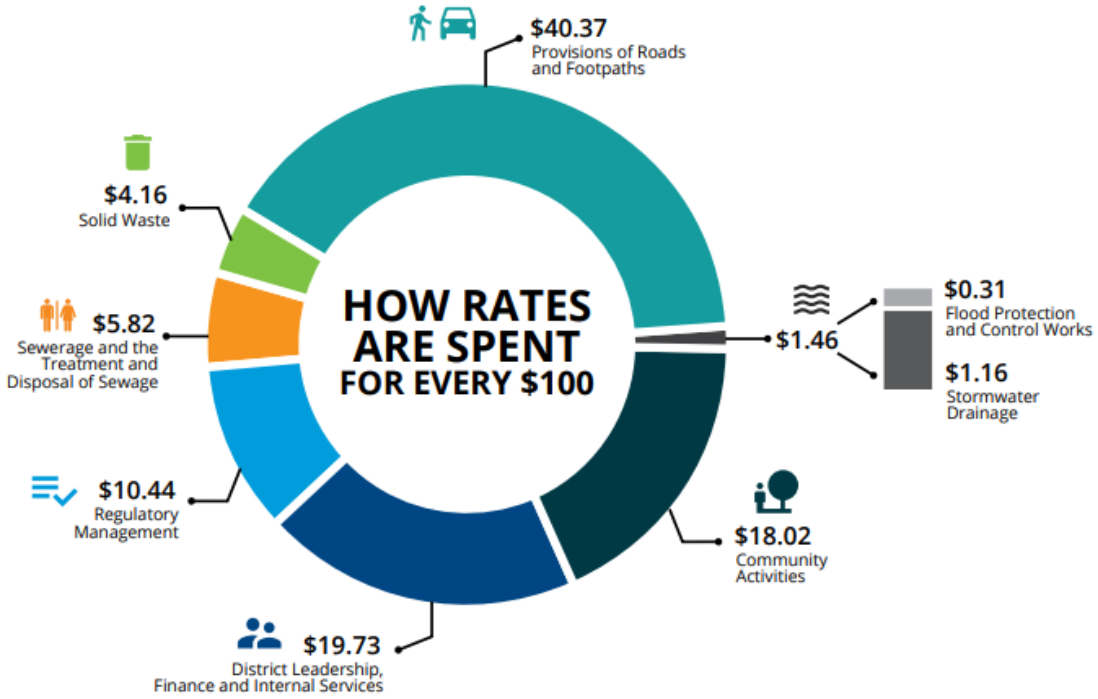
1) Option 1: Yes
2) Option 2: No

OPTION	IMPACT ON RATES	IMPACT ON DEBT	IMPACT ON LEVELS OF SERVICE	OTHER IMPACTS
OPTION ONE	$11.50/year for those in the Dargaville, West Coast/Central wards and for 452 units (as at December 2020) of the Otamatea ward around Ruawai/Tokatoka	No impact	No impact on Council services	Improved business confidence and safety and security around the Dargaville and Ruawai townships.
OPTION TWO	No impact	No impact	No impact on Council services	

Where are we spending? / Ka whakapau pūtea tātou ki hea?

{example diagram only (drawn from Annual Plan) – to be updated with further detail reflecting LTP}

Activity profiles can be found on our website which detail the work that council undertakes broken down by areas below. In summary;



What will it all cost? / He aha ngā utu?

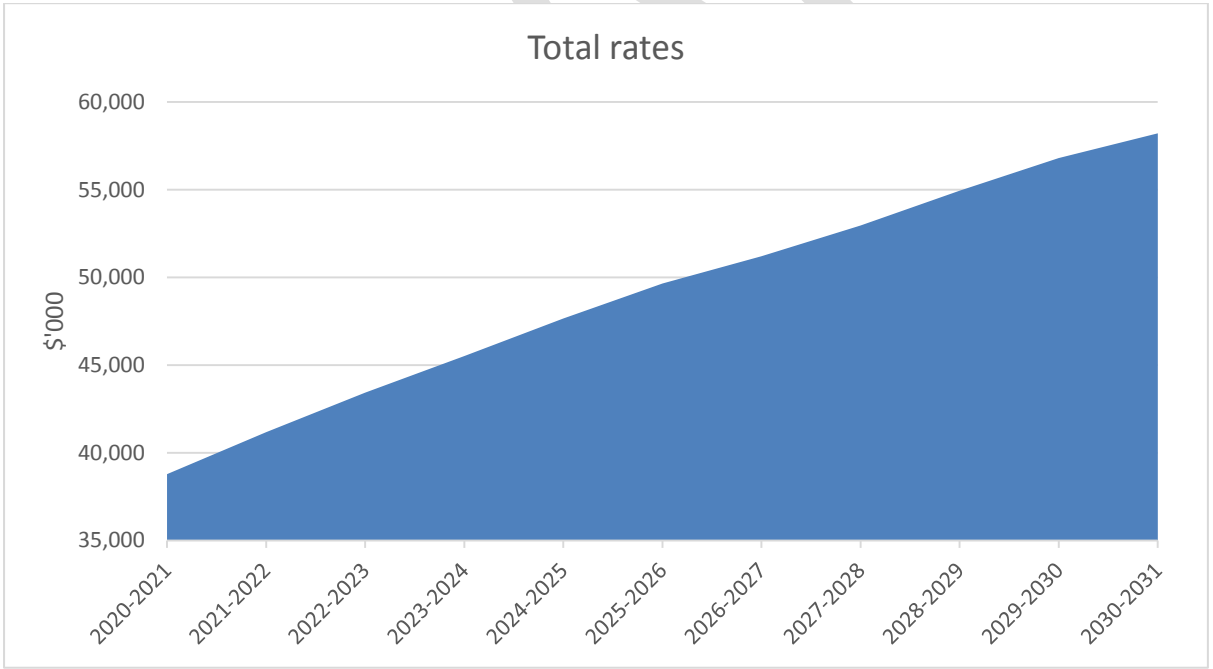
10-year revenue and expenditure

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2020-2021 $'000	2021-2022 $'000	2022-2023 $'000	2023-2024 $'000	2024-2025 $'000	2025-2026 $'000	2026-2027 $'000	2027-2028 $'000	2028-2029 $'000	2029-2030 $'000	2030-2031 $'000
Prospective Total Revenue, Expenditure and Surpluses 2021-2031[a]											
Total revenue	68,169	89,298	71,926	74,067	85,127	87,160	84,910	84,318	97,924	102,000	107,837
Total expenses	50,859	54,107	57,384	58,574	61,848	71,922	64,436	66,341	69,388	71,085	73,031
Surplus/(deficit) for the period	17,311	35,191	14,542	15,493	23,279	15,238	20,474	17,977	28,536	30,915	34,805
Adjusted surplus/(deficit) for the period[b]	-817	-1,131	-1,503	-541	-1,430	-85	569	939	410	762	846

[a] Refer to Prospective Statement of Comprehensive Revenue and Expense
[b] Net operating surplus/(deficit) is before recognising capital funding revenues (e.g. NZTA subsidies and development contributions)

Revenue sources 10 years

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2020-2021 $'000	2021-2022 $'000	2022-2023 $'000	2023-2024 $'000	2024-2025 $'000	2025-2026 $'000	2026-2027 $'000	2027-2028 $'000	2028-2029 $'000	2029-2030 $'000	2030-2031 $'000
Annual Operating Rates Revenue and Forecasted movements 2021-2031											
Total rates	38,780	41,173	43,430	45,515	47,659	49,654	51,210	52,964	54,949	56,810	58,221
Total revenue	68,169	89,298	71,926	74,067	85,127	87,160	84,910	84,318	97,924	102,000	107,837
Total rates to total reveue	56.89%	46.11%	60.38%	61.45%	55.99%	56.97%	60.31%	62.82%	56.11%	55.70%	53.99%
Forecast increase in total rates (excl. growth)	5.49%	3.37%	4.16%	3.42%	4.27%	3.39%	2.14%	2.62%	2.96%	1.93%	1.55%
Total rates increase limit	4.20%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%



What does it mean for you and your rates?

Sample properties

Info to be provided for rates in each area

Auditor opinion / Whakaaro a te Kaiarotake