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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 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)}

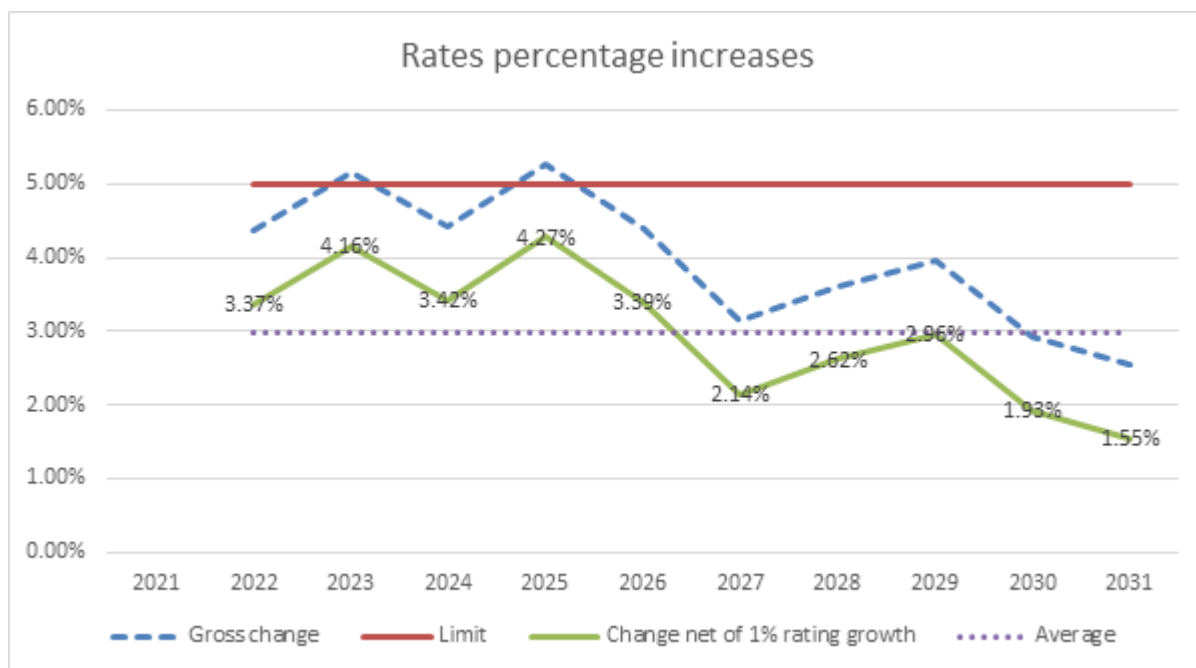
{Insert graphic showing value of rates for land values of \$200K, \$500K and \$1,000K}

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:

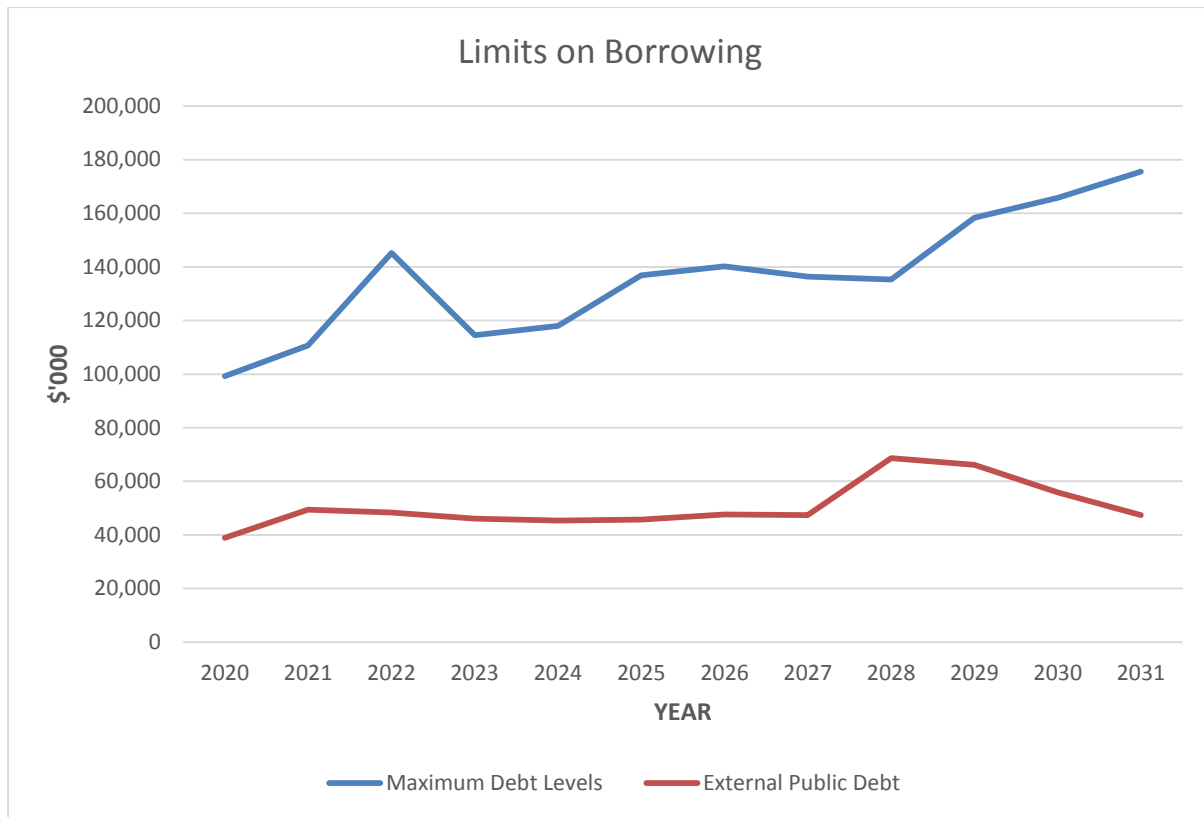
- maintain a balanced budget.
- balance affordability with financial prudence (Rates increases are no higher than an average 5% over the life of LTP (General and Targeted) after allowing for an allowance for annual growth in rateable properties. Water by meter is excluded.
- manage debt to achieve intergenerational 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.



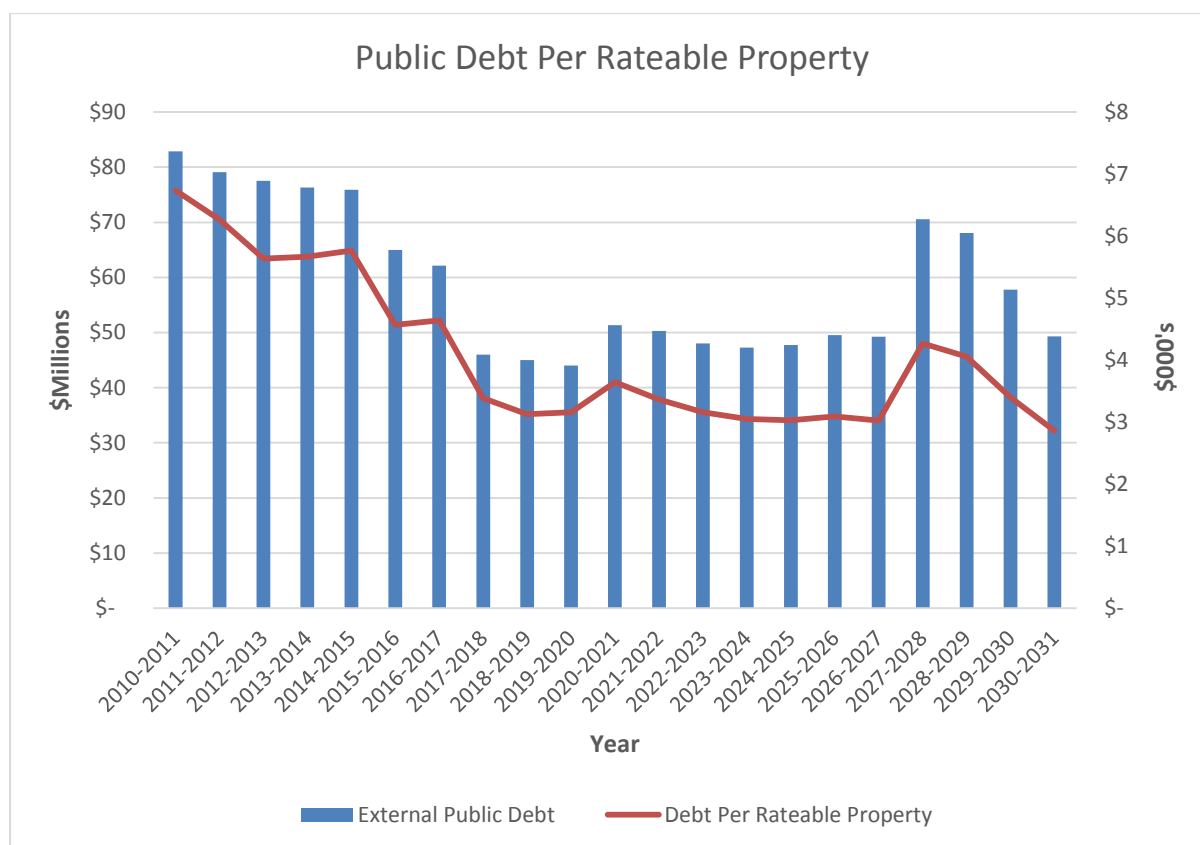
A rates limit of 5% is set by Elected Members in the Financial Strategy.

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%

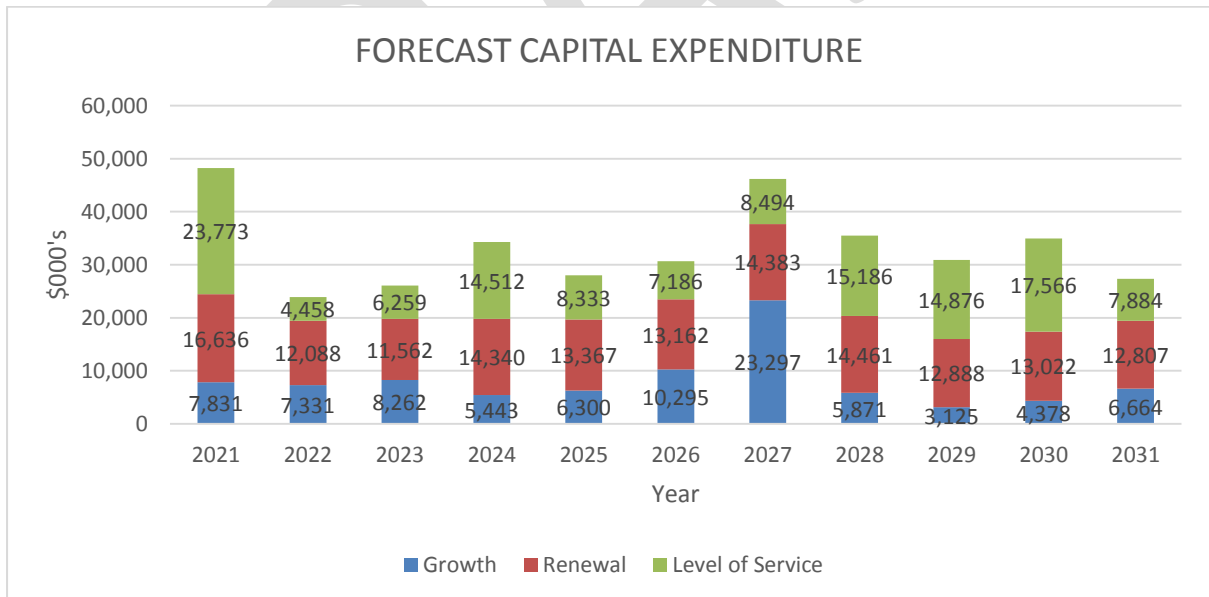
Kaiwaka	2,403	1.45%	2,520	0.9%
Mangawhai	7,630	4.63%	9,040	3.4%
Maungaturoto	1,459	1.85%	1,539	1.0%
Ruawai/ Matakohē	2490	0.1%	2,474	-0.1%
Rest of District	7,317	-0.01%	7,187	-0.36%
Kaipara District Total	26,839	1.76%	28,524	1.23%

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 exist for Council revenue and for our operational and capital works cost, and will increase as we 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 categorisation (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 Whakatauranga

[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 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
(see All schemes 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/ltf

- 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 m ³ for Dargaville ratepayers or \$0.19 per m ³ 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	<p>Increase in mitigation and adaptation planning and response services.</p> <p>Will help Council respond to and plan for climate change with our roads, water supply, wastewater, stormwater and flood protection and drainage services.</p>	<p>Increased community engagement on climate change.</p> <p>Changes to Council business to support resilience, adaptation and to transition to low emissions.</p>

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

{Key Documents Icon}

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

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 Kaitia 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

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?

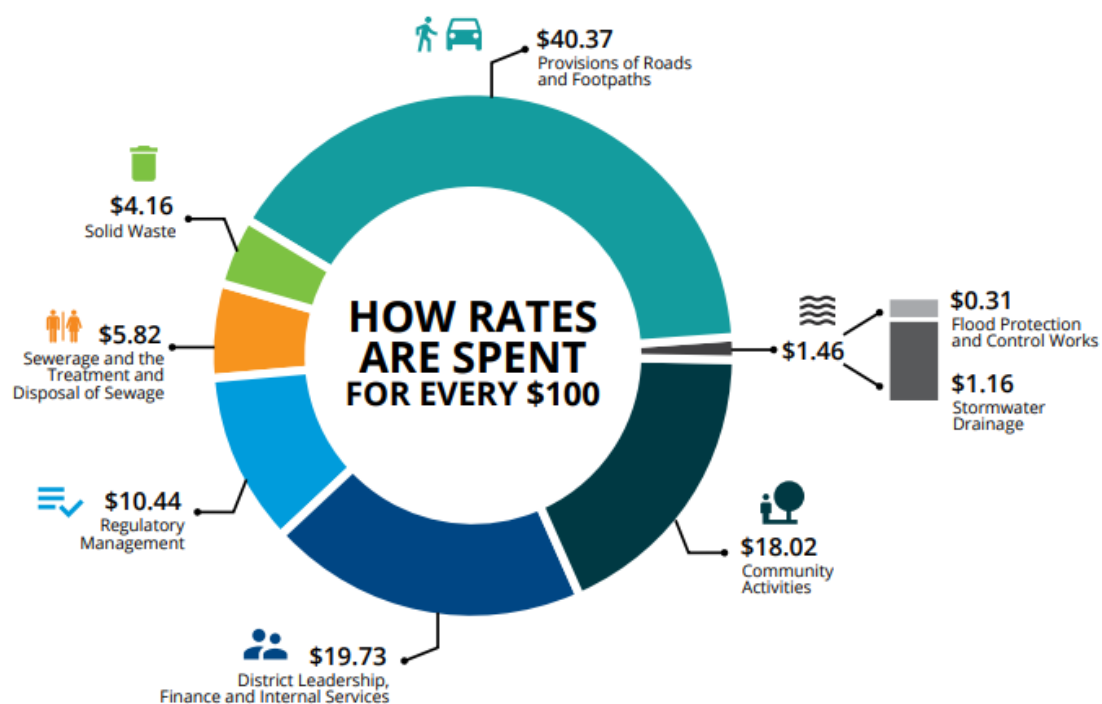
- 1) Option 1: Yes
- 2) Option 2: No

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	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 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

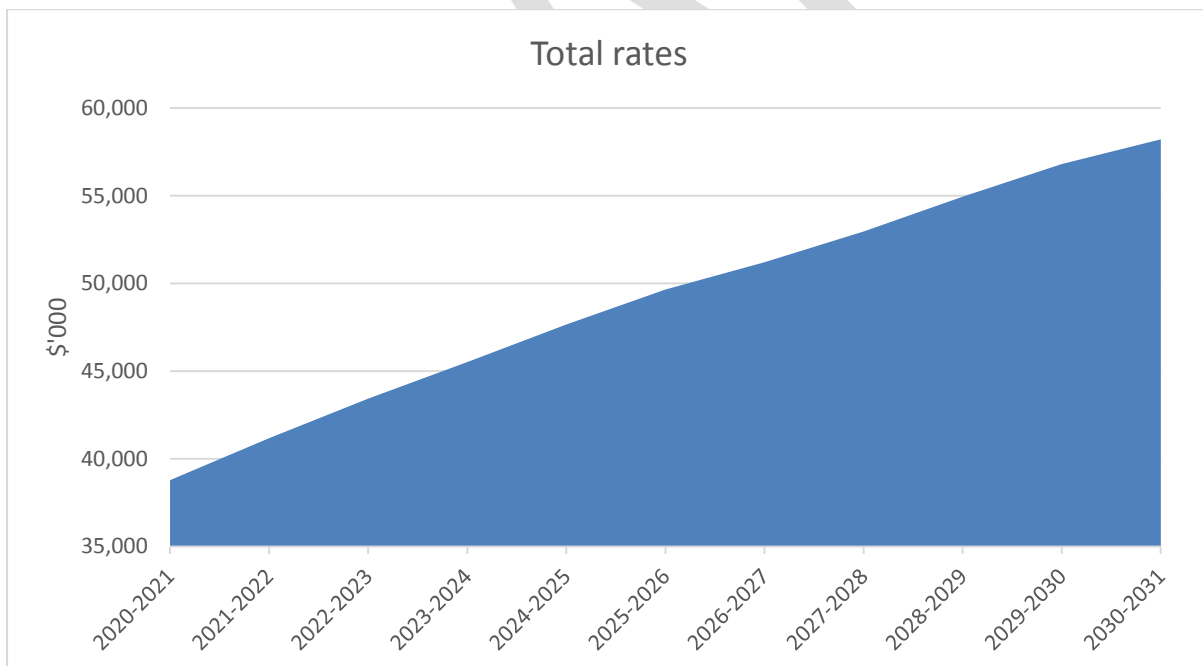
^b Net operating surplus/(deficit) is before recognising capital funding revenues (e.g. NZTA subsidies and development contributions)

Revenue sources 10 years

For the year ended:	Annual Plan	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
30 June	2020-2021	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

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 revenue	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

DRAFT

Auditor opinion / Whakaaro a te Kaiarotake

DRAFT